

Who is in temporary employment?

A study of the profile and evolution of temporary workers in Belgium (1999-2018).

- Ellen Quintelier -

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Ellen Quintelier²

¹ The author would like to thank Koen Hendrickx (Federal Planning Bureau), Nele De Cuyper (KU Leuven), the review committee of the analyses of Statbel and LFS colleagues for their feedback on earlier versions of this article.

² Statistician at Statbel (General Directorate of Statistics - Statistics Belgium)

ABSTRACT

In this analysis, we examine the profile of employees with temporary work. Temporary workers have a temporary job, with or without a contract. This is the employment in the main job and we will limit our analysis to employees, i.e. excluding the self-employed. We sketch a profile of employees with temporary work based on the Labour Force Survey carried out by Statbel. This survey measures the number of employed, unemployed and inactive people according to internationally comparable definitions, together with the characteristics of these groups. These data make it possible to outline the characteristics of temporary workers over a period of 20 years.

Approximately 1 in 10 employees indicate that they have temporary work. The most common form of temporary work is through a fixed-term contract. Compared to other European countries, this number is quite low, except for 15-24 year olds, where we are among the countries at the top of the list. Temporary work is more common among women, young people, students and people without Belgian nationality. Temporary workers are also more likely to have part-time contracts, work in blue-collar jobs, and have been with their current employer for less than a year.

The analysis then shows that temporary work was most common 20 years ago (in 1999) and then declined until 2010-2011. In recent years, temporary work has become more popular, but not to the level of 1999. However, there are certain groups where temporary work is more common today: workers who have recently entered the labour market, such as young people, students and workers who concluded an employment contract last year. Furthermore, temporary contracts are also more common among in blue-collar jobs, non-Europeans and low-skilled people. Of those in temporary work, a large proportion are still active on the labour market a year later. Nonetheless, these workers often remain in a temporary job status.

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1. INTRODUCTION

The Labour Force Survey (LFS) is a household survey that measures the number of employed, unemployed and inactive people according to internationally comparable definitions, together with the characteristics of these groups. This survey is also carried out in the other EU Member States and is coordinated by the Statistical Service of the European Union, Eurostat. Since 1999, Statbel, the Belgian statistical office, has been surveying every year more than 80,000 people aged 15 and over using a representative sample. The results of this survey yield various important labour market indicators, such as the quarterly and annual figures on the employment and unemployment rates in Belgium and the regions. These data also make it possible to study certain characteristics of people in work, for example those on temporary contracts. Indeed, the LFS has an extensive set of data on permanent and temporary workers. On the basis of these LFS data, the analyses below attempt to provide an answer to the question of the profile of temporary workers and the evolution of temporary work in Belgium. We compare the figures of the wage earners with temporary and permanent work, excluding the self-employed. The focus is always on employment in the main job, not in any second job. All the analyses are also restricted to the 15 to 64 age group, which equates to the working age population. Despite the retirement age of 65 and the forthcoming extension of the latter to 67, most statistics to date are calculated up to 64 years³.

In this analysis we will first look at the differences we find in temporary work for different groups within the Belgian population in 2018 and where Belgium is situated in comparison with other European countries. Next, we go deeper into the trends over time: 'Was there an evolution in temporary work between 1999 and 2018' and 'Was there a conspicuous evolution for specific groups'? In addition, we look at a number of evolutions based on the longitudinal nature of the data and examine whether there are evolutions over time among the same respondents: is someone who states that they are temporarily employed still working in a temporary job one year later? (whether or not via a new temporary contract), do they have a permanent contract or are they (temporarily) inactive on the labour market? We will only carry out this last analysis for 2017 and 2018 because the panel survey was only introduced in the LFS in 2017. Finally, we will briefly discuss the impact of the 2017 reform on the results with regard to temporary work.

2. DATA

To examine the evolution of temporary work and the profile of temporary workers, we use data from the Labour Force Survey (LFS). We have 20 years of LFS data with surveying spread over all weeks of the year and an identical question for temporary work (1999-2018). This data set does however contain a methodological rupture in 2017: at the time the LFS was converted into a panel survey, mixed-mode data collection was introduced and the weighing method was adjusted⁴. Despite this rupture in 2017, these data are the most suitable source to determine whether there has been an increase in the number of people temporarily employed in Belgium, and what profile these people have. The advantage of the LFS data is that this survey uses a harmonised questionnaire and methodology and is therefore also conducted in other European countries. We can therefore also compare Belgium's results at European level (Eurostat, Labour Force Survey (LFS)). Statbel, the Belgian statistics office, is responsible for the Belgian component of the LFS.

In the literature, temporary work is characterised by fixed-term employment for an employer (under their supervision). However, this supervision may differ for different types of temporary work. For example, agency workers are not employed at the temporary employment agency, but at the clients workplace. Self-employment is not included in most definitions, and we do not include it in this analysis either. Temporary work was surveyed as follows (translated): 'Do you have (1) permanent work, such as an employment contract for an indefinite period of time or a statutory position, or (2) temporary work?'

It is therefore not only people who work through an temporary employment agency, but also people who work under service vouchers, work as a LEA employee, work in the context of an apprenticeship or work placement contract, student work with a student contract, a fixed-term contract or for specific work, another fixed-term contract and/or occasional work without a formal employment contract. This analysis therefore includes temporary work, not necessarily through a contract (although the terms are sometimes used interchangeably in this analysis). We also examine whether flexibilization (such as in evening work, night work, shift work, Saturday and/or Sunday work) occurs more often in the case of temporary workers.

³ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Employment_statistics.

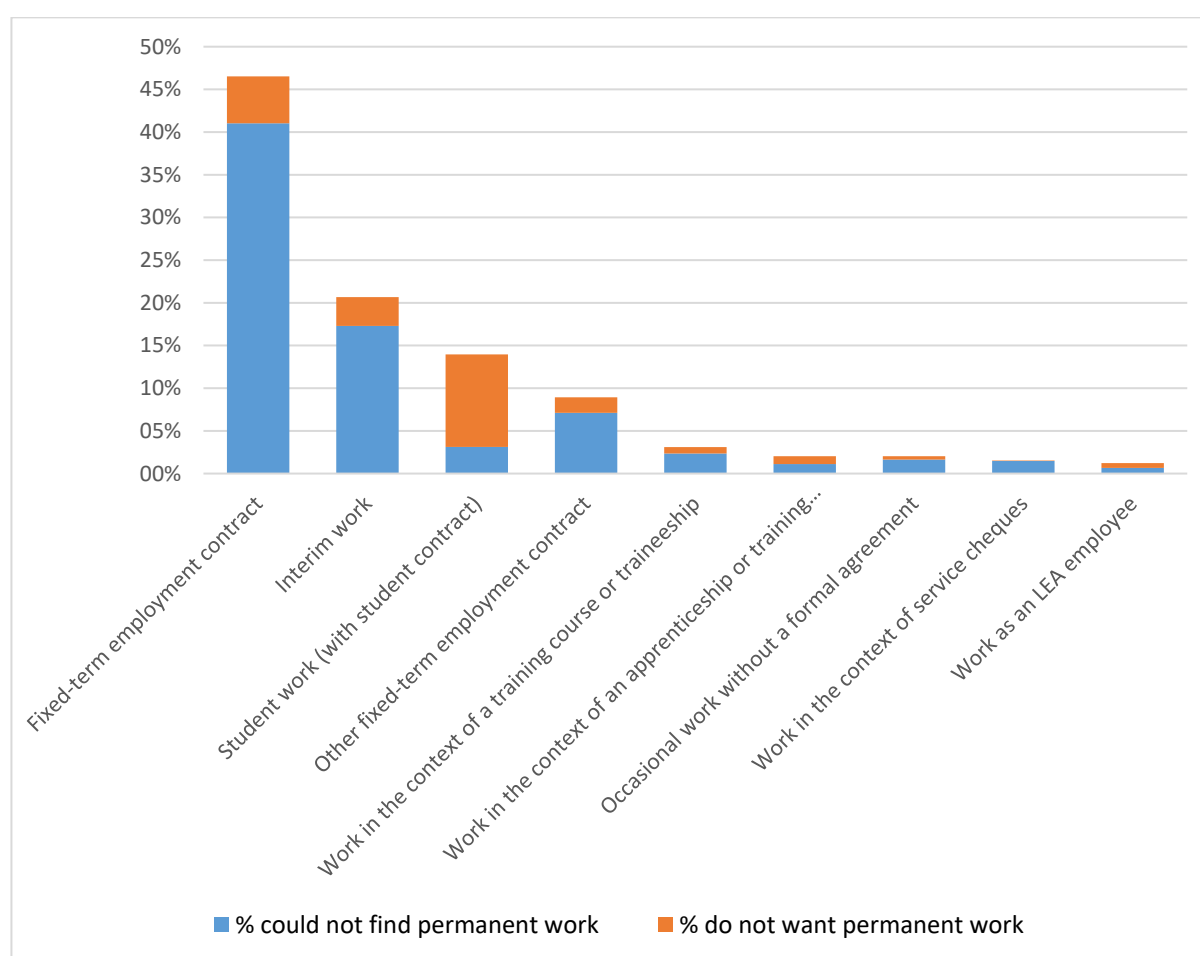
⁴ Termote A. & Depickere, A. (2018) *The reformed Labour Force Survey in 2017*. Statbel, Brussels.

3. PROFILE OF TEMPORARY WORKERS IN 2018

Of the employed 15- to 64-year-olds in Belgium, almost one in ten state that they have temporary work (10.7%), i.e. 435,000 people. Most of them work temporarily because they have a contract with a specific duration or for specific work (46.5%). 20.7% work as agency workers; 14.0% work with a student contract; 8.9% with another fixed-term contract. Other contracts each account for less than 5% (service vouchers, LEA employees, combination of work and study (e.g. apprenticeship contract), occasional work, others) (See Figure 1).

For most people, temporary work is not a choice. Asked why they accepted temporary work, four fifths (78.3%) indicated that they could not find a permanent job. 21.7% indicated that they did not want a permanent job. However, these are primarily students: only 22.3% of working students indicate that they work on a temporary contract when they would actually prefer a permanent contract.

Figure 1. Types of temporary work



Below, we will examine in more detail who has temporary work. We present these figures in Table 1. The younger the population, the more they work with temporary contracts: 46.8% of 15 to 24-year-olds have a temporary contract. This is because there are many working students in this age group and young people with a first (temporary) job. If we disregard the student contracts, 34.5% of young people are still employed on temporary contracts.

54.4% of students indicate that they have temporary work, and this rises to 81.7% of working students during the holidays. If we look at the group that is 5 years older - the 25- to 29-year-olds - only 19.7% still work temporarily. For the wider group of 25 to 49 year olds, 9.5% work with a temporary contract. Among 50 to 64 year olds, only 3.8% still work with a temporary contract. As people get older, the likelihood of temporary work therefore quickly decreases. This is a finding that is repeatedly confirmed in Belgian labour market studies: high mobility at a young age (which is often reflected in temporary contracts) and very limited mobility at a later age. This is mainly due to working students and starting employees who more often have a temporary contract. There are slightly more temporary workers in Brussels and Wallonia than in Flanders.

Few people state that they have been employed on the same temporary contract for more than 3 years: 5.8% of those with a temporary contract have already had it for 3 years; for 69.6% it is between 1 and 3 years; for 24.6% it is less than 1 year⁵. We also see that new contracts (concluded less than a year ago) are temporary in 45.7% of cases, while of the contracts that have been in force for more than a year, only 5.3% are temporary. This is logical, when a new contract is offered, there is more chance of this being a temporary contract than a permanent contract. However, these figures do not indicate whether the wage earners already worked with a temporary contract: they may be people who first had a fixed-term contract that was converted into a permanent contract, but it is equally possible that there is a group in the population that is stuck in temporary work. We will discuss this further in this text (see Evolution over time - long-term temporary work (2017-2018)).

Women are slightly more likely to have a temporary contract: for example, 11.7% of women work with a temporary contract, while this is 9.8% for men. Temporary work is also slightly more common among people with at most a lower secondary education diploma (16.8%) while people with a secondary education diploma are less likely to have a temporary contract (9.5%), as are people with a higher secondary education diploma (9.8%). However, these differences are not as large when compared with the differences in employment rates traditionally seen among these groups: 35.5% among the low-skilled and 83.4% among the high-skilled⁶. Low-skilled people are not only more often unemployed or inactive, they also have temporary jobs more often. Below we show some percentages in a table (Table 1).

Table 1. Percentages with a temporary contract in a given group (2018)

% temporary workers	
Gender	
Women	11.7
Men	9.8
Age (in years)	
15-24	46.8
25-49	9.5
50-64	3.8
Educational level	
At most primary education	16.8
Secondary education diploma	9.8
At least higher education	9.5
New contract	45.7
Recently graduated	24.6
Region of domicile	
Brussels	14.9
Wallonia	12.3
Flanders	9.3
Nationality	
Belgium	9.9
EU-28 (except BE)	13.3
Outside EU-28	31.5
Country of birth	
Belgium	9.7
EU-28 (except BE)	11.8
Outside EU-28	17.9
Status	
White-collar	7.7
Blue-collar	14.7
Contractual official	29.6
Full-time	8.5
Part-time	16.8
With a second job	
Yes	10.4
No	10.7

Origin plays a much larger role. For example, 9.9% of employees with Belgian nationality work with a temporary contract compared to 13.3% of workers with an EU nationality and 31.5% of workers with a non-EU nationality. If we look at country

⁵ These numbers do not add up to 100%, due to rounding off.

⁶ <https://bestat.statbel.fgov.be/bestat/crosstable.xhtml?datasource=262defc5-1607-42aa-a646-d0b4f6844d4f>

of birth, the differences are slightly less pronounced, but still clear: 9.7% of workers born in Belgium have a temporary contract compared to 11.8% of workers born in Europe (but not in Belgium) and 17.9% of workers born outside Europe. This means that people with a more direct connection with Belgium (not born here, but with Belgian nationality) more often have a permanent contract. But the fact remains that immigrants from outside the EU have mixed success on the Belgian labour market and are more often in a precarious labour market situation.

In this section, we examine whether doing temporary work is more often associated with a more vulnerable position on the labour market, such as involuntary part-time work or working atypical hours. Previous research has shown that temporary work often goes hand in hand with part-time work. We see that this is also the case here. For example, 8.5% of full-time workers have a temporary contract, while the figure for part-time workers is 16.8%. 23% of temporary workers also want to work more than the current number of hours. Among those with a permanent job this is around 10%. So in general, temporary workers more often want to work slightly more hours than people with a permanent contract. 14.6% would like to do this in the context of their current job. Temporary workers also work slightly more often outside regular hours: they do evening work more often (32.1% versus 28.7%), work more often on Saturdays (37.2% versus 29.9%) and Sundays (23.2% versus 18.8%). Only night work is more common with a permanent contract (11.0% compared to 8.8%). People with a second job do not work temporarily more often in their first job (10.4% versus 10.7%).

Blue-collar workers are also more often employed on a temporary basis (14.7%) than white-collar workers (7.7%). In the public sector, statutory officials usually have a permanent contract, but 29.6% of contractual officials work without a permanent contract. Of all civil servants, 11.7% have a temporary contract. Temporary work primarily occurs in the accommodation and food service industry and the arts, entertainment and recreation sector, where more than 20% of workers have temporary contracts⁷. Other studies also confirm this, e.g. the study of the Court of Audit⁸ on the impact of the Horeca plan: 31.5% of jobs in the accommodation and food service sector in the third quarter of 2017 were student jobs, as well as 14.7% of hours worked. Temporary workers are also the cheapest workers in the accommodation and food service industry. The sectors of education (19.2%), agriculture (18.0%)⁹ and extraterritorial organisations and bodies (17.1%) also employ relatively many workers on temporary contracts. The wholesale and retail trade, as well as the administration and support services also work slightly more often with temporary contracts. In the other sectors this is less than 10%. It is striking that the construction sector has less than 7% temporary workers, but this is probably because people are more likely to work with other arrangements such as temporary unemployment, subcontracting and secondment and therefore have less recourse to temporary workers. In the section on the 'Evolution in temporary work (1999-2018)' we present pooled data per NACE section and discuss it in more detail.

Because the LFS also includes figures on net monthly wages, we can also measure the impact of temporary work on remuneration. We can see that the net monthly income is lower than for people with a permanent contract (Table 2). Controlling for gender, age, level of education, having a new contract, being a student, region, nationality, status (blue-collar, white-collar or civil servant) and working part-time or full-time¹⁰, we see that people who work temporarily earn on average 111 euros net per month less. This is 5.7% less than the average net salary of 1,939 euros. These factors together already explain 41.0% of the variance in income.

⁷ We have only considered those sectors where we have more than 10,000 weighted observations.

⁸ Impact Horecaplan 2015. Flexi-jobs, gelegenswerkw en bruto-netto-overuren, March 2019. Court of Audit, Brussels.

⁹ The LFS only measures seasonal work if the employees have worked in the reference week and are registered in the National Register.

¹⁰ Of the above factors, we only considered those aspects that were only surveyed in the case of temporary work and excluded the sector. The income was only included in the first survey, meaning that the number of observations here is much lower than in the following regressions.

Table 2. Net income of temporary workers

	MONTHLY NET SALARY		
	Estimate	Standard error	Significance
Intercept	1,939.6	47.6	<0.001
Woman	-270.2	11.9	<0.001
Age	16.1	0.5	<0.001
Temporary work	-111.4	22.0	<0.001
Educational level	355.3	8.7	<0.001
New contract	-47.3	17.9	0.007
Region (ref. Brussels)			
Flanders	-113.4	18.2	<0.001
Wallonia	-166.4	18.5	<0.001
Part-time	-612.4	13.3	<0.001
Nationality (ref. Belgian)			
EU-28 (except BE)	397.4	19.6	<0.001
Outside EU-28	21.2	34.5	0.532
Wants to work more	-108.4	8.8	<0.001
Recently graduated	-149.2	27.3	<0.001
Status (ref. employee)			
Blue-collar worker	-242.9	14.6	<0.001
Statutory official	173.1	15.8	<0.001
Contractual official	-94.3	19.8	<0.001
Student	-209.1	35.1	<0.001
N	15,695		
R ² (in %)	41.0		

Data: LFS 2018. See appendix for descriptive variables. Tested for multicollinearity.

Finally, if we put the above factors into a regression model to predict temporary work in 2018, we find that age, new contracts, status, and whether or not part-time work or being a student - controlling for the other factors in the regression model - show the greatest correlation with temporary work (Table 3). For example, a new contract is nine times more often temporary than previous contracts; student contracts six times more often. Older people are less likely to have a temporary contract than younger people. Part-time workers are almost twice as likely to have a temporary job as people with a permanent contract. Blue-collar workers and contractual officials are more likely to have temporary contracts than employees. Statutory officials are more likely to have a permanent contract than employees.

There are more temporary contracts in the Walloon Region and the Brussels-Capital Region than in the Flemish Region. People who want to work more are also more likely to have temporary jobs, as are EU and non-EU citizens. The length of stay also plays a role here (results not shown): the longer a person stays in Belgium, the less likely to have a temporary job. Level of education also has an influence - albeit rather limited - on whether or not people work temporarily. Being a recent graduate¹¹, controlling for the above factors, has no influence on having temporary work, but there is of course a significant effect of new contracts. All factors together explain 41.7% of the variance in temporary work. Applying regression, however, we cannot demonstrate causality: we know that these factors are related to temporary work, but there may be factors that are more a cause and others that are more a consequence of temporary work; on the other hand, there may also be non-observed factors that influence dependent and independent variables.

¹¹ In the past three years.

Table 3. Predicting temporary work (2018)

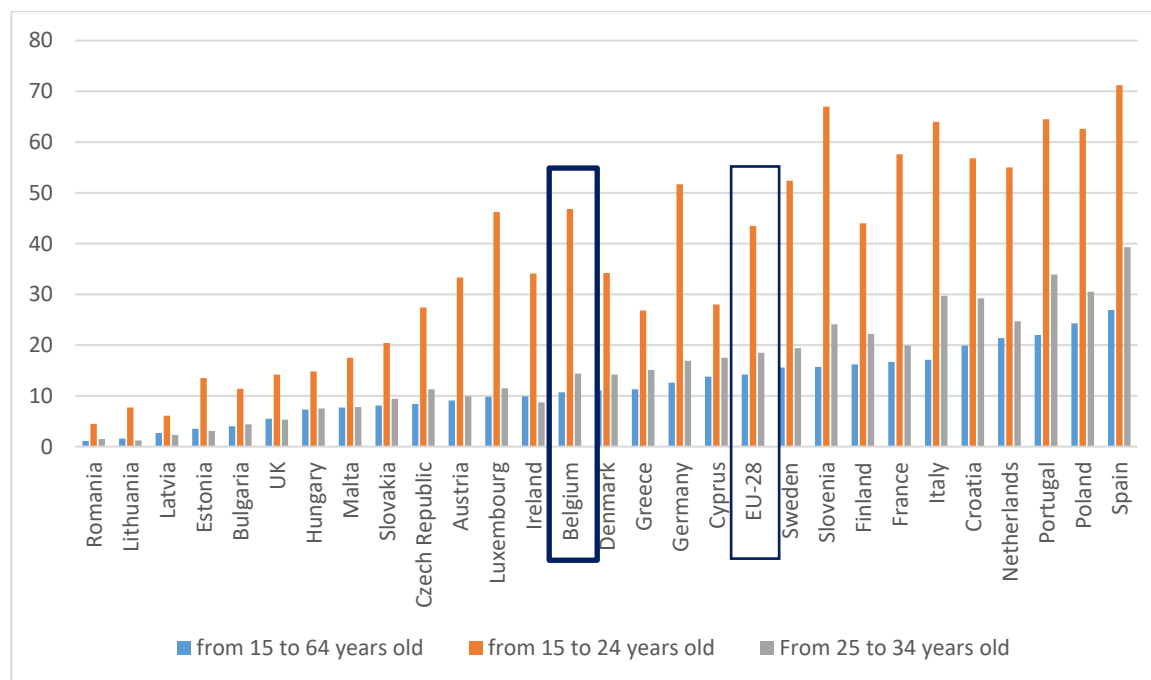
	ODDS RATIO	ESTIMATE	STANDARD ERROR	SIGNIFICANCE
Intercept		-2.556	0.133	<0.001
Woman	1.121	0.114	0.041	0.0102
Age	0.953	-0.048	0.002	<0.001
Education level	0.958	-0.043	0.029	0.1011
New contract	9.393	2.236	0.039	<0.001
Region (ref. Brussels)				
Flanders	0.804	-0.219	0.057	0.0001
Wallonia	1.252	0.224	0.058	0.0001
Part-time	1.770	0.571	0.043	<0.001
Nationality (ref. Belgian)				
EU-28 (except BE)	1.421	0.351	0.062	<0.001
Outside EU-28	2.899	1.064	0.084	<0.001
Wants to work more	1.750	0.559	0.021	<0.001
Recently graduated	1.061	0.059	0.103	0.5487
Status (ref. white-collar worker)				
Blue-collar worker	1.983	0.685	0.047	<0,001
Statutory official	0.557	-0.585	0.089	<0.001
Contractual official	5.888	1.773	0.050	<0.001
Student	6.210	1.826	0.071	<0.001
N		52,655		
R ²		41.7%		

Data: Statbel, LFS 2018. Tested for multicollinearity.

4. TEMPORARY WORK IN A EUROPEAN PERSPECTIVE

As regards temporary work, the percentages in Belgium are generally not that different from those in other European countries: on average, 14.2% of European workers have a temporary job, while this is less for Belgian workers, i.e. 10.7%. The trend among young people is the reverse: the Belgian average is higher than the European average: 46.8% compared to 43.5%. Spain is the outlier, with 71% of young people working on a temporary basis. Among 25- to 34-year-olds, the trend is already reversed: here, the Belgian figure is lower than the European average (see Figure 2).

Figure 2. Temporary work in a European perspective (2018)



Data: Eurostat, LFS 2018; Statbel, LFS 2018

On average, within the countries of the European Union, slightly more women than men are in temporary work (14.7% versus 13.6%, a difference of 1.1%). In Belgium, the difference is larger, but follows the same trend: more temporary work for women (11.7% compared to 9.8%, i.e. a difference of 2.1%).

A final comparison is made according to the country of birth (Table 4). We saw earlier that in Belgium people of foreign nationality and country of birth were more often employed on a temporary basis. This is also the European trend, but it is more pronounced in Belgium: in European countries, Europeans have on average 1.2% more temporary work, in Belgium it is 2.1% more; for non-Europeans it is 5.5% in Europe and 6.1% more temporary work in Belgium. In some countries, the difference between residents of the country of birth and non-Europeans is even more pronounced, reaching more than 14% in Poland, Spain, Cyprus and Sweden.

Table 4. Temporary work by country of birth

		Geboren in ...		
		Belgium (or reporting countries)	EU-28 (except BE or reporting country)	Outside EU-28
% temporary work	Belgium	9.7	11.8	17.9
	Average all EU-28 countries	13.5	14.7	20.2

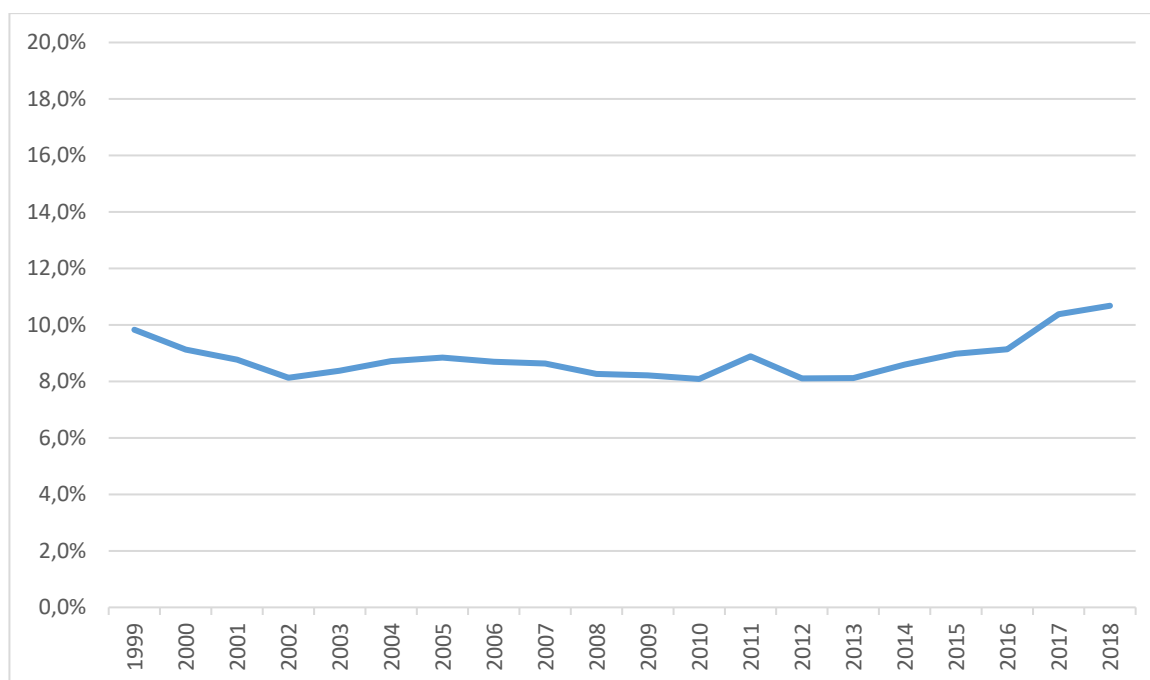
Data: Eurostat, LFS 2018; Statbel, LFS 2018

5. EVOLUTION IN TEMPORARY WORK (1999-2018)

The concept of temporary work has been measured in the same way within the LFS since 1999. This makes it possible to see whether there has been an increase in temporary work. Temporary work fluctuates over time, but at first glance it appears to have risen slightly: in 1999, 9.8% were employed on a temporary basis; in 2018 it was 10.7%. It should be noted, however, that in 2017 there was a methodological rupture due to a reform of the survey¹². The increase over the last two years may have been influenced by this (see below: Impact of the reform of the LFS on temporary work). In the intervening period, however, this dropped to 8.1% in 2002, 2010, 2012 and 2013. There was therefore no clear decrease or increase in temporary work, but fluctuations.

In this analysis we go a step further with a multivariate analysis. We have seen a slight increase in temporary contracts in recent years, probably also as a result of the introduction of the unitary status that came into force on 1 January 2014, which means that a trial period can no longer be included in an employee's employment contract. Scrapping the trial period could have an impact on the increase in fixed-term contracts. But there is only an increase of 2 percentage points. At first glance, therefore, we do not see a linear trend in temporary work: a decrease from 1999 to 2002, a stable period from 2003 to 2013 (with the exception of 2011) and an increase since 2014.

Figure 3. Evolution in temporary work (1999-2018)



We can also check whether there is a clear increase in certain groups for temporary work. For example, we see that the share of fixed-term contracts increased within temporary work to 53.5% in 2015, but has decreased since then (46.5%)¹³, and that temporary and student work also increased (from 16.5% to 20.7%; from 4.7% to 14.0% respectively). The increase in student work is something we also find on the basis of other studies, for example in the accommodation and food service industry, but also in other sectors, among other things due to the increase in the number of days and the flexibilization of the number of hours students are allowed to work.

However, if we look at the absolute numbers, we see an increase between 1999 and 2018 for the above forms of temporary work: from 145,000 to 202,000 for fixed-term contracts; from 54,000 to 89,000 for agency work and from 15,000 to 60,000 for student work. So despite the percentage decrease in fixed-term contracts, there is an increase in absolute terms.

On the other hand, we nonetheless see a decrease from 3% to 1.5% in the proportion of people who work with a service voucher contract and consider their work as temporary. This seems logical since the legislator has also attempted to encourage this¹⁴. This could indicate a continuation of the system of service vouchers, where most workers already have a

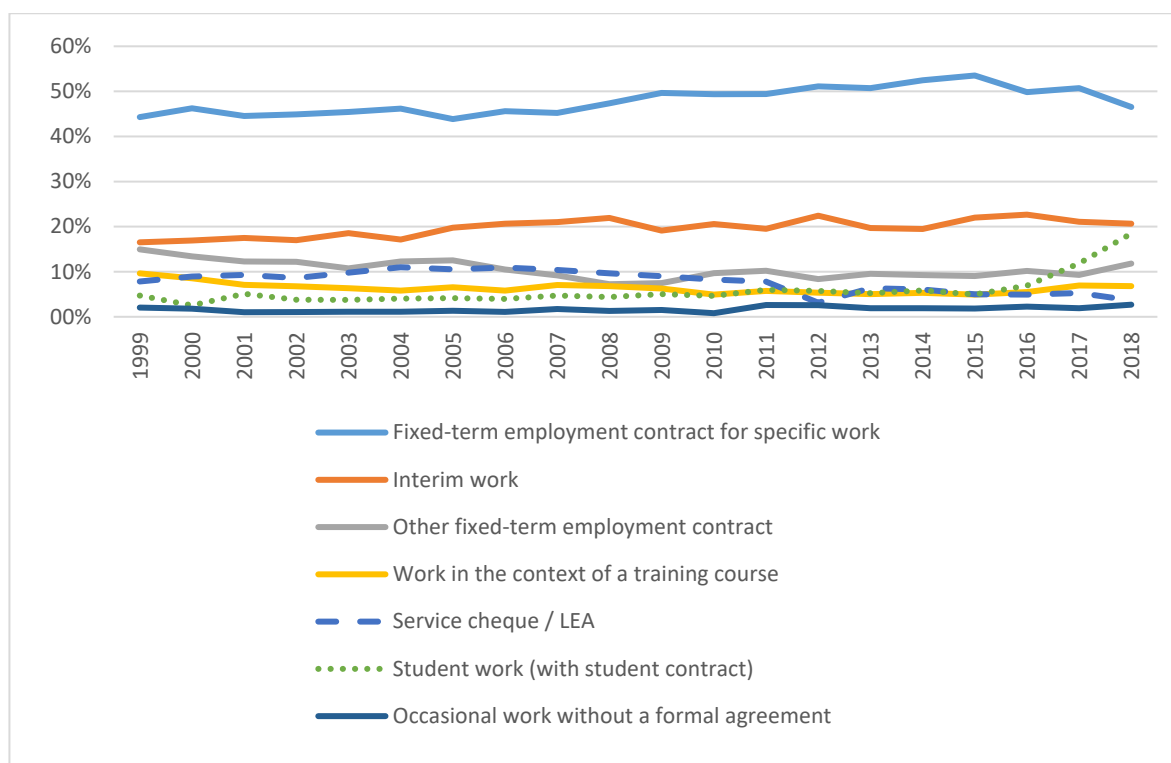
¹² Termote A. & Depickere, A. (2018) The reformed Labour Force Survey in 2017. Statbel, Brussels.

¹³ When we refer to ... % to ... % we always mean from 1999 to 2018, unless indicated otherwise.

¹⁴ However, the regulations in force since 1 September 2009 stipulate that an employee's contract must always be converted into a permanent contract three months after the first Dimona declaration if the employee is still working for the same company, regardless of the number of working days worked.

permanent contract. The proportion of youth work in the context of training (excluding student work) has also fallen (from 9.6% to 6.8%).

Figure 4. Evolution in types of temporary work (1999-2018)



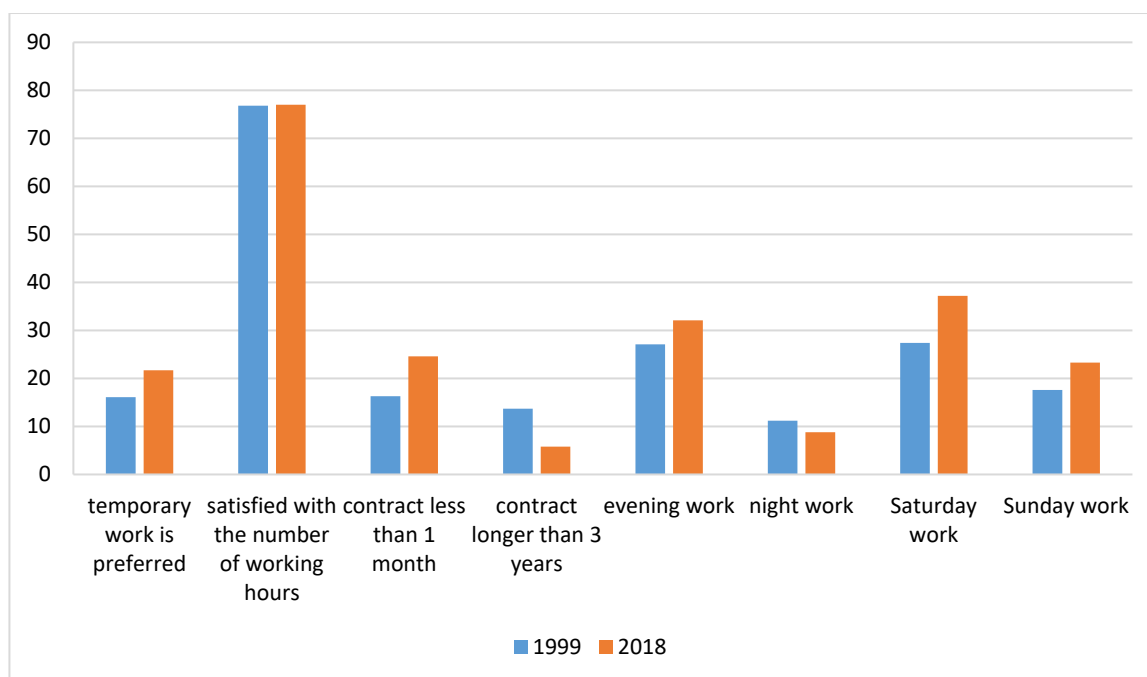
The percentage of people doing temporary work because they want it (and not because they cannot find suitable permanent employment) varies on average around 15.2% for the period 1999-2004 and rises to 20.2% for the period 2010-2018. Even without working students this rises from 11.4% to 15.6%. There is therefore a slight increase in the proportion of people who actually choose a temporary contract. In the intervening years (2005-2009) the survey question was unfortunately modified slightly and we cannot therefore compare.

The percentage of temporary workers with a contract of less than one month has also increased: in the period 1999-2004, 17.5% had a contract of less than one month, compared to 24.0% in the period 2014-2018. The share of contracts from 1 month to 3 years remains stable around 70%. It is therefore mainly the long-term temporary contracts of more than 3 years that have decreased, from 13.7% to 5.8%. As regards the average duration of contracts, we see little evolution. The current temporary contracts have an average duration of 24 months at the time of the survey, but this figure is strongly influenced by a number of outliers. As such, we also look at the median. Half of the contracts last less than 9 months (median). For permanent contracts, the average is 140 months (11.7 years) with a median of 101 months (8.4 years).

70-80% of temporary workers are satisfied with the number of hours they work. This percentage peaks in 2002 and decreases in the following years to 76.8% who are satisfied with their working hours: 15% would like to work more with the current employer and this has increased in recent years; 1% would like an additional job (this remains stable); 6% wanted to look for another job in 1999 (this decreases slightly to 2% in 2018) and 4% would like to work more in any way (this also remains fairly stable).

We also see that temporary work is much more often part-time: temporary work is twice as common with part-time as with full-time contracts, but also seems to increase slightly (13% compared to 7% in 2000; 17% compared to 8% in 2018). Working outside regular hours also increases for people on temporary contracts: from 27% to 32% for evening work, from 27% to 37% for Saturday work and from 17% to 23% for Sunday work. For permanent employees, these percentages remain stable, around 29%, 30% and 19% respectively. Night work remains stable for temporary workers, but falls for those on permanent contracts (from 13.8% to 10.9%). If we exclude the students from this analysis, the increase is slightly smaller, but still clear: 3.9% for Sunday work, 4.1% for evening work and 7.2% for Saturday work.

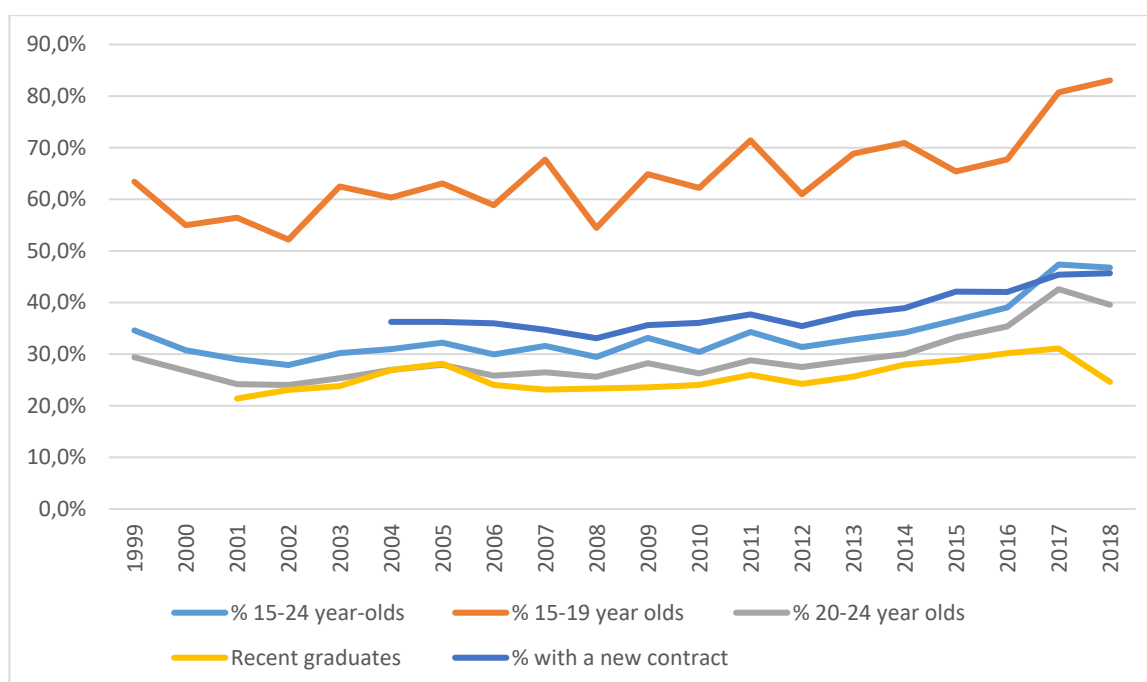
Figure 5. Characteristics of temporary work



Data: LFS 1999-2018

The percentage of temporary contracts among young people (15-24) has fluctuated below 35% for several years, but has risen above 36.6% since 2015, to 46.8% in 2018. There is also an increase among the other age groups, but this is much more limited than among young people. If we then look at age categories of 5 years, we see that 83% (63% in 1999) of 15-19-year-olds work temporarily, but that this drops rapidly to 39.6% (29% in 1999) of 20-24-year-olds and then to 19.7% and 9.7% of 25-29 and 30-34-year-olds (from 15% and 8.6% in 1999). A first job is also often a temporary job. Of recent graduates (i.e. graduated in the last three years) 25% worked with temporary contracts. However, this percentage remains fairly stable over time, peaking at around 30% in 2005 and 2017. Recent graduates therefore still have the same chance of getting a permanent contract. On the other hand, the percentage of temporary contracts for new contracts is higher: of those who signed a contract in the last year, an average of 38% have a temporary contract (2005-2018). This figure has increased in recent years to 45.7%. Temporary work is therefore primarily associated with younger people, partly under the influence of student work and having a first job.

Figure 6. Evolution in temporary work among young people



Data: LFS 1999-2018

In terms of gender, there seems to be an inverse trend: whereas at the beginning of 2000 6% to 7% of male wage earners had temporary work, this has risen to almost 10% in recent years. For women it is the other way around: it went from 13% to 9% in 2012 (See Table 5). In recent years, however, it has risen slightly to 11%. If we look at the level of education, we see two different trends: among the low-skilled, the percentage of temporary work has only increased (from 10% to 17%). Among the medium- and high-skilled we again see a curvilinear (U-shaped) relationship: relatively high percentages of temporary work in 1999 and 2018 and lower in the intervening years, just like the general trend (See Figure 8). We cannot therefore back up the claim by the Dutch Central Planning Bureau (CPB) that higher educated people are increasingly getting permanent contracts in a tight labour market¹⁵: the percentage of permanent contracts does not increase among higher skilled people. Temporary contracts are generally more common among the low-skilled than the medium- and high-skilled. Even among young people and new contracts, we do not see an increase in permanent contracts - on the contrary.

If we look at temporary work according to nationality, we see that people with a European (except Belgian) nationality are slightly more likely to have temporary work (on average 11%), and that this increases only slightly over the years (from 11% to 13%). Among non-EU nationalities, on the other hand, the average percentage is much higher (23%), rising from 19% in 1999 to 31% in 2018. From the perspective of country of birth, the figures are less pronounced, but there are still clear differences: here too, the percentage of workers on temporary contracts grows from 9.5% to 11.8% of workers born in Europe (but not in Belgium) and from 13.2% to 17.9% of workers born outside Europe. Their precarious situation therefore increases over time.

With respect to regional differences, we see that the share of temporary work is now highest in the Brussels-Capital Region, followed by the Walloon and Flemish Regions. Temporary work has increased in particular in Brussels in recent years (from 10% to 15%). In Flanders, it has remained stable and in Wallonia it has increased with to 2% to 12%. If we take a closer look at the status, we see that the percentage of workers on temporary contracts rises from 10% to almost 15% over 20 years. Among employees, this only slightly increases from 6.7% to 7.7%. For statutory officials, it remains stable at 2% and for contractual officials it decreases from 46.7% to 29.6%.

¹⁵ <https://www.cpb.nl/sites/default/files/omnidownload/CPB-Policy-Brief-Centraal-Economisch-Plan-2019.pdf>

Table 5. Evolution in temporary work within a given group (in %)

	% temporary workers		Evolution in percentage point
	1999	2018	1999-2018
Gender			
Women	13.2	11.7	-1.5
Men	7.3	9.8	2.5
Age (in years)			
15-24	34.6	46.8	12.2
25-49	8.0	9.5	1.5
50-64	2.8	3.8	1.0
Educational level			
At most primary education	9.8	16.8	7.0
Secondary education diploma	9.7	9.8	0.1
At least higher education	10.0	9.5	-0.5
New contract (2004-2018)	36.4	45.7	9.3
Recently graduated (2001 - 2018)	21.4	24.6	3.2
Region of domicile			
Brussels	10.3	14.9	4.6
Wallonia	10.7	12.3	1.6
Flanders	9.4	9.3	-0.1
Nationality			
Belgium	9.6	9.9	0.3
EU-28 (except BE)	11.5	13.3	1.8
Outside EU-28	18.9	31.5	12.6
Country of birth			
Belgium	9.7	9.7	0.0
EU-28 (except BE)	9.5	11.8	2.3
Outside EU-28	13.2	17.9	4.7
Status			
White-collar	6.7	7.7	1.0
Blue-collar	10.4	14.7	4.3
Statutory official	2.7	2.1	-0.6
Contractual official	46.7	29.6	-17.1

Data: LFS 1999-2018

Temporary work also varies from sector to sector¹⁶ (See Table 6). Due to a reform of the NACE nomenclature in 2008, we only have time series from 2010 onwards. Most temporary work can be found in the 'accommodation and food service activities' and the sector of 'arts, entertainment and recreation'. In the 'accommodation and food service' sector in particular, there is a very strong increase in temporary work over time (from 12% to 29%), while the increase in permanent contracts is limited. In education, the share of temporary contracts is also slightly higher in 2018 than in 2010 (19.3% compared to 16.4%). In the wholesale and retail sector; repair of cars and motorcycles, the share of temporary work also increased from 7.7% to 12.6%. Retail is also a sector where flexi-jobs have been authorised since 1 January 2018, but as this is usually a second job, we assume that it has only a limited impact on our data. The share of temporary contracts in administrative and support services is also above average, but stable at around 12%. The smallest proportion of temporary contracts can be found in the public sector (6%).

¹⁶ We only look here at the sectors with more than 10,000 temporary workers in order to have sufficiently stable results.

Table 6. Temporary work by sector (2010-2018)

	2010	2014	2018	EVOLUTION IN PERCENTAGE POINT (2010-18)
Agriculture, forestry and fishing	16.9%	16.8%	18.0%	1.1%
Industry	6.1%	7.0%	9.1%	3.0%
Electricity, gas, steam and air conditioning supply	4.3%	0.1%	5.0%	0.7%
Water supply; sewerage, waste management and remediation activities	8.1%	4.8%	9.4%	1.3%
Construction	4.6%	4.9%	6.4%	1.8%
Wholesale and retail trade; repair of motor vehicles and motorcycles	7.7%	8.7%	12.5%	4.9%
Transportation and storage	4.7%	6.2%	8.1%	3.4%
Accommodation and food service activities	12.0%	16.0%	29.2%	17.2%
Information and communication	5.5%	4.0%	7.2%	1.7%
Financial and insurance activities	2.8%	2.3%	3.0%	0.2%
Real estate activities	8.3%	5.4%	9.5%	1.3%
Professional, scientific and technical activities	7.4%	7.3%	7.8%	0.4%
Administrative and support service activities	11.8%	13.1%	11.9%	0.2%
Public administration and defence; compulsory social security	5.6%	4.9%	5.7%	0.1%
Education	16.4%	17.0%	19.2%	2.8%
Human health and social work activities	7.3%	7.0%	8.3%	1.0%
Arts, entertainment and recreation	16.5%	21.5%	21.9%	5.4%
Other service activities	10.7%	9.1%	8.6%	-2.1%
Activities of extraterritorial organisations and bodies	13.8%	13.3%	17.1%	3.3%

Data: LFS 1999-2018

If we take the above mentioned factors into account in a regression model, we see that a new contract, age, status and working part-time or not have the largest impact on whether or not someone has a temporary contract. People who have signed a contract in the last year are seven times more likely to have a temporary contract. The regression shows that temporary work has actually decreased slightly since 1999, taking other factors into account. If we add a curvilinear link, we see that temporary work peaks in 1999 and 2018 and is lower in the intervening years¹⁷. The other effects are in line with the previously discussed regression results for 2018 (see Table 7). In the appendix, we resume the analysis for all NACE sections. This shows that compared to the reference category, the wholesale and retail trade, the most temporary workers are in the sectors of education, extraterritorial organisations and the arts, entertainment and recreation. We also find a lot of temporary work in agriculture. The least temporary jobs can be found in the sectors construction, financial and insurance activities, and electricity, gas, steam and air conditioning supply. No evidence of the large share of temporary work in the accommodation and food service sector can be found in the regression: temporary work in the accommodation and food service sector is therefore explained more by the profile of the people they employ than by the sector itself, i.e. many young people, low skilled people, students, workers and people who do not have Belgian nationality. There are also many part-time contracts in the accommodation and food service industry, as well as new contracts and people who want to work more hours.

¹⁷ Results not shown.

Table 7. Predicting temporary work (1999-2018)

	1999-2018			
	Odds ratio	Estimate	Standard error	Significance
Intercept		356.8	6.738	<.001
Year of survey	0.836	-0.179	0.003	<.001
Year*Year	1.008	0.008	0.000	<.001
Woman	1.245	0.220	0.011	<.001
Age	0.946	-0.055	0.001	<.001
Education level	0.930	-0.073	0.008	<.001
New contract	7.813	2.056	0.012	<.001
Region (ref. Brussels)				
Flanders	0.807	-0.215	0.016	<.001
Wallonia	1.194	0.178	0.016	<.001
Part-time	1.683	0.521	0.012	<.001
Nationality (ref. Belgian)				
EU-28 (except BE)	1.402	0.338	0.018	<.001
Outside EU-28	2.117	0.750	0.024	<.001
Wants to work more	1.815	0.596	0.013	<.001
Recently graduated	1.384	0.325	0.018	<.001
Status (ref. White-collar)				
Blue-collar worker	1.711	0.537	0.013	<.001
Statutory official	0.611	-0.493	0.022	<.001
Contractual official	7.697	2.041	0.014	<.001
Student	4.449	1.493	0.022	<.001
N	733,781			
R ²	36.4%			

Data: LFS 1999-2018 Tested for multicollinearity.

In a final series of tests, we look at whether certain groups are 'pushed' more into temporary work (results not reported). We focus here on the groups that emerged in the regression as groups in which temporary work became bivariate: young people, low skilled people, new contracts, non-EU citizens and blue-collar workers. Indeed, we note that certain groups have more temporary contracts than 20 years ago: young people and students are more likely to have temporary contracts. The number of new temporary contracts is also increasing. More temporary work for these groups may not be such a problem in itself, but for certain groups that are 'at risk' on our labour market in any case, this increase is higher than average: for blue-collar workers, non-Europeans and the low skilled.

6. LONG-TERM TEMPORARY WORK (2017-2018)

It was already clear above that temporary contracts are often of short duration, with a median of 9 months. We also saw that a contract that has been concluded more recently is much more often a temporary contract. The question then is what happens to those people after a year. Is the temporary contract really temporary and do they have a permanent job after one year (which is also the preference of 4/5 of people), or do they still have temporary work? Since 2017, the LFS has switched to a panel design, which allows us to find out where the temporary workers will be on the labour market after a year. The panel design consists of a first survey, a second survey in the next quarter, and then no survey for 2 quarters, and then a survey again for another two quarters. We therefore know from the respondents what their situation is after one year (from the 1st to the 3rd survey) and 15 months later (from the 1st to the 4th survey) in terms of work. To see what the effect will be after one year, we create a new dataset with LFS data for 2017 and 2018 in which we group all data per wave. However, we should emphasise here that there are only a limited number of rotation groups available, that there are fewer cases available in wave 4 and that there are only a limited number of people in temporary work; this results in a limited number of cases that we can use in the analysis.

As we stated above, it is suggested that a temporary contract can be the start of a contract with indefinite duration, a contract generally considered to 'better'. For example, temporary contracts can be seen as a trial contract, a stepping stone to a more permanent job. The available studies are rather limited in terms of time and number of measuring points. For example, a Federgon study (2018) showed that 51% of the regular workers employed as agency workers in September 2017 had permanent jobs in November 2017¹⁸. On the other hand, a longitudinal study by Forem in 2013 showed that, of the people who are active as temporary workers for at least one day, around 40% are employed after one year, of which 10% in the temporary employment sector, 55% are inactive and 5% are in training¹⁹.

In addition, temporary contracts can also be considered by the employer as a means to flexibly manage labour and use temporary workers only as seasonal workers, or to cover fluctuations in production. According to this assertion, the temporary work is actually temporary. However, there is little in the way of research into temporary work with a longitudinal design. Recent Canadian research shows that temporary workers follow highly varied pathways: the majority go on to full-time permanent contracts (39%) and part-time permanent contracts (12%). Only 20% remain in temporary contracts after 5 years.

However, previous research has shown that it is not easy to move from temporary to permanent work. Many temporary wage earners then end up in unemployment.

In the first instance, we examine the labour market status of temporary workers after 3, 12 and 15 months (Table 8). Are they still active on the labour market at that point? A large proportion of temporary workers are still active on the labour market a few months later: more than four fifths are still in work. This is less than those on permanent contracts, of whom about are 1% unemployed and 4% inactive a year later, but more than the unemployed and inactive.

Table 8. After x month x % of the temporary workers are unemployed, employed and/or inactive.

	AFTER 3 MONTHS	AFTER 12 MONTHS	AFTER 15 MONTHS
Unemployed	6.14	5.87	5.42
In work	83.22	82.84	81.76
Inactive	10.64	11.29	12.82

Note: the numbers available for the 2nd, 3rd and 4th waves differ, as does the population on the basis of which the data are weighted (quarterly). Therefore, we report here weighted percentages based on the weighting of the wave (resp. 2nd, 3rd and 4th).

Secondly, we look at the type of work they have (Table 9). The data shows that the percentage that continue to be in temporary work after 3, 12 and 15 months is still quite high. Very few people move on from a temporary to a permanent contract. For only 17.1% temporary work leads to permanent work after 1 year; 82.9% remain in temporary work. Unfortunately, the LFS panel does not extend beyond a year and a half, and we cannot make

¹⁸ <https://federgon.be/fr/communiquede-presse/news/uitzendarbeid-ontsluit-steeds-meer-de-inactieve-arbeidsreserves/>.

¹⁹ Federgon (2018) Press release. Uitzendarbeid ontsluit steeds meer de inactieve arbeidsreserves. Federgon, Brussels. Forem (2013) Intérim : Du travail vers l'emploi ? MARCHÉ DE L'EMPLOI, ANALYSE, SEPTEMBRE 2013, Charleroi.

any assertions regarding the longer term. However, the figures do seem to indicate that temporary work is not temporary, but that people in temporary work have successive temporary jobs. Whether it is still the same job, however, cannot be determined with 100% certainty. Nonetheless, we do see that 48.4% state that the start date of their temporary work was more than 15 months ago. If we look at the economic sector in which people are employed, according to the NACE (which remains the same if people indicate that they are still working for the same employer), we see that it is still the same for 84.9% of temporary workers after 15 months. People therefore continue to do temporary work in the same sector as before.

Table 9. Type of work of temporary workers after 3, 12 and 15 months (%).

	AFTER 3 MONTHS	AFTER 12 MONTHS	AFTER 15 MONTHS
Permanent work	5.32	14.74	17.12
Temporary work	94.68	85.26	82.88

Note: the numbers available for the 2nd, 3rd and 4th waves differ, as does the population on the basis of which the data are weighted (quarterly). As such, we report weighted percentages here.

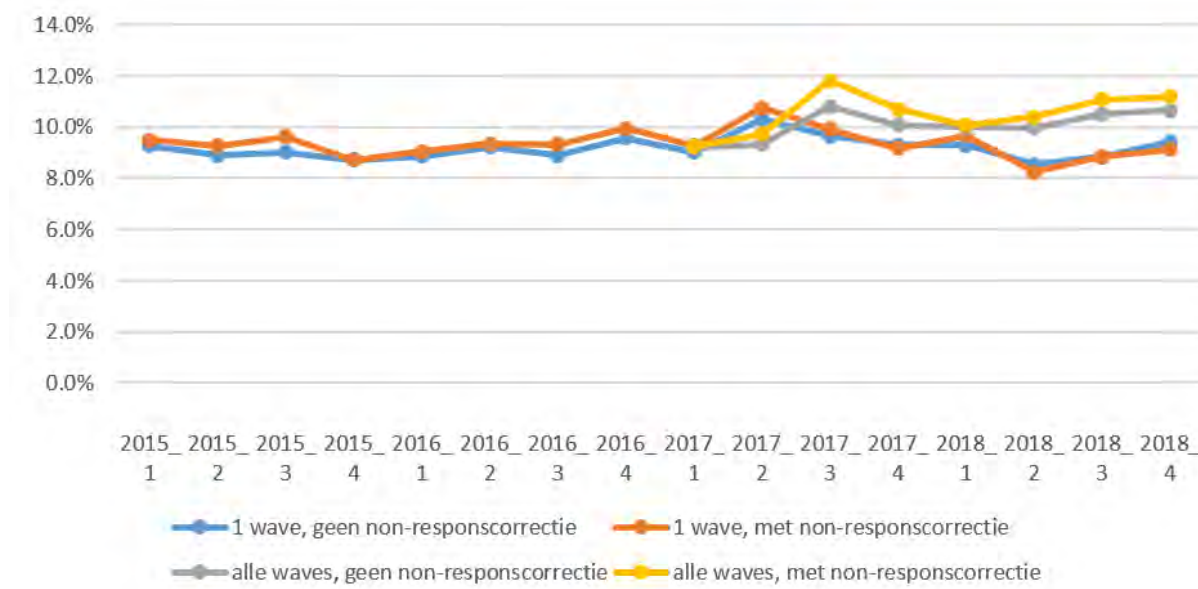
If we then try to explain who has a permanent job after 15 months, we have to conclude that this model only has a very limited explained variance (5.6%): only the year, the duration of the temporary work and a nationality from outside the EU have a significant effect. Fewer people had a permanent job in 2018 compared to 2017. People who have worked in a temporary job for a long time and people with a non-European nationality are less likely to find a permanent job after 15 months. The other factors have no significant effect²⁰. The limited degree of explanation of the model may have to do with the fact that temporary workers form a very heterogeneous group and that the analysis only includes a limited number of temporary workers observed in the first and fourth waves.

²⁰ Controlling for trimester, region, level of urbanisation, nationality, having a new contract, being a blue-collar worker, being a civil servant, gender, age, place of birth, level of education, duration of contract, part-time or full-time contract and being a student.

7. IMPACT OF LFS REFORM ON TEMPORARY WORK

In the figure below we can see that the introduction of panel design has indeed led to an increase in the number of people reporting temporary work. Temporary workers are slightly more likely to participate in the second, third and fourth waves of the LFS, and this is not entirely corrected by the non-response correction, on the contrary. In the first wave, 9.8% have temporary work, in the three following waves this is 10.3%, 11.3% and 11.5%. Each wave has an equal weighting and this results in an increase in the percentage of temporary workers in the LFS.

Figure 7. Evolution in temporary work with or without waves and non-response correction (2015-2018)

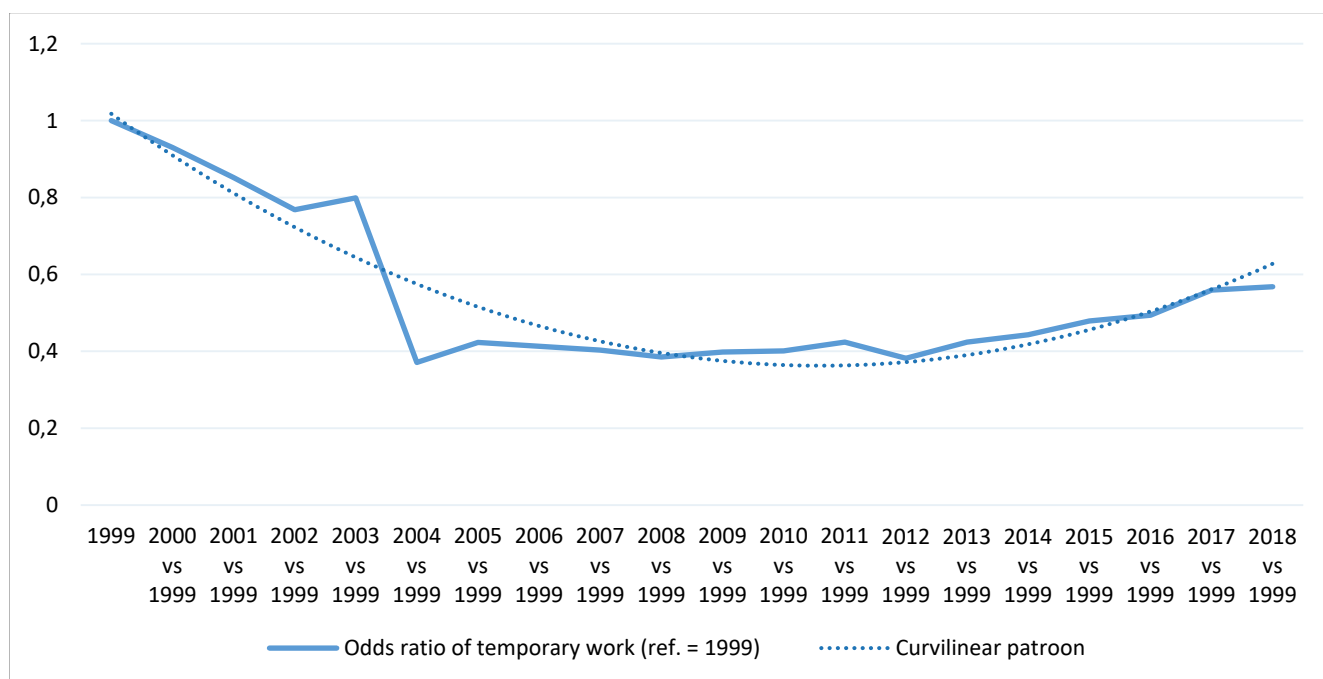


Nonetheless, we saw above that according to the regression, temporary work has a curvilinear pattern. We continue to find this pattern if we perform the analyses for separate groups (results not shown):

- ▶ For the period 1999-2016
- ▶ For the period 2004-2018
- ▶ For the period 1999-2018 with only the first observation for 2017 and 2018.

As such, we cannot unambiguously confirm a decrease or an increase in temporary work: we primarily see evidence for a curvilinear pattern (See above; Figure 3). If we repeat the regression of Table 7 with the years as dummies (taking all other factors into account), the probability of temporary work between 1999 and 2004 falls sharply until 2004 and systematically increases since 2005, but not back to the level of 2004.

Figure 8. Probability of temporary work per year (1999-2018)



8. CONCLUSION

Analysis of LFS data shows that there is no increase in temporary work over the period 1999-2018, but rather a curvilinear pattern: after 1999, the number of temporary workers decreases, while in recent years there has been an increase again. The claim that there has been an increase in temporary work is therefore not really justified if we look over a period of 20 years. Over the last 10 years, about 1 percentage point of the total employed population has been in temporary work. This is an increase, but it is rather limited. Nonetheless, we can see that temporary work is primarily associated with young people, non-Europeans, new contracts and blue-collar workers and that it increases significantly over time.

The results suggest that temporary work is not the free choice of the worker:

- ▶ Temporary workers more often want to work more hours than people with a permanent job. They are also more often employed outside normal working hours (Saturday, Sunday and evening work) and these percentages are increasing.
- ▶ It is mainly the more vulnerable on the labour market who have temporary work status: young people, blue-collar workers, the less educated and people without Belgian nationality. Temporary work also increases faster among these groups.
- ▶ For many people, temporary work is not temporary: after 1 year, people are still often in temporary status and there are more people who become inactive or unemployed compared to people in permanent employment. Only 17% of the temporary workers progress to a permanent job after 15 months. The claim that a temporary job is a stepping stone to a permanent job cannot be substantiated.

On the other hand, we also see that there is a group that actually prefers temporary work. Nonetheless, it is difficult to demarcate this group on the basis of research. In the case of the LFS, these are obviously the students who clearly opt for temporary work and also a small proportion of workers on fixed-term contracts and doing agency work. We cannot therefore unequivocally state whether temporary work actually is a free choice, this only seems to be the case for a minority.

Appendix LFS 1999-2018

► You can download all the data used for this analysis via this [link](#).

Appendix 1: Frequencies of the variables in the regression analysis

	Min	Max	MEAN
Temporary work	1	2	1.09
Year	1999	2018	2008,81
Woman	1	2	1.46
Age (in years)	15	64	39.61
Educational level ²¹	1	3	2.17
New contract (concluded less than a year ago)	0	1	0.10
Region (ref. Brussels)			
Flanders	0	1	0.61
Wallonia	0	1	0.30
Part-time	1	2	1.24
Nationality (ref. Belgian)			
EU-28 (except BE)	0	1	0.06
Outside EU-28	0	1	0.02
Wants to work more	0	1	0.09
Recently graduated (less than three years ago)	0	1	0.04
Blue-collar worker	0	1	0.31
Statutory official	0	1	0.19
Contractual official	0	1	0.08
Student	0	1	0.02

²¹ **Low-skilled people** (cat. 1) are those who have at most a diploma of lower secondary education. **Medium-skilled people** (cat. 2) are persons who have obtained a diploma of higher secondary education, but not a diploma of higher education.

Highly-skilled people (cat. 3) have a higher education diploma.

Appendix 2: Forecasting temporary work with sector (2010-2018)

	Odds ratio	Estimate	Std. Err.	Sign.
Intercept		260,200	75,166	0.001
Year Survey	0.877	-0.131	0.038	0.001
Year*Year	1.006	0.006	0.001	<.001
Woman	1.010	0.010	0.017	0.548
Age	0.956	-0.045	0.001	<.001
Education level	0.797	-0.227	0.012	<.001
New contract	9.919	2.294	0.016	<.001
Region (ref. Brussels)				
Flanders	0.798	-0.226	0.023	<.001
Wallonia	1.224	0.202	0.024	<.001
Part-time	1.575	0.454	0.018	<.001
Nationality (ref. Belgian)				
EU-28 (except BE)	1.355	0.304	0.026	<.001
Outside EU-28	2.249	0.810	0.033	<.001
Wants to work more	1.743	0.556	0.019	<.001
Recently graduated	1.463	0.380	0.027	<.001
Status (ref. employee)				
Blue-collar worker	1.730	0.548	0.021	<.001
Statutory official	0.235	-1.449	0.039	<.001
Contractual official	3.377	1.217	0.025	<.001
Student	5.499	1.705	0.029	<.001
NACE (ref. Wholesale and retail trade; repair of motor vehicles and motorcycles)				
Agriculture, forestry and fishing	1.790	0.371	0.090	<.001
Mining and quarrying	1.345	0.085	0.191	0.657
Industry	1.135	-0.085	0.026	0.001
Electricity, gas, steam and air conditioning supply	0.834	-0.393	0.113	0.001
Water supply; sewerage, waste management and remediation activities	1.023	-0.189	0.082	0.021
Construction	0.517	-0.871	0.037	<.001
Transportation and storage	0.932	-0.282	0.036	<.001
Accommodation and food service activities	0.914	-0.302	0.037	<.001
Information and communication	0.995	-0.217	0.048	<.001
Financial and insurance activities	0.564	-0.785	0.062	<.001
Real estate activities	0.903	-0.314	0.101	0.002
Professional, scientific and technical activities	1.152	-0.070	0.041	0.091
Administrative and support service activities	1.194	-0.035	0.030	0.248
Public administration and defence; compulsory social security	1.252	0.014	0.034	0.688
Education	5.793	1.545	0.028	<.001
Human health and social work activities	1.016	-0.196	0.025	<.001
Arts, entertainment and recreation	2.815	0.823	0.047	<.001
Other service activities	0.852	-0.372	0.055	<.001
Activities of households as employers; undifferentiated goods- and services producing activities of households for own use	1.175	-0.051	0.090	0.576
Activities of extraterritorial organisations and bodies	5.731	1.534	0.057	<.001
N	344,036			
R ²	42.7%			

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Email: statbel@economie.fgov.be

Statbel (Directorate-General Statistics - Statistics Belgium)
North Gate - Boulevard du Roi Albert II, 16, 1000 Brussels
Email: statbel@economie.fgov.be

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North Gate
Boulevard du Roi Albert II, 16
1000 Brussels

