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Stone, Katherine

Publication Date

2012-12-20



WORKING PAPER

2012 - 11

The Decline in the Standard Employment Contract: Evidence from Ten Advanced Industrial Countries

Katherine V.W. Stone

Arjay and Frances Miller Distinguished Professor of Law
UCLA School of Law

December 2012

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The Decline in the Standard Employment Contract: Evidence from Ten Advanced Industrial Countries

Katherine V.W. Stone[†]

Abstract

There has been a great deal written about change in the nature of employment in advanced industrialized countries over the past two decades, but the economic data to substantiate this claim have been contradictory and/or ambiguous. Some analysts contend that the existing data show little or no change in job longevity or incidence of temporary work, thereby casting doubt on the claim that the standard contract of employment has eroded. This article examines the best available data from ten advanced industrial countries -- Australia, Japan, United States, Spain, Italy, Germany, Netherlands, Denmark, United Kingdom and France. It looks at three of specific aspects of the standard employment contract: the growth of nonstandard employment, the decline in job tenure, and the decline in union density and collective bargaining coverage. Overall, the data reveal changes in national labor markets consistent with the thesis that there has been a decline in standard employment practices. In particular, they show an increase in many forms of nonstandard employment in Europe, Japan, and Australia. In the United States, the trajectory concerning nonstandard employment is less clearly demonstrated due to definitional issues that are discussed. Nonetheless, the U.S. data reveal a significant increase in nonstandard employment amongst mid-career and older workers. The data also show a marked pattern of decline in union density and collective bargaining coverage in all the countries studied.

Introduction

There has been a great deal written about change in the nature of employment in advanced industrialized countries over the past two decades.¹ Some characterize the change as the decline of the “standard contract of employment” – using that term to describe a social practice that was widespread, if not paradigmatic, in most advanced economies.² The essence of the standard contract of employment was the long-term employment of an employee by a single employer over a working life.

Despite the widespread belief that employment relations have undergone a fundamental change, some analysts contend that the economic data do not support any inference that the

[†] Arjay and Frances Miller Professor of Law, UCLA School of Law. This article is based upon K. Stone, *Appendix*, in Katherine V.W. Stone & Harry Arthurs, *RETHINKING EMPLOYMENT REGULATION: AFTER THE STANDARD CONTRACT OF EMPLOYMENT* (Russell Sage Foundation Press, 2013). Portions reprinted here with permission. The author thanks Harry Arthurs, Matthew Drennan and Michael Smart for valuable suggestions, and Lori Amedei for excellent research assistance.

nature of employment has changed.³ Rather, some claim that the existing data show little or no change in job longevity or incidence of temporary work, thereby casting doubt on the claim that the standard contract of employment has eroded.

In this article, I examine data from ten advanced industrial countries to see if they support the claim that the standard employment contract was once dominant but has now declined. The countries included are Australia, Japan, United States, Spain, Italy, Germany, Netherlands, Denmark, United Kingdom and France. Where comparative data is available, I also include Canada. These are all OECD countries, and between them they comprise a wide variety of systems of labor law and labor market regulation.⁴

I address three of specific aspects of the standard employment contract that are said to be declining: the growth of nonstandard employment, the decline in job tenure, and the decline in union density and collective bargaining coverage. I use standard published data sources such as the Organisation for Economic Co-operation and Development (OECD), the U.S. Department of Labor's Bureau of Labor Statistics (BLS), the Japanese Ministry of Health, Labour, and Welfare, and Jelle Visser's comprehensive dataset on union density and collective bargaining. I also include comparative data on income inequality. The latter trend may or may not be causally related to the decline in the standard contract of employment, but it certainly correlates closely with it.

Overall, the data reveal the changes in national labor markets consistent with the thesis that there has been a decline in standard employment practices. In particular, they show an increase in many forms of nonstandard employment in Europe, Japan, and Australia. In the United States, the trajectory concerning nonstandard employment is less clearly demonstrated, due to definitional issues that will be discussed in this analysis. Nonetheless, the U.S. data reveal an increase in nonstandard employment amongst mid-career and older workers. They also show that while there has been no overall decline in job tenure in the United States, there has been a decline in the job tenure of mid-career males, the group that personified the paradigm of the standard contract of employment in the past. In Europe, there has been a decline in some countries but not in others; however, there too, mid-career male workers have experienced a significant decline in job tenure. The data also show a marked pattern of decline in union density and collective bargaining coverage in all the countries studied.

I. The Growth of Nonstandard Employment

One development that testifies to the decline in the standard model of employment is the increasing presence of workers with *nonstandard* employment relationships. There are many types of nonstandard employment relationships, and the terminology used to describe them varies from country to country. Amongst the more common descriptors are: fixed-term employment contracts, temporary work, in-house temps, dispatched employees, temporary agency workers, leased employees, short-term contracts, project work, on-call work, zero-time work, part-time work, training contracts, mini-jobs, semi-autonomous workers, and dependent-independent contractors. Some forms of nonstandard employment are unique to particular countries. For example, the German "mini-job" does not have an obvious analog in other countries, nor does the Japanese category of "arbeiter."⁵ Moreover, for many types of nonstandard employment, data simply do not exist. While differences in actual employment

arrangements, in terminology, and in the availability of information make inter-country comparisons difficult, harmonized data from the OECD strongly suggest that nonstandard employment in most industrialized countries has grown significantly over the past two decades (OECD.Stat Extracts).

In the following subsections, I discuss trends in three of the most prevalent forms of nonstandard employment – temporary employment, temporary agency employment, and part-time employment. There are some overlaps between these categories, but they are analytically, and often empirically, distinct.

A. Temporary Employment

As with nonstandard work in general, there are many types of temporary work – including fixed-term contracts, on-call work, zero-time work, day labor, and replacement work. Also, as with nonstandard work in general, some forms of temporary work are unique to specific countries.⁶ However, one type of nonstandard employment relationship that has been studied and measured in many countries is employment that is formally defined as limited in duration, in contradistinction to employment that is of open-ended duration. In many industrial countries, explicitly short-term work is usually called work on “fixed-term contracts.” In the United States, for reasons explained below, it can be misleading to characterize work on open-ended employment contracts as either “temporary” or as “work on fixed-term contracts,” so many scholars and analysts use the term “contingent work” instead.

1. Temporary Employment in the United States

In the United States, measuring temporary work is conceptually problematic due to the near universal use of the at-will employment relationship. An at-will employment relationship is one that can be terminated by either party at any time for any reason. Employees who are employed on an at-will basis are “temporary” in the legal sense because they have no enforceable claim to on-going employment. Most employees in the U.S. are employed at-will.⁷

Despite the at-will rule that makes almost all U.S. workers “temporary” in the technical sense, there are some workers whose jobs are explicitly designated as “temporary” or who understand their jobs to be of short duration. Some of these are hired by firms as provisional or probationary workers; others fill in when an employer has a short-term need for extra staff, such as in retail stores during holiday periods. Some firms designate specific workers as “temporary” in order to signal that they will be receiving fewer employment benefits and enjoying less favorable working conditions than “regular” workers. Measuring these differing types of “temporary workers” is difficult precisely because they cannot easily be distinguished from “regular” at-will employees.

The BLS attempts to address the taxonomic problem by defining and measuring what it calls “contingent employment.” It had collected data for this category periodically between 1995 and 2005. The BLS defines “contingent employment” as follows:

Contingent workers are those who do not have an implicit or explicit contract for ongoing employment. Persons who do not expect to continue in their jobs for personal reasons such as retirement or returning to school are not considered contingent workers, provided that they would have the option of continuing in the job were it not for these reasons. (U.S. Dept. of Labor, BLS 2005)

Under the BLS definition, “contingent work” depends on the worker’s expectation of employment, not its actual duration or the formal contractual terms on which the worker was hired. Workers who are dispatched from an employment agency may or may not be classified as “contingent” depending upon whether or not they have “an implicit or explicit contract for ongoing employment.” For such temporary help workers, “contingency is based on the expected duration and tenure of their employment with the temporary help or contract firm, not with the specific client to whom they were assigned” (U.S. Dept. of Labor, BLS 2005; see also Hipple 1998).

In addition, the BLS Technical Note explains:

Jobs were defined as being short term or temporary if the person was working only until the completion of a specific project, temporarily replacing another worker, being hired for a fixed time period, filling a seasonal job that is available only during certain times of the year, or if other business conditions dictated that the job was short term.

This Note gives an example of a student holding a part-time job in a fast-food restaurant while in school. It says that whereas students “might view those jobs as temporary if they intend to leave them at the end of the school year,” the jobs would not be classified as “contingent” because “[t]he jobs themselves . . . would be filled by other workers once the students leave” (U.S. Dept. of Labor, BLS 2005). In other words, the BLS counts as “contingent” only those workers who took a job with the explicit understanding that the job itself would end in a relatively short time. If someone believed they could be fired or might decide to leave their job, they would not be “contingent” under this definition. That is, an individual who was at risk of losing their job would not necessarily be “continent.” Hence the BLS category of “contingent work” does not correspond to job insecurity as the term is customarily understood.

The BLS presents three different estimates of “contingent work,” each measuring a slightly different population. Estimate 1 comprises “[w]age and salary workers who expect their jobs will last for an additional year or less. Self-employed workers and independent contractors are excluded.” Estimate 2 includes those in Estimate 1 plus “self-employed and independent contractors who expect their employment to last for an additional year or less and who had worked at their jobs . . . for one year or less.” Estimate 3 expands the definition further to also include “[w]orkers [including self-employed and independent contractors] who do not expect their jobs to last. . . . even if they already had held the job for more than one year and expect to hold the job for at least an additional year” (U.S. Dept. of Labor, BLS 2005).

Using its highly subjective and imprecise definition, the BLS Contingent Worker Surveys show that the overall rate of contingent employment declined between 1995 and 2005 (U.S. Dept. of Labor, BLS 2005, 2001 and 1999).

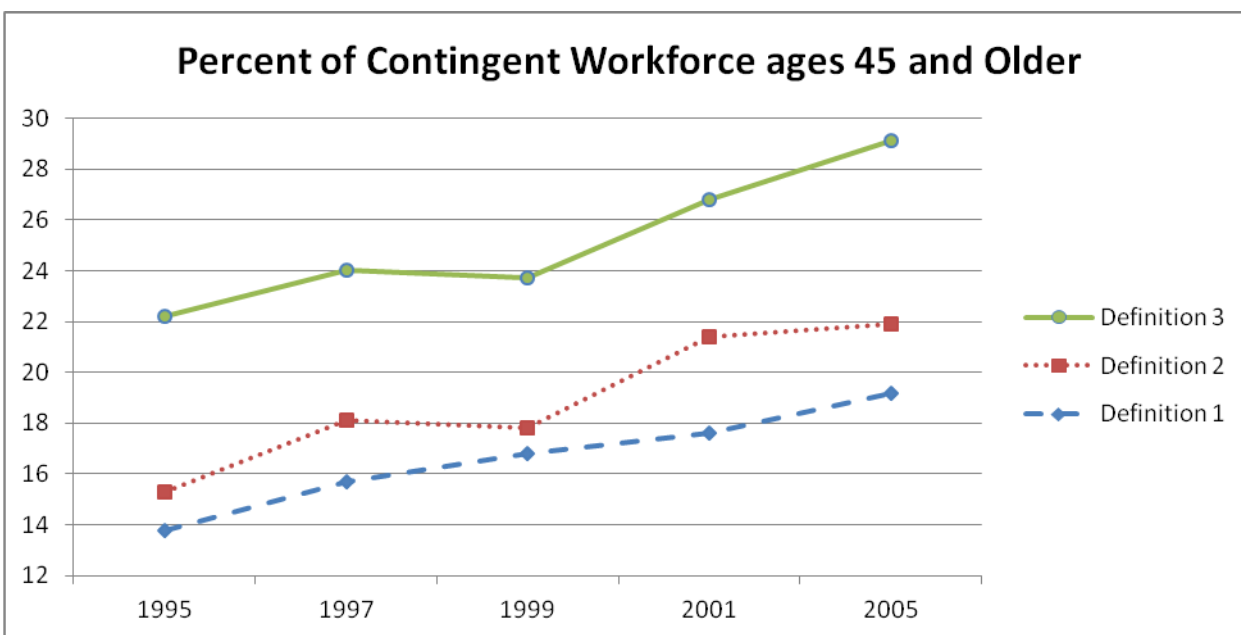
Table A.1: Percentage of Workforce in Contingent Employment in the U.S., 1995 – 2005

	Contingent Estimate 1	Contingent Estimate 2	Contingent Estimate 3
1995	2.2	2.8	4.9
1997	1.9	2.4	4.4
1999	1.9	2.3	4.3
2001	1.7	2.2	4.1
2005	1.8	2.5	4.1

Source: U.S. Department of Labor, Bureau of Labor Statistics

However, when the data is broken down by age group, a different pattern emerges. That is that contingency is no longer confined to younger workers, but instead, an increasing percent of older workers are now “contingent” under each of the three definitions. For example, using Estimate 3, the percentage of all contingent workers who were between the ages of 45 and 54 grew from 12.6 percent in 1995 to 15.3 percent in 2005 – an increase of nearly 3 percentage points. Similarly, the percentage of all workers over the age of 45 who were contingent under Estimate 3 grew from 22.2 percent in 1995 to 29.2 percent in 2005 – an increase of 7 percentage points. Figure A.2 shows the pattern for all workers over age 45 using all three contingency estimates. It shows that contingency of employment has been moving up the age distribution and that many mid-age and older workers, whose employment previously was secure, are experiencing significant changes.

Figure A.2



Sources: Compiled by author from Steve Hipple, Contingent Work in the Late 1990s, Monthly Labor Review, March 2001, Table 1, p. 5 (using BLS data for 1995, 1997 and 1999); U.S. Department of Labor, BLS, Contingent and Alternative Employment Surveys 2001 & 2005.

The BLS data has been criticized for being based on workers' self-reporting and the use of a highly specialized definition. One study estimated that if the survey results included those who were uncertain as to their status, "contingent employment" would be considerably larger. (Belman and Golden 2000).

Other economists have attempted to derive a better estimate of the extent of temporary and contingent work in the United States using another BLS dataset that measures "alternative employment arrangements."⁸ One economist reports that if these categories are included, then about 10.7 percent of the workforce could have been termed "contingent" in 2005 (Gleason 2006). Another scholar, Richard Belous includes temporary workers, part-time workers, business service workers and the self-employed to conclude that between 25 and 30 percent of the workforce consisted of contingent workers in 1988 (Belous 1989 16, Table 2.1). However, Belous has been criticized for including many workers whose employment relations may be of long duration. In contrast, Rebecca M. Blank has developed an estimate of "problem contingent workers," in which she includes those part-time workers, temporary help workers, and independent contractors who would prefer other employment arrangements of longer duration. She finds that between 4.6 and 8.5 percent of the workforce is a problem contingent worker (Blank 1998).

Clearly the measure of contingent employment varies depending upon how survey questions are framed and which categories of nonstandard work are included. However, two conclusions can be drawn from the data. First, the narrowly-defined BLS contingent worker data shows that there has been a change in stability of employment for middle age and older workers. Second, if we look at nonstandard work more broadly, we see it represents a large and growing feature of the U.S. labor market.

2. Temporary Employment in Europe and Japan

Temporary employment in Europe and Japan has increased overall during the past two decades. The OECD has collected data on temporary work in most European countries and Japan over the past twenty-five years, using a much broader definition than the BLS in the United States.

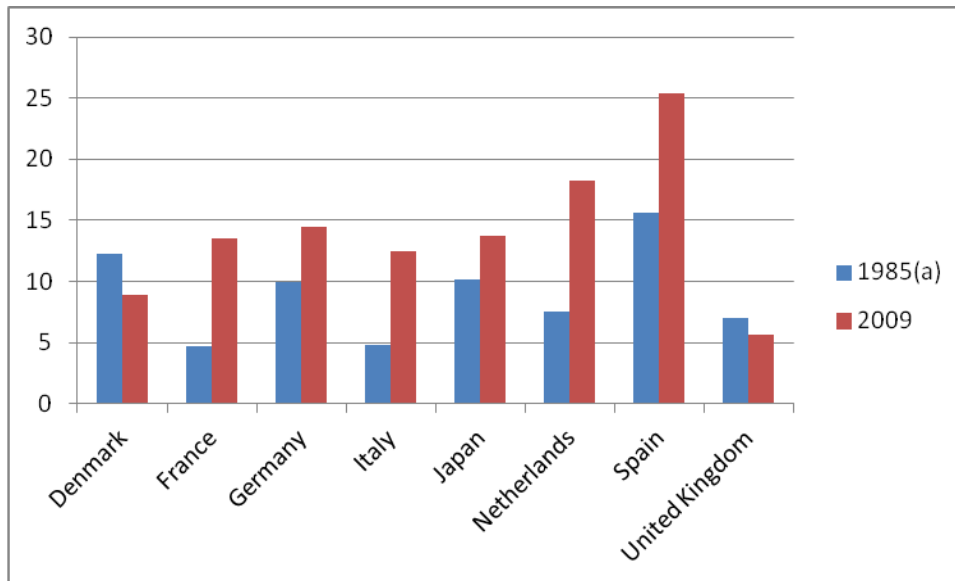
A job may be regarded as temporary if it is understood by both employer and the employee that the termination of the job is determined by objective conditions such as reaching a certain date, completion of an assignment or return of another employee who has been temporarily replaced. In the case of a work contract of limited duration the condition for its termination is generally mentioned in the contract. To be included in these groups are: a) persons with a seasonal job, b) persons engaged by an employment agency or business and hired out to a third party for the carrying out of a "work mission" (unless there is a work contract of unlimited

duration with the employment agency or business), c) persons with specific training contracts. If there exists no objective criterion for the termination of a job or work contract these should be regarded as permanent or of unlimited duration. (Stats.OECD.org)

Figure A.3 shows changes in the percentage of total temporary employment in selected European countries and Japan since 1985.⁹ Between 1985 and 2009, the percentage of workers on fixed term contracts more than doubled in France, the Netherlands, and Italy. There were also substantial increases in the percentage of workers with temporary jobs in Germany, Japan and Spain, although not in Denmark or the U.K.

It is also important to appreciate the orders of magnitude involved. Temporary employment in Germany increased from 10 percent in 1985 to 14 percent in 2009; in Italy from 5 percent in 1985 to 12 percent in 2009; and in Spain from 16 percent in 1987 to 33 percent in 2005, which then fell to 25 percent in 2009. (OECD.Stat Dataset: *Incidence of economic short time workers.*)

Figure A.3: Percentage of Workforce in Temporary Employment



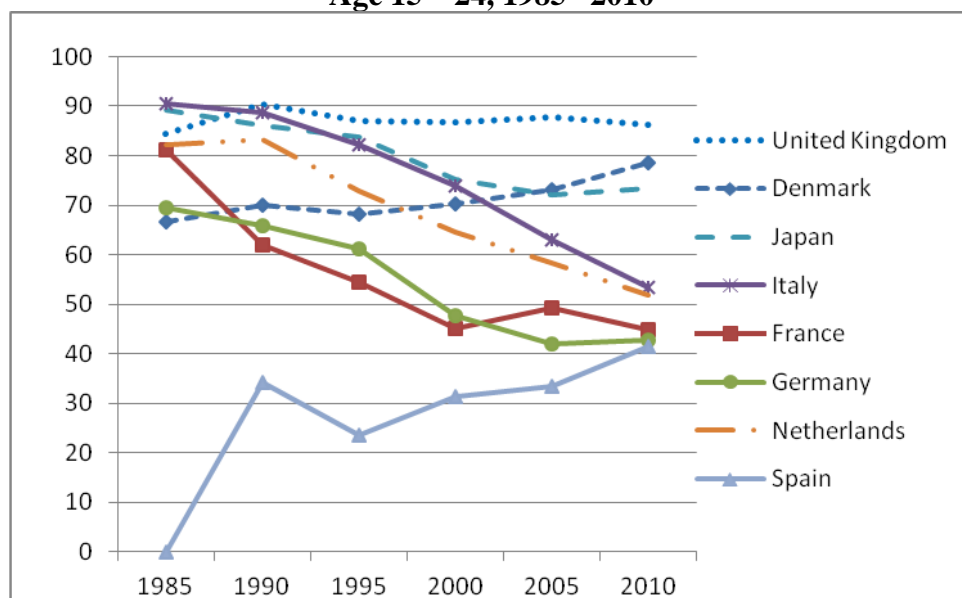
Source: Compiled by author from OECD Stat Dataset, *Incidence of Economic Short Time Workers*.
 (a) Data from Spain for 1987 - 2009.

Moreover, it is likely that figure A.3 understates the trend because its terminal date is 2009 – the most recent year for which data are available at this time. Because 2009 falls in the midst of the Great Recession and because in recessions, temporary workers are the first to be let go, it is likely that when there is a recovery, the percentage of the workforce in temporary employment will prove to be even greater.

The OECD also collects data in which individual workers are asked whether they have temporary or permanent jobs. It defines permanent employment as “employees with paid leave

entitlements,” and excludes employees on a fixed-term contract or whose expected job duration was less than one year. (Stats.OECD.org) Using this definition, the OECD data show significant declines in permanent employment, particularly for young people, in most European countries. As shown in figure A.4, the percentage of all people with permanent jobs ages 25 and below – that is, those just entering the workforce – in Germany, France, Italy, and Spain has declined since 1985. Denmark saw a slight increase. Spain showed a large increase but still remains far below all of the other countries.

**Figure A.4: Percentage Young Persons in Permanent Employment
Age 15 – 24, 1985 –2010**



Source: Stat.OECDstat.com (Incidence of Permanent Employment)

The trend for permanent workers between ages 25 and 54 shows a similar but less pronounced trend. Since 1985, all countries, except Denmark and Spain, show a declining share of employees in permanent employment.

3. Temporary Employment in Australia

The OECD data on temporary employment does not include Australia, but other sources reveal a similar story there. In Australia, “casual work” is defined as work that lacks paid leave entitlements. According to John Buchanan, Deputy Director of Research for Australia’s Centre for Industrial Relations Research and Training, “Between the late 1970s and the late 1990s, the

proportion of the work force engaged on a casual or self-employed basis rose from just over a quarter [27 percent] to around two in five [40 percent]” (Buchanan 2004). Furthermore, Buchanan writes, “Over the course of the 1980s and 1990s, precarious categories of employment have grown at a faster rate than full-time permanent jobs. Between 1988 and 1998, 69 percent of net growth in the number of employees was in casual employment.” Another group of Australian labor economists noted that the percentage of casual employment nearly doubled between 1982 and 2004, and that the category of full-time casual work grew by more than 200 percent between 1992 and 2007 (Buchanan 2004; Campbell and Brosnan 2005, 33, 35; Campbell, Whitehouse, and Baxter 2009 10 Fig. 4.1).

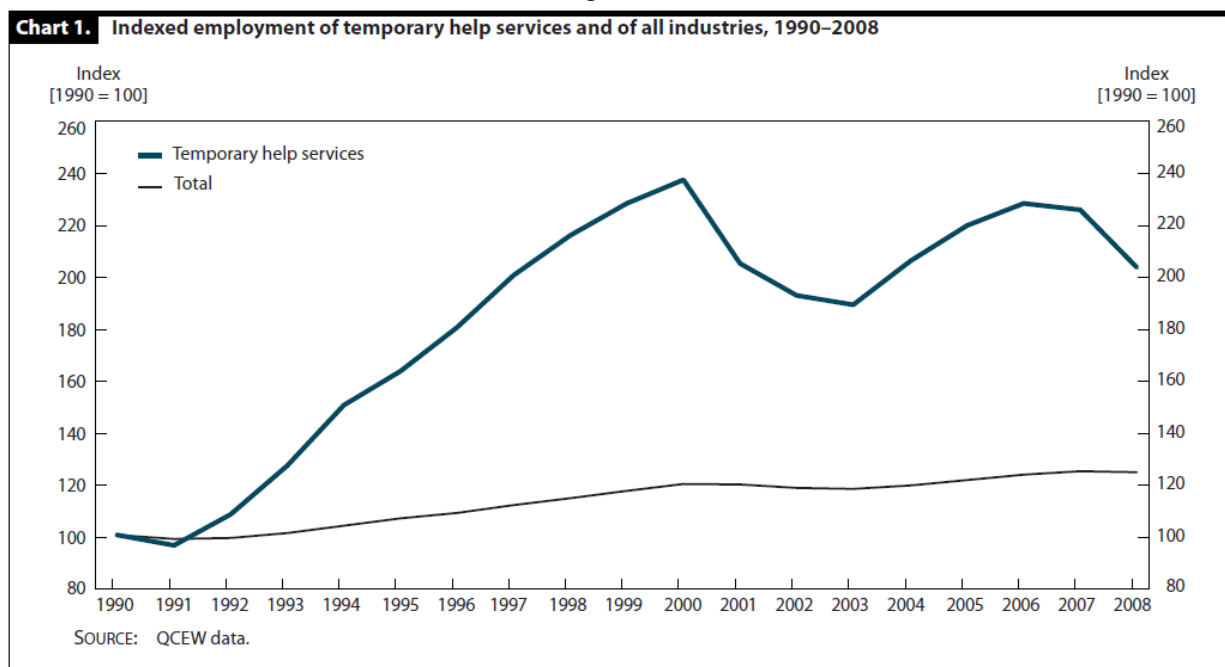
B. Temporary Agency Employment

1. Temporary Agency Employment in the United States

Temporary help agencies, also known as “staffing firms,” hire workers whom they place on temporary assignments with their clients or “user firms.” Assignments can be of short or long duration, but in either event, the assigned workers are considered employees of the temporary help agency, not of the user firm where they are placed. (Gonos, 1997) Temporary agency employees may or may not fit the definition of “contingent worker” discussed above, depending upon their perception of the likelihood of continuing with the agency.

In the United States, employment in the staffing industry grew from 1.1 million in 1990 to 2.3 million in 2008 – a considerably faster rate than employment overall. This indicates that user firms are relying more on temporary help and moving away from hiring long-term employees. However, as shown in figure A.5, the employment numbers in temporary agency employment has fluctuated with changes in the business cycle due to the fact that temporary employees are typically the first to be let go during downturns (chart is reprinted from Luo, Mann & Holden 2010). For example, agency employment nearly doubled between 1990 and 2000, declined by 20 percent during the recession of 2001 - 2003, but by 2007 had almost returned to the 2000 level.

FigureA.5



Although temporary agency employment is a minor feature of the U.S. labor market – 1.7 percent of total U.S. employment as of 2008 – the trends are significant (Luo, Mann & Holden 2010). As economists at the BLS explain:

The temporary help services industry is considered an indicator of the overall economy because movements in temp employment often have been a precursor to changes in the broader labor market. As firms have increased their use of temporary workers over the past two decades, the use of temp help services has become an indicator of how businesses operate. (Luo, Mann & Holden, 3-4 & Chart 1).

There has also been a change since the early 1980s in the type of work provided by temporary help agencies. Whereas temporary help previously filled in during periods of peak workloads, it is now used for routine firm staffing requirements. (Osterman and Burton, 2004). This too is suggestive of a decline in the standard employment contract.

2. Temporary Agency Employment in Europe

Europe has reportedly experienced a more dramatic increase in temporary agency employment than the United States over the past two decades. However, reliable data about the extent of temporary agency employment in Europe are difficult to find. The OECD explains the paucity of data as follows:

Measuring employment mediated by temporary work agencies raises particular difficulties. For example, the turnover of agency workers is very high and it is important to distinguish between stock and flow measures. Another complexity is that the employment contract of agency workers can be with either the agency or the

employer in whose establishment they are working at a given time. In the former case, it is even possible that these workers will have an open-ended contract with the agency (*i.e.* might be considered as a permanent worker using the terminology of this chapter). This is possible in Austria, Finland, Germany, the Netherlands and Sweden (Storrie, 2002). As a result of the special nature of agency work, the most reliable data on temporary agency workers in many OECD countries are collected by the means of special surveys, rather than the general labour force surveys analysed in this chapter for most countries.

(OECD Employment Outlook 2002 Chapter 3)

Notwithstanding the difficulties, the OECD analyzed the available country reports and concluded that between 1992 and 2002, “the number of agency workers has increased at least five-fold in Denmark, Spain, Italy and Sweden and just under four-fold in Austria” (OECD Employment Outlook 2002 Chapter 3, citing Storrie, 2002).

The European Foundation for the Improvement of Living and Working Conditions conducted a study in 2002 that examined national surveys and qualitative studies from Denmark, Finland, France, Germany, the Netherlands, Spain and Sweden, and found a rapid increase in the numbers and economic importance of temporary agency work in the preceding two decades (European Foundation for the Improvement of Living and Working Conditions 2002, 14). In addition, labor economists Manfred Antoni and Elke Jahn analyzed data from the International Confederation of Private Employment Agencies (CIETT) in 2009 and found that, since the late 1990s, “[i]n the Scandinavian countries, [temporary agency employment] has increased four-fold; in all other countries of the European Union it has at least doubled, employing about 1.8% of the EU working population in 2006.” (Antoni & Jahn 2009, 226)

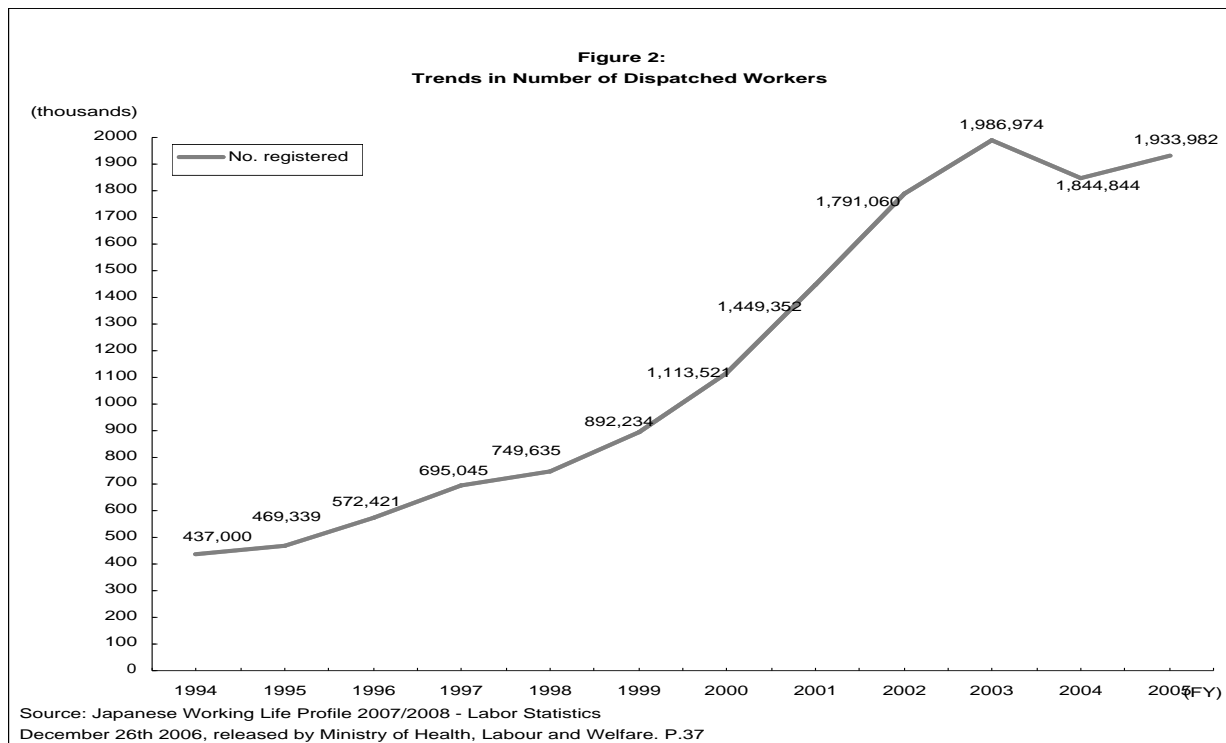
Part of the growth in temporary agency work in Europe can be explained by changes in labor laws. Until the mid-1980s, the laws in most European countries placed severe restrictions on the use of temporary workers, but since then, many countries have liberalized their laws considerably.¹⁰ For example, in Germany, a series of legislative reforms has expanded the type of work that could be performed by temporary agency workers and the length of time such workers could be utilized (see Antoni & Jahn 2009; see also Haipeter, this volume). Similar developments occurred in other European countries.

3. *Temporary Agency Employment in Japan*

Temporary agency work has also expanded dramatically in Japan over the past twenty-five years. Until the mid-1980s, Japan placed strict limitations on the ability of firms to utilize temporary agency workers. These laws were modified through a series of enactments beginning in 1985 with a new Worker Dispatching Law that opened the door to the use of temporary agency workers for specific categories of employment for up to one year. Subsequent amendments in 1999 and 2003 expanded both the types of temporary agency workers firms could hire and the permissible duration of their employment. As a result, the use of temporary agency workers (“dispatched employees”) in Japan has mushroomed, as shown in figure A.6 (Araki 2012).

A 2004 survey by the Japanese Ministry of Health, Labour and Welfare found that the use of dispatched employees increased with firm size; large firms reported that they were likely to increase their utilization of dispatched employees, whereas small firms were likely to increase their utilization of part-time employees (Morishima & Shimanuki 2005). For example, dispatched workers comprise 20 percent of all workers in the Japanese auto industry. Thus, the very firms that have been the mainstay of Japan’s lifetime employment system are now shifting some of their workforce to temporary agency employment.

Figure A.6



There has also been a rapid increase in temporary agency employment in Australia since the early 1990s. The Australian Government Productivity Commission conducted a study of temporary agency employment, that it terms the “labour hire employment,” in 2005 and concluded:

Based on consistent and comparable survey estimates, the number of labour hire workers in workplaces with 20 or more employees grew from 33 000 in 1990 to 190 000 in 2002, an increase of 15.7 per cent per year. Further, the proportion of labour hire workers among all employees of these workplaces grew almost fivefold, from 0.8 per cent in 1990 to 3.9 per cent in 2002. These estimates support claims of a rapid expansion in labour hire employment over the 1990s and early 2000s. (LaPlange, Glover & Fry, 2005 at 4)

C. Part-Time Work

Another type of nonstandard employment that has increased in industrialized countries in the past twenty-five years is part-time work. The OECD has collected data on the prevalence of part-time work in Europe and the U.S. since 1985. The OECD defines part-time workers as “persons who usually work less than 30 hours per week in their main job” (OECD Family Database). Table A.7 shows that part-time work increased substantially in Germany, Italy, the Netherlands, and Spain; increased a small amount in Canada, France, and the UK; and slightly decreased in Denmark and the U.S.

	<u>1985</u>	<u>1995</u>	<u>2005</u>	<u>2009</u>	<u>percentage point change</u> <u>1985 - 2009*</u>
Canada	17.1%	18.8%	18.4%	19.3%	2.2%
Denmark	21.1%	17.5%	17.6%	19.4%	-1.7%
France	11.7%	14.8%	13.9%	14.0%	2.2%
Germany	10.6%	14.2%	21.8%	22.4%	11.8%
Italy	8.2%	11.5%	15.6%	16.9%	8.7%
Netherlands	19.7%	29.2%	36.1%	37.7%	18.0%
Spain*	4.1%	6.8%	10.9%	12.3%	8.2%
United Kingdom	20.1%	22.5%	23.0%	23.8%	3.7%
United States	14.7%	14.0%	12.8%	14.1%	-0.6%

Source: OECD.Stat Dataset: FTPT employment based on a common definition
*Spain data is 1990 - 2009

Tables A.8 and A.9 break down the data by gender and reveal two important trends. First, the percentage of men working part-time increased in every country, more than doubling in Germany, the Netherlands, Spain, and the U.K. Second, for women, the increases were less dramatic but nonetheless significant in Germany, Italy, the Netherlands, and Spain.

	<u>1985</u>	<u>1995</u>	<u>2005</u>	<u>2009</u>	<u>percentage point change</u> <u>1985 - 2009*</u>
Canada	8.8%	10.8%	10.9%	12.0%	3.2%
Denmark	8.0%	9.7%	11.7%	13.6%	5.5%
France	4.5%	5.6%	5.0%	5.1%	0.6%
Germany	1.7%	3.4%	7.3%	8.0%	6.2%
Italy	3.8%	4.8%	5.3%	5.9%	2.1%
Netherlands	6.1%	11.8%	15.3%	17.0%	10.8%
Spain*	2.4%	2.4%	3.8%	4.4%	2.0%
United Kingdom	4.3%	7.4%	9.6%	10.9%	6.5%
United States	8.6%	8.3%	7.8%	9.2%	0.6%

Source: OECD.Stat Dataset: FTPT employment based on a common definition
* Data from Spain from 1990 - 2009

	<u>1985</u>	<u>1995</u>	<u>2005</u>	<u>2009</u>	<u>percentage point change</u> <u>1985 - 2009*</u>
Canada	28.3%	28.5%	27.2%	27.1%	-1.2%
Denmark	35.2%	25.8%	23.9%	24.8%	-10.4%
France	21.6%	24.8%	22.6%	22.4%	0.8%
Germany	25.4%	29.1%	38.8%	38.1%	12.7%
Italy	16.6%	21.1%	28.8%	30.5%	14.0%
Netherlands	45.5%	55.1%	60.7%	59.9%	14.3%
Spain*	12.0%	15.8%	21.5%	21.4%	9.4%
United Kingdom	41.1%	40.8%	38.5%	38.8%	-2.3%
United States	21.6%	20.2%	18.3%	19.2%	-2.4%

Source: OECD.Stat Dataset: FTPT employment based on a common definition
*Data from Spain from 1990 – 2009

The OECD did not publish data on part-time employment in Japan before 2005, but the Japanese Ministry of Internal Affairs conducts its own employment surveys, which include data on part-time work. The Japanese Ministry defines part-time workers as people who work less than thirty-five hours during the reference week. This definition is different than that used by the OECD, but it is nonetheless useful for measuring trends in Japan. Using its definition, the Ministry found that part-time employment increased from 10 percent of the workforce in 1980 to 26.1 percent in 2006. In that same period, the percentage of women in part-time employment increased from 31 percent in 1980 to 42 percent in 2000 and has remained substantially stable at that level ever since. Over the entire period, slightly more than two-thirds of part-time workers were women (Japanese Ministry of Internal Affairs 2010).

The OECD data on part-time employment in Australia only goes back to 2000. It shows that part-time employment there has been a stable 7 percent of the workforce between 2000 and 2009. This percentage comprised 5 percent of men and 9 percent of women in the workforce.

II. The Decline in Job Tenure

A. General observations

Because a central feature of the standard employment contract is the prospect of long-term employment, trends in job tenure are often used to measure the extent to which a new form of employment relationship is displacing the previous “standard.” Job tenure – the length of time a worker has held his or her current job – is usually measured in one of two ways. The first measures the average length of time individual workers have been employed at their current job. The second measures the percentage of workers who have been in their current job for ten years or longer. Job tenure studies typically disaggregate both measures by gender, age cohort, and other variables.

Although job tenure is a useful indicator of changes in long-term job attachment, it can be an imperfect and potentially misleading one. There are three types of reasons why job tenure requires careful parsing and interpretation – reasons I call “recession effects,” “age effects,” and “gender effects.”

“Recession effects” are operative when workers in an establishment are protected by seniority, either contractually, or by law or custom. If such an establishment reduces the size of its workforce, the average job tenure will increase because the more senior workers will be the ones who remain. The larger the reduction in force, the more the average job tenure will increase. Nonetheless, a large reduction in its workforce would reflect not stability but its opposite – the loss of stable jobs by a large number of workers. If this scenario is sufficiently widespread, and if the workers who lose their jobs remain unemployed, become independent contractors, or leave the labor market, aggregate labor market data would show a rise in average job tenure even though the labor market experience of a large number of workers would no longer conform to the standard contract of employment.

Second, the interpretation of job tenure data is complicated by “age effects.” If young workers, who would have secured long-term secure jobs when they entered the labor market in the past, are now only able to find temporary or intermittent jobs, the job tenure data will not reflect that trend. For example, someone who has been working in a long-term job for two years will look exactly the same as someone who has held a temporary job for two years. Most workers in their twenties simply have not had enough time in the labor market to be on any job for five or ten years. Even those workers destined to obtain a “stable” job will appear to have short job tenure during their twenties.¹¹ Hence the difference between those who have long-term jobs and those who have casual jobs does not show up in the data until workers reach approximately age 30. Thus changes in young workers’ labor market experiences will not show up in the job tenure data even if the changes are widespread. And the larger the proportion of younger workers in the workforce, the less reliable the aggregate job tenure data will be.

Other complications affect job tenure data for older workers. When older workers – over the age of 50 or 55 – lose their jobs, they often leave the labor force altogether. Employers are reluctant to hire them, and it is difficult for them to find alternative employment. Many out of work older workers therefore retire or give up searching for another job. If those older workers who exited the labor force are those who had less secure jobs to begin with– a reasonable assumption because those in insecure jobs are by definition more likely to lose them – the remaining workers in their age group would have, on average, longer job tenure. Consequently, as the workforce ages and many workers become eligible for retirement, labor market statistics will tend to report a lengthening in average job tenure for those older workers who actually retain their long-term “standard” jobs, while failing to account for the significant percentage of older workers who lose their jobs and, for statistical purposes, disappear from view.

The gendered nature of the standard employment contract is a third reason why aggregate job tenure data does not adequately track changes in patterns of long-term employment. For most of the 20th century, the standard contract of employment largely benefitted male workers. Women’s labor force participation was far below that of men, although it has grown steadily since World War II. More significantly, although participation rates grew, the length of women’s labor force attachment did not increase significantly until the late 1970s. Before then, women workers tended to move in and out of the labor force rather than hold steady jobs. (Blau, Ferber, & Winkler 2001, at 84 – 91). Hence women did not typically hold long-term jobs during the heyday of the standard employment contract. (Stone 2004, 158–63). And when women did enter internal labor markets, they entered on the bottom rungs and were the first to be laid off during business downturns. As a result of this history, women have consistently experienced shorter job tenure than men in every age cohort and educational grouping. Accordingly, statistics on women’s job tenure do not depict the same dramatic trends as those relating to male job tenure. Moreover, data that aggregates the job tenure of women and men masks the extent of changes for men and is thus misleading to those interested in understanding trends in internal labor markets.

For all of these reasons, aggregate job tenure data does not reveal trends in the standard contract of employment. Instead, the labor market experience of men in their middle earning years provides a more accurate insight into changes in the standard contract of employment than job tenure data overall.

2. Data and Analysis of Job Tenure Trends

1. Job Tenure Trends – United States

Labor economists have debated whether there has been a change in job tenure over the past three decades in the United States (Osterman and Burton, 2004; Farber 1995; Farber 1998; Jaeger & Stevens 1999; Neumark 2001) On the one hand, aggregate data – for women and men of all ages – show very little change in job tenure since 1983. On the other, job tenure for mid-career men has been declining in the U.S. since 1980, both in terms of average tenure of individual workers in their present jobs (figure A.10), and in terms of the percentage of workers who have held the same job for more than ten years (figure A.11). And significantly, job tenure

of men over age 40 has declined most dramatically. At the same time, those in the 25 – 34 age group did not decrease – an illustration of the age effect discussed above.

Figure A.10: Average Years on Job 1983 – 2010, Men, by Age ¹²

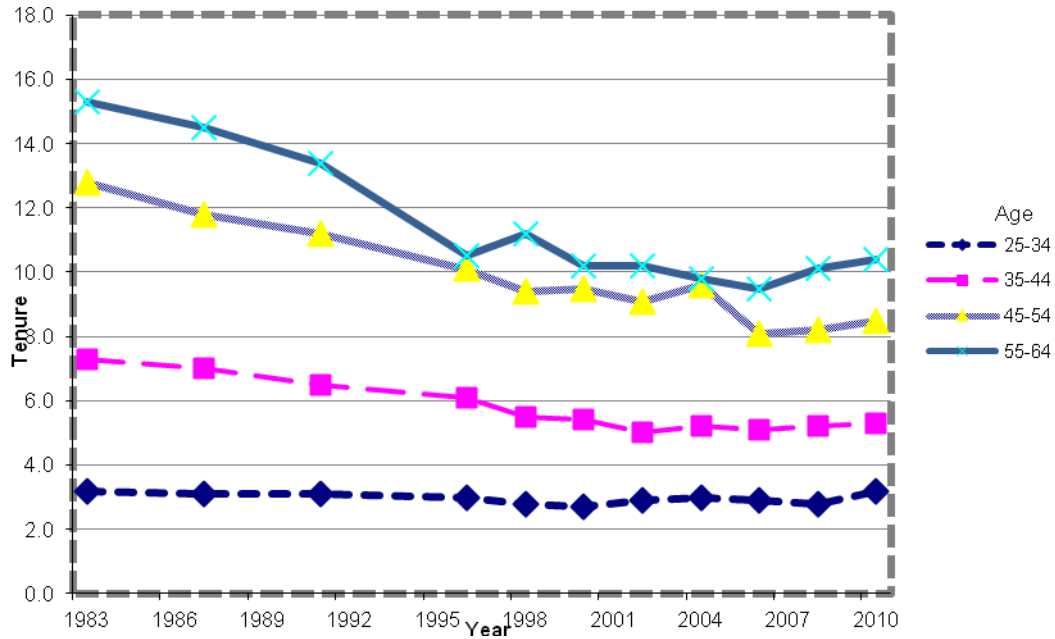
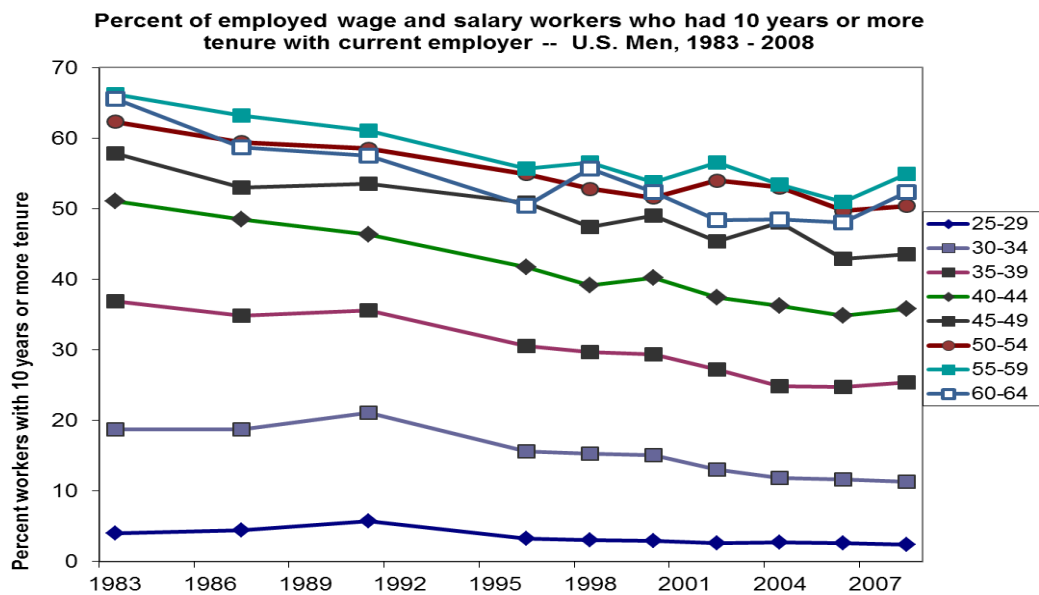


Figure A.11



By contrast, job tenure for women in the U.S. has not changed substantially over the years (figures A.12 and A.13). As previously explained, this trend reflects the fact that the standard employment contract in the United States was a gendered phenomenon. As I explain in chapter 4, the standard contract of employment in the United States was a social practice found primarily in large firms that established internal labor markets. These internal markets, which offered stable long-term jobs, were largely closed to women for most of the 20th century. When women entered the core labor force, beginning in the late 1970s, the long-term employment system was beginning to be dismantled. Thus, the best indicator of the trend away from long-term employment is the change in the labor market experiences of mid-career men. And by that measure, we see significant decline.

Figure A.12

Median years of tenure with current employer for wage and salary workers 1983 – 2008 -- U.S. Women by age

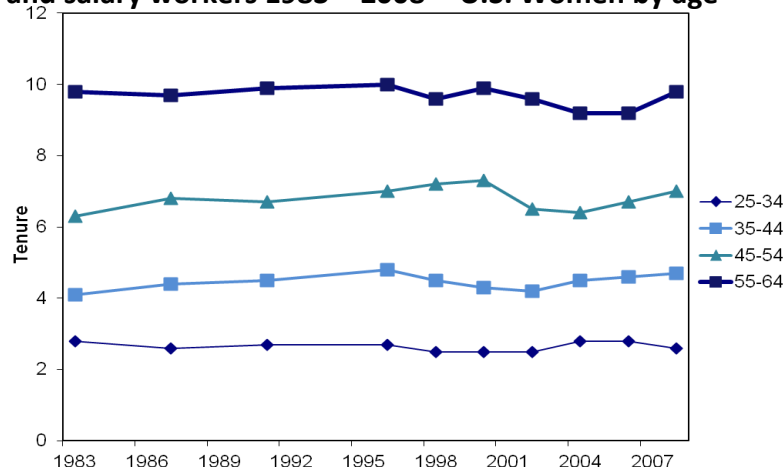
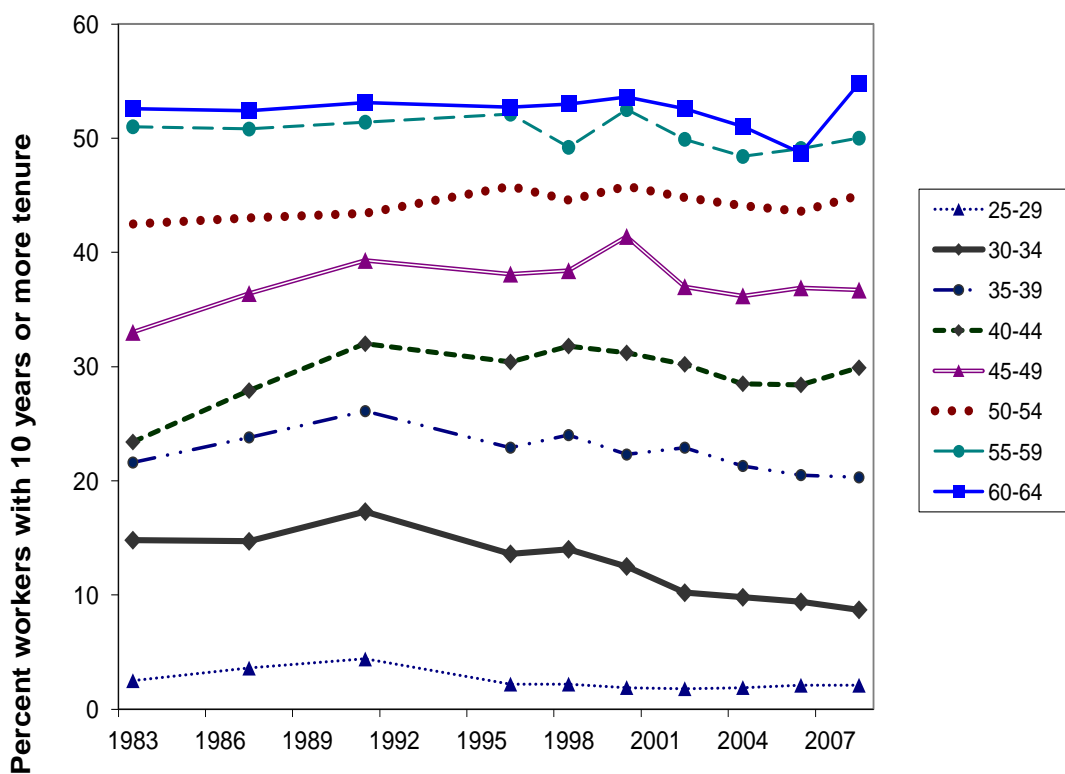


Figure A.13

Percent of employed wage and salary workers who had 10 years or more tenure with current employer, 1983 - 2008
US Women



2. Job Tenure Trends in Europe

The OECD publishes job tenure data for the European countries. Although organized differently than that of the U.S., the OECD data reveals trends that parallel those in the U.S. That is, while overall job tenure has not changed dramatically, it has changed for specific groups. Table A.14 shows changes in the percentage of male workers in a job lasting over ten years in selected European countries between 1995 and 2009. In all of the countries depicted, except Germany and the Netherlands, the share of men who held the same job for over ten years has declined.

Table A.14 Share of Workers at the Same Job Ten Years or Longer, Men, All Ages

	<u>1995</u>	<u>2009</u>	<u>percentage point change</u> <u>1995 - 2009</u>
Denmark	34.3%	29.4%	-4.9%
France	44.8%	43.6%	-1.2%
Germany	40.5%	44.8%	+4.3%
Italy	51.3%	49.3%	-2.1%
Netherlands	39.3%	44.4%	+5.1%
Spain	41.8%	40.7%	-1.0%
United Kingdom	36.5%	32.9%	-3.6%

Source: OECD.Stat: Employment by job tenure intervals - persons

As in the United States, the percentage of women of all ages who have held a job for over ten years in Europe has not shown the same downward trend as that of men. Instead, as table A.15 shows, the percentage of women holding their jobs for ten years or longer has been either flat or increasing in all of the countries except Denmark where women's job tenure declined 4.7 percent. The largest increases have been in Germany and the Netherlands – the same countries that saw increases in the rates for men. The increases in Germany and the Netherlands could be part of a larger trend in those countries that has affected both men and women. Alternatively, because job tenure data does not distinguish between part-time and full-time employment, the increase for women could be attributable to policy changes over the past two decades that have made part-time work more attractive for women in those countries.

	<u>1995</u>	<u>2009</u>	<u>percentage point change</u> <u>1995 - 2009</u>
Denmark	29.3%	24.5%	-4.7%
France	41.3%	42.8%	+1.5%
Germany	31.5%	39.7%	+8.2%
Italy	44.0%	42.2%	-1.8%
Netherlands	26.0%	35.8%	+9.8%
Spain	31.0%	31.4%	+0.3%
United Kingdom	25.1%	28.4%	+3.4%

Source: OECD.Stat: Employment by job tenure intervals - persons

When we look at job tenure of workers in Europe by age, we see a trend everywhere except in Germany. Table A.16 shows that the share of workers in the 35 to 39 age group, including both men and women, who have been in the same job for ten years or more has declined significantly – over 10 percent in Denmark, Italy, and Spain, and 5 percent or more in France and the U.K., as well as Australia. This suggests a change in the labor market experience

for the age cohort that entered the labor market 15 to 20 years ago – just as the heyday of the standard contract of employment was ending.

Table A.16 Share of Workers at the Same Job Ten Years or Longer,
Men and Women, Ages 35-39

	<u>1995</u>	<u>2009</u>	<u>percentage point change 1995 - 2009</u>
Denmark	30.2%	18.5%	-11.7%
France	48.7%	41.5%	-7.2%
Germany	34.9%	38.3%	+3.4%
Italy	51.7%	39.2%	-12.5%
Netherlands	40.1%	36.9%	-3.2%
Spain	42.2%	32.3%	-10.0%
United Kingdom	32.9%	27.9%	-5.0%

Source: OECD.Stat: Employment by job tenure intervals - persons

The OECD also has collected data on workers' average length of time on the job since 1992. Table A.17 shows the average job tenure of men and women combined for all ages. It evidences no decline, instead showing an increase in average job tenure between 1992 and 2009 in all countries except Denmark.

Table A.17: Average Years on Job, 1992 – 2009
Men and Women, All Ages

Country	<u>1992</u>	<u>2009</u>	<u>% change</u>
Denmark	7.94	7.63	-3.9%
France	9.95	11.64	17.0%
Germany	10.31	11.12	7.9%
Italy	10.75	11.72	9.1%
Netherlands	8.31	10.86	30.8%
Spain	8.48	9.61	13.3%
United Kingdom	7.77	8.53	9.8%

Source: OECD.Stat: Job Tenure for Dependent Employment

But, when the data is disaggregated, a striking pattern emerges. Table A.18 shows the decline in job tenure for men by age group between 1992 and 2009. Note that for mid-career men – those between the ages of 30 and 50 – job tenure has declined in all of the selected European countries

with the exception of France. Even in France, job tenure declined for those ages 30 to 45, and had less than a one percent increase in the 45 to 50 age group.

Table A.18: Change in Job Tenure 1992 – 2009, Men, by Age Group

	<u>25 - 29</u>	<u>30 - 34</u>	<u>35 - 39</u>	<u>40 - 44</u>	<u>45 - 49</u>	<u>50 - 54</u>	<u>54-59</u>	<u>60-64</u>
<u>Denmark</u>	-26.8%	-20.5%	-24.5%	-22.9%	-14.8%	-21.4%	-9.3%	-13.3%
<u>France</u>	5.4%	-5.2%	-12.2%	-7.1%	0.8%	8.2%	15.4%	3.6%
<u>Germany</u>	-10.0%	-6.0%	-4.6%	-7.1%	-8.4%	-5.7%	-6.4%	-5.2%
<u>Italy</u>	-4.9%	-10.9%	-13.4%	-13.6%	-8.6%	0.1%	8.3%	-3.0%
<u>Netherlands</u>	14.5%	-8.1%	-11.1%	-14.5%	-9.5%	-3.5%	7.7%	19.0%
<u>Spain</u>	24.2%	-12.6%	-13.1%	-11.3%	-2.5%	7.7%	13.8%	5.5%
<u>United Kingdom</u>	-9.0%	-15.5%	-13.6%	-13.9%	-13.0%	-5.1%	-7.7%	-13.6%

Source: *OECD.Stat: Job Tenure for Dependent Employment*

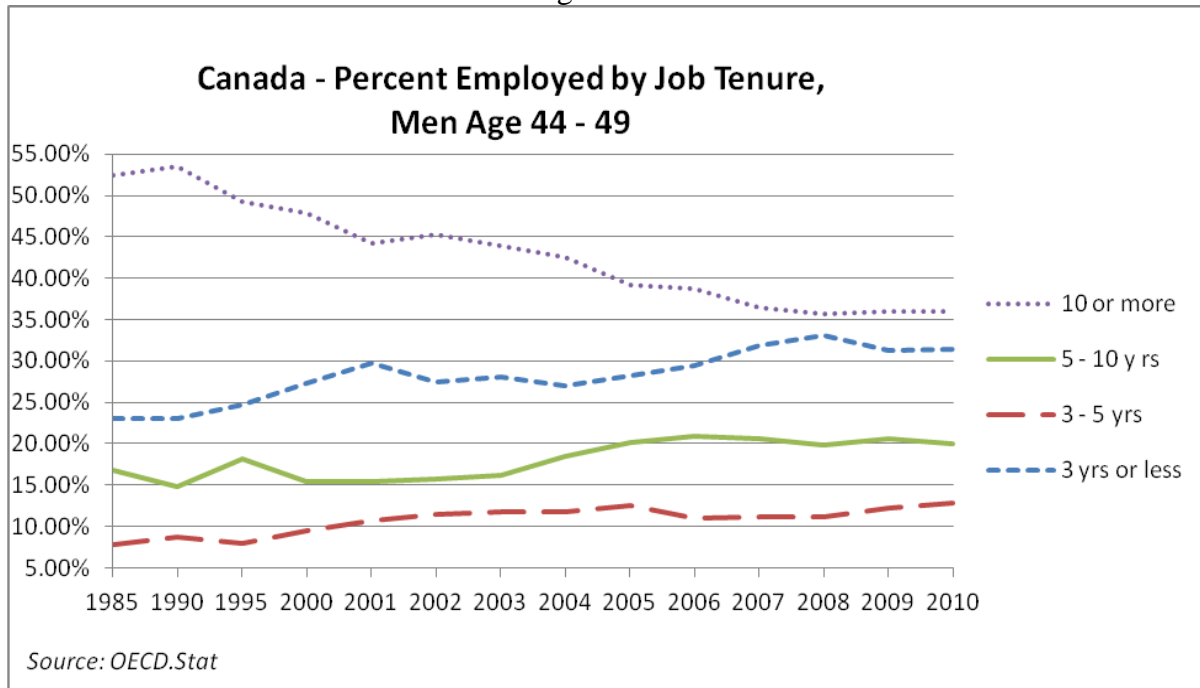
However, for men over age 55 and those under age 35, the OECD data show considerable variation amongst countries. These findings are consistent with the age effects discussed above.

What is most striking in the European countries studies—and most parallel to the U.S. experience—is that job tenure for men in mid-career is declining.

3. Job Tenure Trends in Canada

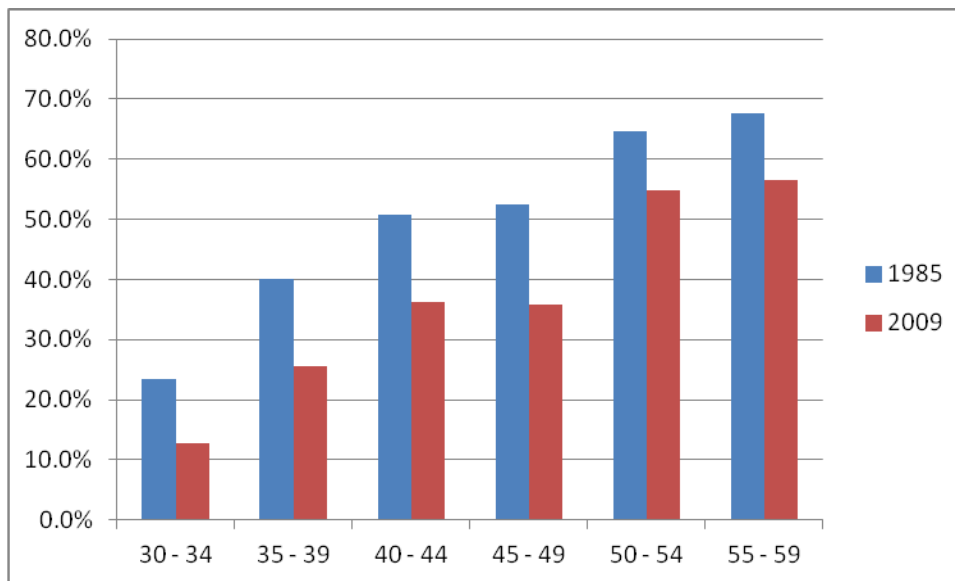
The aggregate OECD job tenure data for Canada, like that in the U.S. and Europe, shows little change over time. However, if we look at the data for men in their mid-career years, we see dramatic changes similar to those observed in the U.S. and most of Europe. Figure A.19 shows the length of time on the job for men in the 44 to 49 age group since 1985. It shows that the percentage of men in that age group, with ten years or more tenure in their current job, has declined from over 50 percent to 35 percent.

Figure A.19



The following chart shows the number of men in different age groups who held their jobs for ten years or more in 1985 and 2009. For example, it shows that the number of men in the age group of 30 to 34 declined from 23.5 percent to 10.8 percent between 1985 and 2009 – a decline of over half. Substantial declines occurred for men in each age group, although, consistent with the age effect, the magnitude of the decline diminishes for those over 50.

Figure A.20: Canada – Percentage of Men Holding Current Job for Ten Years or More, by Age, 1985 - 2009

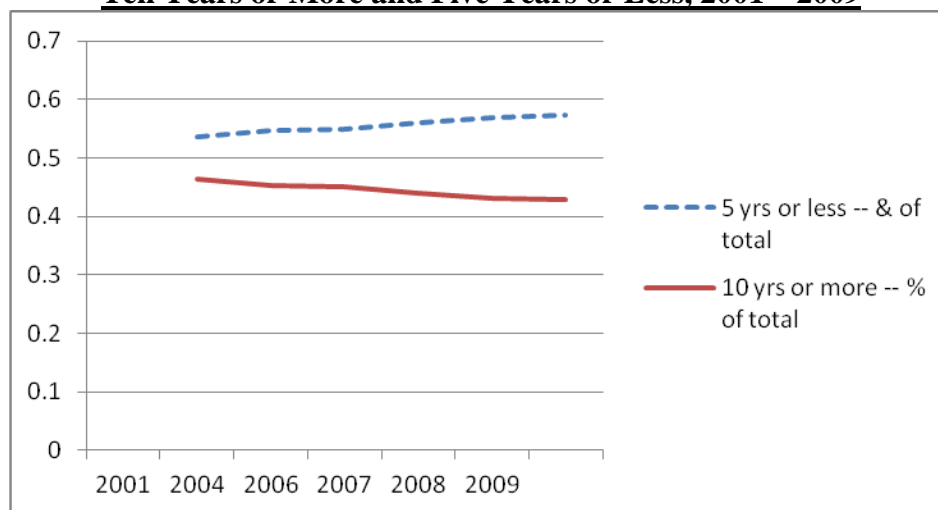


Source: OECD.Stat: Job Tenure

4. Job Tenure Trends in Australia

The OECD has collected job tenure data for Australia only since 2000. The data show that between 2000 and 2009, average job tenure for men of all ages declined 12 percent, for women there was no change. They also show a decline of nearly 19 percent for men and women combined between the ages of 35 and 39 (OECD.stat). And finally, they show a decline in the percentage of Australian workers who have held their jobs for ten years or more and an increase in the percentage of those who have held their job five years or less (figure A.21).

Figure A.21: Australia-- Percentage of Workers Ages 25 to 54 in Current Jobs Ten Years or More and Five Years or Less, 2001 – 2009



Source: OECD.Stat

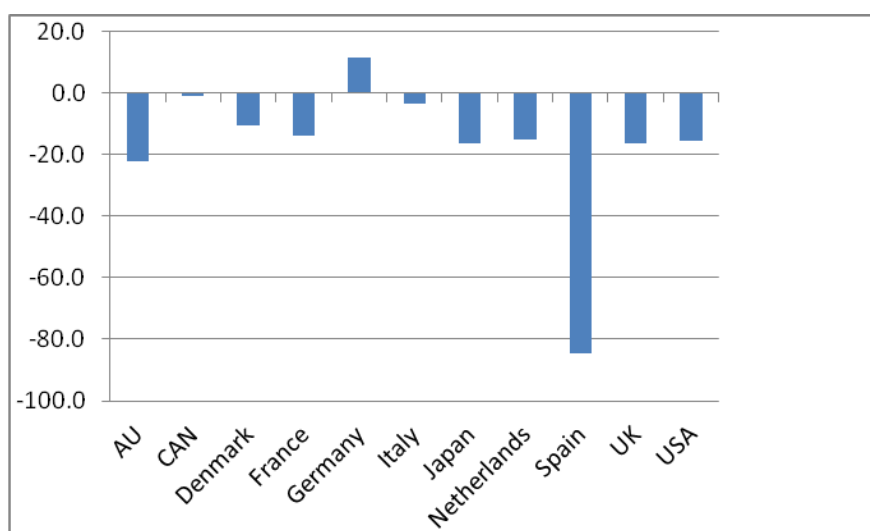
5. Job Tenure Trends in Japan

Japan is not represented in the OECD data, and it does not systematically collect data on job tenure. However, as Keisuke Nakamura and Michio Nitta discuss in this volume, with the decline of the strong post-war norm of lifetime employment within a single enterprise, declining job tenure in Japan has become a subject of increasing concern for academics and policymakers. Nonetheless, distinctive Japanese employment practices and the terminology used to describe them make international comparisons difficult. For example, Japanese workers are sometimes transferred to other companies, ostensibly on temporary “loan,” but in fact on an open-ended basis. Additionally, some workers induced to take “early retirement” rather than being subjected to the embarrassment of a termination. Such practices conceal the departure of significant numbers of mid-career and older workers from both labor markets and labor market statistics (see generally, Nakamura & Nitta, this volume).

III. The Decline in Union Density and Collective Bargaining Coverage

Another feature of contemporary labor markets, closely associated with the long-term decline in the standard contract of employment, is the decline in union density and collective bargaining coverage. Figure A.22 tracks changes in union density in selected OECD countries between 1970 and 2005, and shows dramatic declines in union density in all countries except Germany over the past three decades. And in Germany, if we look at union density since 1980 rather than 1970, we also see a decline of nearly 7 percentage points.¹³

Figure A.22: Change in Union Density, 1970 – 2005 (in percentage points)



Source: Compiled by author from Visser, Jelle 2009. The ICTWSS Database: Database on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts in 34 countries between 1960 and 2007.

In many countries, union membership is neither the only, nor the best, measure of union strength. Several European countries have mechanisms by which the terms of collective agreements negotiated by unions are applied to non-members. Some countries, such as Germany and France, have formal extension laws pursuant to which the Ministry of Labor applies collectively bargained terms to all employers in a given sector when specified conditions are met. In other countries, employers' associations and/or unions, as a matter of practice, extend the terms of collective bargaining agreements to non-members. In some countries, such as Japan, national unions insist on the application of collective agreements to non-members. And in Australia, until 2005, federal arbitration awards secured by unions effectively operated to fix the terms of employment throughout the relevant sectors and within all states.¹⁴

However, collective bargaining coverage, like union density, has declined in almost all industrialized nations since the late 20th century. Tables A.23 to A.33 show the trends in union density and collective bargaining coverage in eleven countries over the past fifty years. Since 1970, union density in the Netherlands, the U.S., and Japan, has seen a steady decline. In Australia, Canada, Denmark, France, Germany, Italy and the U.K., union density rose until the

late 1970s or mid-1980s and then went into decline. The data on collective bargaining coverage shows a similar decline since the 1970s, although on a slightly different timetable. The decline has been relatively consistent since the 1970s in Japan, the U.S., and Italy, and since the early 1990s in the U.K., Canada, Germany, and the Netherlands. Australia saw a steep decline in award coverage (the Australian analogue to collective bargaining coverage) beginning in 1960.

In sum, despite variations in institutional arrangements and in timing, all of the countries discussed have experienced a decline in both union density and collective bargaining coverage.¹⁵

Figure A.23

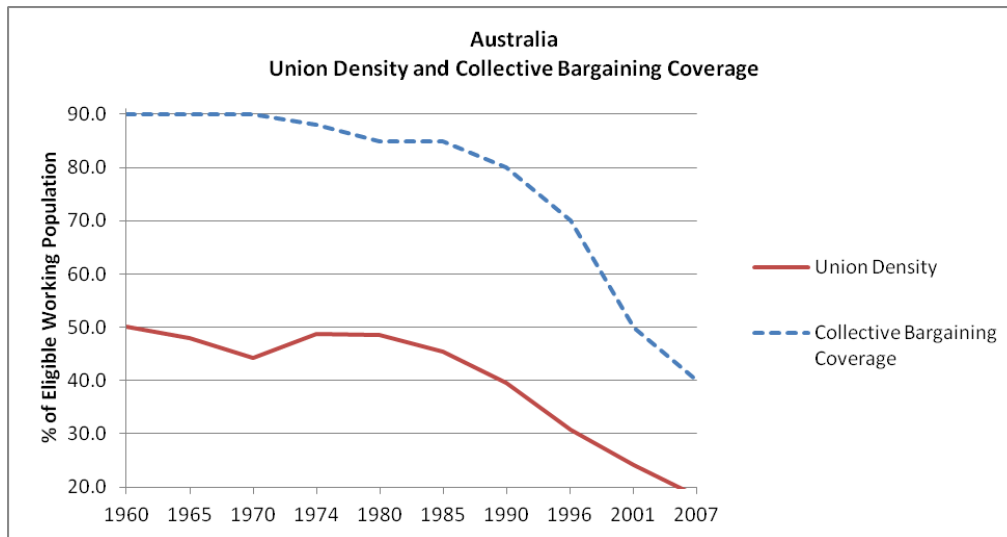


Figure A.24

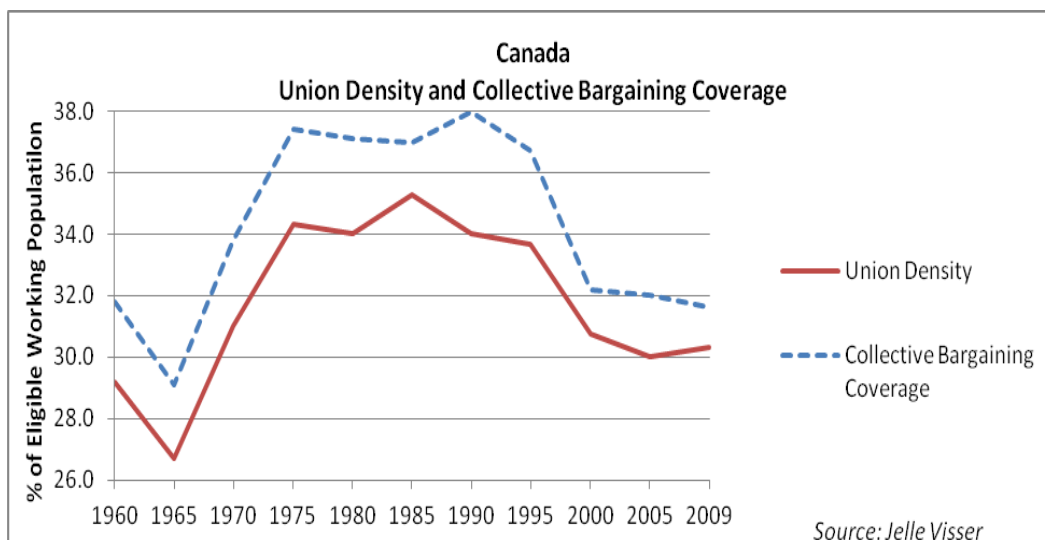


Figure A.25

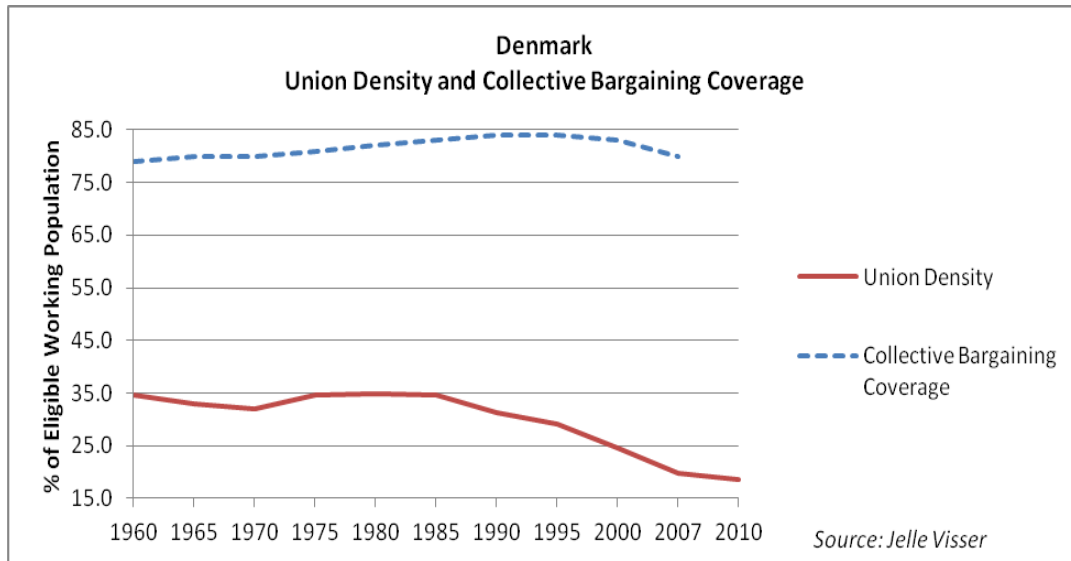


Figure A.26

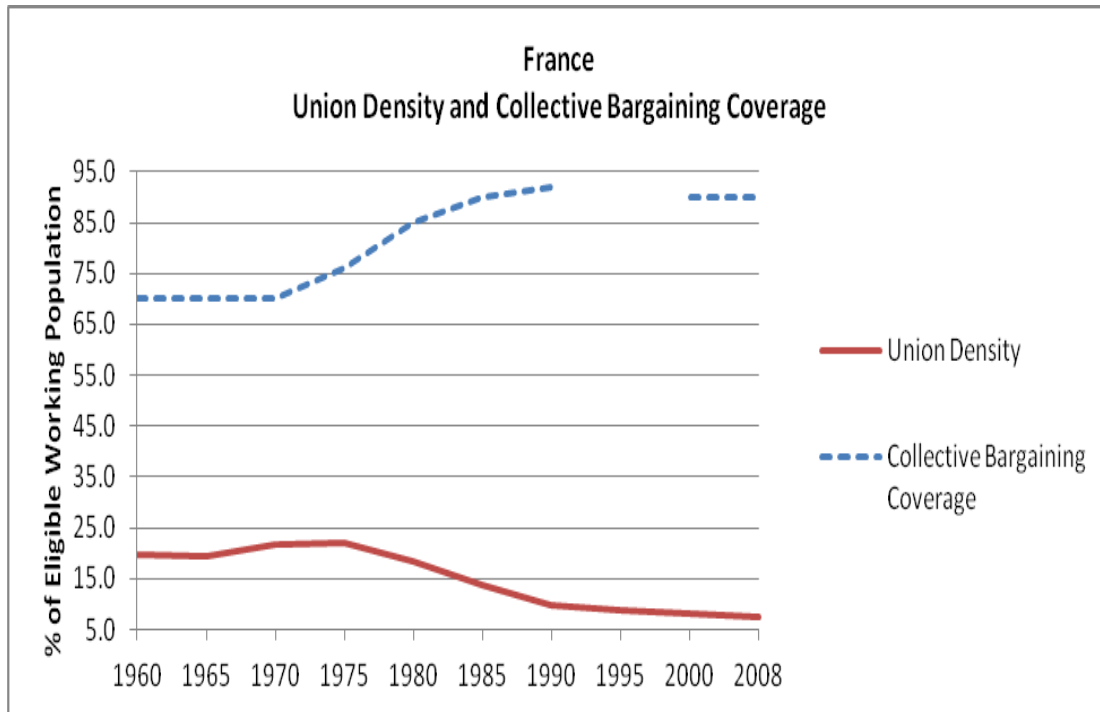


Figure A.27

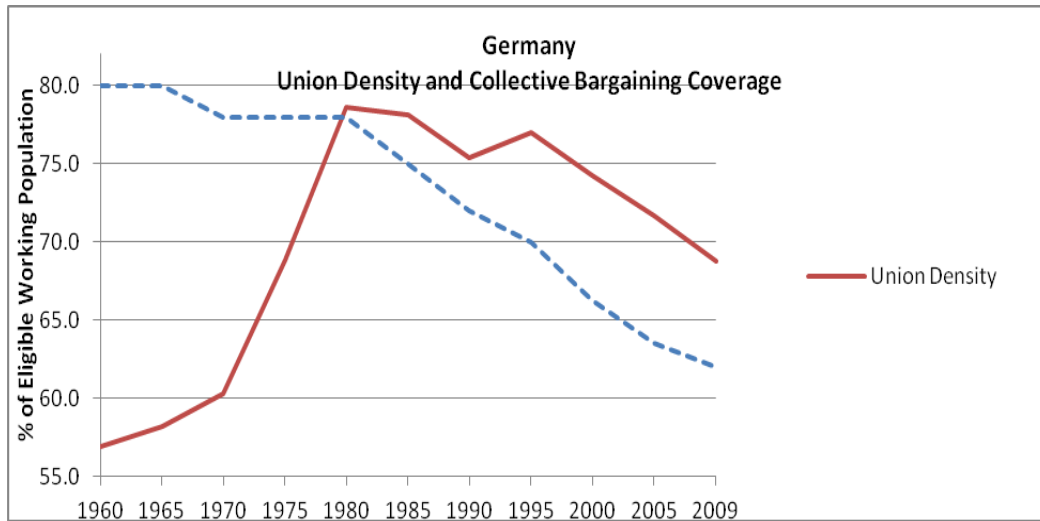


Figure A.28

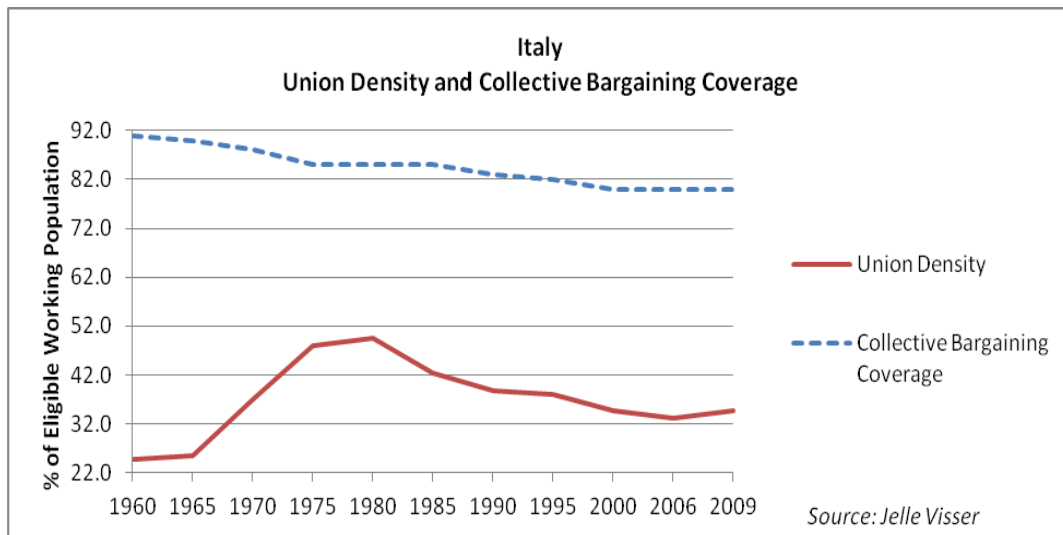


Figure A.29

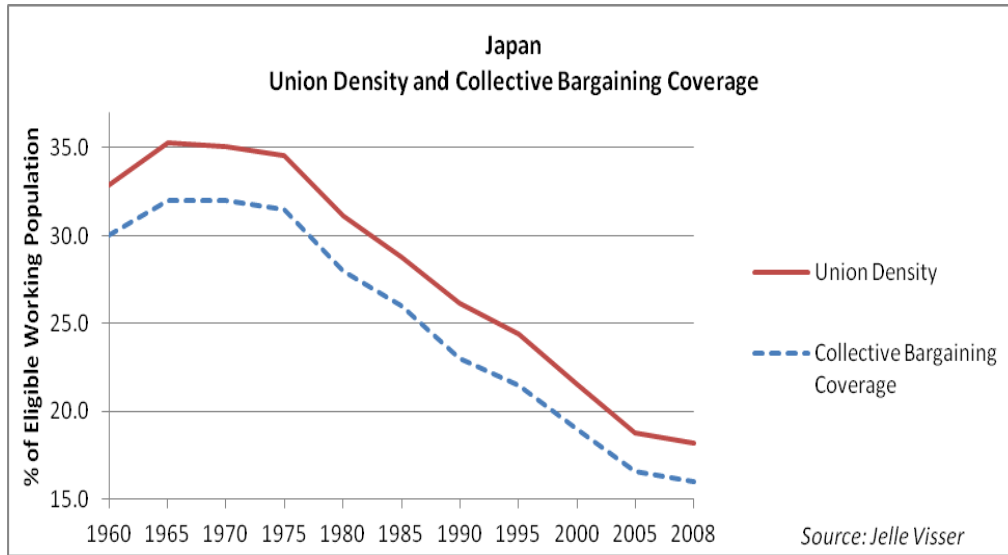


Figure A.30

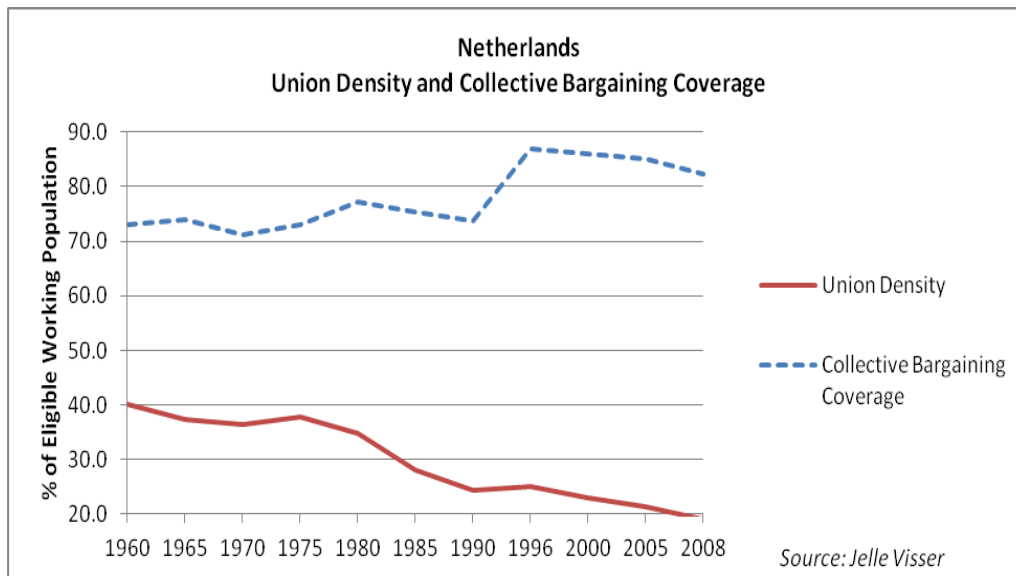


Figure A.31

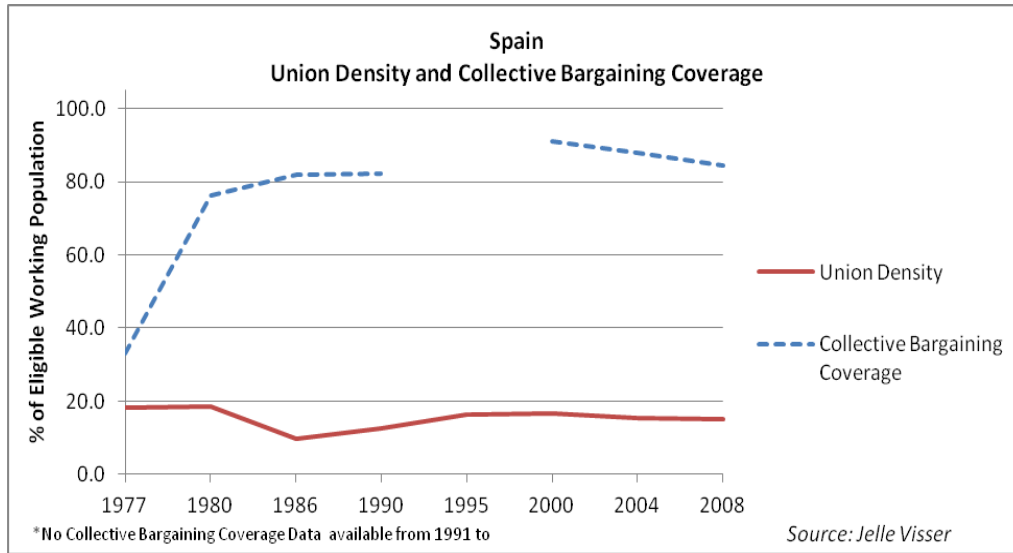


Figure A.32

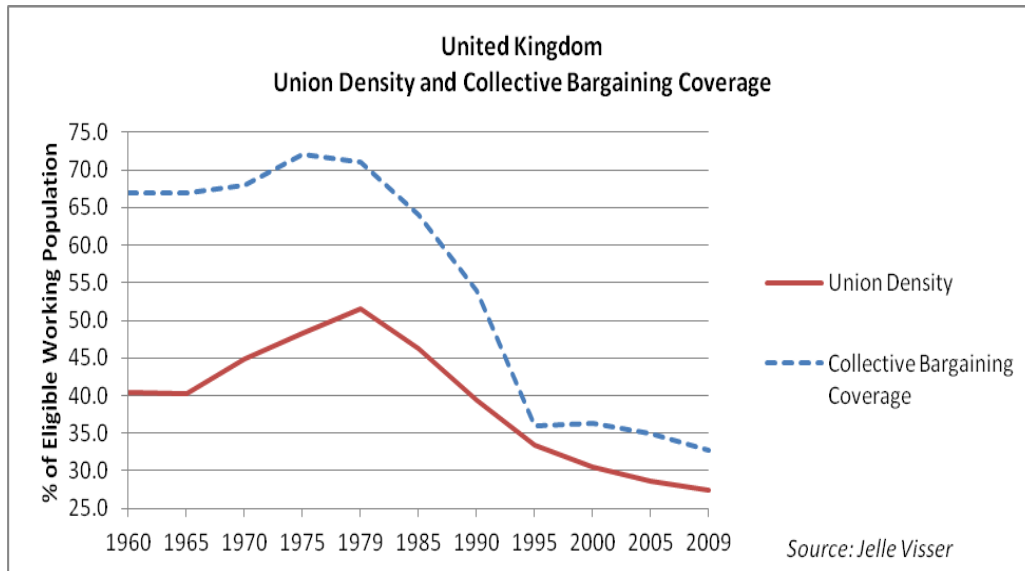
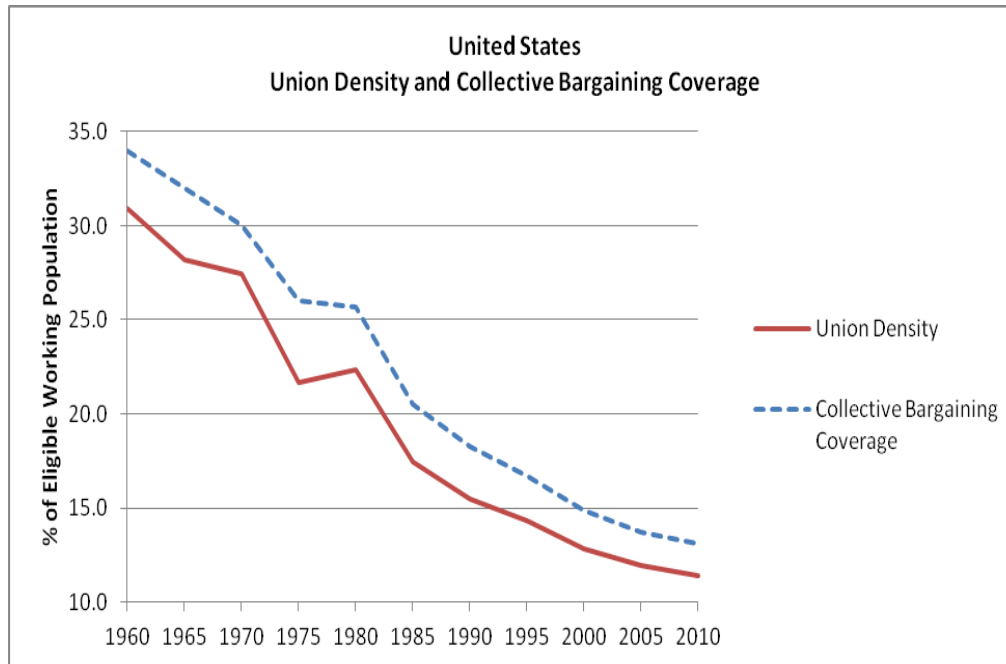


Figure A.33



It is unclear whether the trend in union density and collective bargaining coverage is a cause of, or a result of, the erosion of the standard contract of employment. There are several plausible stories one could tell. For example, one could argue that the decline of unions led to the decline in the standard contract of employment because weakened unions were unable to achieve or retain job security protection either in bargaining or the legislative arenas. Further, with unions declining, nonunion employers no longer feel obliged to offer their workers long-term employment in order to dissuade them from joining unions. On the other hand, one could understand the decline of unions to be a result of the decline in the standard contract of employment. As workers change jobs more frequently, employer-centered unions may seem less effective or important to one's career, so workers may be less likely to join. Alternatively, union density and collective bargaining may have declined because changes in modes of production and management techniques have eroded the conditions that fostered union solidarity in the era of the standard employment contract. Or, arguably the decline in the standard employment contract and the decline in union density are both attributable to neo-liberal, anti-union government policies that deregulated labor markets and repealed labor protective arrangements. These changes, in turn, are very likely related to the increasingly globalized nature of production and commerce.

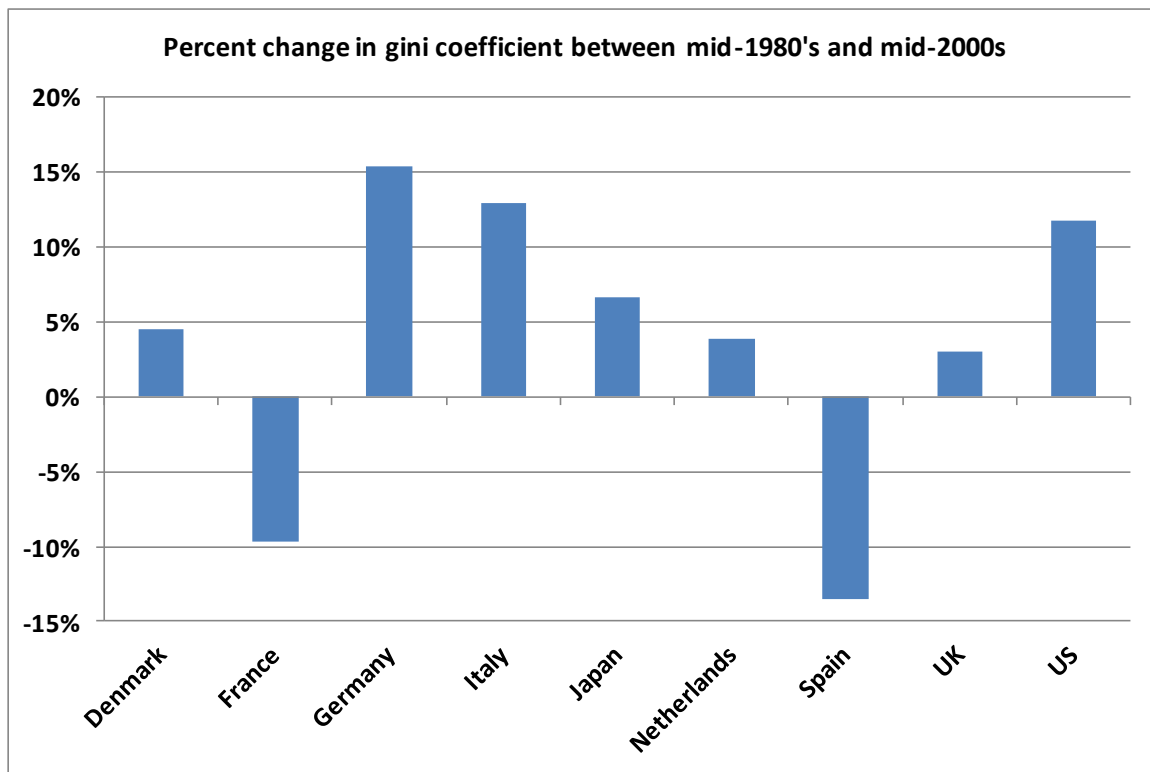
This is not the place to explore causal hypotheses. I have shown the parallel between the decline in the standard contract of employment and the decline of unions. Whatever the causal

explanation, the fact that these trends coincide in time suggests that the developments in global trade, production and economic arrangements over the past few decades have undermined many key features of the previous employment paradigm.

IV. The Rise of Income Inequality

Another trend in contemporary labor markets that has operated in parallel with the decline in the standard contract of employment and the decline of unions is an increase in income inequality. In most industrialized countries, the share of national income going to labor has been declining for the past two decades. Figure A.34 uses the Gini co-efficient as a measure of income inequality, and it shows an increasingly unequal distribution of income between the mid-1980s and the mid-2000s in all of the countries discussed, with the exception of France and Spain. The increases in Germany, Italy, and the United States have been considerable.

Figure A.34



Source: Compiled by author from OECD.stat.

The question of what has caused the increase in inequality is hotly debated amongst scholars and policy analysts (see e.g. Harrison, McLaren & McMillan 2011). Most economists attribute the increase in inequality to three factors – skill-biased technological change, globalization, and/or a decrease in employment protection and other equity-promoting

institutions (see e.g. Guscini 2006). One aspect of the decrease in employment protection is the decline in the standard contract of employment. While it is unlikely that the decline of the standard contract of employment is the sole or leading cause of rising inequality, it is likely a contributing factor. Nonunion and precarious workers are poorly situated to demand higher wages and benefits, and weak unions are unable to achieve equalizing legislative protections. Thus, as labor strength is eroded, workers receive a smaller share of their firms' gains.

Conclusion

To conclude, the data presented here document profound changes in labor markets in advanced industrialized countries over the past three decades. In the U.S. Japan, Canada, Australia, and many European countries, there has been a sizeable growth in several types of nonstandard employment and a decline in job tenure for men in their mid-career years. These developments illustrate what I mean when I speak of the decline of the standard contract of employment. In addition, the data show a decline in union density and collective bargaining coverage and an increase in income inequality in most of the countries studied. This result is suggestive of a causal relationship between changes in countries' employment practices and the deterioration of living and working standards for their working populations. Nonetheless, additional country-specific studies and further qualitative research would be immensely useful to fully explore and understand the social consequences of the demise of the standard contract of employment.

Notes

¹ There are innumerable sociological and journalistic accounts of the casualization of work in recent years. For a small sampling of books on the topic, see, Leah F. Vosko, *MANAGING THE MARGINS* (2010); Judy Fudge & Rosemary Owens, *PRECARIOUS WORK, WOMEN, AND THE NEW ECONOMY* (2006); Guy Standing, *THE PRECARIAT: THE NEW DANGEROUS CLASS* (2011); [Carole Thornley](#), [Steve Jefferys](#) & [Beatrice Appay](#), *GLOBALIZATION AND PRECARIOUS FORMS OF PRODUCTION AND EMPLOYMENT* (2010); Richard Sennett, *THE CORROSION OF CHARACTER* (1998); Chris Tilly, *HALF A JOB: BAD AND GOOD PART-TIME JOBS IN CHANGING LABOR MARKET* (1995); Andrew Ross, *NICE WORK IF YOU CAN GET IT: LIFE AND LABOR IN PRECARIOUS TIMES* (2010); Louis Uchitelle, *THE DISPOSABLE DREAM* (2005).

The literature in scholarly journals and the popular press is extensive, and includes A.S. Bronstein, *Temporary Work in Western Europe: Threat or Complement to Permanent Employment*, 130 *Int'l Lab. Rev.* 291 (1991);

² On the widespread nature of the standard contract of employment in advanced industrial countries in the 20th century, see, e.g., Iain Campbell & John Burgess, *Casual Employment in Australia and Temporary Employment in Europe: Developing a Cross-National Comparison*, *Work, Employment & Society*, 15:1:171-184 (2001). For a detailed discussion of the origin of that practice, its content and its implications, see Stone & Arthurs, *AFTER THE STANDARD CONTRACT OF EMPLOYMENT* (Russell Sage Foundation Press, 2013).

³ See, e.g.

⁴ See generally, Peter A. Hall & David Soskice, *VARIETIES OF CAPITALISM: THE INSTITUTIONAL FOUNDATIONS OF COMPARATIVE Advantage* (Oxford, 2011). For descriptions of regulatory systems in specific countries discussed, see Stone & Arthurs, *id.*

⁵ The German concept of “mini-job” is explained Thomas Haipeter, *Erosion, Exhaustion, or Renewal? New Forms of Collective Bargaining in Germany*, in Stone & Arthurs, *AFTER THE STANDARD CONTRACT OF EMPLOYMENT*, Chapter 7. The Japanese concept of “arbeiter” is explained in Keisuke Nakamura & Michio Nitta, *Organizing Non-Standard Workers in Japan: The Role of Old Players and New Players*, Stone & Arthurs, *AFTER THE STANDARD CONTRACT OF EMPLOYMENT*, Chapter 15.

⁶ For a useful discussion of the many forms of temporary work and the difficulties of measurement, see “Taking the Measure of Temporary Employment” in the OECD Employment Outlook, Chapter 3 (2002).

⁷ For a more detailed discussion of the at-will rule in the U.S., see Katherine V.W. Stone, *Revisiting the At-Will Employment Doctrine: Imposed Terms, Implied Terms, and the Normative World of the Workplace*, 36 (1) *Industrial Law Journal* 84-101 (2007). For a more detailed explanation of the standard contract of employment in the U.S., see Katherine V.W. Stone, *The Decline of the Standard Contract of Employment in the United States*, in Stone & Arthurs, *AFTER THE STANDARD CONTRACT OF EMPLOYMENT*, Chapter 4.

⁸ Sandra E. Gleason provides an overview of the attempts to measure contingent employment in the U.S. (Gleason 2006).

⁹ Here and throughout this appendix, when I present OECD data, I include data from these seven European countries whose labor practices are discussed in this book – Denmark, France, Germany, Italy, the Netherlands, Spain, and the U.K. Where OECD data includes Japan, Australia, Canada, and the U.S., I present that as well.

¹⁰ A summary of European laws on temporary employment can be found in *The EU Temp Trade: Temporary Agency Work Across the European Union* (Trades Union Congress 2005).

¹¹ A Department of Labor Longitudinal Survey found that in the United States, young men and women ages 18 to 24 had held an average of five jobs between 1998 and 2008. Of these, 56 percent had job durations of one year or less, 13 percent had job durations of one to two years, and only 9 percent had job durations of more than two years. (U.S. Dept. of Labor, BLS 2012).

¹² Figures A.10 – A.13 are the author’s compilation based on data from Bureau of Labor Statistics, Economic News Release, *Employee Tenure Summary* (September 18, 2012), *Employee Tenure in 2012*, Table 1. Median years of tenure with current employer for employed wage and salary workers by age and sex, selected years, 2002-2012, Available at <http://www.bls.gov/news.release/tenure.t01.htm>; Bureau of Labor Statistics, Employee Tenure News Release (September 26, 2008), *Employee Tenure In 2008*, Table 1. Median years of tenure with current employer for employed wage and salary workers by age and sex, selected years, 1996-2008, available at http://www.bls.gov/news.release/archives/tenure_09262008.htm; Bureau of Labor Statistics, Employee Tenure News Release (September 26, 2008), *Employee Tenure In 1998*, Table 1. Median years of tenure with current employer for employed wage and salary workers by age and sex, selected years 1983-98. Available at http://www.bls.gov/news.release/history/tenure_092498.txt.

¹³ Union density in Germany rose from 1960 until 1980, and then it began a steady decline that has persisted to this day (Visser).

¹⁴ For a good summary of these mechanisms, see, *Collective Bargaining: Levels and Coverage*,” in OECD Employment Outlook, Chapter 5 (OECD *Employment Outlook* 1994).

¹⁴ Figures A.23 – A.33 are compiled by author using data from Visser, Jelle 2009. *The ICTWSS Database: Database on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts in 34 countries between 1960 and 2007*.

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