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“Pathways to standard employment : not all the roads lead to Rome”

An analysis of the first seven years on the labour market for the Generation 98
school leavers in France

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Summary

The paper deals with young people integration into the labour market by using an original analysis of employment trajectories for school leavers in France during the late 90s.

Transition from school to work is usually defined as the time for young people to get access to standardised forms of employment, the transition period itself being characterised as a time for job search and matching. However, being one of the flows contributing to the renewal of the labour force on the labour market, young people specifically face the increase in flexible forms of employment.

Our analysis focuses on the job quality within youth trajectories involving three dimensions: the nature of the employment contract, the type of working time and the level of wage. Those three dimensions are used to set an “employment norm” considered here as a privileged destination for labour market entrants. We describe the different pathways according to the various employment patterns and assess the factors that lead to this employment norm.

Introduction

In this paper, we present a work in progress that aims to assess the impact of labour market flexibility on the integration of school leavers into the labour market in France using a longitudinal approach and an original measure of employment position.

Being one of the flows that contribute to the renewal of the labour force on the labour market, young people specifically face the rise of flexible forms of employment in France. Because young people are over-represented within the population of new comers into firms, the way they get access to job reflect the evolution towards more flexible employment practices. At a macro level, the fact that non-permanent jobs are becoming the new employment norm for young people entering the labour market refers to how companies recruit and manage this labour force (Detzel and Rubery, 2002; Lefresne, 2003).

The way a new entrants cohort progressively enters the labour market provides a more accurate picture of how flexibilisation impact the youth transition. The diffusion of flexible employment appear through the fact that, over the last two decades, each new generation entering the labour market faced a higher rate of employment under fixed-term contracts (Fondeur, Minni, 2006). As only one-third of young people enter their first job with a permanent contrat, recruitment on fixed term contract is becoming the standard for new entrants on the labour market. Fixed term contracts are still a very common status three years after entering the labour market: they concern one quarter of jobs for the working cohort as a whole, more than half of jobs for young people with no qualification and one third for school leavers with secondary qualifications (Marchal and al., 2004). Seven years after leaving school, permanent employment settled as the main status, it seems that experience on the labour market pays off in term of access to stable jobs and decrease in the risk of transition from employment to unemployment. The overall diagnosis is that the situation of young people on the labour market has worsened since the beginning of 2000s: the annual mobility out of non-permanent employment into permanent employment has slowed down, and inequalities amongst education levels in terms of access to employment have developed (Givord, 2006).

However, when looking at individuals' trajectories on the labour market, it appears that school leavers employment patterns are marked by an increasing and long lasting differentiation process. Amongst those young people out of school in 1998 and surveyed during the first seven years of working life, four patterns of trajectory appear : direct access or delayed access to open-ended contract for up to two-third of the cohort, persistent precarious employment for one out of five school leavers, and long lasting non-employment pattern for one out of eight school leavers (Cereq, 2007).

Building up on these results, we address in this paper the existing differentiations within the cohort integration process in terms of job quality, and we try to assess the factors that lead to an employment norm defined by the dimensions of employment contract, working time and wage level.

Theoretical background

The impact of labour market flexibility on the labour market entry process in France has been highly debated for at least the last three decades. One of the major issues is to know if job precarity for young people relates to an increasingly difficult transition from school to work or if it relates to a general trend toward more precarious jobs.

Transitions from school-to-work are specific moments in individual trajectories on labour markets ; they are also specific features of employment regimes related to the way employment systems integrate the flows of new comers on the labour market. Comparative research on youth transitions has put on the fore diversity in school-to-work transition patterns across countries. This diversity results from institutional arrangements that organise different pathways for young people entering the labour market and include educational institutions and their relatedness to the labour market, labour market regulation, social and labour market policies, family and gender relations (Ryan, 2001; Müller and Gangl, 2003; Van der Velden and Wolbers, 2003 ; Scherer, 2005 ; Wolbers, 2007). One of the less well known factors contributing to youth transition is however what can be considered as decisive in the termination of the transition time : companies policies and firm practices when it comes to recruit and retain young people.

Taking into consideration the functioning of employment systems, the integration process analysis has to deal with segmentation theories and the distinction between different segments on the labour market (external, internal, and occupational segments) which display specific labour market entry processes according to instituted linkages between educational and employment systems (Marsden, 1999; Rubery and Grimshaw, 2003). Thus, organisation of labour market segments is said to determine the entry ports for young workers, type of contract and education returns (Gangl, 2003). More generally, industrial relations participate in shaping the paths of youth entry into the labour market because they either directly (regulated integration in occupational labour markets) or indirectly (selective exclusion in internal labour markets) define the type of jobs, including status, skill and wage levels, that young people can apply for (Garonna and Ryan, 1989; Shavit , Müller , 1998 ; Müller and Gangl, 2003). At firm's level, the segmentation approach assumes that *“a set of structural characteristics in the economy leads to the segmentation of firms and at the same time, individuals are distributed among these segments in a non-random way that depends on the degree of congruence between their individual characteristics and the various segments of firms”* (Valette, 2007). Manpower management practices, skill distribution and work organisations determine the shape of the job queue in relation with economic positions of the firms on the various markets. The distribution of new entrants across sectors and the way they are allocated to jobs may also be decisive factors for the integration process.

At a micro individual level, theoretical matching models explain the use of temporary contract for testing the quality of the match between employer and young applicant, as part of a screening process firstly based on signals provided by educational qualifications (Jovanovic, 1979, Spence 1981). Taking into account the instituted nature of employment relationship, alternative explanations relate to the insider-outsider theory (Lindbeck and Snower, 1988) to support the analysis of youth integration into employment systems. Being new entrants, most of young workers have a typical position of outsiders for whom employment conditions depend on bargaining between insiders and employers.

The usual definition of transition from school to work in France refers to the progressive access to a stable job within the employment system. This specific approach probably relates to the (still) dominant presence of internal labour markets as a specificity of the French labour market. One of the effect of internal labour market is to generate job queues among entrants, with educational level determining the position of individuals in those queues in relation to the training cost to perform on a given job (Thurow, 1975). Those who do not integrate fully into internal labour market, are at risk of being locked into an erratic employment path with short employment duration and frequent transitions between unemployment, labour market programmes and employment.

From a methodological perspective, developments in longitudinal data and approaches enable to better represent the impact of flexibility on youth transition. For instance, the meaning of employment status may change according to the type of trajectory within which it occurs : permanent contracts can turn out to be extremely unstable and, conversely, fixed-term contracts can provide relative stability of employment. Longitudinal methods seem to be the only way of assessing the impact of flexibility on individual trajectories, to see whether temporary jobs are "springboards" corresponding to longer trial periods which later gives access to more stable trajectories, or whether they are "precarity traps", corresponding to new forms of employment leading to trajectories marked by instability, uncertainty and/or recurrent unemployment. Longitudinal methods also provide a more accurate picture of labour market segmentation through mobility patterns. Low wage jobs on fixed-term contracts can act as stepping stones for entry into internal labour markets when they are used as trial period and screening time by employers. They can also constitute a flexible segment, complementary to the "core" of the labour force, and be used as a pool for labour force renewal or expansion. Thus the nature of subsequent employment spells is informative of the type of occupational mobility within the integration process.

In the field of youth transition research, recent studies in France using longitudinal data have highlighted the diversity of stabilisation processes : the majority of a young entrants cohort get stabilised on permanent jobs within three years time, however an important part of the cohort enters an "atypical" stabilisation process in the case of trajectories shaped by sustained employment with limited access to permanent contract or frequent transitions between employment and unemployment (Lopez, 2004 ; Eckert, Mora, 2008). In order to complement existing research, our analysis develops a longitudinal approach of the job quality within youth trajectories. Job quality is here measured through three dimensions: the nature of the employment contract, the type of working time and the level of wage. Those three dimensions are used to define an "employment norm" at least in a statistical sense as it refers to the most frequent situation on the French labour market. We investigate the shape of labour market entry process by addressing two issues :

- how are labour market trajectories differentiated across a school leaver cohort when considering the distance to an employment norm?
- what types of trajectories lead or not to this employment norm, in a context where precarious jobs appear as a common stage for new entrants on the labour market ?

Data and Measures

Our analysis seeks first to enrich existing typologies of trajectories, and then to assess the factors leading to the employment norm. We use longitudinal data from the "Génération 98" Survey conducted by the Céreq and constituting a representative panel of French school leavers for the year 1998 (see box 1 for presentation).

Box 1 : The Generation 98 survey - 7 years of active life

The longitudinal data used are drawn from the *Génération 98* survey, issued by the French Center for research on qualifications (Céreq). It intends to allow analyses about the labour market paths of youngsters who all left the educational system in 1998, all educational levels and fields combined. A series of interviews were thus conducted in 2001, 2003 and then 2005 on a sample of 16 000 individuals out of 1998's 742 000 new entrants on the labour market. These interviews were based on questionnaires passed by phone, the response were automatically recorded on-line.

Apart from classical questioning about socio-demographical and biographical background, at each interview an "occupational calendar" was drawn so as to collect details of the respondent's situation month by month : employment, unemployment, inactivity... Notably, further inquiries were also made about each period of employment : type of employer, work contract, position, type of occupation, wages or whether it is a part-time or full-time job (and some their evolution) were recorded.

Main results out of this survey are available in Céreq (2007), some of them are downloadable on the website : <http://www.cereq.fr>.

To measure the quality of jobs over the integration process, we use a specific coding of the monthly situations of school leavers over their first seven years on the labour market (from 1998 to 2005). Once the trajectories are recoded, we perform data clustering to get a typology of trajectories.

Three dimensions are used to characterise the various employment situations :

- the type of the employment contract : we use the traditional distinction between open-ended contract versus fixed term contract.
- the nature of working time : we assume that job quality can also be assessed in terms of working time and in that respect, we oppose full-time and chosen part-time to involuntary part-time work.
- The level of wage is considered in relation with the average wage level for a given occupation and for the labour force aged 25-49 ; thus we decide to define as low wage jobs those jobs on which young entrants earn less than the average first quartile of wage of a given occupation.

As our focus is put on job quality, we do not differentiate across the various situations out of employment, coding "Z" all of them. Finally, we code the various employment situations in the following way :

	Correct wage (> Q1)	Low wage (< Q1)
Open ended contract	A	B
Fixed term contract	C	D
Involuntary part-time work	E	

The “A” situation is defined as the employment norm, being jobs on open-ended contract with chosen working time and a correct level of wage. The “B” situation differs from the norm in terms of wage level, the “C” situation refers to jobs on fixed term contract with correct wages and the “D” situation relates both to fixed term and low wage jobs. Finally, involuntary part-time situations, that are not numerous, are labelled as “E” situation regardless of the type of contract or wage level.

The distribution across employment situations at different times displays the progressive rise of the employment norm for new entrants in employment (table 1).

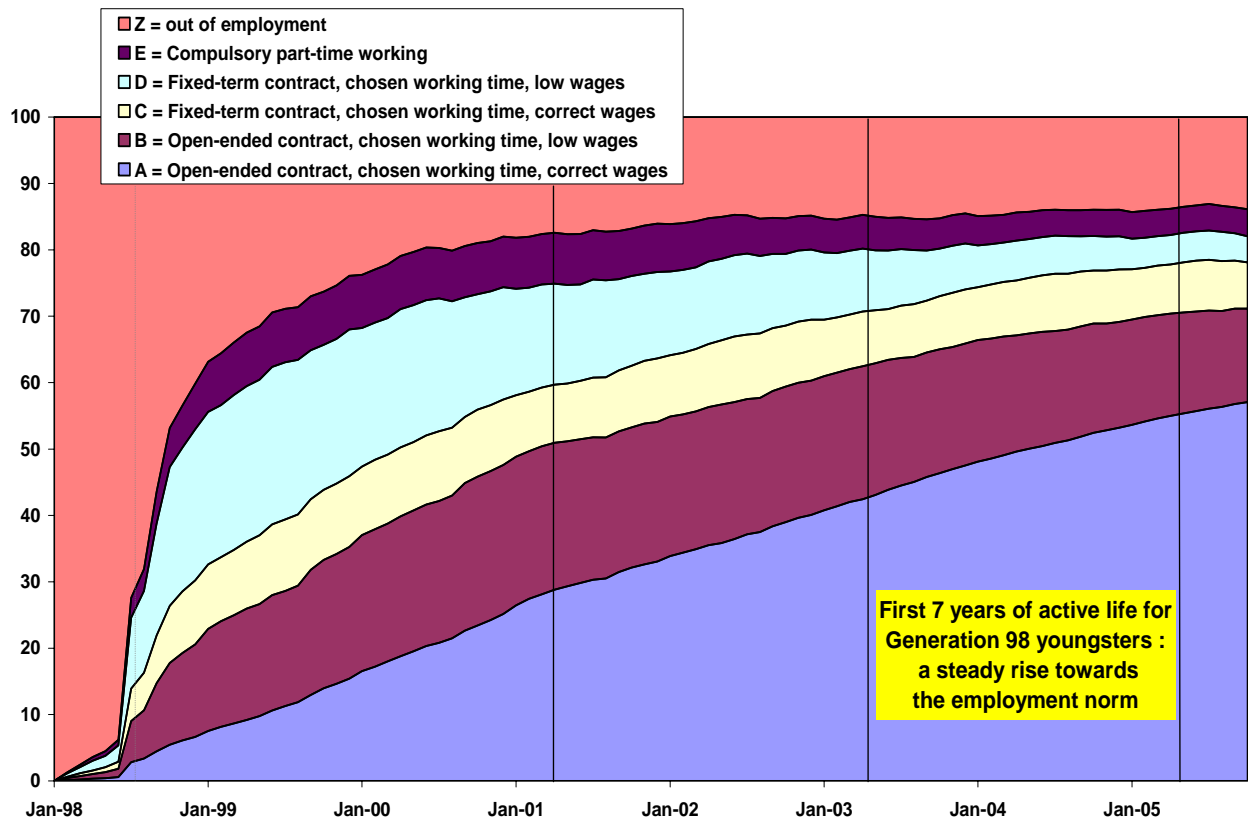
Table 1 : Distribution across employment situations

		distribution in march 1999 (~less than a year after entering the labour market)	distribution in march 2001	distribution in march 2003	distribution in march 2005
<i>Open-ended contract, chosen working time, correct wages</i>	A	14%	34%	49%	63%
<i>Open-ended contract, chosen working time, low wages</i>	B	24%	27%	24%	18%
<i>Fixed-term contract, chosen working time, correct wages</i>	C	15%	11%	10%	9%
<i>Fixed-term contract, chosen working time, low wages</i>	D	35%	19%	11%	5%
<i>Compulsory part-time working</i>	E	12%	9%	6%	5%
All employment situations		100%	100%	100%	100%

Source : Generation 98 Survey, Céreq.

A comparable assessment on the adult population (30-49) in employment using the 2005 national labour force survey leads to 72% of employment congruent to the norm (A), 15% to ‘B situations’ due to low wages, only 4% to ‘C situations’ due to fixed-term contracts, 3% to ‘D situations’ suffering of both low wages and fixed-term contracts and finally 6% of involuntary part-time working. When compared with the distribution of our cohort across the different employment situations in March 2005, there is a similar modal situation, the “A” norm, and the most noticeable difference refers to the share of the “C” situation, that is to say fixed term contract with correct wages. Thus, the new entrants are progressively catching up with the experienced labour force, however there is no evidence that this adjustment will get them to similar labour market positions, especially in what concerns the share of fixed-term employment.

Using the time scale, the graph below represents the way the distribution of these various situations evolves over the seven years for the whole cohort.



A typology of trajectories

A preliminary Factor Analysis (FA) is performed on the set of 16 000 individual trajectories (initially coded A to Z for each month, from January 1999 to October 2005). A hierarchical classification is then performed on the coordinates of the 53 first axes coming as a result of this FA and carrying over 90% of the initial total variance. Removing the last factors can help reducing the noise and produce a more robust clustering. The aspect of the cluster tree led us to propose a classification in 10 groups of new entrants' paths on the labour market.

Some of these groups share common features, namely a clear dominance over 7 years of one of the 6 possible states A to Z. So as to make a long story short, some of these will be described jointly here : the two groups gathering the trajectories mainly spent under the sign of C situations (Fixed term contract and correct wage), the two groups with trajectories under the sign of D situations (Fixed term contract and low wage) and the two groups with trajectories under the sign of E situations (unvoluntary part-time work) will only give way to three depictions.

The following part thus proposes a typology of French new entrant's trajectories on the labour market, in respect of their distance to the general norm of employment (combining open-ended contract, correct wage and chosen part-time or full time job). Graphs and tables on gender and education level distributions (tables A1 and A2) by group are provided in annex.

Group 1 : Rapid access to the norm

Nearly one quarter (24%) of the cohort gets a rapid access to the employment norm with little time in precarious and/or low paid jobs at the beginning of the road. This type of pathway is much more frequent for men than for women as two-third of this group are male entrants. More than half of this population qualified in higher education, more frequently post-graduates. However one out of five secondary school leavers belongs to this type of trajectories as well.

Group 2 : Delayed access to the norm

18% of the cohort displays a type of trajectory displaying long spells of low wage jobs yet mostly under stable contracts (situation “B”) during the first years on the labour market. Women are under represented though being less scarce than in group 1 ; school leavers with lower tertiary education level are over-represented and the share of vocational secondary school leavers is close to the average one.

Group 3 : Dominance of low wage jobs

Over the seven years, 13% of the cohort follow a road largely made of stable but low wage jobs. Female entrants are over represented in this group as well as tertiary education school leavers.

Group 4 : Dominance of fixed-term employment

Nearly 14% of these pathways remain away from stable employment during a long time. Some of them get access to the employment norm after 4 to 5 years on the labour market, others never reach it, being however fully integrated into employment. This type of trajectories mainly concerns male entrants who left school with no qualification or vocational secondary certifications. However, one quarter of this population qualified out of higher education.

Group 5 : Dominance of fixed-term and low wage jobs

13% of the school leavers get stuck in unstable and low paid jobs with difficulty to access jobs for some of them. Female entrants are over-represented within this type of pathways as well as upper secondary school leavers. However, on third of this population is qualified out of higher education.

Group 6 : Significant involuntary part-time work

9% of the cohort know a long way of involuntary part-time jobs, predominantly female school leavers out of the lower secondary school. Nevertheless, higher education level accounts for one quarter of the group.

Group 7 : Difficult or irregular access to employment

9% of the cohort displays trajectories with scarce periods of employment and a high rate of non employment along the seven years on the labour market. That population is predominantly a female one and gathers more than one third of the school leavers with no qualification.

This typology displays existing differentiations within the integration process of a school leavers cohort. More particularly, it reveals how the measure of job quality in relation to a norm of “valuable employment” provides a representation of distinct groups of trajectories. In comparison with the overall progression of the cohort towards the employment norm (graph 1), a first polarisation clearly arises between one quarter of the cohort that rapidly access the

norm (group 1) and one out of ten school leavers who hardly accesses employment over the period of time (group 7). In between those two groups, two thirds of the pathways are durably cursed with precarious employment (fixed term, low wage, involuntary part-time) with a late and/or limited access to the employment norm.

Differences between groups are clear in what concerns the share of women (see table in appendix). More than half of the female school leavers enter precarious trajectories (group 4 to group 7) and one-third of them get a rapid or delayed access to the employment norm (group 1 and 2) whereas that is the case for half of the male school leavers. Does this mean that being a young woman on the French labour market strongly reduces the chances of accessing good quality jobs ? Or is this related to differences in education paths or type of employment sectors between male and female school leavers ? These issues are to be addressed in an analysis of these dimensions segmented by gender.

Education levels distribution are also differentiated across the groups (see table in appendix). Yet, an interesting feature about the effect of education on the integration process is that not being qualified out of the tertiary education does not completely impair one's chance to access rapidly and securely good quality employment while being qualified out of the tertiary education does not prevent from precarious trajectories.

Finally, the longitudinal approach shows that there are various paths leading to the employment norm. Being on the "B" situation in March 2001 can lead to reach the employment norm if one belongs to group 2 or to stay in situation "B" if one belongs to group 3. Similar statements are made when considering the two classes of trajectories that are gathered in group 4, group 5 and group 6. These descriptive results question the timing of the integration process and the extent of path dependency effects within trajectories.

The next step is an on-going probabilistic analysis that aims to evaluate how individual attributes and characteristics of labour market trajectories impact on the likelihood to reach the employment norm at various stages of the integration process.

What are the determinants of the access to the employment norm ?

For this paper, we designed two distinct logistic models. A first model assesses the probability to get a good job after three years on the labour market, a second model assesses the same probability after seven years on the labour market, taking into account the situation after three years.

Independent variables are defined as follows. The models include the difference between male and female school leavers. Level of education concerns the highest level of education successfully completed when leaving initial education. Six levels are distinguished : 1) no qualification ; 2) lower secondary vocational education; 3) upper secondary education (baccalaureat); 4) lower tertiary education; 5) middle tertiary education (licence); 6) upper tertiary education. In relation to the vocational versus general distinction, two variables are used : being trained in apprenticeship, and being trained in vocational fields.

The time to access to a first job¹ and the number of employment changes over a period of time (three years in the first model, seven years in the second model) are taken into account as indicators of the integration process.

Finally, the time spent in employment in the various sectors is calculated for each individual

¹ Holiday jobs are not taken into account.

using monthly situations. An independent variable is then built that informs about the main sector over the employment trajectory, whether considered on the three first years (first model) or on the seven first years (second model).

Accessing the employment norm after three years on the labour market

In the first logit model, the dependant variable is being on an “A” situation in March 2001. Thus we estimate the probability of accessing the employment norm roughly three years after having left the education system.

The results show first that the gender variable has a strong and negative impact on the probability of situation “A”. Female school leavers suffer from a clear disadvantage in getting access to the employment norm after few years on the labour market. Levels of education have also a strong impact, school leavers with no qualification or out of vocational secondary education being less likely to access the employment norm than those with upper secondary and tertiary qualifications. The type of education, vocational versus general, has no impact whereas apprenticeship provides a significant advantage of getting a good job.

In relation to labour market mobility, it appears that the longer school leavers had to wait before entering a first significant job, the lower the probability they access a good job. Moreover, the number of employment changes plays in the same direction.

Finally, the findings display that the main sector of employment has a significant impact on accessing a good quality job after few years. Thus being employed in manufacturing (except consumption goods), the building industry, transport, business services, financial and real estate sector as well as health and social work, provides a clear advantage in comparison with being employed in wholesale and retail sectors. At the opposite, personal services, education and public administration are sectors that lead less frequently to the employment norm than wholesale and retail sectors. This last result is not so surprising when one takes into account the development of precarious employment at the periphery of the civil servant status. More particularly for young entrants, the late 90s were marked by the development of a specific labour market programme called “Nouveaux Services Emploi Jeunes” for young people to enter public services on the basis of five year contracts.

A multinomial logit model has been tested to estimate the probability of being in the various situations “A” to “Z” in March 2001. As the results display similar effects for most of the independent variables, we present the logit model results in order to put it simply. However, in relation to the impact of employment sectors, it is noticeable that they do not play the same role regarding the chances of accessing to the various situations of employment. For instance, everything else being equal, the likelihood of “C” situation rather than “A” situation is higher in manufacturing sectors than in the retail sector whereas the likelihood of “B” situation rather than “A” situation is lower. This result relates to the heavy use of temporary jobs for recruiting young people in manufacturing, thus providing them with non permanent but well paid jobs. Being employed in public administration enhances the chance to get a “D” situation rather than “A” situation and decrease the chance to get a “B” situation rather than “A” situation in comparison with the retail sector. The only sectors where the chance to be in “B” situation rather than “A” is higher than in the retail sector, are personal services and education. Being employed in those two sectors actually increase the probability of other situations than A except for the “C” situation.

It is then difficult to really oppose the various sectors in relation to the way they impact the access to the different employment situations. Moreover, the model would profitably integrate variables related to socio-economic positions within the various sectors as labour market segments are also differentiated across occupational groups.

Table 2 : Results of logistic model of accessing the employment norm after 3 years on the labour market

(School leavers from the Génération 98 survey, having at least one employment spell between January 98 and march 2001)

Being on an 'A' situation 3 years after having left school	Logit Estimates		Std Error	Odds ratio
Constant	-0,23		0,07	
Female	-0,63	***	0,04	0,53
<i>Education level (ref. baccalaureat)</i>				
No qualification	-0,58	***	0,07	0,56
Lower secondary vocational	-0,31	**	0,10	0,73
Lower tertiary	0,55	***	0,09	1,73
Middle tertiary	0,56	***	0,08	1,75
Upper tertiary	0,91	***	0,08	2,50
Apprenticeship	0,29	***	0,05	1,33
Vocational training	-0,02		0,08	0,99
<i>Time to first job (ref : less than 6months)</i>				
6 months to 1 year	-0,72	***	0,07	0,49
More than 1 year	-1,24	***	0,09	0,29
<i>Number of employment changes (ref: no change)</i>				
One	-0,59	***	0,04	0,55
More than one	-1,09	***	0,05	0,34
<i>Main sector over the first 3 years (ref : wholesale&retail)</i>				
Consumption goods	0,17		0,08	1,19
Manufacturing	0,34	***	0,07	1,40
Building	0,40	***	0,09	1,49
Finance, real estate and business services	0,37	***	0,08	1,45
Transport	0,47	***	0,09	1,60
Personal services	-0,51	***	0,10	0,60
Education	-1,19	***	0,10	0,30
Health & social work	0,32	***	0,07	1,38
Public administration	-0,41	***	0,09	0,66

Source : Génération 98 survey, Céreq.

Accessing the employment norm after 7 years on the labour market

The second estimation uses a probit model to measure the probability to be in situation “A” (employment norm) in October 2005 for those who were not in this situation in March 2001 (that concerns more than 10 000 individuals in our panel). In this model, we introduce as a

independent variable the situation in March 2001 (“B” to “Z”) to see how it intervenes in the likelihood of reaching the employment norm².

Following the descriptive results of the typology, one would expect that being far from the employment norm after three years has a strong but however not determinant influence on getting to a good job after seven years.

The results display an important correlation between labour market situations at 3 years and the one at 7 years. Being in situation “C” displays very little difference than being in situation “B” on the probability to reach an “A” position four years later. These two types of positions, either being on stable job with relatively low wage (B) or being on unstable job with correct wage (C), give better prospects than others regarding one’s chance to get an “A” employment afterwards. Being on a “D” situation (combining low wages and unstable status) impairs it notably. Being employed on a “E” situation appears even slightly more negative a predictor. Not quite surprisingly, being unemployed at three years remains the worst predictor.

The model shows however that others factors, such as gender, education levels, and labour market mobility, have also a strong impact on the likelihood of getting to the employment norm for those new entrants who have not achieved to reach it after three years.

Beyond effects already highlighted in the previous model for the situation at three years, being a woman as well as being low qualified decrease the probability to reach the “A” situation. These individual attributes have apparent cumulative effects at each stage of the trajectory for maintaining people out of the employment norm. The same can be said about the first steps on the labour market. The time of access to first job still has an impact and the harder it was to find a first job, the lower the chance to reach the employment norm later. It seems that insecure first steps on the labour market are predictive of difficulties to find the right tracks. Concerning labour market mobility, everything being equal, the higher the number of employment changes, the lower the probability to reach the employment norm. Finally, first steps and further moves in individual pathways seem to participate in shaping the trajectory at early stages and in a continuous way.

The effects of the main employment sectors over the first seven years remain significant for the access to the employment norm. Three groups of sectors appear. Those who spent most of their employment time in manufacturing industries and high skilled services are not more likely to access the “A” situation than those who were in the retail sector. This result differ from the first model and we may assume that stabilisation within these sectors occurs preferably in the beginning of the trajectory. Being mainly employed in the building industry, transport and health sectors is more favourable than being in the retail sector for accessing the employment norm. These sectors may develop a progressive integration of new entrants. At the opposite, personal services, education and public administration still have a negative impact on the access to the employment norm. The reasons may differ across these three types of activity. It is quite well known that personal service sector develops low paid and bad quality jobs. Concerning education and public administration, the hypothesis could be related to the functioning of public services in France. Access to the civil servant status is provided by tests and exams that are usually applied for just after leaving school. For youngsters who are not getting into a “A” situation rapidly, public services often provide precarious status with lower wage or slower wage progression than the ones related to employment situation on civil servant status.

² Other models were tested on the whole population, i.e. including those who were in situation “A” after three years, and the results are comparable to the estimates we present here that focus on the determinants of late access to the employment norm.

Table 3 : Results of probit model of accessing the employment norm after seven years on the labour market

Being on an 'A' situation 7 years after having left school - excluding youngsters who were already in 'A' 3 years after having left school	Logit Estimates		Std Error	Odds ratio
Constant	0,89		0,08	
<i>Situation after 3 years (ref : B, low wages)</i>				
Being on C after 3 years	-0,13	*	0,07	0,87
Being on D after 3 years	-0,47	***	0,06	0,63
Being on E after 3 years	-0,58	***	0,07	0,56
Being on Z after 3 years	-0,70	***	0,07	0,50
Female	-0,53	***	0,05	0,59
<i>Education level (ref. baccalaureat)</i>				
No qualification	-0,46	***	0,07	0,63
Lower secondary vocational	-0,27	*	0,11	0,77
Lower tertiary	0,28	**	0,10	1,32
Middle tertiary	0,21	**	0,08	1,24
Upper tertiary	0,44	***	0,10	1,55
Apprenticeship	0,23	***	0,06	1,26
Vocational training	0,09		0,09	1,09
<i>Time to first job (ref : less than 6months)</i>				
6 months to 1 year	-0,26	***	0,07	0,77
More than 1 year	-0,65	***	0,07	0,52
<i>Number of employment changes (ref: one change)</i>				
Zero	0,11		0,07	1,12
Two	-0,12	*	0,06	0,88
More than two	-0,56	***		0,57
<i>Main sector over the first 7 years (ref : wholesale&retail)</i>				
Consumption goods	-0,02		0,09	0,98
Manufacturing	0,15	*	0,08	1,16
Building	0,38	***	0,10	1,46
Finance, real estate and business services	0,10		0,09	1,10
Transport	0,42	***	0,10	1,53
Personal services	-0,66	***	0,10	0,52
Education	-0,85	***	0,09	0,43
Health & social work	0,45	***	0,08	1,56
Public administration	-0,23	**	0,09	0,80

Perspectives

Presenting a work in progress, this paper raises several issues in the way to depict and analyse the impact of flexibility on youth transition.

Longitudinal data for the 1998 school leavers in France provides a very rich picture of new entrants trajectories. Focusing on the job quality, we specified dominant pathways through the typology of trajectories. An interesting feature of this descriptive work is to clearly identify different pathways leading or not to “valuable” employment. We thus identify groups of new entrants who are the most vulnerable to flexible and low quality employment patterns. Women are particularly at risk to get engaged in difficult tracks with non-permanent, low wage and/or involuntary part-time work. A further analysis could provide insights on the respective impact of education paths, firms manpower management or discrimination effects explaining this specific allocation of young women. Low qualified new entrants are also polarised in precarious trajectories, however not being excluded from good quality pathways. A further analysis would be here to examine more into details the differences across a given level of education to identify determinant factors of belonging to one type of trajectory or another³. A multiplicity of dimensions, related to working life as well as to personal attributes (ethnic and socio-origin, education paths, geographical location...) could be valuably taken into account.

The probabilistic models proposed have a number of limitations. First of all, a more detailed analysis request to take into consideration the occupational positions that young entrants reach, knowing that frequent occupational moves occurred in the first years on the labour market, especially through re-skilling process. This feature may be reflected by the moves from “B” to “A” employment situations as the difference between the two status relies on the wage level for a given occupational position. Secondly, we intend to “embed” the two models in a bi-probit model that would estimate the likelihood of the “A” situation depending on the situation at three years. This type of model would enable us to test the hypothesis of path dependency effects within trajectories that is partly illustrated through the typology.

Finally, the analysis reveals the different effects of employment sector on the likelihood to access good quality employment. This result contributes to reinforce the interest for a finer characterisation of labour market segmentation impacts. In this perspective, a first step would be to introduce a cross combination of occupations and sectors and to focus on occupational mobility in order to identify specific labour market segments. This could help to diagnose the way economic crisis would impact new entrants positions on the labour market and then to specify the appropriate measures to be taken in terms of labour market policies.

Over the last three decades, the French labour market has witnessed a job polarisation between good and bad jobs (ERM Report 2008), and the emergence of a new labour market segmentation with the concomitant development of an “internalised” secondary segment of permanent low quality jobs and an “upper” primary segment for highest occupational skilled jobs (Valette, 2007). The impact of these recent trends on the integration process of new entrants has to be documented more thoroughly.

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Annexes

Table A1 : Distribution by gender

	Share of women	Distribution of Women	Overall distribution
1-Rapid access to the norm	35	18	24
2- Delayed access to the norm	42	16	18
3- Dominance of low wage jobs	53	14	13
4- Dominance of fixed-term	38	11	14
5- Dominance of fixed-term and low	58	15	13
6- Significant involuntary part-time	76	14	9
7- Difficult or irregular access to	64	12	9
Total	48	100	100

Source : Generation 98 Survey, Cereq, N = 16 040 individuals.

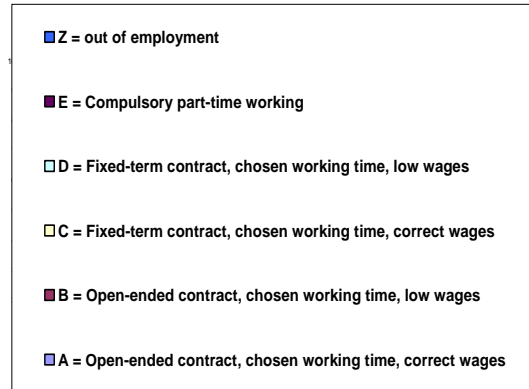
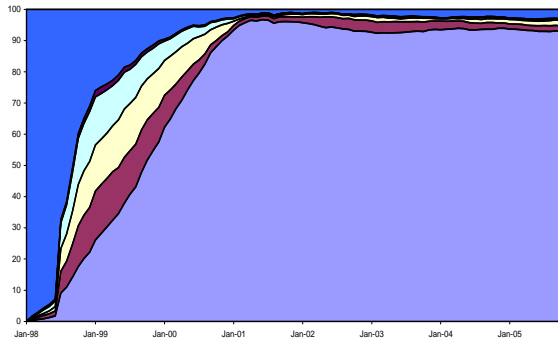
Table A2 : Distribution by levels of education

	No qualification	Lower secondary vocational	Upper secondary	Lower tertiary	Middle tertiary	Upper tertiary	Total
1-Rapid access to the norm	10	14	22	26	11	18	100
2- Delayed access to the norm	13	18	24	23	11	12	100
3- Dominance of low wage jobs	12	15	26	22	18	7	100
4- Dominance of fixed-term employment	29	23	24	14	6	4	100
5- Dominance of fixed-term and low wage jobs	17	14	37	17	11	4	100
6- Significant involuntary part-time work	22	24	27	14	9	4	100
7- Difficult or irregular access to employment	35	20	28	9	5	3	100
Overall distribution	18	17	26	19	10	9	

Source : Generation 98 Survey, Cereq, N=16 040.

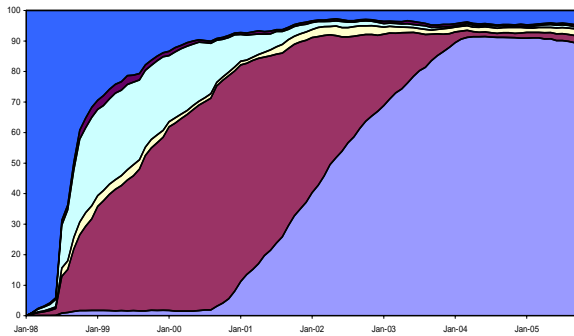
Group 1, rapid access to the norm :

class 1 : 24% of trajectories



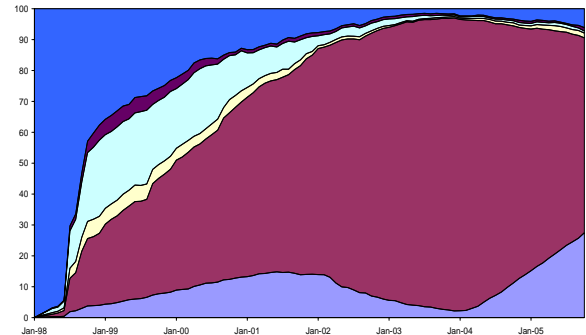
Group 2, delayed access to the norm :

class 2 : 18% of trajectories



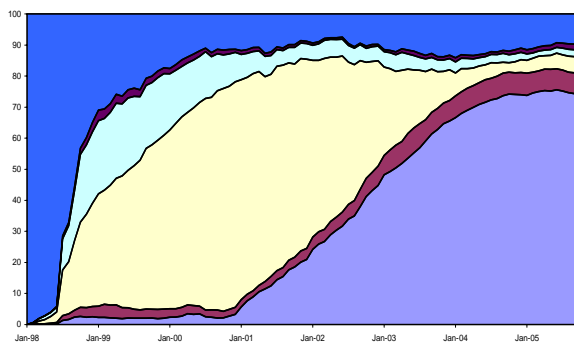
Group 3, dominance of low wages jobs :

class 3 : 13% of trajectories

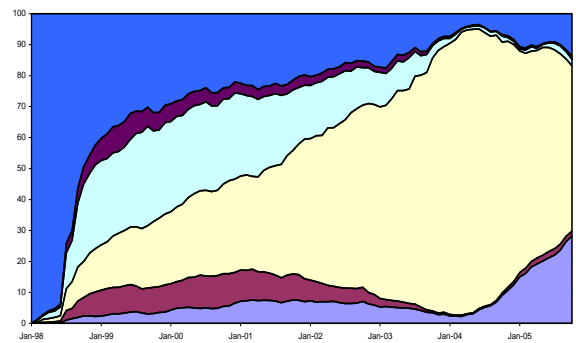


Group 4, Dominance of fixed term employment :

class 8 : 8% of trajectories

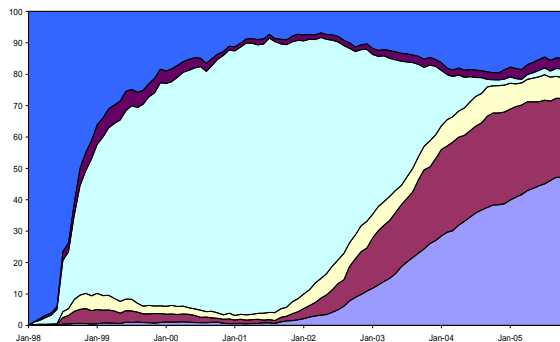


class 10 : 6% of trajectories

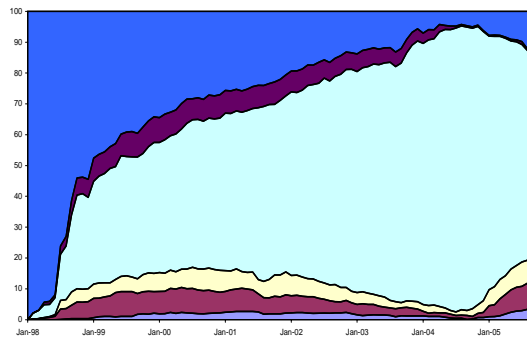


Group 5, dominance of fixed term and low wage jobs :

class 9 : 9% of trajectories

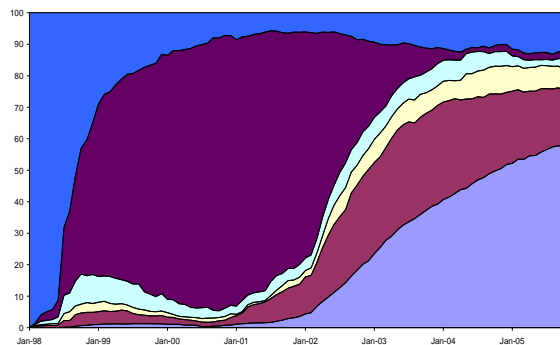


class 5 : 4% of trajectories

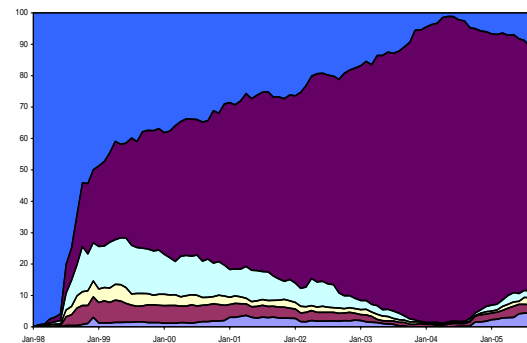


Group 6, significant involuntary part-time working :

class 7 : 6% of trajectories



class 6 : 3% of trajectories



Group 7, difficult or irregular access to employment :

class 4 : 9% of trajectories

