Cumulating insecure features of work and labour market attachment in a three-year follow-up after 5 time points 1980s, 1990s and 2000s

The Annual Conference of Sociology, Jyväskylä 2016
Project: Economic Crises, Well-being at Work and Work Careers
- The Finnish Work Environment Fund 2015–2017

Data:
- The Finnish Longitudinal Employer-Employee Data (FLEED) 1988–2011
- Finnish Quality of Work Life Surveys (FQWLS) 1984–2013 combined with register-based follow-up data

Research objectives:
- Assessing what kinds of organizations manage to retain jobs in economic crises
- Comparing employees’ career paths in workplaces that hold:
  - economically different positions (‘stable’ vs. ‘unstable’ organizations in terms of annual revenue)
  - different management and employee well-being strategies
- Comparing the recession of the 1990s with the latest financial crisis.

People:
- Pasi Pyöriä, Satu Ojala, Katri-Maria Järvinen, Tiina Saari, Liudmila Lipiäinen, University of Tampere
THE PROJECT EXAMINES the post-industrial working time regime and for example the potential changes in the timing, duration, intensity and autonomy of work.

RESEARCH QUESTIONS
- What is the prevalence of temporal flexibility of work and what are its characteristics?
  - At individual and household levels?
  - In Finland and in EU countries?
- What are the long-term social consequences of temporal flexibility for employees and their families?
  - Later work career? Later family life? Children’s later life?

DATA
  - Follow-up register data
Background

- Increasing concerns about the precarization of work and growing labour market insecurity.
- In Finland, however, the overall quality of work and working conditions have not deteriorated to any substantial degree despite the ongoing financial crisis.
- Our earlier research based on FQWLS indicates that with 5 indicators on precarious work:
  - the share of precarious wage earners has increased only slightly between 1984 and 2013 (from 10 % to 12 %)
  - for people in a precarious labour market position, job demands and resources are severely out of balance.

Objective measures:
1. Experienced unemployment
2. Temporary contract
3. Work contents don’t fit with educational level

Subjective measures:
4. Fear of unemployment
5. Low employability
Percentage of precarious wage and salary earners in 1984-2013 (%), Finnish Quality of Work Life Surveys.

The proportion of precarious wage earners varies with economic cycles.

Share of employees who have 3 out of 5 insecure elements in their work.
Who have 3 / 5 insecure elements at the same time?

Employees who
- also have low income level
- work in cyclically sensitive branches such as building construction and industry
- are young
- have part-time jobs
- live outside urban Finland.


† How is this situation reflected in labour market attachment later in life?
† Are there changes in 3-year follow-up analyses in 1980s, 1990s and 2000s?

- FQWLS waves have 3,000-6,000 respondents in each year
  - + enables following-up work careers: e.g. length and stability of work career, income level, timing and type of retirement.
Research questions

• RQ 1: How are background characteristics related with the stability of the working career in the next three years?
  – Step 1. Time
  – Step 2. Age (max 60 yrs selected), Gender, Spouse, Child, New child, Education, student
  – Step 3. Branch of economy, Unemployment rate of the living area, Organization size

• RQ 2: How is insecurity related?
  – Step 4. Fear of losing job, Previous unemployment, Temporary contract, Employability

• Two follow-up register measures:
  – Unemployed months
  – Employed months

• Method: GEE Generalized estimating equations, negative binomial models, long format data
Descriptives: the deepest recession in the 1990s
here measured by the mean unemployed months per year

Mean, Unemployed months per year, by 5 waves of the Finnish Quality of Work Life Survey Respondents
Follow-up: three following years of the wave

(Exceptions: 1984, 2003)

NB: all are employed in the beginning

Mean, Unemployed months per year, by 5 waves of the Finnish Quality of Work Life Survey Respondents

Descriptives: employed and unemployed months in a 3-year follow-up period, by age

<table>
<thead>
<tr>
<th>Year</th>
<th>15–30 yrs.</th>
<th>31–65 yrs.</th>
<th>15–30 yrs.</th>
<th>31–65 yrs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984</td>
<td>28,6</td>
<td>28,7</td>
<td>0,96</td>
<td>0,79</td>
</tr>
<tr>
<td>1990</td>
<td>25,0 ***</td>
<td>29,3</td>
<td>4,14 **</td>
<td>2,78</td>
</tr>
<tr>
<td>1997</td>
<td>28,8 ***</td>
<td>31,1</td>
<td>1,99</td>
<td>1,74</td>
</tr>
<tr>
<td>2003</td>
<td>31,1 **</td>
<td>32,1</td>
<td>1,13 *</td>
<td>1,50</td>
</tr>
<tr>
<td>2008</td>
<td>30,7 ***</td>
<td>32,0</td>
<td>1,67</td>
<td>1,78</td>
</tr>
</tbody>
</table>
Employed months
RQ 1: Background characteristics

• Step 2. Individual characteristics:
  - \( p=0.000 \) throughout years:
    - Age \( \times \) Time
    - Educational level
  - \( p < 0.01 \):
    - Being single – less employed months
    - Having child/children – more employed months

• Step 3. Structural issues:
  - \( p = 0.000 \) 1997, 2003 & 2008; \( p < 0.01 \) 1984, 1990:
    - Unemployment rate of the living area
  - \( P = 0.000 \) 1984 – 2003, \( p < 0.1 \) 2008:
    - Organization size: the least employed months in organisations with <10, or 500+ employees
    - Branch of economy: public sector (health & social) the safest
Mean employed months in the 3 following years after 2008
♀ Grand mean highest in 2000s!

Age X Time, individual and structural background factors controlled

15-24 yrs.  
25-30 yrs.  
31-45 yrs.  
46-60 yrs.
RQ 2: How are insecure features of work related?

- Objective insecurity measures have strong overall connection with employment in the following 3 years, \( p = 0.000 \) almost throughout
  - Experienced unemployment
  - Temporary contract
  - Interaction term \( p < 0.05 \) in 2000s

- Subjective insecurity mainly \( p < 0.05 \):
  - Fear of losing job
  - Low employability
Mean employed months in the 3 following years after each wave

Previous unemployment X Temporary contract

- No unemployment, permanent
- Has been unemployed, permanent
- No unemployment, temporary contract
- Has been unemployed, temporary contract

ns ns p=0.072 *** yrs *
Unemployed months
RQ 1: Background characteristics

• Step 2. Individual characteristics:
  • Age 45-60 increasingly related to increased unemployment, also time X age
  • Educational level $p<0.000$ 1997–2008, $p<0.05$ 1984–1990
  • Single men have more unemployed months

• Step 3. Structural issues:
  – $P<0.000$ throughout:
    • High unemployment rate of the living area
    • Branch of economy: other than public sector employer (especially Construction)
  – $P<0.000$ except 2008 $p<0.05$:
    • Organization size:
      big companies used to be the safest, not anymore
Mean unemployed months in the 3 following years after each wave

By Age group

- 15–24 yrs.
- 25–30 yrs.
- 31–45 yrs.
- 46–60 yrs.

1984, mean 85-88* 1990, mean 91-93 1997, mean 98-00 2003, mean 04-07** 2008, mean 09-11***
Mean unemployed months in the 3 following years after each wave

By Educational level

- basic
- middle
- tertiary
Mean unemployed months in the 3 following years after each wave

By organisation size

- 1-9 employees
- 10-29
- 30-99
- 100-500
- 500+
RQ 2: How are insecure features of work related?

- Objective insecurity measures = previous unemployment, temporary contract, and subjective fear of losing the job: $p<0.000$ throughout

- Low employability not significant
Mean unemployed months in the 3 following years after each wave

- Fear of losing job vs. No fear
- Temporary contract vs. Permanent
- Has been unemployed vs. No unemployment
Mean unemployed months in the 3 following years after each wave

By insecurity measures

- Red: Temporary, Fear of losing job, Previous unemployment
- Blue: Temporary, Fear of losing job, No unemployment
- Grey: Temporary, No fears, Previous unemployment
- Black: Temporary, No fears, No unemployment
- Orange: Permanent, Fear of losing job, Previous unemployment
- Purple: Permanent, Fear of losing job, No unemployment
- Yellow: Permanent, No fears, Previous unemployment
- Green: Permanent, No fears, No unemployment
- Dark Blue: Permanent, No fears, No unemployment

0 0.5 1 1.5 2 2.5 3 3.5 4 4.5 5

Findings 1:
*Increased attachment of the employed into labour market*

- The major picture is increased attachment of the employed population into labour market
  - Comparing 1980s, 1990s and 2000s; In 2000s, once employed, there will be less periods outside labour market
  - Lengthening of the job tenures = increased stability (Soininen 2015)

- **Continuity in terms of:**
  - Education, Gender, Family characteristics
  - Living area in Finland, Branch of economy

- **Change in terms of:**
  - Age
  - Organisation size
Findings 2: *Deepening divisions*

- **Division 1** between core and peripheral labour force = increased labour market segmentation
  - Previous insecure position at the labour market increases the risk of ending up in an insecure position in the future
    - The mechanism strengthens in economic depressions
  - Temporary contract + higher unemployment in 8-year follow-up also (Ojala et al. 2015)
  - Unemployment is both a social stigma (concerns both work and family life) and a risk for increased loss of ability to work (e.g. Heponiemi et al. 2008)
  - Vice versa: Employees in the best labour market position also work the most in the following years (permanent contracts, highly educated, high paid) and will have highest social benefits as well.
Findings 2: *Deepening divisions*

- **Division 2** between employed and non-employed population
  - increased unemployment – more difficult to get back into work
  - How does “kilpailukykyhypyloikkakeppisopimus” benefit the disadvantaged?
    - social benefit and service cuts are cuts from the already deprived
    - At the population level, social security system becomes more and more earnings-related
  - How about social cohesion?

*** Is marginal social policy really meant to be the future vision of our country? ***