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# The impact of the recent crisis on young women and young men

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### Aims of the presentation

Updating Les jeunes dans la crise, IRES, 2011

#### **Documenting**

- gendered effects of the current crisis (2007-2012)
- on young people

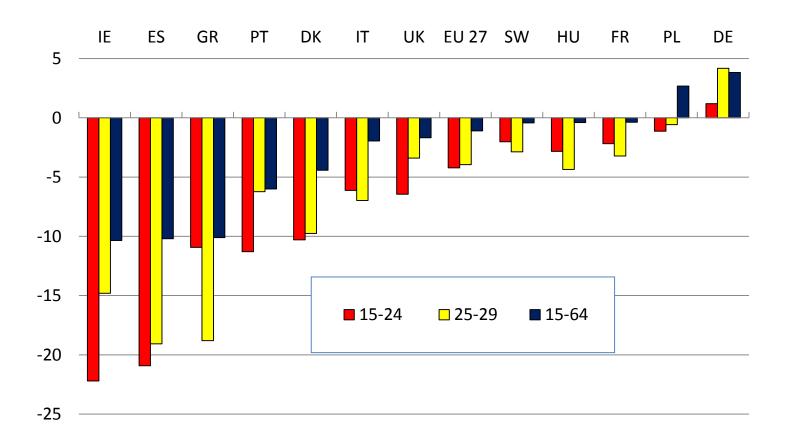
Modest, descriptive, complementary to other today's presentation

#### Framework

- (Rather) well known gendered effects of the Great Recession (2008-2009)
- Post-Great Recession gendered effects?
- Impacts of more recent austerity policies?
- Why a focus on young people?
- age is a major 'structural' variable for labour market analyses (with gender)
- much stronger effects of crises on young people

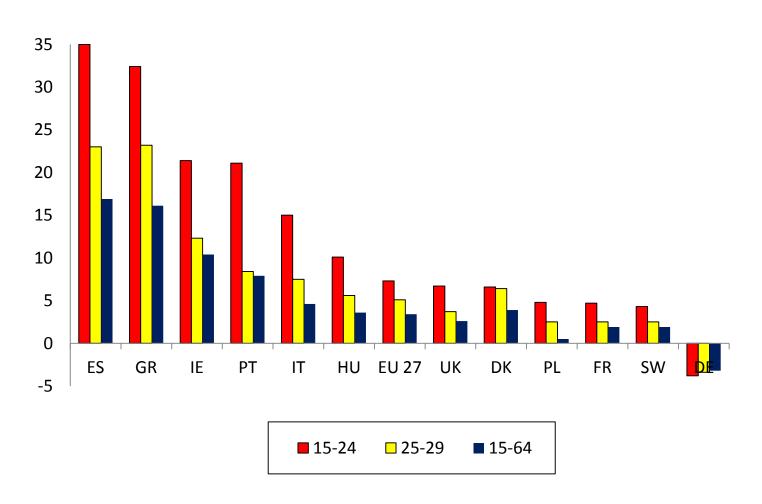
### Introduction: why a focus on young people?

Evolution of employment rates (evolution in points) –  $\Delta$  2007-2012



### Introduction: why a focus on young people?

Evolution of <u>unemployment</u> rates (evolution in points) –  $\Delta$  2007-2012



## The impact of the recent crisis on young women and young men

- 1) Introduction: method, shortcomings
- 2) Gendered effects of crisis on employment
- 3) Gendered effects of crisis on inactivity and unemployment
- 4) Gendered effects of crisis on social conditions
- 5) Conclusions

### Introduction

#### Method

- Focus on evolutions between 2007 and 2012
- Based mostly on Eurostat LFS (2012 annual data issued on 13rd April)
- 12 countries covered by other papers presented today
  - the 'biggest' ones: Germany, United Kingdom, France, Italy
  - the most and long lasting affected: Portugal, Ireland, Greece, Spain
  - two CEECs: Hungary, Poland
  - two nordic : Denmark, Sweden
- Young people ? 15-24 year old (+ 25-29)
- Impact on labour market outcomes : employment, unemployment, inactivity
- Impact on social conditions : poverty

### Introduction

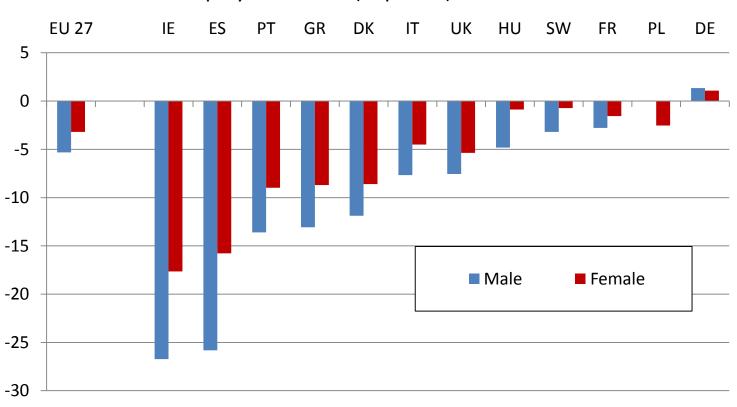
#### Shortcomings

- Only gender differences
- → other dimensions not taken into account : qualification, sector of activity, place of residence (regional disparities), family situation, nationality, health...
- → strong social/class intra generationnal important differences not examined
- Descriptive : evolutions of labour market and social indicators
- → complementary with today's more explicative and comprehensive approaches
- Focus on <u>evolutions</u> only: variations (in points) of indicators such as employment, unemployment, activity poverty rates....regardless of the initial and different levels between countries

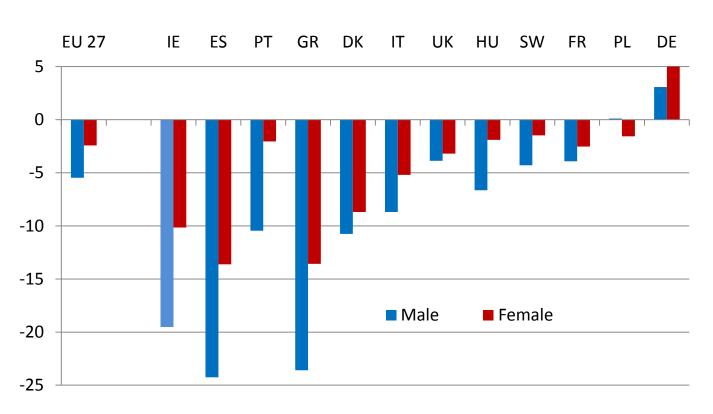
 2007-2012: very different evolutions of employment rates Ireland, Spain (+ Greece for 25-29)
 Greece, Portugal, Denmark Italy, United Kingdom, Hungary
 Sweden, France
 Poland (no decrease of ER for men)
 increase in Germany = no crisis?

- Young men more affected than young women
- → gender gap decrease by leveling down for all but more for young men
- Employment rates levels are even now
- higher for young women in Denmark, Ireland, Sweden
- very close to young men's levels in Spain, United Kingdom (and Portugal for 25-29)

**15-24** Evolution of employment rate (in points) -  $\Delta$  2007-2012



**25-29** Evolution of employment rate (in points) -  $\Delta$  2007-2012



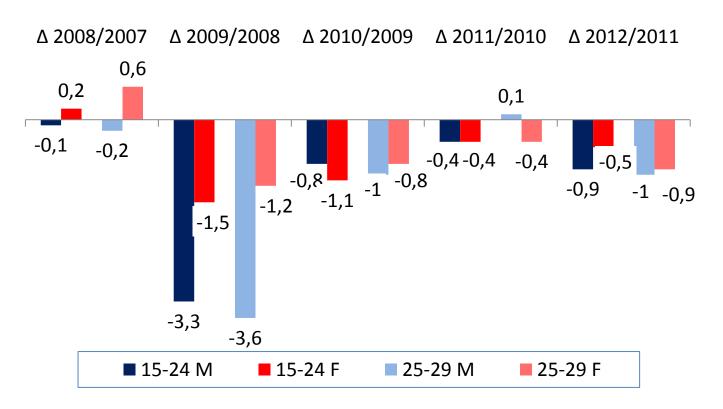
Employment rates - 2012

	15-24		25-	-29
	Male	Female	Male	Female
EU 27	34,9	30,9	76,1	66
EU 15	37	33,9	75,6	66,9
Denmark	54,6	55,4	75,1	68,3
Germany	48,6	44,6	80,9	74,2
Ireland	26,3	30,2	67,4	67,9
Greece	16,1	10	57,7	49
Spain	<mark>18,4</mark>	<mark>18</mark>	<mark>59,4</mark>	<mark>58,4</mark>
France	31,3	26,3	80	70
Italy	21,9	15	64,7	49,9
Hungary	20	17,2	74,6	59,8
Poland	29,2	19,9	81,2	64,6
Portugal	25,5	21,6	<mark>71,7</mark>	<mark>70,3</mark>
Sweden	38,8	41,6	80	74,3
United-Kingdom	<mark>47,1</mark>	<mark>46,6</mark>	83,9	69,6

## Employment: gender gap decreased between 2007 and 2012 but what about post Great Recession (austerity) times?

Great Recession (2008-2009) vs. Post Great Recession or Austerity times

#### Annual evolution of employment rates (in points) – European Union 27



## Employment: gender gap decreased between 2007 and 2012 but what about post Great Recession (austerity) times?

Great Recession (2008-2009) vs. Post Great Recession or Austerity times

#### Evolution of employment rates (in points) – 15-24

15-24	Δ 2007-2010		Δ 2010	)-2012
	Male	Female	Male	Female
EU 27	-4,2	-2,4	-1,3	-0,9
EU 15	-5,1	-2,9	-1,7	-1,2
Denmark	-9,8	-4,5	-2,1	-4,1
Germany	0,7	1,1	0,7	0
Ireland	-23,4	-14,3	-3,3	-3,3
Greece	-4,7	-2,5	-8,4	-6,2
Spain	-18,6	-9,6	-7,2	-6,2
France	-0,8	-0,8	-2	-0,8
Italy	-5,3	-3	-2,4	-1,5
Hungary	-4,2	-1,2	0	0,6
Poland	1,1	-0,3	-1,1	-2,2
Portugal	-8,7	-4,1	-4,9	-4,9
Sweden	-3,5	-3,1	0,3	2,4
United-Kingdom	-5,9	-4,8	-1,4	0

## Employment: gender gap decreased between 2007 and 2012 but what about post Great Recession (austerity) times?

Great Recession (2008-2009) vs. Post Great Recession or Austerity times

#### Evolution of employment rates (in points) – 24-29

25-29	Δ 2007	<b>'-2010</b>	Δ 2010	)-2012
	Male	Female	Male	Female
EU 27	-4,8	-1,4	-0,9	-1,3
EU 15	-5,2	-1,4	-1,2	-1,4
Denmark	-10,3	-4,7	-0,5	-4
Germany	0,9	3,5	2,2	1,8
Ireland	-18,5	-8,4	-1	-1,8
Greece	-5,6	-2,5	-18	-11,1
Spain	-18,0	-7,9	-6,3	-5,7
France	-2,3	-0,3	-1,6	-2,2
Italy	-6,5	-4,3	-2,2	-0,9
Hungary	-8,5	-2,2	1,5	0,8
Poland	-0,2	0,2	0,3	-1,8
Portugal	-4,7	-0,1	-5,7	-1,9
Sweden	-4,9	-3,2	0,6	1,7
United-Kingdom	-3,8	-1	0,2	-2

Young women less affected by job losses, but what about the quality of jobs?

- Part time
- Temporary employment
- Working poverty

#### Part time gender gap increased

Reminder

Part-time: levels are very different / countries

Much higher levels for (young) women in all countries, even if part time is high for young men as well

→ « part time gender gap »

- 2007-2012 : part time increased in all countries, especially for young people.
- « Part time gender gap » increased in the EU on average

  15-24: +5,7 pts for young women (39.6%) / +4,5 pts for young men (23.3%)
- where « part time gender gap » decreased (Ireland, Denmark, Sweden) this is (again) more a strong leveling down for young men, not up for women
- Part time increased much more in countries most affected by crisis (Ireland, Portugal, Spain, Greece, Italie, Denmark) → part time not a choice ?

#### Part time (as a % of total employment) – 15-24

	2012		Evolution 2007-2012	
	(in	%)	(in points)	
15-24	Male	Female	Male	Female
EU 27	23,3	39,6	4,5	<i>5,7</i>
EU 15	25,6	43,1	5,2	5,6
Denmark	55,1	75,3	11,3	9,1
Germany	16,8	27,4	1,2	1,6
Ireland	43,6	52,2	26,2	19,4
Greece	15,9	25,4	7,3	9,1
Spain	26,7	45,1	12,5	14,0
France	14,0	34,0	0,9	-1,1
Italy	17,8	42,5	6,7	11,8
Hungary	6,3	13,2	1,8	6,8
Poland	12,7	23,0	-2,6	3,1
Portugal	16,8	24,2	10,5	11,1
Sweden	34,6	62,7	9,0	6,7
United-Kingdom	32,3	48,4	6,1	6,2

- Part time increased much more in countries most affected by crisis (Ireland, Portugal, Spain, Greece, Italy + Denmark) → part time not a choice ?
- Involuntary part time : proxy for assessing the quality of part time jobs ?
- 2007-2012: involuntary part time (as a % of total part time) increased in EU 15-24: + 7.8 pts for young men (28.7%) and + 4.6 pts for young women (4.6%)
- Strong increase (+ 20 pts) in Ireland, Greece, Spain, Italy (decrease in Germany)
- No clear gendered effects
   Involuntary part time increased slightly more for young men than young women in the EU on average, with exceptions such as Greece, Spain, Hungary.

#### Involuntary part time (as a % of total part time employment) – 15-24

	2012 (1)		<b>Evolution 2</b>	2007-2012 (1)
15-24	(in %)		(in points)	
	Male	Female	Male	Female
EU 25	28,7	24,4	7,8	4,6
EU 15	27,4	23,9	7,9	4,1
Denmark	8,5	19,2	1,4	1,4
Germany	14,0	16,8	-6,4	-10,6
Ireland	36,3	33,6	25,8	21,1
Greece	58,6	62,2	17,7	24,6
Spain	53,0	58,2	21,6	27,3
France	42,2	29,9	5,4	4,8
Italy	74,9	54,5	26,3	20,5
Hungary	47,5	38,9	5,5	17,2
Poland	22,4	27,9	9,5	9
Portugal	36,0	51,9	2,3	2,7
Sweden	40,8	28,3	8,2	3,1
United-Kingdom	33,8	13,9	17,5	9,9

(1) 2011 for Germany

#### Temporary employees: no clear gendered effects visible

- Temporary employment is particularly concentrated on young people in all countries. 42 % of 15-24 young employees are concerned, 13,7 % of 15-64 ones (EU 27)
- Very high levels for young people in Poland, Portugal, Spain, France, Germany, Sweden. But, given difference in institutional framework, comparisons of levels difficult
- Young men and young women: temporary employment (high) levels are very close in almost all countries.
- 2007-2012 : very small increase (average in EU 27) ; but very different evolutions according to countries ; strong increase in Ireland, Italy, Portugal (higher for young men).
- 2007-2012: no clear gendered effects visible with this (too) rough indicator

#### Temporary employees as percentage of the total number of employees

	15-64	15-24		15-24	
	(2012)	(2012)		<b>Evolution 2007-201</b>	
	All	Male	Female	Male	Female
EU 27	13,7	42,2	42,1	1,1	0,6
EU 15	13,8	43,1	42,7	0,4	0,3
Denmark	8,6	23,1	18,6	-0,8	-2,3
Germany	13,9	55,1	51,9	-3,9	-3,7
Ireland	10,1	34	35,8	16,6	12
Greece	10,0	23,2	29,4	-1,3	-0,9
Spain	23,7	62,4	62,3	-0,4	-0,4
France	15,1	53,8	57,5	1,5	2,5
Italy	13,8	51,7	54,7	11,4	9,3
Hungary	9,4	23	21,8	3,1	3,7
Poland	26,8	64,7	69	2	-0,4
Portugal	20,7	55,7	57,5	4,5	3,2
Sweden	15,9	47,5	63,6	-1,4	-2
United-Kingdom	6,2	15,1	14,7	1,9	1,2

#### **Working poverty**

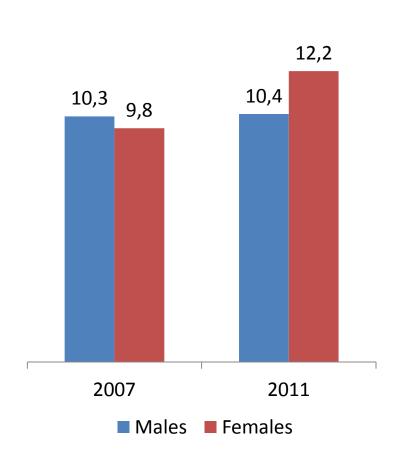
- 2007-2011 : the share of 18-24 young employees in poverty increased but mostly for young employed women
- The gender gap between young employees increased much in France,
   Portugal, Italy, Hungary, Sweden, United Kingdom
- Gender gap decrease in some countries Denmark, Spain, Ireland but by leveling down young men

Clear gendered effects but difficult interpretations

e.g. male precarious badly paid job cuts may have a positive impact on in-work poverty rate of young men that do not work any longer...

In-work poverty rates for employed 18-24 young people (%)

**UE 27 –(EU- SILC)** 



18-24 Evolutions		007-2011 (1)
	Male	Female
EU 27	0,1	2,4
EU 15	-0,3	2,4
Denmark	9,6	1,2
Germany	0,1	-4,3
Ireland	5,0	-2,0
Greece	3,1	-4,5
Spain	5,1	1,7
France	0,8	9,4
Italy	-1,5	3,9
Hungary	0,1	3,1
Poland	-0,8	-1,6
Portugal	-4,4	8,1
Sweden	-8,1	2,9
United-Kingdom	-6,1	3,7

(1) 2010 for Ireland

### Gendered effects of recent crisis on employment rates

#### Conclusion on evolutions / employment

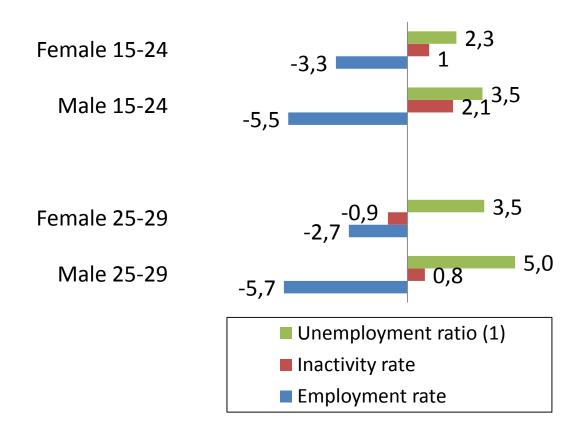
- Young women less affected by job losses since 2007
- = gender gap decreased

#### However

- by leveling down young men (young women also much affected)
- 15-24 young women not really less affected than young men since 2010
- 25-29 young women even more affected since 2010
- → impact of more recent austerity policies ?
- Quality of jobs (as measured by % of part time or % of working poor)
   decreased between 2007 and 2012 more for young women than for young men
- Effects of job losses on unemployment and inactivity for young men and women?

- 2007-2012 : strong increase of youth unemployment in most countries
- 2007-2012: inactivity increased for young people in EU, in sharp contrast with other age categories (difference with past crises: older workers).
- Job losses not fully transferred on unemployment « thanks » to inactivity increase = inactivity as a refuge
- → (traditionnal) role of shock absorber on youth unemployment in times of crisis (\*)
- Especially for young men
  - much higher increase of inactivity for 15-24 young men
  - no increase of inactivity for 25-29 women (activity rate increased by 0.9 pt)
- (\*) Emigration may also play such a major role of absorber on youth unemployment national figures (Ireland, Spain, Portugal, CEECs?)

#### Employment, unemployment, inactivity – evolution 2007-2012 – EU 27

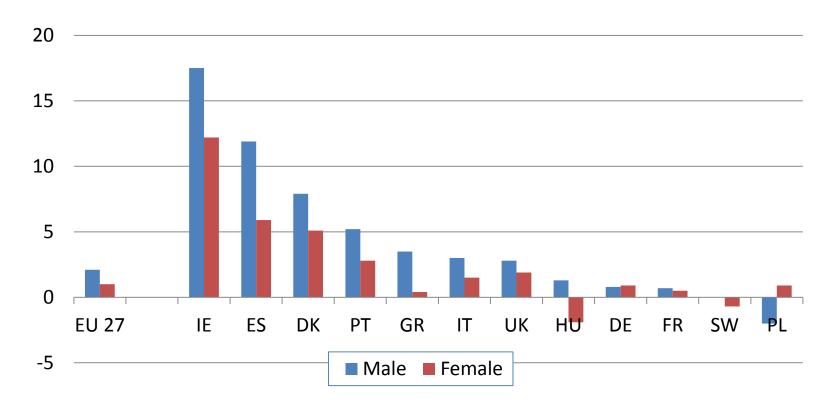


(1) Unemployed as a % of corresponding age (= unemployment rate \* activity rate)

#### 2007-2012

- 15-24 inactivity increased in most countries
- Stronger increase for men
- Very strong change in Ireland, Spain, Denmark, Portugal (and for men, Greece, Italy, UK)

#### Change in inactivity rate – 2007-2012



Shock absorbing (masking) role of inactivity on youth unemployment

If job loss (reduction of employment rates between 2007 and 2012) had fully transfered to unemployment (no change in activity rates),

15-24 unemployment rates would be much higher in certain countries

	Unemployment rate 2012	Simulated unemployment rate if no change of activity rate
Ireland	30.4 %	+18.7pts
Spain	53.2 %	+8.8 pts
Denmark	14.1 %	+7.9 pts
Portugal	37.7 %	+5.9 pts
Italy	35.3 %	+4.6 pts

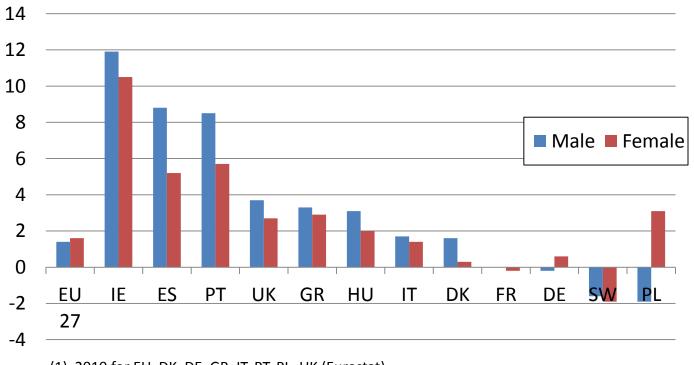
### « good » or « bad » inactivity in times of crisis and job losses

- « good inactivity » = (finding refuge in) education or training
- « bad inactivity » = NEET = not in employment, education or training

### « good » or « bad » inactivity in times of crisis and job losses

- While inactivity rates increased much more for 15-24 young men
- Inactivity for reasons of education or training (« good inactivity ») did not increase as much more for young men....
- → « bad inactivity » (NEET) would have increased more for young men?

#### Participation rates in education - evolution between 2007 and 2011(1) - 15-24 year old

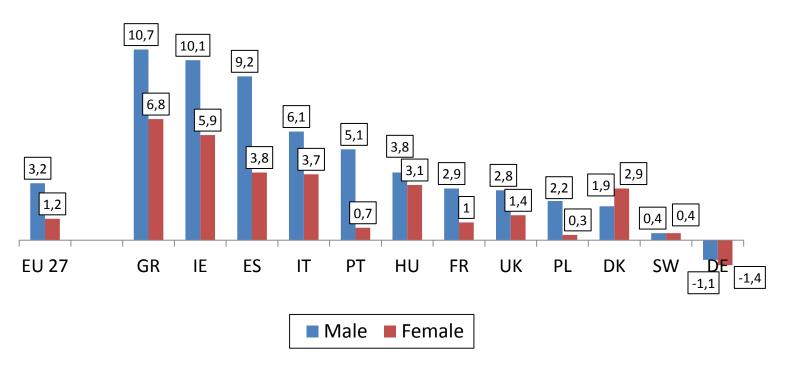


(1) 2010 for EU, DK, DE, GR, IT, PT, PL, UK (Eurostat)

### « good » or « bad » inactivity in times of crisis and job losses

- « bad inactivity » for 15-24 young increased much in EU, especially in Greece, Ireland, Spain, Italy, Portugal, Hungary
- « bad inactivity » increased much more for young men (exc. Denmark)

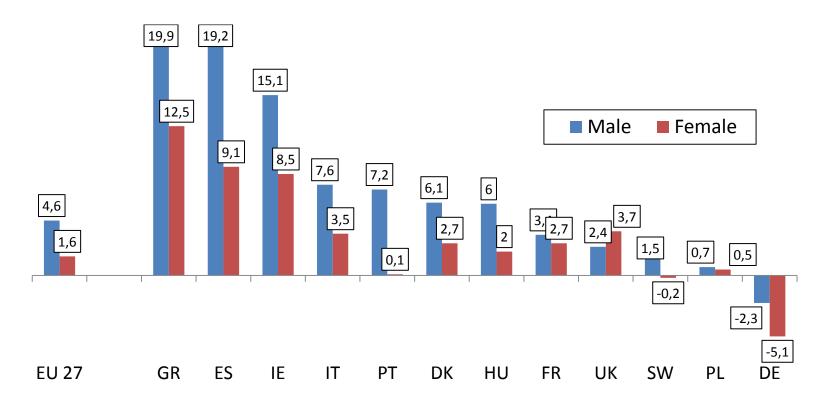
## NEETs (Not in employment, education or training) – change between 2007 and 2012 15-24



### « good » and « bad » inactivity in times of crisis and job losses

- « bad inactivity » (NEET) for 24-29 increased even more dramatically, especially in the same countries as before + Denmark, France, UK
- 25-29 men much more affected than women (exc. UK)

NEETs (Not in employment, education or training) – change between 2007 and 2012 25-29



#### Gendered effects of the crisis on social conditions?

- Media and some studies report effects of the crisis on living conditions, health, suicides, emigration (as a symptom of worsening living conditions)
- However, recent comparable data (esp. by age and gender) not available
- Poverty indicators as a proxy
- 1. People at risk of poverty or social exclusion (Euro 2020 indicator)
- 2. Monetary poverty (60 % median equivalised income)
- Change for 2007-2011? (2011 figures available since 15 April)

As employment and activity rates decreased more for young men (+ NEETs /« bad inactivity » increased much more for young men)

one might expect higher increase of poverty for young men (but quality of jobs deteriorate much for young women)

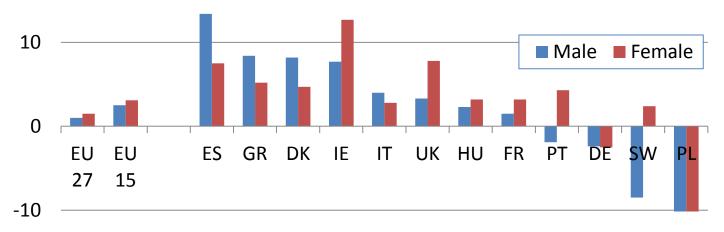
#### Gendered effects of the crisis on social conditions?

- Poverty indicators (Euro 2020 indicator, monetary poverty) are higher for young women in all countries (not in Greece for monetary poverty)
- Poverty increased in almost all countries (poverty decreased in Germany, Poland and, for men only, in Sweden)
- As « expected » poverty increased more for men in Spain, Greece, Denmark,
   Italy
- But poverty increased more for women in EU and especially in countries such as United Kingdom, France, Portugal and Hungary
- Why?
- lower quality of jobs (part time, low wages)
- lower benefits?
- lower support from family (parents)?
- children?

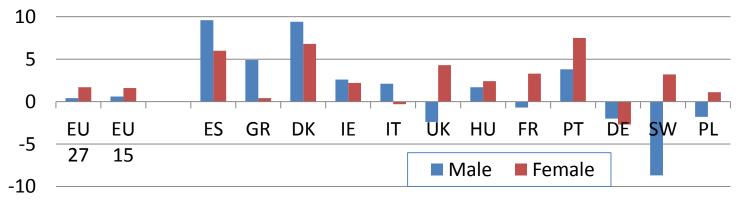
#### Gendered effects of the crisis on social conditions?

#### 18-24 young poverty - 2007-2011\* change (in pts) - EU-SILC

Evolution of young at risk of poverty or social exclusion (Euro 2020 indicator)- Δ 2007-2011\*



#### Evolution of monetary poverty rate (60 % median equivalised income) - Δ 2007-2011\*



(\*) 2010 for Ireland

### Conclusion

#### 2007-2012 : general conclusions on evolutions (EU, majority of examined countries)

- much higher job losses for young men since 2007 : employment gender gap decrease
- But quality of jobs seems to have deteriorated more for young women
- Higher job losses for young men during the Great Recession (2008-2009)
- No more job losses in more recent periods of budget cuts: since 2010 gender gaps stopped decreasing (15-24) or even started increasing (25-29)
- Higher unemployment rate increase for young men since 2007 (higher job losses)
- Inactivity played a major role in absorbing the impact of crisis on unemployment : more for young men and especially in some countries (Ireland, Spain, Denmark, Portugal)
- Worrying increase of « bad inactivity »/NEET in most affected countries, higher for young men
- Poverty: young women seems to be more affected in EU, but differences between countries.
- Much more needs to be known, analysed and understood about the gendered impacts of the crisis and austerity policies!