

Accumulation of employment instability among partners

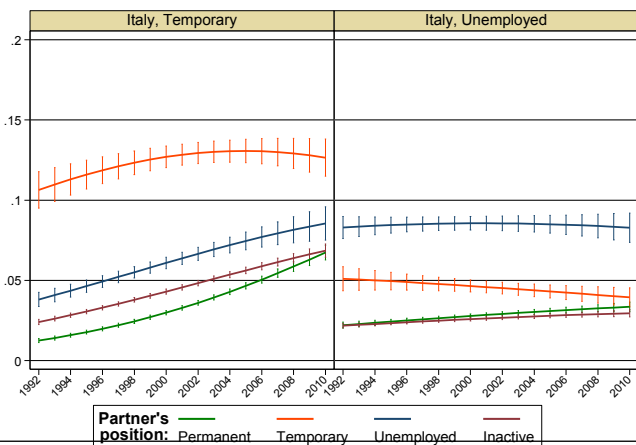
Evidence from six EU countries

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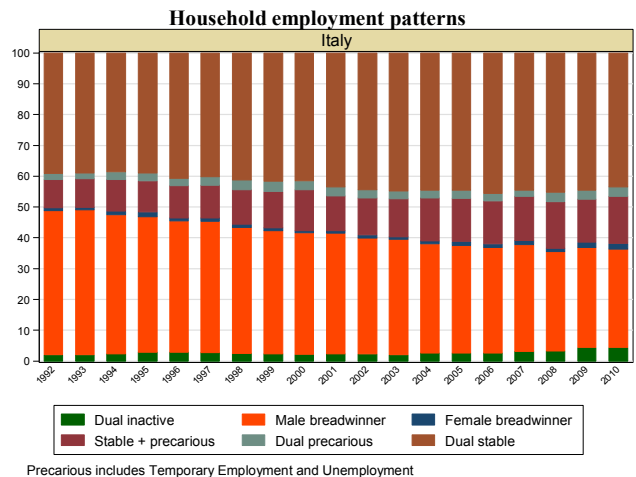
The growth of insecure employment has stimulated much research. Regarding consequences, results confirm neither the most optimistic nor the direst assessments. But the consequences of insecure employment in terms of inequality are moderated by the national institutional level and the household/family level. Family is an important source of welfare, fundamental in shaping and generating social inequality by supplying their members with different resources.

Relatively little is known about the role of the family/household, like the accumulation or compensation of insecure employment in households. With this paper we fill parts of this gap. We ask whether the household/family has the capacity to compensate for certain market risks, most importantly unemployment and instable employment, or instead patterns of risk accumulation prevail, and what might be the mechanisms behind. Does precariousness come in couples or can its negative effects on the family level be cushioned by a stable income providing partner – if there is a partner?

Men, predicted probabilities to be in a temporary employment or unemployed according to the employment position of the partner



We use EU labor force survey from 1992 to 2010 for six core European countries (DE, FR, ES, IT, NL, UK), analyzing the household employment



situations, the partners' effect on individuals' employment situation and possible mechanisms behind this.

These processes of accumulation or compensation on the household level have strong implications for the inequalities between households.

We find that the combination of unemployed or insecure employed partners in a household is still a rather limited phenomenon but, given the consequences, still a relevant one. The quantitative importance increases once the combination of these employment positions is taken into consideration.

Empirical results show that there is clearly a pattern of risk accumulation on the family level, which have a strong impact on social inequality. In fact, in Italy the risk of being employed with a temporary contract increases up to 10 percentage points for those who have a temporarily versus permanently employed partner. The result is confirmed for all continental EU countries but much more pronounced in Southern Europe. It holds also concerning the risk of unemployment as well as for men and women.

The finding cannot be attributed to similarities in resources such as education of the partners, nor – as far we can test this – completely to their insertion in the same (local) economic context.



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