TI 2001-086/3
Tinbergen Institute Discussion Paper

Employment Choices and Pay Differences between Non-Standard and Standard Work in Britain, Germany, Netherlands and Sweden

Siv Gustafsson[1]
Eiko Kenjoh[1]
Cecile Wetzels[2]

[1] *Department of Economics, Faculty of Economics and Econometrics, University of Amsterdam, and Tinbergen Institute,*
[2] *TNO/STB, Delft*

Tinbergen Institute
The Tinbergen Institute is the institute for economic research of the Erasmus Universiteit Rotterdam, Universiteit van Amsterdam and Vrije Universiteit Amsterdam.

Tinbergen Institute Amsterdam
Keizersgracht 482
1017 EG Amsterdam
The Netherlands
Tel.: +31.(0)20.5513500
Fax: +31.(0)20.5513555

Tinbergen Institute Rotterdam
Burg. Oudlaan 50
3062 PA Rotterdam
The Netherlands
Tel.: +31.(0)10.4088900
Fax: +31.(0)10.4089031

7 September 2001

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by

Siv Gustafsson, Eiko Kenjoh and Cecile Wetzels

Abstract

This paper analyses two questions. First, how do otherwise similar people across four countries end up in four different employment states: 1) full-time with a regular contract, 2) part-time with a regular contract, 3) fixed term contract full-time or part-time and 4) self-employed? Second, how do wages differ between otherwise similar people between work arrangements in each of the four countries in our analysis? We employ the 1998 wave of household panel data sets namely BHPS for Britain, GSOEP for Germany, OSA for the Netherlands and HUS for Sweden. The reason for analysing and comparing four countries is an interest in policies that may result in different choices for otherwise similar people.

Our multinomial analyses show that the probability of working part time, both for men and women in the Netherlands is much higher other things equal than for men and women in the other three countries. Similarly the probability of being self employed for men in Sweden is much higher than in the other three countries. In Germany, fixed-term workers are conspicuously badly paid compared to fixed-term workers in the other three countries. Furthermore we find part-time workers relatively better paid in Sweden and the Netherlands than in Britain and Germany.

Paper prepared for Susan Houseman and Machiko Osawa (eds.) *Nonstandard Work Arrangements in Japan, Europe, and the United States*, Upjohn Institute for Employment Research.

- Prof.dr. S.S. Gustafsson, University of Amsterdam, Department of Economics, Roetersstraat 11, 1018 WB Amsterdam, The Netherlands, email: siv@fee.uva.nl, tel. +31 20 525 5252, fax: +31 20 525 4254
- Drs E. Kenjoh, University of Amsterdam, Department of Economics, Roetersstraat 11, 1018 WB Amsterdam, The Netherlands, email: eiko@fee.uva.nl, tel. +31 20 525 4367, fax: +31 20 525 4254
- Dr C.M.M.P. Wetzels, TNO/STB, P.O.Box 6030, 2600 JA Delft, The Netherlands, email: wetzels@stb.tno.nl, tel. +31 15 269 5439, fax: +31 15 269 5460

1. Introduction.

In this paper we analyse two questions. First, how do otherwise similar people across the four countries end up in four different employment states: 1) full-time with a regular contract, 2) part-time with a regular contract, 3) fixed term contract full-time or part-time and 4) self-employed? Second, how do wages differ between otherwise similar people between work arrangements in each of the four countries? Our analysis is carried out using the 1998 wave of each of four household panel data sets namely BHPS for Britain, GSOEP for Germany, OSA for the Netherlands and HUS for Sweden.[i] The reason for analysing and comparing four countries is an interest in policy effects on employment choices and opportunities across countries. This chapter therefore starts with a policy analysis where the focus is on policies that may result in different choices for otherwise similar people. Our policy analysis is more detailed on the Netherlands and to some extent on Sweden than on the other two countries. In positioning the countries we analyse we make use of other chapters of this volume particularly Fagan and Ward (this vol.) and Schömann and Schömann (this vol.). In our empirical analysis, the Netherlands is the reference country, which corresponds with the more detailed policy analysis for this country. In order to compare otherwise similar people across countries we make use of information on demographic variables such as gender, age, whether a person has young children and children's age. Further, we use information on the person's education, and the industry and occupation, where the person works. The analyses are carried out separately for men and women because the distribution of employment across standard and non-standard work is very gendered.

The outline of this chapter is as follows. In section 2 we position the four countries we analyse in a European perspective. The four countries rank in the top of European union countries as regards per cent part-time workers among employed. Fixed term work is not as characteristic of these four countries as part-time work is. Per cent fixed-term workers among employed in Sweden, the Netherlands and Germany rank in the middle whereas Britain is at the lower end having a small percentage of fixed-term workers in comparison to other European Union member states. Section 3 presents a policy analysis on the balancing between worker rights and flexibilisation of the labour market in the recent past in the Netherlands with comparisons to Sweden, Germany and Britain. We focus particularly on measures that may explain different outcomes as regards the employment distribution over standard and non-standard work of otherwise similar people. Section 4 traces policy discussions in the Netherlands that have moved part-time work from an inferior position to a general right to shorten or lengthen work hours in any job. The Netherlands has moved the closest to the intentions of the European Union so called 'Part-time Directive' of 1997 and Sweden comes close whereas Germany is further away than Sweden, and Britain is not very close at all. Section 5 discusses some legislation on self-employment in the countries included in our analysis. Section 6 discusses our micro data and shows descriptive statistics on non-standard work by gender. In Section 7 we discuss results from the multinomial logit models and the wage regressions that we estimated making an effort to interpret results in the light of policy differences and results from other chapters of this volume. Section 8 offers conclusions.

2. The Importance of Non-standard Work in the Labour Markets in Britain, Germany, The Netherlands and Sweden in an International Perspective.

There is a simple reason for us to work with these four countries. We have accumulated knowledge about institutions and labour markets in these countries by own nationality (Gustafsson: Sweden, Wetzels: The Netherlands), knowledge of languages involved and by prior work on the household panel data sets involved (e.g. Gustafsson, Wetzels, Vlasblom and Dex 1996, Gustafsson, Kenjoh and Wetzels 2001a). The countries involved in this study do not form extremes on a scale of importance in non-standard work in the labour market nor do they come out on a similar position in an international comparison on each of the standard work dimensions studied in this chapter. Fagan and Ward (this vol.) present data on percent part-time workers of employed men and women for the 15 European Union Member States (EU-15). Among women and for men and women combined per cent part-time work ranks as follows among the EU-15 states: The Netherlands 1, Britain 2, Sweden 3 and Germany 5. Part-time work is the most common in precisely the four countries that we study except for Denmark that ranks 4 before Germany. One could even claim that it is debatable to call part-time work non-standard in the Netherlands where 67.6% of employed women work part-time i.e. less than 35 hours per week (Fagan and Ward Table 1, this vol.). Although Germany ranks number 5 in percent part-time among EU-15 only a little more than one third of German women (36.4%) work part-time as against two thirds in the Netherlands. Fagan and Ward (this vol.) also present development of part-time work since 1985. Whereas proportion part-time employment among women in the Netherlands and Germany show an increasing trend, there is no increase in Britain, and in Sweden the proportion part-time working women decreases. A decreasing proportion of part-time workers among women are also observed in the US (Houseman and Osawa this vol.) and in Denmark (Hoffman and Walwei this vol.). Part-time work among men is much less frequent than part-time work among women but also in this respect, the Netherlands, Sweden and Britain rank 1, 3 and 4 respectively only being passed by Denmark with rank no. 2. Germany on the other hand has relatively little part-time work among men 4.7% and ranks number 8 of the 15 European Union Member States to compare with 18 per cent in the Netherlands and 9 per cent in Sweden and Britain.[ii]

For fixed-term contract work the position of the Netherlands, Sweden and Germany is more in the middle than in the top ranking between EU member states. Britain is ranked number 12 for men with 6 per cent of employed men on a fixed-term contract and number 13 for women with 8 per cent. For the Netherlands, Sweden and Germany the percentage on fixed-term contract range between 12 and 16 per cent for women and between 10 and 12 per cent for men. Fagan and Ward (this vol.) report that an employer in Britain has no reason to offer a fixed-term contract of less than a year because all employment related benefits require more than 12 months employment with one firm. For shorter periods of employment the employer has exclusive right to hire and fire similar to the 'employment at will' doctrine of the United States. Labour markets in the Netherlands, Sweden and Germany are much more regulated in order to protect workers' rights. Schömann and Schömann (this vol.) characterize European Union Member States according to whether there is much legislative treatment of non-standard work or little. In the most legislated category they place France, Germany, Italy and Spain. In a category of less restrictive regulation they place Denmark, Sweden and the Netherlands whereas Britain is described as a country where there is hardly any regulations at all.

Fagan and Ward (this vol.) also present figures on per cent of employed persons in Temporary Agency Work of 11 European Union Member States. These figures show that temporary agency work in 1997 in the Netherlands includes 2.5 per cent of employed people and in Britain 1.0 per cent. This places the Netherlands in second rank after Luxembourg and Britain is placed on the fifth rank. Germany and Sweden have relatively few workers in temporary agency work, 0.6% in Germany and 0.4% in Sweden, which place these two countries number 8 and 9 out of 11.

3. Flexibilization of the Labour Market and Protection of Workers.

The growth of non-standard work arrangements can be seen as a response to firms' demands for a flexible labour force to meet customer's requirements of individual and just in time production. A flexible labour force is often in conflict with workers justified wishes to have a stable and secure income. Various kinds of rules condition employers' rights to make deviations from the general rule that an employment contract is full-time and of indefinite length have thus been introduced in European countries. Generally, there have been periods of increasing regulations in the 1970s and 1980s followed by periods of deregulation in the 1990s. Britain deviates from this pattern in that there was regulation in the 1970s, deregulation under Margaret Thatcher in the 1980s and some reregulation since the Tony Blair government of 1997. The 1980s were characterized by slow economic growth and high unemployment rates in most of the EU-15 countries whereas the United States experienced employment and economic growth. Various observers ascribed the high European unemployment rates to the regulated labour markets.

Blank and Freeman (1994) in their introductory chapter discuss the findings of a volume devoted to the question whether there is a trade-off between economic flexibility and regulations in the labour market. Their conclusion is, that there is not a clear case for concluding that protection of workers necessarily leads to a less flexible labour market. It depends to a very large extent on how workers protection is organized.

European Union countries have deregulated their labour markets in the 1990s to different extents and with different effects on the rights to a job protection of workers. The Netherlands can be described as a happy deregulator. Flexibilisation of the labour market is seen as one of the important steps together with wage restraint and decrease of the government sector, which turned the situation in the Dutch economy away from the Dutch Disease to the Dutch Miracle (Hartog, 1998; Visser and Hemerijk 1997). After the 1973 oil crisis a period of good economic growth and low unemployment 'the golden era' ended and was substituted by a period with double-digit unemployment and low economic growth (Hartog 1998). The labour unions in the Netherlands were defensive and promoted work sharing as a remedy for unemployment. Early retirement and propaganda to keep women at home as full-time housewives were used to decrease labour supply. In 1982 the 'Wassenaar agreement' was concluded on a national level between employers and union representatives. In retrospect this agreement has been seen as the turning point for the Dutch Economy. The important feature of the Wassenaar agreement is that the unions agreed to lower wage demands in exchange for shorter work weeks.

Tijdens (1998) observes that in the Netherlands flexibilisation of the labour market has been

internal: firms have got increased rights to use their regular labour force at times over the year and over the week when demand for labour increases without having to pay over-time premiums. Such a bargaining agreement was made attractive for the union because it was accompanied by a decrease of the regular full-time work week. Van den Toren (1998) observes that of all people who have work conditions determined by collective bargaining agreements 50 per cent have a 36 hours work week as the regular full-time week. Although union density is not impressive in the Netherlands, about 30 per cent of employed persons are members of a union, collective bargaining agreements regulate working conditions for 80 to 90 per cent of the Dutch labour force. This comes through the 'erga omnes' clauses which stipulate, that a bargaining agreement for an industry is extended to be valid also for non-members working in the same industry.

Although there is extensive job protection, flexible work grew from the early 1990s in the Netherlands. Temporary help agencies are big business and Dutch agencies like the Randstad have become multinationals. Randstad is market leader in the Netherlands, Belgium, Germany and in the Southeast of the United States. In 1992 Randstad had 6450 employees at the end of the year in the Netherlands, 1400 in Germany and 259 in Britain. During the same year at some point of time Randstad had staffed 117000 people in the Netherlands, 16000 in Germany and 3500 in Britain (Randstad, 2001). The temporary help agencies sell flexible labour to the user companies but are obliged to offer job security to their employees according to the 'flexicurity act' from January 1999. After the temporary agency worker has worked 18 months for one user company or 36 months for several user companies, he or she receives a permanent contract with the agency. However, there is job protection for the agency worker also before the 18 months or 36 months criterion. During the first 26 weeks of a temporary contract (phase 1) there is no special regulation but in the following 6 months (phase 2) the temporary agency worker starts accumulating pension benefits and receives career advice and after that the temporary agency worker receives a renewable 3 months contract with the 18 months or 36 months condition is fulfilled (Ministry of Social Affairs and Employment, 2000). There is a special union for Temporary Agency workers. Furthermore, it is clear from this review that temporary agency workers often have regular contracts, which differs from the situation in Britain (Fagan and Ward, this vol.). Also on 'call workers' are covered by the flexicurity act. However if the firm has collective labour agreement of its own the on call worker is covered by that agreement, which might be different from the flexicurity act (Ministry of Social Affairs and Employment 2001).

Hartog (1998) cites a study which shows that in the early 1990s about 25 per cent of temporary agency workers wanted temporary work. These were students working during holidays for example. Another 50 per cent of temporary agency workers were looking for a permanent job and 25 per cent preferred temporary agency work because of the opportunity to always see a new environment for example. The same study also asked for firms motives to hire temporary workers. Their answers were distributed over three reasons: for specific fixed-term tasks (44%), for substituting for personnel on leave (31%) and for screening workers (16%).

By the mid-1990s the Netherlands was a booming economy with a stable employment growth

while Sweden and Germany were in deep depressions with big employment losses in Sweden and practically no job growth in Germany. Foreign observers travelled to the Netherlands to admire 'the Dutch Miracle' (Visser and Hemerijk, 1997). This Dutch Miracle had occurred with a substantial flexibilization of the labour force. The volume of full-time regular jobs in 1996 was the same as in 1970 about 3.7 million people and the steady job growth in the early 1990s consisted entirely of part-time jobs which amounted to 1.8 million in 1996 and flexible jobs amounted to 0.7 million in 1996 (Hartog, 1998).

If the Netherlands can be characterized as a 'happy deregulator' in the 1990s, Sweden could rather be characterized as a reluctant deregulator. Private job mediation firms were allowed in 1993 in Sweden and in Germany only two years after the state monopoly in job mediation was officially lifted in the Netherlands. However, in Sweden in the 1990s demands by firms for more flexibility came in a situation of depression and employment losses. Only around 1998-1999 did the economic boom come to Sweden, with renewed employment growth. Since the '1974 Job Protection Act', it is in principle not allowed to hire someone on a fixed-term basis. Because fixed-term employment contracts had already existed for seasonal jobs and jobs to complete a certain task, it became immediately necessary to make exceptions to the rule that the normal contract is a permanent one. Employers are allowed to employ some one on a fixed-term basis for certain reasons only. These reasons include 1) seasonal work, or 2) work to perform one well defined task, 3) to substitute for someone, who is on leave, 4) to augment the work force if there are temporary increases in the work load, or 5) to employ students during summer breaks (SOU, 1999, no. 27).

From 1997 a new form of temporary employment was included called 'Temporary Employment for an Agreed Period'. There are no requirements as to what the reason for the temporary employment is according to this new form. A person can only be hired for a fixed-term contract if the total time he or she is hired does not exceed 12 months during 3 years. Otherwise the contract becomes a regular one. Also, when a person is hired for the first time he or she can be hired for a probation period of six months. The discussions of changes in the 1974 Job Protection Act have aroused strong political opposing views. The needs for flexibilisation proposed by the Carl Bildt coalition government of 1991-1994 were introduced as of 1994. By the election of 1994 the social democrat Göran Persson government came into power and 'restored' the rules that had been effective before the 1994 extensions on the time period a person could be on fixed-term employment for 'probation' and for 'Temporary Employment for an Agreed Period'. The extension to 12 months by the Bildt government was cut back again to 6 months by the Persson government.

Also in Germany an employment contract is meant to be of indefinite length. However, since 1985 the Employment Promotion Act viewed the fixed-term contract as an instrument to reduce unemployment, and was meant to temporarily relax the demands on firms to specifically justify the use of fixed-term contracts. This Act has been extended twice and is valid until the end of 2000. It states that since 1996 employment lasting not longer than 24 months needs not to be justified explicitly (Hoffman and Walwei, this vol.). Further for people over 60 there is no time limit on the length of fixed-term contracts.

In Britain firms have no incentive to offer fixed-term contracts of less duration than one year because employment benefits only apply to workers who have been already employed for 12 months at a firm (Fagan and Ward, this vol.). The British legislation does not see the relation

between the temporary agency workers as an employment contract but the role of the agency is more that of a labour market mediator. This might mean in the British data there may be people who work for short job durations less than a year but do not classify their contract as a fixed term contract. Fagan and Ward (this vol.) in their comparison between the Netherlands and Britain observe that Britain remains a neoliberal welfare state and does not guarantee pay for temporary agency workers not even when they have worked. The agency is not held responsible for how its client, the 'user firm', treats the worker.

4. Part-time Work from an Inferior Position to a General Right to Shorten or Lengthen Work Hours in Any Job.

The Netherlands has been called 'the first part-time economy in the world' Visser (1999). Certainly with 39% of employed people in part-time jobs this is far more than numbers 2, 3 and 4 in the EU-15 ranking namely Britain, Sweden and Denmark with 22-25% of employed people in part-time work. Visser (1999) continues by asking 'The first part-time economy in the world: Does it work?'. His answer is positive. Not only is the Netherlands a happy deregulator but also a happy part-time economy. In the '1997 European Union Directive on Part-time Work' we read: 'Member states and social partners should identify and review obstacles which may limit the opportunities for part-time work' (EU Council Directive 97/81/EC). Furthermore 'employers should give consideration to requests by workers to transfer from full-time to part-time work and the reverse when such work becomes available'. The Netherlands has gone much further than demanding that employers should 'give consideration' to employees who wish to transfer between full-time and part-time work. The Act on Adjustment of Working Hours (Wet Aanpassing Arbeidsduur) is in effect from 1st of July 2000. This law gives the worker employed by firms with more than 10 employees the right to shorten or increase work hours upon request if he or she has been employed for at least one year, and has not asked for a change in working hours since two years. The employee should indicate four months prior to the preferred adaptation: the exact date of the preferred new working hours, how many working hours and the preferred distribution of working hours during the week. The employer should in principle agree on the request, and is obliged to indicate the reason for disagreement e.g. why the organisation is getting problems if the request is accepted, like there is no person to take over the work, the work planning can not be met, there is not enough work to do etc. The wage per hour will remain the same. Since an employee has to have been employed for at least one year, this right excludes temporary workers with a contract of less than one year. New proposals for adjustment of the Act have been launched in the Netherlands to increase possibilities of replacement of a worker: The number of hours of replacement do not need to be the number of hours of leave. However if a full-timer is replaced by a part-timer, he or she should work for at least 18 hours a week. Also a temp agency worker or a person on social benefits can replace an employee on leave. The person that replaces an employee can directly after the period of replacements, accept a new offer of replacement. However these proposals are not yet accepted by the government (Ministry of Social Affairs and Employment 2001).

What was the reason that the Act on Adjustment of Working thus was accepted first in the Netherlands? Usually, in the Netherlands when a Law is accepted it codifies already existing

practice which is included in most Collective Labour Agreements at the time the Act passes, rather than the Swedish social democratic tradition of 'social engineering' where legislative changes go ahead and are meant to change people's behavior. Already in 1993 the advisory council on Dutch Labour Market Issues proposed that "social partners", representatives of employers and employees should arrange for the right to work part-time in Collective Bargaining Agreements. Between 1990 and 1996 the percentage of firms covered by a CBA giving the right to demand part-time work increases from 23 to 70% (De Vries en Van Hoorn 1997). Most requests are granted during the half year January to June 1996. In the Netherlands in the year 2000 not only do two thirds of employed women work part-time but also one fifth of employed men. In the Dutch 'consensus' economy if two university departments are competing for means to install a chair for a professor they may be given each half of a professor's chair, rather than one department getting one full-time chair. Therefore it is not uncommon in the academic world for a person to combine two part-time jobs. Rather than the local community government starting and running an activity as it would do in Sweden, the Dutch economy relies on private initiatives and the government supports part of the activities by subsidies, that the applicant entrepreneur can get in competition with other entrepreneurs in the field. It is quite likely, that sometimes enough funds can be collected to employ someone half-time rather than full-time. Therefore there is a demand for part-timers in the public or non-profit sector.

One reason for a firm in the private sector to employ someone part-time is that part-timers can increase flexibility in the firm by being more easily willing to work extra hours to meet business demands. Also two part-timers who share a job can substitute for each other in case of sickness and vacation by occasionally working full-time. Tijdens (1998) cites a study (Loontechnische Dienst 1991) which finds, in addition to the reasons above, that in the opinion of employers part-time workers are not less committed to their job or to the company compared to full-time workers. This coincides with findings by Kalleberg and Reynolds (this vol.). Furthermore part-time workers do not cost more per hour compared to full-time workers. It seems that extra overhead costs are smaller than the benefits of more efficient use of labour and less overtime and labour costs.

But all this part-time work in the Netherlands would not have occurred if it were not for the fact that there is a large supply of workers who wish a part-time job. From the mid 1980s, unions in the Netherlands were raising demands for 1) the possibility to do all work part-time, and 2) to equalize the employment conditions between full-time workers and part-time workers. Earlier the women's movement had demanded shorter work days but realizing, that travel time would not be reduced, interest in part-time work had become stronger. Women wanted to stay in the labour market after marriage or after giving birth to children. Skilled women were increasingly planning on combining part-time work with family responsibilities. Women's increasing skills made the costs of firing these employees in order to hire new full-timers higher. Also with a high risk of their husbands becoming unemployed women's incomes were needed. Towards the end of the 1980s 40-45 per cent of potential female re-entrants were looking for a job. In the beginning of the 1990s there were 100,000 female re-entrants per year (OSA 1995). Many of these women wish to work part-time. Employers began to recognize the benefits of part-time work in optimizing personnel strategies e.g. in the banking sector (Tijdens 1997). In the tight labour market of the 1990s fear of shortage of labour in a number of industries also employers who otherwise were reluctant have become

more willing to accept part-time workers (Tijdens 1998).

The situation in Sweden in the late 1990s was totally opposite to that in the Netherlands. In Sweden women's demand for part-time jobs is decreasing. The period of increasing part-time workers among employed women in Sweden occurred in the 1970s as many women, who had spent time as full-time home-makers entered the labour market on a part-time basis. Swedish legislation sees the full-time regular contracts as the normal case for both men and women and special leaves are allowed to make it possible to combine a regular full-time job with family responsibilities. Parental leaves since 1974 includes both fathers and mothers and they can choose to divide the 12 months with parental leave benefits of 75-90 per cent of previous earnings as they want. It works like a banking system. A couple can choose between mother full-time at home, father full-time at home, both part-time at home or any per cent of full-time they wish to make use of the parental leave benefits and they can change the mix as many times as they wish subject to the request that the employer must have advance notice. When the child is 18 months the job protection period expires but the mother (or occasionally) the father has the right to shorten work hours in her or his regular job to 30 hours a week until the youngest child is 8 years old (Gustafsson 1994). Sweden adopted the EU 1997 part-time directive in 1997 and it reads that there is a legal right for a part-time employed to give notice to her employer, that she wants a full-time job. The employer is then obliged to give priority to his employed part-timer should a full-time job become available. But this obligation is only valid if a) the part-time employee has given notice b) the part-time employee has enough qualifications for the job and c) the employer's work needs will be satisfied by this transfer (SOU 1999).

In Sweden in 1997 the proportion part-time unemployed among part-time workers was 30 per cent among part-time working women and 25 per cent among part-time working men (SOU 1999, no 27, p. 153). The proportion part-time unemployed in 1990 was only 12 per cent among part-time working women and 10 per cent among part-time working men and the proportion increased as the economic recession deepened with large employment losses to peak in 1997 and show a slight decrease from 1998. The Swedish unemployment benefits are constructed to allow for part-time unemployment benefits for a maximum period of 300 days.

The typical part-time unemployed is a married or cohabiting woman with a short (2 year) secondary education i.e. has finished school by age 18, working in health care or retail trade. Many of these women have children and do not wish to work evenings and nights where the demand for extra workers is larger (SOU 1999 no. 37)).

The large proportion of part-time unemployed among Swedish part-timers scores with the findings of Kalleberg and Reynolds (this vol.) that Swedish part-timers are significantly less happy than full-timers which is different from part-timers in the other countries included in the Kalleberg and Reynolds study. Swedish part-timers have less job satisfaction, less organizational commitment, more absenteeism from work and are less willing to spend extra effort if it is temporarily needed by the employer. The government report on part-time unemployment (SOU 1999, no 27) notes that some of the part-time unemployed are young women without children, who have finished their education for the health care sector at a point of time, when the Swedish government was saving on public sector outlays to achieve a reasonable macro-economic balance. These women also have not been able to find a permanent job, but work on temporary contracts to substitute for other personnel who is on

leave.

Germany has adopted a version of the EU part-time directive from 1997, which is similar to the Swedish one. If an individual employee wishes to switch from full-time to part-time the employer must inform about part-time vacancies (Schömann and Schömann, this vol.). However, there is no right to get this transfer. Part-time jobs are usually not offered in high-skill professions so that a general right to shorten work hours in any job is far from being realized in Germany. Furthermore, the introduction of part-time work is subject to co-determination of the work councils. (Schömann and Schömann, this vol.). The co-determination by work councils carries an inherent risk of androcentric behavior to the detriment of women who wish to work part-time. Suppose the work council consists of only men, who are eager to protect their full-time jobs. Then it is very unlikely that part-time jobs will be created. However, now German legislation is under way which will move it into a situation similar to that in the Netherlands with almost complete right for the employed to work with the desired number of hours in any job (Evans et al 2001). The Netherlands, Sweden and Germany have legislation that part-timers must be treated equal with full-timers in pay per hour and work-related benefits proportionally to hours worked. Such legislation has until recently been absent in Britain but a government proposal for the 'Prevention of Less Favourable Treatment' appeared in 2000 however not covering temporary agency workers (Schömann and Schömann, this vol.). Before this proposal British part-time workers who are mostly women have been able to appeal to the Labour Courts using legislation against sex and race discrimination (Schömann and Schömann, this vol.) a situation that is similar to the United States (Houseman and Osawa, this vol.).

5. Self-Employment: An Act of Entrepreneurial Inventiveness or Hidden Dependent Employment?

The German legislator has worried that some self-employed are just a hidden form of dependent employment. The German 'Correction Law of Social Provision' from January 1999 has been introduced in order to prevent that a person who has a dependent relation to one firm is labelled self-employed and loses all rights of an employment contract. If 2 out of 4 criteria of the following are fulfilled for a particular self-employed it is deemed dependent employment and the person gets a labour contract:

1) no employee except family, 2) only one customer, 3) without special qualifications or tasks and 4) no market representation performed (Schömann and Schömann, this vol.). To our knowledge no similar legislation exists in Sweden, the Netherlands or Britain.

In Sweden activities that previously would have been done by employed people are now performed by self-employed contractors. Our example is a company who owns forest and would previously have people on their pay-roll, to collect and deliver wood. Now such work is performed by an independent contractor who owns his tree cutting and processing machine (skogsmaskin). In construction, independent contractors are more common than earlier, a development which is facilitated by the mobile telephone which makes the self-employed available for potential customers while working. Such independent contractors also often work together in networks, which allows them by co-operation to take on bigger tasks. There is probably also a gendered distribution over industries and occupations. Carré (this vol.)

notes that in the United States independent contractors among men are executives, professionals and sales persons whereas female independent contractors often offer domestic help, child care, real estate services and sales.

In Sweden, starting an own business has been seen as a measure to decrease unemployment. A person can get a start-up grant, which allows for living costs during 6 months. The size of the benefit equals the unemployment benefit. Schömann and Schömann (this vol.) report that 78% of persons receiving the start-up grant were employed after 4 years. In Sweden the industry principle in labour market relations also applies to workers in non-standard work arrangements. Both self-employed and personnel of temporary work agencies are welcome in the respective industry unions in Sweden. Similar to in Sweden some unions in the Netherlands welcome self-employed. Sometimes the difference between a group of self-employed working together in a network and a temporary work agency catering to a specific industry is not so big. An example given by the Swedish government report on part-time unemployment, fixed-term jobs and unemployment insurance (SOU 1999: 27) is a company called 'Industrikompetens'.

'Industrikompetens' works like a Temporary Help Agency in that workers perform in different companies according to where the work load is. But 'Industrikompetens' is owned by 20 firms in the Swedish region of Östergötland who deliver to the big car and truck manufacturer SAAB among other tasks. Before the existence of 'Industrikompetens' the different companies had periods when they could not take orders because of lack of qualified personnel and periods when they had to pay employees for whom there was no work. The 20 competitors now own ' Industrikompetens' and its personnel is trained and accustomed to the work in a number of the owner firms so that extra work needs can be performed.

Similar to Swedish policies Dutch policies also aim at stimulation of entrepreneurship. The number of entrepreneurs as a percentage of the Dutch working population in 1996 only reached the level of 1972 and this level is low compared to the mean in the European Union and the United States (Ministry of Economic Affairs 2001). The growth of the new businesses once they have started is also less than in other countries. Deregulation and lowering of administrative costs to start and develop firms are important policy objectives. For example administrative costs only get started for a firm for installing electrotechnical equipment requires an investment of fl 6.000,- and two months work because the industry is over regulated. The administrative costs attached to employ your first employee is estimated to be f 3.300,- of which at least 17 hours to deal with the administrative tasks (Ministry of Economic Affairs, 2001). The Dutch Ministry of Economic Affairs aims in addition to increase ‘intrapreneurship’, small businesses within big firms, to compete in highly specialised markets. A person starting an own business in the Netherlands gets a tax deduction in the first year, if the number of business hours in the first year exceed 1225 hours. This means that starting a firm on a part-time basis is not stimulated by this regulation (Gustafsson, Wetzels and Tijdens 2000). Despite this, the percentage female among all persons starting an own business has increased to 31% in 1999 (Ministry of Economic Affairs 2001).

6. Descriptive Statistics on Non-Standard Work using Micro Data Sets.

The previous sections 2-5 have dealt with institutions and policies in the four countries we study in order to identify characteristics that may explain differences between the countries. In the following we turn to the micro data analysis using the 1998 wave of the household panel data BHPS for Britain, GSOEP for Germany, OSA for the Netherlands and HUS for Sweden. We use the German data for western and eastern Germany separately rather than weighing the data to an aggregate German figure. As we shall see below one important reason for doing this is that in many respects the eastern half of Germany is very different from the western half of Germany.

We have decided to restrict the analysis to employed persons rather than also analysing the employment decision mainly for three reasons. First, all other chapters of this book refer to non-standard work among employed people. Second, including the choice to stay out of the labour force and labour force participants who are unemployed, would have made it necessary to review policies and institutions relevant to explain differences across countries in non-employment. This would complicate the story and add several pages of policy analysis. Third, we have more information about employed persons than about not employed persons. Occupation and industry is available for all employed persons whether they are employed full-time regular, part-time regular, fixed-term or self-employed. This makes it easier to claim that we are comparing choices of otherwise similar people.

Table 1a presents information on employment status in each country for people aged 16-64 by gender. In the Swedish data people younger than 18 are not interviewed so that the included age range is 18-64. In the Dutch data full-time students are not interviewed, which increases the employment rate among the young people since only employed people aged 16-19 are included. This differs from the British and German data where secondary school students are interviewed. The non-employment rate in western Germany is surprisingly high, even accounting for the fact that secondary school students increase the non-employment rate.

According to OECD (1998) the labour force participation rate for men in western Germany should have been similar to the Swedish one and the labour force participation rate for women in western Germany should be similar to the Dutch figure. The unemployment rate among western German men was similar to that of Swedish men whereas unemployment of Dutch women is considerably lower than among western German women.

A remarkable difference in our data comparing German and Swedish men is that many more Swedish men then German men are self-employed. In Western Germany 9.1 per cent of men are self-employed as against 15.5 per cent of Swedish men. The gap in not gainfully employed women between the Netherlands and Germany is closed if women who are on leave are counted as employed in Germany. However, we cannot use people who are on leave from the German data in our analysis because there is no information on type of contract, industry and occupation etc. For the Swedish data people who are on leave less than 2 months are counted as employed whereas in the Dutch data on employment status there is no information on being on leave. Dutch full-time maternity leave is only 16 weeks so that there would not be many Dutch women on leave differently from the German situation where a woman has job protection to be on maternity leave for 3 years. A detailed description of definition of variables is presented in Appendix 1.

Table 1b presents tabulations of all information available in our data sets on dependent employed, self employed, or a combination according to type of contract and whether full-time or part-time. The dividing line between full-time and part-time is 35 hours of work per week. British and Swedish men are much more often self-employed than the women in their countries. For the other countries the difference between male and female self-employment is less strong. The Netherlands clearly turns out as the part-time economy with the highest percentage of women in regular part-time jobs (58.5%), the second highest percentage of women in part-time fixed term (5.1%), and the highest percentage of women part-time self-employed.[iii]. The Netherlands also has the highest percentage of men in part-time regular jobs (9.0%) compared to the percentage sin the other countries not higher than 3.8. The proportion of self employed among Dutch men is lower than among men in the other countries except for Eastern Germany.

The Dutch data show more details on irregular contracts (see Table 1b). Dutch women appear to be in irregular contracts more often than men, especially in temporary help agencies women work more often than men. Dutch men with irregular contracts are concentrated in contract company work. The German data give more detailed information on self employed which shows that one fifth of the self employed women in Germany both west and east are professional workers. Another one fifth is in the category other self employed with 1-9 employees, and about half of self employed women are in the category other without employees. Family members helping out is quite low (0.5% among western German women), also compared to the Netherlands (2.1%). More detailed information on self-employed people in Britain show that most persons work for them selves and to a lesser extent they run a business or a professional practice or they are a partner in business. British men also tend to be subcontractors but only very few British women are in this category.

7. Results of Multinomial Logits and Wage Regressions.

In the following we analyse four different employment choices a) full-time with a regular contract ('Full time'), b) part-time with a regular contract ('Part time'), c) fixed-term contract full-time or part-time ('Fixed-term') and d) self-employed ('Self-employed'). We merge the data from the four countries into one data set with the purpose of interpreting country dummies in the light of policy differences discussed above. We summarize the results of three multinomial logit models on country-pooled data Tables 2, 3 and 4 and country specific wage regressions in national currency, Tables 5, 6, and 7. We have chosen to study the question how otherwise similar people end up in different work arrangements and the wage differences in three separate models first adding men and women and introducing a dummy variable for women and second one separate model for men and one separate model for women. The joint model across genders allows us to say something about how otherwise similar men and women compare. The separate models allow us to analyse for example whether male and female part-timers are differently distributed across occupations and industries.

Houseman (1999) notes that a US person who works in a non-standard work arrangement is likely to be female, young, low paid and desiring a standard work arrangement. We find (Table 2) that women in the four European countries we study other things equal are 12 times as likely as men to work part-time, they are twice as likely to have a fixed-term contract and they are also 20 per cent more likely than otherwise similar men to be self-employed. Women

other things equal earn 12 to 18 per cent less than men (Table 5). Working part-time or with fixed-term contract carries a negative wage effect except for part-time in Eastern Germany, the Netherlands and Sweden (Table 5).

Swedish part-time working men even earn more per hour than full-time working men (Table 6). At first glance, this result seems to contradict a result that so many part-timers in Sweden are part-time unemployed. However, even if 25% of part-time working men are part-time unemployed (see section 4 above) there remains 75% who may to a large extent be composed of part-time retirees with a relatively high hourly wage. Part-time work among men is most common in the oldest age group 55-64 years and the youngest age group 16-24 (Table 3).

7.1 Part-time work

The country dummy variables of the multinomial logits are of special interest in the light of policy and institutional differences between countries. The Netherlands as the first part-time economy in the world is confirmed. Other things equal, there are much more part-time working both men and women in the Netherlands than in the other countries (Table 2, 3, and 4). In this paper we treat the eastern part of Germany (the former DDR) and the western part of Germany (the former FRG) as two different countries. The data justify such a treatment because eastern and western Germany in many of our analyses turn out to be the two extremes rather than more similar as you would expect from one country that is affected by a given set of institutions. There is very little part-time work in eastern Germany and rather much in western Germany, putting western Germany in second place after the Netherlands for men and women combined and for women only (Tables 2 and 4). The probability to work part-time is only 40 to 50 per cent as large in western Germany as in the Netherlands, whereas among eastern German women it is only one tenth of the probability in the Netherlands.

Holding other things equal, the probability for a Swedish woman to work part-time is only one fifth of that of a similar Dutch woman (Table 4). This is a sharp drop in comparison to the aggregate figure of 23 per cent part-time workers among employed Swedes and 39 per cent among employed Dutch (Fagan and Ward, Table 1, this vol.) and also compared to our Table 1b. Our raw data in Table 1b show that the proportion part-time among Dutch employed women is 58.5, and the corresponding figure for Swedish women is 30.1.

This result must be explained by Swedish part-time working women being much more concentrated to a certain category which is controlled for in our multinomial logit analysis whereas part-time working must be much more spread among all kinds of women in the Netherlands. We know that basically all Swedish mothers make use of the right to work 30 hours per week in their regular full-time work until the youngest child is 8 years old. Because we control for whether there is a child younger than twelve in the household, this variable catches the Swedish mothers making use of this family policy. Again, this result may modify the large amount of part-time unemployed among Swedish women, 30 per cent, who would be spread over all kinds of women. But the other 70 per cent may be concentrated among women with young children. This control variable is also highly significant (Table 4) with 3 times higher frequency among women with one young child and 6 times higher frequency to work part-time among women with two or more young children and perhaps it would have been still larger in a separate model for Swedish women.

Part-time workers in the western part of Germany earn 20 per cent less per hour or even still smaller wages than otherwise similar full-time workers (Table 5). This is rather far away from equal treatment on part-time work with full-time work, which is demanded by the EU 1997 directive of part-time work and by German legislation. But this is in line with the remark by Schömann and Schömann (this vol.) that part-time work is not available in skilled level occupations differently from in the Netherlands, where there is a general right to shorten or lengthen work hours in any job. In Britain, where no such legislation exists as far as we know the pay disadvantage for part-time workers is smaller both for men and women than it is in western Germany. A large amount of literature has shown that wages are lower in industries and occupations where the proportion women are high (Bakker et al. 1999). One could ask a similar question on the distribution of part-timers across occupations and industries.

We find that there are many part-timers in 1) 'Shops, hotels and restaurants' and in 2) the 'Public and non-profit sector'. These two industries have lower wages other things equal than the manufacturing industry. The largest wage disadvantage for the 'Public and non-profit sector' is observed in Sweden for both men and women (Tables 5, 6 and 7). In comparison to production workers we find that sales occupations where there are many part-timers, other things equal, earn more than production workers whereas service workers where there are also many part-timers have negative or zero wage differences to production workers. Therefore there is not a general tendency for industries and occupations with many part-timers to have generally lower wages, which is a hypothesis which can be defended on similar grounds as the negative wage return to industry and occupations with many women.

7.2 Fixed-term work.

In Germany both in the eastern and western part the probability of having a fixed-term contract is much higher than in the other countries. For men it is 2.6 to 3.4 times as common in Germany as in the Netherlands and for women the probability is almost equal to that in the Netherlands. Above it was shown that a fixed-term contract in Germany is seen as an alternative to unemployment (see above section 3). One can therefore suspect that German people who have fixed-term contracts may not be the most competitive ones. There is also the largest negative wage effect in Germany -.42 to -.46 as compared to full-time work, which means a wage ratio of only 63 to 66 per cent of regular worker hourly wages other things equal (Table 5). This negative wage effect is similar for men and women (Tables 6 and 7). In Britain there are relatively few fixed-term contracts. As explained by Fagan and Ward (this vol.) there is no reason for a British firm to offer a fixed term contract for a shorter period than one year since all workers rights in Britain apply only after the worker has been employed for at least one year. The Netherlands has many fixed-term contracts for women but few for men other things equal (Tables 3 and 4). There are for example twice as many Swedish as Dutch men on fixed-term contracts but only 62 per cent as many Swedish as Dutch women on fixed term contracts other things equal (Tables 3 and 4). There are more restrictions on the use of fixed term contracts in Sweden than in the Netherlands since a Swedish firm must specify the reason why a fixed-term contract is offered rather than a regular contract. In Sweden the typical fixed-term contract worker is a female, who substitutes for some one who is on leave in the public health care sector. This scores with the fixed-term worker of Table 2. The probability of being a fixed-term worker increases by

being female 2.0, working in 'Public and non-profit sector' 1.9, and being young aged 16-24, 5.8. In addition a woman who has two or more children is almost 4 times as likely to have a fixed-term contract than women without children (Table 4). For all people men and women combined Sweden has more people on fixed-term contracts than the other countries do (Table 2) although the right to offer fixed-term contacts is quite regulated (see section 3 above).

7.3 Self-employed.

The German legislator is worried that self-employment may be fake dependent employment (Schömann and Schömann this vol.). Self-employment is about equally prevalent in Britain, western Germany and Sweden and less common in the Netherlands and eastern Germany. We have not been able to analyse wage differentials between self-employed and employed because of vague reporting of earnings and hours worked by self-employed. Otherwise if there is self-employment among weaker workers one would have seen a negative wage effect. The Swedish legislator has seen self-employment as an alternative to unemployment, which may also go together with lower earnings. There is substantially more self-employment among men (Table 3) in Sweden, Britain and western Germany than in the Netherlands and substantially less self-employment among women than in the Netherlands (Table 4). To answer whether childcare is more common among Dutch self-employed than among Swedish self-employed would have required separate models by country to answer. We have refrained from doing that because the paper is already long. There is more self-employment in all industry branches including the public and non-profit sector than there is in manufacturing industry. Among the occupations both male and female 'Sales workers' and 'Service workers' are likely to be self-employed. This scores with the observation for the United States by Carré (this vol.) that independent contractors among men are executives, professionals and sales persons whereas female independent contractors offer domestic help, childcare, real estate, services and sales. A woman offering childcare as a self-employed would be classified as public or non-profit sector and a service worker.

8 Concluding Remarks.

The work of this paper allows us to give some partial answers to a number of questions that can be raised when looking at the empirical results.

Why are there so many part-time workers both men and women in the Netherlands? First, we notice that being a mother and a worker is a very recent phenomenon in the Netherlands. Such a combination life-style has only become acceptable and supported by public policies since the 1990s which contrasts the development in Sweden, where a strong increase in part-time work among women occurred in the 1970s whereas the proportion part-time workers decreasing. A second reason for the large proportion of part-time workers in the Netherlands can be found in the way that funds are raised, for example, in the care sector. It is customary for a private entrepreneur to compete for public funds with other entrepreneurs and also raise funds by private donations and user fees. It is rather likely that such a financing system may create part-time jobs supplemented by voluntary work. A third reason, from the demand side, is that the Dutch consensus society may result in two part-time jobs rather than one full-time job in the public sector. The Netherlands is also the one country that has earlier legislated the

right for the worker to demand increases or decreases of work hours in any job.

Why are there so many self-employed Swedish men? The Swedish legislator has seen self-employment as an alternative to unemployment granting starters who would otherwise be unemployed the right to receive a starter's subsidy of equal size as the unemployment benefit for half a year. Many Swedish self-employed people have one-person firms and their situation is not very different from dependently employed people. The mobile telephone has allowed people who work in the construction and home repair sector to be available to potential customers while at work. People who cut and process forest nowadays own their own forest machines and are independent entrepreneurs and a hairdresser may be an independent entrepreneur renting a chair at some firm rather than being a dependent worker of the firm. The German legislator different from in Sweden has wanted the decrease such practices claiming that this is fake dependent employment and should be turned into a regular work contract in order to supply the worker with job protection and social security benefits. This can explain a smaller proportion of self-employed in Germany than in Sweden, which is consistent with our findings.

Why are there so many fixed-term workers in Germany and why are they so badly paid? There are negative effects on wage per hour of having a fixed term contract in all the countries we study for otherwise similar people, but in both eastern and western Germany the hourly wage of fixed-term workers is only about 63% to 67% of that of regular workers for both men and women. In the other countries the fixed-term contract workers have an hourly wage of 84% to 93% of that of regular workers. (Tables 5, 6 and 7). In Germany fixed-term contracts have been seen as an alternative to unemployment and there are no limits on how many months a person may be on a fixed term contract if older than 60. This explains the large amount of people who are employed on fixed term contracts in Germany both in its western and its eastern part in our findings (Tables 2, 3). For younger people a fixed-term contract turns into a regular contract after 24 months. It may be that there are exceptionally many older people in Germany on fixed-term contracts with low pay and they are then compared to other older employees who have better wages because of accumulated human capital and seniority.

Why are part-time workers relatively better paid in Sweden and the Netherlands than in Britain and Germany? In Sweden part-time work is seen as a temporary solution and one of the parents of young children has a legal right to shorten work hours to 30 hours a week until the youngest child is 8 years old. Part-time workers in Sweden in 1998 averaged 23.1 hours per week compared to Britain 17.1 hours, the Netherlands 18.1 and Germany 18.3 for men and women combined. Swedish mothers regularly make use of 12 to 18 months of parental leaves during the child's first one and a half year of life and by the time the child is 5 years old 90 per cent of mothers work at least 25 hours per week. In the Netherlands, Britain and Germany only about 50 per cent of mothers of 5 year olds are employed and less than 10 per cent are full-time employed. (Gustafsson, Kenjoh & Wetzels 2001a). Part-time work in Sweden and the Netherlands occurs in all types of occupations and in all educational groups whereas in Britain part-time work is very often temporary and limited to low skill jobs. Part-time work is not available in higher level jobs in Germany, where work councils have a veto if a firm wants to install part-time jobs.

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Table 1a. Employment Status according to Sex in 1998

	Not employed	Dependent employed	Self-employed	All (number of observations)
Britain				
Men	19.7	68.2	12.1	100 (3,725)
Women	32.0	63.4	4.6	100 (4,420)
Western Germany				
Men	25.0	65.9	9.1	100 (1,802)
Women	50.4	45.6	4.0	100 (2,014)
Eastern Germany				
Men	30.6	63.2	6.3	100 (1,178)
Women	45.3	50.9	3.8	100 (1,257)
Netherlands				
Men	18.0	73.6	8.4	100 (1,543)
Women	47.0	48.1	4.9	100 (1,856)
Sweden				
Men	19.3	65.2	15.5	100 (1,519)
Women	25.6	69.3	5.1	100 (1,506)

Source: Authors' computations based on BHPS 1998 for Britain, Sample A (=German residents in former West Germany) of GSOEP 1998 for Western Germany, Sample C (=German residents in former East Germany) of GSOEP 1998 for Eastern Germany, OSA 1998 for the Netherlands and HUS 1998 for Sweden. See Appendix 1 for a detailed description of definition of variables.

Table 1b. Employment According to Type of Contract and Whether Full-time or Part-time in 1998 (% of those who are gainfully employed) M: Men, W: Women

	Britain		Western Germany		Eastern Germany		Netherlands		Sweden	
	M	W	M	W	M	W	M	W	M	W
Dependent	84.9	93.3	87.9	91.9	90.9	93.0	89.7	90.8	80.8	93.1
of which										
regular, FT	74.8	48.7	75.9	42.5	76.5	60.8	77.1	25.6	72.4	55.5
regular, PT	3.5	35.2	3.6	39.9	2.2	15.7	9.0	58.5	3.8	30.1
fixed-term, FT	4.3	2.8	7.3	6.8	11.4	13.2	2.6	1.5	3.4	3.8
fixed-term, PT	2.3	6.5	1.0	2.7	0.9	3.3	1.0	5.1	1.2	3.8
of which irregular contract							6.7	8.6		
agency Fixed-term (temp-help agency)							1.3	3.5		
apprentice							1.8	1.2		
on call							0.1	1.5		
special							1.0	0.8		
contract							2.5	1.6		
Self-employed	15.1	6.8	12.1	8.1	9.1	7.0	10.3	7.1	11.4	4.5
of which FT	13.0	3.4	10.7	4.9	8.4	5.8	8.9	3.0	10.4	3.6
PT	2.1	3.4	1.5	3.2	0.6	1.2	1.3	4.2	1.0	0.9
of which										
self-employed farmer			1.3	0.5	0.4	0.2				
professional worker			2.2	1.5	1.5	1.7				
other self-employed										
without employees			3.0	3.9	3.3	2.8				
with 1- 9 employees			5.0	1.6	3.3	1.9				
with 10 or more employees			0.5	0.1	0.6	0.2				
family member helping out			0.2	0.5	0	0.3				
of which										
own business[1]	2.9	1.4								
partner in	2.5	1.4								
working for self[3]	6.1	3.0								
sub-contractor	2.2	0.3								
freelance	1.1	0.6								
others	0.2	0.1								
Family workers [4]							0.0	2.1		
Self-employed & Dependent Employed									7.8	2.4
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
N	2,992	3,007	1,351	1,000	818	688	1,266	983	1,226	1,120

Note: [1] Running a business or a professional practice, [2] Partner in a business or a professional practice, [3] Working for myself. [4] In Dutch "meewerkende echtgenote", direct translation: wife helping out in business of her husband. See Table 1a for the source and Appendix 1 for a detailed description of variables.

Table 2. Multinomial Logit Analysis: Relative Probability of Employment State for Both Sexes (Reference state is full-time work)

	Part-time		Fixed-term		Self-employed	
	RRR	Z-value	RRR	Z-value	RRR	Z-value
Women	12.420	35.26	2.007	9.05	1.196	2.59
Britain	0.434	-11.18	1.101	0.80	1.251	2.41
Western Germany	0.503	-7.73	1.738	4.15	1.262	2.14
Eastern Germany	0.152	-15.67	2.159	5.69	0.656	-3.25
Sweden	0.307	-12.97	1.299	1.85	1.250	2.15
Netherlands = base						
Educational groups						
Low	1.117	1.62	1.064	0.70	0.727	-3.99
Medium = base						
High	0.647	-5.49	0.982	-0.18	0.789	-2.74
Age groups						
16-24	0.855	-1.45	5.842	15.56	0.209	-8.41
25-34	0.605	-6.77	1.314	2.66	0.620	-5.54
35-44 = base						
45-54	1.414	4.53	0.787	-1.90	1.553	5.40
55-64	2.579	9.76	0.988	-0.08	2.223	8.01
Married or cohabiting	1.181	2.39	0.552	-7.28	0.911	-1.13
Single = base						
Number of children (<=11 years) in the household						
No children = base						
1 child	2.262	9.54	1.121	0.84	1.241	2.12
2 or more children	3.208	11.61	1.610	3.02	1.763	4.89
Age of youngest child in the household						
0-2	1.307	2.35	0.834	-0.97	0.972	-0.21
3-5	1.269	2.10	1.007	0.04	0.986	-0.10
Industry						
Agriculture	2.056	2.15	1.979	1.73	6.832	7.12
Energy	0.636	-1.27	0.918	-0.23	0.327	-2.16
Construction	1.341	1.43	1.615	3.09	6.704	15.77
Shops, restaurants etc.	2.688	9.28	1.586	3.48	3.066	9.40
Transportation	1.377	2.30	1.081	0.47	3.157	8.80
Finance	1.091	0.69	1.245	1.39	3.708	10.63
Public, non-profit	2.064	7.25	1.901	5.36	1.730	4.86
Manufacturing = base						
Occupation (ISCO-68)						
0/1: Professional	1.416	2.94	1.082	0.62	1.171	1.44
2: Administrative	0.439	-4.71	0.294	-5.12	1.226	1.84
3: Clerical	1.384	2.94	0.636	-3.45	0.200	-10.38
4: Sales workers	2.127	6.05	0.707	-2.20	1.996	5.80
5: Service workers	2.763	8.75	1.241	1.64	1.399	2.77
6: Agricultural workers.	0.953	-0.14	0.806	-0.58	3.004	4.18
7/8/9: Production workers = base						
Number of observations	14,451					
Log likelihood	6675.2					
Pseudo R2	0.219					

See Table 1a for the source and Appendix 1 for a detailed description of variables.

Table 3. Multinomial Logit Analysis: Relative Probability of Employment State for Men (Reference state is full-time work)

	Part-time		Fixed-term		Self-employed	
	RRR	Z-value	RRR	Z-value	RRR	Z-value
Britain	0.378	-6.27	1.311	1.47	2.085	6.26
Western Germany	0.439	-4.48	2.644	4.95	1.727	4.03
Eastern Germany	0.273	-4.88	3.398	5.98	0.949	-0.31
Sweden	0.468	-4.06	1.988	3.14	2.401	6.79
Netherlands = base						
Educational groups						
Low	0.889	-0.77	0.879	-0.96	0.877	-1.30
Medium = base						
High	0.854	-0.92	0.934	-0.44	0.764	-2.44
Age groups						
16-24	3.185	5.07	8.564	12.10	0.251	-5.99
25-34	1.044	0.23	1.574	2.74	0.673	-3.64
35-44 = base						
45-54	1.294	1.32	0.915	-0.46	1.719	5.37
55-64	3.497	6.17	0.880	-0.51	2.355	7.07
Married or cohabiting	0.676	-2.45	0.511	-5.13	0.733	-2.92
Single = base						
Number of children (<=11 years) in the household						
No children = base						
1 child	0.633	-1.68	0.670	-1.55	1.044	0.32
2 or more children	0.775	-0.83	0.545	-1.86	1.465	2.62
Age of youngest child in the household						
0-2	1.988	2.18	1.157	0.45	0.985	-0.09
3-5	1.801	1.75	0.922	-0.21	0.967	-0.19
Industry						
Agriculture	2.367	1.21	0.845	-0.29	6.372	5.75
Energy	0.247	-1.38	0.974	-0.06	0.344	-2.05
Construction	1.136	0.45	1.444	2.11	6.949	14.94
Shops, restaurants etc.	2.150	3.62	1.422	1.90	3.173	8.16
Transportation	1.594	1.89	0.927	-0.33	3.269	8.06
Finance	0.979	-0.08	1.248	1.03	3.577	8.83
Public, non-profit	2.319	4.42	1.595	2.82	1.927	4.89
Manufacturing = base						
Occupation (ISCO-68)						
0/1: Professional	1.655	2.48	1.310	1.57	1.572	3.60
2: Administrative	0.790	-0.87	0.264	-3.70	1.351	2.41
3: Clerical	1.310	1.26	0.852	-0.83	0.188	-7.26
4: Sales workers	1.559	1.83	0.522	-2.56	2.218	5.63
5: Service workers	1.868	2.90	1.081	0.40	0.746	-1.67
6: Agricultural workers.	0.777	-0.36	1.859	1.19	3.306	3.82
7/8/9: production workers = base						
Number of observations	7,653					
Log likelihood	-5205.6					
Pseudo R2	0.155					

See Table 1a for the source and Appendix 1 for a detailed description of variables.

Table 4. Multinomial Logit Analysis: Relative Probability of Employment State for Women (Reference state is full-time work)

	Part-time		Fixed-term		Self-employed	
	RRR	Z-value	RRR	Z-value	RRR	Z-value
Britain	0.317	-11.63	0.723	-1.98	0.405	-5.72
Western Germany	0.422	-7.38	1.041	0.21	0.663	-2.18
Eastern Germany	0.100	-15.88	1.210	1.02	0.302	-5.60
Sweden	0.187	-14.45	0.620	-2.47	0.300	-6.42
Netherlands = base						
Educational groups						
Low	1.113	1.28	1.179	1.37	0.557	-4.18
Medium = base						
High	0.591	-5.52	0.995	-0.04	0.836	-1.24
Age groups						
16-24	0.543	-4.81	3.951	9.14	0.150	-5.86
25-34	0.436	-9.21	0.934	-0.51	0.440	-5.61
35-44 = base						
45-54	1.463	4.18	0.705	-2.06	1.439	2.54
55-64	2.371	7.31	1.043	0.19	2.295	4.52
Married or cohabiting	1.548	5.50	0.698	-3.42	1.417	2.55
Single = base						
Number of children (<=11 years) in the household						
No children = base						
1 child	3.303	11.45	1.588	2.73	1.952	3.94
2 or more children	6.480	14.30	3.841	6.84	3.942	6.80
Age of youngest child in the household						
0-2	1.508	2.72	0.942	-0.24	1.178	0.65
3-5	1.461	2.53	1.286	1.11	1.207	0.78
Industry						
Agriculture	2.304	1.96	4.205	2.55	9.800	4.45
Energy	0.838	-0.40	1.051	0.07	*	*
Construction	1.405	0.99	1.952	1.15	6.321	3.67
Shops, restaurants etc.	3.240	8.62	2.260	3.78	3.538	5.06
Transportation	1.493	2.22	1.699	1.99	2.963	3.54
Finance	1.252	1.44	1.512	1.64	4.730	5.88
Public, non-profit	2.321	6.60	2.721	4.96	1.887	2.63
Manufacturing = base						
Occupation (ISCO-68)						
0/1: Professional	1.187	1.05	0.828	-0.85	0.711	-1.30
2: Administrative	0.306	-4.98	0.302	-3.42	0.970	-0.11
3: Clerical	1.258	1.50	0.510	-3.09	0.174	-6.17
4: Sales workers	2.161	4.50	0.738	-1.24	1.604	1.77
5: Service workers	3.108	7.00	1.195	0.80	2.003	2.72
6: Agricultural workers.	0.967	-0.08	0.450	-1.44	2.143	1.48
7/8/9: Production workers = base						
Number of observations	6,798					
Log likelihood	-6377.8					
Pseudo R2	0.175					

*: No observation in the corresponding category. See Table 1a for the source and Appendix 1 for a detailed description of variables.

Table 5. OLS Regressions on the Logarithm of Hourly Wage in National Currency for Both Sexes (T: T-value)

	Britain		Western Germany		Eastern Germany		Netherlands		Sweden	
	Coef.	T	Coef.	T	Coef.	T	Coef.	T	Coef.	T
Women	-.156	-12.17	-.141	-7.79	-.126	-5.03	-.181	-9.94	-.168	-14.82
Part-time	-.131	-8.44	-.203	-9.53	-.036	-0.94	-.005	-0.26	.020	1.46
Fixed-term	-.117	-5.78	-.466	-16.22	-.420	-13.21	-.177	-5.48	-.083	-4.06
Full-time = base										
Educational groups										
Low	-.091	-5.77	-.068	-3.46	-.098	-3.78	-.105	-6.38	-.081	-6.46
Medium = base										
High	.050	3.09	.163	6.38	.117	3.50	.126	6.54	.126	9.01
Age groups										
16-24	-.313	-16.51	-.522	-14.96	-.430	-10.84	-.402	-13.65	-.190	-6.78
25-34	-.082	-5.59	-.108	-5.71	.015	0.53	-.147	-7.67	-.085	-5.82
35-44 = base										
45-54	-.028	-1.68	.072	3.36	.008	0.29	.071	3.60	.047	3.48
55-64	-.071	-3.03	.058	2.23	-.015	-0.41	.143	4.82	.073	4.68
Married or cohabiting	.045	3.37	.017	0.93	.083	2.90	.075	3.92	.010	0.73
Single = base										
Number of children (<=11 years) in the household										
No children = base										
1 child	.017	0.86	.002	0.09	-.016	-0.54	.006	0.25	.037	2.24
2 or more children	.024	1.06	.093	3.03	-.049	-1.06	.039	1.50	.036	1.81
Age of youngest child in the household										
0-2	.042	1.75	.017	0.48	.039	0.65	.025	0.89	.008	0.30
3-5	.019	0.75	.022	0.65	-.044	-0.82	-.017	-0.56	.030	1.28
Industry										
Agriculture	-.002	-0.02	-.124	-1.28	-.144	-1.70	.005	0.06	-.045	-0.58
Energy	.256	5.33	.125	2.12	.200	2.65	.199	2.62	-.023	-0.62
Construction	-.021	-0.65	-.068	-2.11	-.036	-1.02	-.021	-0.63	-.018	-0.67
Shops, restaurants	-.200	-10.30	-.156	-5.39	-.102	-2.31	-.099	-3.78	-.061	-2.85
Transportation	-.059	-2.42	-.154	-5.00	-.008	-0.19	.014	0.44	-.032	-1.52
Finance	.052	2.53	.048	1.42	.156	2.62	.038	1.41	.026	1.24
Public, non-profit	-.006	-0.35	-.028	-1.28	.055	1.62	.047	1.94	-.097	-6.22
Manufacturing =										
Occupation (ISCO-68)										
0/1: Professional	.355	17.26	.214	8.03	.300	7.55	.190	7.48	.752	4.29
2: Administrative	.431	19.47	.387	10.11	.299	5.35	.278	9.41	.149	5.90
3: Clerical	.101	5.24	.160	6.20	.109	2.85	.054	2.17	.093	5.13
4: Sales workers	.122	5.12	.080	2.36	-.006	-0.13	.077	2.51	.070	3.13
5: Service workers	-.074	-3.50	-.085	-2.88	-.109	-2.52	-.069	-2.36	-.013	-0.62
6: Agric. workers.	-.154	-2.27	-.152	-1.55	.010	0.11	-.012	-0.16	-.082	-0.99
7/8/9: Production workers = base										
Constant	1.934	81.78	3.266	106.9	2.84	65.16	3.229	105.1	4.659	219.6
Number of	4,787		1,927		1,274		1,624		1,927	
Adj. R2	0.451		0.568		0.510		0.539		0.351	

See Table 1a for the source and Appendix 1 for a detailed description of variables.

Table 6. OLS Regressions on the Logarithm of Hourly Wage in National Currency for Men (T: T-value)

	Britain		Western Germany		Eastern Germany		Netherlands		Sweden	
	Coef.	T	Coef.	T	Coef.	T	Coef.	T	Coef.	T
Part-time	-0.094	-2.32	-0.223	-4.61	-0.062	-0.55	0.053	1.77	0.071	2.00
Fixed-term	-0.178	-5.68	-0.466	-12.34	-0.455	-9.28	-0.200	-4.07	-0.106	-3.11
Full-time = base										
Educational groups										
Low	-0.096	-4.20	-0.063	-2.48	-0.131	-3.46	-0.106	-4.87	-0.085	-4.62
Medium = base										
High	0.036	1.59	0.194	6.08	0.027	0.54	0.15	5.92	0.126	5.77
Age groups										
16-24	-0.37	-13.18	-0.637	-13.03	-0.396	-6.38	-0.473	-10.82	-0.183	-4.38
25-34	-0.096	-4.60	-0.122	-5.18	0.038	1.02	-0.192	-7.60	-0.105	-4.68
35-44 = base										
45-54	-0.009	-0.35	0.09	3.33	0.031	0.79	0.102	4.09	0.061	3.02
55-64	-0.093	-2.77	0.059	1.82	-0.075	-1.52	0.175	4.80	0.066	2.81
Married or cohabiting	0.080	3.82	0.056	2.25	0.075	1.72	0.110	4.05	0.034	1.61
Single = base										
Number of children (<=11 years) in the household										
No children = base										
1 child	0.062	2.02	-0.012	-0.39	-0.012	-0.30	0.006	0.19	0.066	2.41
2 or more children	0.092	2.75	0.079	2.09	-0.078	-1.26	0.04	1.20	0.059	1.75
Age of youngest child in the household										
0-2	-0.065	-1.86	0.048	1.22	0.036	0.51	0.003	0.08	-0.053	-1.14
3-5	-0.047	-1.22	0.008	0.21	0.005	0.07	-0.042	-1.10	0.026	0.64
Industry										
Agriculture	-0.020	-0.19	-0.163	-1.46	-0.269	-2.59	0.231	2.02	-0.046	-0.50
Energy	0.289	5.00	0.078	1.35	0.221	2.65	0.199	2.37	-0.008	-0.18
Construction	-0.025	-0.73	-0.079	-2.53	-0.062	-1.62	-0.039	-1.15	0.002	0.06
Shops, restaurants	-0.235	-8.99	-0.225	-5.83	-0.189	-3.27	-0.117	-3.79	-0.046	-1.47
Transportation	-0.083	-2.84	-0.149	-4.23	0.036	0.72	-0.026	-0.77	-0.057	-2.10
Finance	0.040	1.50	0.029	0.65	0.032	0.33	0.035	1.10	0.003	0.11
Public, non-profit	-0.018	-0.75	-0.055	-2.13	-0.020	-0.43	0.023	0.78	-0.134	-6.12
Manufacturing =										
Occupation (ISCO-68)										
0/1: Professional	0.316	12.29	0.146	4.79	0.315	5.61	0.155	5.26	0.107	4.41
2: Administrative	0.380	14.49	0.333	8.38	0.313	4.75	0.257	8.23	0.138	3.92
3: Clerical	0.033	1.23	0.159	4.97	0.177	3.06	0.006	0.19	0.099	3.72
4: Sales workers	0.145	4.52	0.158	3.15	0.107	1.47	0.134	3.46	0.082	2.68
5: Service workers	-0.027	-0.91	-0.040	-1.07	0.026	0.42	-0.09	-2.07	0.032	1.05
6: Agric. workers	-0.182	-1.90	-0.108	-0.86	0.123	1.14	-0.143	-1.44	-0.073	-0.75
7/8/9: Production workers = base										
Constant	1.962	61.2	3.267	89.2	2.88	48.3	3.23	84.95	4.636	150.3
Number of	2,264		1,106		682		916		944	
Adj. R2	0.444		0.601		0.491		0.562		0.284	

See Table 1a for the source and Appendix 1 for a detailed description of variables.

Table 7. OLS Regressions on the Logarithm of Hourly Wage in National Currency for Women (T: T-value)

	Britain		Western Germany		Eastern Germany		Netherlands		Sweden	
	Coef.	T	Coef.	T	Coef.	T	Coef.	T	Coef.	T
Part-time	-.099	-5.56	-.139	-4.87	-.024	-0.57	-.001	-0.02	.017	1.22
Fixed-term	-.064	-2.41	-.417	-9.44	-.394	-9.39	-.132	-2.94	-.073	-2.98
Full-time=base										
Educational groups										
Low	-.067	-3.09	-.077	-2.51	-.060	-1.66	-.092	-3.76	-.069	-4.02
Medium = base										
High	.067	3.01	.153	3.63	.210	4.65	.092	3.21	.136	7.31
Age groups										
16-24	-.263	-10.24	-.428	-8.49	-.429	-8.16	-.382	-9.50	-.198	-5.26
25-34	-.057	-2.83	-.072	-2.28	-.013	-0.32	-.109	-3.71	-.060	-3.16
35-44 = base										
45-54	-.046	-1.98	.040	1.17	-.007	-0.16	-.003	-0.11	.026	1.42
55-64	-.065	-2.03	.047	1.10	.069	1.25	.044	0.90	.065	3.10
Married or cohabiting	.007	0.42	-.044	-1.63	.081	2.14	.011	0.40	-.007	-0.40
Single = base										
Number of children (<=11 years) in the household										
No children = base										
1 child	-.020	-0.79	-.013	-0.32	-.012	-0.29	-.029	-0.75	.010	0.50
2 or more children	-.041	-1.37	.038	0.72	-.022	-0.30	.022	0.53	.012	0.48
Age of youngest child in the household										
0-2	.118	3.63	-.166	-1.95	.063	0.40	.068	1.54	.044	1.30
3-5	.049	1.44	.060	1.03	-.103	-1.16	.006	0.12	.020	0.74
Industry										
Agriculture	.076	0.77	-.048	-0.25	.111	0.77	-.372	-2.58	-.115	-0.60
Energy	.113	1.32	.298	1.28	.127	0.71	.090	0.55	-.100	-1.43
Construction	-.083	-0.95	.122	0.89	.212	1.71	.097	0.97	-.085	-0.98
Wholesale	-.187	-5.99	-.099	-2.10	.018	0.25	-.067	-1.34	-.046	-1.53
Transportation	-.040	-0.89	-.189	-3.23	-.028	-0.40	.091	1.43	.021	0.60
Finance	.053	1.60	.083	1.51	.278	3.38	.056	1.07	.075	2.30
Public, non-profit	-.006	-0.22	-.015	-0.35	.152	2.63	.074	1.53	-.044	-1.80
Manufacturing =										
Occupation (ISCO-68)										
0/1: Professional	.477	12.14	.304	5.28	.231	3.48	.264	4.40	.014	0.48
2: Administrative	.569	13.03	.596	5.69	.352	3.07	.299	3.73	.130	3.30
3: Clerical	.221	6.16	.188	3.49	.019	0.30	.103	1.81	.056	2.01
4: Sales workers	.186	4.45	.066	1.12	-.128	-1.69	.047	0.76	.028	0.79
5: Service workers	-.006	-0.15	-.084	-1.45	-.228	-3.15	-.023	-0.39	-.083	-2.62
6: Agric. Workers	-.027	-0.24	-.192	-1.21	-.199	-1.32	.009	0.07	-.012	-0.06
7/8/9: Production workers = base										
Constant	1.665	42.06	3.088	52.42	2.669	37.36	3.033	45.43	4.516	134.6
Number of	2523		821		592		708		983	
Adj. R2	0.409		0.469		0.548		0.449		0.297	

See Table 1a for the source and Appendix 1 for a detailed description of variables.

Appendix Table 1. Descriptive Statistics, Men who are gainfully employed (distribution among categories: omitted category corresponds to base category in Tables 3 and 6)

	Britain		Western Germany		Eastern Germany		Netherlands		Sweden	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
Educational groups										
Low	.394	.49	.632	.48	.637	.48	.463	.50	.490	.50
High	.450	.50	.189	.39	.166	.37	.240	.43	.226	.42
Age groups										
16-24	.162	.37	.064	.24	.115	.32	.080	.27	.036	.19
25-34	.278	.45	.313	.46	.236	.42	.235	.42	.179	.38
45-54	.196	.40	.209	.41	.214	.41	.278	.45	.325	.47
55-64	.093	.29	.121	.33	.116	.32	.100	.30	.202	.40
Married or cohabiting	.715	.45	.751	.43	.785	.41	.808	.39	.858	.35
Number of children in the household										
1 child	.131	.34	.164	.37	.186	.39	.146	.35	.091	.29
2 or more children	.138	.34	.140	.35	.079	.27	.201	.40	.106	.31
Age of youngest child in the household										
0-2	.110	.31	.095	.29	.049	.22	.112	.32	.038	.20
3-5	.069	.25	.085	.28	.054	.23	.087	.28	.054	.29
Industry										
Agriculture	.026	.16	.027	.16	.044	.21	.039	.19	.024	.15
Energy	.016	.13	.022	.15	.023	.15	.010	.10	.026	.16
Construction	.090	.29	.108	.31	.227	.42	.101	.30	.084	.28
Shops, restaurants etc.	.176	.38	.089	.28	.100	.30	.151	.36	.090	.29
Transportation	.095	.29	.087	.28	.098	.30	.081	.27	.091	.29
Finance	.139	.35	.056	.23	.026	.16	.145	.35	.104	.31
Public, non-profit	.188	.39	.278	.45	.222	.42	.287	.45	.259	.44
Occupation (ISCO-68)										
0/1: Professional	.190	.39	.228	.42	.127	.33	.300	.46	.245	.43
2: Administrative	.140	.35	.075	.26	.066	.25	.107	.31	.099	.30
3: Clerical	.103	.30	.135	.34	.076	.26	.107	.31	.122	.33
4: Sales workers	.091	.29	.061	.24	.067	.25	.077	.27	.095	.29
5: Service workers	.100	.30	.078	.27	.075	.26	.051	.22	.075	.26
6: Agricultural workers	.030	.17	.024	.15	.040	.20	.044	.21	.023	.15
Number of observations	2,992		1,351		818		1,266		1,226	

See Table 1a for the source and Appendix 1 for a detailed description of variables.

Appendix Table 2. Descriptive Statistics, Women who are gainfully employed (distribution among categories: omitted category corresponds to base category in Tables 4 and 7)

	Britain		Western Germany		Eastern Germany		Netherlands		Sweden	
	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.	Mean	S.D.
Educational groups										
Low	.466	.50	.653	.48	.541	.50	.391	.49	.483	.50
High	.366	.48	.138	.35	.156	.36	.219	.41	.322	.47
Age groups										
16-24	.181	.39	.087	.28	.137	.34	.121	.33	.044	.20
25-34	.271	.44	.310	.46	.233	.42	.275	.45	.184	.39
45-54	.215	.41	.198	.40	.215	.41	.240	.43	.329	.47
55-64	.076	.27	.106	.31	.089	.28	.060	.24	.186	.39
Married or cohabiting	.690	.46	.723	.45	.769	.42	.784	.41	.846	.36
Number of children in the household										
1 child	.152	.36	.143	.35	.170	.38	.153	.36	.148	.36
2 or more children	.130	.34	.091	.29	.048	.21	.182	.39	.158	.36
Age of youngest child in the household										
0-2	.087	.28	.023	.15	.009	.09	.121	.33	.044	.36
3-5	.066	.25	.067	.25	.036	.19	.081	.27	.090	.20
Industry										
Agriculture	.008	.09	.015	.12	.025	.16	.018	.13	.009	.09
Energy	.008	.09	.002	.04	.006	.08	.003	.06	.009	.09
Construction	.008	.09	.006	.08	.015	.12	.012	.11	.006	.08
Shops, restaurants etc.	.257	.44	.201	.40	.161	.37	.197	.40	.091	.29
Transportation	.036	.19	.079	.27	.084	.28	.043	.20	.037	.19
Finance	.134	.34	.082	.27	.060	.24	.114	.32	.065	.25
Public, non-profit	.437	.50	.485	.50	.542	.50	.558	.50	.667	.47
Occupation (ISCO-68)										
0/1: Professional	.196	.40	.260	.44	.305	.46	.325	.47	.513	.50
2: Administrative	.073	.26	.014	.12	.025	.16	.034	.18	.046	.21
3: Clerical	.284	.45	.293	.46	.286	.45	.242	.43	.180	.38
4: Sales workers	.123	.33	.166	.37	.164	.37	.118	.32	.077	.27
5: Service workers	.250	.43	.169	.37	.108	.31	.225	.42	.093	.29
6: Agricultural workers	.007	.09	.018	.13	.025	.16	.019	.14	.006	.08
Number of observations	3,007		1,000		688		983		1,120	

See Table 1a for the source and Appendix 1 for a detailed description of variables.

Appendix 1. Definitions of variables

Current labour force status

	Not employed	Dependent employed	Self-employed
Britain (BHPS)	(Respondent did not do any paid work last week) and (Respondent do not have a job or waiting for job)	{(Respondent did paid work last week) or (Respondent did not any paid work, but he/she have a job and on leaves)} & employee	{(Respondent did paid work last week) or (Respondent did not any paid work, but he/she have a job and on leaves)}& self-employed
Germany (GSOEP)	(not gainfully employed) or (on temporary work leave) Note: People who were on leaves are included in "Not employed", since these people did not report the information on their job characteristics (type of contract, industry, occupation, etc.).	{(employed full-time) or (employed part-time) or (in occupational training, apprenticeship) or (marginally or sporadically employed)} and (not self employed)	self-employed, including family members helping out
Netherlands (OSA)	unemployed, non-participant, full-time student	gainfully employed	self-employed, family worker
Sweden (HUS)	(Respondent is the labour force but on leave from work, more than two months) or (Respondent is looking for work) or (Respondent is not in the labour force)	(Respondent is employed: (1) performed paid work during the last week, (2) had time off, was ill or was on leave for less than two months, or (3) was laid off but expected to return to work within one week) & (salaried employee)	(Respondent is employed: (1) performed paid work during the last week, (2) had time off, was ill or was on leave for less than two months, or (3) was laid off but expected to return to work within one week) & (salaried employee) & {(self-employed/ professional) or (both salaried employee and self-employed)}

Contract

	Regular contract	Fixed-term contract
Britain (BHPS)	permanent job	seasonal /temporary job, contract/fixed time
Germany (GSOEP)	unlimited contract	limited contract
Netherlands (OSA)	permanent employment, temporary contract with a view of permanent employment	temporary contract
Sweden (HUS)	year-round job	temporary job, seasonal work

Full-time work, Part-time work and Fixed-term work

Full-time work: full-time work with a regular contract (35 hours and more normally worked per week, including over-time hours). Part-time work: par-time work with a regular contract (less than 35 hours normally worked per week, including over-time hours). Fixed-term work is full-time or part-time work with a fixed-term contract.

Hourly wage

Hourly wage= gross earnings per week/ (normal working hours per week incl. paid and unpaid overtime)

Since we do not have direct information on hourly wages, we calculate hourly wage from gross earnings per week divided by normal working hours per week including paid and unpaid overtime. For gross earnings, we use gross monthly earnings in BHPS, GSOEP, OSA and the majority of employees in HUS. In order to obtain gross earnings per week, monthly earnings are divided by 4.3. Additionally, for HUS, respondents report their earnings based on how to be paid. Annual earnings are divided by 46 and bi-weekly earnings are divided by 2. In case hourly earnings are reported, this is regard as the hourly wage.

However, after doing this procedure, we have a few very strange cases, that is much lower wages below the minimum wages and very high wages. To avoid our wage estimations to be affected by these strange cases, which are occurred because of miss reporting, and some extreme cases, we exclude the observations with 1 % of the lowest and 1 % of the highest wage distribution from our wage estimations. The original descriptions of gross earnings and hourly wages in each data set are as follows.

Gross earnings

Britain (BHPS)	The last time you were paid, what was your gross pay - that is including any overtime, bonuses, commission, tips or tax refund, but before any deductions for tax, national insurance or pension contributions, union dues and so on?
Germany (GSOEP)	How high were your earnings last month? If you received any additional payments last month, e.g., holiday money or back-pay please do not include these. Also do not include child benefit even if received from employer. However, do include money earned for overtime. If possible please enter for both: Gross earnings, in other words earnings before deductions for tax and social security; net earnings, in other words the amount after deductions for tax and social security.
Netherlands (OSA)	gross income per month, current situation
Sweden (HUS)	What are your regular weekly (biweekly, monthly, annual, or hourly) earnings, before taxes and other deductions?

Working hours per week (including paid and unpaid over-time work)

Britain (BHPS) 1+2	1. Thinking about your (main) job, how many hours, excluding overtime and meal breaks, are you expected to work in a normal week? 2. And how many hours overtime do you usually work in a normal week? (Including unpaid overtime)
Germany (GSOEP)	How many hours (per week) do you actually working on average, including overtime?
Netherlands (OSA) 1+2+3	1. contracted working hours 2. unpaid overwork per week 3. paid overwork per week
Sweden (HUS)	On average, how many hours per week are you currently working at your main job, including both paid and unpaid overtime?

Occupational Classification

We use the 1 digit ISCO-68 Occupational Classification for our 4-country comparison of occupations.

The reason we follow ISCO-68 instead of ISCO-88, which is the latest international standard classification of occupations, is that the occupational classification in HUS does not distinguish between skilled work and elementary occupation. Since this distinction is essential to make data correspond to the 1 digit ISCO-88, we can only create a variable that corresponds to 1 digit ISCO-68 for HUS. GSOEP includes a variable of ISCO-68 directly. BHPS and OSA give the classification based on ISCO-88 and we convert ISCO-88 into ISCO-68, using "Index of occupational titles according to ISCO-88 numerical order" in ILO (1990, pp.273-334).

Industrial classification

We make an industrial classification as follows: “agriculture (agriculture, forestry and fishing)”, “manufacturing and mining”, “energy (energy and water supply)”, “construction”, “shops, restaurants, etc. (wholesale and retail trade/hotels and restaurants)”, “transportation (transportation and communications)”, “finance (finance, insurance and real estate)”, and “public, non-profit (non-profit business: public administration and other services)”. This classification follows a 1 digit industrial classification in HUS except that we make “manufacturing” and “mining” into one category because only very few people, especially women, work in mining industry, and the British Standard Industrial Classification 1980 (SIC) in BHPS 1998 does not provide an independent category of mining industry. We do not adopt NACE-European Community Classification of Economic Activities as our industrial classification because it is impossible to make the corresponding classification by using HUS, which has the roughest industrial classification among our 4 data sets.

Marital status

	Married or cohabiting	Single
Britain (BHPS)	married, living as couple	widowed, divorced, separated, never married
Germany (GSOEP)	(married, living together with spouse) or [{(married, living permanently separated from my spouse), (single), (divorced) or (widowed)} and (living with partner in same household)]	{(married, living permanently separated from my spouse), (single), (divorced) or (widowed)} and (not living with partner in same household)
Netherlands (OSA)	married, living with partner	divorced (not living with partner), widowed (not living with partner), single/ never married
Sweden (HUS)	married, cohabiting	single

Education

Education high: obtained highest qualification requires 15 years or more of schooling. Education medium: obtained highest qualification requires between 12 years and 14 years of schooling. Education low: obtained highest qualification requires less than 12 years of schooling. See Gustafsson, Kenjoh and Wetzels (2001b) for detailed description.

Endnotes.

[i] BHPS stands for British Household Panel Survey (see Taylor ed. 1992). GSOEP means German Socio-Economic Panel (see Wagner, Schupp and Rendtel 1991). OSA means Organisatie voor Strategisch Arbeidsmarktonderzoek (see Allaart, Kunnen, Van Ours and Van Stiphout 1987). HUS is created by the first three letters of Hushållens Ekonomiska Levnadsförhållenden Årsundersöckning (see Flood, Klevmarken and Olovsson 1993 and Klevmarken en Olovsson 1993).

[ii] Another comparison across the European Union States offered by Fagan and Ward (this vol.) is the average number of hours per week worked by a part-time working woman Sweden and France are the only two countries that have averages on 23 hours per week whereas, part-time working women in most EU countries average less than 20 hours per week. This is also the case for The Netherlands, Britain and Germany.

[iii] 59% of self employed, followed by Britain 50%, western Germany 40%, Sweden 20% and eastern Germany 17).