



# Employment Options and Labour Market Participation



EUROPEAN FOUNDATION  
*for the Improvement of Living and Working Conditions*

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John Atkinson



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## Foreword

In the summer of 1998 the European Foundation for the Improvement of Living and Working Conditions undertook a large-scale representative survey about ‘employment options of the future’ in all 15 EU Member States and Norway. The survey was commissioned jointly by the Foundation (for the 15 EU Member States) and the Norwegian Royal Ministry of Labour and Government Administration (for Norway). The data collection was carried out by a consortium of research institutes across Europe, coordinated by Infratest Burke Sozialforschung.

The survey is designed to find out who wants to work and who doesn’t; what kind of work people want, or don’t want; why they want it, or what might prevent them from taking up work; and how likely it is (or isn’t) that in the near future they will be taking up the kind of work they would prefer. The survey not only asks about present work options but also has a future perspective: what do people think will change over the next five years in their personal situation (marital status, children, care of elderly or ill persons), in the general economic situation, in their own economic situation and in the labour market situation? And, taking into account their perceptions of probable changes over the next five years, what will be the work options of these people in five years’ time?

Some initial analysis of the results of the survey has already been carried out, and the Foundation is currently engaged in supporting more detailed analytical work. Summaries of the early analyses are being published by the Foundation, and the full working papers on which these summaries are based can also be obtained on request.

With its focus on the issue of labour market participation, and the nature of that participation, this report looks in particular at three areas:

- Perceptions on integration into the labour market on the part of new entrants and re-entrants, and whether the kind of working arrangements which they might prefer will be available to them;
- The extent to which present working arrangements act to encourage or inhibit the additional labour supply which these new entrants and re-entrants represent, and how well the labour market is likely to operate to secure this; and
- The way in which the labour market and the respondents' individual situations may change if and when they do move (back) into work?

Finally, the labour market participation findings of this survey throw interesting light on individual perceptions and preferences concerning previous labour market experience, employment prospects, working time, job security and job-search strategies.

Raymond-Pierre Bodin  
Director

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## Chapter 1



## Introduction

In summer 1998 the European Foundation for the Improvement of Living and Working Conditions undertook a large-scale representative survey on ‘work options of the future’ in all 15 Member States of the EU and in Norway. The survey was commissioned by the Foundation (for the 15 EU Member States) and by the Norwegian Royal Ministry of Labour and Government Administration (for Norway). It was carried out by a consortium of research institutes across Europe, coordinated by Infratest Burke Sozialforschung.

The survey was designed to find out who wants to work and who doesn’t; what kind of work they want, or don’t want; why they want it, or what might be preventing them from taking it up; and how likely it was (or wasn’t) that they would be taking up this kind of work in the near future. The survey not only asked about present work options but also took a future perspective: what do people think will change over the next five years in their personal situation (marital status, children, care of elderly or ill persons), in the general economic situation, in their own economic situation and in the labour market? And, taking into account their perception of probable changes over the next five years, what will be the work options of these people in five years’ time?

The survey has a special interest in the work options of four different target groups:

- employed persons;
- young entrants;
- women returners; and
- presently unemployed persons.

Methodological details of the survey design, fieldwork and the core analysis groups are set out in Appendix 1.

The Foundation has commissioned some initial analysis of the results of the survey, and is presently engaged in supporting more detailed analytical work. Summaries of the early analyses have already been published by the Foundation, and the full working papers on which these summaries are based can also be obtained<sup>1</sup>.

This report draws on one of those working papers to present the implications of the research for labour market participation rates, and the character of that participation. It is concerned with three kinds of issues.

- How easy are new entrants and re-entrants to the labour market likely to find it to achieve the kind of working arrangements which they might prefer, and which align most beneficially with their present and prospective circumstances?
- To what extent do present working arrangements act to encourage or inhibit the additional labour supply which these new entrants and re-entrants represent, and how well are they likely to operate to secure this supply?
- How will things change if and when these people do move (back) into work?

The analysis given here is intended to be a starting point, and so we have sought to establish what seem to be the most prominent findings, rather than getting lost in the detail. For this reason, we concentrate on the four main groups: employed, women returners, young entrants and unemployed. Much of the analysis is restricted solely to members of these four groups, but where the full sample is discussed, this relates to the results for the EU 15 plus Norway.

Age, gender and family circumstance are shown to be important determinants of people's working activities and wishes. But, to keep things simple, this analysis centres on either the target groups, or on age and gender groups; it does not distinguish *within* target group by age and gender. In part, of course, the target groups are already somewhat distinguished in this way (the 'women returners' are all female; the 'young entrants' are all young). But the main consideration at this stage is to establish a relatively simple framework, which certainly contains great complexity, but which is not obscured by it.

Finally, this report does not draw on all the question areas followed up by the research, as some of them do not throw much light on these issues, but it selectively takes data from all parts of the questionnaire where these are relevant. However, it broadly mirrors the progression between different topic areas taken by the questionnaire, and is consequently divided into sections, as follows:

- the general scope for and scale of anticipated labour market entry and re-entry;
- the trajectories by which our entry groups will be approaching the labour market;
- their present and previous labour market experiences;

<sup>1</sup> First Analyses of the survey include: (1) *Employment Options of the Future Family and Career*. Report by Harald Bielenski and Josef Hartmann, Infratest Burke Sozialforschung, 1999. (2) *Working Time and Place of Work*. Report by Professor Giovanni Gasparini, Università Cattolica, Milano, 1999. (3) *Interest in Self-Employment*. Report by Professor Fred Huijgen, Nijmegen Business School, University of Nijmegen, 1999. Copies of these unpublished reports can be obtained from the Foundation on request. Summaries highlighting the key findings from the reports can be found on the Foundation website at [www.eurofound.ie](http://www.eurofound.ie) or are obtainable on request from the Foundation.



- four features of the ways in which our target groups want to work (and the extent to which these match or conflict with present working patterns):
  - employment status (i.e. employed or self-employed)
  - working hours (i.e. part or full time)
  - location (home or workplace based), and
  - contractual basis (i.e. permanent or temporary);
- a more detailed assessment of their working time preferences, and how well these match the present profile of working time;
- how real and realistic are their intended working plans?; and
- what are their labour market expectations over the next five years?





Chapter 2

Current participation patterns

## **Participation and non-participation in paid work**

We begin by considering the aggregate levels of participation and non-participation in paid work, and then move on to look at how these vary between people in different circumstances. We will show that relatively high non-employment rates mean that there is plenty of scope to encourage labour market entry.

### **Variation in the present level of participation**

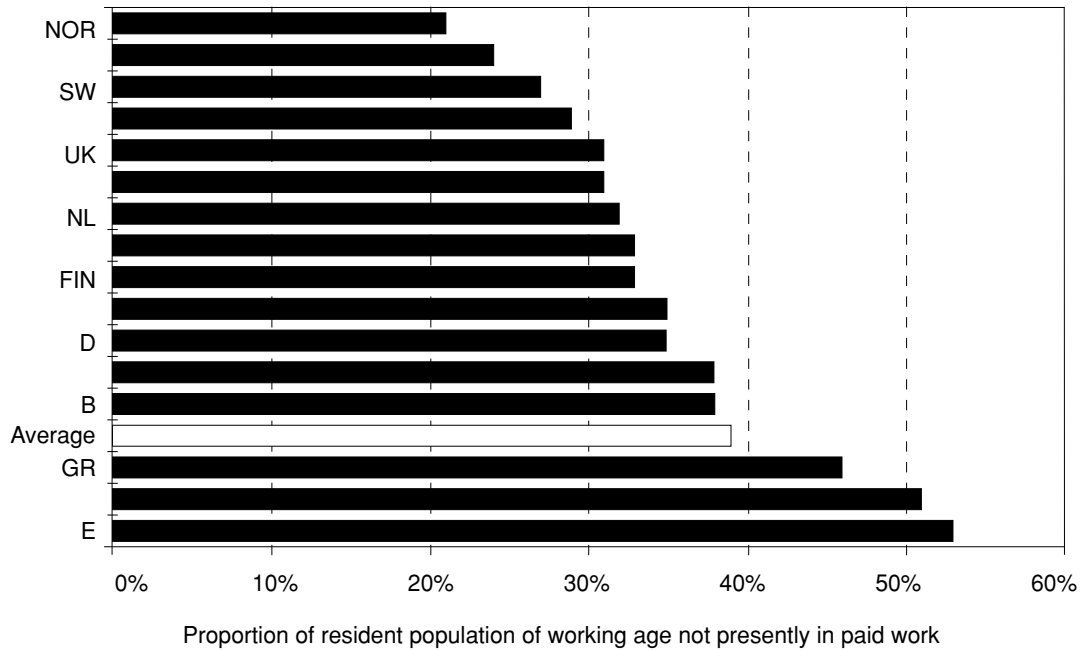
The present level of participation in paid work varies greatly from country to country, but the pattern varies everywhere by age and gender.

We are comfortable with the conventional view that European employment rates are high, and indeed they are, both in historical terms and by contrast with competitor economies. However, in no sense does this mean that the non-employed fraction of the population of working age is some kind of small and marginalised residual. Quite the opposite is the case: at the very simplest level, the data show that well over a third (39%) of the working age resident population is not currently in paid work.

There are large differences between the 16 different countries making up the sample, of course, as Figure 1 shows, reflecting the very different economic, social and labour market structures in different states, but even where the non-employment rate is lowest (in Denmark, Sweden, Norway, etc.) it remains at over one-fifth.



Figure 1 Proportion of population of working age not currently in paid work, by country



Source : Survey data

We should note, of course, that the level of non-participation in paid work is everywhere far higher than the level of unemployment, however this might be measured. As a result, we can see that the unemployed form only one part (and a minority part at that) of any future expanded labour supply; it is the choices and preferences of the others - those not presently taking part in paid work, but not unemployed - which will most influence future labour supply.

Additionally, we can see that despite the very powerful forces acting to sustain and even to increase the non-employment rate, such as longer periods of full-time education, earlier retirement, etc., there is substantial potential for increasing employment rates among some parts of the population without regressive social effects. Thus, we should envisage the future labour supply very much as a balance between those forces which will take or keep some people out of employment (such as earlier retirement, reduced working hours, longer and more lifetime-based learning, greater leisure, etc.), with those which will bring more into gainful employment.

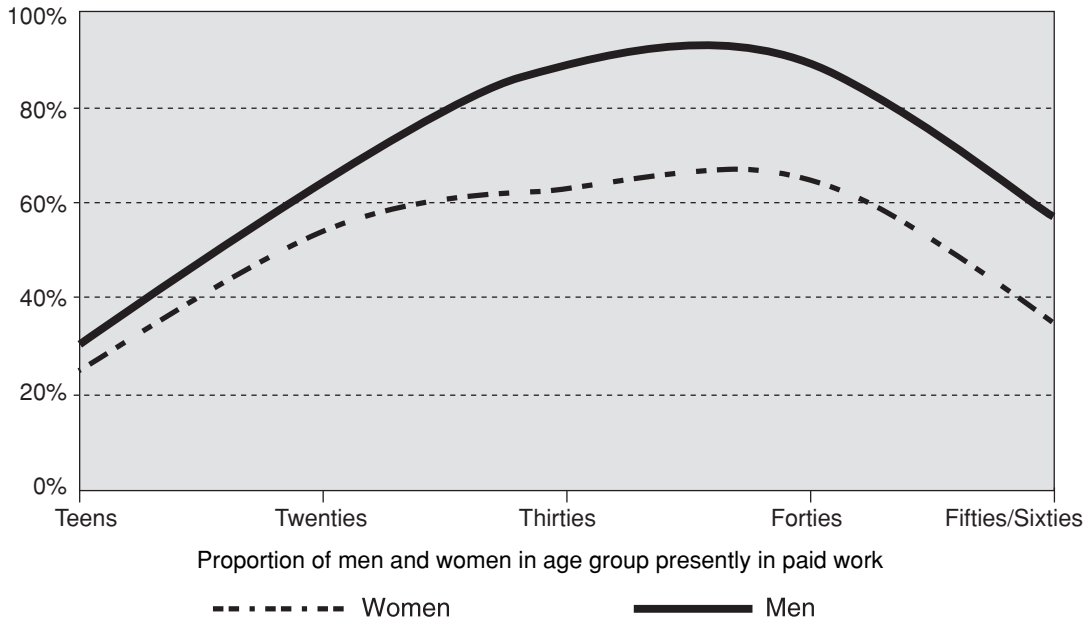
It is a commonplace that participation in paid work varies greatly not just from place to place, but also according to individual choice and circumstance. Most particularly it varies by age and by gender, and Figure 2 demonstrates this by looking separately at the propensity to be presently in paid work of men and women during their teens, twenties, thirties, etc.

This is a conventional enough chart. It shows that overall, women are less likely to be in paid work than men during each age band, but the difference becomes most marked as the net entry rate of women slackens off during their twenties, while that of men continues to increase. As a result, as middle age approaches, almost all men (90%) are in paid work, but over a third of



women are not. We observe that in later life, as sickness, redundancy and retirement become more widespread, both groups become less likely to be working in the cash economy, but the gap between them narrows somewhat.

Figure 2 Participation in paid work, by age and gender



Source: Survey data (NB smoothed curves)

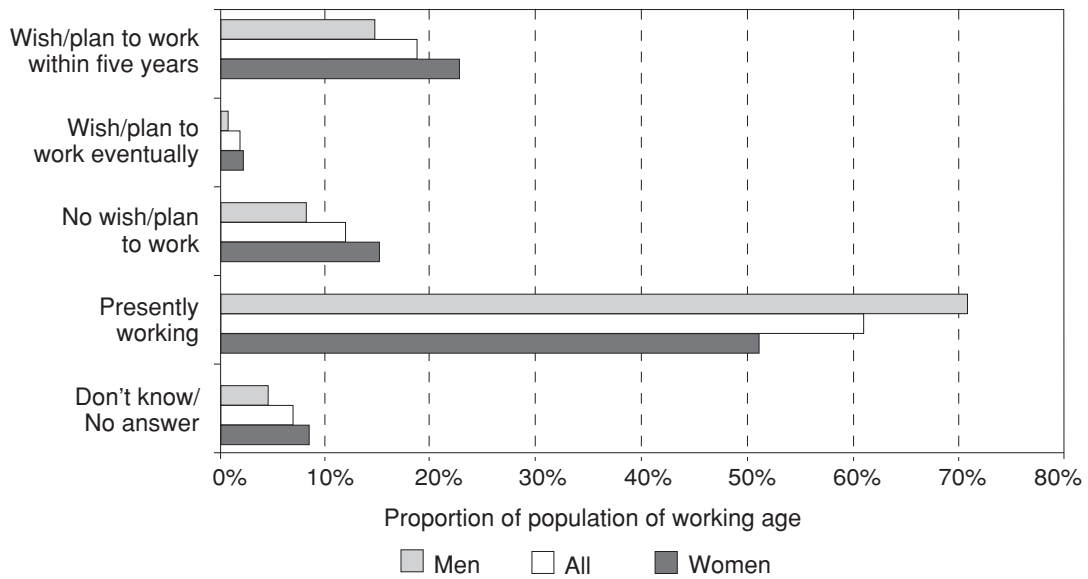
Of course, with age bands so wide, and mixing together different generations in the same data, these curves do not accurately chart out our life experiences or expectations, but they do paint a rough picture of the present situation. And they suggest that people’s wishes and preferences about their working lives will be influenced by a starting point strongly determined by their age and their gender.

**Potential for increases in labour supply**

Prospects for increases in labour supply are good, as a high proportion of those not working would like to do so - both men and women. There is a widespread intention, or at least wish, to take up employment among those not presently working, as Figure 3 shows. Here, respondents are grouped by their present status and wishes/plans for taking up paid work. Within each cluster, the dark central bar shows everybody; the upper grey bar shows men, and the lower white one women.

Looking first at the black bars for all respondents, we can see that 61% of the population are presently in work. Among the remainder, it is convenient to think of three groups, as described below.

Figure 3 Work status and plans/wishes of population of working age, by gender



Source: Survey data

- The largest, accounting for just over a fifth, wish or plan to work (these are shown in the top two groups of bars), and almost all of them within the next five years (just the top group). It seems reasonable to conclude that the plans/wishes of the cohort intending to enter or re-enter paid work are more than mere fantasies, as the vast majority of them are looking at a period of five years or less. We will look in more detail at those with such short-term intentions below. Only a small fraction say that they would like to take up paid work at some stage beyond this.
- Additionally, there is a substantial proportion, about 7%, who do not know, cannot really say or decline to answer the question. It may be that as their circumstances and thinking become clearer, some of them will wish to move into paid employment too.
- There does remain, of course, a substantial group of some 12% of the population of working age who do not wish and have no plans to take up employment.

Looking now at the gender differences within this broad pattern, we again observe the lower proportion of women presently in paid work, and the consequent higher representation of women in all the other categories. Beyond that, it is interesting to note the relatively similar distribution of men and women between these categories; more of the women are in them, but the pattern of present plans/intentions is fairly common between them, as Table 1 shows.

Table 1 Wishes/plans of those not in paid work

	Men %	Women %
Wish/plan to work within five years	52	47
Wish/plan to work eventually	4	5
No wish/plan to work	29	31
Don't know/No answer	16	17

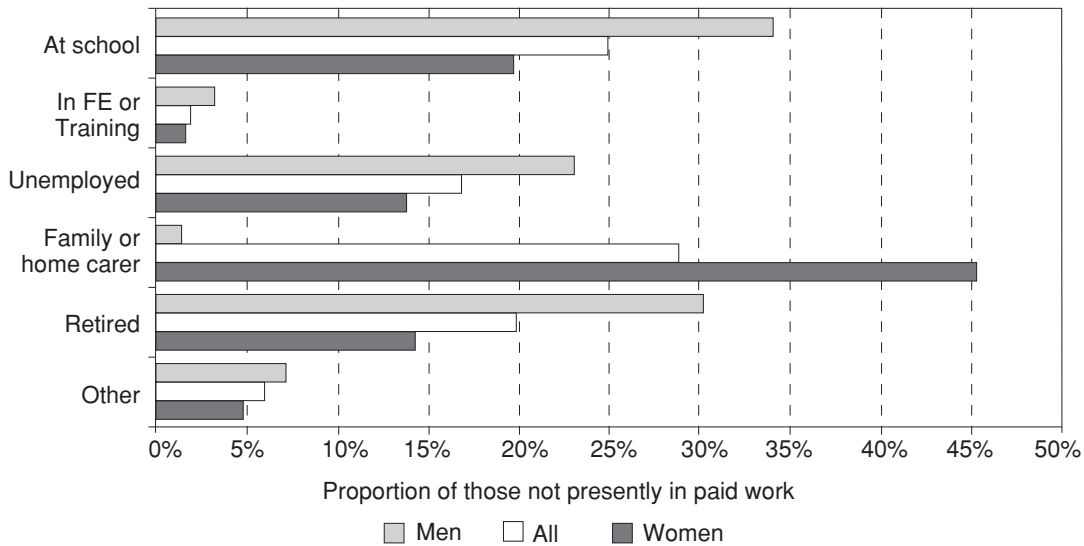
Source: Survey data



### Individual circumstances influencing entry/re-entry to paid work

In addition to the marked differences between different countries in the size of the non-employed population, the composition of this population is heterogeneous, and as a result, there is considerable variation in the circumstances from which people are considering such an entry or re-entry into paid employment.

Figure 4 Present status of those not currently in paid work



Source: Survey data

Figure 4 shows the present status of this group at the time of the survey. For the purposes of the survey, we have used some fairly broad categories, which the figure draws upon. For the moment, we will stick with them, although it is apparent that there are significant differences in circumstance within these groups themselves which will greatly influence the ways in which people in them think about their employment potential and prospects.

The figure distinguishes between men and women within each category. Men tend to be distributed fairly evenly between three large blocks (at school, unemployed or retired, which together account for nearly 90% of them). By contrast, women are most likely to be engaged in family or home care activities; among them, this accounts for almost as many women as do the three big blocks together.<sup>2</sup>

Looking at these broad categories, we can see that they suggest a rather varied set of entry points from which people might be considering entry to the labour market.

- For something over a quarter, entry to the labour market is mainly just a matter of time after they complete their education. Further analysis of the data shows that for most of them, this entry is not long off; just over a quarter expect to finish their studies during the coming year,

<sup>2</sup> Interestingly, *new men* are rather thin on the ground; only 1.5% of these men report themselves as mainly engaged in family or home care activities (representing the kingly total of under half of 1% of the whole male sample).

and just less than a quarter during the next two. As another third of them expect to complete their studies within five years, we find that only about one in ten (12%) expect to stay in education for longer than five years.

Most of those presently in school, in further education or undergoing training, are likely to view employment as something which they will enter as a matter of course, when their education ends. In reality, of course, it is not so simple. Too many of them will enter unemployment rather than employment; many of them are to some extent already in work (which they combine with study); and over the longer term, as lifetime learning becomes more of a reality, the distinction between preparatory and destination status will in any case become more blurred. Nevertheless, for the most part, this is a group at the start of their working lives, with widespread expectations that in the normal course of things they will enter the labour market in the near future.

- Quite distinct from them is a substantial group, comprising a fifth of the total, whom we designate ‘retired’, and for whom the opposite is the case. For many of these, working life, or at least a significant slice of it, is over, and they are unlikely to view employment as a ‘natural’ next step. Many will still want to work, however, for a mix of financial and social reasons. Furthermore, many may only think of themselves as ‘retired’ because they do not want to think of themselves as unemployed. They may strongly wish to return to work if they had the chance.

For this group too, but for a different reason, the conventional transition from work to retirement is becoming more blurred. Improving health in old age, the decline in the purely physical demands of many jobs, and the demographic shift towards a significantly older population structure across much of Europe, have combined to increase both the possibilities for, and the necessity of, extended participation in work in later life.

- The unemployed, who account for 17% of the total, are conventionally thought of as participating in the labour market, and as most of them are unemployed for relatively short spells, this is reasonable. However, for some groups of the unemployed in some parts of Europe, and particularly during times of recession, the expectation of a quick and ready return to work is unrealistic, and their designation more properly reflects their benefit entitlement rather than any common labour market status.

What does provide a common basis for understanding the unemployed group’s experience, however, is the involuntary character of their present status. For most of them, their present circumstances are not those of choice, and thus for them, a quick and direct re-entry to employment is likely to be a preference shared with policy makers.

- The last major group, those not working mainly on account of family or other domestic commitments, make up the largest component of the cohort not presently in paid work. Although policy interest and media attention is often focused on the increasing net flow out of this group into employment among ‘women returners’, in fact they constitute only a small proportion of the stock (under 4%). Many more, of course, intend to return to (or join) the labour market eventually, but at any given time they are relatively small in number in comparison to those intending to continue with family and domestic care responsibilities.

In addition to the clear differences between men and women shown in Figure 4, there are also clear differences between age groups, as Table 2 shows.

- As we might expect, the proportion in education or training falls away quickly with age: thus, from around 90% among those under 20, to under 5% among the over-40s.



- The proportion in unemployment rises and then falls with age, accounting for 10% or less of the under-20s and over-50s, but rising to nearly a third of those in their 30s.
- Similarly, the proportion engaged in family or home care rises steeply with age (to over half of those aged between 30 and 50), declining somewhat among older people.
- Retirement accounts for as many as half of the over-50s who are inactive.

Table 2 Present status of those not presently in paid work, by age

Wishes/plans	16-19%	20-29%	30-39%	40-49%	50+%
At school or college	85	51	6	1	*
In FE or training	5	4	3	2	*
Unemployed	8	25	30	24	10
Family/home care	1	15	53	58	30
Retired	*	*	2	7	53
Other	2	6	7	9	6

Source: Survey data

### Intention to take up paid employment

We have seen that many of our respondents would like to be in paid work, but, we might ask, how real is such a wish? After all, individuals may have *definite* plans to take up work - or they may generally wish to do so, albeit without definite plans. In this last case, the lack of intent may be self-generated (i.e. finding work is not really their top priority for now), or enforced (i.e. they would like to work, but are not able to do so).

Within the target groups in particular, there is a widespread and real intention to take up paid employment: overall, about half of our respondents who are not presently in paid work intend to be so in the next five years. Of course, rather than a massive rise in paid working, this simply testifies to the dynamism of the labour market and the scale of the flows into and out of work over time.

- The intended rate of return is somewhat higher among men (at 56%) than among women (49%). As Table 3 shows, among both men and women under 30, close on nine out of ten who are not presently working intend to be within the next five years. While this intention declines with age among both groups, it falls more markedly among women in their 30s and 40s. However, among the over-50s this gap has almost disappeared, with something over a tenth of each group intending to be (back) in work.

Table 3 Intention to take up paid work in next five years among those not presently working, by sex and age (%)

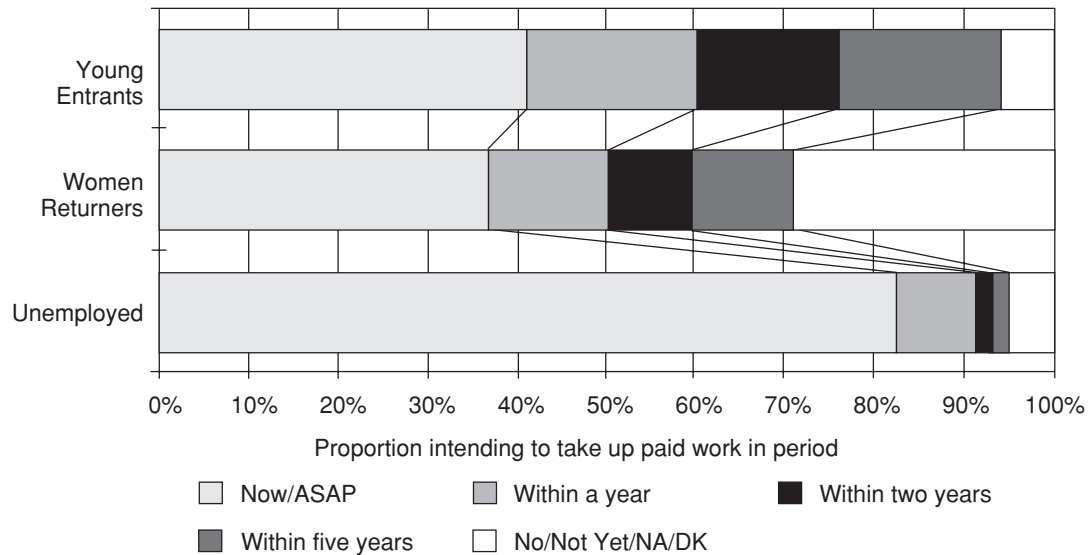
	16-19	20-29	30-39	40-49	50+
Men	82	92	82	63	13
Women	82	86	68	47	11

Source: Survey data

More than the population of working age as a whole, our target groups show a widespread willingness to take up or return to paid work in the near future.

Over 90% of the young entrants and the unemployed, and over 70% of the women returners indicate that they intend to take up paid work either now or in the next five years.

Figure 5 Proximity of planned return/entry to work



Source: Survey data

Figure 5 looks at their work *intentions* (i.e. whether or not they have some kind of plan to take up paid work), and subsequently we will review the wish to work of those who do not already have such a plan. In effect, Figure 5 considers how close to taking up paid work our target groups really are. Some observations can be made.

- There is clearly a substantial *immediate* intention to take up paid work among all three groups, but most markedly among the unemployed.
- Conversely, only a minority are without a fairly solid and medium-term plan to take up paid work, but this is more common among the women returners, some 30% of whom report that they have no such medium-term intentions, or that they are uncertain about the timing of any re-entry. It would seem that for a substantial minority of them, such planning is rather a contingent matter.
- Among the young entrants, the timing of their planned entry is most varied, and this no doubt reflects their ages and the duration of the courses they envisage taking.

Even where respondents do not explicitly *intend* to take up paid work, a substantial proportion nevertheless *wish* to do so. We can see that it is only among the young entrants that there exists any overt wish not to take up paid work, and even here it is only exhibited by a minority (33%) of a minority (6%), i.e. no more than 2% of the cohort.

It seems reasonable to conclude from these results that the readiness to take up paid employment is very widely shared within these three groups. Where it is not perceived as a definite plan or



intention (most clearly among some of the women returners), it is still evident as a wish to do so, perhaps one frustrated by, or dependent upon, the immediate circumstances of the individuals, which we have explored above.

## Labour market experiences

Although, by definition, some of our potential entrants to the labour market will be newcomers, this is far from being the case for most, and we will show below that one of the things which many of them have in common is significant prior experience of paid work.

### Previous experience of work

An important factor influencing the ease with which people are likely to move (back) into jobs is their previous experience of the labour market. On the one hand, they may have built up an attractive portfolio of work experience, work-related training and qualifications, and good references, which will improve their attractiveness to putative employers. On the other hand, their own familiarity with the world of work, and their self-confidence about their place in it, is likely to improve their job-seeking potential.

There is a high level of previous experience of work among our target groups. Quite obviously, older people are more likely to have once worked than are younger ones, even though participation rates are rising between generations. However, this resource is more likely to be enjoyed by men than by women, with 74% of men having previously worked, as against just under 70% of women. The explanatory factor here seems to be the number of older women who have never worked. Under age 40, i.e. among people born after the mid-1950s, there is virtually no difference between the sexes, but among older women this '*never worked*' rate remains quite marked, at just under a quarter.

Looking now at our target groups, it is quite clear from Figure 6 that a substantial proportion of them do have this kind of experience.

Of course, for the women returners, it is no surprise that all of them have previously worked, because that is one of our defining criteria for them. However, the fact that almost half of the young entrants already have some experience of work is more surprising. It suggests a cohort for whom at least familiarity with the workplace and with some of the tacit and personal skills required in it, is being developed in parallel with their education.

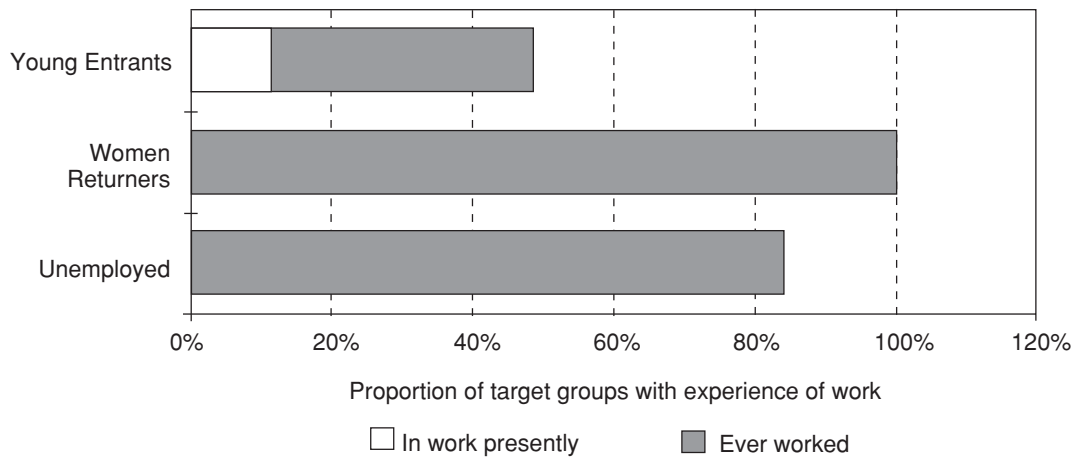
This hypothesis is strengthened by the fact that about two-thirds of those presently doing some work, are doing it on a part-time basis. It seems likely that even if these jobs are not the ones into which these young people will eventually move when they leave the education system, they will nevertheless provide useful experience which will assist that move when it eventually comes.

In view of the fluid relationship between employment and unemployment, we would expect to see a high proportion of the unemployed who have previously worked. More worrying is the 15%



of the unemployed who have never worked. Many of these are young people. In contrast to the position of the young entrants in general, here we observe young people who have entered the workforce with no previous experience of working while still at school, and with no success in finding work on entry either. To the extent that previous experience of work does act as a selection criterion in competition for jobs, then these ‘never worked’ unemployed are probably in an extremely difficult position and may well run the risk of long-term exclusion from the labour market.

Figure 6 Proportion of each target group with some work experience



Source: Survey data

### Extent of previous working experience

Work experience only accrues gradually, of course, and an important qualifying consideration on the fact of previous experience is its duration. Thus, among those in their twenties, very nearly half the men and a third of the women who have ever worked have less than a year of work experience. Once again, men seem to have longer work histories to call on than women. Sixteen per cent of women have under five years work experience, compared with 12% of men. These data perhaps understate the ‘real’ work experience deficit which women face, because they are based on people who have once worked, and as we have shown, a non-trivial proportion of older women have not done so.

However, looking again at our target group members, for most of them there is evidence of significant durations of employment prior to their present spell outside paid work, as Figure 7 shows.

We can see that:

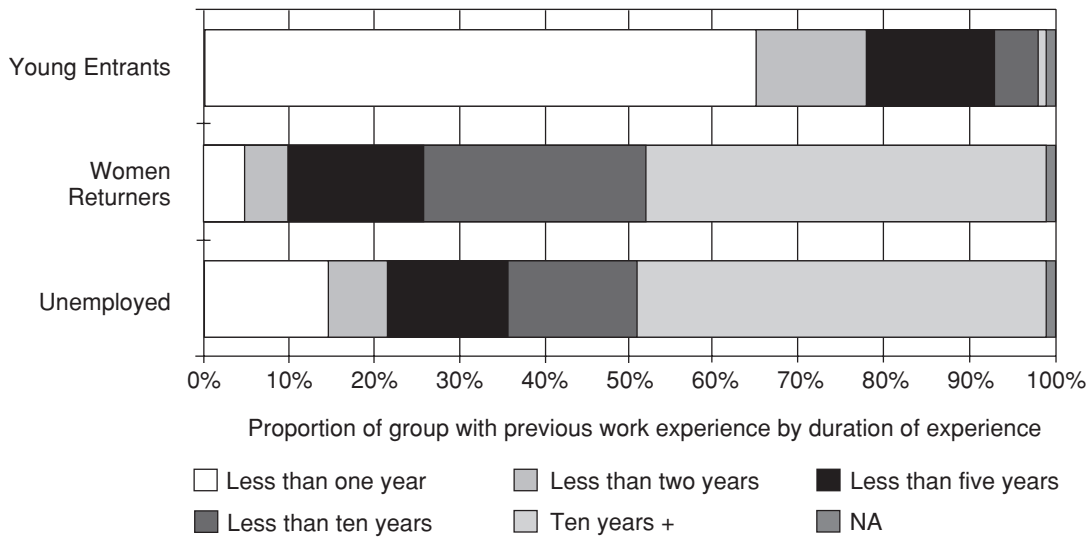
- about half of the unemployed and women returner groups have previously worked for at least ten years, and among the latter, three-quarters have worked for more than five years;
- close on a quarter of the unemployed group have less than two years previous work experience, and taking this alongside the previous finding that a substantial minority have



never worked, it is clear that many of them will have difficulty in demonstrating a substantial track record of work to a putative employer;

- as we might expect, two-thirds of young entrants with some previous work experience have track records of less than one year, but a minority claim more substantial experience.

Figure 7 Duration of previous work experience

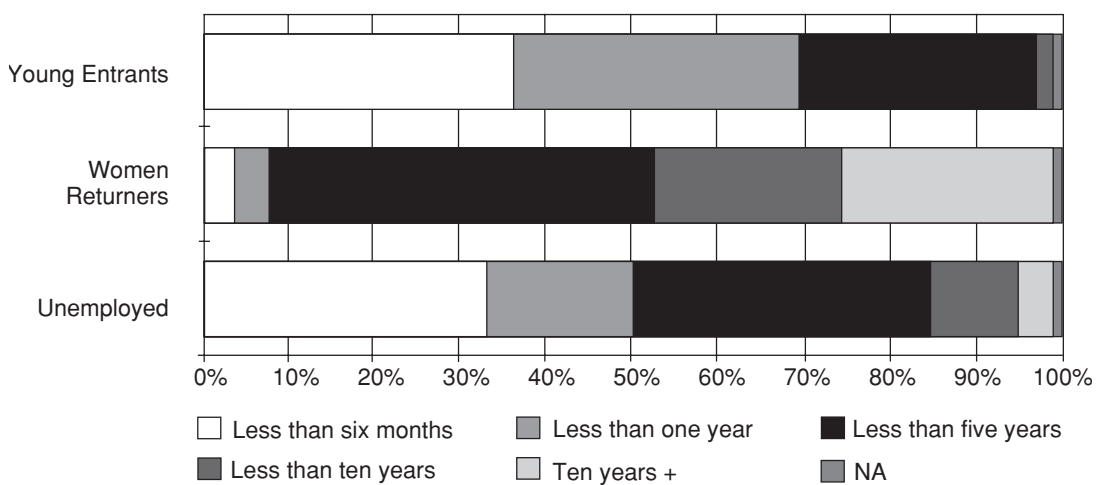


Source: Survey data

### Period since last worked

Previous work experience is a wasting asset however, as working methods and technologies can change quite rapidly, and employers may also fear that work disciplines atrophy during extended periods of non-use. For many among our target groups, it has not been long since they last worked, although extended gaps are common among the women returners, and evident among a significant minority of the unemployed.

Figure 8 How long ago did your last job end?



Source: Survey data

Generally speaking, extended breaks from work are most commonly found among women; thus, among our respondents who were not presently in paid work but once had been, we found that 30% of the women had breaks of five years or more, compared with less than half this among men. For both groups, the duration of these gaps rises markedly with age, but among women this process starts younger (presumably as they take childcare breaks), and continues into middle age. Thus, comparing people in their 30s, only 10% of presently non-working men have gaps of over five years, compared with nearly a third of non-working women of the same age. Among the over-50s, the comparable proportions are 13% for men and 30% for women.

However, we can see from Figure 8 that for many of those among our target groups who had had a previous job, their absence from paid work had been quite brief.

Remembering that the Figure relates just to those who had some previous experience of work (i.e. all the women returners; 85% of the unemployed and about half of the young entrants), it shows that:

- about half of the unemployed and two-thirds of the young entrants had worked within the past year;
- among the women returners, however, nearly half had left their last job more than five years ago, and for half of these it was more than ten years ago.<sup>3</sup>

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<sup>3</sup> These proportions of women returners with quite long gaps may be somewhat exaggerated by the definition of women returner used at question 18 (i.e. among other things, having had a minimum break of one year, unless known to have left the previous job for reasons of childbirth or care). Only 1% gave no answer to this question, so it seems reasonable to assume that the proportion with breaks of under a year (less than 10%) is sound.

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## Chapter 3



## Types of working arrangements

### **Matches and conflicts with present working patterns**

The ease with which these entrants and re-entrants will find work which matches their preferences and needs will be determined by a myriad of factors, not least of which will be the economic conditions prevailing when they do so. In addition to such ‘given’ factors, there is also the need on the part of the individual to match the occupational, sectoral and spatial characteristics of the jobs they are looking for with what is reasonably available to them. Again, our data have little to say about this, and largely take individual job search and career planning aptitudes as given.<sup>4</sup> However, the extent to which the kind of working arrangements which they prefer are readily available in the labour market is likely to smooth this transition greatly, and we now turn to consider these preferences and how well they align with the realities of the labour market.

We are able to look at four features of the way in which our target groups want to work:

- employment status (i.e. employed or self-employed);
- location (home or workplace based);
- contractual basis (i.e. permanent or temporary); and
- working hours (i.e. part or full time).

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<sup>4</sup> We do however have some data on the extent and kind of advice about employment and the labour market received by our respondents, and this is discussed below.

While these do not constitute the whole range of parameters likely to be under consideration, they seem to us to be the main ones that job-seekers would be likely to take into account once they had decided on the kind of job or occupation they were aiming for.

Issues around employment status and location have been discussed at greater length elsewhere<sup>5</sup>. In this report, we concentrate in particular on working time (see below), but for the moment, we look at all four parameters in turn, contrasting what is available in the present labour market with the preferences expressed by each of our target groups of entrants in turn.

Each figure, setting out these contrasts, takes the same form, as follows:

- the top bar shows the distribution of the parameter (in Figure 9, employed status vs. self-employment) in the present labour market, proxied by the responses of the employed group describing their present position;
- the second bar shows the preferences of young entrants between the same choices, but allowing also for a ‘no preference’ category (which is pitched between the explicit preferences shown on the bar) and a ‘don’t know/not answered’ residual;
- the third and fourth bars repeat the distribution of preferences for women returners and for the unemployed respectively.

Before moving to the comparisons, a word of caution may be useful. The figures deal in proportions, not absolutes, and it should be remembered that the size of the employed group greatly exceeds the size of the entrant groups. Thus, it would be quite possible for a small entry cohort, all of whom wanted ‘x,’ to be perfectly successful in finding it despite the fact that ‘x’ was restricted to only a small proportion of the (much bigger) stock of jobs in the labour market.

The point therefore is not that such minority preferences will exclude new entrants. The implications, rather, are the following.

- A large mismatch is likely to contain new entrants with a minority preference to a restricted segment of the labour market, where that preference can readily be found.
- Over time, as successive waves of new entrants, each with the same minority preference, seek to enter the labour market, then it will be increasingly difficult for them to do so successfully.
- In this case, and depending on the elasticity of these preferences, then either the realities of the labour market will force them to accept working conditions which are not their first choice; or they will not actually take up the kind of jobs on offer, and labour supply will be inhibited.
- Alternatively, of course, employers may be obliged to reconsider their own conventions, and move to secure a closer match between the kind of working arrangements they offer and those preferred by new entrants.

<sup>5</sup> See ‘Self-Employment’ and ‘Working Time and Place of Work’ - report summaries issued by the Foundation - and also, for a fuller discussion, Huijgen and Casparini respectively in Bielinski *et al.*, *op. cit.*

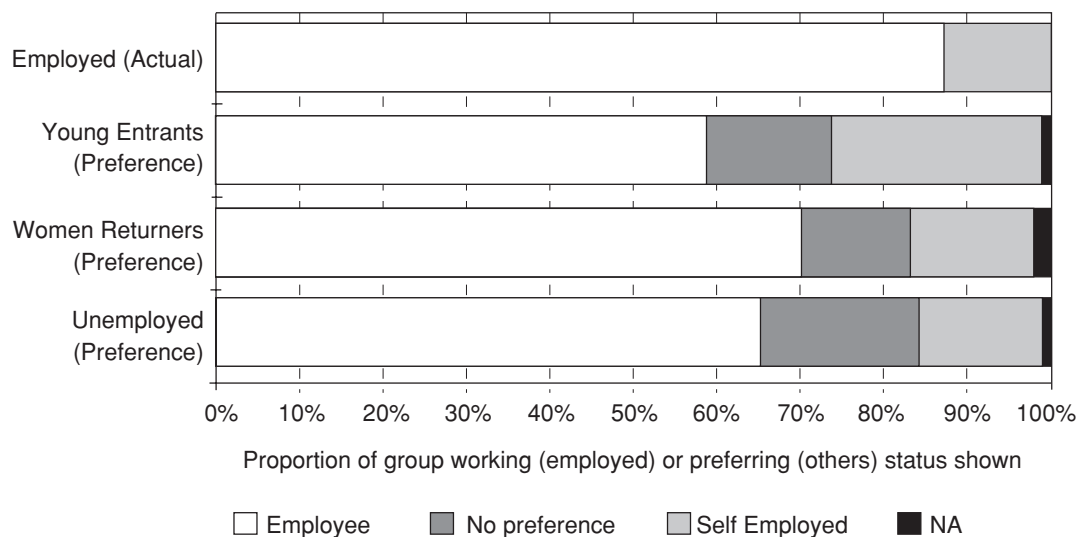


## The preference for self-employment

The preference for self-employment among our re-entrant target groups (i.e. women returners and unemployed) is small, but it is quite marked among young entrants. Thus, only about 15% of our re-entrants (women returners and the unemployed) say that they would prefer to be self-employed, but this rises to 25% among the young entrants.

It is difficult to know how far this last finding simply represents youthful exuberance and a triumph of hope over experience. On the one hand, a significant proportion of them already have some experience of employed status (and may consequently wish for something different), but on the other, this group is unlikely to have significant capital resources or business management experience, and may therefore not be well placed to establish their own businesses anyway.

Figure 9 Employment status: target group preferences compared to actual



Source: Survey data

Among the unemployed, and less so among the women returner group, there is a significant group (about one-fifth of the unemployed) who say they have no preference. For them, presumably, there is a willingness to consider anything to get off the dole, but again, particularly if they have been unemployed for some time, their capital resources may not be great.

The preference for self-employment exceeds, but is not wildly out of line with, the present spread of self-employment. Our results from people who are in work suggest that around 13% are presently working on a self-employed basis.<sup>6</sup> This is very much in line with the preferences of our two groups of returners, but only about half of the level preferred by young entrants.

What this suggests is that (all other things being equal) the present wishes of women returners and the unemployed to work on a self-employed basis ought to be readily achievable without

<sup>6</sup> We should note in passing that there is an un-met wish to be self-employed also among those in dependent employment; nearly one in five of them would prefer to be self-employed.

greatly disturbing the present balance between employed status and self-employment. Of course, other things are not equal, and it may be that both groups would experience significant difficulty in establishing themselves in business, even if the opportunities for them to do so seem to be sufficient.

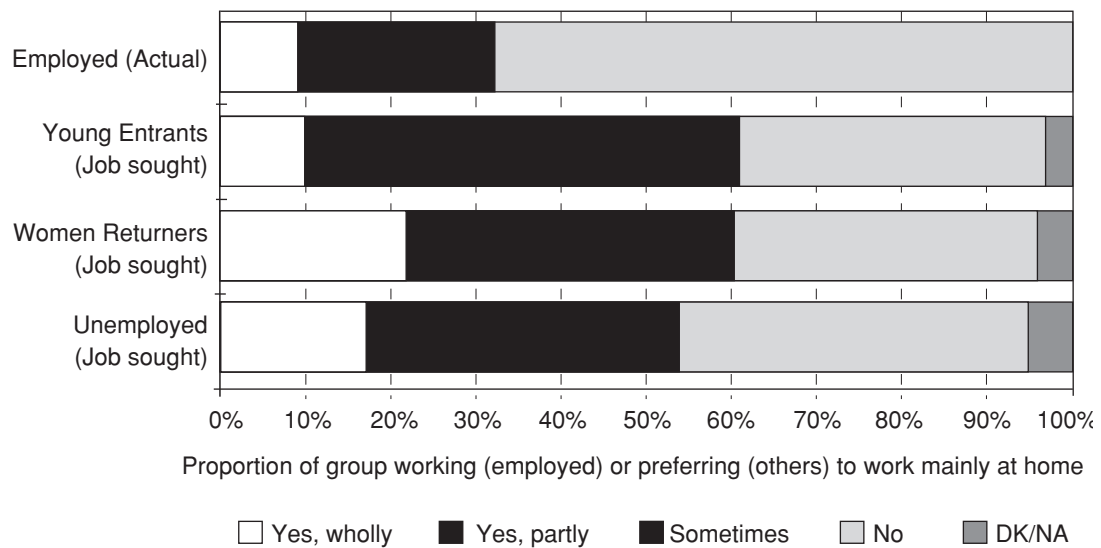
However, so far as the young entrants are concerned, if there really is a substantial and resolute demand for self-employment among young people which will be carried though into their working lives, then the implications for the sort of lifeskills they will require, and the advice and guidance they will need, may be substantial.

A useful avenue for further analysis might be to assess the preference for self employment against age; we might posit that with age will come both the resources and experience to make a success of it, but also a better informed awareness of the demands and attributes that such a success will require.

### Working from home

All the new and re-entrant groups are strongly attracted to the idea of working from home.

Figure 10 Working from home: target group preferences compared to actual



Source: Survey data

About half our entrants and re-entrants would prefer to work from home for at least some of their working hours. Although the absolute difference is small, it is among the women returners that we observe the highest level of interest, and the highest wish to work wholly at home. While *their* rationale is obvious, it is not immediately apparent why there should otherwise be such a high level of interest in homeworking.

Perhaps the most likely explanation is that it is intrinsically attractive to many people, irrespective of their immediate and prospective circumstances; people either wish to avoid a long



commute or they do not, and they recognise and value the social interactions of the workplace or they do not. This may be what turns them on to (or off from) homeworking, rather than anything to do with their immediate career circumstances.

Whatever the reason, it is unlikely that these preferences can easily be met, as less than a third of those working have the opportunity to work from home, and less than one in ten work wholly from home. Once again, while this does not necessarily mean that these preferences cannot be accommodated, it certainly suggests that they will not readily be so.

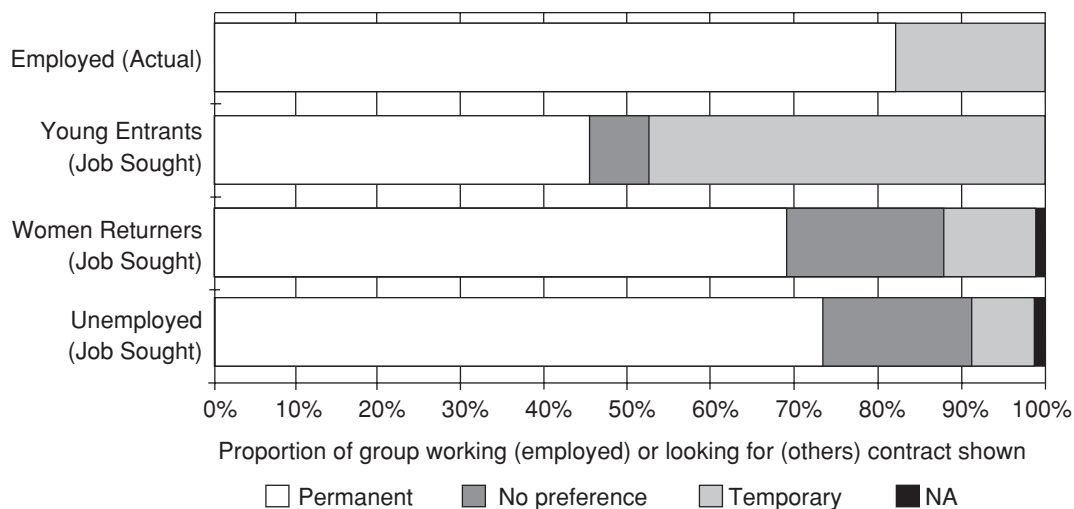
It may be that further ICT advance opens up increasing scope for these kind of arrangements, while increasing urban congestion requires employers to be more innovative in offering it if they are to attract and retain the quality of worker they seek, but such considerations are not persuasively demonstrated in the data on current practices.

### Acceptability of temporary contracts

Job security remains a determining factor in job-search strategies for two out of the three target groups; only the young entrants perceive a relatively high level of acceptability in temporary contracts. Fewer than a fifth of our employees were actually working on temporary contracts at the time of interview. However, the proportion of our new entrants and re-entrants who were looking for temporary work, or who would accept it if they found it, was generally far higher.

In this case, we did not ask all those in the target groups about their preferences, but rather we asked those who were presently looking for a job whether it was a permanent one or temporary. This applied to 80% of the unemployed, but only 29% and 35% of the young workers and women returners respectively. It seems reasonable to infer that temporary work was at the very least acceptable to these entrants, but we cannot say that they actually preferred it.

Figure 11 Contractual status: types of contract worked and sought



Source: Survey data. NB: Target group base is those presently seeking work.



This acceptability is most obvious among the young entrants, and the explanations are not too difficult to imagine. Firstly, unless prevented by training arrangements from so doing, most young workers move around a lot from job to job when they initially enter the labour market, and there is much less reason for them to value a permanent contract for a job in which they may well not intend to stay long. Secondly, they may not regard their initial entry as a basis for a long-term career (they may be having a ‘gap’ year between school and university, for example), but as a summer job or other short-term experience. Either way, there is every reason for them not to be particularly concerned about permanency in such circumstances.

Whatever the explanation, almost half our young entrants who were presently looking for work said that they would take a temporary job, although this is much less marked for both women returners and the unemployed. Indeed, women returners and the unemployed are both less willing to take a temporary job, and much less likely to be positively looking for one. For them, a positive search for temporary working is quite rare (at around one in ten), but in both groups there are rather more job-seekers who would accept a temporary job as readily as a permanent one. Here, a stepping stone hypothesis seems the most plausible; both groups wish to re-enter the labour market, and neither may regard themselves as particularly well placed to compete for the most attractive vacancies. Consequently, they may be more willing to take a temporary job if that is necessary, in order to improve their position for the next step into permanent work.

### **Interest in part-time work**

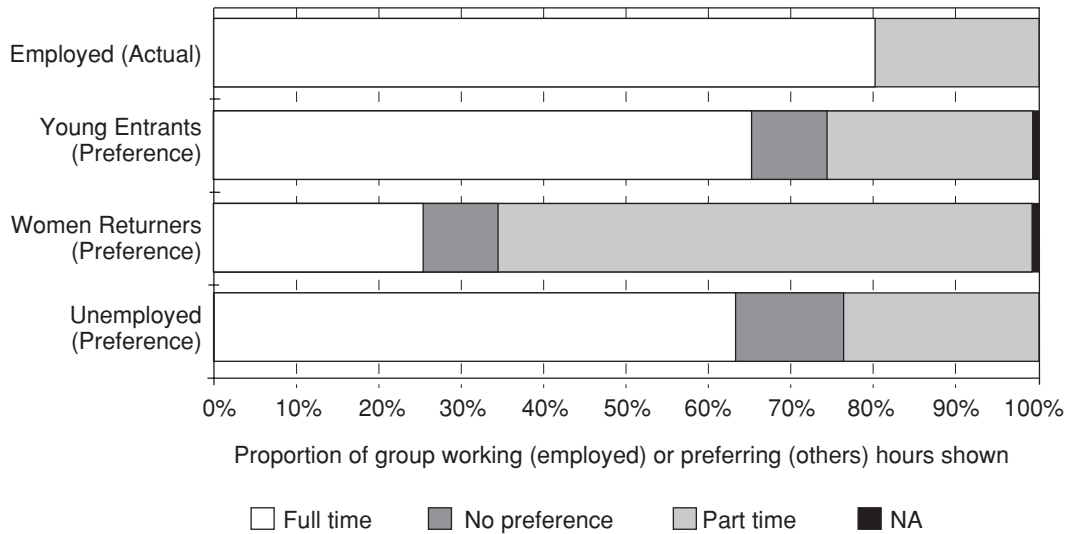
These data suggest that about a fifth of the working population work on a part-time basis, although there are obvious and large differences between countries. We find that the working time preferences of young people and the unemployed *broadly* reflect those of the employed population, although a preference for part-time working is slightly more marked among young entrants and the unemployed - and still more so if those who would accept either regime are included. Nevertheless, it is difficult to see that the entry of these cohorts is likely to make much change in the present demand for part-time employment.

However, there is a massive demand for part-time working among women returners. Close on two in three of our women returners would prefer to return to part-time rather than full-time work, and this rises to nearly three-quarters if we include those who would take either a full or part-time job. As mentioned above, the fact that only a fifth of jobs are presently part-time does not necessarily preclude the preferences of these women from being met, since there are many of the former and relatively few of the latter. However, what is true for a single cohort is less true if we regard women returners as the continual flow of individual re-entrants that they actually are. Here we observe people dropping out of predominantly full-time employment for a period, and returning with an overwhelming preference for part-time employment, which they would wish to retain for some years as their families grow up.

It is clear that in order to combine a reasonable occupational choice of jobs for women returners with a working hours regime which is attractive to them, then a widespread expansion of part-time employment will be needed. Indeed, we should note that this demand for shorter working time is found more widely than just among women returners, and we go on to consider this in more detail below.



Figure 12 Working time: target group preferences compared to actual



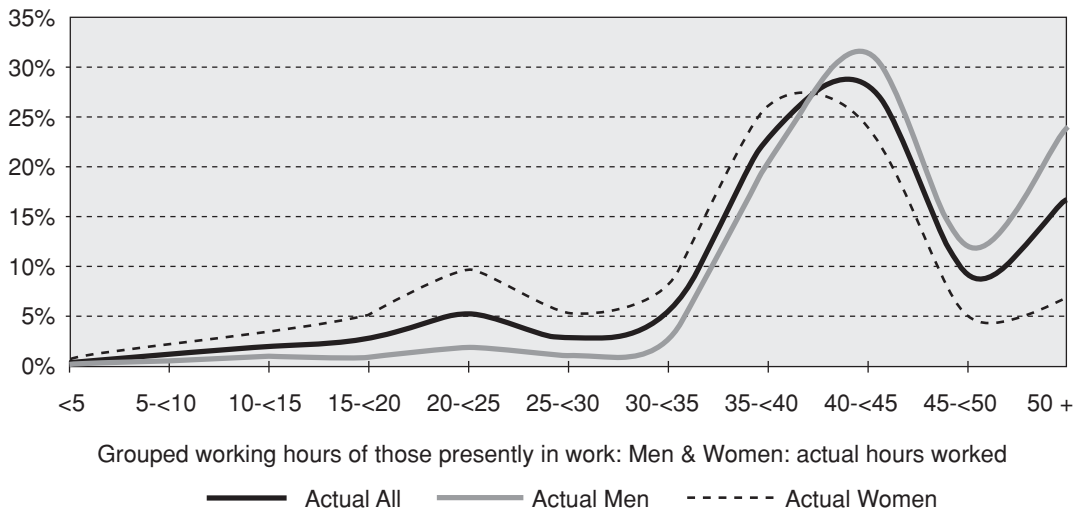
Source: Survey data

## Working time preferences

We are familiar with the notions that men and women have different working time profiles and preferences, and that these tend to change over the working and domestic lifetimes of the people concerned.

However, for the moment, Figure 13 shows the (current) working time profile of men and women who are presently in paid work.

Figure 13 Present working time profiles: all; men, and women<sup>7</sup>



Source: Survey data (NB smoothed curves)

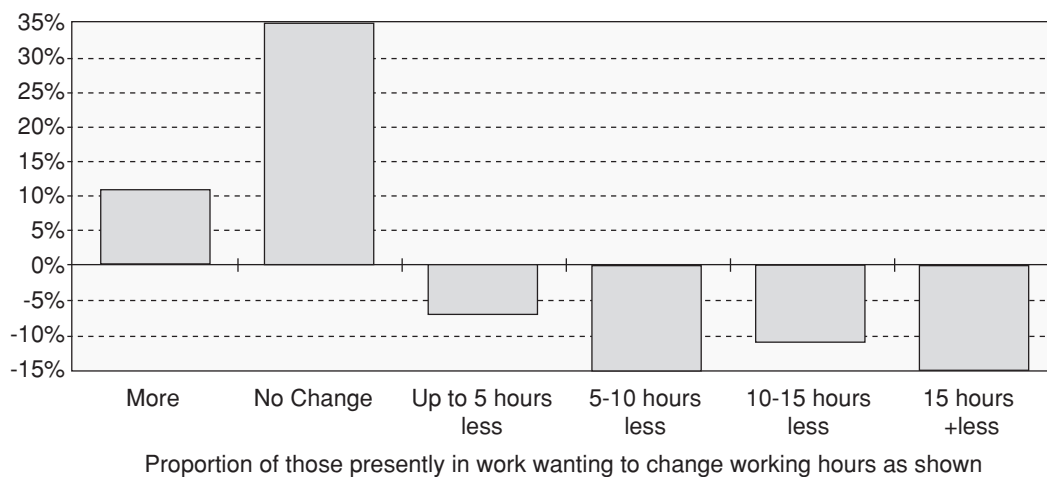
<sup>7</sup> In this figure, and the ones which follow, those working more than 50 hours a week are grouped together in a single category, with the effect that the curve appears to rise again at the right. This results purely from the grouping convention used, and if the five-hour grouping used for the main part of the chart were continued, it would of course fall away markedly instead.

We can clearly see the continuing preponderance of full-time working, at around 35-40 or more hours a week across the labour market as a whole, with women tending to work shorter hours and men longer. While there are major variations from this overall pattern in different countries, it ought perhaps to be remembered just how conventional and conservative the profile is at the level of Europe as a whole: only one in five of these workers is engaged for less than 35 hours per week, in contrast to over half of them working between 35 and 45 hours a week.

### Demand for shorter working hours

There is evidence of a widespread wish for shorter working hours, both now and in five years time, and those who want to work less, generally want to work quite a lot less. About half (54%) of those presently working, both as self-employed and dependent employees, would prefer to work less if they were able to have a free choice, taking their need to earn a living into account. At the same time a third (35%) were content with their present schedule, and 11% wanted to work longer hours. The net outcome of these shifting preferences would be that the average working week would fall from 39 to 34.5 hours.

Figure 14 Working time preferences of those currently in paid work



Source: Survey data

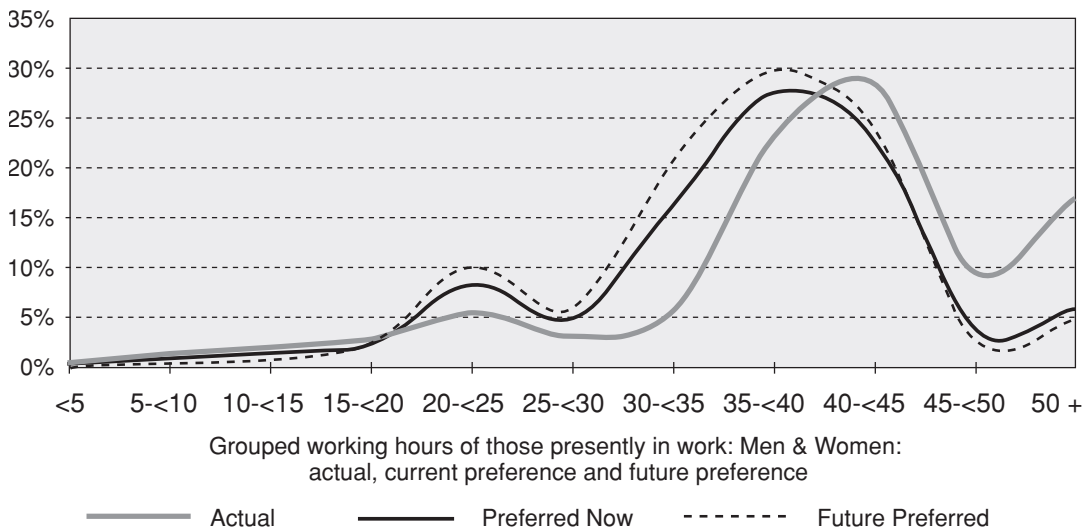
It is evident from Figure 14 that where there is an interest in reduced hours, relatively few of those presently working are likely to be satisfied by the small, hour-by-hour reductions in working time which are usually achieved through the normal process of collective bargaining. Only 7% of those working (although 15% of those wanting to work less) want to reduce their working time by less than five hours. Most are looking for more substantial reductions, which are likely to require a more profound change, either on the part of the individual (e.g. change job, negotiate reduced hours with employer, etc.), or through legislative intervention.

### Preferred working hours

The profile of working hours which would emerge under this scenario is shown in Figure 15. Here the bold line shows the working hours profile of those currently in work, and we can clearly see the dominance of full-time work between 35 and 40 hours per week. We should also note the

substantial number working more than this, as well as the spread of shorter hours contracts - under 30 hours. The lighter and dashed lines respectively indicate what these people would prefer to work now, and in five years time.

Figure 15 Actual and preferred working time profile of presently employed



Source: Survey data (NB smoothed curves)

Contrasting these preferences with the actual profile, we observe:

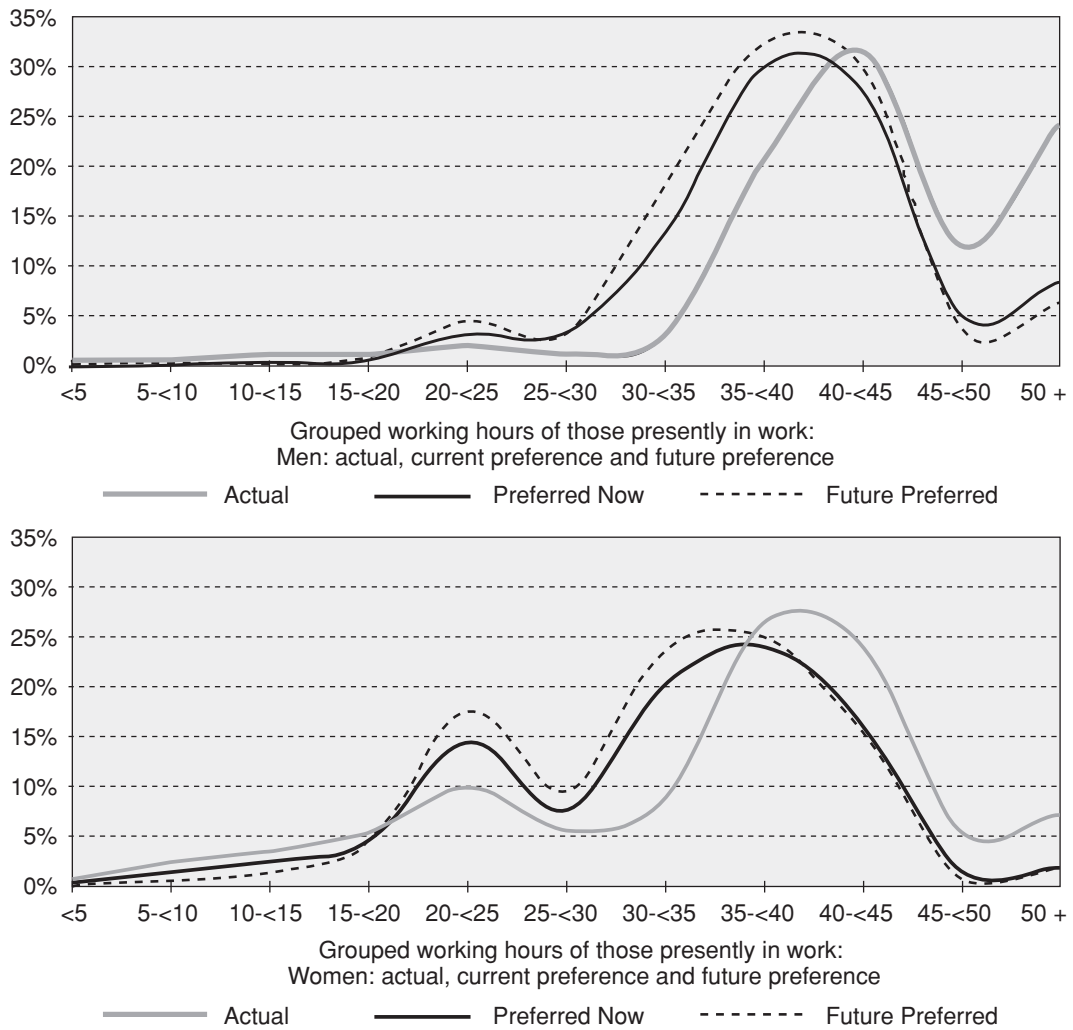
- a substantial decline in the proportion of workers who want to put in more than 40 hours a week;
- a major increase in what might be termed 'substantial' part-time work, i.e. with between 20 and 35 hours a week; and
- a decline in the proportion of what we might call 'short' part-time working, with less than 20 hours.

Thus, we can see that both very long and very short working hours would be less common, while part-time working providing for substantial hours would significantly increase.

By contrasting the preferences of men and women, in Figure 16, we can see that men and women working full time broadly share the same preference for quite a major reduction in hours, with substantial proportions of both looking for 35-40 hours as a preference. Among the women though, there is an additional cluster with a preference for 20-25 hours per week.

It is evident for both men and women that the immediate and five-year preferences of the existing workforce are fairly similar, albeit with a hope that very long hours can be avoided, and with a corresponding increase in interest in substantial part-time hours (20-35). That is to say, longer-term preferences slightly intensify the pattern set by immediate preferences.

Figure 16 Actual and preferred working time profile of presently employed: (a) men (b) women



Source: Survey data (NB smoothed curves)

### Working time preferences of target groups

Finally, looking at the future preferences of our three entry and re-entry groups, we can see in Figure 17 that they take quite different forms. In this figure we show the future preferences of the employed population as the bold line, while those of our three groups are shown in contrast.

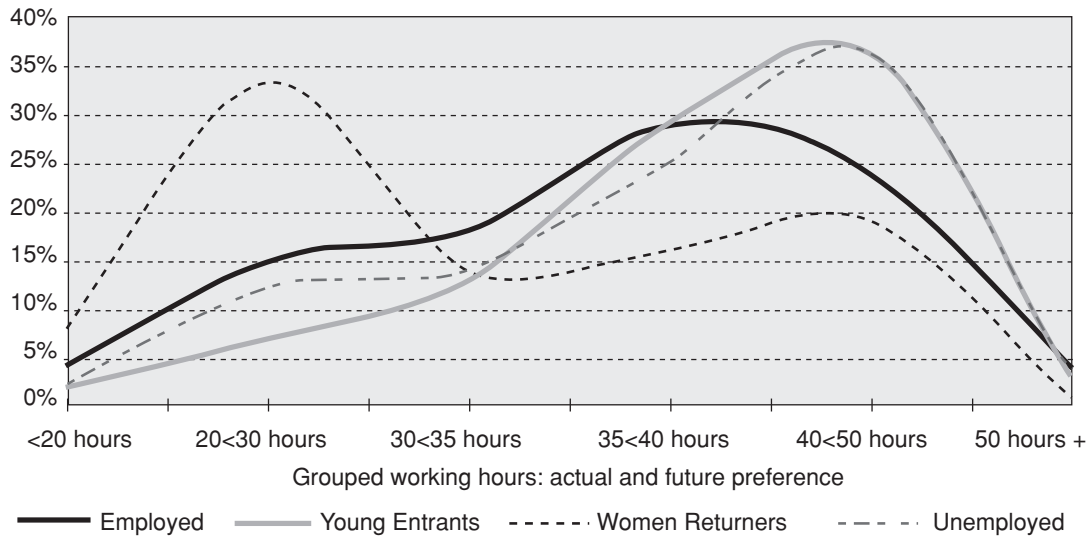
It is immediately clear that the young entrants and the unemployed have a preference for working hours very close to the present actual profile of working hours. We conclude from this that there should be very little difficulty in accommodating their preferences without significant change to established norms. However, the pattern preferred by the women returners is very different.

For the women returners, we can see an even more marked disinclination to work for more than 35 hours than that demonstrated by existing employees' future preferences. By contrast, they are even more interested in 'substantial' part-time hours than existing employees would expect to be. However, their average preferred working time would be somewhat shorter (with a significant



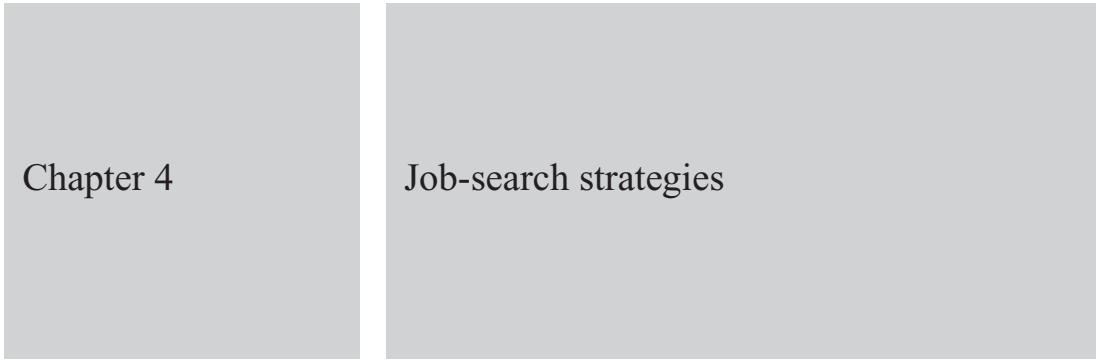
cluster opting for 20-30 hours), and they show slightly more interest in ‘short’ hours part-time working than do present employees.

Figure 17 Future working time preferences of presently employed, entry and re-entry groups



Source: Survey data (NB smoothed curves)





## **Putting planned job entry into practice**

We showed earlier that fully 21% of the population of working age are not presently in employment but wish/intend to take it up within the next five years, and another 1% later than that. In the light of what we now know about what they might be looking for, it is reasonable to ask how actively they are going about this, and what some of the problems that they might face are.

### **Current job-search activity**

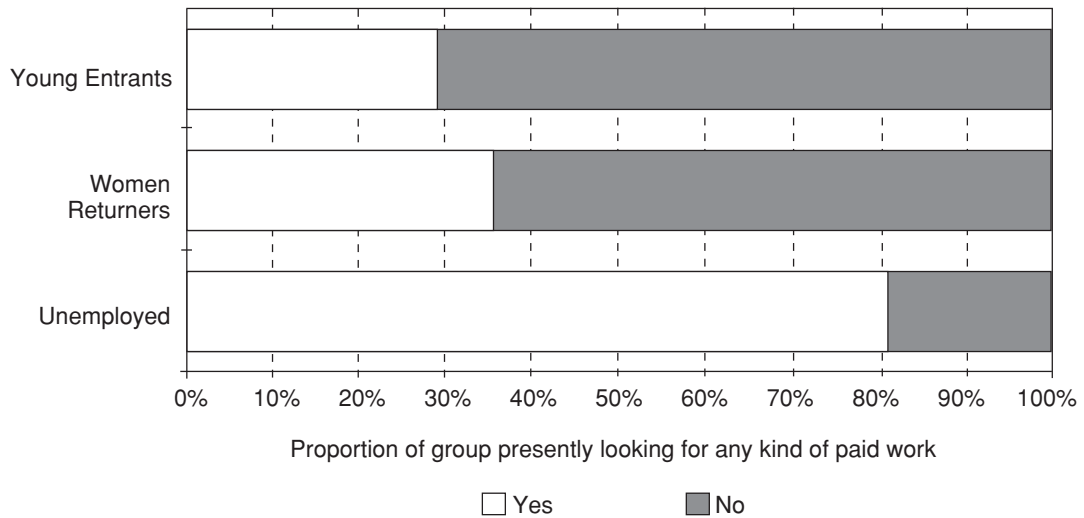
Taking just this 21%, we find that 40% of them (i.e. just over 8% of the whole sample) are presently looking for work of some kind. Of course, many of those who are presently already in work will also be looking for a better or different job, but we are not presently concerned with them.

Figure 18 shows that the majority of two of our target groups, the youth and women returners, are not in a particular rush to find work, but four-fifths of the unemployed are presently looking for work. We might expect this of the unemployed, both by definition and also because benefit regulations may require them to do so.

It seems reasonable to conclude that for them at least, the wish to take up paid work is both tangible and an immediate intention. However, looking now at our three groups of entrants and re-entrants, who expect to be in work in the next five years, we can see that this immediate intention is not evenly shared, and that some perceive considerable problems in finding paid work.



Figure 18 Present level of active job search



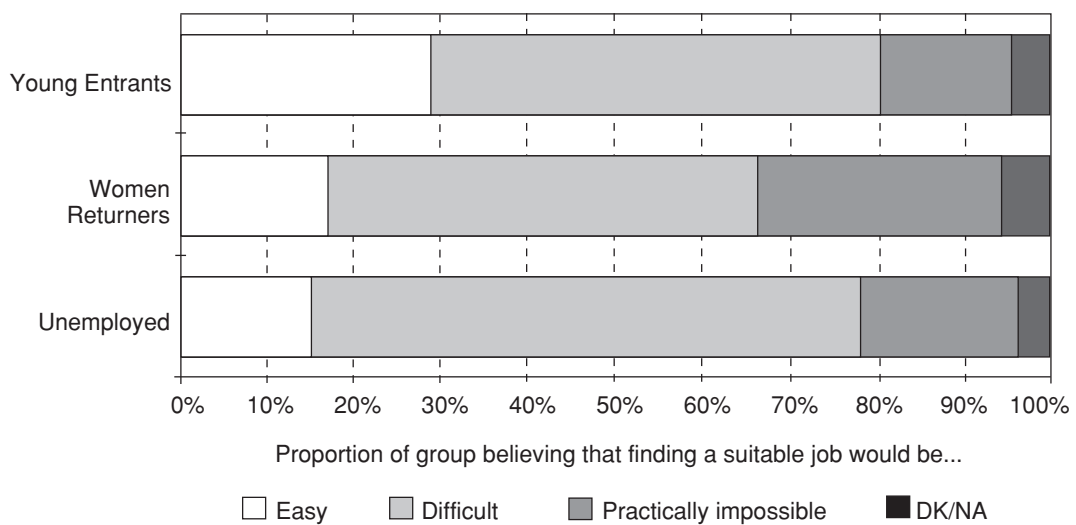
Source: Survey data

**Confidence about finding work**

An interesting issue here for further analysis would be the extent to which people in these two groups are not looking for work at present because their personal circumstances imply a rather later entry (i.e. when they are older; better qualified, or when their children are older), or because the labour market circumstances which confront them do not look particularly propitious.

Certainly only a small minority of the sample as a whole (21%) believe that it will be easy for them to find a suitable job. Furthermore, the more active the group in looking for work now, the less likely it is to believe that finding it will be easy.

Figure 19 Confidence about finding a job



Source: Survey data



Paradoxically, it is the young entrants who are simultaneously least active presently in looking for work yet most confident about getting it. While it is tempting to ascribe this to the perennially exasperating character of the younger generation, it is probably more likely that this reflects 1) their lack of experience about the realities of the labour market, and 2) the availability of service sector jobs (albeit of low quality and not in all countries) largely focused on young recruits.

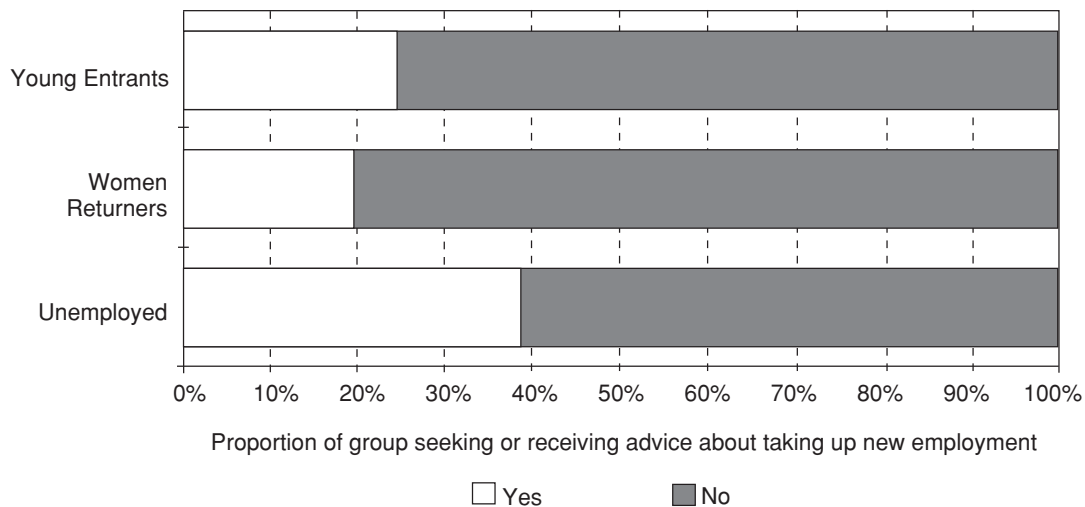
More worrying is the very high proportion of the unemployed who believe that finding suitable work is difficult: nearly two-thirds think it difficult, and close to another fifth think that it will be practically impossible. Furthermore, there is a clear and positive correlation between the time since they last worked and the likelihood that they will be pessimistic about their chances.

The women returners show a somewhat different pattern: although confidence is again generally low, there is also a very large group (28%) who feel that finding a suitable job will be practically impossible. Here the correlation is less with duration of absence, and more with their preference for part-time work.

**Help and advice**

Across the sample as a whole, including the employed, the take-up of help and advice about the labour market is generally low; only 20% had sought or received information or advice in the past year about changing or taking up a job. Nearly three-quarters of the women returners and over 90% of the unemployed and young entrants are expecting to be in paid work within five years, so while we might expect a relatively low figure for the employed respondents, many of whom may be only casually interested in alternative jobs, we might expect a much higher figure for the new entrants and re-entrants, even though many are not presently engaged in job search.

Figure 20 Use of information/advice about taking up new employment



Source: Survey data

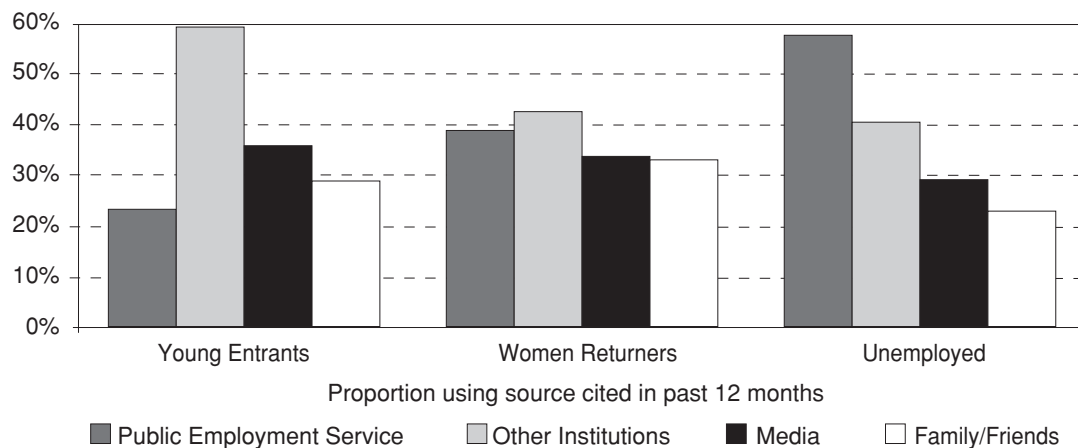
In fact, even among the unemployed (80% of whom are looking for work now), only 39% claim to have sought or received advice and information about how to do so. For the women returners and the young entrants the figure is much lower (20% and 25% respectively). In view of the institutional provision for the unemployed (e.g. the public employment services) and for young entrants (e.g. careers education and advice) such low levels of use must certainly be regarded as disappointing.

For the women returners, it is perhaps less surprising, in view of the lack of any agencies directly targeted on them, but no less worrying. Nearly a third of them think that finding a suitable job will be practically impossible, and perhaps as a result, only about a quarter are actively looking for one, yet four-fifths have not benefited from any advice or information about getting one.

### Sources of advice

All the groups use a variety of advice sources, and all three groups tend to use informal sources such as family/friends and the media to about the same degree, although the young entrants do make more use of their families. It is in the institutional provision that we find the largest differences.

Figure 21 Sources of labour market advice and information



Source: Survey data<sup>8</sup>

We can see that young entrants make most use of ‘other institutions’, which is a composite grouping made up of private employment agencies, benefit offices, employers, trade unions, and other public and private institutions. It is in this last area that most of the young entrants who sought/received advice are to be found, and it probably represents the careers advice of their schools and colleges, as well as that of any public careers services. They make little use of the public employment service, while for the unemployed, the situation is reversed: they make most use of the public employment service, although ‘other institutions’ are also evident.

8 NB: Multiple Response Question. These results combine the use of different kinds of advice and information (on jobs, training, working arrangements, etc.), and are not strictly comparable with those above which relate just to jobs. Nevertheless, the pattern of use observed does not differ greatly.



Each of these groups has a central source of advice and information, although they also dip into the others. This is not the situation which women returners find themselves in: they dip into each source to much the same extent as the other two do, but there is no central source available to them.

## **Expectations about labour market prospects**

The labour market is not an arena where many people are offered a free choice. The critical limiting factors which face the vast majority are (1) what is readily available to them, and (2) what they need to earn. At the same time, neither of these is an absolute constraint: many people have access to a range of different job opportunities (otherwise there would be no voluntary labour turnover), and many could survive on less than they presently earn (albeit that they may not choose to). If we add time to these degrees of freedom, then we might expect the constraints to reduce still further, as labour market and domestic circumstances changed.

Although, then, employment choices are rarely made freely, they are nonetheless strongly influenced by individuals' preferences and their changing circumstances. Thinking radically, we might view them as the sort of choices which the labour market ought to provide. As most people spend much of their lives in this labour market, we might not think it unreasonable that it should reflect and embody these wishes. Even the most conservative, however, would agree that at the very least we might conceive of these underlying preferences as indicative of the sort of moves which people would make if they got the chance. In effect they form the sub-structure of the labour market's supply side.

So far as opportunities for participation in the labour market are concerned we should be most interested in two issues: firstly in the extent to which these preferences might cause the level of employment to rise or fall, and secondly, in the extent to which they might cause the pattern of employment to alter, most specifically with regard to working hours. It is to these issues and their development in the next five years that we now turn.

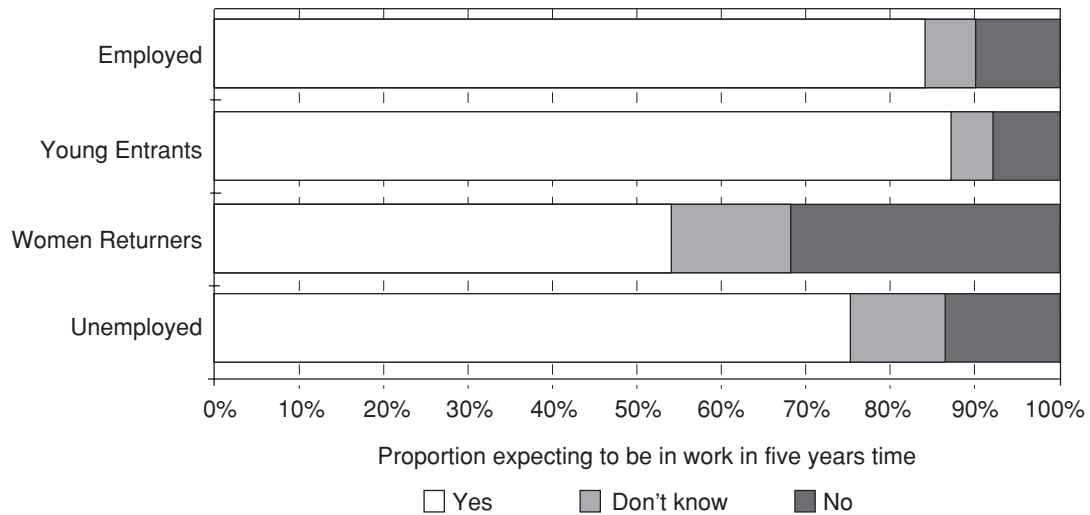
### **Expectations in five years time**

Among people under 50, nine out of ten expect to be in work in five years' time. This does not vary greatly by gender or age until age 50, at which point expectations of working in the future rapidly tail off to around 60% among men over 50, and to just over half of their female counterparts. A further proportion (just under one in ten) are uncertain about their prospects.

These data underpin the expectations of those presently in work and our target groups. It is evident from Figure 22 that only a small proportion of the presently employed, 10%, are expecting to stop working in the next five years, although a further 6% are uncertain about their prospects.

Although not shown in the chart, the vast majority of those expecting to be no longer employed in five years will be in retirement (71% of them), but a small proportion are expecting to move into education (5%), and rather more (8%) fear that they will be unemployed.

Figure 22 Expectations about labour market participation in five years' time



Source: Survey data

For the entry and re-entry groups however the position is more complicated. The majority expect to be in work, although the level of uncertainty is somewhat higher, except among the young entrants who are both relatively confident and more explicit. However, almost half of the women returners are dubious about their prospects, with fully a third not expecting to be in work in five years' time.

The reasons for this higher level of anticipated non-participation are not so predominantly centred on retirement, although it is the most common factor cited by both the unemployed and the women returners. Rather we observe a more varied pattern of expectation, with two-thirds of the young entrants (who do not expect to be working) expecting to be still in education, and almost a third of the women returners (again, of those who do not expect to be working) expecting to be doing something else (not specified, but perhaps continuing their caring activities). Sadly, nearly a third of the unemployed who do not expect to be working in five years' time expect that they will still be unemployed.

### Satisfaction with expected changes

Most of the entrants and re-entrants who expect to be in work will be happy with this outcome, and although this is also true for the presently employed group, about one in ten of them would prefer some other outcome.

By contrast though, those who expect not to be working in five years' time are significantly less happy about the prospect. Close to two-thirds of those presently employed, but not expecting to be so in five years, are happy with this prospect, but among the other groups there is a much



lower level of satisfaction. Clearly there remains a significant minority within each of these groups who do not expect to be able to realise their wish to work.

Figure 23 Level of satisfaction with anticipated labour market status in five years' time



Source: Survey data



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## Chapter 5

## Social and policy implications

The supply-side determinants of individuals' decisions about participation in paid work are complex. And if the demand-side considerations are taken into account as well (i.e. the kind of qualifications and skills sought by employers, the rate of job creation, the location of the new jobs, etc.) then the situation becomes even more complicated.

We have distinguished between two important and overlapping perspectives, which do much to structure these supply-side considerations:

- the specific and immediate circumstances of our target groups, chosen because of their proximity to the labour market; and
- the general and longer-term factors of age, gender and family circumstance, which influence the extent and character of everybody's participation in paid work, whether in, close to or altogether outside the labour market.

The first lesson which seems most readily drawn from the former perspective is the generally high and buoyant wish to take part in paid work in the near future for both women and men.

Coming out of this survey, the most obvious constraints that might prevent or inhibit such a transfer are:

- the discrepancy between the presently dominant working-time model and the wish for substantial part-time work expressed by the women returners;
- the still on-going long-term unemployment and the lack of marketable skills among some of the unemployed;
- the relatively low take-up of advice and guidance about the labour market;
- the unacceptability of some kinds of work to some re-entrants.



Without regrettably being particularly simple, the policy imperative here seems to be to address and minimise these constraints as imperfections to effective labour supply. This would mean at least three things.

- A more varied approach to the possibilities with regard to time use within different spheres of life – for both men and women, young and old. In the first instance, this applies specifically to women returners’ wishes, their effective availability for work (e.g. childcare, share of domestic duties, etc.) and what the labour market is about to offer (e.g. appropriate working-time patterns).
- On-going actions to combat long-term unemployment, through education, public employment policies, dedicated training and qualifying plans.
- More (and more accessible) advice, guidance and assistance for entrants and re-entrants to help them make more informed decisions, and to find suitable work opportunities.

The second lesson is of a widespread wish to work rather less, which cannot readily be explained away as either ill-considered preferences which take no account of the need to earn income, or as the preference only of those on the margins of paid work.

Here the policy imperative seems to have two dimensions.

- Firstly, to find mechanisms through which this wish can be realised on a wide scale and without undermining the quality of people’s jobs and careers. At present, these do not seem to exist. Legal regulation generally constrains only excessive working hours; collective bargaining arrangements do not cover all of the workforce; and effective bilateral arrangements between individual employer and employee seem to be the preserve only of the most valued and well-established workers.
- The second dimension is to re-allocate working time so released, and to ensure that those presently excluded from work are direct and priority beneficiaries. Here, too, few effective mechanisms exist: the aspiration for productivity gains has often eaten up such possibilities. Thus the need is for new and more imaginative tools of positive intervention in the labour market, not just to prevent excessive working hours, but to promote real individual choice, for all and not just for the ‘insiders’ only.

The third lesson, shown quite clearly in these results, is that the distribution of employment opportunities is systematically and fundamentally influenced by considerations of age and gender.

- Women’s participation in paid work is significantly inhibited by the poor fit between our social arrangements for childcare and the way in which we conventionally package jobs and arrange access to them. While there have been significant improvements in this regard in recent years, it nevertheless remains the case that over their working lifetimes, both the quality and extent of women’s participation in paid work suffer markedly as a result.
- For both men and women, ageing leads too often to a premature and involuntary exit from paid work. In some circumstances this could provide for a voluntary, extended and gradual reduction in work, but too often it appears as an enforced, unwelcome and complete ejection, with relatively poor prospects for re-entry.



While the former situation is well recognised, well researched and is showing some signs of improvement, the same cannot be said for the latter; rather, it is growing worse. Both, however, represent enormous challenges to policy development, although together they may also provide the means whereby Europe's labour supply is enhanced and promoted in the future.



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## Appendix 1



## Data collection and sources

Data are representative for the residential population aged 16 to 64 years in all 15 Member States of the EU and in Norway.

### **Sample**

Data collection was made on the basis of two separate samples in each of the 16 countries involved in the survey.

- A basic sample comprised the residential population aged 16 to 64. From this sample a sufficiently high number of interviews were available for only one of the core target groups: those currently in employment. For the other three core target groups of presently not employed persons (young entrants, women returners, unemployed persons), the basic sample did not provide enough cases for analysis.
- In order to get a sufficiently high number of cases for the target groups of young entrants, women returners and unemployed persons, a special boost sample was designed. It concentrated on presently not employed persons between 16 and 64.

Sample sizes in the different countries are set out in Table A1 below. Table A1 also shows how many cases in each of the target groups are available from each country.

Gross samples were drawn randomly from the national telephone directories in each country. In order to cope with the problem of non-listed numbers in some countries, artificial telephone numbers were created by substituting the last digits of existing telephone numbers by random figures (RLD-method). In those cases where there was more than one person belonging to the universe in the household, selection of the person to be interviewed in that household was made randomly (mainly by using the last birthday method).

## Questionnaires

Interviewing was carried out on the basis of fully standardised questionnaires with identical structure in all countries. National versions of the questionnaire were produced on the basis of the master versions in English and in German. In a first step, translations were made by translators whose mother tongue was the target language. Their translations were checked and fine-tuned by the national institutes which were responsible for fieldwork. This procedure made sure that all national versions of the questionnaire were correct in terms of substance and at the same time met the special requirements for telephone interviewing.

*Table A1* Sample sizes and number of cases in the four core target groups\*

Country	Number of cases			Breakdown by group			
	Basic Sample	Boost Sample	Total	Employed	Young Entrants	Women Returners	Unemployed
Austria	1,000	501	1,501	707	137	188	73
Belgium	1,000	510	1,510	625	175	101	120
Denmark	1,001	484	1,485	825	180	129	100
Finland	1,000	504	1,504	673	146	177	173
France	2,000	1,026	3,026	1,259	432	336	340
Germany	2,000	998	2,998	1,394	407	413	269
Greece	1,042	464	1,506	517	222	179	131
Ireland	900	500	1,400	651	142	274	103
Italy	1,978	1,014	2,992	979	460	282	251
Luxembourg	520	302	822	290	72	47	14
Netherlands	1,001	499	1,500	734	114	186	75
Portugal	1,000	501	1,501	564	303	113	109
Spain	2,000	1,000	3,000	663	468	382	316
Sweden	900	412	1,312	731	218	125	170
UK	2,000	1,000	3,000	1,308	204	364	231
EUR15	19,342	9,715	29,057	11,920	3,680	3,296	2,475
Norway	800	700	1,500	729	252	203	62
Total	20,142	10,415	30,557	12,649	3,932	3,499	2,537

\*Unweighted figures.

For both the basic and the boost sample practically identical questionnaires were used. Only questions 1, 2 and 4 were modified in order to better fit the different universes of the two samples.

The English master versions of the questionnaires are available from the Foundation.



## Fieldwork

Fieldwork was carried out by computer-assisted telephone interviews (CAT) in all 16 countries involved in the survey. All institutes used the same CATI software for interviewing. In order to provide a strictly identical structure of the data sets, programming of the CATI questionnaire was made centrally by Infratest Burke Sozialforschung.

Fieldwork was carried out between May and September 1998 in all 16 countries. In some countries (Finland, Greece, Italy, Norway), fieldwork was interrupted for a couple of weeks to avoid interviewing during the main summer holiday period.

## Weighting

Weighting was carried out in several steps. The first step transformed the household-representative sample into a person-representative sample. In each household only one person was interviewed, even if there was more than one person who belonged to the universe.

Therefore, in the net sample, each household has the same statistical chance to be selected for interview, whereas this is not true at the level of the single persons. Their chances to be selected for interview depend on the number of persons in the household who belong to the universe. If there is only one person, the chance is 100%, if there are two persons, the chance of each individual is only 50%, etc. Therefore - strictly speaking - the net sample is a household-representative sample. In order to achieve a representative sample in which each individual has the same statistical chance to be selected for interview, a mathematical transformation had to be made.

In a second step, the person-representative sample was re-adjusted to the structure of the residential population aged 16 to 64 as known from the official statistics in each country. Re-adjustments were made by taking into account gender, age and region in order to compensate for possible disproportional non-responses.

In a third step, basic and boost samples were integrated so that for each country one consistent data set was available. To this end, weighting factors created in the second step had to be lowered for all respondents from the basic and the boost sample who are not in paid employment, by taking into account the relation of the unweighted number of these cases in the basic and in the boost sample. The third weighting step re-established the actual ratio of presently active and non-active persons in the national data sets.

In a final (fourth) step, national sample sizes were adjusted so that the weighted sizes of the national samples correspond to the actual share of each single country among the total population aged 16 to 64 in all 15 EU Member States plus Norway.





## Appendix 2

## Definition of core target groups

The survey has a special interest in the following four target groups among the residential population aged 16 to 64:

- employed persons;
- young entrants;
- women returners; and
- unemployed persons.

These target groups can be identified for analysis on the basis of the information from different questions of the questionnaire. The four core target groups partially overlap.

### **Employed persons**

The target group ‘employed persons’ (n = 12,649) comprises all respondents whose main status is ‘employed’ according to question 1, and all persons who originally declared themselves ‘not employed’, but did some paid work during the last week, according to question 4. The target group ‘employed’ is confined to dependent employees and self-employed persons according to question 21, whereas family workers (according to question 21) are not included.

The target group ‘employed persons’ comprises some respondents who also belong to the target group ‘young entrants’.



## Young entrants

‘Young entrants’ (n = 3,932) are people who are at the beginning of their working lives and plan to take up their first ‘real’ job within the next five years. Since there are many students who are gainfully employed alongside their studies in order to earn a living or some extra money, people who belong to this target group might already have some work experience.

The group of ‘young entrants’ mainly consists of pupils or students or people who are in further education or a special training scheme (according to question 2), who did not carry out any paid work last week (according to question 4) but want to enter the labour market within the next five years, according to questions 6/7, 8 or 10/11. Young entrants must not be older than 29 years.

Additionally we included young people (aged 29 years or less) who said that they were ‘doing something else’ in question 2 and who want to take up paid work within the next five years if they did not have any work experience according to question 5.

Apart from these persons who exclusively belong to the group of young entrants, there are two other subgroups which also belong to other target groups. Students or pupils (according to question 2) who did some paid work last week (according to question 4) belong to the group of ‘employed persons’ as well as to the ‘young entrants’. Young people who are not older than 29 years and who declared themselves ‘unemployed’ in question 2 were considered ‘young entrants’ if they did not have any work experience according to question 5. They also belong to the target group of ‘unemployed people’.

## Women returners

‘Women returners’ (n = 3,499) are women who want to take up paid work again after a break in their careers. According to questions 1-5, they are women who are presently not in paid employment (questions 1 and 4), but have already had some work experience (question 5). Respondents would like to take up paid employment within the next five years (according to questions 6/7, 8 or 10/11). Additionally a minimum break of one year (according to question 16) is required if a respondent is to be considered a women returner. A shorter break is accepted only if the respondent terminated the last job because of giving birth to a child or because she had to care for elderly, ill or disabled persons (according to question 18).

The group of women returners is split into two subgroups: one which is *not* unemployed, according to question 2, and another which is. The latter also belongs to the target group of unemployed persons.

Note that young women (aged not more than 29 years) who declared themselves pupils or students in question 2, or who are in further education or a special training scheme, do not belong to the target group of ‘women returners’ but are considered ‘young entrants’.



## **Unemployed persons**

The target group ‘unemployed’ (n = 2,537) comprises persons who declare themselves unemployed in question 2 and who wish to take up paid employment (again) within the next five years according to questions 6/7, 8 or 10/11.

This target group also comprises

- persons who are ‘young entrants’ and unemployed; and,
- persons who are ‘women returners’ and unemployed.

## **Other entrants**

Apart from the three groups defined above there are another 1,682 persons who are presently not employed but want to (re-) enter the labour market within the next five years. Some of them are retired, others are first entrants aged 30 or more.



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# Employment Options and Labour Market Participation

Who wants to work? When? Why? These are the questions explored in a major survey on Employment Options of the Future undertaken by the European Foundation for the Improvement of Living and Working Conditions across the 15 EU Member States and Norway. The survey is designed to find out what kind of work people want, or don't want; what are the reasons for opting for this kind of work, or what factors might prevent them from working; and how likely it is that in the near future they will be taking up the kind of work they would prefer.

Focusing on the issue of labour market participation, and the nature of that participation, this report looks at patterns of work, working arrangements, and the personal preferences of new entrants and re-entrants to the workforce. It throws interesting light on individual perceptions and preferences concerning previous labour market experience, employment prospects, working time, job security and job search strategies.



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