

The Social Consequences of Insecure Jobs

Stefani Scherer

Accepted: 21 December 2008 / Published online: 29 January 2009
© Springer Science+Business Media B.V. 2009

Abstract Forms of insecure employment have been increasing all over Europe in recent decades. These developments have been welcomed by those who argued that these types of flexible employment would not only foster employment but could also help women, in particular, to positively combine work and family life. This vision was questioned by others who argued that flexible employment could have negative consequences for both occupational prospects and private and family life since it is often associated with greater insecurity and poorer working conditions. Relatively little research has been dedicated to the “social consequences” of insecure employment and its specific implications for work-life reconciliation issues. This paper contributes to this topic by linking research that addresses work-life conflict to the wider body of work dealing with job insecurity. It investigates the consequences of certain employment contracts on private and family life, taking into account information on current family life, future family plans and general well-being. It provides a series of test relating to the extent to which negative consequences in these areas might be attributable to the type of employment contract and how these vary between European countries. Analysis using ESS data from 2004 for western European countries confirms that insecure employment is accompanied by more problematic “social and family” situations. These negative consequences are partly shaped by the specific context provided by the country in question.

Keywords Employment instability · Temporary jobs · Work and family conflict · Work-family conciliation

A more complete version of the paper is available here:
http://portale.unitn.it/bpmapp-upload/download/fstore/7f0000016c9f2f72_789144_11e8cf589ef_2fa9/SocialConsequences_of_InsecureJobs.pdf.

S. Scherer (✉)
Department of Sociology and Social Research, Trento University,
Via Verdi 26, 38100 Trento, Italy
e-mail: stefani.scherer@unitn.it

1 Introduction

Forms of so-called “flexible” employment, in most cases contracts of limited duration, have been growing in Europe in recent decades. This development was expected by some to make labour markets more flexible and the economic systems more effective, to increase employment and reduce unemployment, and, finally, to help (women in particular) to positively combine work and family duties. This vision was questioned by others who suspected that these forms of employment could have negative consequences not only for the occupational prospects but also for private and family life as they often involve greater insecurity, poorer working conditions and worse pay.

Research has largely concentrated on the aggregate economic effects of these changes, casting doubts on simple, straightforward relations between non-permanent employment and individual working lives or income. In particular, they have directed attention to considerable negative effects relating to career development and income levels (OECD 2003, 2006). Relatively little research has been dedicated to the “social consequences” of temporary employment and the specific contract’s implications for reconciliation issues, indicating that the particular situation may mediate the extent to which “flexible” employment helps or hinders the effective combination of work and family. This paper contributes to this topic by linking reconciliation issues and job insecurity research. It argues that it is important to enlarge the perspective focusing usually on economic and career outcomes of “flexible” or insecure¹ (which will be equated with fixed-term contracts for the purpose of this paper) for family and private life. The family is still absolutely central to the quality of people’s lives and is the stratifying institution for future generations (Esping-Andersen and Sarasa 2002). The inclusion of (subjective) indicators to assess more completely the consequence of flexible employment situations is the only way to address this issue and its possible effects on social cohesion in modern societies. Specifically, this paper investigates the consequences of fixed-term employment contracts on private and family life, including information on current family life, future family plans and general well-being. It provides a range of tests of the extent to which negative consequences in these areas which can be attributed to type of employment contract and then considers the manner in which these vary between European countries. The analysis draws on 2004 ESS data involving 16 western European countries.

2 Employment Contracts and Their “Social Consequences”

Research on combining work and family has so far underlined the importance of time spent at work for the emergence of negative externalities affecting family life (among others: Cousins and Tang 2004). Hence, flexible working hours, high autonomy in the organisation of working hours and especially part time work may facilitate reconciliation of work and family duties, but they are often accompanied by economic and career penalties. While the situation with regard to (reduced) working hours is relatively clear, it is much less so for

¹ In this paper “flexible” employment will be approached by looking at “external” flexibility, thus formal employment contracts. The scope is therefore limited to temporary employment in contrast to permanent one. The terms “temporary”, “fixed-term”, “non permanent” and “flexible” are used interchangeable and always refer to the kind of contract the dependent employee holds.

employment contracts. This paper focuses on the possible consequences² of employment contracts rather than on working hours.

The potentially “positive” contribution of flexible employment includes improved employment arising from increased labour demand, and for those in employment, enhanced “adaptability” of the work situation to family/private needs due to greater flexibility of employment (OECD 2002, p. 129).

As regards increased labour demand, one of the benefits thought to follow from labour market flexibilisation was that increased employment opportunities would facilitate continuous work participation over the life-course, including family-intensive phases. Non-permanent, short employment episodes could be seen as increasingly attractive given the trend towards more de-standardised or “patch work” life courses that no longer follow a so clear sequential order of life statuses (European Foundation 2008).

Though in specific cases the availability of temporary employment might increase employment chances for those who otherwise would/could not join the labour market, the general expectation that the introduction of flexible forms of employment would create additional jobs, including for groups of people with traditionally lower labour market attachment, seems not to be confirmed (OECD 2006; Kahn 2007).

Overall, the expansion of fixed-term employment has raised concerns that these jobs may constitute an additional source of insecurity and precariousness for workers and their families. The negative consequences of insecure jobs for future occupational prospects are well documented: temporary employees face greater career instability, higher unemployment risks, lower upward mobility chances and experience a considerable risk of remaining trapped in fixed-term employment (among others: OECD 2003; DiPrete 2005; Booth et al. 2002; Barbieri and Scherer 2009). The lower training investments by employers additionally contribute to diminishing employees’ long-term employability (Eurostat 2004). It is well known that lower remuneration (net of working hours and occupation) accompanies non permanent employment (OECD 2002). Taken together, these risks potentially lead to elevated risk of exclusion from employment and long-term economic penalties for fixed-term workers and their families.³ Efforts by the European Union to discourage such outcomes are motivated, to an important extent, by the desire to avoid precisely such negative social costs.

Equally well known is the fact that temporary employment is often accompanied by poorer working conditions and higher (subjectively assessed and objective) employment insecurity. On average, fixed-term contracts often involve physically heavy work, a higher risk of accidents and exposure to harmful substances. Such workers are subject to more monotonous and repetitive work, less work autonomy and stricter supervisory control. Non permanent employees in general work fewer hours but also have less control over decisions relating to working hours and are more often affected by “unsocial” working hours and changes in working time at short notice (irregular and unplanned working time, among others: OECD 2006, 2002; European Foundation 2001, 2008; Nolan et al. 2000; Burchell et al. 2002; Crompton 2002). Overall, temporary workers tend to be less satisfied with their job than permanent workers. Though working conditions are important, dissatisfaction focuses particularly on job insecurity (OECD 2002).

² The term “consequences” does not necessarily imply a causal relationship, which - in the strict sense - could not be tested with the proposed analysis. Consequently, also the term “explanation” refers to statistical explanation only.

³ The evaluation of fixed-term employment depends, obviously, on the chosen contrast. While economists often compare it to non- or unemployment sociologists tend to compare it to permanent employment.

Less favourable working conditions and poor career prospects are related to the fact that temporary employment is disproportionately concentrated in less favourable segments of the labour market and involves less qualified employment positions (though it should be noted that tertiary degree holders are increasingly subject to non permanent employment). However, it is also the case that inferior working conditions are also directly connected to the intrinsic job insecurity deriving from these contracts. Limited time horizons discourage the development of necessary skills and ability to benefit from on the job learning. In addition, employers invest less in training of their non-permanent staff. Such lower levels of engagement, when taken together with reduced working hours, may facilitate combining work and family life for those who decide to give priority to the family/private life. However, this is only at the cost of a substantial reduction in the likelihood of experiencing those forms of working conditions and experiences that are likely to maximise the level of satisfaction individuals derive from their working lives. The preferred equilibrium between work and family is obviously a question of (culturally shaped) values and preferences (Hakim 2000)—while some may be happy with a “low involvement” job and give priority to personal and family life, others could clearly suffer from the reduced career possibilities. However, recent publications underline the general importance of employment for the well-being of individuals in contemporary societies (OECD 2008).

Research concentrating on psychological and health related outcomes has revealed that the concrete working conditions, but also the contractual situation have a considerable impact on these psychological aspects and are associated with less favourable health outcomes (Gash et al. 2007; Wichert 2002; Burchell et al. 2002). The OECD (2008) reports a higher propensity for mental health problems among temporary (and other non-standard) employees, which in large part is mediated through lower satisfaction with these jobs and poorer working conditions.⁴ Economic stress and fear of job loss turn out to be key features of the precarious health situation of temporary contract workers.

To sum up: fixed-term employment, understood as (voluntarily chosen) “low involvement jobs”, might allow for a better combination of work and family duties, especially when combined with reduced working hours. However, it comes at the cost of less favourable working conditions and lower time autonomy, career penalties and economic disadvantages. Moreover, temporary employment contracts by definition incorporate a dimension of temporal and economic insecurity or even precariousness that in itself may lead to problems. From this perspective, the risk that insecure employment places increased stress and strain on families instead of facilitating work-life balance becomes a central concern.

3 Research Hypothesis and Some Methodological Remarks

This paper enlarges the focus on possible consequences of fixed-term employment for the family situation, as well as, more general indicators of life satisfaction and health. In order to cover a comprehensive range of dimensions of social and family life the paper investigates outcomes relating to a set of seven indicators. The main emphasis is on four family related indicators that cover aspects of work-family conflict such as the job preventing one from giving time to partner or family (F1); being too tired to enjoy things one would like to do at home (F2); family internal conflict (F3), measured as how often partners disagree about the amount of time spent at work or the division of housework

⁴ It should be noted, however, that the worst situation in terms of mental health is faced by those not working. In this context any job seems really to be better than no job.

and the fertility plans (F4). These family related indicators are complemented by more general indicators dealing with general life satisfaction (G1), health problems (G2) and economic problems at the household level (G3). More precisely, the following indicators are considered:

Indicator	Hypothesis: persons in insecure compared to permanent jobs	
Work family conflict: job prevents from giving time to partner or family	Have higher work-family conflict	H_F1
Too tired to enjoy the things at home	Are more often too tired	H_F2
Disagree with partner about housework and time spent at work	Disagree more often with their partner	H_F3
Plan to have a child in the near future (for those between 20 and 40 years)	Plan less children	H_F4
General life satisfaction and happiness	Have lower level of life- satisfaction	H_G1
Subjective health problems	Have more health problems	H_G2
Feeling about household income problems	Report more economic problems	H_G3

Consistent with the earlier discussion, an overall “negative” effect of temporary employment is expected compared to permanent employment for the selected indicators. As already noted, fixed-term employees show higher time strain. Therefore it might be that they report that they have less time to devote to the family (H_F1) or are too tired to enjoy things at home (H_F2), once controlled for overall lower working time of non permanent employees. As the boundaries between work and private life are rather permeable, a problematic employment situation also has an impact on family life and potentially exacerbates tension between partners (H_F3). The available indicator relates to how often partners disagree/argue on certain topics.⁵ The hypothesis concerning the importance of employment (and economic) security for fertility decisions is well established in the literature (Gonzalez and Jurado-Guerrero 2006; Blossfeld et al. 2005; Kohler et al. 2002), though empirical support is mixed. People in insecure employment are supposed to be less likely to plan children (H_F4). The idea is that individuals feel less confident to make long-term commitments such as marriage and parenthood. This uncertainty, however, may be mediated by institutional contexts. Among the general indicators, in line with previous findings, a lower overall satisfaction (H_G1), worse health conditions (H_G2) and higher perceived income problems (H_G3) are to be expected for temporary employees. In order to increase our understanding of why temporary employment may be associated with such negative effects, two “mechanisms” are proposed and empirically tested. Working conditions on the one hand and the higher intrinsic insecurity of temporary jobs on the other may be responsible for the negative spill over into in private and family life though fully disentangling such effects is unlikely to be an entirely straightforward matter.

Finally, institutional assets, particularly aspects of the welfare state and the regulation of the labour market, are expected to play a role in shaping the consequences of fixed-term employment. Possible negative externalities of insecure employment would be expected to be more widespread and to have greater impact on individuals where market employment is the main source of welfare for individuals and families but also in sub-protective welfare

⁵ It might be argued that the selected items are not ideal as they are basically time-related.

systems where social citizenship rights and entitlements are strictly proportional to labour attachment during the entire career. The institutional setting in previous research turned out to be decisive for the role the employment situation plays for fertility decisions (Esping-Andersen 2007). Section 4.3 is dedicated to the discussion of macro factors involved in shaping the role of temporary employment for social/family life.

After a brief description of the differences between permanent and temporary employment, the empirical analysis will first present combined analysis for all nations for the social consequences of temporary employment. The analysis is then extended to consider the role of institutional factors for shaping the consequences of the contractual situation.

For the purpose of the present paper, insecure employment, i.e. temporary or fixed-term employment, is defined through the type of employment contract individuals report for their current employment. It is contrasted with permanent contracts and the analysis is confined to dependent employees.⁶ Notwithstanding this apparently simple definition, given the diversity of employment regulation in European countries, these contracts may assume different meanings. Temporary contracts have to be read in the context of the strictness of employment protection legislation (EPL) of regular employment: where EPL is low, the distinction between temporary and permanent contracts is not particularly relevant (for example in the UK or Ireland). This is a fact that is partly reflected in the unequal growth of flexible employment across countries.

Our empirical analyses draw on the second round of the European Social Survey (ESS) from 2004⁷ and include all available countries except France and eastern European countries, that is: Austria, Belgium, Switzerland, Germany, Denmark, Spain, the Netherlands, Finland, Great Britain, Ireland, Greece, Luxembourg, Norway, Portugal, Sweden, and Italy.⁸ Information on employment contracts is not available for France. The present selection allows us to cover the different welfare and market regulation regimes. Eastern European countries represent a different economic and social reality due to their distinctive historical situation and their particular institutional configuration (Gallie et al. 2001). As this paper does not aim to make *in primis* an institutional comparison but limits its focus to relatively similar, comparable countries within the “advanced economies”, these countries will not be included in the empirical analysis.

Following the recommendation of ESS, design-weights are applied to adjust for the partially different sample strategies. For obvious reasons, the paper is limited to the working population. The analysis is limited to dependent employment and the age distribution is restricted to 20–60 year olds,⁹ except for the indicator concerning fertility plans where the focus is on the core reproductive age, between 20 and 40.

Most of the “outcome-indicators” relating to social consequences are based on single items. Two indicators are based on the combination of two items (which proved to represent the same dimension): the measure for general satisfaction is based on items relating to general satisfaction and happiness, while the measure of disagreement between the couple is based on two items dealing with the frequency of disagreement on the division of

⁶ We should be aware that the weight of dependent employment within the national economies varies considerably between the countries.

⁷ In most cases data was collected in 2004 and early 2005, except Italy where it was collected in 2006.

⁸ Italy followed a different sampling strategy than the other countries, which for some analyses leads to relatively small sample sizes.

⁹ To restrict the analysis to persons not older than sixty avoids dealing with variation in retirement age in different countries or between men and women.

house-work and the amount of time spent at work. Of course, some indicators are relevant only to sub-groups. For example, only those with a partner or family¹⁰ can disagree with their partners or fail to dedicate enough time to them. Depending on the measurement level of indicators, different types of regression models are employed (logistic, ordered logit or OLS regression). This implies that the reported coefficients are not always directly comparable across the different indicators. Separate analysis for men and women is necessary for the analysis of planning in relation to fertility decisions.

In addition to socio-demographics (gender and age) and information on the employment situation like hours effectively worked and the skill level of the occupation (a measure based on tri-partition of ISCO score) working conditions and employment security are central for the understanding of the mechanisms behind possible effects of fixed-term employment. The data allows consideration of the following working conditions: work autonomy (decide place and pace of work), atypical working hours (overtime and evening/nights), time strain (never enough time to get thing done) and work variety. Job security is measured by means of the subjective assessment of job security.¹¹

Single level models pooled for all countries, controlling for a country baseline effect are presented.¹² Possible institutional factors shaping the effects of fixed-term employment are dealt with in a subsequent section, controlling for a series of macro variables.

It should be stressed that it is not the purpose of this paper to provide a full account of the factors influencing outcomes for the selected indicators, but rather to investigate the impact of employment contract on the seven indicators. In order to handle the increased number of “outcome-dimensions” and models confronted, reported numbers are restricted to those strictly necessary. Nonetheless, Table 5 in the Appendix (www.esri.ie) reports a full model for all indicators.

4 Empirical Results

4.1 Incidence of Temporary Work and the Combination with Working Conditions

The incidence of fixed-term contracts varies considerably between EU countries, ranging from 7% in Switzerland to 24% in Spain (based on ESS data),¹³ as can be seen from Table 1. It is beyond the scope of this paper to explain levels of fixed-term contracts and the manner in which they vary across counties. Such information serves as a background to our analysis (OECD 2002, 2004, 2006; Esping-Andersen and Regini 2000). A comparison of temporary and permanent dependent employment with respect to employment situation and working conditions reveals some interesting differences, but basically confirms

¹⁰ The use of “family” is ambiguous as it may refer to a role as parent or child.

¹¹ Question: “My job is secure: not at all true, a little true, quite true, very true”.

¹² Given the data structure, it would seem obvious to opt for a multilevel modelling strategy. However, detailed (multilevel) analysis (though it is difficult to assume normal distribution with only 16 cases) reveals that the phenomenon under study is very much micro-level driven in the sense that the variance on the country level is very low, in some case even nonexistent and just for two cases (overall satisfaction and subjective assessment of household income problems) accounts for almost 10% of the total variance. Further, the effects of fixed-term employment do not vary substantially between the different models and we hardly find significant results for random slopes—that are due to single countries.

¹³ It should be noted that this data is clearly not the most adequate one to create labour market statistics. The age selection (20–60) and the fact that the analysis refers to all employed, may partly explain deviations from official statistics.

Table 1 Incidence of temporary employment, employment situation, working conditions and job security by contract

	DE	AT	NL	BE	CH	LU	ES	IT	PT	GR	SE	NO	FI	DK	GB	IE
Share of temporary job among all employed (%)																
	14	9	12	10	7	9	24	13	18	12	15	11	22	13	9	11
Dependent employees only, all countries																
Range																
Permanent																
Temporary																
Sig. diff.																
<hr/>																
<i>Employment situation</i>																
Skill level (isco)																
% high skilled										43			29			***
% low skilled										16			25			***
Supervision										34			15			***
Sector										71			70			***
Working hours										19			26			***
<i>Mean values</i>																
Working hours contract										35.22			33.40			***
Working hours normally worked										38.39			36.06			***
Income share									1-7 (all)	4.53			3.55			***
Female share									0-1	0.51			0.54			***
<i>Working conditions</i>																
Work																
Autonomy											5.05		4.13			***
Atypical working											2.74		2.54			***
Time																
Time strain											2.78		2.94			***
Variety											2.93		2.66			***
Security																
Subjective job security											2.97		2.20			***

ESS 2nd round; bivariate correlations

Significances: * 10%, ** 5%, *** 1% level

documented findings (see the discussion of literature). Table 1 contains the details. Fixed-term employment is concentrated among the low and medium skill levels, while differences between sectors are minimal. Women are slightly over-represented. Non-permanent employees are less frequently in supervisory positions and in general work fewer hours, both by contract and de facto. Temporary employees contribute a much smaller proportion to the overall household income than is usually the case for permanent employees. Furthermore, with respect to working conditions, fixed-term contracts offer less work autonomy, higher time strain and less variety, but also less atypical working hours, basically less overtime. Interestingly, these differences persist when controlling for the qualification level of occupation and working hours. As is to be expected, assessed job security is considerably lower among temporary employees who on average consider it to be “a little true” that their job is secure, while among those who hold a permanent contract this is generally seen to be “quite true”. This difference by contract status is uniform across all 16 countries, with relatively little difference in the assessment of job security among fixed-term employees between countries.

4.2 The Consequences of Insecure Employment

Focusing on the possible “social consequences” of non-permanent employment, on a purely descriptive level, the situation of temporary employees seems to be more problematic in relation to some of the indicators. Fixed-term employees’ family life is no worse in terms of time strain than that of permanent employees and they are no more likely to feel too tired to enjoy things at home. However, persons in insecure employment relations seem to disagree slightly more with their partner, and men in fixed-term employment are significantly less disposed to become a father in the near future. General life satisfaction and happiness is significantly lower among temporary employees, and they perceive their household income situation as much more problematic, which may be seen as indicating that there is an accumulation of problematic employment situations within the household rather than a compensating pattern. No differences exist for health situation (Table 2).

As shown above, contracts vary with regard to employment situation, such as working hours or skill level. Both are obvious candidates for explaining some of the differences between contracts or revealing differences not visible in the descriptive analysis. It seems most likely that non-existent differences in the largely time-strain-based indicators such as “no time” and “too tired” are due to overall lower working hours of temporary employees. Their lower qualification level may influence satisfaction and the economic indicator. The most important issue, however, is to what extent differences between contracts can be attributed to different working conditions or to different levels of perceived job security. Table 3 presents the effects of fixed-term employment on the chosen set of indicators in a variety of multivariate models. In order to control for composition effects, the models successively add the various control variables. Model 0 reproduces the descriptive statistics, model 1 controls for countries, gender and age. Model 2 (M2) adds the total working hours effectively worked in the reference week and the skill level of the job (high, medium or low). Model 3 adds working conditions to M2 (work autonomy, variety, time strain, atypical working time), and Model 4 instead adds the subjective job security to M2. This strategy was chosen to test whether working conditions, or rather the intrinsic insecurity of these jobs, are responsible for the possible negative effects of fixed-term employment. Finally, Model 5 puts everything together. As mentioned earlier coefficients are not strictly comparable across indicators but only between models utilising the same indicator. For space reasons Table 3 reports only the parameter of main interest: fixed-term

Table 2 “Social consequences” of fixed term contracts (mean values)

(Social) Consequences		Range	Permanent	Temporary	Difference	Sig. diff.
<i>Family</i>						
No time for family	Job prevents from giving time to partner or family	1–5	2.62	2.62	0	
Too tired	Too tired to enjoy the things at home	1–5	2.89	2.88	−0.01	
Disagree partner	Disagree with partner about homework and time spent at work (index 2 items)—those with partner	1–17	2.11	2.20	+0.09	***
Plan child	Plan to have child within next 3 years—those between 20 and 40 years	0–1	0.29	0.28	−0.01	
	Men%		32.3	27.2	−5.1	***
	Women%		26.7	28.8	+2.1	
<i>General</i>						
Satisfaction	General life satisfaction and happiness (2 items)	1–10	7.21	6.87	−0.34	***
Health problems	Subjective health problems (5: bad)	1–5	2.09	2.09	0	
Household income problems	Feeling about household's income situation (5: problems)	1–5	1.83	2.09	+0.26	***

ESS 2nd round; bivariate correlations

Significances: * 10%, ** 5%, *** 1% level

Table 3 Effect of fixed term employment on family life and overall well-being

	M0	M1 (Countries, sex, age age2)	M2 (M1 + skilllevel, workhours)	M3 (M2 + working conditions)	M4 (M2 + employment security)	M5 (all)
No time for family	0.029	0.049	0.161***	0.177***	0.081	0.095
Too tired to enjoy	0.003	0.014	0.037	0.035	-0.006	0.006
Disagree partner	0.112***	0.064	0.093***	0.133***	0.089*	0.110**
Plan child-men	-0.268***	-0.383***	-0.419***	-0.100	-0.017	-0.015
Plan child-women	0.125	-0.438***	-0.464***	-0.385**	-0.302*	-0.309*
Satisfaction	-0.408***	-0.409***	-0.390***	-0.209***	-0.109**	-0.113**
Health problems	0.018	0.096***	0.085***	0.034	0.009	0.012
HH income problems	0.728***	0.644***	0.597***	0.402***	0.287***	0.281***

Coefficients of temporary employment (ref. permanent). See Table 5 in the Appendix for details

ESS data 2nd round

Significances: * 10%, ** 5%, *** 1% level

Given the different statistical models coefficients are not directly comparable among indicators

contract relative to permanent employment, but Table 5 in the Appendix (www.esri.ie) contains details of the full model (M5) for the seven indicators. As can be seen there, working time, skill-level and working conditions as well as assessed employment security not only mediate the effects of fixed-term employment but are also directly relevant for the explanation of outcomes relating to indicators for the social and private life. Differences exist between the 16 countries with regard to the seven indicators, which, however, does not necessarily imply different effects of fixed-term employment across countries.

Beginning with the indicators on family life, controlling for working hours, shows that people in insecure employment relations tend to suffer slightly higher levels of time strain, i.e. they report having less time for their family than permanent employees. Controlling for subjectively assessed job security, this difference declines, but this reduction is not accounted for by working conditions. Type of employment contract has no effect on being too tired from work to enjoy things in life. Working conditions instead underlie the higher (but still small) tendency of fixed-term employees to disagree with their partner, which initially seemed to be due to demographics. Finally, the family formation intentions of men are shaped by working conditions and assessed employment security rather than the type of contract as such. On the basis of this analysis, it is not possible to decide which of the two factors is mainly responsible for the around 1.5 times lower probability (Table 3 model 1, effect for both sexes) of fixed-term workers to plan for a child in the near future, as they seem equally important for explaining differences. The picture is more clear-cut for men, for whom working hours also play a role. For women, differences between contracts remain after holding constant working conditions or employment security. Perceived employment security seems to play a slightly more important role in shaping the effect of fixed-term contracts. It should be noted that the reported coefficients refer to first births as the models control for existing children (which exerts a negative effect on additional planned children) and an interaction-term for higher order birth and contracts, as can be seen from Table 5 in the Appendix. This distinction is especially relevant for women. Mothers have a slightly higher likelihood to opt for an additional child when they are in fixed-term employment. A possible explanation relates to the different preferences of the working mothers.

Hypothesis: Persons in insecure jobs...		Confirmed?
H_F1	Have higher work-family conflict	Yes (net of working hours), due to insecurity
H_F2	Are more tired	No
H_F3	Disagree more often with partner	Yes, but small differences
H_F4	Plan less children	Yes, but only for first child for men due to working conditions/insecurity
H_G1	Have lower level of life-satisfaction	Yes
H_G2	Have more health problems	Yes, but very small differences, due to working conditions
H_G3	Report more economic problems	Yes

Looking at the set of indicators concerning the more general situation, employment security turns out to be central also for the overall satisfaction in life. Once we have controlled for the level of assessed job security, the initially lower satisfaction of fixed-term employees declines considerably. Although working conditions play a crucial role with regard to life satisfaction, they explain rather less of the differences between permanent and temporary employees. The somewhat poorer health conditions of those in instable

employment (net of gender and age) can be attributed to working conditions or job security equally. The relatively strong differences with regard to the subjective income situation of the household in favour of permanent employees persist across all models. Interestingly, skill level and working hours add little to the explanation of these differences, but the observed effects are reduced significantly when we control for working conditions and are more than halved by the inclusion of job security. Thus, the possibly problematic higher insecurity of fixed-term contracts is accentuated by economic disadvantage.

Overall, net of the employment situation, working conditions and assessed job security (M5), temporary jobs are associated with a higher level of tension between partners. People in temporary jobs disagree more often with their partner, have a lower likelihood of wishing to have a first child but a higher likelihood of planning for a second one for women, significantly lower overall life-satisfaction and happiness and persistent economic disadvantage at the household level (at least perceived so by the individual). Net of working conditions, they experience a slightly higher propensity to experience time strain and thus to report having too little time for the family is also revealed.

The decision as to whether it is working conditions or rather the intrinsic insecurity of temporary contracts that is responsible for differences in outcomes concerning the range of indicators we have considered is not completely straightforward. However, overall, employment security appears to be the most important factor contributing to the observed differences. This assessment derives particular support from the analysis relating to general satisfaction and happiness, and the household's income problems, where differences between fixed-term and permanent contracts are explained by job insecurity or are at least significantly reduced. Working conditions add less to the explanation of differences, which suggests that it is precisely the insecurity of fixed-term contracts that primarily contributes to less favourable outcomes.

4.3 The Importance of Institutions

So far, average effects for the 16 western European countries have been presented. As mentioned earlier, there is reason to expect that institutions are important for the manner in which insecure employment affects social and family-life. Consequently, we proceed to investigate the impact of macro contexts on the effects of temporary employment. The focus of interest is interaction between institutional settings and the manner in which type of contract affects the indicators, and not on the level difference between the countries. In order to single out specific macro dimensions and their interaction with the consequences of temporary employment, rather than inspecting single countries, a series of macro-indicators is examined. The aim is to include dimensions of the welfare state through policies and economic indicators, and to cover social/family as well as labour market aspects. Specifically, the following four macro-indicators are selected: a measure of the welfare state intervention (WSI is an index that takes into consideration child care facilities, maternity leave regulations and the size of the public sector, Mandel and Semyonov 2005),¹⁴ the extent of unemployment protection measured by unemployment replacement rates (OECD 2007), the unemployment rate in 2004 (OECD 2007), and finally the overall employment protection legislations (EPL scores for all employees, OECD 2004, Version 2). These macro factors influence on the one hand the significance of diverse contracts within the national context, as in the case of EPL. In fact, fixed-term employment has

¹⁴ The value for Switzerland is estimated by Germany. The values for Luxembourg on EPL and unemployment protection are estimated by Switzerland.

always been promoted as an answer to particularly strong labour market regulation. Where “standard-employment” is highly regulated, the risks attached to temporary jobs are relatively higher. One may therefore expect that the higher the degree of general labour market regulation the more pronounced should be the difference between fixed-term and permanent contracts with regard to work-family tensions. On the other hand, macro-factors shape the possible risks attached to different employment situation, either through the economic circumstances, as in the case of overall unemployment risks, or through the intervention of the welfare state which to some extent buffers negative consequences, as in the case of unemployment protection. High unemployment levels increase the threat of unemployment for all. While for temporary workers, it diminishes the prospect of re-employment, the threat of redundancy also increases for permanent employees. Nonetheless, we know that non-standard employees are disproportionately affected by economic cycles. Consequently, high unemployment might exacerbate the negative consequences of fixed-term employment, except in relation to those indicators which turned out to be particularly related to subjective job insecurity (thus “satisfaction”) since in times of high unemployment job insecurity, i.e. the risk of job-loss, also increases for “standard-employees”. The extent of unemployment protection contributes to shaping the economic consequences of job instability. In countries with relatively high unemployment protection the (economic) risks associated with a job loss—the main disadvantage associated to fixed-term employment—are lower. High replacement rates should thus help to diminish difference between contract situations. Welfare state intervention instead is a more general instrument designed to help all families to reconcile work and family. Overall, the employment contract should be less important, especially for directly family-related indicators, where the state invests in this fashion.

Table 4 contains the relevant results. The selected four single macro-level indicators are z-standardised in order to facilitate interpretation and comparison of coefficients, and are included in the same model, which proved possible without noteworthy distortion of the single indicators.¹⁵ Reported coefficients are net of socio-demographics, employment situation (working hours, qualification level), working conditions, and assessed employment security. Fertility plans are limited to first births. It should be mentioned that results remain basically the same when not controlling for working conditions and job security.

The empirical results contain some support for prior expectations, though interpretation in any case should be cautious given the cross-sectional analysis of only 16 countries/macro contexts. The main effects of the macro dimensions are interesting. High EPL seems to lower tension for and within families, but is also associated with lower satisfaction and slightly higher income and health problems. In line with the expectations, in high EPL countries temporary employees report higher household income problems and in general are even less satisfied with their situation. High unemployment protection is associated with a positive effect on life satisfaction and lower household income problems, but also slightly worse health conditions. For women it strengthens the negative impact of fixed-term employment in relation to fertility intentions (first child), possibly because higher replacement rates guarantee more economic stability, but at the same time comes with higher income problems for those currently in temporary employment. A high unemployment rate, as is to be expected, is associated with higher time strain and tensions within families, increases in general income problems and (very slightly) with health problems. Furthermore, where unemployment is high, temporary employees are equally satisfied with

¹⁵ Obviously macro indicators are correlated with each other: the largest correlation exists between EPL and unemployment rate with .57, but no signs of multi-collinearity are found in the multivariate models.

Table 4 Effects of the institutional context and work contract on “social consequences”

	Notime	Totired	Disagree	Plan child men	Plan child women	Satisfaction	HH income problems	Health
Fix-term employment	0.077	0.077	0.091	0.147	-0.231	-0.098**	0.216***	0.016
EPL	-0.200***	-0.200***	-0.085***	0.024	0.072	-0.207***	0.123***	0.095***
Unemployment protection	0.022	0.022	-0.023	0.110	-0.012	0.144***	-0.130***	0.087***
Unemployment rate	0.222***	0.222***	0.088***	-0.020	-0.001	-0.017	0.244***	0.045***
WSI	0.044***	0.044***	0.063***	0.140**	0.194**	0.190***	-0.242***	-0.050***
Fix × EPL	-0.008	-0.008	-0.055	0.016	-0.105	-0.098*	0.227***	-0.010
Fix × unemployment prote	-0.019	-0.019	0.103	-0.143	0.420*	-0.040	0.278***	0.010
Fix × unemployment rate	-0.073	-0.073	0.073	-0.241	0.088	0.150***	-0.098	-0.037
Fix × WSI	-0.029	-0.029	-0.056	-0.105	0.074	0.117***	-0.075	0.011
N	9,623	10,517	7,488	2,739	2,475	10,502	10,504	10,528
(Pseudo) R2	0.05	0.09	0.05	0.06	0.12	0.13	0.09	0.08

ESS data 2nd round, Models control for socio-demographics, employment situation, working conditions, and subjective work security

Significances: * 10%, ** 5%, *** 1% level

Macro variables are z-standardised. Rang of the “macro” variables (before standardisation): WSI 0.18 (IRL)—1 (SE), unemployment protection 0.22 (IT)—0.70 (DK), unemployment rate 4.1 (CH)—10.5 (GR), EPL-score 0.7 (GB)—3.8 (PT)

their situation as permanent employees. A possible interpretation suggests that this involves a lowering of expectations as they find themselves content to at least have a job, given the threat of unemployment. Welfare state intervention appears able to neutralise the negative effect of non-stable employment on satisfaction, but does not alter the remaining effects. The level of welfare state intervention turns out to be directly relevant (main effects) for all seven social indicators, clearly helping to create a more positive situation for family and private life. The welfare state thus once again proves to be important in shaping individual- and family-life, though it only marginally affects the social consequences of non-stable employment.

5 Summary and Conclusions

The aim of this paper was to broaden the usual perspective on insecure employment by looking at “social consequences” involving a set of seven different indicators covering family-life, like planned fertility events, tension with the partner, lack of time to devote to the family and tiredness, and more general aspects like overall life-satisfaction and happiness, economic and health problems.

Research has thus far informed us about the possible negative consequences of temporary jobs for employment careers and economic situation, the concentration of insecure employment in certain labour market segments and its combination with inferior overall working conditions. Relatively little has been known about the social consequences. On the one hand, temporary employment has been proposed as a means to help families (de facto: women) to reconcile work and family duties, on the other hand there are strong reasons to expect an increase in conflict and strain for families through the increasing levels of insecure employment relations. This paper brings together concern with the consequences of insecure employment situations and a focus on work-family conflict issues. Specifically, the association of fixed-term employment with the seven “social” indicators was analysed for employees in 16 western European countries.

Temporary employment, over and above its association with inferior working conditions and intrinsic insecurity, contributes to the creation of problematic situations in relation to family and private life. It thus seems justified to talk about negative “social consequences” of insecure employment. Specifically, we find temporary employees to be less likely to intend to have children in the future, to have relatively less spare time for their family and to experience a higher level of conflict with their partner. Furthermore, general life satisfaction and well-being is clearly lower and the perceived household income situation is worse. It is not possible to interpret these differences in a strictly causal fashion as deriving from contractual status. This is particularly true given that most of these differences can be attributed to the mediating role of either working conditions or assessed job instability. However, differences exist across a range of important aspects both of everyday life and they affect the possibility of planning and organising a satisfactory future. The range of difficulties that arise included work satisfaction, lack of time for one’s family, household income problems, family conflicts and finally child birth planning. Thus, temporary contracts do not seem to facilitate a satisfactory reconciliation of work and family life, but rather exacerbate levels of conflict, dissatisfaction and economic pressure and in this way create new disequilibria.

The situation is more tricky when it comes to assessing the role of institutional assets in shaping the differences between the overall quality of the “balance between work and family” of fixed-term and permanent employees. Overall, macro aspects are of rather

limited importance for both explaining and altering the effects of fixed-term employment—a finding that was already suggested by the small country differences in the effects of employment contract. This indicates that explanations of variation on outcomes relating to the seven indicators of the quality of private life must be predominantly sought at the level of micro-mechanisms. Nonetheless, our macro analyses indicate that institutional assets still exert a certain impact on family life and work-family conflict. The family situation is affected by the level of welfare state intervention and unemployment protection, thus a measure for welfare generosity, economic crisis adds strain on families and labour protection plays an ambiguous and contradictory role in relation to economic and family lives. Overall, the costs attached to unstable employment are rather independent of institutional arrangements, but economic problems of insecure jobs seem accentuated in high unemployment protection and in high unemployment countries.

To conclude, our analyses show that deregulated employment, which for at least two decades in Europe was a major component of the neo-liberal political economy, based on an “equality-occupation” trade-off, though it was not able to reach its proclaimed goals in terms of employment growth and economic efficiency, was instrumental in fostering inequality within the labour market, between households and thus within the society, potentially undermining social cohesion in post-modern societies.

Acknowledgments This paper was produced as part of the Economic Change, Quality of Life and Social Cohesion (EQUALSOC) Network of Excellence, funded by the European Commission (DG Research) as part of the Sixth Framework Programme. See editors’ introduction for further details. I would like to thank the three anonymous reviewers and the editors for their valuable comments.

Appendix

Indicators used

Too tired to enjoy life: How often do you feel too tired after work to enjoy the things you would like to do at home? Never, hardly ever, sometimes, often always.

No time: How often do you find that your job prevents you from giving the time you want to your partner or family? Never, hardly ever, sometimes, often always.

Disagree with partner-index: “Couples sometimes disagree about household and family issues. Using this card, how often do you and your husband/wife/partner disagree about ...how to divide house-work? ...the amount of time spent on paid work?”

Plan child: Do you plan to have a child within the next 3 years? Definitely not, probably not, probably yes, definitely yes.

Satisfaction-index: All things considered, how satisfied are you with your life as a whole nowadays? Taking all things together, how happy would you say you are?” (scale from 0 to 10).

Health: How is your health in general? Would you say it is very good, good, fair, bad or very bad?

Household income problems: Which of the descriptions comes closest to how you feel about your household’s income nowadays? Living comfortably on present income, coping on present income, finding it difficult on present income, finding it very difficult on present income.

Table 5 Full models (M5) for the seven indicators

	Notime Ordered logit		Tootired OLS regression		Discuss OLS regression	
	Coeff	Std.err	Coeff	Std.err	Coeff	Std.err
Fix-term employment (ref. permanent)	0.095	0.064	0.006	0.030	0.110	0.050**
Woman (ref. man)	0.087	0.041**	0.193	0.019***	0.010	0.030
Age (in years)	0.059	0.014***	0.014	0.006**	0.004	0.011
Age squared	-0.001	0.000***	0.000	0.000**	0.000	0.000*
Work security (subj. assessed)	-0.134	0.021***	-0.044	0.010***	-0.023	0.015
Work autonomy	-0.040	0.008***	-0.030	0.004***	0.019	0.006***
Work time strain	-0.386	0.018***	-0.200	0.008***	-0.092	0.013***
Work variation	-0.018	0.024	-0.013	0.011	0.007	0.017
High skilled profession	0.228	0.043***	0.042	0.020**	0.090	0.031***
Low skilled profession (ref. medium)	0.111	0.060*	0.047	0.028*	-0.051	0.042
Working hours (total hours worked)	0.046	0.002***	0.012	0.001***	0.001	0.001
DE (ref. GB)	0.097	0.097	0.060	0.047	-0.041	0.071
AT	-0.010	0.107	0.017	0.051	0.070	0.076
NL	-0.066	0.104	-0.230	0.050***	-0.181	0.074**
BE	0.114	0.106	-0.088	0.051*	0.034	0.077
LU	-0.304	0.108***	-0.099	0.049**	0.178	0.077**
CH	-0.242	0.100**	-0.111	0.048**	-0.119	0.073
ES	-0.353	0.112***	-0.170	0.054***	0.088	0.084
IT	-0.490	0.150***	-0.130	0.073*	0.343	0.118***
PT	-1.167	0.115***	-0.616	0.055***	-0.310	0.084***
GR	-0.182	0.135	-0.163	0.061***	-0.377	0.095***
SE	-0.093	0.098	0.059	0.047	-0.005	0.071
NO	-0.295	0.098***	-0.149	0.048***	0.089	0.072
FI	0.470	0.102***	-0.038	0.048	0.507	0.072***
DK	-0.272	0.106***	-0.068	0.051	0.010	0.076
IE	-0.499	0.120***	-0.309	0.055***	-0.238	0.087***
Intercept (s)	-0.591		2.980		2.527	
	0.766					
	2.581					
	4.985					
R ²			0.105		0.065	
Pseudo R ²	0.057					
N	9,623		10,517		7,488	

Table 5 continued

	Plan child: men Logit		Plan child: women Logit	
	Coeff	Std.err	Coeff	Std.err
Fix-term employment (ref. permanent)	-0.015	0.156	-0.309	0.168*
Has already child(ren) (ref. no child)	-0.437	0.102***	-0.863	0.122***
IA: Fixed-term \times child(ren)	0.173	0.272	0.611	0.262**
Age (in years)	1.114	0.094***	1.491	0.114***
Age squared	-0.019	0.002***	-0.027	0.002***
Work security (subj. assessed)	0.120	0.049**	0.060	0.056
Work autonomy	0.007	0.019	0.043	0.022*
Work time strain	0.003	0.041	-0.065	0.045
Work variation	0.149	0.053***	-0.016	0.062
High skilled profession	0.219	0.102**	0.312	0.111***
Low skilled profession (ref. medium)	0.176	0.126	-0.293	0.196
Working hours (total hours worked)	-0.006	0.005	0.012	0.005**
DE (ref. GB)	-0.499	0.241**	0.262	0.273
AT	-0.274	0.271	0.564	0.288**
NL	-0.172	0.244	0.751	0.272***
BE	-0.242	0.238	0.478	0.265*
LU	0.085	0.216	0.635	0.264**
CH	-0.016	0.228	0.870	0.253***
ES	0.151	0.237	0.605	0.273**
IT	-0.544	0.366	0.555	0.405
PT	0.199	0.259	0.464	0.276*
GR	-0.371	0.299	0.612	0.326*
SE	0.261	0.225	1.164	0.260***
NO	-0.229	0.232	0.977	0.259***
FI	-0.112	0.232	0.934	0.263***
DK	-0.061	0.259	0.977	0.274***
IE	-0.777	0.305**	0.197	0.289
Intercept	-16.90		-21.48	
Pseudo R ²	0.084		0.210	
N	2,739		2,475	

Table 5 continued

	Satisfaction OLS regression		H. Income problems Ordered logit		Health problems OLS regression	
	Coeff	Std.err	Coeff	Std.err	Coeff	Std.err
Fix-term employment (ref. permanent)	-0.113	0.046**	0.281	0.065***	0.012	0.023
Woman (ref. man)	0.063	0.030**	-0.085	0.043**	-0.001	0.015
Age (in years)	-0.034	0.010***	0.069	0.014***	0.001	0.005
Age squared	0.000	0.000***	-0.001	0.000***	0.000	0.000**
Work security (subj. assessed)	0.131	0.015***	-0.180	0.022***	-0.025	0.008***
Work autonomy	0.048	0.006***	-0.080	0.009***	-0.008	0.003***
Work time strain	0.101	0.013***	-0.131	0.018***	-0.032	0.006***
Work variation	0.217	0.017***	-0.179	0.024***	-0.044	0.008***
High skilled profession	0.083	0.032***	-0.753	0.045***	-0.109	0.016***
Low skilled profession (ref. medium)	0.009	0.043	0.183	0.060***	0.047	0.021**
Working hours (total hours worked)	-0.004	0.001***	-0.014	0.002***	-0.002	0.001***
DE (ref. GB)	-0.181	0.073**	0.314	0.102***	0.345	0.036***
AT	0.214	0.079***	-0.104	0.111	0.011	0.039
NL	0.301	0.078***	-0.365	0.110***	0.256	0.038***
BE	0.271	0.079***	-0.073	0.112	0.067	0.039*
LU	0.410	0.077***	-0.542	0.110***	0.173	0.038***
CH	0.589	0.075***	-0.138	0.108	-0.070	0.037*
ES	0.237	0.083***	-0.361	0.118***	0.280	0.041***
IT	-0.563	0.114***	0.277	0.157*	0.358	0.056***
PT	-0.759	0.085***	0.785	0.117***	0.433	0.042***
GR	-0.306	0.095***	1.308	0.132***	-0.401	0.047***
SE	0.461	0.074***	-0.647	0.106***	0.060	0.036
NO	0.473	0.075***	-0.645	0.107***	0.038	0.037
FI	0.686	0.075***	0.470	0.104***	0.157	0.037***
DK	1.043	0.080***	-1.382	0.124***	-0.088	0.040**
IE	0.554	0.085***	-0.838	0.123***	-0.225	0.042***
Intercept (s)	6.683		-2.119		1.980	
			0.609			
			2.855			
R ²	0.154				0.119	
Pseudo R ²			0.108			
N	10,502		10,504		10,528	

ESS data 2nd round

Significances: * 10%, ** 5%, *** 1% level

References

- Barbieri, P., Scherer, S. (2009). Labour market flexibilisation and its consequences in Italy. *European Sociological Review* (forthcoming).
- Blossfeld, H. P., Klijzing, E., Kurz, K., & Mills, M. (2005). *Globalization, uncertainty, and youth in society. Becoming an adult in uncertain times*. London: Routledge.
- Booth, A., Francesconi, M., & Frank, J. (2002). Fixed-term jobs: Stepping stones or dead ends? *The Economic Journal*, 112(480), 189–213.
- Burchell, B., Lapido, D., & Wilkinson, F. (Eds.). (2002). *Job insecurity and work intensification*. London: Routledge.
- Cousins, C. R., & Tang, N. (2004). Working time and work and family conflict in the Netherlands, Sweden, and the UK. *Work, Employment & Society*, 18(3), 531–549.
- Crompton, R. (2002). Employment, flexible working, and the family. *British Journal of Sociology*, 53(4), 537–558.
- DiPrete, T. (2005). Labour markets, inequality and change. A European perspective. *Work and Occupations*, 32(2), 119–139.
- Esping-Andersen, G. (2007). *Family formation and family dilemmas in contemporary Europe*. Bilbao: Fundacion BBVA.
- Esping-Andersen, G., & Regini, M. (Eds.). (2000). *Why deregulate labour markets?*. Oxford: Oxford University Press.
- Esping-Andersen, G., & Sarasa, S. (2002). The generational conflict reconsidered. *Journal of European Social Policy*, 12(1), 5–21.
- European Foundation for the Improvement of Living and Working Conditions. (2001). *Third European Survey on Working Conditions*. Luxembourg: Office for Official Publications of the European Communities.
- European Foundation for the Improvement of Living and Working Conditions. (2008). *Flexibility and security over the life course*. Luxembourg: Office for Official Publications of the European Communities.
- Eurostat. (2004). *Flexibility, security and quality in work. Employment in Europe*. Brussels: Eurostat.
- Gallie, D., Kostova, D., & Kuchar, P. (2001). Social consequences of unemployment: An East–West comparison. *Journal of European Social Policy*, 11, 39.
- Gash, V., Mertens, A., & Romeu-Gordo, L. (2007). Are fixed-term jobs bad for your health. *European Societies*, 9(3), 429–458.
- Gonzalez, M. -J., & Jurado-Guerrero, T. (2006). Remaining childless in affluent economies: A comparison of France, West Germany, Italy and Spain, 1994–2001. *European Journal of Population*, 22, 317–352.
- Hakim, C. (2000). *Work-lifestyle choices in the 21st century: Preference theory*. Oxford: Oxford University Press.
- Kahn, L. M. (2007). Employment protection reforms, employment and the incidence of temporary jobs in Europe: 1995–2001. IZA Discussion Paper, December 2007.
- Kohler, H. -P., Billari, F., & Ortega, J. A. (2002). The emergence of lowest-low fertility in Europe during the 1990s. *Population and Development Review*, 28(4), 641–680.
- Mandel, H., & Semyonov, M. (2005). Family policies, wage structures and gender gaps: Sources of earnings inequality in the 20 countries. *American Sociological Review*, 70(6), 949–967.
- Nolan, J. P., Wichert, I. C., & Burchell, B. J. (2000). Job insecurity, psychological well-being and family life. In E. Heery & J. Salmon (Eds.), *The insecure workforce* (pp. 181–209). London: Routledge.
- OECD. (2002). *Employment outlook*. Paris: OECD.
- OECD. (2003). *Employment outlook*. Paris: OECD.
- OECD. (2004). *Employment outlook*. Paris: OECD.
- OECD. (2006). *Employment outlook*. Paris: OECD.
- OECD. (2007). *OECD-Database*. Paris: OECD.
- OECD. (2008). *Employment outlook*. Paris: OECD.
- Wichert, I. (2002). Job insecurity and work intensification: The effects on health and well-being. In B. Burchell, D. Ladipo, & F. Wilkinson (Eds.), *Job insecurity and work intensification* (pp. 92–111). London: Routledge.