Eurofound

Young people and temporary employment in Europe

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Executive summary

Introduction

Since the onset of the economic and financial crisis in 2008, the number of young people in employment across the European Union has declined considerably. By mid-2013, the unemployment rate among people aged 24 and under had increased to over 23%. A large number of workers in this age group are employed on temporary rather than permanent contracts (42% compared to just 10% of workers aged 25–64). While temporary or fixed-term contracts can be a stepping stone in the transition from education into work, they can also trap young people in insecure jobs.

This comparative report from the European Restructuring Monitor is based on data from correspondents in 28 EU Member States and Norway. It examines the reasons for the growth in temporary employment contracts across the EU and explores the situation regarding access to social protection for young people on temporary or fixed-term contracts. It reviews the measures put in place in various countries to regulate the use of these contracts – often with a view to encouraging the transition to standard contracts – and finally presents the opinions of the social partners on the issue.

Policy context

In most countries in Europe, the use of temporary employment contracts is regulated: the maximum duration is limited as well as the number of times the contract can be renewed. The details of such regulation and the degree of restriction imposed, however, vary markedly between countries. In some countries – notably, Greece, Lithuania, the Netherlands, Poland, Romania and Spain – the regulations have been relaxed during the crisis in the hope of stimulating job creation, although in most cases it has been made clear that the respite is only temporary. In most countries, the restrictions have remained in place; in Italy and Slovakia they have been tightened to encourage more employers to hire workers on standard contracts. This reflects a concern across Europe, which has also been expressed by the European Commission in its June 2013 Communication Working together for Europe's young people – a call to action on youth unemployment, that increasing job opportunities for young people is a priority but should not be done to the detriment of lower job quality and increased levels of insecurity.

Key findings

- The use of temporary employment contracts for young people had been on the rise in most countries before the recession began in late 2008, reflecting the desire of employers to adjust their workforces more easily as market conditions changed. It also pointed to the increased use of traineeships and probationary periods as a way for employers to assess the capabilities of new recruits before offering them permanent positions.

- The economic recession in 2008–2009 led to a disproportionate reduction in the number of young people employed on temporary jobs as many fixed-term contracts were not renewed by employers seeking to cut costs quickly. Since then, however, there has been a relative increase in such contracts, indicative of employers' reluctance to create permanent jobs in a climate of economic uncertainty and of the re-emergence of the trend towards traineeships and probationary periods.

- With a few exceptions, young people on temporary contracts in principle enjoy the same entitlement to social protection as those on standard contracts. In practice, however, the short-term nature of their employment means that they often lack sufficient contributions to qualify for support, such as unemployment, sickness and maternity benefits.

- In a number of countries and sectors, bogus self-employment (when an independent worker is contracted to provide services to a single client or work provider in much the same way as if they were an employee) is widespread. This practice is used by employers as a means of reducing the costs of employment by lowering the social contributions payable and avoiding the costs imposed by employment protection legislation.

- Self-employed workers in most countries have less entitlement to social benefits than employees, as paying contributions tends to be voluntary. Young people on low pay are likely not to make contributions to avoid the extra cost involved. This applies equally to entitlement to insurance-based pensions.
- While temporary contracts can be a stepping-stone to permanent jobs, particularly if they are traineeships or periods of probation, there is evidence that the relative number of young people making the transition to permanent positions has declined over the crisis period.
- The growth of temporary work among young people can be partly explained by measures taken to stimulate youth employment, such as government funding of work experience programmes and state subsidies for employers who take on young people.
- In a number of countries, wage subsidies have been introduced in a form that gives an incentive to employers to create permanent rather than temporary jobs.
- In many countries, young people on temporary contracts do not constitute a major policy concern for the social partners, given the pressing demands of the economic crisis. Where there is debate on the issue, there is often an understandable conflict between the views of employers, who value the flexibility of temporary contracts, and trade unions, who highlight the implicit job insecurity of such contracts.

Policy pointers

While the growth of temporary employment among young people is a cause of concern given the inherent insecurity in this type of contract, it is important to note that people in temporary jobs often either do not want a permanent job or are in training or a probationary period that might lead to a permanent position. However, governments must ensure that the use of fixed-term contracts is not being abused.

Governments also need to monitor self-employment closely. While there is a lack of direct evidence about how genuine some forms of self-employment are, it seems that in some countries a rise in the number of self-employed is being driven by employers who are unwilling to take on permanent workers and to offer them the protection afforded by a standard employment contract.

The issue of social protection needs to be addressed to make sure young people and others in temporary jobs have adequate access to benefits when their contract ends or if they are unable to work because of illness, for instance, or maternity. This may be difficult in cases where social insurance scheme payments are voluntary and the cost of contributions deters young people from joining such schemes. In the present economic climate, it may also be difficult for governments to meet the costs of increasing access to social protection.

Introduction

For many young people across Europe, temporary employment is an important step in the transition from education into the labour market. Fixed-term contracts can be a valuable way for young people to make the initial move into employment to acquire the initial training and experience they need to do a particular job, and for employers to assess their suitability and their capacity to perform the tasks involved.

At the same time, such contracts offer employers a way to avoid the costs of dismissing workers who have standard contracts of employment, giving them more flexibility to adjust their workforce as business conditions change. Equally, however, for the young people concerned, such contracts tend to imply less security and can potentially be a dead end rather than a stepping stone to a more permanent job. Indeed, there is a risk that young people can become trapped in temporary work, moving from one fixed-term contract to another, often with a spell of unemployment in between.

This risk is particularly relevant in the economic and financial crisis which currently prevails across Europe. The virtual stagnation which exists in most countries and the uncertain prospects for any significant recovery in the next year or two means that there is little or no net job creation – a situation which inevitably negatively impacts on young people looking to embark on their working careers. A large proportion of the jobs that young people have managed to find have been temporary rather than jobs with a standard contract of employment.

This report gives an initial overview of the extent of temporary working of young people, focusing on those aged 15–24 in European countries, and on the way temporary work has changed in the recent past. Secondly, this analysis examines the nature of the jobs concerned and the main reasons why young people take them. Thirdly, it considers how far those employed in them are disadvantaged as a result by the level of social protection they can rely on when in need and, more specifically, their access to social benefits and healthcare compared to those on standard contracts of employment. Fourthly, it examines the regulations governing temporary employment and transition to permanent jobs in the different countries, the changes that have occurred in recent years, both during the crisis and over the longer-term, and the attitude of the social partners to temporary employment.

Nature and extent of temporary employment for young people

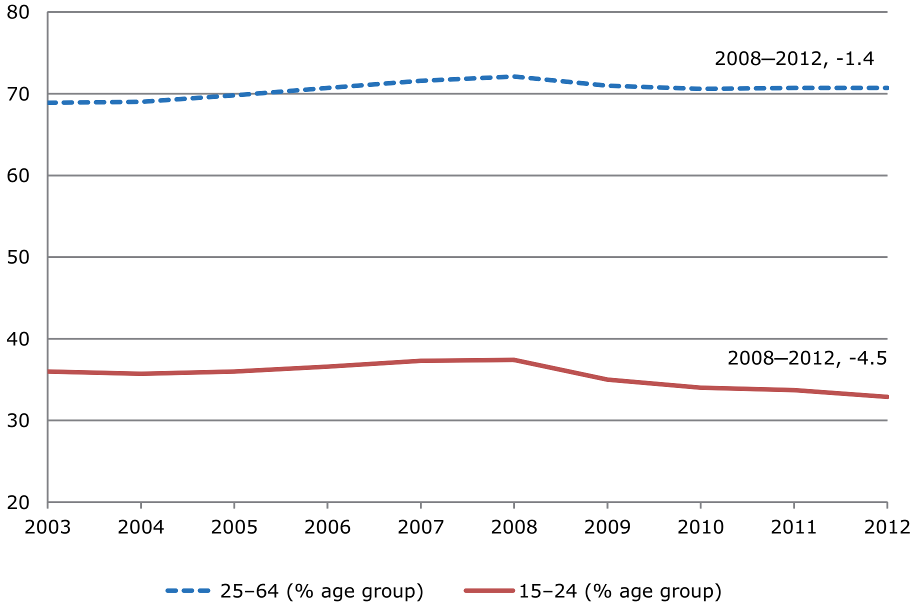
General pattern

Between 2008 and 2012, the total number of employed people in the EU declined by around 5.4 million. Over the same four years, the number of young people aged 15–24 in employment declined by around 3.7 million, accounting for the major part of the overall decline. Both these figures come from the European Labour Force Survey. The overall change over the period shown by the national accounts, which is usually considered to be a more reliable source of changes over time because it is not based on a sample survey but which does not include a split by age, shows a slightly larger increase of around 5.7 million.(European Labour Force Survey, Eurostat). In Norway, total employment increased by just under 72,000 over this period while the number of 15–24-year-olds fell slightly, by just over 1,000.

Although a decline in the employment of young people might have been expected as a result of their falling numbers (the number of those aged 15–24 in the EU fell by some 3 million over these four years), in practice, only a minor part of it can be attributed to demographic trends. If the employment rate of 15–24-year-olds had remained unchanged over this period, the number employed in this age group would have fallen by around 1.1 million rather than 3.7 million. In Norway, there was a significant increase in the number of 15–24-year-olds in the population, so there an increase rather than a fall in employment might have been expected had employment rates remained the same.

So, as these figures imply, the employment rate of young people in the EU as a whole fell sharply between 2008 and 2012, and by much more than the employment rate of those aged 25 and over. In contrast, the employment rate in the 15–24 age group had risen over the four years preceding the onset of the recession (Figure 1). While the employment rate of those aged 25–64 stabilised and remained broadly unchanged up to 2012 after an initial fall during the first full year of recession in 2009, the employment rate among young people continued to decline (falling by a further two percentage points after falling by 2.5 percentage points in 2009). In Norway, the employment rate among those aged 15–24 was only slightly lower in 2012 than 2009; however, it was five percentage points below the 2008 rate, just before the recession, whereas the rate among those aged 25–64 was only just over one percentage point lower.

Figure 1: *Employment rates in the 15–24 and 25–64 age groups in the EU (2004–2012)*



Source: *Eurostat, Labour Force Survey (LFS)*

The proportion of young people employed in temporary jobs increased significantly across Europe in the years preceding the recession. Between 2004 and 2007, it rose in 18 of the 28 countries, increasing to over 41% on average. It declined, however, in Spain (where it was among the highest in Europe), in three of the four Nordic countries (all but Sweden) and in six of the EU12 countries, in all of which the proportion was well below average (Table 1).

Over the next two years, 2007–2009, as almost all European economies went into recession and there were widespread job losses, the proportion of young people employed on temporary contracts declined in many countries – though by no means all – as firms faced with falling demand shed these workers first.

Over the following three years, 2009–2012, as most economies remained depressed and the outlook continued to be highly uncertain with little prospect of any imminent recovery, a widespread reluctance was evident among employers to take people on in permanent jobs. As a result, large numbers of the young people recruited to replace, for instance, retiring workers went into fixed-term jobs and the overall proportion of the workforce employed on such contracts increased. European Labour Force Survey figures show that some 57% of those aged 15–24 in the EU who moved from education into employment between 2010 and 2011 took temporary jobs. This was also true for an average 61% of young workers who moved from unemployment into work across Europe, although in some countries such as Spain (90%) and Portugal and Poland (95%), the proportion was much higher.

Table 1: *Proportion of 15–24-year-olds in temporary jobs, 2004–2012*

	% total employees				percentage point change			
	2004	2007	2009	2012	2004–07	2007–09	2009–12	2007–12
EU27	37.6	41.3	40.4	42.1	3.7	-0.9	1.7	0.8
SI	63.1	68.3	66.6	72.0	5.2	-1.7	5.4	3.7
PL	60.6	65.7	62.0	66.4	5.1	-3.7	4.4	0.7
ES	64.8	62.8	55.9	64.9	-2.0	-6.9	9.0	2.1
FR	46.7	53.5	52.4	56.6	6.8	-1.1	4.2	3.1
SE	53.1	57.1	53.4	56.5	4.0	-3.7	3.1	-0.6
PT	47.4	52.6	53.5	55.7	5.2	0.9	2.2	3.1
IT	34.4	42.3	44.4	52.9	7.9	2.1	8.5	10.6
DE	55.5	57.4	57.3	52.8	1.9	-0.1	-4.5	-4.6
NL	37.9	45.1	46.5	51.4	7.2	1.4	4.9	6.3
FI	49.8	42.4	39.0	40.9	-7.4	-3.4	1.9	-1.5
LU	24.1	34.1	39.3	37.9	10.0	5.2	-1.4	3.8
AT	32.4	34.9	35.6	35.6	2.5	0.7	0.0	0.7
IE	11.2	20.5	25.0	34.9	9.3	4.5	9.9	14.4
BE	28.6	31.6	33.2	31.4	3.0	1.6	-1.8	-0.2
CZ	18.0	17.4	18.7	26.8	-0.6	1.3	8.1	9.4
EL	26.3	27.0	28.4	25.9	0.7	1.4	-2.5	-1.1
NO	31.2	28.0	25.7	24.4	-3.2	-2.3	-1.3	-3.6
HU	15.1	19.1	21.4	22.4	4.0	2.3	1.0	33
DK	26.9	22.5	22.8	20.9	-4.4	0.3	-1.9	-1.6
SK	9.9	13.7	12.5	19.1	3.8	-1.2	6.6	5.4
CY	16.1	23.3	18.4	18.7	7.2	-4.9	0.3	-4.6
MT	9.2	11.0	11.3	16.6	1.8	0.3	5.3	5.6
UK	11.0	13.3	11.9	14.7	2.3	-1.4	2.8	1.4
EE	9.2	6.6	8.3	12.9	-2.6	1.8	4.5	6.3
LV	17.3	9.3	9.3	9.8	-8.0	0.0	0.5	0.5
LT	13.8	9.8	5.0	9.1	-4.0	-4.8	4.1	-0.7
BG	15.3	10.3	9.3	7.0	-5.0	-1.0	-2.3	-3.3
RO	6.6	4.6	3.7	5.8	-2.0	-0.9	2.1	1.2

Note: Countries ranked by proportion of employees in the age group in temporary jobs in 2012.
Source: *Eurostat, Labour Force Survey*

Over the three years 2009–2012, the proportion of young people in work with temporary contracts of employment rose in 20 of the 28 countries. The increase was particularly large in a number of countries which were most affected by the crisis – in Ireland, Slovenia, Spain and Italy. The proportion of young people employed in temporary jobs as opposed to permanent ones was larger in 2012 than in 2007 in all but nine countries, despite the initial reduction in the number of fixed-term contract jobs in many cases in the recession years.

Much the same pattern of change over the crisis period is evident for the slightly older 25–29 age group. In most countries, the proportion of this group employed in temporary jobs declined in the two years between 2007 and 2009 as the recession hit, but increased between 2009 and 2012 in all except five cases. So, in the majority of countries (all except six), the proportion was larger in 2012 than before the onset of the recession (see Annex Table 7).

This proportion, however, is still only around half the proportion of 15–24-year-olds employed on some form of temporary contract (around 21.5% as against 42% in the EU as a whole in 2012), but it is more than twice the European average for those aged 30–64 (9% in 2012). This means that the proportion of 15–24 year-olds employed in temporary jobs in the EU is almost five times higher than for those aged 30 and over. In Norway, the proportion is slightly over five times higher.

The focus in much of this report, therefore, is largely on this age group, although when it comes to considering the detailed situation in individual countries, the age group may differ in line with the way national policies or legislation define young people.

The share of employees in temporary jobs in 2012 ranged from 72% in Slovenia, 65% in Poland and 66% in Spain, to under 10% in Latvia and Lithuania and just 6% in Bulgaria and 7% in Romania. This variation between countries is mirrored by the figures for 25–29 year-olds, though in most cases they are only around half or less than half of the proportions among the 15–24 age group. The major exception is Cyprus, where the share was the same for both age groups.

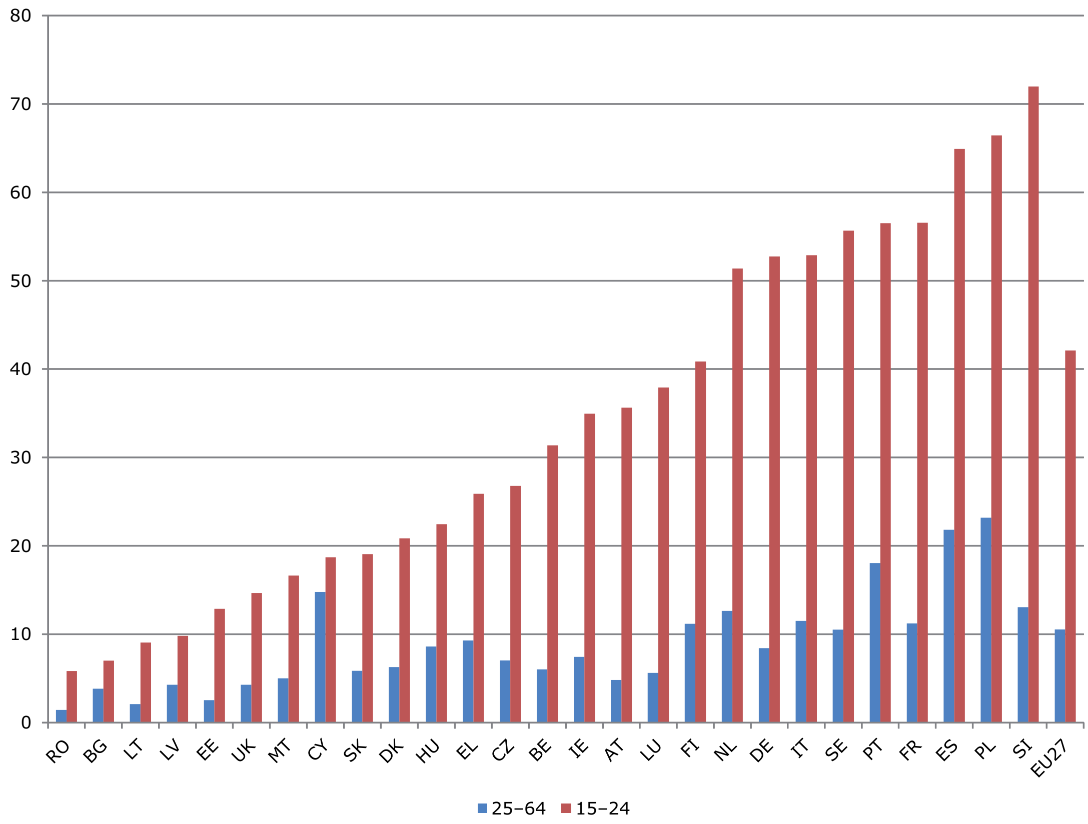
There is some tendency for the proportion of young people aged 15–24 in temporary jobs in the different countries to mirror that of older workers, but there are quite a few exceptions (Figure 2). In particular, in Slovenia, France, Sweden, Italy and Germany, the extent of temporary working among young people is well above the European average, while the proportion of employees aged 25–64 in temporary jobs in those countries is much closer to the European average. The reverse is true in Cyprus where the share of young people in temporary jobs is well below the average and the proportion of those aged 25–64 is well above it.

More generally, not only is the share of young people in temporary jobs smaller in most EU12 countries than in the EU15 – the two prominent exceptions being Slovenia and Poland – but the difference between the extent of temporary working among those under 25 and those aged 25 and over is narrower than in most EU15 countries. As shown below, this reflects to some extent the less widespread use of traineeships in EU12 countries than in the EU15, and the fact that fewer students take summer jobs.

However, the above figures, based as they are on the Labour Force Survey of households, do not necessarily capture all forms of temporary working or, more generally, jobs which are not subject to standard contracts of employment. In the Czech Republic, for example, an unknown number of jobs are covered by 'Agreements on work performed outside the employment relationship', and so not regulated by the Labour Code. These usually involve casual one-off work, where employers are not obliged to register employees' working time. In 2010 in Poland, according to the National Labour Inspectorate, 21% of the working population (the relative proportion of young people is not known) had a 'civil law contract' not regulated by the Labour Code in 2010, up from 15.5% in 2008. In Finland, 'zero-hour contracts' (where work may be permanent but not guaranteed), have reportedly become more common during the crisis. In spring 2013, a tripartite working group began investigating the use of these contracts and the findings are expected to be published before the end of the year. In June 2013, the Finnish JHL trade union launched a **campaign** against the use of such contracts.

It is also uncertain how far informal employment in the grey economy is covered by the survey. In Bulgaria, a large and growing number of people are thought to be involved in such activity (CITUB-BIA, 2011). Similarly, in Malta, undeclared seasonal work among young people seems to be increasing.

Figure 2: *Proportion of employees in the 15–24 and 25–64 age groups in temporary jobs (2012)*



(% of employees in each age group)
Source: *Eurostat, Labour Force Survey (LFS)*

Other forms of non-standard employment

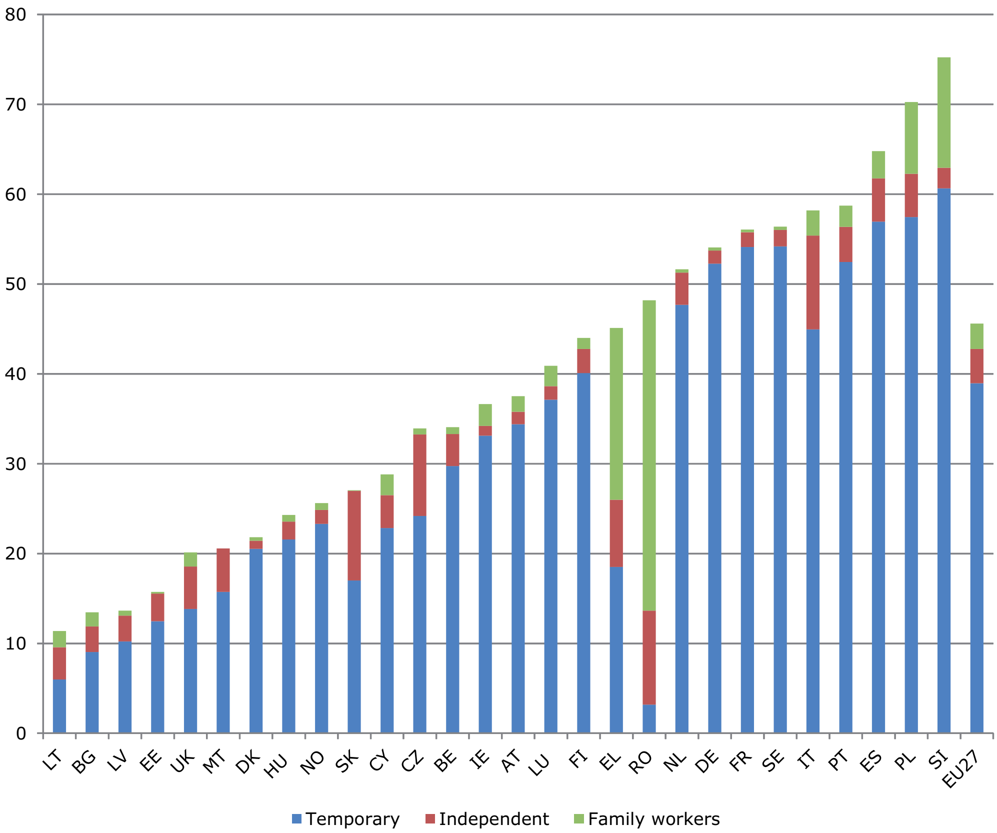
Temporary contracts of work are not the only form of non-standard employment for young people. In a number of countries, bogus self-employment (when independent workers are contracted to provide services to a single client or work provider in much the same way as if they were an employee) is of importance and, like temporary jobs, can often involve a relatively high level of insecurity. Family working, when wives or children work in the family business without any formal contract of employment and often without a regular wage, can also be insecure and, more generally, may offer little prospect of advancement.

Bogus self-employment is a means of reducing the costs of employment partly by lowering the social contributions payable and partly by avoiding the costs imposed by employment protection legislation. Like temporary contracts, contracting out work gives employers more ability to adjust their workforce in line with variations in sales, or at least to operate at lower cost. For the workers concerned, however, it means taking over the responsibility for providing protection against possible loss of work or an inability to continue working and for ensuring that they build up enough pension for their future retirement.

Even if the practice of bogus self-employment is recognised as being widespread in some countries, statistics on it are not generally available, largely because it is difficult to identify and to distinguish it from ‘legitimate’ self-employment. Nevertheless, some indication of its relative importance can be obtained from the data collected by the Labour Force Survey about those declaring themselves as being self-employed but who do not have any employees. This gives only an approximate guide to the scale of bogus self-employment because the data include those who are professionals working independently (consultants of various kinds, for example) for a number of organisations or individuals. However, in countries where a much larger proportion of young people than average are self-employed without employees, it is likely that many of them are bogus self-employed, performing tasks that employees would normally do. There is, however, no way of confirming this and the figures presented here should be interpreted with a great deal of caution. They are at best a very tentative indication of the relative – rather than the absolute – scale of bogus self-employment.

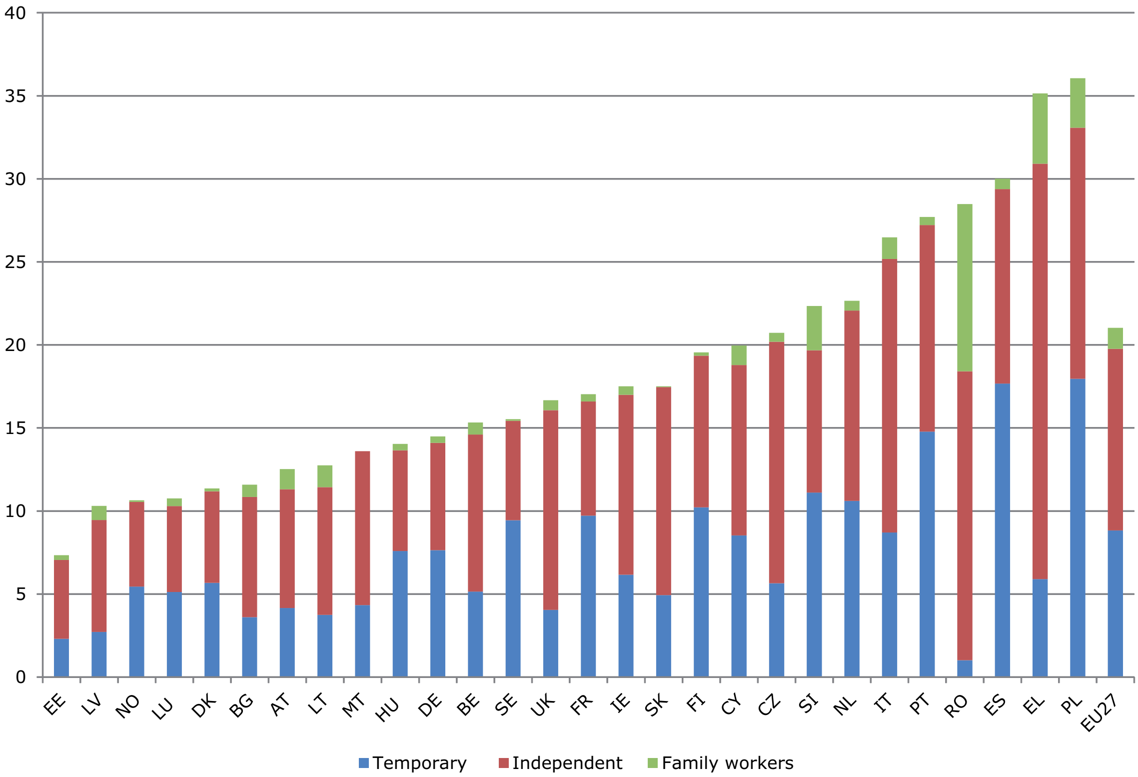
In 2012, self-employed workers without employees, who can be described as ‘independent workers’ accounted for around 4% of all those aged 15–24 in employment in the EU. In Romania, Italy and Slovakia, however, the proportion was around 10%; in the Czech Republic it was 9% and in Greece just under 8% (Figure 3).

Figure 3: *Proportion of 15–24 year-old workers with non-standard employment contracts (2012)*



Source: *Eurostat, Labour Force Survey (LFS)*

Figure 4: *Proportion of 25–64 year-old workers with non-standard employment contracts (2012)*



Source: *Eurostat, Labour Force Survey (LFS)*

Many young people are also employed as family workers in Romania and account for over a third of all those aged 15–24 in employment. In Greece, family workers account for just under 20% of this age group. If these are added to the numbers employed in temporary jobs, the relative number of whom are smaller in Romania than anywhere else, the overall proportion of 15–24 year-olds in non-standard employment is increased to almost half (48%) of all those in work. In Poland and Slovenia too, the addition of family workers, and to a lesser extent independent workers, increases the relative number of young people in employment with non-standard contracts significantly, to 70% of those in work in Poland and to 75% in Slovenia. Equally in Italy, if only those on temporary contracts are considered, the proportion of 15–25 year-olds is just above the EU average for young people on non-standard contracts. However, when family workers and independent workers are also taken into account, the proportion rises to 58% of all those aged 15 to 24 and in work.

These figures for the overall proportion of young people in work employed under non-standard contracts are, in almost all cases, substantially higher than the proportion of those aged 25 and older on non-standard contracts (Figure 4).

Evidence from the national reports provides further, and in some cases more direct, indication of the importance of bogus self-employment. In several countries, there have been occasional attempts to estimate the extent of the practice. For example, in Italy, a recent study has estimated that bogus self-employment accounted for between 5% and 7% of total employment (all ages) in 2010, which probably implies a higher figure for younger age groups (Mandrone and Marocco, 2012). In Greece, it is estimated that in 2008, before the crisis, 270,000 people were in bogus self-employment, while 70,000 more were involved in piece-rate working at home as sub-contractors, and the two figures together suggest that around 7% of those in work were employed in these forms of activity (Mouriki, 2010). In Portugal, the number of 'service provision contracts' (a form of self-employment) doubled between 2004 and 2011, reaching about 20,000 for those aged 15–24, or just over 6% of all those employed in this age group. In addition, some 27,000 of those aged 25–29, around 5% of the total in work, were also employed on this type of contract in 2011.

In Slovenia, it is estimated that 10% of all self-employed workers of all ages worked predominantly for a single work provider. In Austria, according to a recent study, some 2% of young people aged 15–34 in their first job worked as 'freelance contractors' or 'new self-employed' (without having a business licence) (Statistik Austria, 2010). In the UK, bogus self-employment is thought to be most common in the construction industry – indeed almost a third of self-employed workers in the UK aged 15–24 without employees worked in the industry in 2011 – and a recent study estimated that in 2008 40–46% of all self-employed in the sector were bogus (between 16 and 19% of employees in the sector) (Harvey and Behling, 2008).

In Malta, legislation was amended in January 2012 to combat bogus self-employment by listing eight criteria which define an employee, no more than four of which can apply to anyone claiming to be self-employed. The eight criteria include dependence on a single person or organisation for income; the determination of the work to be done by that person or organisation; the use of their equipment to perform the work; working time determined by them; the prohibition of contracting out the work to someone else and the tasks being the same as performed by existing or former employees of the organisation concerned. Although no data are currently available, a survey carried out six months after the legislation came into force estimated that about a third of the self-employed responding were in fact bogus (Vella, 2012).

The LFS data show a small increase over the crisis period in the proportion of young people aged 15–24 in employment working as self-employed without employees in the EU as a whole (half a percentage point between 2008 and 2012). The increase, however, was in most cases higher in countries where there was already a high proportion young self-employed, especially in the Czech Republic and Slovakia (an increase of almost four percentage points) but also in Greece and Italy (an increase of just under two percentage points). At the same time, the proportion employed as family workers in this age group also increased markedly over this period in Greece (by five percentage points) as well as in Slovenia (by 4 percentage points) and Romania (by over 8 percentage points), the three countries where the proportion was already the larger in the EU.

In Finland, a **2012 report** from the Ministry of Employment and the Economy pointed to a possible increase in bogus self-employment over the crisis period, which is in line with an increase in the relative number of young people employed as independent workers shown by the LFS (an increase of half a percentage point between 2008 and 2012). In Cyprus, the Ministry of Labour and Social Insurance believes that bogus self-employment has risen since the onset of the crisis, although the LFS data show a decline in the proportion of young people employed as independent workers.

Features of temporary employment contracts and reasons for their growth

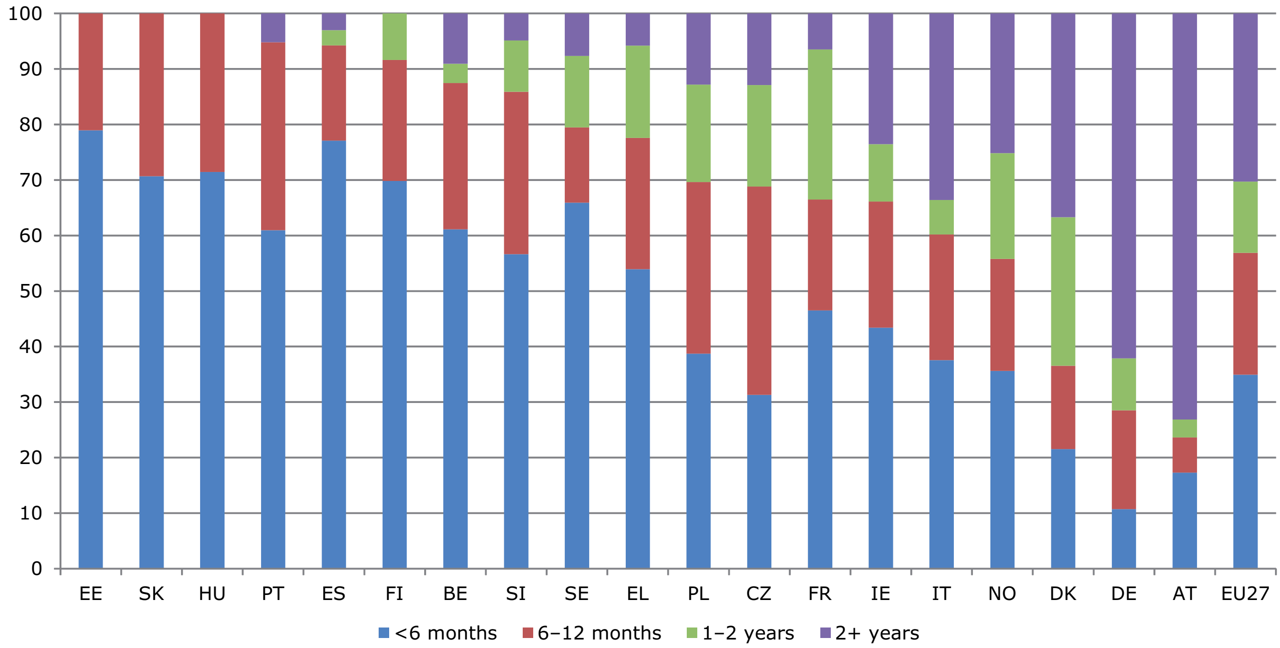
Temporary employment varies considerably across countries, not only by its relative scale (as outlined above), but by type of contract, duration (Figure 5) and the extent to which it involves training or a probationary period (Figure 6). These characteristics, together with the scale of temporary working, are used here to group countries with broadly similar features to present an overview of the situation across Europe. It should be noted that the reasons reported have tended to remain relatively stable over time, although there has been a trend towards an increase in the numbers reporting that they are working in temporary jobs mainly because they were unable to find permanent work.

A number of countries, however, do not fit neatly into any of the groups and they are therefore considered separately.

A common reason for the development of temporary contracts of employment, as showed at the outset, is the greater flexibility they give employers to adjust workforces in response to changing market conditions compared to standard contracts. This flexibility was mentioned in many of the national reports but, as summarised below, other reasons, particularly government incentives to increase the employment of young people, were also noted.

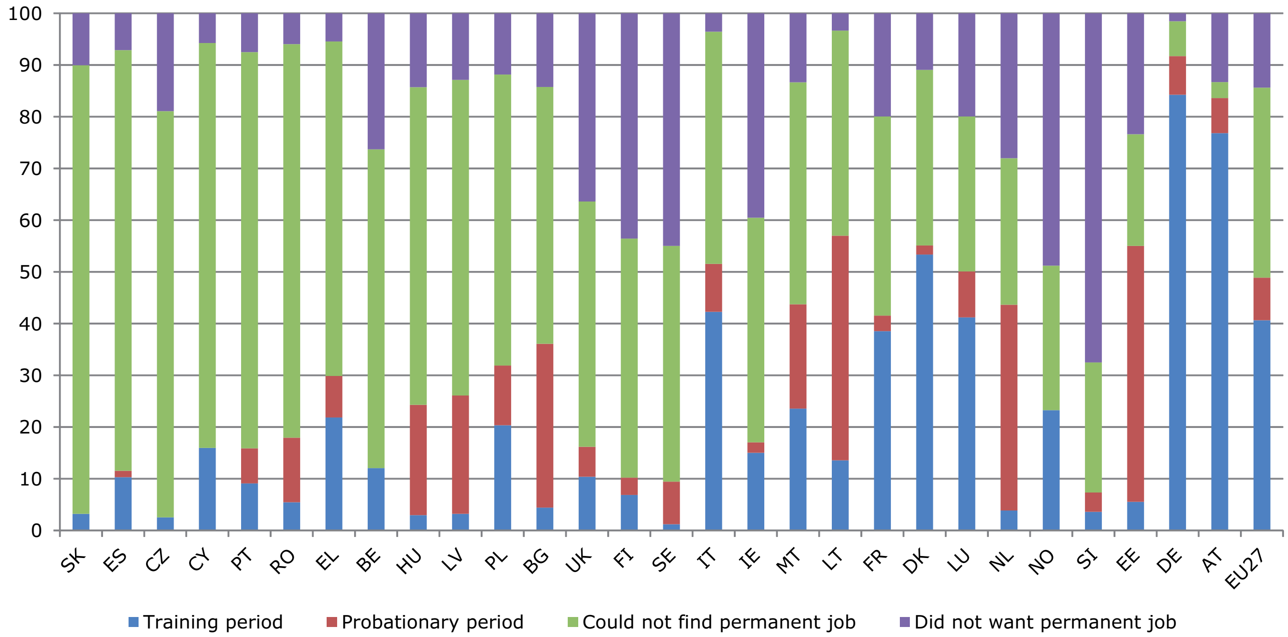
In most countries, regulations are in place to govern the duration of temporary contracts of employment and their renewal, but the nature of such regulations and the extent to which they deter employers varies markedly. In most cases, the regulations have remained unchanged during the crisis period. In some, however, they have been relaxed even if only temporarily to encourage job creation (as in Greece and Romania). In a few, on the other hand, regulations have been tightened recently to encourage employers to use standard contracts of employment when taking people on (as in Italy and Slovakia).

Figure 5: *Workers aged 15–24 with temporary employment contracts, by duration (2012) (% of total)*



Notes: Countries ordered by % in jobs of 12 months or less. Countries where data is not reliable are excluded.
Source: *Eurostat, Labour Force Survey (LFS)*

Figure 6: *Workers aged 15–24 in temporary employment by main reason (2012) (% of total)*



Notes: UK, IE, NL, NO and DE – given the relative importance of the non-response rates, the results for these countries have to be interpreted with caution.
Source: *Eurostat, Labour Force Survey (LFS)*

Table 2: *Workers aged 15–24 in temporary employment by main reason (%) (2012)*

	Training	Probation	Involuntary	Out of choice	Duration >2 years	Aged 15–24	Aged 25–64
Group 1 – Vocational education and training							
DE	84.3	7.4	6.7	1.5	62.1	52.8	8.7
AT	76.8	6.8	3.1	13.3	73.2	35.6	4.8
DK	53.3	1.8	33.9	10.9	36.7	20.9	6.3
Group 2 – Probationary period							
EE	5.5	49.5	21.6	23.4	0.0	12.9	2.5
LT	13.6	43.5	39.6	3.3	:	9.1	2.1
NL	3.9	39.8	28.3	28.0	:	51.4	12.8
BG	4.4	31.7	49.7	14.2	:	7.0	4.1
MT	23.6	20.2	42.9	13.3	:	16.6	5.0
Group 3 – Involuntary temporary employment							
SK	3.3	0.0	86.7	10.0	0.0	19.1	5.9
ES	10.3	1.2	81.3	7.1	3.0	64.9	21.5
CZ	2.6	0.0	78.5	18.9	12.9	26.8	6.9
CY	16.0	0.0	78.3	5.7	:	18.7	14.8
PT	9.1	6.8	76.6	7.5	5.2	55.7	18.0
RO	5.5	12.5	76.1	5.9	:	5.8	1.4
EL	21.9	8.0	64.7	5.4	5.8	25.9	9.3
BE	12.1	0.0	61.6	26.3	9.1	31.4	6.0
HU	3.0	21.3	61.4	14.3	0.0	22.4	8.6
LV	3.2	22.9	61.0	12.8	:	9.8	4.3
PL	20.4	11.5	56.3	11.8	12.8	66.4	23.2
Group 4 – Temporary employment out of choice							
SI	3.6	3.7	25.2	67.5	4.9	72.0	13.1
NO	23.3	:	27.9	48.8	25.2	24.4	5.9
SE	1.2	8.2	45.6	45.0	7.6	56.5	10.5
FI	6.9	3.4	46.2	43.6	0.0	40.9	11.8
IE	15.0	2.0	43.4	39.5	23.6	34.9	7.4
Others							
IT	42.3	9.3	44.9	3.5	33.6	52.9	11.5
LU	41.2	8.9	30.0	19.9	:	37.9	5.7
FR	38.6	3.0	38.5	20.0	6.5	56.6	11.0
UK	10.4	5.8	47.4	36.4	:	14.7	4.8
EU	**40.7**	**8.2**	**36.7**	**14.4**	**30.3**	**42.1**	**10.6**

Source: *Eurostat, Labour Force Survey (LFS)*

Group 1: Temporary employment as part of vocational education and training

This group of countries includes Germany, Austria and Denmark. In all of these countries, a major reason for temporary working among young people aged 15–24 is vocational education and training. In these countries, the incidence of temporary working among those aged 25 and over is much lower than for those younger than 25, emphasising the concentration of fixed-term contracts on young people.

In these three countries, the large number of young people who report that training is the main reason for taking a temporary contract of employment reflects the importance of the apprenticeship system, especially for those who do not pursue university education, though as noted below this has changed somewhat in recent years.

In Germany, apprenticeships (which cannot be shorter than two years or longer than three years) are reported to be attractive to employers, offering ample opportunity to assess the suitability of the young people concerned before employing them on permanent contracts. There are two types of fixed-term contracts: those with objective justification and those without. The former have no maximum term and are intended mainly to foster the transition into employment largely through apprenticeships or traineeships, though they can also be justified by the need to replace workers on leave or to meet a temporary need for staff. The other type of contract is one for which there is no objective reason and which can last for a maximum of two years. However, fixed-term contracts without objective justification offered to new employees in recently established companies can last for a maximum of four years.

In Austria, the slight decline in the number of apprenticeships in 2009–2010 during the crisis led to the introduction of ‘supra-company apprenticeships’ managed by the public employment services for those unable to find regular apprenticeships in companies. Over the past decade or two, and particularly during the crisis, there has been a marked rise in the number of university graduates taking up traineeships, largely because of a lack of job opportunities. The maximum duration of fixed-term contracts in Austria is not regulated by law except in the case of apprenticeships, generally set at between two and four years.

In Denmark, apprenticeships are expected to lead to a permanent position. Since the mid-2000s, however, there has been a significant decline in the number of apprenticeships available, which has created a bottleneck and has resulted in many young people having to drop out of vocational training programmes. (This decline is reflected in Table 1 above, which shows a fall in the proportion of those aged 15–24 in temporary employment after 2004.) Temporary contracts also in many cases involve students who work while they study. These jobs are distinct from apprenticeships because there is no expectation that they will lead to a permanent job. The maximum duration of temporary contracts is not regulated by law in Denmark, but in the public sector temporary contracts can be renewed a maximum of four times.

Group 2: Temporary employment in the form of a probationary period

The second group of countries comprises Estonia, Lithuania, Bulgaria, Malta and the Netherlands. All except the Netherlands have a small proportion of young people on temporary contracts; all, including the Netherlands, have a significant proportion on contracts for a probationary period. In Estonia, all this group are, therefore, on short-term contracts of less than a year (this is probably true in the other countries as well).

In Estonia, the proportion of young people employed on temporary contracts, though still relatively small, has increased significantly since 2007, stimulated by the lower costs they imply for employers. About half of young temporary workers are employed for a probationary period, six times more than the EU average. Since the new Employment Contract Act (intended to increase labour market flexibility) took effect in 2009, temporary contracts can be concluded without restriction instead of being permitted only in exceptional cases. Provisions were also introduced to improve worker protection which include obliging employers to pay workers for the remainder of a fixed-term contract if it is terminated before the agreed end, whereas on standard contracts they are obliged to pay only one month's notice. The maximum duration is five years and if a person signs a fixed-term contract more than twice with the same employer for similar work, or if the contract is extended more than once in five years, it is considered to be a permanent contract.

In Lithuania, where over 40% of young people on temporary contracts are employed for a probationary period (which by law cannot exceed three months except in special cases), the maximum duration of fixed-term contracts is also five years. However, the gap between two contracts needs only to be longer than one month for the second one to be considered a separate contract and so not covered by the five-year rule. The development of temporary employment was blocked by restrictions imposed in 2003 to prevent fixed-term contracts being used in cases where work was permanent. These restrictions were eased in 2010 in response to the crisis to allow employers to conclude fixed-term contracts for newly established positions, irrespective of the nature of the work, so long as no more than half of the workforce was employed on such contracts. The maximum duration of such contracts is set at two years or no later than 31 July 2015, whichever is the sooner.

In the Netherlands, 40% of those aged 15–24 in employment in 2012 were employed on a probationary contract and most were likely to be given a permanent position if they performed satisfactorily. A significant number of young people were working as standby employees (28.5% of those on flexible contracts in 2012). The possibility of extending fixed-term contracts for young people aged 15–26 to a maximum of four years with up to three renewals, introduced in 2010 in response to the crisis, ended in January 2012. The maximum duration of fixed-term contracts has reverted to three years with, at most, two renewals.

In Bulgaria, probationary contracts can be concluded for a period of up to six months, and temporary contracts cannot exceed three years and can be renewed only once with the same employer for the same task. The government subsidises a number of temporary employment schemes targeted at young people under 30, with contracts of between six months and a year. Nevertheless, the imposition of strict regulations on the use of temporary contracts has limited the number of young people under 25 employed on them to only around 8% of employees.

In Malta, probationary contracts also usually last six months, but can last up to one year for executive and managerial positions if the salary offered is twice the national minimum wage or more. Other forms of temporary contract are limited to four years. The significant increase in temporary employment in Malta in 2012, however, is attributed to the depressed state of the labour market as a result of the crisis, the lack of alternative jobs for young people and uncertainty about future prospects for employers. As a result, the government has recently introduced a number of legal provisions to better protect temporary workers, especially temporary agency workers.

Group 3: Involuntary temporary employment

The third group of countries, the largest, consists of eleven Member States: Slovakia, Spain, the Czech Republic, Cyprus, Portugal, Romania, Greece, Belgium, Hungary, Latvia and Poland. These countries can be divided into two sub-groups: Spain, Portugal, Greece and Poland, where a relatively large number of young people are employed in temporary jobs (or in the case of Greece, as family workers), and the remaining seven where the number of family workers is relatively small – though less so in Belgium. In all eleven, however, the majority of young workers report taking jobs with non-standard contracts only because they were unable to find a permanent position. In 2012, for the countries with available data, over 68% of the jobs in question were for 12 months or less.

In Slovakia, where the proportion of young people in temporary work is relatively small and where over 70% have contracts of less than six months, the types of temporary contract on which young people are employed include what are termed ‘agreements on work performed outside a standard employment relationship’. These are being increasingly used because of their flexibility and low administrative costs. The workers concerned have no right to holiday, severance pay or a guaranteed minimum wage. The maximum duration of such contracts varies from 350 hours a year (in the case of short one-off tasks) to 10 hours a week and, for student jobs, 20 hours a week. The duration of other temporary contracts is now limited to two years with no more than two renewals, a tightening of the conditions which prevailed before January 2013 when it was possible for fixed-term contracts to last for up to three years with three renewals.

In Spain, where most young people in work are employed on temporary contracts, around a third were employed in 2012 on ‘Work and service contracts’ (*Contratos de obra y servicio*, fixed-term contracts for undertaking an activity of uncertain duration), while a further 22% were employed on a ‘Temporary contract due to production circumstances’ (*Contratos eventuales por circunstancias de la producción*, used by employers to respond to additional, though short-lived, demand). The use of temporary contracts expanded in the mid-1980s during a period of high unemployment, encouraged by the government to increase labour market flexibility by reducing the costs of dismissal. The focus now is on trying to make permanent jobs more flexible, in part by introducing a new contract under which those employed for a trial period (the first year) are no longer entitled to redundancy payments. The maximum duration of temporary contracts was limited to 24 months in 2010 for workers taken on more than once by the same employer, irrespective of whether the nature of the job changed. In 2011, however, in response to the crisis and to simulate employment, employers were allowed to extend temporary contracts indefinitely up until the beginning of 2013; the limit of 24 months was then re-applied.

In the Czech Republic, the significant increase in the proportion of young people employed on temporary contracts during the crisis period is partly due to the government doubling the maximum number of hours of work allowed under ‘agreements on work performed outside of standard employment’ in 2011 (from 150 to 300 hours a year). Such agreements, on which social contributions are not payable unless wages are above CZK 10,000 a month (€390) are mainly used, as in Slovakia, for one-off jobs or occasional work, usually in the education sector or in R&D. Temporary contracts cannot exceed three years and can be renewed no more than twice (though a proposed amendment to the Labour Code will allow unlimited renewals for seasonal workers in agriculture and construction).

In Cyprus, the proportion of young people in temporary jobs is much smaller (less than 20% of those in employment). Here the development of temporary employment is partly related to an increase in the number of migrants working as domestic workers (with residence and working permits of up to four years), though the number has recently fallen as a result of the crisis. The number of temporary workers has also risen in the education sector, where a common practice to reduce wage costs in private schools is to hire teachers only for the academic year from October to May, leaving them to claim unemployment benefits in the remaining months. Temporary contracts are limited to three years in duration and an employer taking on someone who has previously been working for at least 30 months on a fixed-term contract has to do so on an open-ended contract.

In Portugal, the proportion of young people in employment on fixed-term contracts is almost as large as in Spain and, as in Spain, legislation was recently changed to make the use of permanent contracts more attractive by reducing employment protection and bureaucracy in the event of redundancies. At the same time, however, under the new Labour Code introduced in 2012, fixed-term contracts can now be renewed up to three times instead of only twice.

In Romania, the proportion of young people employed on temporary contracts was the smallest in the EU in 2012 (5.8%), though many young people work as independents or for the family enterprise or farm. To boost employment and to increase employer flexibility, the Labour Code was amended in 2011 to raise the maximum duration of temporary contracts from 24 months to 36, and with no restriction on the number of times they could be renewed (previously twice). In addition, employers were permitted to pay agency workers a salary equal to the minimum wage whereas previously they had been required to pay wages at least equal to those of similar workers in the company.

In Greece, flexible forms of employment (such as service contracts and work rotation contracts – employment for only a few days per week, one or two weeks per month or a few months per year) have become more common since the onset of the crisis. As already discussed, a significant and growing number of young people are now employed as family workers, almost certainly reflecting the lack of standard job opportunities. Before the crisis, temporary contracts were used mainly to meet seasonal needs, for projects of a pre-defined duration and to replace employees on leave or absent from work. Since the crisis, temporary jobs have become a means of integrating young people into the labour market, and in 2011 the maximum duration of fixed-term contracts was increased to 36 months (instead of 24 months previously). The latest data indicate, however, a sharp fall in the proportion of those aged 15–24 in temporary jobs between 2011 and 2012 of four percentage points, a result of many SMEs (major users of fixed-term contracts) closing down.

In Belgium, where the large majority of young workers are employed on temporary contracts because they have no other choice, many fixed-term contracts (around 42%) are very short – less than four months. Temporary contracts are regarded by employers as an important means of adjusting to variations in economic conditions, capable of being converted into permanent jobs if growth occurs and easily cancelled if it does not or if there is a downturn. Temporary working is concentrated in sectors that are sensitive to cyclical fluctuations in economic activity, such as construction and parts of manufacturing. Renewal of fixed-term contracts is not allowed except in specific cases where the nature of the work, such as scientific research or live performance in the arts, makes renewals unavoidable. In these cases, there can be up to four successive fixed-term contracts, each with a minimum duration of three months and a total duration of up to two years.

In Hungary, a wide range of temporary contracts is in use, including for fixed-term employment, seasonal or occasional work, 'on-call' work, covering for workers temporarily absent, temporary agency work, work experience for students and for probationary periods However, as for most other countries, no data are available on the relative importance of each of these. The development of temporary employment contracts is in part related to the fight against illegal work in the black economy, their use being encouraged to provide better protection to workers as well as to increase receipts of social contributions. The maximum duration is set at five years, including renewals, and there must be a gap between contracts of more than six months for them to be considered separate.

In Latvia, temporary contracts are limited to special cases where the nature of the work requires them and cannot exceed three years. There must also be at least 30 days between two contracts for them to be considered separate, otherwise the limit of three years applies to the two together. As in Bulgaria, the strict regulations which have continued to be imposed have limited the use of fixed-term contracts to only a small proportion of young people in employment (9.8%).

In Poland, there are a number of reasons for the growing use of temporary contracts, not least that those fixed for longer than six months can be ended by a two-week period of notice, while three months' notice must be given to end permanent contracts. In some cases, fixed-term contracts are also used to impose more discipline on workers through the threat of non-renewal (the number employed on such contracts tends to be smaller in companies with active trade unions). The maximum duration of fixed-term contracts is not regulated by law, but after two consecutive fixed-term contracts have been completed, the third has to be a permanent contract unless there has been a gap in employment of more than 30 days. This provision, however, was suspended during the crisis from August 2009 to December 2011 to help maintain employment levels.

Group 4: Temporary employment by choice

The fourth group of countries comprises Slovenia, Norway, Sweden, Finland and Ireland. These countries have widely differing proportions of young people in temporary employment but in all of them a significant number of these workers reported that they did not want a permanent job. In Slovenia, Sweden, Finland and Norway, this was largely because many of them were still studying, and in Ireland many are employed on fixed-term projects or in casual jobs. As a result, in all of these countries, employment contracts are for a large part relatively short.

No special measures had been introduced by any of the countries in this group to encourage temporary working in response to the crisis. The growth of young people on temporary contracts is largely related to longer-term factors, such as the increasing number of people remaining in education beyond compulsory schooling and taking up temporary jobs while studying, and the lower costs of such contracts for employers.

In Slovenia, where the proportion of young people in employment in temporary jobs was the largest in the EU in 2012 and many of these jobs (57%) last for less than six months, about two-thirds of temporary workers aged 15–24 did not want a permanent job. Again, this is largely because many of the young people concerned are still studying. Student jobs, which involve relatively low administrative costs and lower tax and other charges, accounted for 42% of total employment among those aged 15–24 in the second quarter of 2012. Although the number employed in such jobs has declined significantly during the crisis, the reduction is much lower than for those employed on standard contracts, so that in relative terms the number has risen markedly. The maximum duration of fixed-term contracts is two years for the same job and successive contracts are allowed only if the gap between them is more than three months.

In Norway, where over 55% of young temporary employees combine work with studies, one of the most common type of temporary contract among young people is the so-called 'extra help' (similar to on-call contracts), accounting for almost a third of all temporary workers aged 15–24 in the last quarter of 2012. They are particularly attractive for those wanting to combine work and studies. For employers, particularly in retailing and hotels and restaurants, they are a useful way of increasing their workforce temporarily during seasonal peak periods. Young people who have finished their studies are also often taken on temporarily to replace workers on leave and this can sometimes be tantamount to an informal trial period since they might be offered a permanent job if the person does not return or if a vacancy arises. The maximum duration of temporary contracts is fixed at four years (or one year followed by three renewals).

In Sweden, where two-thirds of young people's temporary employment contracts are for less than six months, there has been a large rise in the number of students in higher education over the past decade or two and this has contributed to the increase in young people working in temporary student jobs or seasonal work, especially during the summer. A significant number are also employed in on-call work (common in hotels, restaurants and retailing). Although precise data are not available, 20% of all temporary workers of all age groups were employed in on-call jobs in 2009 and, according to an LFS special module, around half of the people concerned were aged 15–24 in 2004. Growth of temporary work is also partly attributable to a reform introduced in 2007 which made it easier to hire people on a temporary basis by broadening the legal scope of fixed-term contracts. As in Slovenia, the maximum duration of such contracts is two years.

In Finland, too, where 70% of temporary contracts for young people have a duration of less than six months, many young people on such contracts work in summer jobs. Here, temporary contracts can be used only for justifiable reasons and where the nature of the work involved is not permanent. While the maximum duration is not regulated, it has nevertheless been compulsory since 2012 to specify when a contract is to end.

In Ireland, where about 40% of young people in temporary jobs in 2012 did not want a permanent position, short-term contracts are often used for seasonal work in agriculture, construction and hotels and restaurants. The marked increase in the proportion of young people on temporary contracts in recent years is due largely to the crisis and the uncertainty surrounding future growth which makes employers reluctant to hire people on permanent contracts, although the lower labour costs they involve have also had an impact. The total duration of a fixed-term contract is limited to four years.

Other countries

Even though the proportion of young people involuntarily in temporary employment in Italy was smaller than the other countries in Group 3 above, it was still well above the EU average (45% as against 37% in 2012). At the same time, over 40% of those in temporary jobs were on training contracts.

An important reason for the marked increase in temporary jobs among young people in Italy since the beginning of the 1990s is the introduction of a series of flexible contracts (with lower labour costs and reduced redundancy costs) to encourage the employment of the most disadvantaged groups in the labour market and to combat irregular work. A significant number (over 10% of all those in work aged 15–24) were classed as independent workers and the proportion increased significantly over the crisis period, prompting the introduction of legislation in 2012 stipulating that a worker should be considered an employee rather than self-employed if the nature of the job they do is the same as that performed by the company's permanent employees. It remains to be seen how effective this will be.

About 37% of temporary contracts among young people in Italy were for less than six months, while almost as many (34%) were for more than two years. Legislation limits the duration of fixed-term contracts to a maximum of three years (and sets a minimum of six months for apprenticeship contracts) including renewals. In 2012 the minimum period that must elapse between two fixed-term contracts for them to be viewed as non-consecutive was increased significantly (from 20 days to 90 days for contracts longer than six months) to deter the continual employment of workers on temporary contracts.

In Luxembourg and France, a significant proportion of young people in temporary employment are on training contracts. However, this proportion is lower than that in the Group 1 countries where the contracts also tend to be longer. Many of the traineeships in Luxembourg and France are subsidised by the Government to help young people into employment.

In France, around 25% of all young people in work (almost half of those in temporary jobs) are on temporary ‘assisted contracts’, which are supported through recruitment subsidies, exemption of social security contributions or training allowances. The most important of these contracts are apprenticeships (accounting for 17% of all employees under 26 in 2011) and ‘professionalisation contracts’ (a combination of work and in-house training, accounting for 6% of the same age group). The State pays most of the social contributions due on the wages of apprentices and employers also receive a lump-sum (a minimum of €1,000 a year per person) and tax credits of between €1,600 and €2,000. Apprenticeships can last for up to three years, but the maximum duration for fixed-term contracts is between nine and 24 months, depending on the reason for the creation of temporary jobs. Fixed-term contracts can be renewed, but only after at least one-third of the previous contract duration has elapsed.

In Luxembourg, a large number of young people on temporary contracts are involved in three publicly subsidised schemes with a maximum duration of 12 months, introduced in 2006 to help the under-30s to find a job through workplace training. The introduction of these three measures accounts for much of the increase in the proportion of young people in temporary employment after the mid-2000s shown in Table 1. One of the measures, designed for university graduates, was discontinued in January 2013.

In the UK, which stands out from the other EU15 countries as having a much smaller proportion of young people in temporary jobs (only 14.7% of those aged 15–24 in 2012), casual work accounts for around 35% of these. A fixed-term contract cannot last longer than four years.

Access to social protection for temporary workers

This section examines to what extent young people in temporary jobs are disadvantaged in access to social protection compared with workers who have standard contracts of employment. In a number of countries, young people as a whole have more limited entitlement to social benefits than their older compatriots. However, as shown below, explicit exclusion from such benefits for those in temporary jobs, such as not being eligible for social protection in the event of unemployment, sickness or maternity, not having the same entitlement to an old-age pension as others or not having the same access to healthcare, is rare. Implicit or actual exclusion, in the sense of not being able to access social benefits because they fail to fulfil eligibility requirements because of an inadequate employment or social contributions record, is far more common. In many countries the bogus self-employed who work for a single organisation, often on less favourable terms than if they were an employee, also have less entitlement to social benefits than employees if they become unemployed or sick. They are also less likely to build up sufficient entitlement to retirement pensions because their employers in not required to pay social contributions.

The details of eligibility to social benefits in this section are based on the national reports and the latest information in MISSOC (the EU's Mutual Information System on Social Protection).

Unemployment benefits

In all countries apart from the Czech Republic, Slovakia and Poland, being in a temporary rather than a permanent job does not make a difference to formal entitlement to unemployment benefits. However, the amount and duration of benefits can differ as can entitlement, because those in temporary jobs are more likely to have an inadequate contribution record, low wages or relatively short working hours.

Young people on temporary contracts are likely to find it most difficult to meet qualifying conditions for unemployment benefits in the Netherlands, Ireland, Latvia and Poland, and easiest in France, Spain and Greece. The rules governing entitlement to benefit have remained largely unchanged in most countries over the crisis period, although they have been relaxed in Slovenia and Portugal, and in Italy entitlement has been extended to apprentices. In Greece and the Czech Republic, by contrast, the rules have been tightened.

In only five of the countries (Denmark, Luxembourg, the Czech Republic, Hungary and Slovenia) do the self-employed have the same entitlement to unemployment benefits as employees. In around half the countries, they have no entitlement at all and in others they have the option of joining an insurance scheme voluntarily. Whether the bogus self-employed are likely to take up this option is, however, open to question. (See Annex Table 8 for a summary of the eligibility criteria for these benefits.)

Young people in temporary jobs

As discussed, young people with temporary contracts of employment were often the first to lose their jobs as European economies went into recession in 2008–2009 and in most cases those who did had difficulty finding new ones.

More generally, workers on temporary contracts obviously face a higher risk of unemployment than those on standard contracts and can also have more limited access to income support if this happens. As pointed out by the OECD:

> *'Many of the youth laid off from non-standard jobs (temporary, on-call, seasonal, interim, short part-time jobs) do not qualify for unemployment benefits and during the downturn, when the demand for temporary workers is limited, face a significant risk of moving into poverty.'*
>
> (OECD, 2009).

Income support for the unemployed can take one of two forms. Those out of work may be entitled to unemployment insurance benefits which are typically contributory, financed through earnings-related social contributions levied on employers and employees. Eligibility depends on having a sufficient contributions record based on proof that the person concerned has been employed, and paid contributions, for a minimum period of time. The amount payable is in most cases earnings-related but can also be flat rate, or may include both a fixed and earnings-related component.

All the European countries covered here have unemployment insurance schemes, although the eligibility conditions and the amount of benefit payable vary greatly. If not eligible for unemployment benefits or if they have exhausted their entitlement, the unemployed might be able to receive unemployment assistance, which is non-contributory and mostly financed through general taxation. This is generally less generous than unemployment benefit and often means-tested, assessed at the household rather than individual level so that young people living with their parents are not eligible. The amount received can be a flat-rate, or designed to bring a household's income up to a minimum level, or a combination of both.

Eleven EU Member States (Austria, Estonia, Finland, France, Germany, Greece, Ireland, Malta, Portugal, Spain and the UK) have specific unemployment assistance schemes, and in the remaining countries income support is provided, if eligibility conditions are met, as part of general social assistance or minimum income schemes.

In most countries covered by this report, no explicit distinction is made between those in temporary jobs and those on standard contracts of employment when considering eligibility for unemployment insurance benefit and qualifying conditions are the same in both cases. Three exceptions are the Czech Republic, Slovakia and Poland.

In the Czech Republic, those on a type of temporary contract known as an ‘agreement on work performance’ are not eligible for unemployment benefits if their wage is below CZK 10,000 (around €390) a month, because they do not pay social contributions.

Similarly, temporary workers Slovakia are also not eligible for unemployment benefits for the same reason if they do not receive a regular monthly wage, and up until January 2013 this was also the case for temporary workers receiving a regular wage. More generally in Slovakia, workers on all types of temporary contract actually qualify more easily for unemployment benefit since they need to have been employed only for two years in the last four, instead of two years in the last three for permanent workers. In Poland, on the other hand, people working on civil law contracts are not entitled to unemployment benefit at all unless they are employed on a ‘contract of mandate’.

There are other ways in which young people in temporary jobs are disadvantaged if they become unemployed. In the UK, for instance, those under 18 are not eligible for any kind of unemployment insurance benefit, irrespective of the type of employment contract they have. In Italy, Ireland and the UK, younger workers' benefit rates are lower than those for older workers.

In Slovenia, most young people in temporary employment are not eligible for unemployment benefit because they are students and, as discussed, they make up the large majority of those in temporary jobs. It is because they are students rather than because they are in temporary work that they are not covered by the insurance-based scheme.

More commonly, in practice young people in temporary jobs are in many cases less likely to be eligible for unemployment insurance benefits because their contributions record is not adequate. Even if they do qualify, in a number of countries they may receive a lower amount because the benefit is related to time in employment or to total earnings over a specified period of time. In some countries, they may be ineligible for benefit because they have earned less than a minimum amount or worked too few hours.

In general, the shorter the time for which contributions must be paid to qualify for unemployment insurance benefits, the more likely it is that young people in temporary jobs will be able to access them.

Qualifying conditions are likely in practice to be most easily satisfied by temporary workers in France (four months of employment in the last 28 months), Spain (12 months in the last 72 months), Greece (80 days, or around four months, in the last two years for first-time claimants and around six months in the previous 14 months for second claims), Malta (20 weeks in the last 24 months) and Finland (34 weeks in the last 28 months, plus at least 18 hours of work per week when employed) (see Annex Table 8).

By contrast, conditions are likely to be most difficult to meet for temporary workers in the Netherlands (six months in the last eight to qualify for three months of benefit), Ireland and Latvia (nine months of employment in the previous 12 months), Poland (12 months in the last 18) and Bulgaria (nine months in the last 15).

It is worth noting that qualifying conditions for unemployment benefit have changed during the crisis period only in a few countries, and even then some countries have relaxed rules rather than tightening them.

In Slovenia, the minimum time period of employment to be eligible for unemployment benefit was reduced in 2011 from 12 months in the last 18 to nine months in the last 24. In March 2013, the minimum insurance period for those under 30 was shortened to six months in the last 24. In Portugal, the required period of paid contributions to qualify for benefit was reduced in 2012 from 450 days in the preceding 24 months to 360 days. In Italy, young people on apprenticeships became eligible for unemployment benefit in January 2013, having previously not qualified.

In contrast, in the Czech Republic qualifying conditions for unemployment benefit were tightened in January 2012; the period for which contributions needed to be paid being shortened from 12 months out of the previous 36 to 12 months in the previous 24. At the same time, however, for the first time students became eligible for the benefit if they were able to meet the qualifying conditions. In Greece, in January 2013 the number of days for which unemployment benefit could be paid was capped. Now fixed at a maximum 450 days in any four-year period, anyone who becomes unemployed who has already received 450 days of benefit is no longer entitled to any further benefit. Benefit rates have also been cut sharply during the crisis period, as they have in Ireland, Spain and Latvia. In Latvia, between January 2010 and December 2014, if unemployment benefit exceeds €16.38 a day, the amount received is to be reduced to €16.38 plus just 50% of the excess.

Both the amount of unemployment benefit payable and the period over which it is paid can also depend on the period of previous employment, or a person's contributions record, or their earnings over a particular period of time. In Austria, the Czech Republic and Poland, unemployment insurance is not compulsory for those earning below a minimum threshold, and it may be that young people in temporary jobs might decide not to pay contributions to leave themselves with more disposable income. In Bulgaria, unemployment insurance is confined to those working more than five days (or 40 hours) a calendar month, which again could rule out many of those in temporary jobs. In Bulgaria, as in Romania and Poland, benefit rates are according to how long contributions have been paid, which will also disadvantage those in temporary employment.

In many countries, the maximum duration of benefits varies in line with the length of time for which contributions have been paid and, in a number of countries, with age, again potentially disadvantaging those on temporary contracts. This is the case in all EU15 countries apart from Denmark, Sweden and the UK, and in all EU12 countries apart from Cyprus, the Czech Republic and Slovakia. In Slovakia, however, the length of time for which benefits are payable is shorter for those who were previously employed in temporary jobs – a maximum of four months rather than six months – so offsetting to some extent the more lenient qualifying conditions which apply to such workers.

In a number of countries, young workers in temporary jobs may, in practice, have more limited access to unemployment assistance, as well as insurance benefits, than those on standard contracts of employment. In Greece, Spain, France, Austria and Portugal, for instance, eligibility for unemployment assistance requires previous receipt of unemployment insurance benefit.

Self-employed

In the case of young people classed as self-employed, whether bogus or not, the contributions they have to pay are in some countries lower than in those of employees. The corollary of this, however, tends to be that they have more limited access to social benefits if they lose their job and can't find work. This applies particularly to unemployment insurance benefits.

In the Czech Republic, Hungary, Slovenia, Luxembourg and Denmark, the self-employed have access to unemployment insurance benefits in the same way as employees if their business fails and they need to look for a job. In Denmark, obtaining such access by joining an unemployment insurance fund is voluntary, as it is for employees.

In Germany, Spain, France, the Netherlands, Austria, Poland and Romania, the self-employed can also become entitled to unemployment benefits by choosing to pay insurance contributions. This is also the case in Finland and Sweden, where the self-employed are covered for unemployment by basic insurance but have the option of gaining further entitlement to earnings-related benefits by joining the insurance fund responsible for their sector of activity.

In Portugal, unemployment benefits are available to those self-employed who are economically dependent, defined as 80% or more of an individual's work being the provision of services to, or on behalf of, a single contracting entity. In the remaining countries, Belgium, Ireland, Greece, Italy, the UK, Bulgaria, all three Baltic States, Slovakia, Cyprus, Malta and Norway, the self-employed are not eligible at all for unemployment benefits, although in Slovakia, this applies only to the self-employed who have no employees. In the UK they are entitled to receive means-tested unemployment assistance if they are no longer trading and looking for a job.

In summary, young people who are self-employed have more limited access to unemployment insurance benefits in many countries than employees, especially employees with standard contracts of employment. Indeed, in most countries, those in bogus self-employment are less likely to qualify for benefit in practice since even where they have the option of joining unemployment insurance schemes voluntarily, they are unlikely to do so.

It is, of course, the case that young people employed as family workers are in an even more vulnerable position since they are not covered by unemployment insurance schemes and are, accordingly, dependent on their families or on general social assistance schemes – which tend to be relatively weak in the countries where their numbers are largest – should the businesses they work in fail.

Sickness and maternity benefits

No formal distinction is made between temporary and permanent employment in the conditions governing entitlement to sickness benefits in most countries with the exceptions of Luxembourg and Slovakia. In most countries, there are also no social contribution requirements or the conditions are relatively lax. However, in ten countries (Belgium, Denmark, Ireland, Greece, Spain, Portugal, Bulgaria, Cyprus, Lithuania and Malta) they are strict enough to potentially prevent young people in temporary jobs being eligible. Young people may also be disadvantaged in some countries (Germany, Austria, the UK, Ireland and the Czech Republic) by requirements to work a minimum number of hours or have a minimum level of earnings.

Eligibility rules for maternity benefits are generally the same as for sickness benefits, though they are stricter in Bulgaria, the Czech Republic, Lithuania, Luxembourg and Norway and less strict in Germany, Greece, Spain and Poland.

The self-employed potentially have more access to both sickness and maternity benefits in most countries than to unemployment benefits, so long as social contribution requirements are met, though in many cases on less favourable terms than employees. In Italy, Greece, Ireland, France, and the Netherlands, however, the self-employed are not eligible for sickness benefits. In the UK they are not entitled to either sickness or maternity benefits. In a number of countries participation in social insurance schemes is voluntary (Germany, Bulgaria, the Czech Republic, Lithuania and Poland) for both sickness and maternity benefits and in Italy for access to maternity benefits. This may mean that, in practice, the bogus self-employed exclude themselves.

See Annex Table 9 for a summary of the eligibility criteria for these benefits.

Young people in temporary jobs

Young people in temporary jobs in most countries tend to be less disadvantaged compared with those on permanent employment contracts in ability to access to other short-term social benefits, sickness and maternity benefits in particular because qualifying conditions tend to be less restrictive than for unemployment benefit. With the exception of two countries, no formal distinction is made between temporary workers and others as regards entitlement to benefit. The two exceptions are Luxembourg and Slovakia: in the former, those in short-term casual work – less than three months a year – are exempt from compulsory social insurance; in the latter, those on external employment contracts who have irregular income are not covered by social insurance (before January 2013, this was also true for those with regular income).

Any disadvantage, therefore, stems mainly from practical differences between those on temporary contracts and those on standard ones. In particular, young people in temporary jobs may have more limited access because of being more likely to work fewer hours than the minimum number specified for compulsory participation in social insurance schemes – many part-time jobs are also temporary in many countries – or earning less than the minimum monthly or weekly amount stipulated, which, in practice, is likely to apply predominantly to part-time workers.

Those with low incomes are exempt from paying social contributions in the UK (€131 a week), Germany (€450 a month) and Austria (€387 a month). In each case, the minimum amount is set at around 15–20% of the average wage. In the Czech Republic it is set at around 10% of the average wage (€99 a month) and in Ireland at about 5% of the average wage (€38 a week). These rates, derived from MISSOC, are those prevailing at the beginning of 2013. In the Czech Republic, a higher level of minimum earnings (of around €390 a month) is applied to those working on ‘agreements on work performance’ contracts as it is to qualify for unemployment benefits.

Those in temporary jobs are unlikely to be significantly disadvantaged in most countries for access to sickness benefits by being unable to pay social contributions. In the Netherlands, Luxembourg, the Czech Republic, Hungary, Latvia, Austria, the UK and Italy, there are no qualifying requirements. In Italy, however, the length of time benefit is paid depends on the number of days worked in the previous 12 months, which may disadvantage those on temporary contracts. In Slovenia, while no distinction is made between the eligibility of temporary or permanent workers for benefits, students who make up the bulk of temporary workers among young people, and students are not eligible for benefits. There is also no minimum period of social contribution payment for temporary or permanent workers, but those on ‘agreements on external work performance’ with irregular earnings are not covered by social insurance and so are not entitled to sickness benefit. Before January 2013, this also applied to those on this type of contract with regular earnings.

In a number of other countries where conditions for entitlement to benefit apply, they are relatively lax. In Sweden, the only requirement is to have worked continuously for 14 days if the term of employment is less than one month. In Germany, Finland, Estonia, Romania and Norway, the applicant must have worked in a job liable for social contributions for at least four weeks or one month – in Romania, this month needs to have been within the past year. In Poland, the applicant must have paid 30 continuous days of contributions, and those employed under civil law contracts can pay insurance contributions on a voluntary basis and so gain entitlement to sickness and maternity benefits.

In the remaining countries, the qualifying conditions are slightly stricter and accordingly may mean in practice that some young people on temporary contracts are not covered. In Denmark, the applicant needs to have worked for 74 hours (around two weeks) in the previous eight weeks to be eligible for sickness benefit (though income support might be provided by municipalities for those failing to meet this condition, in particular for those eligible for unemployment insurance benefit). In Lithuania, three months' payment of social contributions during the previous 12 months, or six months over the previous 24 is required for eligibility; in Belgium, Bulgaria, Cyprus and Portugal, six months of social contributions are needed. In Spain, the requirement is similar (180 days during the last five years) and in Malta, it is more stringent (50 weeks of contributions). In Ireland, it is stricter still, with 39 weekly contributions (nine monthly ones) being paid or credited during the previous year or 26 weekly contributions being paid in each of the previous two years. In Greece, employees need to have worked for 120 days during the previous year. The duration of payment of benefits also depends on the length of time over which contributions have been paid, the minimum being 120 days in the previous year, which gives entitlement to benefit for six months (the maximum being 4,500 days for benefits payable for two years). These rates, derived from MISSOC, are those prevailing at the beginning of 2013.

Eligibility requirements for maternity benefit are similar. As noted above, no distinction is made between those on temporary contracts of employment and those on standard ones and, in most cases, contribution payment requirements do not significantly disadvantage the former. In most cases too, the conditions are much the same as for eligibility for sickness benefits. In some countries, however, they are less strict, so putting young people in temporary jobs at less of a disadvantage. In Poland, in particular, there is no qualifying period of contributions, and likewise in Spain for those under 21. In Germany, everyone with statutory health insurance is entitled to benefit. In Greece, 200 days of work is required over the preceding two years, which is more demanding than in most other countries, but less so than in the case of entitlement to sickness benefits.

In a number of other countries, on the other hand, conditions are stricter for eligibility for maternity benefits than for sickness benefits, so tending to put young people in temporary jobs at more of a disadvantage. For instance, in the Czech Republic, women need to have worked for at least 270 days over the previous two years to be eligible and in Luxembourg to have paid contributions for six months over the previous year; yet in both cases no qualifying period is required for sickness benefits. In Lithuania, 12 months of contributions is required over the previous two years to be eligible, compared to three months over the previous 12 for sickness benefits. In Bulgaria, 12 months of contributions rather than the six needed for sickness benefits have to be paid to qualify. In Norway, women have to be employed for at least six months in the previous ten months to be eligible, compared to the requirement of four weeks' social contributions paid for sickness benefit.

Self-employed

For young people in bogus self-employment, potential access to both sickness and maternity benefits is more widespread than for unemployment benefits, provided that social contribution requirements are met. In most countries, participation in the system of social insurance which gives entitlement to benefits is compulsory (only since July 2012 in Romania), though in many cases the terms are less favourable than for employees. The self-employed, for instance, often have to wait for a longer period of time after application for sickness benefits before they receive it, or are required to have paid contributions for a longer period.

In the UK, however, the self-employed are not eligible for either Statutory Sick Pay or Statutory Maternity Pay. In Germany, Bulgaria, the Czech Republic, Lithuania and Poland, participation in social insurance schemes for the two types of benefit is voluntary. In Italy, the self-employed are not eligible for sickness benefits. This is also the case in Ireland, Greece, France and the Netherlands. This is despite the fact that in Ireland, Greece and France, payment of contributions giving entitlement to maternity benefits is compulsory rather than voluntary.

In sum, therefore, the self-employed have much the same access to maternity benefits as employees in all countries except five – which includes two, Greece and Italy, where the number of bogus self-employed is among the largest in Europe, and the UK, where they have no entitlement to sickness benefits in the event of falling ill.

Old-age pensions

Eligibility requirements for public pensions are in most cases similar for temporary and permanent workers. A potential difference arises, however, from the former being likely to have lower earnings over their lifetime than the latter, if only by having an interrupted employment record and so being entitled to a smaller pension. In addition, temporary workers are often more disadvantaged than others in access to occupational pension schemes (which seems especially so in Ireland and the UK).

Many of the bogus self-employed are unlikely to be able meet the minimum conditions of earnings or working hours for access to a social insurance-based pension in a number of countries (Finland, Austria, the UK, Ireland, Slovakia and Romania).

In most countries, for retirement pensions no distinction is made between young people on temporary contracts of employment and those on standard contracts. The difference in effective access again comes not from whether the job being carried out is a temporary or permanent one but from the link between the contributions paid and the receivable pension, and this is becoming stronger across Europe as governments seek to ensure that pension systems are sustainable. Because the employment of those in temporary jobs and therefore their contribution record is likely to be more interrupted, they will tend to take longer to build up entitlement to a full pension and their lifetime earnings will be lower, and so they will receive a smaller amount when they come to retire. This is less of an issue in countries like Denmark or the Netherlands, where a substantial first-tier universal (or near-universal) basic pension is available for all (Hinrichs and Jessoula, 2012). It is of particular importance in countries where basic pensions are low and there is significant reliance on supplementary and/or occupational pensions to bring retirement income up to a reasonable level.

A related issue is that many of the young people in temporary jobs, particularly jobs that involve a period of training or probation, either have relatively low wages or work part-time or both (see bibliography for some research studies on wage differentials between permanent and temporary jobs). Consequently, in some countries, they may be exempt from compulsory pension insurance – and therefore not be able to build up entitlement to an insurance-based pension. In most of the countries concerned, however, the minimum level of earnings or the number of hours set is too low to be relevant for the great majority of young people in temporary jobs. (In Finland, it is only around €54 a month, in Ireland, €38 a week, in Sweden, €2,225 a year and in Denmark, just nine hours a week). It is more significant, however, in the UK (€133 a week) and Germany (€450 a month) although since January 2013, new marginal employees in Germany are liable to social security contributions and therefore have to be insured with the statutory pension scheme. In Germany, in December 2012, 40% of such employees were in temporary jobs of at most one year.

The minimum level to qualify for social insurance-based pensions is more significant still for the self-employed in a number of countries, specifically in Finland (€7,106 a year for statutory earnings-related pension), Austria (€6,453 a year), the UK – where new employees are now obliged to enrol in a pension scheme if they earn over GBP 8,105 a year – (around €4,080 a year), Ireland (€3,174 a year), Slovakia (almost 45% of the average wage) and Romania (35% of average earnings). In these countries, therefore, many of the young bogus self-employed are likely not to have to pay pension contributions, but by the same token they will not build up an entitlement to an earnings-related pension when they retire.

As with eligibility for other social benefits, young people on 'work performance agreements' in the Czech Republic do not qualify for pension insurance if their earnings are below CZK 10,000 a month (around €390). In Slovakia, however, those employed under such agreements are obliged to contribute to the pension scheme (since January 2013). In Slovenia, again as in the case of access to other benefits, student temporary jobs do not count towards building up a pension entitlement. Young people on training contracts in Spain were also not able to accumulate pension rights up until **recent reforms** came into force. In Poland, those employed on civil law contracts are covered by pension insurance if it is a 'contract of mandate' but not if it is to perform a specific task.

Where young people in temporary jobs may be at a disadvantage is in occupational pension schemes where employers may contribute less to their build-up of entitlement. This is a particular issue in countries where such schemes are especially important, such as the UK and Ireland.

Healthcare

With the exception of some workers in Poland, there is no formal difference in access to healthcare between young people in temporary jobs and those in permanent ones. In some countries, however, where systems are contributions-based, those in temporary jobs may potentially be at a disadvantage. As in the case of occupational pensions, they may also in practice have less access to occupational health schemes run by employers.

In principle, young people in temporary jobs in all but one country have the same access to healthcare as those employed on standard contracts of employment. This is the case irrespective of the health system in place, whether it is a national health system financed predominantly by general taxation or a social insurance system with sickness funds financed by contributions. The exception is Poland, where those employed on civil law contracts 'to perform a specific task' are not entitled to health care services, unlike those on 'contracts of mandate'. In practice, however, problems of access are more likely to arise for temporary workers in countries where systems are insurance-based, and therefore involve the payment of contributions, and this may exclude some young people. In Greece, for example, individuals must have been employed for at least 50 days in the last 12 months to qualify. More generally, a temporary job may come to an end leading to loss of insurance coverage. The duration of coverage in such cases is, therefore, just one month in Germany, two months in Estonia and three months in Luxembourg and though residual arrangements are in place to ensure access to care – as they are during qualifying periods – this may not be of the same standard in all cases.

As with pensions, differences in access to healthcare – or more specifically to healthcare of a particular standard – can also arise in occupational health schemes operated by employers. In Ireland, therefore, it is reported that many employers do not provide healthcare benefits to workers on temporary contracts in the way that they might do to those on standard contracts.

Policies supporting the transition to a permanent contract

Temporary employment as a stepping stone to permanent employment

In considering the extent to which temporary contracts for young people lead on to permanent ones, it is important to distinguish between temporary jobs supported by governments and those created by employers for economic reasons. The former, typically involving apprenticeships or trainee programmes, are designed to ease the transition of young people into employment or to increase the number of jobs available in times of high unemployment. The latter, especially if they do not involve periods of training or probation, are often disapproved of by trade unions, being viewed as contributing to the growth of precarious employment. As will be discussed, their expansion has in most countries been limited by government regulation. During the crisis, however, they can also be seen as having helped to reduce the even bigger policy problem of unemployment. In the case of both government-supported schemes and others, the hope is that temporary jobs lead to permanent ones. Limited data exist, however, on the extent to which this happens in practice.

Government-supported apprenticeship and trainee programmes

The extent of the transition from apprenticeships or trainee programmes into stable employment is difficult to assess because of the lack of follow-up data, except in a few countries. In both France and Italy, where some data do exist, the transition rates seem to have been affected by the crisis. In France, according to a recent study, 67% of apprentices found employment in February 2009 compared to 76% a year earlier. Of these, only 63% had a permanent contract (Ministère de l'éducation nationale, 2010). In 2008, 65% of young people on 'professionalisation contracts', a combination of work and in-house training for those aged 16–25, were found to have gone into a job, 57% of them with a permanent contract

(37% of all participants) (Dares, 2012). In Italy, 40% of those in apprenticeships in 2005 had a permanent job five years later, compared to 45% of those who were in an apprenticeship in 2000 (Ministero del lavoro, 2011).

In Latvia, the Public Employment Services annual report for 2011 published data for a group of active labour market measures promoting publicly subsidised temporary jobs. They showed that 15% of unemployed people participating in the measures found a permanent job within six months of completing their programme. However, the proportion is considerably higher for young people. For example, of the 191 people who completed the 'Working practice for young workers' programme in 2011, 168 obtained a permanent job, a success rate of 88%.

In Portugal, vocational traineeships do not seem to be an effective route to a permanent job. An evaluation of the 2004–2008 period (published in 2012) showed that 72% of vocational trainees found employment three months after completing their programme, but only 7% were in a permanent job (Costa Dias and Varejão, 2012).

For most of the remaining countries for which there are any data, there is information only for the relative number moving into employment after completing their training, and not on the nature of the contracts they are given. In Germany, Malta and Norway, the figures are relatively high and do not seem to have been much affected by the crisis, although in all three countries this is equally true of the economy and level of employment as a whole.

In Germany, where many of the young people on temporary contracts are in apprenticeships, 61% of apprentices were hired by their companies in 2010, compared to 58% in 2009 and 60% in 2007 (BIBB, 2010–2012).

In Malta, 76% of apprentices and trainees were employed after the end of their contract in 2011, although not necessarily by the same employer, compared to 79% in 2008. These figures were supplied by the Employment Training Centre at the request of the authors of this report.

In Norway, a similar proportion (77%) of those completing an apprenticeship in 2009–2010 was employed by the following autumn, most of them in the companies where they had trained (Utdanningsdirektoratet, 2012).

In Austria, where apprenticeship schemes are also important, employers are required to keep trainees on for a further three months after they have completed their apprenticeship. No data exist on what happens after this period, though a survey in 2010 showed that a quarter of those aged 19–24 were already doing a job other than the one they had trained for and only 18% were still working for the firm in which they had done their apprenticeship (Moser and Bilgili, 2010).

In Estonia, an evaluation of a PES apprenticeship scheme in December 2012 found that over half of the participants in 2010 and 2011 (a quarter of whom were aged 16–24) were working after their period of training had finished, and given the relatively small number of temporary jobs in Estonia, they probably had a permanent contract (Eesti Töötukassa, 2012). In most cases however, apprenticeships and trainee programmes are not considered a stepping stone to a permanent job.

In Luxembourg, an evaluation of two subsidised measures for increasing youth employment showed that over the period July 2007 to March 2008, 86% of participants in one programme had a job six months later and in the other 55% (Zanardelli and Brosius, 2010). A more recent evaluation extended the period under analysis for these two measures to May 2010, and the proportions had fallen to 75% and 38% respectively. Estimates suggest that most of the participants (50% in the first case, 32% in the second) would have found a job without the help of any kind of subsidised programme (Zanardelli and Brosius, 2012). There is therefore only limited evidence of subsidised measures leading to unsubsidised jobs.

In the UK, studies of young disadvantaged people in Teesside in the North of England show that only 10% of those participating in a ‘Welfare to work’ programme were still in employment six months after completing the programme (Johnston et al, 2000; MacDonald and Marsh, 2001/2002/2005; Webster et al, 2004). These studies suggest that ‘poor’ jobs did not lead to permanent work but instead that young people were constantly moving between short-term positions. Another study commissioned by the UK government seems to show that its Mandatory Work Activity scheme, obliging unemployed benefit recipients to do community work, has had no effect on the likelihood of people finding employment; the same proportion of participants were in a job after completing the scheme as those who had not gone through it (DWP, June 2012). On the other hand, in the case of the UK's work experience programme, an additional 28% were in employment 21 weeks after starting it, compared with a similar group of people who did not participate (DWP, April 2012).

Other temporary contracts

Evidence of the role of non-subsidised temporary jobs as a way into permanent employment is again limited. That which exists mainly relates to the period before the crisis, and suggests that the extent to which such jobs translate into permanent employment varies markedly.

In Norway, a study in 2010 based on LFS data for the years 2000–2007 found that 50% of people of all ages employed on a temporary contract had moved into a permanent job one year later. The rate was similar for young people once other factors were controlled for (Rasmussen, 2010).

In Poland, according to EU-SILC data for the period 2006–2008, less than 30% of those employed on fixed-time contracts found a permanent job after a year, and almost 50% of 18–29-year-olds did so after three years.

In Spain, a study carried out in 2011 on the labour market movements of those aged 16–29 between 2005 and 2009 showed that 40% of those in temporary jobs moved into permanent ones but a similar proportion remained in temporary jobs (CIREM, 2011).

In Finland, **Ministry of Employment figures for 2012** show that only 30% of employees of all ages on temporary contracts found a permanent job within 15 months. On the other hand, a survey carried out in the same year on the outcome of the **Sanssi card scheme**, offering wage subsidies to employers who hire those aged under 30, showed that employers had become more interested in hiring young people on permanent rather than temporary contracts.

In Bulgaria, a survey by the Ministry of Labour and Social Policy in 2010 showed that only 31% of young people in temporary work moved to a permanent job between 2007 and 2009, although the overall number on temporary contracts remains relatively small (Beleva, 2010).

Studies which have been carried out since the onset of the crisis show even lower rates of movement from temporary to permanent employment. In Italy, a 2012 study of the period between 2010 and 2011 found that only 23% of workers on temporary contracts had a permanent contract the following year, compared to 30% before the crisis (Consiglio Nazionale Economia e Lavoro, 2012). Italian Statistical Office (ISTAT) data indicate that the probability of those aged 18–29 moving from a temporary contract to a permanent one after 12 months declined from 26% to 16% between 2007 and 2010.

In the Netherlands, just 20% of those working on temporary contracts or in stand-by jobs between 2009 and 2010 moved to a permanent job, compared with 30% in 2002 (Dekker et al, 2012).

In Belgium, on the other hand, though no data are available, temporary contracts widely regarded as a necessary first step to accessing a permanent position, particularly for low-skilled young people and especially during the crisis.

In Cyprus, where a large number of temporary workers are employed as domestic helpers, temporary contracts are not a stepping stone to permanent jobs – such workers are mostly third-country nationals with a work permit of at most four years. People who have worked for 30 months or more on fixed-term contracts in the public education sector, however, have to be offered an open-ended contract if they continue to be employed.

In Greece, according to recent assessments of temporary employment published in 2011 and 2013 by HR Professional Online, only 30% of trial period contracts had been converted into permanent contracts after 12 months.

The issue of transition from temporary work to permanent employment is less relevant in Slovenia and Sweden where, as noted above, many young people in temporary jobs are students. It should be noted, however, that in Sweden only 20% of men in temporary jobs and 13% of women who wanted a permanent job managed to find one in 2008, and these proportions have declined during the crisis (Statistics Sweden).

National policies to encourage the use of standard employment contracts

In around half of the countries covered by the study, no specific incentives have been introduced by governments to encourage employers to opt for standard rather than temporary contracts of employment or to convert temporary contracts into permanent ones.

In a few countries, as already discussed, the reverse has been the case, with special measures taken in the crisis to relax regulations governing the extension or renewal of temporary contracts. In addition, in the Czech Republic, as also already noted, the maximum duration of 'agreements on work performance' contracts was increased in 2011 (from 150 hours a year to 300 hours) and it is planned to allow unlimited renewals of fixed-term contracts for seasonal workers in agriculture and construction. In Sweden in November 2012 the government proposed a new type of fixed-term contract of up to 18 months, with a training component for those under 23, to encourage employers to take on young people. The aim is to reduce youth unemployment and one provision states that if the contract is not terminated before the end of the traineeship, it has to be converted into a permanent one.

A number of countries have, however introduced specific measures to encourage the use of permanent rather than fixed-term contracts. For instance, in Estonia a wage subsidy is offered to employers hiring the long-term unemployed, and this is paid for six months if the contract is open-ended, but for only three months if on a fixed-term contract which must be for at least six months.

In Spain, several initiatives have been implemented since the 1990s to promote open-ended contracts by reducing dismissal costs or social security contributions. In 2012, the compensation for wrongful dismissal in the case of open-ended contracts was reduced (from 45 days of salary for each year worked to 33 days). Since 2006, employers hiring unemployed people of any age on open-ended contracts have been entitled to reductions in social contribution payments (€800 a year for four years for men and €1,200 a year for women). During the crisis, the eligibility criteria have been tightened to limit expenditure by focusing on the most disadvantaged groups, with young people being a particular focus. The new 'Open-ended contract of support to entrepreneurs', introduced in since 2012, also encourages the recruitment of 16–30-year-olds in long-term jobs by reducing social contributions incrementally (by €1,000 in the first year, €1,100 in the second year and €1,200 in the third for men and by €100 more a year for women).

In France, a new 'Generation contract' law was approved in February 2013 to provide incentives to employers hiring unemployed people aged 25 and under on open-ended contracts while still preserving the jobs of older workers. The lump-sum support (provided for three years to companies employing fewer than 300 people) is €2,000 a year if at least one young person is taken on and a further €2,000 if workers aged 57 and over are kept on. A recent social partner proposal made in January 2013 is also expected to be adopted. It will increase employers' contributions on fixed-term contracts, and eliminate them for up to three months on permanent contracts given to young people of 25 or less.

In Greece, a new measure was recently introduced as part of the National Youth Employment Action Plan to covering employers' social contributions for a year, to give employers an incentive to convert traineeships or temporary contracts into permanent contracts.

In Italy, a measure introduced in 2012 requires firms with 10 or more employees to have taken on at least 30% of the apprentices who have worked in the company during the preceding three years before they can take on new apprentices. This is due to increase to 50% from 2015. A lump-sum payment of €12,000 for every temporary contract converted into a permanent contract for a young worker was introduced in October 2012. Employers willing to give fixed-term contracts that last at least 12 months are also offered incentives of lump-sum payments of between €3,000 and €6,000, per worker, depending on the contract duration.

In Lithuania, a new measure called 'Support for the first job' was launched in August 2012 to encourage employers to take on unemployed people aged 16–29, covering 23% of wage costs in the first year of a permanent contract.

Luxembourg also has measures in place to encourage the conversion of temporary contracts to standard ones. For example, an employer taking on a young person on a permanent contract after when a traineeship ends can receive a lump-sum payment of 30% of the young person's allowance.

A new measure in Portugal, 'Stimulus 2012', subsidises an individual's wages by 50% for an employer who hires someone who has been registered as unemployed for at least six months. The subsidy rises to 60% if the contract of employment is a permanent one. The 'Young Impulse' programme, also launched in 2012, targets those aged 15–35 and provides apprenticeships for six months and recruitment incentives for 18 months, and gives employers an extra grant of six times the value of the trainee grant if apprenticeships are converted into permanent contracts. There is also a full refund of employers' social contributions if young people are employed on standard contracts, compared to a 75% refund if employed on a fixed-term contract.

In Romania, employers hiring young graduates for at least three years can receive a one-year exemption from unemployment insurance contributions and, for the following two years, a subsidy equal to the social contributions due.

Views of the social partners

In many countries, the employment of young people on temporary contracts is not a major issue. Where it is, however, employers and trade unions often have opposing views.

In Bulgaria, the Czech Republic, Cyprus, Latvia and Slovakia, where only a small proportion of young people work in temporary jobs, the issue is of more limited importance in comparison with other countries. In Austria, on the other hand, it is a concern as part of the broader debate about precarious employment among all age groups.

In general, trade unions and employers have conflicting attitudes towards the use of temporary employment contracts. Most trade unions, despite operating in labour markets that vary as widely as they do, for instance, between Belgium, the UK and Romania, regard temporary jobs as a form of insecure employment. For employers, the flexibility such contracts give is of major importance.

Temporary contracts in Bulgaria can only be renewed once, largely as a result of trade union pressure on the Government in 2000. In Germany, the Confederation of Trade Unions (DGB) has publicised the fact that many apprentices fail to obtain a permanent job after their temporary contracts come to an end, but the Confederation of Employers' Associations (BDA) says that fixed-term contracts help the disadvantaged enter the labour market. This view is also held by employers' organisations in Norway, while trade unions there have focused on the risk of young people being locked into temporary jobs. Swedish employers' associations see temporary contracts as a stepping stone to permanent jobs, while the country's trade unions are concerned about the abusive use of temporary contracts and, as in Norway, the fact that young people are often trapped in temporary employment for a long period of time. Similarly, in Luxembourg, trade unions oppose temporary contracts for young people on the grounds that that there is no evidence that they lead to permanent jobs.

In Estonia, employers favour more flexibility as a response to the crisis, and in 2012 an amendment of the Employment Contracts Act meant that fixed-term contracts could more easily be extended or renewed, despite strong opposition from trade unions. In Italy, following pressure from the employers' association, the government decreed in November 2012 that the minimum period between two fixed-term contracts (set shortly before that at 90 days for contracts of more than six months) could be amended through collective agreements. In Ireland, the transposition into national legislation of the EU Directive on temporary agency workers, under which temporary agency workers have to be given the same pay and working conditions as permanent staff from the first day of their employment, was opposed by employers' associations calling for a longer qualifying period.

In Spain, social partners have failed to reach agreement on proposed reforms to increase flexibility and reduce unemployment, rather than the promotion of permanent contracts. In Lithuania, trade union resistance led to 'service cheques' (a very flexible and low-cost means of employing people for short periods of time) being cancelled.

In Poland, temporary contracts for young people are at the centre of the policy debate. In 2012, the country's trade unions launched a campaign against temporary 'junk' employment contracts , demanding that fixed-term contracts should be limited to a maximum of 24 months, while employer associations argue that this should be accompanied by more flexibility to end contracts before their end-date. Unions also submitted a draft resolution calling for obligatory contributions to the social security system for all types of contracts, including civil law contracts.

Malta's GWU trade union recently proposed that the maximum duration of fixed-term contracts (currently four years) should be reduced and suggested that workers on fixed-term contracts should not exceed 10% of the total workforce. This was partly out of concern about the difficulty that young people on temporary contracts have in obtaining bank loans – a concern expressed also by Slovenian trade unions. In Slovakia, trade unions have demanded a legal limit for the length of temporary contracts, but employers argue that new amendments to the Labour Code will reduce flexibility and employment opportunities for young people.

In the Netherlands, in contrast, employers' associations have expressed the view that in the longer-term, beyond the economic crisis, permanent contracts for the young will help tackle the labour shortages which could arise as a result of demographic ageing.

Very few concrete initiatives have been taken in recent years, either jointly or separately by the social partners, to encourage the use of permanent rather than temporary contracts. In Germany, however, the '1,000 for 1,000' scheme was implemented in 2010 by social partners in the chemicals industry to encourage companies to permanently employ apprentices who had successfully completed their training, providing a subsidy of €1,000 a month for one year for each former apprentice kept on. Similarly, in 2012, social partners in the metal and electrical industry introduced new schemes to try to ensure that employers took on young people after their apprenticeship.

In the UK, some trade unions have reached agreement with employers to transform precarious temporary work into high quality apprenticeships. For example, the Community trade union (representing workers in a range of different sectors, including the iron and steel industry, textiles, footwear and social care) successfully negotiated an agreement with an employer to stop using temporary agency workers and instead take on apprentices who would then be offered permanent positions after completing their traineeship. The Nautilus union, representing maritime professionals, have reached a similar agreement with employers on apprenticeship routes to permanent employment.

Commentary

Although there are some exceptions, generally the proportion of young people employed on temporary contracts increased in most European countries in the years leading up to the crisis. The reasons for this are varied. It seems to have been partly a result of employers seeking to be able to adjust their workforce more readily in line with demand, or at least to reduce the costs of doing so in the event of a business downturn.

To a large extent, however, the increase was also due to an expansion of training contracts and the use of a probationary period to test a candidate's suitability for a job before making the post permanent. In a number of countries, it was the result of increased student numbers, more of whom took on summer jobs to support their studies and gain work experience.

This means that the growing tendency towards temporary employment among young people is not necessarily caused by the employment of more of them in precarious jobs. Indeed, only a minority of those aged 15–24 (36%) in the EU who were working in temporary jobs in 2008 were doing so because they couldn't find permanent work. In nine of the countries covered by this study, however, the proportion of this group in involuntary temporary employment was well over half, although in most of these the numbers involved were relatively small, the main exceptions being Spain, Portugal and Poland.

In all countries, regulation of the use of fixed-term contracts was in place to contain their spread. In a number of countries, including Spain and Portugal, governments introduced specific measures to encourage employers to use permanent rather than temporary contracts through wage subsidies, reductions in social contributions, lump-sum grants or by reducing the cost of dismissals.

While the onset of the crisis in 2009 led initially, as expected, to a reduction in the numbers of young people in temporary jobs when their contracts were not renewed, the relative number (though not necessarily the absolute number) has risen again. This may partly be because of economic uncertainty which makes employers reluctant to hire on open-ended contracts, but it also reflects the factors underlining the pre-crisis growth in the proportion of young people doing temporary work coming into play again. In some countries it is also a consequence of government-funded programmes to give young people work experience or temporarily subsidise their employment.

To stimulate job creation, a number of governments have also relaxed restrictions on the use of fixed-term contracts, even if the jobs in question are temporary. Indeed, governments have faced a hard choice between protecting workers from having to accept inferior conditions of employment and doing what they can to increase the chances of the unemployed finding work. In most of these countries, however, the relaxation of restrictions has been temporary and in a few countries (Italy and Slovakia in particular) restrictions on the use of fixed-term contracts have actually been tightened. In the great majority of countries governments have not sought to use temporary jobs in this way and restrictions have remained in force.

It should also be noted that although there has been an increase during the crisis period in most countries in the relative number of young people in involuntary temporary work, this is still only a minority of young workers (37%), and only marginally more than in 2008, before the crisis. At the same time, there are more countries (11) in which the relative number doing involuntary temporary work is more than half of all those aged 15–24 in work.

Nevertheless, the great majority of young people in temporary employment work in such jobs either because they choose to or because they are training or in a probation period which could lead to a permanent contract. It is important, therefore, not to exaggerate the precarious nature of the jobs concerned, though there remains a need for governments to ensure that the use of fixed-term contracts is not being abused.

The same applies to self-employment. While there are financial incentives and other types of support for self-employment in many countries, designed to help young people who cannot find jobs to start their own businesses, it should be recognised that in some countries much self-employment is bogus, being used by employers as a way of cutting their labour costs while the young people involved work for only one employer, doing much the same work as employees but often with less protection against the loss of their job and less entitlement to social support should this happen. There is equally a need for governments, therefore, to monitor the growth of self-employment where it is happening and to ensure that it is legitimate.

There is a parallel need to ensure that self-employed young people, bogus or not, have adequate income support if their contract ends or they can no longer work because of illness or parenthood. This may be difficult in situations where participation in social insurance schemes is voluntary and where the cost of contributions may deter young people from paying them.

Those in temporary jobs may also be disadvantaged, in practice if not in theory, compared to those with open-ended contracts of employment when they want to access income support should they become unemployed or ill. Improving their entitlement to benefits, however, inevitably involves cost either to the public budget or to social insurance funds, and this in turn would require increases in contribution rates to cover the additional expenditure. At present the priority for most countries is fiscal consolidation and the reduction of budget deficits, and a desire to stimulate employment growth. Raising social contribution levels is likely to make these objectives more difficult to achieve.

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Annex: Supplementary tables

Annex table 1: *Employment rates of those aged 15–24 and those aged 25–64 in the EU, 2004–2012 (% in each age group)*

	15–24	25–64
2003	36.0	68.9
2004	35.7	69.0
2005	36.0	69.8
2006	36.6	70.7
2007	37.3	71.6
2008	37.4	72.1
2009	35.0	71.0
2010	34.0	70.6
2011	33.7	70.7
2012	32.9	70.7

Source: *Eurostat, Labour Force Survey (LFS)*

Annex table 2: *The proportion of employees aged 15–24 and 25–64 in temporary jobs, 2012 (% of employees in each age group)*

	15–24	25–64		15–24	25–64
RO	5.82	1.45	**IE**	34.94	7.43
BG	7.00	3.83	**AT**	35.64	4.82
LT	9.06	2.08	**LU**	37.91	5.61
LV	9.82	4.26	**FI**	40.86	11.17
EE	12.87	2.54	**NL**	51.38	12.62
UK	14.66	4.27	**DE**	52.75	8.42
MT	16.63	5.01	**IT**	52.90	11.49
CY	18.72	14.78	**SE**	55.67	10.51
SK	19.06	5.85	**PT**	56.51	1804
DK	20.85	6.28	**FR**	56.56	11.23
HU	22.45	8.60	**ES**	64.91	21.81
EL	25.88	9.29	**PL**	66.45	23.17
CZ	26.78	7.02	**SI**	71.99	13.05
BE	31.38	6.02			
EU27	**42.11**	**10.54**			

Source: *Eurostat, Labour Force Survey (LFS)*

Annex table 3: *Proportion of young people aged 15–24 on non-standard contracts of employment, 2012 (% of total)*

	Temporary	Independents	Family workers		Temporary	Independents	Family workers
LT	5.98	3.61	1.80	**AT**	34.39	1.39	1.74
BG	9.03	2.86	1.57	**LU**	37.12	1.52	2.27
LV	10.23	2.86	0.55	**FI**	40.10	2.69	1.23
EE	12.48	3.07	0.18	**EL**	18.51	7.47	19.15
UK	13.83	4.72	1.59	**RO**	3.18	10.47	34.54
MT	15.73	4.84	0.00	**NL**	47.69	3.59	0.36
DK	20.51	0.91	0.39	**DE**	52.27	1.46	0.35
HU	21.57	1.99	0.74	**FR**	54.12	1.66	0.30
NO	23.30	1.55	0.76	**SE**	54.18	1.85	0.36
SK	17.01	9.97	0.07	**IT**	44.94	10.44	2.81
CY	22.85	3.64	2.32	**PT**	52.46	3.91	2.37
CZ	24.18	9.08	0.67	**ES**	56.94	4.83	3.04
BE	29.73	3.58	0.75	**PL**	57.45	4.82	8.00
IE	33.12	1.09	2.43	**PL**	60.66	2.30	12.30
EU27	**38.95**	**3.83**	**2.81**				

Source: *Eurostat, Labour Force Survey (LFS)*

Annex table 4: *Proportion of people aged 25–64 on non-standard contracts of employment, 2012 (% of total)*

	Temporary	Independents	Family workers		Temporary	Independents	Family workers
EE	2.31	4.74	0.29	**FR**	9.72	6.87	0.44
LV	2.71	6.75	0.85	**IE**	6.16	10.83	2.51
NO	5.44	5.10	0.11	**SK**	4.93	12.53	0.05
LU	5.13	5.17	0.45	**FI**	10.22	9.13	0.21
DK	5.67	5.52	0.17	**CY**	8.53	10.26	1.18
BG	3.60	7.24	0.74	**CZ**	5.65	14.55	0.53
AT	4.16	7.14	1.22	**SI**	11.11	8.57	2.66
LT	3.75	7.68	1.32	**NL**	10.61	11.46	0.59
MT	4.33	9.28	0.00	**IT**	8.71	16.47	1.30
HU	7.59	6.07	0.38	**PT**	14.78	12.44	0.48
DE	7.64	6.46	0.39	**RO**	1.01	17.40	10.07
BE	5.15	9.45	0.74	**ES**	17.67	11.71	0.62
SE	9.44	5.99	0.10	**EL**	5.90	25.01	4.23
UK	4.04	12.03	0.60	**PL**	17.96	15.12	2.98
EU27	**8.83**	**10.94**	**1.27**				

Source: *Eurostat, Labour Force Survey (LFS)*

Annex table 5: *Young people aged 15–24 on temporary employment contracts by duration, 2012 (% total)*

	<6 months	6–12 months	1–2 years	2+ years		<6 months	6–12 months	1–2 years	2+ years
EE	78.9	21.1	0.0	0.0	**PL**	38.7	30.9	17.5	12.8
SK	70.7	29.3	0.0	0.0	**CZ**	31.3	37.5	18.3	12.9
HU	71.4	28.6	0.0	0.0	**FR**	46.5	20.0	27.0	6.5
PT	61.0	33.9	0.0	5.2	**IE**	43.4	22.7	10.3	23.6
ES	77.1	17.2	2.8	3.0	**IT**	37.6	22.6	6.2	33.6
FI	69.8	21.8	8.4	0.0	**NO**	35.6	20.2	19.0	25.2
BE	61.1	26.4	3.5	9.1	**DK**	21.6	15.0	26.7	36.7
SI	56.6	29.3	9.2	4.9	**DE**	10.7	17.8	9.4	62.1
SE	65.9	13.6	12.9	7.6	**AT**	17.3	6.3	3.2	73.2
EL	53.9	23.7	16.6	5.8					
EU27	**34.9**	**21.9**	**12.8**	**30.3**					

Source: *Eurostat, Labour Force Survey (LFS)*

Annex table 6: *Young people aged 15–24 in temporary employment by main reason, 2012 (% total)*

	Training period	Probationary period	Could not find permanent job	Did not want permanent job	No answer
SK	3.3	0.0	86.7	10.0	0.0
ES	10.3	1.2	81.3	7.1	8.8
CZ	2.6	0.0	78.5	18.9	0.0
CY	16.0	0.0	78.3	5.7	0.0
PT	9.1	6.8	76.6	7.5	0.0
RO	5.5	12.5	76.1	5.9	0.0
EL	21.9	8.0	64.7	5.4	11.0
BE	12.1	0.0	61.6	26.3	0.0
HU	3.0	21.3	61.4	14.3	0.0
LV	3.2	22.9	61.0	12.8	0.0
PL	20.4	11.5	56.3	11.8	0.0
BG	4.4	31.7	49.7	14.2	0.0
UK	10.4	5.8	47.4	36.4	25.3
FI	6.9	3.4	46.2	43.6	0.8
SE	1.2	8.2	45.6	45.0	1.8
IT	42.3	9.3	44.9	3.5	0.3
IE	15.0	2.0	43.4	39.5	29.1
MT	23.6	20.2	42.9	13.3	0.9
LT	13.6	43.5	39.6	3.3	0.0
FR	38.6	3.0	38.5	20.0	3.7
DK	53.3	1.8	33.9	10.9	0.0
LU	41.2	8.9	30.0	19.9	4.3
NL	3.9	39.8	28.3	28.0	44.3
NO	23.3	:	27.9	48.8	0.0
SI	3.6	3.7	25.2	67.5	0.0
EE	5.5	49.5	21.6	23.4	11.2
DE	84.3	7.4	6.7	1.5	18.8
AT	76.8	6.8	3.1	13.3	0.0
EU27	**40.7**	**8.2**	**36.7**	**14.4**	**12.5**

Source: *Eurostat, Labour Force Survey (LFS)*

Annex table 7: *Proportion of employees aged 25–29 in temporary jobs, 2004–2012 (% of total)*

	% total employees				% point change			
	2004	2007	2009	2012	2004–07	2007–09	2009–12	2007–12
SI	30.7	33.7	34.1	35.7	2.9	0.4	1.6	5.0
PL	33.8	38.7	35.6	40.4	4.9	-3.1	4.8	6.6
ES	44.0	41.2	37.5	42.5	-2.7	-3.7	5.0	-1.5
FR	18.3	20.8	20.2	23.2	2.5	-0.6	3.0	4.9
SE	24.0	27.4	24.0	26.7	3.4	-3.3	2.7	2.7
PT	30.3	36.6	38.6	37.5	6.3	2.0	-1.1	7.2
IT	17.2	22.7	23.5	28.3	5.5	0.8	4.8	11.1
DE	17.2	21.2	21.2	22.5	4.0	0.0	1.3	5.3
NL	16.8	22.9	24.2	27.6	6.	1.2	3.4	10.8
FI	28.7	24.5	25.5	23.5	-4.2	1.1	-2.0	-5.2
LU	7.6	12.5	11.2	13.1	4.9	-1.2	1.9	5.5
AT	10.0	8.8	9.6	9.3	-1.1	0.8	-0.3	-0.7
IE	3.4	10.1	9.5	12.2	6.7	-0.6	2.7	8.8
BE	12.4	13.1	12.5	14.5	0.7	-0.5	2.0	2.1
CZ	9.8	8.1	8.4	11.6	-1.7	0.2	3.2	1.8
EL	18.4	16.1	19.9	17.1	-2.3	3.8	-2.8	-1.3
NO	15.9	15.6	13.8	15.9	-0.3	-1.8	2.1	0.0
HU	8.1	8.9	11.3	12.3	0.8	2.5	1.0	4.2
DK	16.5	13.9	13.8	16.2	-2.6	-0.1	2.4	-0.3
SK	6.8	5.7	4.1	8.3	-1.2	-1.6	4.2	1.5
CY	19.2	17.7	16.2	18.7	-1.5	-1.5	2.5	-0.5
MT	1.1	5.6	5.0	7.0	4.6	-0.6	2.0	5.9
UK	6.2	7.1	6.3	6.1	0.9	-0.8	-0.2	-0.1
EE	3.0	1.8	4.2	3.3	-1.2	2.4	-0.9	0.3
LV	11.8	3.2	4.2	4.3	-8.6	1.0	0.1	-7.5
LT	5.3	4.2	2.5	2.8	-1.1	-1.7	0.3	-2.5
BG	9.0	5.3	4.4	6.7	-3.8	-0.8	2.3	-2.3
RO	3.4	2.1	1.2	2.5	-1.3	-0.9	1.3	-0.9
EU27	**19.5**	**21.1**	**20.2**	**21.6**	**1.6**	**-1.0**	**1.4**	**2.1**

Note: Countries ranked by proportion of employees aged 15–24 in temporary jobs in 2012.
Source: *Eurostat, Labour Force Survey (LFS)*

Annex table 8: *Qualifying period for unemployment benefits*

	Number of months of work/ insurance/contributions (a)	Reference period (b)	Ratio (a/b)	Comments
NL	6 months	8 months	0.75	*Maximum duration 3 months. Those employed for 52 days or more in 4 of 5 last years qualify for benefit for no. of months in work up to 38. Voluntary unemployment insurance scheme for self-employed.*
LV	9 months	12 months	0.75	*Person has also to be insured for at least a year. Self-employed are not eligible for unemployment benefits.*
IE	9 months of paid/credited contribs (at least 3 months paid)	12 months	0.75	*Total of 24 months paid contributions also required. Self-employed are not eligible for unemployment benefits.*
PL	12 months	18 months	0.67	*Voluntary unemployment insurance scheme for self-employed.*
BG	9 months	15 months	0.60	*Self-employed are not eligible for unemployment benefits.*
BE	10-20 months	18-36 months	0.56	*Varies with age of worker. Self-employed are not eligible for unemployment benefits.*
CZ	12 months	24 months	0.50	*Before 2012, reference period was 3 years.*
DE	12 months	24 months	0.50	*Voluntary unemployment insurance scheme for self-employed.*
IT	12 months	24 months	0.50	*2 years of insurance also required.* *Self-employed are not eligible for unemployment benefits.*
PT	12 months	24 months	0.50	*Before 2012, reference period was 22 months. Self-employed are not eligible for unemployment benefits (except bogus self-employed).*
RO	12 months	24 months	0.50	*Voluntary unemployment insurance scheme for self-employed.*
AT	12 months	24 months	0.50	*6 months of insurance in 12 months for <25.* *Voluntary insurance for self-employed.*
LT	18 months	36 months	0.50	*Self-employed are not eligible for unemployment benefits.*
SK	24 months	48 months	0.50	*2 years of insurance in 4 for temporary workers. Self-employed without employees are not eligible for unemployment benefits.*
LU	6 months	12 months	0.50	
SE	6 months	12 months	0.50	*6 months of work with at least 80 hours a month. Earnings-related benefit: optional for employees and self-employed.*
SI	9 months	24 months	0.38	*Previously 12 months in 18 months.*
EE	12 months	36 months	0.33	*Self-employed are not eligible for unemployment benefits.*
HU	12 months	36 months	0.33	
DK	12 months	36 months	0.33	*Voluntary unemployment insurance scheme for self-employed (as for employees).*
FI	8 months	28 months	0.29	*Basic unemployment allowance: + min 18 hours of work per week. (18 months in the last 48 months for self-employed).* *Earnings-related unemployment allowance: optional for employees and self-employed.*
MT	4.5 months	24 months	0.19	*Total of 50 weeks of paid contributions also required. Self-employed are not eligible for unemployment benefits.*
EL	4 months	24 months	0.17	*For first-time claimants (for 2nd claims: 6 months in the last 14 months). Self-employed are not eligible for unemployment benefits.*
ES	12 months	72 months	0.17	*Voluntary unemployment insurance scheme for self-employed.*
FR	12 months	28 months	0.14	*Voluntary unemployment insurance scheme for self-employed.*
CY	12 months	-	-	*In addition, paid insurance of at least 26 times weekly basic earnings (€170) and in relevant contribution year, 20 times or more. Self-employed are not eligible for unemployment benefits.*
UK	-	-	-	*No qualifying period, but contributions in 2 tax years of at least 50 times basic weekly contribution and in 1 of 2 at least 26 times. Self-employed are not eligible for unemployment benefits.*
NO	-	-	-	*Income from work of at least 1.5 times Basic Amount (€10,842) in previous calendar year or average of at least Basic Amount in last 3 years. Self-employed are not eligible for unemployment benefits.*

Note: Where minimum period is expressed in units other than months, the simple calendar conversion rate is used.
Source: *National reports and EU Mutual Information System on Social Protection (MISSOC database)*

Annex table 9: *Qualifying period for sickness and maternity benefits*

	Number of months of work/insurance/contributions (a)	Comments
BE	Sickness/maternity: 6 months.	
BG	• Sickness: 6 months. • Maternity: 12 months.	*Voluntary insurance for self-employed for both types of benefits.*
CZ	• Sickness: no qualifying period required. • Maternity: 270 days in the last 2 years.	• *Employees earning < €99 a month and working less than 14 successive calendar days a month are not entitled to sickness benefits.* • *Voluntary insurance for self-employed for both types of benefits.*
DK	• Sickness: 74 hours during the previous 8 weeks for benefits paid by the employer during the first 30 days (benefits paid by the municipality from the 31st day: 240 hours in last 26 weeks). • Maternity: 120 hours in 13 weeks.	• *Voluntary insurance for self-employed during the first 30 days of sickness (benefits paid by the municipality from the 31st day: 6 months within the last 12 months).* • *Maternity benefits: 18.5 hours per week for at least 6 months in the last 12 months.*
DE	• Sickness: 4 weeks. • Maternity: statutory sickness insurance.	• *No compulsory insurance for employees earning <€450 a month.* • *Voluntary insurance for self-employed for both types of benefits.*
EE	Sickness/maternity: 1 month.	*Sickness/maternity: 3 months for contracts for services.*
EL	• Sickness: 120 days in the last year. • Maternity: 200 days in the last 2 years.	*Self-employed are not eligible for sickness benefits.*
ES	• Sickness: 180 days during 5 years. • Maternity: 180 days in the last 7 years (no minimum contribution period for <21).	• *People whose salaried work is considered marginal and not a basic means to earn a living may not be eligible for sickness benefits.* • *Special sickness scheme for the self-employed.*
FR	Sickness/maternity: 200 hours in the last 3 months.	*Self-employed are not eligible for sickness benefits.*
IE	• Sickness: 104 weeks including 39 weeks in the preceding year (or 26 weeks in each of the last 2 years). • Maternity: 39 weeks in the last 12 months (or 26 paid in each of the last 2 years).	• *Self-employed are not eligible for sickness benefits.* • *No compulsory insurance for people earning <€38 per week.* • *Maternity: 52 weeks paid in either the last, second last or third last year.*
IT	Sickness/maternity: no qualifying period required.	*Self-employed are not eligible for sickness benefits.*
CY	Sickness/maternity: 26 weeks.	
LV	Sickness/maternity: no qualifying period required.	
LT	• Sickness: 3 months in the last 12 months (or 6 months in the last 24 months). • Maternity: 12 months in the last 24 months. • In both cases, no minimum period for <27.	*Voluntary insurance for self-employed for both types of benefits.*
LU	• Sickness: no qualifying period required. • Maternity: 6 months in the previous year.	• *Self-employed are not eligible for sickness benefits.* • *Voluntary insurance for self-employed for maternity benefits.*
HU	• Sickness: no qualifying period required. • Maternity: 365 days in the last 2 years.	
MT	• Sickness: 50 weeks including 20 weeks in the last 2 years. • Maternity: no qualifying period required.	
NL	Sickness/maternity: no qualifying period required.	• *Self-employed are not eligible for sickness benefits.* • *Voluntary insurance for self-employed for maternity benefits.*
AT	Sickness/maternity: no qualifying period required.	*No compulsory insurance for people with earnings <€386.80 per month, special voluntary insurance possible.*
PL	• Sickness: 30 continuous days. • Maternity: no qualifying period required.	*Voluntary insurance for self-employed for both types of benefits.*
PT	• Sickness: 6 months (including 12 days in the last 4 months). • Maternity: 6 months.	
RO	Sickness/maternity: 1 month in the last 12 months.	*Since July 2012, social security contributions are compulsory for self-employed (previously optional).*

	Number of months of work/insurance/contributions (a)	Comments
SI	Sickness/maternity: no qualifying period required.	
SK	• Sickness: no qualifying period required. • Maternity: 270 days in the last 2 years.	• *No compulsory insurance for self-employed with an annual income <€4,168.94, and for those working on external employment contracts with irregular income.* • *Sickness/maternity: 270 days in the last 2 years for self-employed.*
FI	• Sickness: 1 month. • Maternity: no qualifying period required.	*Sickness: 4 months for self-employed.*
SE	• Sickness: 14 continuous days if the contract is <1 month. • Maternity: no qualifying period required (to receive higher benefits the person must have been insured for at least 240 consecutive days).	
UK	• Sickness (Statutory Sick Pay): no qualifying period required. • Maternity (Statutory Maternity Pay): 26 continuous weeks with the same employer into the 15th week before the delivery.	• *No compulsory insurance for those with earnings <€131 per week.* • *Sickness: self-employed are eligible for Short-term Incapacity Benefit.* • *Maternity: self-employed are eligible for Maternity Allowance.*
NO	• Sickness: 4 weeks. • Maternity: 6 months in the last 10 months.	

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