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INSECURE WORKERS, UNION MEMBERSHIP AND NEW SOCIAL POLICY IDEAS

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DOCTORAL DISSERTATION

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ABSTRACT

Recently the number of insecure workers has continuously increased in the post-industrial labour market. Given the situation, this dissertation examines insecure workers' memberships of trade unions, which are a traditional political agency for workers, and their attitudes towards new welfare programmes, which are considered mainly to protect newly emerging risk groups.

Previous studies on insecure workers have tended to focus mainly on their unemployment risk. However, the literature dealing with the post-industrial labour market shows that many workers have suffered from multiple types of insecurity, which new forms of employment bring about. Thus, this dissertation defines insecure workers as those engaged in paid work who face a higher incidence of unemployment, as well as low income and/or limited rights to social benefits or collective bargaining. To compare union memberships and policy preferences among different types of insecure workers, this research classifies these individuals into four different groups: part-time employees, temporary workers, low-skilled workers in the service sector, and solo self-employed workers.

The analyses of insecure workers' unionisation focus on the institutional contexts surrounding them. The first sub-study explores the unionisation of insecure workers by European industrial relations regime by estimating multilevel binary logistic models with the data from the European Social Survey Round 5 (2010). The second one investigates insecure workers' choices regarding unemployment insurance and union membership after the reform of the Finnish Ghent system in 1992 by conducting multinomial logistic regression analysis with the pooled Finnish Income Distribution Survey data from 2000 to 2012. On the other hand, the third and fourth sub-studies to examine insecure workers' preferences for new social policy ideas concentrate on universal basic income and social investment policy for unemployment, respectively. To address these topics, both sub-studies estimate binary logistic regression models with clustered standard errors and country dummies by using the data from the European Social Survey Round 8 (2016)

The first sub-study reveals that insecure workers' inclination to join a union varies according to their form of employment and the industrial relations regime which they belong to. In the organised corporatism regime, none of the insecure worker groups shows a difference from other employees. However, it has been found that temporary employees in the social

partnership regime and part-time employees in the polarised/state-centred regime are less likely to be unionised. In the liberal regime, part-time workers and fixed-term employees are more likely to decline to have union membership, whereas low-skilled service workers tend to be more unionised than others. Finally, the results show that in the transitional regime, temporary workers and low-skilled service employees are less likely to join a union.

The second sub-study illustrates that in the transformed Finnish Ghent system, both part-time and temporary employees are inclined to have no union membership, whereas low-skilled service workers do not make significantly different choices from other employees. Meanwhile, the findings demonstrate that part-time workers are also unlikely to enrol in an independent unemployment insurance fund, but temporary employees tend to prefer the independent fund to trade unions in case they wish to have unemployment insurance fund membership.

When it comes to insecure workers' preferences for universal basic income, the third sub-study shows that only temporary employees tend to have more favourable attitudes among different groups of insecure workers. In this regard, it is found that income and subjective employment insecurity serve as mediators between temporary employment and the preference for universal basic income. In contrast, the findings do not provide evidence that part-time workers, low-skilled service employees, or solo self-employed workers are more likely to support universal basic income schemes.

The fourth sub-study demonstrates that in a budgetary trade-off scenario between social protection and social investment, part-time permanent employees are inclined to be more supportive of social investment policy, whereas part-time temporary workers are less likely to support it. On the other hand, full-time temporary employees and solo self-employed workers do not exhibit significantly different preferences from standard employees.

Previous studies of insecure workers have tended to magnify the contrasts in political preferences between secure and insecure workers but pay little attention to the disparities between the sub-groups of insecure workers. This dissertation reveals that insecure workers' commitments to unions and policy preferences vary considerably with the type of employment or the institutional background to which they belong. Simply put, it can be concluded that insecure workers are a heterogeneous group, at least as far as the issues related to their interests in the labour market and welfare systems are concerned.

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LIST OF ORIGINAL PUBLICATIONS

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- IV Shin, Y.K., Kemppainen, T. & Im, Zhen (submitted for review). The effects of non-standard work and labour market policy spending on preferences for social investment policy regarding unemployment: A multilevel study of 20 European countries. *Journal of European Social Policy*.

The publications are referred to in the text by their Roman numerals.

1 INTRODUCTION

I am an insecure worker. For the last couple of decades, I have made a living by relying on fixed-term contracts and occasional part-time jobs, such as a grant-funded researcher, private tutor, and call centre operator. Financial hardship accompanied by precarious employment have often made my living more insecure and unstable. Trade unions, however, have never been helpful in improving my income or working conditions and unemployment insurance schemes have often restricted my entitlement to unemployment benefits. These circumstances often make me feel like an outsider or marginal worker in the labour market, while at the same time piquing my interest in the recent public debate about new welfare policy ideas, such as basic income. My experience is not unique. Nowadays there are a tremendous number of insecure workers, and the trend is growing gradually throughout the world. Automation has displaced many jobs, and non-standard employment has become increasingly dominant in the post-industrial labour market (Allmendinger et al., 2013; Barbier, 2013; Kalleberg, 2000; Standing, 2011). The rapid rise of service industries has created a massive number of low-skill service jobs (Bonoli, 2007; Oesch, 2013), and the number of self-employed workers who run small businesses without recruiting a single employee has increased continuously. Compared to the self-employed considered to be *petite bourgeoisie*, they tend to suffer more easily from economic insecurity (Arum and Müller, 2004; Jansen, 2019). Furthermore, the development of a gig economy based on digital platforms has generated a huge number of bogus self-employed workers (Heyes and Hastings, 2017). Given the situation, this dissertation began with curiosity about insecure workers' preferences for trade unions, which are a traditional political agency for workers, and new welfare programmes, which are considered mainly to protect newly emerging risk groups. Having union membership can be interpreted as ongoing support for the old agency in welfare states, while positive attitudes towards new social policy ideas imply agreement with the necessity for welfare state reforms. Therefore, this dissertation consists of four sub-studies that concentrate on two issues concerning insecure workers: their union membership (sub-studies I and II) and their attitudes towards new social policy ideas, in particular universal basic income and social investment (sub-studies III and IV).

It is well known that workers' strong solidarity with trade unions and high demand for social protection were important driving forces for the expansion of welfare states in Europe during the industrialisation period. In

contrast, recent studies show that low-skilled, part-time, and temporary workers tend to be less unionised than the average worker because trade unions do not seem to be willing or able to explicitly defend their interests (Allern et al., 2007; Bonoli, 2005; Ebbinghaus, 2006; Ebbinghaus et al., 2011; Häusermann, 2012; Lindbeck and Snower, 2002; Rueda, 2007). Considering these findings, the loss of membership resulting from an increasing share of insecure workers could erode the political agency role of trade unions in general. However, one shortcoming in the literature has been a failure to consider those characteristics of industrial relations regimes that could affect insecure workers' unionisation. What if some insecure worker groups are unlikely to join a union only in countries with a certain type of industrial relations regime? As the main components of industrial relations regimes such as employment protection legislation and collective bargaining systems tend to influence insecure workers' status in the labour market (Biegert, 2019; Cazes et al., 2019) and the operation of those institutions are closely connected with trade unions, it is likely that insecure workers' unionisation varies depending on industrial relations regimes. Thus, sub-study I analysed the unionisation of insecure workers by European industrial relations regimes. Its main research question is: *What are the differences and similarities in unionisation of insecure workers by type of work and European industrial relations regime?*

Contrary to most welfare states, Denmark, Finland, and Sweden have voluntary unemployment insurance schemes called the Ghent system. This is closely associated with unionisation because employees have the right to decide whether to join earnings-related unemployment insurance, which is administered not by the government but by trade union-linked funds. A very rich literature confirms that, traditionally, the Ghent system has contributed strongly to high union densities (Calmfors et al., 2001; Ebbinghaus et al., 2011; Neumann et al., 1991; Rasmussen and Pontusson, 2018; Scruggs, 2002; Western, 1993). On the other hand, recent studies have revealed that Ghent system reforms implemented in Nordic countries since the late 20th century have had a negative impact on their union densities (Böckerman and Uusitalo, 2006; Høgedahl and Kongshøj, 2017). However, there is a scarcity of research on insecure workers' choices regarding unemployment insurance and union membership in the transformed Ghent system, even though these workers have a good chance of having to rely on unemployment benefits in the near future. This implies that there is little knowledge about how the Ghent system reforms have affected insecure workers' unionisation and unemployment insurance coverage. *What are the differences in union and unemployment insurance fund membership choices between part-time, temporary, and low-*

skilled service workers in the reformed Finnish Ghent system? To answer this research question, sub-study II examined different groups of insecure workers' choices after the Ghent system transformation, concentrating on Finland.

Many political economy researchers have analysed the differences in political preferences and welfare attitudes between labour market insiders and outsiders (Guillaud and Marx, 2014; Garritzmann et al., 2018; Häusermann et al., 2016; Lindvall and Rueda, 2014). However, because high-quality surveys on the topic were limited until a few years ago, there are very few studies about universal basic income preferences. In particular, insecure workers' attitudes towards universal basic income have not yet been thoroughly examined, although the programme is often considered an alternative social policy to alleviate the risks faced by insecure workers (Standing, 2012; Van Parijs, 2004). *Are insecure workers more likely to support the introduction of universal basic income schemes?* Sub-study III aimed to answer the research question by studying the opinions of insecure workers concerning universal basic income, focusing on four groups of insecure workers: part-time, temporary, low-skilled service, and solo self-employed workers. As the idea of basic income has gained global attention in recent years, in 2016 the European Social Survey collected respondents' opinions about it. To answer the question, the sub-study analysed the data from the survey which are suitable for exploring various factors related to individual support for universal basic income.

Nowadays, social investment is one of the main themes in the policy debate on welfare reform. In response to post-industrialisation and population ageing, the European Union accepted the Lisbon Strategy in 2000 and the Social Investment Package in 2013 to encourage member countries to carry out welfare reforms based on the social investment paradigm. Since then, a considerable volume of research has analysed individual preferences for social investment ideas or policies and has shown that the approach of social investment is generally highly supported by the public (Busemeyer and Neimanns, 2017; Garritzmann et al., 2018). In addition, Busemeyer and Garritzmann (2017) and Neimanns et al. (2018) demonstrated how public support for social investment changes with the assumption that unemployment benefits need to be reduced to expand social investment policy. On the other hand, such an assumption contains very little knowledge about the attitudes of insecure workers towards the social investment approach, even though they are more likely to become unemployed and at the same time to have fewer job training opportunities than workers on standard employment (Cutuli and Guetto, 2013; Forrier and Sels, 2003). Therefore, sub-study IV looked into part-time, temporary, and solo self-employed workers' support for

increasing job training by reducing unemployment benefits to answer the following research question: *What groups of insecure workers are more or less likely to support the social investment policy to enhance vocational training and education at the cost of unemployment benefit reduction?*

This dissertation's main contribution to the literature on insecure workers is to demonstrate the similarities and differences in preferences for union membership and new social policy ideas between insecure workers and those with jobs and income security, and also among different groups of insecure workers. Previous studies of insecure workers have tended to magnify the contrasts in political preferences between secure and insecure workers but pay little attention to the disparities between the sub-groups of insecure workers. This dissertation reveals that there are complicated dynamics in workers' opinions regarding union membership and alternative social policy ideas beyond this simple dichotomy.

This dissertation first presents some theoretical background, beginning with a literature review that addresses various perspectives on insecure workers, institutional changes related to trade unions in the post-industrial labour market, determinants of union membership, the Ghent system reforms, universal basic income schemes, and public opinion for the notion of social investment. Hypotheses associated with the above-mentioned questions are then established based on the literature review, after which the methods used in each sub-study are introduced. The European Social Survey Round 5 data (2010) and data from the Finnish Income Distribution Survey from 2000 to 2012 were analysed for sub-studies I and II, respectively. The European Social Survey Round 8 data (2016) were employed for both sub-studies III and IV. Subsequently, the main results section demonstrates that the union memberships of insecure workers vary depending on the types of employment and the institutional characteristics of industrial relations, and that their preferences for new social policy ideas are divided according to the circumstances that confront each group of insecure workers. The concluding section summarises the findings and discusses their implications for the literature on insecure workers. In addition, it reflects on the limitations of this dissertation and suggests future research ideas.

2 THEORETICAL BACKGROUND

2.1 INSECURE WORKER GROUPS

There are three major perspectives on dealing with vulnerable or insecure work forces emerging in the post-industrial labour market: the insider-outsider models in labour economics and political economy; the approach focused on precarious employment status; and the perspective based on the concept of new social risks. This section reviews these perspectives and then organises four categories of insecure workers for analysis.

Reich et al.'s 1973 study showed that segmented labour markets originate and are developed not by external factors but by political and economic forces within capitalism. Since that study was released, labour market segmentation has been keenly analysed by sociologists, economists, and political scientists. Lindbeck and Snower (1989) introduced the concept of insiders and outsiders in segmented labour markets to show how different the two groups' situations are. They define insiders as employees whose jobs are protected by various measures and outsiders as the unemployed or workers in the informal sector. This approach tends to conceptualise insiders and outsiders by determining whether they have permanent and full-time employment. The recent insider-outsider literature has developed the analysis further by measuring prospective unemployment risks by occupational group and identifying which group an individual worker belongs to (Schwander, 2019). As both approaches regard the stability of employment as the essential delimitation between insiders and outsiders, 'outsiders' generally refer to employees in an unstable and insecure position (Emmenegger, 2009; Guillaud and Marx, 2014; Garritzmann et al., 2018; Häusermann et al., 2016; Häusermann and Schwander, 2012; Lindvall and Rueda, 2014; Rueda, 2007). For this reason, labour market outsiders and insecure workers overlap to a considerable extent. However, the most significant shortcoming of the insider-outsider perspective is that it concentrates on the political differences between insiders and outsiders by lumping together diverse types of insecure workers, while paying no attention to possible variances within labour market outsiders. Hence, Barbier (2013) criticised the separation between insiders and outsiders as being so simplistic that it does not adequately reflect reality. Another limitation is that this perspective tends to ignore income disparity between insiders and outsiders in analysing their policy preferences by brushing aside the fact that unstable or low income is another consequence of their

employment insecurity.

Since Kalleberg's (2011) seminal publication, the concept of precarious work has been used widely in many recent publications addressing insecure workers. Although there is a criticism that the ways to define precarious work and measure precariousness are ambiguous and incomprehensive (Olsthoorn, 2014), precarious work generally means work that involves job insecurity and employment uncertainty, provides limited economic and social benefits, and has limited statutory entitlements in employment relations (Kalleberg, 2018). The precarious work literature concentrates mainly on job insecurity and often uses non-standard employment status—such as temporary employment, (involuntary) part-time work, and own-account self-employment—to categorise precarious work. This approach is limited in that income insecurity is not specifically considered an element of precarious work (Olsthoorn, 2014), even though empirical studies demonstrate that workers in non-standard employment are placed in precarious situations in terms of both employment and income. Nowadays, it is very easy to find people who work on fixed-term or part-time contracts, particularly among young people. It is no longer strange that university graduates hold part-time jobs in the food service industry, or that a large number of public sector employees work on temporary contracts. Research has demonstrated that temporary workers tend to suffer from job and income insecurity and confront higher poverty risks than those in standard employment (Burgoon and Dekker, 2010; Giesecke, 2009; Van Lancker, 2013), and that the earnings of part-time workers, whose job opportunities are relatively limited, are significantly lower than those of standard employees (Horemans and Marx, 2013). In addition, a significant proportion of Europe's working poor is self-employed (Halleröd et al., 2015). Actually, it is hard to expect that a man selling snacks from his food truck would maintain a stable, high income. Not surprisingly, previous studies have shown that solo entrepreneurs tend to have more irregular and lower income and a higher unemployment risk (Schulze Buschoff and Protsch, 2008; Dekker, 2010; Pedersini and Coletto, 2009). Besides non-standard employment, it should be noted that the rise of precarious employment has been fuelled by not only the growth of non-standard jobs but also the declining quality of standard employment (Dekker and van der Veen, 2017; Keune and Pedaci, 2020). That is, insecure workers may exist regardless of their employment status.

Researchers analysing welfare states in terms of new social risks (NSRs) treat low skilled workers in service jobs as a vulnerable group in the post-industrial labour market, although the notion of NSRs was not established to explain insecure workers. Old social risks (OSRs) refer to those that the public

collectively addressed during industrialisation, such as unemployment, illness, and disability, while NSRs are those that many individuals newly experience in their lives due to the socio-economic transformations associated with post-industrialisation, such as work-life imbalance, long-term care, a low-skilled workforce in the service sector, and inadequate social security (Taylor-Gooby, 2004; Bonoli, 2006; Bonoli, 2007). Low skill service jobs are closely associated with income insecurity, even if they are based on standard employment contracts. Unlike manufacturing jobs, workers in jobs such as retail, cleaning, catering, and hospitality—jobs that contribute little to increased value and productivity (Bonoli, 2007; Pierson, 1998)—are likely to earn low wages and experience low-quality working conditions (Oesch, 2013; Schwander and Häusermann, 2013). Moreover, low skilled workers tend to experience long-term unemployment and early retirement because they have less frequent job opportunities and compete for low-paid service jobs with each other and also with more educated people (Ebbinghaus, 2007; Esping-Andersen, 1993). Their lower income and fewer working years are highly likely to lead to low pension incomes after retirement. Low-skilled service workers intersect with labour market outsiders and workers in precarious employment in many respects. However, in as much as they are likely to suffer from income insecurity and have limited opportunities to access better jobs independently from their current employment status, these workers can be regarded as a separate insecure group.

As the review of the various perspectives on insecure workers emerging in the post-industrial labour market demonstrate that labour forces have been recently divided in different ways and aspects, and various types of insecurity have occurred, it is not reasonable to regard insecure workers as a homogenous group. Hence, this study combines diverse aspects of the approaches reviewed above to focus on the notion of *insecure workers*, defined as *people in paid work who face a higher incidence of unemployment, as well as low income and/or limited rights to social benefits or collective bargaining*. Considering that the various approaches used to identify insecure workers employ different criteria and indicators, it can be assumed that they consist of heterogeneous sub-groups and that their decision making in the labour market and welfare preferences may vary according to the interests and circumstances each group commonly shares. In addition, the interest of this study lies not in measuring how insecure an individual worker is but in identifying what groups of workers experience high levels of insecurity on average. Therefore, in this study, insecure workers are categorised into *part-time employees, temporary workers, low-skilled workers in the service sector, and solo self-employed workers*. To be more specific, part-time or fixed-term

employment workers were addressed in all the sub-studies, low-skilled service workers were analysed in sub-studies I, II, and III, and the solo self-employed were dealt with in sub-studies III and IV.

2.2 INSECURE WORKERS' UNIONISATION

2.2.1 BEING AN INSECURE WORKER

Studies on the factors that encourage or discourage employees to join unions have evolved since Olson (1965) suggested a theory of collective action. Olson's theory concentrates on workers' own cost-benefit comparisons, assuming that from an economic perspective, each individual is a rational person. According to this theory, employees evaluate the prospective benefits and costs of becoming a union member. Based on the evaluation, they are likely to join a union if having membership is beneficial; otherwise, they are not. On the other hand, the social custom theory highlights the reputations that individual workers gain at workplaces by being unionised or not. This perspective assumes that if someone does not obey their own customs that members in a group share, they would lose reputation within their group. Hence, this theory states that as unionising is a customary rule that each worker should follow in the workplace, employees tend to join a union to avoid being criticised by their colleagues (Booth, 1985). Consequently, this approach implies that individuals' decisions to join a union are interdependent (Schnabel and Wagner, 2007).

Considering the economic approach and social custom theory, probably trade union membership would not be very attractive to insecure workers. Having known that trade unions tend to be more active in advocating the interests of permanent full-time workers than those of non-standard workers (Gumbrell-McCormick, 2011; Lindbeck and Snower, 2002; Rueda, 2007), temporary workers and part-time employees are unlikely to feel a huge need to join a union in terms of cost-benefit analysis. In addition, union membership as a custom would hardly be effective in unionising insecure workers. In traditional workplace settings such as factories, maintaining a good reputation may be considered important, because most employees have standard employment and maintain regular face-to-face contact with many co-workers, and their job tenures last over decades. However, this notion would not be applicable to insecure workers, as temporary workers are supposed to leave the job when their contract has expired, and part-time employees and low skilled service workers have relatively fewer or more

irregular contacts with colleagues (Visser, 2002). Moreover, their job turnover is relatively high. Consequently, insecure workers are less likely to think of becoming a union member as a social custom than standard workers.

In addition to these approaches, there is another perspective on determinants of union membership emphasising institutional factors. Rothstein (1990) highlighted the effect of voluntary unemployment insurance schemes, namely the Ghent system, on union membership. Hancké (1993) claimed the importance of unions' access to the workplace level. In addition, Western (1994) focused on strong working-class political parties and centralised collective bargaining. In the next sub-chapters, industrial relations regimes and the Ghent system are reviewed to understand insecure workers' union membership in the context of institutions.

2.2.2 DIFFERENCES BETWEEN INDUSTRIAL RELATIONS REGIMES

Collective bargaining coverage and unions' bargaining power and political influence, which are essential elements of industrial relations, may affect insecure workers' decision-making concerning union membership because those factors contribute to ameliorating or aggravating their vulnerability. Sub-study I employed Visser's (European Commission, 2009) typology of industrial relations regimes (IR regimes) to distinguish between the institutional characteristics of different countries that have effects on union membership. It divides European IR regimes into five categories: 1) organised corporatism, 2) social partnership, 3) polarised/state-centred, 4) liberal, and 5) transitional. The classification of the 23 European countries into these categories is presented in Table 1.¹

The higher the collective bargaining coverage rate, the more likely insecure workers are to be protected by collective agreements. In addition, if unions can have a substantial influence over policies related to employment relations by advocating all groups of workers, this may be an incentive to encourage insecure workers to be unionised. Weiler (2004) demonstrated that in countries where collective bargaining coverage is high, unions exert their substantial influence on governmental decision-making on labour and social policy. Hence, it is probable that the unionisation rates of insecure workers are higher in the industrial relations regimes where collective bargaining coverage is the widest. The collective bargaining coverages of the liberal and transitional regimes are only 40% and 30% of employees, respectively, while in the other

¹ The typology is based on Ebbinghaus and Visser (1997) and Crouch (1993).

IR regimes, their average coverage rates are over 75%² (European Trade Union Institute, 2014). Consequently, insecure workers in the liberal and transitional IR regimes may be less likely to feel the necessity of union membership, while those in organised corporatism, social partnership and polarised/state-centred regimes are as likely to have union membership as other workers.

Considering all the above points, the hypotheses associated with insecure workers' union membership are set up as follows:

H1a: *In the liberal and transitional IR regimes, insecure workers (part-time workers, temporary employees, and low-skilled service workers) are less likely to be union members than other employees.*

H1b: *In the organised corporatism regime, social partnership, and polarised/state-centred regimes, insecure workers (part-time workers, temporary employees, and low-skilled service workers) are as likely to be union members as other workers.*

Table 1 Country classification according to industrial relations regimes

Regime	Countries
Organised corporatism	Denmark, Finland, Norway, Sweden
Social partnership	Belgium, Germany, The Netherlands, Slovenia, Switzerland
Polarised/state-centred	France, Greece, Portugal, Spain
Liberal	Cyprus, Ireland, The United Kingdom
Transitional	Bulgaria, The Czech Republic, Estonia, Hungary, Lithuania, Poland, Slovakia

Note: This table includes only the countries included in the European Social Survey round 5 data (2010).

2.2.3 THE EFFECTS OF THE TRANSFORMED GHENT SYSTEM

The Ghent system, which has been in operation in Denmark, Finland, and Sweden, is the second institutional factor of union membership that this

² The figures were derived by using the data from the European Trade Union Institute (2014).

study concentrates on. It is well known that the system is powerfully effective in recruiting union members (Calmfors et al., 2001; Ebbinghaus et al., 2011; Neumann et al., 1991; Rasmussen and Pontusson, 2018; Scruggs, 2002; Western, 1993), because in this system, employees themselves voluntarily decide whether to enrol in unemployment insurance, and trade union-linked funds rather than governments administer the voluntary members' contributions and benefits. However, the Ghent systems of all the Nordic countries were reformed in the late 20th and early 21st centuries. In Finland and Sweden, independent unemployment insurance funds (henceforth UI funds) that employees can join regardless of union membership were introduced in 1992 and 1998 respectively. In Denmark in 2002, it became possible for workers to enrol in any UI fund without boundaries between professions. These changes have weakened the influence of the Ghent system on union membership (Böckerman and Uusitalo, 2006; Høgedahl and Kongshøj, 2017). It is very plausible that the introduction of more flexible schemes affects insecure workers' decision-making related to union membership because it may bring changes to the way insecure workers perceive union membership. Therefore, sub-study II scrutinised insecure employees' union and UI membership in the transformed Finnish Ghent system.

In Finland, UI benefits consist of earnings-related and basic benefits. The former is provided through UI funds based on the Ghent system, while the latter is administered by the Social Insurance Institution of Finland (Kela) and the public employment service (TE-Office). Unemployed people who have UI membership can receive the earnings-related unemployment allowance, while the unemployed who did not belong to any UI fund are entitled to the basic allowance. The average amount of basic allowance was €703 per month and in 2016 it was paid for 100 weeks.³ The amount of earnings-related allowance is considerably higher than the basic one, because the replacement rates applying to most UI fund members are higher than 60% (Kyyrä et al., 2017). As of 2018, there are 24 UI funds. 23 of them are managed by unions, whereas only one which was introduced in 1992 is operated independently of unions. In terms of cost, the union membership fee is considerably higher than that of the independent UI fund. In Finland, unions charge between 1% and 2% of gross earnings or a flat fee of around €400 per year, which usually include both union membership and union-linked UI fund membership fees. However, the

³ Although the basic allowance has a flat rate in principle, the specific amount of benefit changes according to the number of children at home. The payment duration has been cut to 80 weeks since 2017.

independent UI fund has charged much lower annual membership fees. It was €118 in 2017 and €110 in 2019. To sum up, there are three options that workers can choose for their unemployment protection in Finland: having a union membership, joining the independent UI fund, and relying on basic unemployment allowance.

To predict different insecure worker groups' choices about union and UI fund memberships in the reformed Ghent system, it is necessary to look into their average incomes since their income levels are an important criterion for determining their membership fees and amounts of future earnings-related unemployment allowances. Figure 1 displays the average incomes of wage earners in Finland from 2000 to 2012. It is found that the income levels of insecure worker groups are even lower than that of other employees. The average income of all employees was €25,000 euros in 2000, and it increased to €35,000 in 2010. However, the average income for part-time employees, temporary workers and low-skilled service employees had barely reached the €30,000 level even in 2012. Among those groups, part-timers showed the lowest average income, followed by fixed-term employees. Low-skilled workers in the service sector had relatively a higher average income.

Considering their very low average income, part-time employees would be less likely to join a UI fund than full-time workers. First, it is difficult to guarantee their entitlement to earnings-related unemployment allowances due to their low income and limited working hours. Second, when they become unemployed, a large proportion of part-timers would not receive earnings-related benefits considerably higher than the sum of the basic unemployment allowance and UI fund membership fee they would pay during employment. That is, from an economic perspective, joining a UI fund is not economically attractive to many part-time workers. In addition, as mentioned earlier, they tend to have less interest in gaining a good reputation at the workplace by becoming a union member owing to their less constant contact with other employees.

Temporary contract employees are less likely to feel the necessity to join a union because they plan to leave the job when their contracts finish. On the other hand, they might want to enrol in a UI fund, because their average income is even higher than that of part-timers and this means, for most temporary employees, the earnings-related unemployment allowance option would be more beneficial than the basic allowance option. Moreover, the independent UI fund membership fee being cheaper than union membership dues could be a great incentive to encourage them to subscribe to the UI fund.

When it comes to low-skilled service workers, they would not give up UI fund membership, because their income level is high enough to receive

advantageous earnings-related benefits in case of unemployment. Regarding the choice between unions and the independent UI fund, there are conflicting incentives associated with choosing each of them. Unions provide their members with additional services such as legal advice, travel insurance, job information and occupational training. Moreover, Finnish trade unions have strong collective bargaining power and around 90% of collective bargaining coverage, which can be incentives for low-skilled service workers to take union membership. In the case of the independent UI fund, the low membership fee plays an important part for low-skilled service workers whose income level is lower than that of average employees. Occasionally, however, the extensive collective bargaining coverage may allow them to have a free ride. Furthermore, from the perspective of the social custom theory, they are less likely to feel the necessity of union membership due to their fewer chances for face-to-face contact with colleagues. On the whole, given the conflicting factors concerning the choice between unions and the independent UI fund, it is difficult to expect which one low-skilled service employees tend to select. Consequently, it seems that both perspectives offset each other, although they may influence their decision-making.

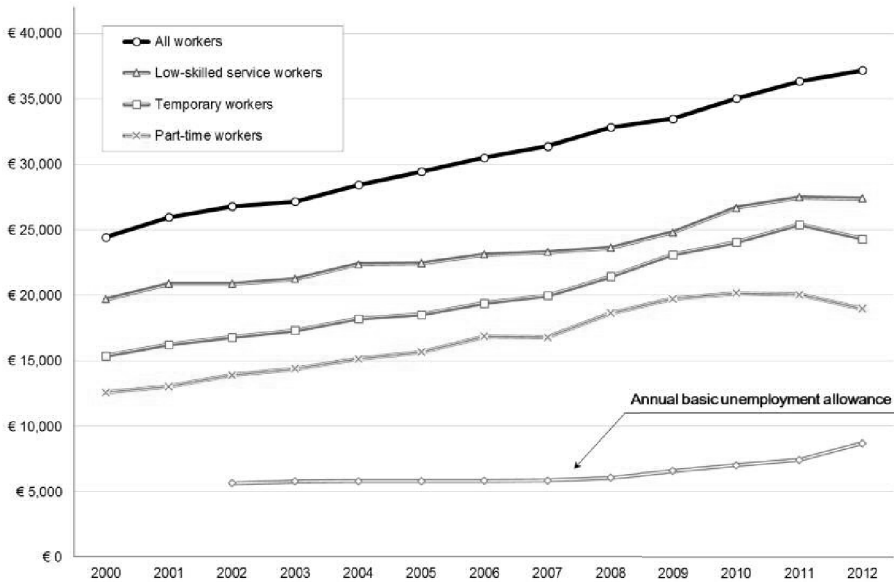
Therefore, the hypotheses about insecure workers' union and UI fund memberships in the Finnish Ghent system are as follows:

H2a: *Being a part-time employee increases the probability of not joining a trade union or the independent UI fund.*

H2b: *Being a temporary employee increases the probability of having no UI membership, and at the same time the probability of joining the independent UI fund instead of a trade union.*

H2c: *Being a low-skilled worker in the service industry does not affect the probability of having UI membership, nor does it affect the probability of joining the independent UI fund instead of a trade union.*

Figure 1 Estimated average annual personal wages and salaries of insecure workers and all workers



Source: Authors' calculations from the Finnish Income Distribution Survey data and the Kela Annual Report for each year from 2002 to 2012.

Note: The wages and salaries are indicated by nominal wages and salaries. The average basic unemployment allowances were calculated based on each year's average daily allowance. The numbers for 2000 and 2001 are excluded in this figure because their currency is not in euros but in Finnish markka.

2.3 PREFERENCES FOR NEW SOCIAL POLICY IDEAS

2.3.1 UNIVERSAL BASIC INCOME

The proportion of insecure workers has continued to increase in the post-industrial economy (Kalleberg, 2009; 2018), but existing social security schemes often fail to adequately cover them (Bonoli, 2005; Schulze Buschoff and Protsch, 2008; Rueda, 2014). Moreover, it is expected that technological advancements and automation would keep increasing non-standard employment and unemployment in the future (OECD, 2016). This circumstance has boosted a growing number of researchers' and policymakers' attention to UBI schemes as a new social policy programme for the post-industrial welfare state, since the Swiss basic income referendum of 2016 and the Finnish basic income experiment of 2017-2018. In particular, advocates of UBI schemes argue that they will be effective in alleviating the risks faced by

workers in precarious jobs (Standing, 2012; Van Parijs, 2004). As it is known that workers with unstable and insecure employment tend to be more supportive of redistributive measures (Guillaud and Marx, 2014; Garritzmann et al., 2018; Häusermann et al., 2016; Lindvall and Rueda, 2014), this perspective could also apply to UBI. However, there is a paucity of studies which show insecure workers' attitudes towards the introduction of UBI schemes. Therefore, sub-study III tried to find novel evidence concerning the dynamics of contemporary labour markets and social policy institutions by examining the opinions of insecure workers on UBI.

According to the definition of the Basic Income Earth Network (2019), UBI means “a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement”, and this is also often called basic income, citizen's income, citizen's basic income, social dividend or universal grant (Citizen's Basic Income Trust, 2019). The essential feature of UBI is that a specific amount of money is paid to every resident unconditionally and periodically. At the same time, UBI schemes can be designed variously according to the level of payment, income tax rates, and the relationship with existing welfare systems. Sub-study III explored insecure workers' UBI preferences by taking these points into account.

The literature displayed that part-time work and fixed-term contract employment are likely to increase income and job insecurity, which can lead to poverty (Burgoon and Dekker, 2010; Horemans and Marx, 2013; Van Lancker, 2013). Moreover, workers in these types of employment tend to have troubles in being fully protected by social security in most European countries because they often cannot gain entitlements for unemployment benefits (Matsaganis et al., 2016; Schulze Buschoff and Protsch, 2008). Such economic insecurity can make part-timers and temporary workers supportive of the expansion of redistributive policies, and exclusion from the social security system can inspire their desire for welfare system reform. Hence, the factors would induce them to have a positive opinion of UBI, though it is not the only solution for their needs. If UBI were paid, part-time employees could have lower levels of stress and worry caused from not having full-time jobs, and temporary workers would regard unceasing UBI payments as a reliable income support that can compensate for their uncertainty after their contracts expire. As a result, it is expected that job uncertainty and income insecurity would function as intermediate variables between these types of work and UBI preferences.

It is expected that low-skilled workers in the service sector would show different attitudes towards UBI from part-timers and fixed-term employees. Unskilled or low-skilled workers tend to prefer the expansion of redistribution

and welfare policies (Jæger, 2006; Linos and West, 2003; Svallfors, 2004; Wren and Rehm, 2013), because these employees are the most vulnerable group in every country (Häusermann et al., 2016). Particularly, low-skilled service employees are likely to suffer from low wages and poor working conditions because their jobs based on lower skills are more prone to the global transformation of the labour market (Ebbinghaus, 2007; Oesch, 2013). This factor might incentivise them to welcome UBI given its potential contribution to redistribution. However, it should be noted that there are many alternative redistribution measures other than UBI. Furthermore, it is hard to predict that low-skilled service workers would have a significantly high demand for the restructuring of social protection, because they qualify for all welfare benefits in general, unless they are in temporary or part-time employment. Therefore, low-skilled service employees' preferences for UBI are unlikely to be stronger than those of other workers.

A majority of solo entrepreneurs have different characteristics from the self-employed running stable businesses with their employees. They tend to set up in business owing to difficulty in getting a job, depending on irregular, potentially lower income, being excluded from earnings-related social insurance or pension schemes, and experiencing a high risk of unemployment (Schulze Buschoff and Protsch, 2008; Dekker, 2010; Jansen, 2019; Pedersini and Coletto, 2009). These insecure circumstances that are similar to what temporary workers face may encourage solo self-employed workers to have a positive stance towards the introduction of UBI. However, it must be considered that they show basically different attitudes towards welfare policies from temporary employees. Jansen (2019) revealed that solo self-employed workers tend to oppose the expansion of social protection for workers, because they are potential employers and would consider temporary workers to be an important source of employment for their businesses. Accordingly, their demand on income security and their negative stance towards social protection would collide with each other, which would not make any difference in their UBI preferences.

Based on the theoretical background, the following hypotheses are established to verify the associations between being an insecure worker and UBI preferences.

H3a: *Part-time workers are more likely to be more supportive of the introduction of UBI schemes than full-time workers.*

H3b: *Temporary employees are more likely to be more supportive of the introduction of UBI schemes than permanent employees.*

H3c: *The attitudes of low-skilled service sector employees towards the introduction of UBI schemes are not significantly different from those of other workers.*

H3d: *The attitudes of solo self-employed workers towards the introduction of UBI schemes are not significantly different from those of permanent employees.*

2.3.2 SOCIAL INVESTMENT APPROACH TO UNEMPLOYMENT

Recently, the idea of social investment has been widely supported by scholars and policy makers lately (Kuitto, 2016). The social investment policy to expand job training and education can be a complementary or alternative approach to traditional passive social insurance schemes, which aim to compensate and restore unemployed workers' lost income (Beramendi et al, 2015), and activation programmes, which encourage the unemployed to get a job by enforcing welfare conditionality and imposing sanctions (Fossati, 2018; Knotz, 2018). Research shows that upskilling the unemployed via vocational training is the most social investment oriented active labour market policy (ALMP) (Bonoli, 2012; Morel et al, 2012; Hemerijck, 2018). On the other hand, in an age of permanent austerity, one of the major barriers in implementing such an approach may be financial limitations, because governments have to provide funds for social protection as well as social investment, and sometimes a trade-off between expenditures for both of them is found (Bengtsson et al, 2017). Hence, it is likely that investment in vocational training could be enhanced at a cost of reducing unemployment benefits. On the other hand, there is little knowledge about public opinion on the social investment approach to unemployment in a budgetary trade-off scenario. Therefore, sub-study IV examined preferences of economically active people for the policy to increase social investment for the unemployed by reducing unemployment benefits, in particular focusing on insecure workers who are considered to experience a higher unemployment risk.

Part-time jobs tend to be undertaken by people who need to participate in economic activity, while caring for family members or acquiring education for future careers (Horemans and Marx, 2013). Thus, many part-timers would be likely to want to have a full-time job after their current personal tasks terminate. However, part-time employees usually have shorter job tenures and suffer from limited employment opportunities (Horemans and Marx, 2013). Because more chances of upskilling would be helpful for them to overcome these problems, it is probable that they would basically take a positive view of

the objective of the approach to increase job training and education. On the other hand, their attitudes towards reducing unemployment benefit in order to make funding for such programme would depend on whether their employment contracts are permanent or temporary. Part-time workers with permanent contracts would be less sensitive to such reductions due to their relatively low unemployment risks. By contrast, part-time employees with fixed-term contracts are more likely to have a negative stance because they have a higher incidence of unemployment and also probably their unemployment benefits, which are related to their current earnings, would be much lower than those of full-time workers. For part-time temporary employees, this potential income loss might be a powerful disincentive against the social investment approach. As a result, it is expected that part-time permanent employees are more likely to be supportive of the social investment approach than standard workers, while temporary part-time workers are less likely.

An unemployment benefit reduction would be an undesirable suggestion to full-time workers in fixed-term employment, but their negative reactions would be likely to be weaker than those of part-time temporary employees because full-time workers' unemployment benefits are considerably higher in an earnings-related unemployment insurance system. However, there are factors that may cause full-time temporary workers to have a positive attitude towards the social investment approach. As they have fewer training opportunities than standard workers, which makes it hard to develop their employability (Cutuli and Guetto, 2013; Forrier and Sels, 2003), they may feel that policies to expand vocational education and training would be beneficial. Moreover, the ultimate goal of most temporary employees is to have permanent employment (De Jong et al., 2009). To achieve this objective, they could be willing to sacrifice some of their unemployment benefits for job training and education. Consequently, it is expected that full-time temporary workers would not show a significantly different attitude towards the social investment approach from standard employees, because positive and negative factors influencing their preferences may compete and cancel out each other's effect.

The socioeconomic status of solo self-employed workers is different from that of the self-employed who are commonly called petty bourgeois (Arum and Müller, 2004). Most solo entrepreneurs have low-skilled jobs in the service industry (Jansen, 2019) and the growth of the platform economy has made a huge number of workers bogusly self-employed (Vandaele, 2018). Their vulnerable status often makes them face a higher risk of unemployment and suffer from irregular income and exclusion from the social security system

(Dekker, 2010; Jansen, 2019; Schulze Buschoff and Protsch, 2008). In this situation, it is hard to predict that they would be as favourable in reducing unemployment benefits as employers are, although they are potential employers. Furthermore, the social investment approach would not be immediately useful for solo entrepreneurs to employ their employees, since generally the reason they do not have an employee is not a shortage in the available skilled manpower but because they have difficulty in expanding their business. On the other hand, a different point of view suggests that the social investment approach might be attractive to them, because it could give such precarious business persons more opportunities to take vocational training and education. Considering all the points, probably solo self-employed workers would be more supportive of the social investment approach than standard employees, but less than employers.

As a result, the hypotheses on insecure workers' preferences for the social investment approach to unemployment in a budgetary trade-off scenario are organised as follows:

H4a: *Part-time permanent employees are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

H4b: *Part-time temporary employees are less likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

H4c: *Full-time temporary employees' attitudes towards the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits do not significantly differ from standard employees' attitudes.*

H4d: *Solo self-employed workers are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits reduction.*

H4e: *Solo self-employed workers are less likely than employers to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

3 AIMS, RESEARCH QUESTIONS AND HYPOTHESES

3.1 AIMS AND RESEARCH QUESTIONS

This dissertation aims to explore insecure workers' (i.e., part-time workers, temporary employees, low skilled service workers, and solo self-employed workers) choices on union membership and opinion on alternative social policy ideas in European welfare states and subsequently compare the results across insecure worker groups.

To be more specific, sub-study I was conducted based on the concept of new social risks. It explores the union membership of six different groups of workers in a comparative perspective. They consist of part-time workers, temporary employees, low skilled service workers, single-parent employees, female employees with children, and female employees who care for vulnerable family members. The objective of sub-study I is to compare the workers' unionisation across five European IR regimes embracing 23 countries. The research question of sub-study I is: *What are the differences and similarities in unionisation of insecure workers by type of work and European IR regime?*

Sub-study II analyses insecure workers' choices regarding union and UI fund memberships under the transformed Finnish Ghent system. As the independent UI fund which does not require union membership for unemployment insurance enrolment was introduced in 1992, this sub-study investigates how this reform has affected the unionisation of part-time employees, temporary workers, and low skilled service employees in Finland. Sub-study II answers the following question: *What are the differences in union and UI fund membership choices between part-time, temporary, and low-skilled service workers in the reformed Finnish Ghent system?*

Sub-study III deals with UBI schemes, one of the most controversial issues in the recent welfare reform debate. This sub-study focuses on four types of insecure workers (i.e., part-time workers, temporary employees, low skilled service workers, and solo self-employed workers) in 21 European countries and analyses their preferences for the introduction of UBI schemes. The research question of this sub-study is as follows: *Are insecure workers more likely to support the introduction of universal basic income schemes?*

In sub-study IV, the focus is on insecure workers' attitudes towards a social investment approach expanding opportunities for job training and

education at a cost of unemployment benefit reduction. The analysis is targeted at part-time permanent employees, part-time temporary workers, full-time temporary employees, and solo self-employed workers in 20 European countries. Sub-study IV seeks answers to the last research question: *What groups of insecure workers are more or less likely to support the social investment policy to enhance vocational training and education at the cost of unemployment benefit reduction?*

3.2 HYPOTHESES

In this section, the hypotheses which were established earlier based on the literature review are presented again by sub-study.

Sub-study I, which explores the differences and similarities in unionisation of insecure workers according to the type of work and the European IR regime, has the following hypotheses.

H1a: *In the liberal and transitional IR regimes, insecure workers (part-time workers, temporary employees, and low-skilled service workers) are less likely to be union members than other employees.*

H1b: *In the organised corporatism regime, social partnership, and polarised/state-centred regimes, insecure workers (part-time workers, temporary employees, and low-skilled service workers) are as likely to be union members as other workers.*

To analyse insecure workers' union and UI fund memberships in the Finnish Ghent system, sub-study II tests the following three hypotheses.

H2a: *Being a part-time employee increases the probability of not joining a trade union or the independent UI fund.*

H2b: *Being a temporary employee increases the probability of having no UI membership, and at the same time the probability of joining the independent UI fund instead of a trade union.*

H2c: *Being a low-skilled worker in the service industry does not affect the probability of having UI membership, nor does it affect the probability of joining the independent UI fund instead of a trade union.*

The hypotheses of sub-study III to focus on insecure workers' UBI preferences are organised as shown below.

H3a: *Part-time workers are more likely to be more supportive of the introduction of UBI schemes than full-time workers.*

H3b: *Temporary employees are more likely to be more supportive of the introduction of UBI schemes than permanent employees.*

H3c: *The attitudes of low-skilled service sector employees towards the introduction of UBI schemes are not significantly different from those of other workers.*

H3d: *The attitudes of solo self-employed workers towards the introduction of UBI schemes are not significantly different from those of permanent employees.*

Sub-study IV, which examines insecure workers' attitudes towards the social investment approach to unemployment, verifies the following hypotheses.

H4a: *Part-time permanent employees are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

H4b: *Part-time temporary employees are less likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

H4c: *Full-time temporary employees' attitudes towards the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits do not significantly differ from standard employees' attitudes.*

H4d: *Solo self-employed workers are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits reduction.*

H4e: *Solo self-employed workers are less likely than employers to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

4 DATA AND METHODS

4.1 DATA

The main source of data for this dissertation is the European Social Survey (ESS) and the Finnish Income Distribution Survey (FIDS) data. The ESS has been conducted in European countries via face-to-face interviews biennially since 2002. The ESS microdata provide a wide range of variables about respondents including union membership and opinion on various social and political issues. The FIDS is an annual survey based on a rotating-panel design, where each household participated in the survey for two to four consecutive years, and new households replace some of the respondents each year. The FIDS data contain register-based information on union membership from tax authorities since 2003, although they also have information based on interviews before that time. Table 2 briefly presents the microdata used for each sub-study.

Sub-study I analysed the data set adding one country level variable on the Ghent system into the microdata from the ESS Round 5 (2010). Its target population is people who are currently both employed and aged between 15 and 64 in 23 European countries which are classified into five IR regimes according to Visser's (European Commission, 2009) typology. To examine the Finnish case, sub-study II used the FIDS data from 2000 to 2012. This survey analysed wage and salary earners aged between 15 and 64 in Finland after merging the annual datasets from 2000 to 2012. Sub-studies III and IV analysed the microdata from the ESS Round 8 (2016). Sub-study III focused on the employed and the self-employed aged 15 to 64, while sub-study IV was targeted at the economically active population including unemployed job seekers.

Table 2 Data for analysis by sub-study

Sub-study	Data	Years	Target population	Sample size
Study I	ESS Round 5	2010	15-64 years; employed in 23 European countries	15,173
Study II	FIDS	2000–2012	15-64 years; wage and salary earners in Finland	115,452
Study III	ESS Round 8	2016	15-64 years; employed and self-employed in 21 European countries	17,515
Study IV	ESS Round 8	2016	15-64 years; employed and self-employed and unemployed in 21 European countries	18,643

4.2 VARIABLES

4.2.1 OUTCOME VARIABLES

As sub-study I examined insecure workers' trade union membership, its outcome variable is whether a respondent has union membership or not. To estimate statistical models, the dichotomous variable on current union membership (current union member = 1 and non-member = 0) was used as the dependent variable. On the other hand, sub-study II employed the variable of union membership status with three values (union member = 1, UI fund-only member = 2 and non-membership = 0) under the Finnish Ghent system.⁴ Next, the outcome variable of sub-study III is a respondent's opinion about the introduction of UBI. Although the original item of ESS Round 8 (2016) has four values (strongly against = 1, against = 2, in favour = 3, strongly in favour = 4), the analysis created a new dichotomous variable (strongly in favour or in favour = 1, and strongly against or against = 0) by recoding the item. Finally, sub-study IV analysed the binary variable to show a respondent's opinion about increasing public expenditure on education and training programmes for the unemployed at the cost of reducing unemployment benefit (strongly in

⁴ By law, individuals can join a union-linked UI fund even without union membership. However, Finnish trade unions tend to strongly encourage workers to have both union and UI fund memberships. Therefore, an absolute majority of wage earners who are a UI fund member without union membership are members of the independent UI fund.

favour or in favour = 1, strongly against or against = 0). Its original variable also consists of four values (strongly against = 1, against = 2, in favour = 3, strongly in favour = 4). The reason studies III and IV recoded the original items is that it is more logical to fit binary logistic regressions rather than ordered logistic models, given they do not have a neutral response to the topic in the first place.

Table 3 Outcome variable by sub-study

Sub-study	Original item	Final variable
I	Q: Are you or have you ever been a member of a trade union or similar organisation? 1) Yes, currently 2) Yes, previously 3) No	Current trade union membership 0: No 1: Yes
II	Q: Which trade union or unemployment insurance fund does the respondent belong to on the basis of the register data? 0) No registry data 1) SAK 2) STTK 3) AKAVA 4) Other union 6) Union member, but membership fee not paid 7) Membership fee paid, but no union information 8) Only unemployment insurance fund membership	Trade union or unemployment insurance fund membership 0: non-membership 1: union member 2: unemployment insurance fund-only member
III	Q: A basic income scheme includes all of the following: The government pays everyone a monthly income to cover essential living costs. It replaces many other social benefits. The purpose is to guarantee everyone a minimum standard of living. Everyone receives the same amount regardless of whether or not they are working. People also keep the money they earn from work or other sources. This scheme is paid for by taxes. Overall, would you be against or in favour of having this scheme in [country]? 1) Strongly against 2) Against 3) In favour 4) Strongly in favour	Opinion on the introduction of a universal basic income scheme 0: Against 1: In favour
IV	Q: Now imagine there is a fixed amount of money that can be spent on tackling unemployment. Would you be against or in favour of the government spending more on education and training programmes for the unemployed at the cost of reducing unemployment benefit? 1) Strongly against 2) Against 3) In favour 4) Strongly in favour	Opinion on the social investment approach to increase job training and education at the cost of unemployment benefit reduction 0: Against 1: In favour

4.2.2 INDEPENDENT VARIABLES: INSECURE WORKER GROUPS

Different groups of insecure workers are key variables of interest in all the sub-studies. In sub-studies I and II, they consist of part-time workers, temporary employees, and low-skilled employees in the service sector. Sub-study III concentrates on those types of workers and solo self-employed workers as well. On the other hand, sub-study IV scrutinises part-time permanent employees, part-time temporary workers, full-time temporary employees, and solo self-employed workers separately.

Each group was operationally defined as follows: First, the part-time employee refers to an employee whose working time is less than 35 hours per week in sub-studies I, III, and IV, while it is 30 hours per week in sub-study II. Sub-study II adopted a conservative approach to interpreting part-time workers because its design is a one country case study, while sub-studies I, III, and IV accepted a broader concept of part-time work considering variation among countries. Second, the temporary employee is an employee who has a fixed-term employment contract. Third, the low-skilled employee in the service sector refers to an employee who works in the service industry and whose highest level of education is ES-ISCED I or II.⁵ Finally, the solo self-employed worker is a self-employed person who does not have an employee.

4.2.3 ADDITIONAL COVARIATES

Table 4 presents the covariates added to statistical models in each sub-study. All models in all the sub-studies had gender, age and education level as common socio-economic covariates. In addition to those, sub-study I included the variables of age squared, immigrant, ethnic group, industry type, workplace type, union representativeness at the workplace and establishment size. Sub-study II had marital status, children, rural residence, industry type, provinces in Finland, and unemployment risk. In sub-study III, household type, public sector employment and frequency of attendance at religious services were included as control variables, while household income level and subjective likelihood of unemployment were additionally analysed to explore if they act as a mediator between being an insecure worker and UBI preferences. Finally, sub-study IV added the variables of public sector employment, frequency of religious service attendance, economic hardship

⁵ The service industry refers to economic activities corresponding to the category number from 45 to 97 except 84 in the Statistical classification of economic activities in the European Community (NACE) rev. 2.

and subjective likelihood of unemployment to statistical models as control variables.

Table 4 Covariates by sub-study

Sub-study	Variable (operationalisation)
I	<p>Gender (male=0, female=1), Age (in years), Age squared Education (five dummies: ES-ISCED I or II, IIIb, IIIa, IV, and V1 or V2) Immigrant (citizen=0, immigrant=1), Ethnic group (major=0, minor=1) Industry type (five dummies: manufacturing, construction, services, public administration and defence, and others), Workplace type (private=0, public=1) Union representativeness at the workplace (from no unions or union members=0, little or no influence=1, through to a great deal of influence=4) Establishment size (five dummies: under 10, 10 to 24, 25 to 99, 100 to 499, and 500 or more) Ghent (country-level variable: no Ghent country=0, Ghent country=1)</p>
II	<p>Gender (male=0, female=1), Marital status (unmarried=0, married=1) Children (no child=0, with children=1), Rural residence (urban=0, rural=1) Age group (five dummies: under 25, 25-34, 35-44, 45-54, and 55-64) Education (four dummies: primary, upper secondary or vocational, polytechnic or lower university degree, and master's or doctoral degree) Industry type (fourteen dummies), Province (nineteen categories) Unemployment risk* (continuous)</p>
III	<p>Gender (male=0, female=1), Age (in years) Education (five dummies: ES-ISCED I or II, IIIb, IIIa, IV, and V1 or V2) Household type (six dummies: two-earner couple with children, two-earner couple without children, one-earner couple with children, one-earner couple without children, single with children, and single without children) Public sector employment (private worker=0, public sector worker=1) Frequency of attendance at religious services (ranging from never=0, through to everyday=6) Household income level (the bottom decile=1, through to the top decile=10) Subjective likelihood of unemployment (likely to be unemployed during the next 12 months=1, otherwise=0)</p>
IV	<p>Gender (male=0, female=1), Age (in years) Education (five dummies: ES-ISCED I or II, IIIb, IIIa, IV, and V1 or V2) Children at home (no child at home=0, residing with children=1) Public sector employment (private worker=0, public sector worker=1) Frequency of attendance at religious services (ranging from never=0, through to everyday=6) Economic hardship (living comfortably=1, through to very difficult to live=4) Subjective likelihood of unemployment (likely to be unemployed during the next 12 months=1, otherwise=0)</p>

* The unemployment risk variable was constructed by estimating separate probit models for each year from 2000 to 2012 with the FIDS data.

4.3 STATISTICAL MODELS

All the sub-studies estimated logistic regression models because all of their outcome variables are categorical ones. In addition, post-stratification and country weights were applied to all statistical models in sub-studies I, III and IV, and only the former ones were included for those in sub-study II, which is a single-country case study.

Sub-study I, which examined insecure workers' union membership in 23 countries, chose multilevel binary logistic regressions, as the statistical models for organised corporatism and social partnership regimes include the country-level variable to explain whether or not a country has the Ghent system. To examine insecure workers' decision-making concerning union and unemployment insurance memberships in the Finnish Ghent system, sub-study II estimated multinomial logistic regression models by using the pooled FIDS data from 2000 to 2012. Sub-studies III and IV estimated binary logistic regression models with clustered standard errors and country dummies to investigate whether insecure workers are for or against UBI and social investment policy, respectively.

5 MAIN RESULTS

5.1 INSECURE WORKERS' UNION MEMBERSHIP BY INDUSTRIAL RELATIONS REGIME

Sub-study I focused on the unionisation of new social risk groups, including insecure workers (i.e., part-time workers, temporary employees, and low skilled service workers) and estimated five separate multilevel binary logistic models by each European IR regime. Table 5 illustrates the findings.

In organised corporatism (Model 1-1), it is found that there is no association between any type of insecure work and union membership. The results on the social partnership regime (Model 1-2) reveal that temporary work affects union membership in a negative manner, while part-time work and low-skilled service employment do not make any significant difference. In both IR regimes, the findings show that being a female employee with children has a significantly positive effect on joining a union. When it comes to the polarised/state-centred regime (Model 1-3), part-time workers are found to be less likely to have union membership, but the other groups of insecure workers do not make a difference. The findings on the liberal regime (Model 1-4) demonstrate that being a part-time worker or temporary employee has a significantly negative impact on union membership, whereas being a low-skilled service worker increases the probability of joining a union. In addition, it is found that single-parent employees, female employees with children, and female employees who care for vulnerable family members are more likely to have union membership in the liberal regime. Finally, according to the results on the transitional regime (Model 1-5), temporary workers and low-skilled service employees tend to be less unionised, but there is no significant evidence that being a part-time worker affects union membership.

Given the above findings, H1a (i.e., in the liberal and transitional IR regimes, insecure workers are less likely to be union members than other employees) is partially supported. Contrary to expectation, being a low-skilled service worker in the liberal regime increases the probability of having union membership, and being a part-time employee in the transitional regime is not associated with unionisation. H1b (i.e., in the organised corporatism regime, social partnership and polarised/state-centred regimes, insecure workers are as likely to be union members as other workers) also finds partial support from the results. Although fixed-term contract workers in the social partnership regime and part-time employees in the polarised/state-centred regime tend to

be less unionised, but the other groups of insecure workers in the three IR regimes do not show a significant difference as expected.

Table 5 Multilevel binary logistic models on union membership by IR regimes

Variable	Model 1-1	Model 1-2	Model 1-3	Model 1-4	Model 1-5
	Organised corporatism	Social partnership	Polarised/ State-centred	Liberal	Transitional
Insecure worker					
Part-time employee	0.81 (0.151)	0.76 (0.213)	0.67** (0.083)	0.76** (0.020)	1.16 (0.090)
Temporary employee	0.66 (0.263)	0.76* (0.131)	0.53 (0.401)	0.45** (0.097)	0.39** (0.172)
Low-skilled service employee	1.08 (0.673)	1.01 (0.066)	0.80 (0.142)	1.20* (0.091)	0.40** (0.183)
Family policy related worker					
Single-parent employee	0.98 (0.316)	0.95 (0.226)	0.66 (0.455)	1.15** (0.031)	1.37 (0.171)
Female employee with children	1.28** (0.049)	1.47* (0.185)	0.86 (0.168)	2.13** (0.070)	1.17 (0.090)
Female employee who cares for vulnerable family members	1.78 (0.314)	1.15 (0.078)	1.31 (0.973)	2.21** (0.107)	1.25 (0.306)
Female	1.41** (0.077)	0.81** (0.060)	0.92 (0.082)	0.83** (0.003)	0.86 (0.087)
Age	1.22** (0.039)	1.00 (0.018)	1.26** (0.071)	1.03** (0.006)	1.16** (0.032)
Age squared	1.00** (0.000)	1.00 (0.000)	1.00** (0.001)	1.00 (0.000)	1.00** (0.000)
Education					
ES-ISCED I or II	0.79 (0.652)	1.49 (0.208)	0.74 (0.168)	1.32* (0.073)	1.15 (0.221)
ES-ISCED IIIb	1.45 (0.275)	1.66* (0.257)	0.53** (0.122)	0.94 (0.077)	0.90 (0.095)
ES-ISCED IIIa	Ref.	Ref.	Ref.	Ref.	Ref.
ES-ISCED IV	0.81** (0.044)	1.31 (0.230)	0.66 (0.482)	1.41** (0.044)	0.93 (0.336)
ES-ISCED V1 or V2	0.86 (0.165)	1.26 (0.330)	0.68 (0.361)	1.38** (0.077)	0.86 (0.136)
Immigrant	0.49* (0.287)	0.61 (0.311)	0.22** (0.371)	0.48** (0.177)	1.99 (0.627)
Minority ethnic group	1.31** (0.072)	0.75 (0.426)	0.78** (0.075)	1.73** (0.021)	1.27 (0.451)
Public sector	2.17* (0.353)	1.69** (0.120)	2.54** (0.105)	4.27** (0.084)	2.31** (0.215)
Union's influence at workplace	1.63** (0.148)	1.78** (0.019)	1.95** (0.022)	2.70** (0.040)	2.27** (0.091)
Ghent system	3.68** (0.115)	7.75** (0.095)	N/A	N/A	N/A
Number of observations	2,849	3,748	2,483	1,803	4,290
BIC	2,857.7	3524.5	1,890.1	1,705.5	2,672.8

Note: Odds ratios and standard errors (in parentheses) are reported. The estimates of industry type and establishment size dummy variables are not reported in the table.

* $p < 0.05$; ** $p < 0.01$; Ref. = reference category; BIC: Bayesian Information Criterion.

5.2 INSECURE WORKERS' UNION MEMBERSHIP IN THE FINNISH GHENT SYSTEM

To investigate insecure workers' choices about union and UI fund memberships in the transformed Finnish Ghent system, sub-study II conducted a multinomial logistic regression analysis. Table 6 displays the analysis results as the marginal effects, rather than the coefficient estimates, to make the table easier to read.

First, the findings show that the marginal effect of part-time workers on non-membership of UI fund is significantly positive (13.3%). In contrast, the marginal effects of part-time workers on union membership and UI fund-only membership are significantly negative, accounting for -9.1% and -4.3%, respectively. This means that part-time employees are more likely to give up having UI fund membership than full-time employees by refusing to join a union or a UI fund. Second, it is found that temporary workers' marginal effect on union membership is significantly negative, while those on non-membership and UI fund-only membership are significantly positive. That is, having a fixed-term employment contract increases the probabilities of giving up UI fund membership and joining not a union but the independent UI fund at the same time. It is interesting that the marginal effect on non-membership (6.5%) is larger than that on UI fund-only membership (1.3%). Finally, the results reveal that low-skilled service workers' marginal effects on non-membership, union membership, and UI fund-only membership do not have a significant difference. Therefore, this can be interpreted to mean that being a low-skilled service employee does not affect the probabilities of having UI fund membership and choosing the independent UI fund instead of a trade union.

According to the findings, H2a (i.e., Being a part-time employee increases the probability of not joining a trade union or the independent UI fund), H2b (i.e., being a temporary employee increases the probability of having no UI membership, and at the same time the probability of joining the independent UI fund instead of a trade union), and H2c (i.e., being a low-skilled worker in the service industry does not affect the probability of having UI membership, nor does it affect the probability of joining the independent UI fund instead of a trade union) are empirically supported in the analysis.

Table 6 Results from multinomial logistic models for union and UI fund memberships

Variable	Model 2			F from adjusted Wald test
	Non-Member	Union Member	UI fund-only Member	
Year				
2000			Ref.	
2001	-0.3%	-1.9%	2.2%	3.2 *
2002	-0.2%	-4.3%	4.6%	13.6 **
2003	-1.8%	-8.0%	9.8%	55.9 **
2004	-1.9%	-8.4%	10.2%	61.3 **
2005	-2.2%	-9.6%	11.8%	78.1 **
2006	-2.5%	-8.3%	10.8%	67.1 **
2007	-1.4%	-9.7%	11.1%	67.7 **
2008	-1.0%	-14.0%	15.0%	97.9 **
2009	-3.4%	-13.5%	16.9%	102.8 **
2010	-1.9%	-14.8%	16.8%	120.2 **
2011	-1.5%	-15.8%	17.2%	133.3 **
2012	-0.7%	-16.1%	16.8%	131.9 **
	<i>Insecure worker</i>			
Part-time worker	13.3%	-9.1%	-4.3%	284.8 **
Temporary worker	6.5%	-7.8%	1.3%	100.4 **
Low-skilled service worker	-0.2%	0.0%	0.2%	0.1
	<i>Control variables</i>			
Female	-6.5%	8.0%	-1.4%	226.3 **
Married	-2.8%	3.0%	-0.3%	40.6 **
Children	-0.5%	0.6%	-0.2%	1.3
Rural	3.2%	-2.8%	-0.4%	32.4 **
Unemployment risk	-8.5%	30.1%	-21.6%	3.6 *
Age				
Aged less than 25 years	24.5%	-17.1%	-7.5%	446.2 **
Aged 25-34	7.0%	-5.4%	-1.7%	125.1 **
Aged 35-44			Ref.	
Aged 45-54	-1.7%	4.2%	-2.5%	33.95 **
Aged 55-64	-1.6%	6.0%	-4.4%	50.0 **
Education				
Primary education	9.8%	-9.3%	-0.5%	48.4 **
Upper secondary or vocational education	3.7%	-4.0%	0.3%	28.2 **
Polytechnic or lower university degree			Ref.	
Master's or doctoral degree	-2.2%	7.7%	-5.5%	53.7 **

Note: Marginal effects are reported. The estimates of 19 regional and 14 industrial dummy variables are not reported in the table.

* $p < 0.05$; ** $p < 0.01$; Ref. = reference category.

5.3 INSECURE WORKERS' PREFERENCES FOR UNIVERSAL BASIC INCOME

The main goal of sub-study III is to analyse the attitudes of four different groups of insecure workers (i.e., part-time, temporary, low-skilled service, and solo self-employed workers) towards the introduction of UBI schemes. To achieve this goal, the sub-study fitted binary logistic regression models with clustered standard errors and country dummies. Table 7 displays the estimates of the statistical models.

According to Model 3-1, which can be used to evaluate hypotheses 3-1 through 3-4, being a temporary employee has a significantly positive impact on UBI preferences. However, it is found that being a part-time worker, low-skilled service employee, or solo self-employed worker does not affect a worker's attitude towards UBI schemes. These results are robust when ordered logistic models and linear probability models with the original ordinal variable of basic income preferences are estimated. However, binary logistic models without weights indicate that both part-time employment and temporary work have significantly positive effects on UBI preferences.

The findings of models 3-2 to 3-4 show that household income and the subjective likelihood of unemployment, are significantly associated with UBI preferences and reduce the coefficient of temporary employment. In addition, as Table 8 illustrates, fixed-effects logistic models on these two factors indicate that having a temporary employment significantly lowers household income level and increases unemployment risk. Hence, it is found that being a temporary employee increases income insecurity and subjective unemployment risk, which, in turn, positively influence support for UBI schemes.

As a result, H3b (i.e. temporary employees are more likely to be more supportive of the introduction of UBI schemes than permanent employees), H3c (i.e. the attitudes of low-skilled service sector employees towards the introduction of UBI schemes are not significantly different from those of other workers) and H3d (i.e. the attitudes of solo self-employed workers towards the introduction of UBI schemes are not significantly different from those of permanent employees) are supported by the findings. However, H3a (i.e. part-time workers are more likely to be more supportive of the introduction of UBI schemes than full-time workers) does not receive support.

Table 7 Logistic regression on UBI preferences with country fixed effects

	Model 3-1		Model 3-2		Model 3-3		Model 3-4	
Part-time employment	1.07	(0.063)	1.01	(0.036)	1.07	(0.059)	1.01	(0.037)
Low-skilled service work	0.92	(0.060)	0.93	(0.066)	0.92	(0.063)	0.93	(0.072)
Work type								
Permanent employment	Ref.		Ref.		Ref.		Ref.	
Temporary employment	1.11 *	(0.047)	1.07	(0.063)	0.99	(0.062)	1.00	(0.076)
Solo self-employment	1.06	(0.127)	1.07	(0.119)	1.05	(0.120)	1.05	(0.112)
Self-employment with employees	0.82 ***	(0.046)	0.88 *	(0.055)	0.84 **	(0.052)	0.89	(0.061)
Female	0.98	(0.039)	0.98	(0.046)	0.97	(0.036)	0.97	(0.043)
Age	0.99 ***	(0.001)	0.99 ***	(0.002)	0.99 ***	(0.001)	0.99 ***	(0.002)
Household type								
Two-earner couple with kids	Ref.		Ref.		Ref.		Ref.	
Two-earner couple without kids	1.00	(0.047)	1.02	(0.045)	1.01	(0.047)	1.02	(0.047)
One-earner couple with kids	1.09	(0.055)	0.98	(0.054)	1.07	(0.048)	0.96	(0.050)
One-earner couple without kids	1.21 *	(0.099)	1.07	(0.070)	1.20 *	(0.099)	1.07	(0.069)
Single with kids	0.99	(0.087)	0.83 *	(0.076)	0.98	(0.083)	0.82 *	(0.079)
Single without kids	1.16 **	(0.050)	1.02	(0.045)	1.16 **	(0.054)	1.02	(0.046)
Education								
ES-ISCED I or II	1.07	(0.043)	1.04	(0.067)	1.05	(0.047)	1.03	(0.065)
ES-ISCED IIIb	0.94	(0.063)	0.97	(0.081)	0.94	(0.058)	0.96	(0.080)
ES-ISCED IIIa	Ref.		Ref.		Ref.		Ref.	
ES-ISCED IV	0.97	(0.065)	1.05	(0.089)	0.99	(0.065)	1.06	(0.089)
ES-ISCED V1 or V2	1.06	(0.081)	1.33 **	(0.122)	1.08	(0.087)	1.34 **	(0.127)
Public sector employment	1.03	(0.023)	1.02	(0.026)	1.05	(0.025)	1.03	(0.028)
Religious attendance	0.94	(0.031)	0.93 **	(0.025)	0.94	(0.030)	0.93 **	(0.025)
Household income								
1st decile			Ref.				Ref.	
2nd decile			1.05	(0.209)			1.04	(0.211)
3rd decile			1.01	(0.134)			1.02	(0.150)
4th decile			0.95	(0.103)			0.95	(0.106)
5th decile			0.86	(0.099)			0.85	(0.106)
6th decile			0.74 **	(0.082)			0.74 **	(0.082)
7th decile			0.75 **	(0.081)			0.77 *	(0.092)
8th decile			0.70 *	(0.100)			0.71 *	(0.100)
9th decile			0.57 ***	(0.069)			0.57 ***	(0.075)
10th decile			0.49 ***	(0.053)			0.50 ***	(0.055)
Likelihood of unemployment					1.40 ***	(0.114)	1.28 ***	(0.102)
BIC	24,014.4		20,530.9		23,561.7		20,262.6	
Number of observations	17,515		15,231		17,094		14,944	
Log Likelihood	-11,914.4		-10,164.3		-11,683.4		-10,030.4	

Note: Odds ratios and robust standard errors (in parentheses) are reported. The estimates of 21 country dummy variables are not reported in the table.

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; Ref. = reference category; BIC: Bayesian Information Criterion.

Table 8 Fixed effects logistic models on household income and the likelihood of unemployment

	Ordered logistic model on household income		Binary logistic model on the likelihood of unemployment	
Part-time employment	-0.578 ***	(0.070)	0.212	(0.113)
Low-skilled service work	0.033	(0.215)	-0.018	(0.152)
Work type				
Permanent employment	Ref.		Ref.	
Temporary employment	-0.424 ***	(0.088)	1.725 ***	(0.225)
Solo self-employment	-0.429 **	(0.134)	0.217	(0.124)
Self-employment with employees	0.328 **	(0.113)	-0.160	(0.135)
Female	-0.197 **	(0.062)	0.194	(0.104)
Age	0.006	(0.003)	0.004	(0.005)
Household type				
Two-earner couple with kids	Ref.		Ref.	
Two-earner couple without kids	-0.287 ***	(0.060)	-0.051	(0.075)
One-earner couple with kids	-1.116 ***	(0.134)	0.445 ***	(0.107)
One-earner couple without kids	-1.344 ***	(0.068)	0.151	(0.162)
Single with kids	-1.948 ***	(0.164)	0.280 **	(0.099)
Single without kids	-1.587 ***	(0.173)	0.194 ***	(0.055)
Education				
ES-ISCED I or II	-1.002 ***	(0.177)	0.397 *	(0.182)
ES-ISCED IIIb	-0.520 ***	(0.051)	0.162	(0.139)
ES-ISCED IIIa	Ref.		Ref.	
ES-ISCED IV	0.045	(0.064)	-0.081	(0.201)
ES-ISCED V1 or V2	0.987 ***	(0.054)	-0.120	(0.129)
Public sector employment	-0.054	(0.059)	-0.672 ***	(0.147)
Attendance at religious services	-0.029	(0.031)	-0.022	(0.035)
Number of observations	15,930		18,008	
Log Likelihood	-32,365.5		-6,887.7	
BIC	64,924.5		13,961.5	

Note: Coefficients and robust standard errors (in parentheses).

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; Ref. = reference category; BIC: Bayesian Information Criterion.

5.4 INSECURE WORKERS' PREFERENCES FOR SOCIAL INVESTMENT APPROACH TO UNEMPLOYMENT

Sub-study IV explored four types of insecure workers' (i.e., part-time temporary, part-time permanent, full-time temporary, and solo self-employed workers) preferences for a social investment approach to unemployment via enhancing job training and education at a cost of reducing unemployment benefit. Fixed-effects binary logistic regression models with clustered standard errors were employed to analyse ESS Round 8 (2016) data. The findings are shown in Table 9.

According to Model 4-1, which includes the independent and control variables, part-time permanent employment has a significantly positive effect, while part-time temporary employment is significantly negatively associated with the preferences for the social investment approach. By contrast, the results illustrate that having a full-time temporary employment does not have a significant impact. When it comes to solo self-employment, it is found that this form of insecure work is not significantly associated with the preferences compared to standard employment, which is the reference category in model 4-1. However, its coefficient is significantly negative when the reference category is self-employment with employees. Additionally, models 4-2 through to 4-4 demonstrate that economic hardship and the subjective likelihood of unemployment make no difference to the associations between being an insecure worker and social investment approach preferences. It is also found in all models that being an employer has a significantly positive effect on supporting the social investment approach, whereas being unemployed has a significantly negative impact.

Consequently, H4a (i.e. part-time permanent employees are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits), H4b (part-time temporary employees are less likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits), and H4c (i.e. full-time temporary employees' attitudes towards the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits do not significantly differ from standard employees' attitudes) are supported by the findings. Regarding solo self-employed workers, H4d (i.e., solo self-employed workers are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits reduction) does not

receive support, while H4e (i.e., solo self-employed workers are less likely than employers to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits) is supported in the analysis.

Table 9 Logistic regression on preferences for the social investment approach to unemployment

	Model 4-1	Model 4-2	Model 4-3	Model 4-4
Work type				
Permanent full-time (standard)	Ref.	Ref.	Ref.	Ref.
Part-time permanent	1.11 *** (0.033)	1.11 *** (0.031)	1.12 *** (0.032)	1.11 *** (0.030)
Part-time temporary	0.58 *** (0.088)	0.58 *** (0.090)	0.59 *** (0.086)	0.59 ** (0.090)
Full-time temporary	1.06 (0.081)	1.08 (0.071)	1.09 (0.078)	1.10 (0.074)
Solo self-employment	0.99 (0.130)	0.99 (0.134)	1.00 (0.125)	1.00 (0.128)
Self-employment with employees	1.27 * (0.122)	1.26 * (0.135)	1.30 ** (0.128)	1.29 * (0.139)
Unemployment	0.64 *** (0.042)	0.71 *** (0.065)	0.64 *** (0.053)	0.69 ** (0.082)
Female	0.89 * (0.050)	0.90 (0.053)	0.90 (0.056)	0.91 (0.058)
Age	0.99 ** (0.004)	0.99 ** (0.004)	0.99 ** (0.003)	0.99 ** (0.004)
Education				
ES-ISCED I or II	0.87 (0.106)	0.91 (0.106)	0.86 (0.107)	0.90 (0.106)
ES-ISCED IIIb	0.89 (0.067)	0.90 (0.070)	0.88 (0.067)	0.90 (0.069)
ES-ISCED IIIa	Ref.	Ref.	Ref.	Ref.
ES-ISCED IV	1.09 (0.099)	1.11 (0.101)	1.10 (0.100)	1.11 (0.103)
ES-ISCED V1 or V2	1.01 (0.071)	1.00 (0.068)	1.01 (0.068)	1.00 (0.063)
Having children	1.05 (0.031)	1.06 (0.033)	1.05 (0.034)	1.06 (0.036)
Religious attendance	1.08 *** (0.013)	1.08 *** (0.013)	1.08 *** (0.014)	1.08 *** (0.014)
Economic hardship				
Living comfortably		Ref.		Ref.
Coping with living		0.86 ** (0.051)		0.86 * (0.051)
Difficult to live		0.86 (0.081)		0.86 (0.082)
Very difficult to live		0.59 *** (0.090)		0.60 ** (0.106)
Likelihood of unemployment			0.94 (0.071)	0.96 (0.066)
BIC	23,127.3	22,986.0	22,383.1	22,259.9
Number of observations	19,144	19,065	18,408	18,345
Log Likelihood	-11,494.6	-11,409.2	-11,117.9	-11,041.6

Note: Odds ratios and robust standard errors (in parentheses) are reported. The estimates of 21 country dummy variables are not reported in the table.

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; Ref. = reference category; BIC: Bayesian Information Criterion.

6 DISCUSSION AND CONCLUSIONS

6.1 SUMMARY OF THE MAIN FINDINGS

This dissertation aimed to contribute to an understanding of insecure workers' preferences for union membership and alternative social policy ideas in post-industrial European welfare states. The findings demonstrate that there is considerable variation in their decision-making concerning union membership and support for the introduction of new social policy approaches by the group of insecure workers. Moreover, the results of this study illustrate that IR regimes and the reform of the Ghent system are significant factors influencing insecure workers' union membership status.

Sub-study I compared three groups of insecure workers' union membership by European IR regime. Contrary to the earlier literature showing the general trend that insecure workers such as flexible employees are less unionised (Ebbinghaus, 2007; Ebbinghaus et al., 2011), this sub-study illustrated that insecure workers' inclination to join a union varies according to their form of work and IR regime which they belong to. Table 10 summarises the analysis results. In organised corporatism, none of the insecure worker groups shows a difference from other employees. On the other hand, temporary employees in the social partnership regime and part-time employees in the polarised/state-centred regime are less likely to be unionised. In the liberal regime, part-time workers and fixed-term employees are more likely to decline to join a union, whereas low-skilled service workers tend to be more unionised than other employees. Finally, temporary workers and low-skilled service employees in the transitional regime are less likely to have union membership.

Sub-study II contributed to the literature on the Ghent system. Recent studies mainly concentrate on the decline in union density caused by the reforms of the Ghent system in the Nordic countries (Böckerman and Uusitalo, 2006; Høgedahl and Kongshøj, 2017; Kjellberg, 2006; Lind, 2009; Van Rie et al., 2011), but this sub-study demonstrated how the institutional transformation has influenced insecure workers' decision making related to union and UI fund memberships by analysing the Finnish case. Table 11 recapitulates the findings and displays that insecure workers' choices vary according to the type of work they have. Both part-time and temporary employees are inclined to have no union membership. Such a tendency is more noticeable for the former than the latter. Meanwhile, part-time workers are

unlikely to enrol in the independent UI fund, but temporary employees tend to prefer the independent UI fund to a union when they want to have UI fund membership. When it comes to low-skilled service workers, there is no evidence that they make significantly different choices from other employees.

Table 10 Associations between insecure worker groups and union membership by IR regime

Insecure worker group	Organised corporatism	Social partnership	Polarised/ state-centred	Liberal	Transitional
Part-time employees	NS	NS	-	-	NS
Temporary employees	NS	-	NS	-	-
Low-skilled service employees	NS	NS	NS	+	-

Note: + = more likely to have union membership; - = more unlikely to have union membership; NS = no significant difference

Table 11 Insecure workers' choices about union and UI fund memberships in the Finnish Ghent system

Insecure worker group	Non-membership	Union membership	UI fund-only membership
Part-time employees	++++	---	--
Temporary employees	++	---	+
Low-skilled service employees	NS	NS	NS

Note: + = more likely to choose the option; - = more unlikely to choose the option; NS = no significant difference; the number of symbols means relative marginal effects based on the regression estimates.

Sub-study III identified novel findings of insecure worker groups' attitudes towards the introduction of UBI schemes in European welfare states. A summary of the results is presented on the left side of Table 12. Even though it is argued that UBI would help alleviate insecure workers' economic risks (Standing, 2012; Van Parijs, 2004), this sub-study revealed that only temporary employees tend to have more favourable attitudes towards UBI among different groups of insecure workers. In this regard, it was found that

income and subjective employment insecurity serve as mediators between temporary employment and UBI preferences. In contrast, the findings did not provide evidence that being a part-time worker, low-skilled service employee, or solo self-employed worker would strengthen workers' preferences for UBI schemes.

Sub-study IV contributed to the recent discussion on public opinion on the social investment paradigm by analysing insecure workers' preferences for the policy increasing the opportunities for job training and education at the cost of unemployment benefit reduction. Many studies analysing public support for social investment as an alternative social policy idea rarely assumed a trade-off between the public expenditures on social investment and social protection. However, this sub-study postulated the budgetary trade-off scenario to capture public opinion on social investment in a more realistic situation. The key findings are summed up on the right side of Table 12. First, there is a stark difference between part-time permanent and part-time temporary employees. The former group is inclined to be more supportive of the social investment approach, whereas the latter group is less likely to support it. Meanwhile, full-time temporary employees and solo self-employed workers do not exhibit significantly different preferences from standard employees. However, it should be noted that the solo self-employed are less supportive of the policy approach than employers.

Table 12 Preferences for UBI schemes and the social investment approach to unemployment

Insecure worker group	Preferences for UBI schemes	Insecure worker group	Preferences for social investment approach
Part-time employees	NS	Part-time permanent employees	+
Temporary employees	+	Part-time temporary employees	-
Low-skilled service employees	NS	Full-time temporary employees	NS
Solo self-employed workers	NS	Solo self-employed workers	NS

Note: + = more likely to support; - = more unlikely to support; NS = no significant difference; reference category is standard employees.

6.2 INSECURE WORKERS' UNION MEMBERSHIP IN THE INSTITUTIONAL CONTEXT

According to OECD (2020) statistics, trade union density has been declining gradually in most European countries since the early 1990s. In general, it is believed that the prevalence of insecure employment and the growth of low-skilled service jobs stimulated this phenomenon. However, the findings of this study make important qualifications to this general perspective.

First, in organised corporatism, social partnership, and polarised/state-centred regimes, where collective bargaining coverage is wide, the high level of coverage tends to reduce insecure workers' reluctance to be unionised. However, its mitigating effect seems to be limited because temporary employees in the social partnership regime and part-time workers in the polarised/state-centred regime show a significantly lower union density. Considering that none of the three insecure worker groups are less unionised than other employees in organised corporatism, it seems that there must be some special factors that attract insecure workers to unions. A possible explanation is that, in this regime, various institutions run by universalistic welfare states function as a power resource for unions (Korpi, 2006). Additionally, strong legislative support has been established for unions, which usually play a key role in representing employees in the workplace (Furåker and Bengtsson, 2013). These features of organised corporatism generally promote the unionisation of insecure workers.

In addition, contrary to expectation, it was found that low-skilled service workers in the liberal regime are more unionised than other employees. The recent literature on trade unions' responses and strategies against low quality jobs in the service sectors provides evidence to explain this phenomenon. Pedersini's (2010) report illustrates that, in the 2000s, trade unions in Cyprus, Ireland, and the UK attempted to advocate for and recruit as new members workers in the low-paying service industries such as the wholesale and retail trade, cleaning and catering services, and that they succeeded in improving union density in these sectors. Burgess et al. (2013), Murphy and Turner (2014), and Simms (2017) also show that, in the UK and Ireland, trade unions have made steady efforts to improve the working conditions of vulnerable employees in low-quality service jobs. From this case, it can be concluded that conscious mobilisation efforts by unions can successfully widen their membership base. In fact, since the 2000s, union strategies for workers who have non-standard employment or low skills have been changed across Europe (Hyman and Gumbrell-McCormick, 2017; Keune and Pedaci, 2020). It is often argued that these workers are labour market

outsiders whose interests are barely protected by unions (Lindbeck and Snower, 2002; Rueda, 2007), but nowadays many unions focus on simultaneously protecting standard employees' rights and improving insecure workers' working conditions (Keune and Pedaci, 2020). Therefore, if unions maintain or intensify strategies to advocate the interests of low-skilled service workers and non-standard employees, a considerable number of insecure workers would probably take a positive view of unions' role and express their solidarity with them, despite recent unfavourable structural labour movement trends.

Analysis of the FIDS data demonstrated that workers in part-time or temporary employment are reluctant to join trade unions in the Ghent system, even though Finland belongs to the organised corporatism regime, where these types of employees are as likely as other workers to be unionised. This means that an exception can be made among countries based on that IR regime when they operate a union-linked UI scheme. Unemployment benefits are paid only to those unemployed who meet a qualifying period and minimum income requirement during the course of their employment. The stricter these requirements are, the more likely temporary or part-time employees are to feel that they cannot use the UI services provided by unions in the Ghent system. In this way, those groups of insecure workers can be less unionised even in a country based on organised corporatism, although the Ghent system seems more effective at recruiting workers in standard employment than mandatory UI schemes. Hence, there should be a consideration of how to amend their UI system, should Finnish trade unions aim to gradually embrace the increasing number of insecure workers. In addition, as it is predicted that the proportions of part-timers and fixed-term employees will increase in the post-industrial economy, it seems that the Ghent system has limitations in mobilising workers—at least in Finland. To prevent a lasting union density decline, therefore, unions need to establish new institutions and strategies to successfully attract insecure workers (Bryson et al., 2011).

6.3 INSECURE WORKERS' HETEROGENEOUS SOCIAL POLICY PREFERENCES

The findings indicate that insecure workers' attitudes towards UBI and the social investment approach to unemployment reflect their different interests and circumstances. Regarding the introduction of UBI preferences, only temporary employees show a more positive attitude. On the other hand, while part-time permanent employees are more favourable to the social investment

approach, part-time temporary workers have a less positive attitude towards it. Although other insecure worker groups do not show a significant difference in their preferences, it should be noted that the reasons behind these opinions may be different.

According to the analysis results, temporary workers' support for UBI can be explained by the lower-level household income and job insecurity that they tend to experience. On the other hand, part-time employees, and solo self-employed workers, who do not experience subjective unemployment risks despite their low household income levels, do not show any difference from full-time workers and permanent employees, respectively. As a result, it would appear that low household income is not a sufficient incentive for insecure workers to support UBI schemes. Another possible explanation for the unexpected preferences of part-timers is that, because part-time jobs remain dominated by women (Horemans and Marx, 2013)—who are unlikely to be the main breadwinners in their households—part-time workers might worry that the introduction of a UBI scheme could lead to a tax increase, resulting in a reduction in net household income. It is interesting that solo self-employed workers' preferences for UBI are not significantly different from those of permanent employees, but are clearly distinct from those of employers, who are more likely to have negative attitudes. This implies that the UBI preferences of solo self-employed workers reflect their mixed socioeconomic status of potential employer and insecure worker. This case supports the argument that their attitude towards welfare differs from that of the self-employed, who are considered to be *petite bourgeoisie* (Jansen, 2019).

When it comes to insecure workers' attitudes towards the social investment idea, the findings demonstrate a stark contrast between part-time permanent and part-time temporary employees in a budgetary trade-off scenario between job training and unemployment benefit. The former group is more supportive, whereas the latter shows less support than that expressed by standard employees. Furthermore, it has been found that people in part-time temporary employment have a similar attitude as the unemployed in this regard. Unexpectedly, full-time temporary workers do not differ from the reference group. As a result, it seems that temporary work does not, by itself, affect the preference for the social investment approach in the budgetary trade-off assumption. However, once combined with a part-time contract, this type of employment appears to have a negative impact on individual support. The reason part-time temporary employees show relatively negative attitudes may be that they would face the highest level of income insecurity among those groups if such a policy were implemented. Worries about upcoming economic hardship would overpower their need to upskill. Solo self-employed workers

show the same pattern as they do in UBI preferences. Their attitudes towards the social investment approach do not differ from those of standard employees, but show an obvious difference from those of employers, who are more likely to support it. Thus, it can be concluded that employers and solo self-employed workers show significant disparities in political opinion concerning how to conduct welfare reforms as well.

6.4 CONCLUSIONS

Are insecure workers less likely to join trade unions? Are they more likely to support new social policy ideas, such as UBI and social investment? This study shows that there is no simple answer to these questions. In other words, insecure workers' commitments to unions and policy preferences vary considerably with the type of employment or the institutional background to which they belong. It is often said that the rise of insecure workers is a huge threat to trade unions, and these workers desire new welfare states more keenly than standard workers do. However, the findings of this dissertation show that such claims may make the mistake of hasty generalisations based only on regional or local phenomena. Simply put, it can be concluded that insecure workers are a heterogeneous group, at least as far as the issues related to their interests in the labour market and welfare systems are concerned. For this reason, the approach of lumping them all into one cluster that is then compared to secure workers can cause substantial difficulties in understanding the real picture of their labour movement-related behaviours and welfare preferences. Moreover, although the political economy literature focuses mainly on unemployment risk, this study demonstrates that it is also necessary to consider insecure workers' job insecurity, income insecurity, and exclusion from existing social security together in exploring their political preferences. In the same context, policy measures, which can be elaborately designed in consideration of their different risks, interests, and preferences, would be effective in alleviating the troubles that insecure workers suffer from.

Considering the findings, it seems difficult to expect that insecure workers would stand in solidarity to cooperatively respond to the diverse threats they face in the post-industrial labour market. Trade unions are not attractive to all types of insecure workers, and new social policy ideas are not always beneficial for protecting or improving their interests. In addition, insecure workers show different preferences for both pro-welfare policies and left-wing political parties according to their work type (Jansen, 2019). As the

gig economy developed dramatically in recent years (Vallas and Schor, 2020), it became inevitable that platform workers would form a separate insecure worker group, and their working conditions and employment status would be different from those of existing insecure workers. These tendencies imply the possibility that the tension or competition between insecure workers may become intense, as the number of permanent employment opportunities has decreased, and the volume of insecure workers is likely to gradually increase. However, it is unlikely that such changes will be beneficial for resolving their insecurity issues in a post-industrial society, where it is predicted that workers' economic insecurity will rise even more. Thus, to overcome the various problems they have suffered from, it is necessary to attempt to determine how insecure workers can unite, even though this may be a complex task.

Despite these contributions, this study has some limitations. First, the operational definition of insecure worker groups depends on employment type, industry sector, and education level. Although this study adopted this definition to cover and compare various groups of insecure workers, there are different ways to define or categorise the concept. For instance, Olsthoorn (2014) proposed a method to measure precarious employment by using a variety of factors such as wage, unemployment benefit entitlements, contract type, and unemployment duration. Hence, future studies could define insecure workers based on measurements of the diverse types of risks experienced by individual workers. A second shortcoming arises from the fact that IR regimes are not static but are in a state of change. In European countries, trade unions have strived to understand the divergent needs of insecure workers and to advocate their interests in recent years. In addition, the transformation of the Ghent system has caused a gradual change in union membership and employment relations, even in the Nordic region. Consequently, future studies on insecure workers' unionisation should consider the impacts of the changing features of IR regimes. To do so, it is necessary to analyse repeated cross-national survey data or panel data for a certain country combining country-level variables associated with IR characteristics. Third, as sub-study II analysed only the Finnish setting, future studies are required to look further into the Danish and Swedish cases to draw relevant conclusions about insecure workers' unionisation in the Ghent system from a comparative perspective. In addition, comparisons between Norway and the Ghent countries should also be investigated to gain a deeper understanding of insecure workers' union membership in the organised corporatism IR regime. Fourth, due to data limitations, this dissertation was unable to include platform workers, who have recently been growing rapidly in number, in analysing insecure workers' attitudes towards new social policy ideas. Finally, there is still very little

knowledge about the effects of institutional features related to welfare states on insecure workers' welfare attitudes, even though it is important information for evidence-based decision making. Therefore, in future, the interactions between individual preferences and institutional factors must be addressed through more in-depth analyses.

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감사의 글

1999년에 대학생이 된 후 22년만에 박사학위를 받게 되었습니다. 그 동안 많은 분들의 도움과 격려가 없었다면 이런 성과를 거둘 수 없었을 것입니다. 이 글을 빌려 고국에서 저의 도전을 지원해주시고 응원해주신 분들께 감사의 인사를 드리고자 합니다.

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오랜 시간 물심양면으로 저의 학업을 도와주신 한국형사정책연구원 박준휘 박사님께서도 감사의 인사를 올립니다. 제가 도움을 청할 때마다 기꺼이 연구 참여 기회를 주셨던 박사님 덕분에 큰 어려움 없이 영국과 핀란드에서의 생활을 이어갈 수 있었습니다. 기초과학연구원 정유진 박사님과 Kean University 정복교 교수님은 서로 다른 나라에 있으면서도 10년 넘게 언제나 저를 막내동생처럼 아끼고 돌봐주셨습니다. 또한 두 분의 성실한 유학생활은 저에게 큰 귀감이 되었습니다. 두 분께도 진심 어린 고마움을 전합니다.

서울대학교 행정대학원에서 시작된 인연으로 저의 학업과 외국 생활에 도움과 응원을 보내주신 원광대학교 박민정 교수님, 국회입법조사처 하혜영

박사님, 한국문화관광연구원 양혜원 박사님, 해양수산부 한정수 사무관님, 한국은행 이인로 박사님, 아주대학교 권향원 교수님, 국방부 고은영 님, 한국조세재정연구원 이주경 님, 산업은행 윤경수 님께도 감사의 말씀을 드리고 싶습니다.

박사과정 유학을 준비하며 과학기술정책연구원에 재직하던 시절, 서지영 박사님, 임송 박사님, 박동배 박사님, 하태정 박사님께서 보여주신 배려와 지지는 제가 유학의 뜻을 굽히지 않고 이어갈 수 있도록 하는 큰 힘이 되었습니다. 박사님들께도 정말 감사드립니다.

박사과정 중에도 한국에 꾸준히 핀란드 복지국가를 소개할 수 있는 기회를 마련해주신 서울여자대학교 정재훈 교수님과 한겨레신문 이창곤 논설위원님, 그리고 연구를 위해 핀란드를 방문해주셨던 가톨릭대학교 이용표 교수님, 한국보건사회연구원의 임완섭 박사님과 정해식 박사님께도 감사의 말씀을 올립니다.

제가 사회 연구를 직업으로 선택할 수 있었던 것은 일찍이 저에게 다양한 사회적 현상과 문제에 대한 관심을 일깨워주셨던 분들 덕분입니다. 제가 지적으로 성장하는 과정에서 큰 영감을 주셨던 정지만 선생님, 조운성 선생님, 최철호 선생님, 김지혜 선생님께도 깊이 감사드립니다.

오랜 기간 따뜻한 우정으로 저를 응원해주신 분들께도 고마움을 전하고 싶습니다. 대학생활 동안 즐거운 추억을 만들어 주었고 지금도 편하게 소통할 수 있는 좋은 친구 신은동, 이지영, 서교일에게 정말 고맙습니다. 내세울 것 없던 어린 저에게 언제나 귀 기울여주시고 소중한 도움을 주셨던 백재욱 형님께도 깊은 감사를 드립니다. 런던에서 만나 소중한 친구가 되어준 송유경 님과 송경호 님이 없었더라면 저의 영국 생활은 너무 힘들었을 것입니다. 두 분께 진심 어린 감사를 표합니다. 10년 전 함께 유학 준비를 하며 서로에게 힘이 되어주었고 지금도 서로를 응원하고 있는 김기태 형님과 김무현 님께도 감사의 인사를 전합니다.

제가 지금까지 이 길을 걸어올 수 있도록 아낌없는 지원과 사랑을 주신 가족분들께 감사의 말씀을 드리고 싶습니다. 넉넉한 형편이 아니었음에도 공부를 하고 유학을 가겠다는 아들의 뜻을 변함없이 지지해주신 부모님께 진심으로 감사드립니다. 두 분의 지원과 응원이 없었다면 이 여정을 시작조차 할 수 없었습니다. 타지에서 유학 중이던 저를 믿고 결혼을 허락해주시고 공부가 끝날 때까지 묵묵히 기다려주신 장인어른과 장모님께도 깊은 감사를 드립니다. 또한 육아를 도와주신 장모님이 계셔서 의미 있는 성과를 올릴 수

있었습니다. 독일에 있는 여동생 가족, 한국에 있는 처남 가족, 핀란드에 있는 사촌동생에게도 그동안 크고 작은 많은 도움을 받았습니다. 모두에게 고맙다는 인사를 전합니다.

저의 곁에서 5년 넘게 핀란드 생활을 함께 하고 있는 아내, 이미영에게 가장 깊은 감사의 마음을 표합니다. 저를 믿고 많은 것을 포기한 채 낯선 땅으로 와 모든 것을 함께 해준 사람이 있어 전혀 외롭지 않았습니다. 핀란드에서 태어난 건강하고 씩씩한 딸 솔이는 그 동안 저희 가정에 많은 웃음과 소중한 추억을 만들어 주었습니다. 이 논문을 저의 사랑하는 아내와 딸에게 바칩니다.

2021년 1월 추운 겨울, 핀란드에서
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New social risk groups, industrial relations regimes and union membership

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Abstract

The literature on new social risk (NSR) groups, such as single parents and temporary workers, has argued that they are less likely to join trade unions than other employees. It has been suggested that this is due to the unions' incapacity or unwillingness to promote policies that mediate NSRs. We argue that there are differences in unionization between different NSR groups, and that country-level institutional structures, operationalized here as industrial relations (IR) regimes, have effects on how likely NSR groups are to unionize. Our multilevel logistic models using European Social Survey (ESS) data produce three main results: (1) family policy-related NSR groups (single parents, female employees with children and female caregivers) are more – not less – unionized than the average worker; (2) precarious workers (low-skilled service employees, temporary employees and part-timers) are, indeed, less unionized than average but (3) this result concerns mostly the liberal and transitional IR regimes.

Keywords

European Social Survey, industrial relations regimes, new social risks, trade unions, union membership

Introduction

Since the late 20th century, much research has paid attention to new types of social issues, such as work–life imbalance, long-term care, labour market segmentation and precarious workers (see Bonoli, 2006; Esping-Andersen, 1999; Häusermann and Schwander, 2012; Kalleberg, 2009; Morel et al., 2012; Taylor-Gooby, 2004). Multiple scholars have labelled these social phenomena ‘new social risks’ (NSRs), pointing out that old social risks (OSRs) refer to those that people tried to overcome during industrialization, such as unemployment, illness

and disability, while NSRs refer to those that individuals face in their lives because of the socio-economic transformations during the transition to a post-industrial society (Bonoli, 2006, 2007; Taylor-Gooby, 2004). In regard to the appellation ‘new’, it should be pointed out that the risk factors subsumed

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in the concept are not completely new phenomena and that the ‘new’ indicates the increased volume of these risks and the consequent creation of welfare needs; OSRs still coexist (Harsløf and Ulmestig, 2013).

Studies show that the growth of NSRs is closely affiliated with structural transformations of labour markets in the post-industrial age such as the feminization of the workforce, the growth of service sector employment and the diversification of employment patterns, and that existing welfare states are required to reform their social policy in order to respond to NSRs properly. At the same time, trade unions, which were major advocates of welfare expansion in the development of the post-war welfare states, have experienced the decline in their ability to institutionally influence government decision-making in most European countries (Allern et al., 2007; Ebbinghaus, 2006). If the unions are indeed losing ground, is this because the particular employee groups facing NSRs are less likely to become union members? Many scholars have argued that this is the case (Bonoli, 2005; Ebbinghaus, 2006; Häusermann, 2012).

In this study, we scrutinize this claim by looking into differences in the unionization of different groups of people facing NSRs, and examining whether the macro-institutional context of a country, here operationalized as the industrial relations (IR) regime, has an effect on the unionization of NSR groups. Following Bonoli (2006), Häusermann and Schwander (2012) and Kalleberg (2009), we differentiate between six groups of people facing NSRs: (1) single-parent employees, (2) female employees with children, (3) female employees who care for vulnerable family members, (4) low-skilled employees working in the service industry, (5) temporary employees, and (6) part-time employees.¹ These six groups can be classified into two categories. The first three groups can be called ‘family policy-related NSR groups’ in that the risks they are facing can be dealt with mainly by expanding family policy in welfare states. The latter three can be labelled ‘precarious worker groups’ because the groups are highly likely to work in more unstable and less protected working conditions than those in full-time and fully insured employment.

To examine the influence of the macro-institutional context on the unionization of NSR groups, we classify the 23 European countries included in this study into five IR regimes, following Visser (European Commission, 2009): (1) organized corporatism, (2) social partnership, (3) polarized/state-centred, (4) liberal, and (5) transitional.

Using data from the European Social Survey (ESS) Round 5 ($N=52,458$) we estimate multilevel logistic regression models to assess the likelihood of union membership among different NSR groups. To investigate the effect of IR regimes, we estimate models for each regime separately.

Our results show that (1) family policy-related NSR groups (single parents, female employees with children and female caregivers) are more – not less – unionized than the average worker; (2) precarious workers (low-skilled service employees, temporary employees and part-timers) are, indeed, less unionized than average but (3) this result concerns mostly the liberal and transitional IR regimes. Interestingly, we also find that union efforts to organize one particular group of precarious workers – low-skilled service sector workers – in the liberal regime have paid off: they are more likely to be unionized than the average worker.

Hypotheses: What affects the unionization of NSR groups

Prior research has shown that the socio-demographic groups that have a higher chance of coming face-to-face with NSRs – such as female, young, low-skilled, part-time and temporary workers – are less unionized than the average worker (Ebbinghaus, 2006). Several scholars have argued that the main explanation for the low rate of unionization is that trade unions seem not to be willing or able to explicitly defend the interests of NSR groups (Bonoli, 2005; Ebbinghaus, 2006; Häusermann, 2012).

We see two main limitations in this literature. First, it tends to lump together all NSR groups from single mothers to precarious workers, arguing that they are, as a whole, less likely to unionize. But what if only some of these groups are less likely to join unions, while others are just as likely or even more likely than the average employee? Second, the literature tends

not to differentiate between micro- (individual, workplace-level, union-level) and macro-institutional (country-level) explanations. But what if the NSR groups are less unionized only in countries characterized by a certain type of IR regimes? Or what if there is an association between the type of NSR group and unionization that varies between different types of country contexts? In what follows, we first develop hypotheses concerning the differences in unionization between individuals belonging to different NSR groups, and second, hypotheses concerning the effects of country-level institutional structures on NSR unionization.

The individual level: Differences between NSR groups

As noted above, most literature on NSRs and unions argues that the NSR groups across the board are less unionized than other workers, and that this is due to the unions not doing much for them (Bonoli, 2005; Ebbinghaus, 2006; Häusermann, 2012). But looking at the possible differences between the different NSR groups leads us to hypothesize that this association may only hold for some NSR groups and not others. For part-time and temporary workers, Gumbrell-McCormick's (2011) qualitative study in 10 European countries including France, Germany, the Netherlands, Sweden and the United Kingdom shows that many unions do tend to exclude them and focus their efforts on full-time workers. Under such circumstances, it is obviously less likely for part-timers and temporary workers to join unions. Thus, concerning the three NSR groups we have called precarious workers, our hypothesis is

H1. Precarious workers (part-time, temporary and low-skilled service sector workers) are less frequently unionized than other employees.

For the family policy-related NSR groups – single-parent employees, working mothers and female employees who care for vulnerable family members – the situation may be different, however. The literature seems to suggest that the trade union's difficulties or unwillingness to deal with NSR groups may not extend to family policy-related ones. Eurofound's

(2010) report on trade unions' strategies to recruit new members in the 27 European Union (EU) member countries and Norway found that unions in most countries have, during the past few decades, worked very hard to mobilize female workers, including those belonging to NSR groups. What is more, there is a body of research showing that trade unions have had positive effects on extending family policies in many European countries (Budd and Mumford, 2004; Earles, 2011; Gregory and Milner, 2009; Yerkes and Tijdens, 2010). To the extent that workers are aware of these positive effects of unions and the efforts of the unions to mobilize the family policy-related NSR groups have been successful, our hypothesis concerning these groups is as follows:

H2. Family policy-related NSR groups (single-parent employees, working mothers and female employees who care for vulnerable family members) are unionized as frequently as other workers.

The macro-institutional level: Differences between IR regimes

The comparative literature on NSR groups in different countries has focused mostly on the ability of different welfare state regimes (Esping-Andersen, 1999) to respond to the rise of NSRs. Bonoli (2007), for example, finds that the Nordic countries are leaders in NSR policies. The argument is that countries that started early to experience post-industrialization, such as Nordic countries and the United Kingdom, had opportunities to invest continuously in ameliorating NSRs, whereas countries that entered post-industrial societies later, such as the Continental and Southern European countries, have difficulty raising the resources to respond to NSRs, particularly in the age of austerity.

In examining the associations between NSR groups and union membership, however, the perspective of welfare regimes can be problematic. Although it is clear that the institutional features of welfare states affect people facing NSRs, it may not be welfare systems as such that have direct causal effects on their decision to join unions. Thus, to differentiate between the macro-institutional structures of different countries that have effects on union

membership, we argue the concept of industrial relations regimes (henceforth IR regimes) is more useful than that of welfare state regimes. Visser (European Commission, 2009) distinguishes between five regimes in Europe: (1) organized corporatism, (2) social partnership, (3) polarized/state-centred, (4) liberal, and (5) transitional. Table 1 presents the classification of the 23 European countries analysed in this article to these categories.²

We hypothesize that rates of unionization of NSR groups are higher in those IR regimes where collective bargaining coverage is the widest, and where

unions have more influence on governmental policy making, as opposed to just workplace-level bargaining. Data from the European Trade Union Institute (2014) show that in liberal and transitional regimes, collective bargaining covers only 40 and 30 percent of employees, respectively. In the organized corporatism, social partnership and polarized/state-centred IR regimes, in contrast, the average collective bargaining coverage is over 75 percent.³ In the countries where coverage is high, unions tend to have significant influence on governmental decision-making on labour and social policy (Weiler, 2004). This should provide NSR workers with more incentives to join unions in the IR regimes with high bargaining coverage. Keeping in line with our first two hypotheses, we expect these effects to apply in particular to precarious workers. Thus, our third and fourth hypotheses are

H3. In the liberal and transitional IR regimes, precarious workers are less likely to be union members than other employees.

H4. In the organized corporatism, social partnership and polarized/state-centred regimes, precarious workers are as likely to be union members as other workers.

Figure 1 summarizes our explanatory model, focusing on the effects of the particular NSR group an individual belongs to on one hand, and the institutional structure of NSR regime under which the

Table 1. Countries classified by IR regimes.

Regime	Countries
Organized corporatism	Denmark, Finland, Norway, Sweden
Social partnership	Belgium, Germany, the Netherlands, Slovenia, Switzerland
Polarized/state-centred	France, Greece, Portugal, Spain
Liberal	Cyprus, Ireland, the United Kingdom
Transitional	Bulgaria, the Czech Republic, Estonia, Hungary, Lithuania, Poland, Slovakia

IR: industrial relations; ESS: European Social Survey.

This table includes only the countries which took part in the ESS Round 5. In Iceland, Italy and Luxembourg, the survey was not conducted in 2010.

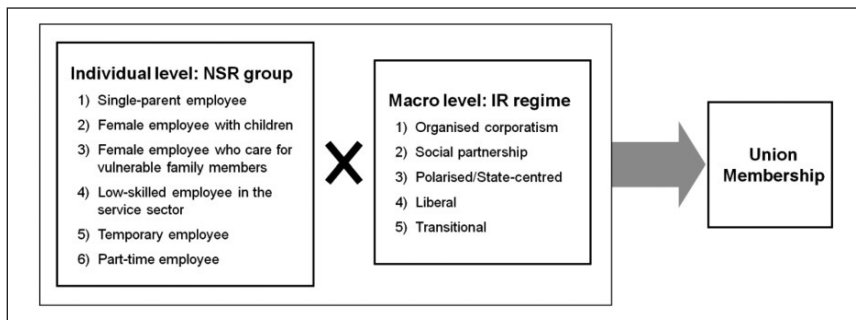


Figure 1. Explanatory model.

individual lives in on the other, on whether or not he or she decides to join a trade union. That is to say, we assume that whether or not individuals experience NSRs and in which IR regime they are employed affect their membership status simultaneously.

Data and methods

The main source of data for this research is micro-data obtained from the ESS Round 5 (edition 3.2), conducted in 2010. These data allow for a distinction to be made between people belonging to NSR groups by providing information on the birth years of the family members of all respondents, the respondents' relationship to them, as well as on the economic activity status of their husband, wife or partner if they are married or cohabitate. We analyse the observations from those 23 ESS countries that can be classified according to Visser's (European Commission, 2009) typology of IR regimes. Three countries included in the typology – Italy, Iceland and Luxembourg – did not participate in ESS Round 5 and are, thus, omitted from our analysis. Finally, these data are combined with data that include the variable of the Ghent system.

Many studies on the determinants of union membership that use cross-national survey data disregard the hierarchical structure of the data. When data have hierarchical levels such as student–classroom–school, or, in our case individual–country, it can be expected that individual units selected from the same group in a level are likely to have more similar characteristics than those selected from different groups. In addition, they are likely to be interdependent within each group. This expectation violates the basic assumption of generalized linear models that randomly selected individuals or units are independent of each other. Therefore, Hox and Roberts (2011) suggest using multilevel analysis whenever research questions extend over different levels and data consist of variables at two or more hierarchical levels. It has, indeed, become the standard practice to use multilevel modelling to analyse datasets including multiple countries extracted from ESS data (Kempainen, 2012). Moreover, Brady (2007) emphasizes the importance of multilevel modelling in the specific case of analysing the determinants of union membership using cross-national data.

Therefore, we estimate multilevel binary logistic models by IR regimes with the dichotomous response variable (current union member=1 and 0 otherwise) to explore the degree of unionization of different NSR groups.

We only analyse the cases of respondents who are currently both employed and aged between 15 and 64, because retirees, children and, in most IR regimes, the unemployed cannot join trade unions. When estimating statistical models, we apply population and post-stratification weight values to consider the characteristics of the populations in the countries included in the data. The first weight values corresponding to each country are newly calculated for this research, while the second weight values come from the ESS data.⁴

The six NSR groups are operationally defined as follows: first, the single-parent employee is an employee who does not reside with a husband, wife or partner and who has one or more son or daughter, which could include a step-, adopted or foster child, who is younger than 18 years old and living at home. Second, the female employee with children is a female employee who has children meeting the same criteria as mentioned above for the single-parent employee, but who lives with a husband or partner. In order to remove the overlap with the first group, this definition includes only women who cohabit with a spouse or partner. Third, the female employee who cares for vulnerable family members is a female employee who resides with a permanently sick or disabled husband or partner, with a retired husband or partner over 65 years old, or with parents or parents-in-law over 65 years old. Fourth, the low-skilled employee in the service sector is an employee who works in the service industry and whose highest level of education is European Survey Version of International Standard Classification of Education (ES-ISCED) I or II.⁵ Next, the temporary employee is an employee who has a fixed-term employment contract. Finally, the part-time employee is an employee whose working time is less than 35 hours per week.

We control for the following variables: gender (male=0, female=1), age (in years), age squared, education (five dummy variables), citizenship (citizen=0, immigrant=1),⁶ ethnic group (major=0, minor=1),⁷ industry (five dummy variables, which

include manufacturing, construction, services, public administration and defence and others), workplace type (private=0, public=1), union representativeness at the workplace (ranging from no unions or union members=0, little or no influence=1, to a great deal of influence=4) and establishment size (five dummy variables). We also include one country-level control variable, the Ghent system (Ghent country=1 if the country has the Ghent system and 0 otherwise). Because the Ghent countries include Belgium, Denmark, Finland and Sweden, this variable is only included in the organized corporatism and social partnership models.

Recent research about the determinants of union membership (Blanchflower, 2007; Ebbinghaus et al., 2011; Scheuer, 2011; Schnabel and Wagner, 2007) leads us to expect the following effects for the control variables. The effect of gender on unionization has been shown to depend on the IR regime; women tend to be more unionized than men in the organized corporatism but less in other regimes. Concerning age and education, older and more highly educated workers tend to be more likely to join unions across all the IR regimes. Immigrant workers and ethnic minorities are usually less active in joining unions than others. In terms of industries and sectors, employees working in manufacturing tend to be more active in unionizing than those in other industries, and public sector workers are more likely to join unions than those in the private sector. In addition, we expect that the stronger the unions' influence at the workplace, the more active the employees are in having union membership. Large establishment size also tends to have a positive impact on union membership. Finally, the Ghent system has been shown to have a significant positive effect on unionization (Ebbinghaus et al., 2011; Rothstein, 1990; Western, 1994). In this system of unemployment insurance management, employees have high incentives to join unions because the unions administer unemployment insurance funds subsidized by the state, and unemployment insurance is thus dependent on union membership.⁸

This research employs the statistical software STATA 12 for descriptive analyses and multilevel modelling with the ESS data. In particular, its command, *glamm*,⁹ is used to simultaneously apply

weight values and perform multilevel binary logistic analyses.

Results

Descriptive analyses

To begin with, in order to observe how much NSRs could affect the labour market and trade unions, it is necessary to explore how many employees face NSRs. Table 2 shows the estimates of NSR populations among employed people in each regime, the calculations for which were performed by applying weight values. The results reveal that in every regime, about half of employees experience at least one type of NSR. There is no big difference in the shares of single-parent employees, working mothers and female employees who care for vulnerable family members between regimes. When it comes to precarious workers, however, the differences across regimes are notable. The figures for low-skilled service workers are below 10 percent in the organized corporatism, social partnership and transitional regimes, while those in the polarized/state-centred and liberal regimes are 17.5 and 20.8 percent, respectively. Regarding temporary employees, the rate in the organized corporatism is the lowest among all regimes, accounting for 9.4 percent, whereas the transitional regime has the highest percentage, 22.3 percent. Finally, while the social partnership and liberal regimes indicate over 30 percent of part-time workers, the shares of part-time workers in the other regimes do not reach 20 percent.

Table 3 depicts the estimated employment rates of all samples, single parents, women with children, women who care for vulnerable family members and low-skilled people. The employment rates of single parents are similar to the averages in all regimes except for that of organized corporatism, where the figure is even higher than the average. Working mothers' employment rates are far higher than the averages in every regime, whereas female caregivers and low-skilled people show much lower employment rates than the averages in all IR regimes. Consequently, the findings show that female caregivers and low-skilled people have more serious difficulties in gaining employment.

Table 2. Shares of employed NSR groups by IR regimes (%).

NSR group	Organized corporatism	Social partnership	Polarized/ state-centred	Liberal	Transitional
Single-parent employees	6.2	5.5	6.1	8.2	7.2
Female employees with children	20.1	18.3	22.0	19.4	22.4
Female employees who care for vulnerable family members	1.8	2.0	3.0	1.4	4.8
Low-skilled service employees	9.5	9.0	17.5	20.8	8.2
Temporary employees	9.4	15.3	18.0	12.7	22.3
Part-time employees	18.9	33.0	18.0	30.5	10.0
All NSR groups	47.3	51.1	57.4	57.1	54.7

Source: Authors' calculations based on the ESS Round 5 data.

NSRs: new social risks; IR: industrial relations; ESS: European Social Survey.

The proportions of all NSR groups are different from the sum of the proportions of each group because some respondents are included in multiple NSR groups.

Table 3. Estimated employment rates of people facing NSRs by IR regimes (%).

	Organized corporatism	Social partnership	Polarized/ state-centred	Liberal	Transitional
Single parents	69.3	49.2	43.3	46.6	39.5
Women with children	72.2	59.4	51.5	55.9	50.1
Women who care for vulnerable family members	15.7	12.7	13.4	11.0	26.1
Low-skilled people	27.9	30.4	25.4	32.2	23.6
Average of all samples	51.2	48.7	41.2	45.0	42.3

Source: Authors' calculations based on the ESS Round 5 data.

NSRs: new social risks; IR: industrial relations; ESS: European Social Survey.

Multilevel logistic estimates for union membership

Table 4 displays the estimates of multilevel binary logistic models for union membership by the five regimes. Our first hypothesis stated that precarious workers (part-time, temporary and low-skilled service sector workers) are less frequently unionized than other employees. This hypothesis is supported only partially. It holds only for some groups of precarious workers and mainly in the liberal and transitional IR regime. The groups that are less unionized than average are temporary employees in the transitional, liberal and social partnership regimes; part-time employees in liberal and polarized/state-centred regimes and low-skilled service employees in the transnational regime. One group of precarious workers in one regime

counters the hypothesis: low-skilled service employees in the liberal regime are more unionized than the average worker, rather than less.

Our second hypothesis was that the family policy-related NSR groups (working mothers, single-parent employees and female employees who care for vulnerable family members) are unionized as frequently as other workers. This hypothesis is supported. No family policy-related NSR group under any IR regime is less unionized than the average worker. In fact, several of these groups in several regimes are significantly more unionized than average. Female employees with children are more unionized than average in the organized corporatism, social partnership and liberal regimes. In the liberal regime, single-parent employees and female caregivers are also more unionized than average.

Table 4. Multilevel binary logistic estimates for union membership by IR regimes.

Variable	Organized corporatism	Social partnership	Polarized/state-centred	Liberal	Transitional
NSR groups					
1. Single-parent employee	0.98 (0.316)	0.95 (0.226)	0.66 (0.455)	1.15** (0.031)	1.37 (0.171)
2. Female employee with children	1.28** (0.049)	1.47* (0.185)	0.86 (0.168)	2.13** (0.070)	1.17 (0.090)
3. Female employee who cares for vulnerable family members	1.78 (0.314)	1.15 (0.078)	1.31 (0.973)	2.21** (0.107)	1.25 (0.306)
4. Low-skilled service employee	1.08 (0.673)	1.01 (0.066)	0.80 (0.142)	1.20* (0.091)	0.40** (0.183)
5. Temporary employee	0.66 (0.263)	0.76* (0.131)	0.53 (0.401)	0.45** (0.097)	0.39** (0.172)
6. Part-time employee	0.81 (0.151)	0.76 (0.213)	0.67** (0.083)	0.76** (0.020)	1.16 (0.090)
Intercept	0.00** (0.873)	0.06** (0.207)	0.00** (1.376)	0.00** (0.237)	0.00** (0.744)
Individual-level controls					
Female	1.41** (0.077)	0.81** (0.060)	0.92 (0.082)	0.83** (0.003)	0.86 (0.087)
Age	1.22** (0.039)	1.00 (0.018)	1.26** (0.071)	1.03** (0.006)	1.16** (0.032)
Age squared	1.00** (0.000)	1.00 (0.000)	1.00** (0.001)	1.00 (0.000)	1.00** (0.000)
Education					
ES-ISCED I or II	0.79 (0.652)	1.49 (0.208)	0.74 (0.168)	1.32* (0.073)	1.15 (0.221)
ES-ISCED IIIb	1.45 (0.275)	1.66* (0.257)	0.53** (0.122)	0.94 (0.077)	0.90 (0.095)
ES-ISCED IIIa	Ref.	Ref.	Ref.	Ref.	Ref.
ES-ISCED IV	0.81** (0.044)	1.31 (0.230)	0.66 (0.482)	1.41** (0.044)	0.93 (0.336)
ES-ISCED VI or V2	0.86 (0.165)	1.26 (0.330)	0.68 (0.361)	1.38** (0.077)	0.86 (0.136)
Immigrant	0.49* (0.287)	0.61 (0.311)	0.22** (0.371)	0.48** (0.177)	1.99 (0.627)
Minority ethnic group	1.31** (0.072)	0.75 (0.426)	0.78** (0.075)	1.73** (0.021)	1.27 (0.451)
Industry					
Manufacturing	Ref.	Ref.	Ref.	Ref.	Ref.
Construction	0.63 (0.254)	0.52* (0.303)	0.51 (0.422)	0.82 (0.161)	0.27** (0.297)
Services	0.44** (0.282)	0.46** (0.073)	0.94 (0.428)	0.97 (0.079)	1.07 (0.159)
Public admin and defence	0.60 (0.394)	0.59** (0.089)	0.92 (0.276)	0.83 (0.187)	0.72 (0.276)
Others	0.85 (0.336)	0.59** (0.172)	1.19 (0.175)	2.72** (0.333)	1.09 (0.210)
Public sector	2.17* (0.353)	1.69** (0.120)	2.54** (0.105)	4.27** (0.084)	2.31** (0.215)
Union's influence at workplace	1.63** (0.148)	1.78** (0.019)	1.95** (0.022)	2.70** (0.040)	2.27** (0.091)
Establishment size					
Under 10	Ref.	Ref.	Ref.	Ref.	Ref.
10–24	1.25** (0.056)	1.25 (0.190)	1.34** (0.076)	1.26 (0.131)	1.30 (0.202)
25–99	1.52* (0.186)	1.28 (0.168)	1.17 (0.354)	1.59** (0.107)	2.05** (0.183)
100–499	1.85** (0.094)	1.49* (0.185)	0.91 (0.174)	1.70** (0.156)	3.24** (0.150)
500 or more	1.50* (0.161)	1.90* (0.254)	0.87 (0.246)	1.49** (0.144)	4.69** (0.217)
Country-level control					
Ghent system	3.68** (0.115)	7.75** (0.095)	N/A	N/A	N/A
Number of observations	2849	3748	2483	1803	4290
BIC	2857.7	3524.5	1890.1	1705.5	2672.8

IR: industrial relations; NSRs: new social risks; ES-ISCED: European Survey Version of International Standard Classification of Education; Ref. = reference category; BIC: Bayesian Information Criterion.

Odds ratios and standard errors (in parentheses).

* $p < 0.05$; ** $p < 0.01$.

Table 5. Associations between NSR groups and union membership.

NSR group	Organized corporatism	Social partnership	Polarized/ state-centred	Liberal	Transitional
Single-parent employees	NS	NS	NS	+	NS
Female employees with children	+	+	NS	+	NS
Female employees who care for vulnerable family members	NS	NS	NS	+	NS
Low-skilled service employees	NS	NS	NS	+	-
Temporary employees	NS	-	NS	-	-
Part-time employees	NS	NS	-	-	NS

+: more likely to have union membership; -: more unlikely to have union membership; NS = not significant.

Our third hypothesis focused on the difference between the IR regimes, stating that in the liberal and transitional IR regimes, precarious workers are less likely to be union members than other employees. This hypothesis, again, finds partial support. Temporary employees are less unionized in both regimes, as are part-time employees in the liberal regime and low-skilled service employees in the transitional regime. However, low-skilled service employees are more likely to be unionized in the liberal regime than the average worker.

Our fourth hypothesis stated that in the organized corporatism, social partnership and polarized/state-centred regimes, precarious workers are as likely to be union members as other workers. This hypothesis is mostly supported. All three groups in all three regimes do not show significant differences from the average worker, except for temporary employees in the social partnership regime and part-time employees in the polarized/state-centred regime.

The effects of the control variables are largely as expected. The Ghent system has the largest effect. In countries of the organized corporatism, having a Ghent system results in more than a threefold increase in unionization, and in social partnership countries, almost eightfold. Public sector workers are more unionized than others, the rate varying from almost double in the social partnership to more than fourfold in the liberal IR regime. Unions' influence at the workplace almost doubles the rate of unionization across the IR regimes. Older employees are more unionized than the young ones everywhere except for the social partnership regime. Women are less likely to be unionized than men in the social

partnership and liberal regimes, but are more unionized than men in the organized corporatism. This is coherent with the results of Schnabel and Wagner (2007) which analysed 18 European countries. Employees in large establishments are more likely to be unionized than those in small establishments in all except those of the transitional IR regime. Manufacturing workers are significantly more unionized than those in the other industries only in the social partnership IR regime. Education results in fairly few statistically significant differences, somewhat contrary to our expectations. Perhaps the main divergence from our expectations concerns ethnic minorities. While immigrants (defined as non-citizens of the country they work in) are significantly less unionized in most IR regimes as expected, this applies to ethnic minorities only in the state-centred regime. In the organized corporatism and especially the liberal IR regime, minorities are more unionized than others, not less, as the literature led us to expect.

Discussion and conclusion

Table 5 summarizes our results. Comparing the top and bottom halves of the table shows that there are, indeed, interesting differences between the unionization rates of the family policy-related NSR groups (single-parent employees, female employees with children and female caregivers) and precarious workers (low-skilled service employees, temporary employees and part-timers). The argument often presented in the earlier literature that NSR groups are less unionized than average workers (Bonoli, 2005;

Ebbinghaus, 2006; Häusermann, 2012) only holds for precarious workers, and even among them only in certain IR regimes. Family policy-related NSR groups are, in fact more unionized, not less, than the average worker, even though this result, too, only holds in some IR regimes.

Thus, our findings confirm that the efforts of trade unions to mobilize the family policy-related NSR groups that have been identified in earlier literature (Eurofound, 2010) have been successful. Apart from the unions' work, two wider trends may have contributed to this success. First, during the past couple of decades, the EU has emphasized welfare reform focusing on work-life balance. Family policies, in particular parental leave, have been one of the key social policy issues in Europe, and trade unions have been favourable to and active in extending such policies in many European countries (Budd and Mumford, 2004; Haas, 2003; Kittilson, 2008). Second, the number of working mothers in Europe has increased for several decades, and currently, about one out of five employees is a working mother across the IR regimes (see Table 1).

In fact, this trend has continued so long and the share has grown so high that one might even want to question the idea of naming working mothers 'a new social risk group', or consider them atypical workers in any way. To better engage with existing research, in this article, we retained Bonoli's (2005) original definition and included working mothers as a separate group. This resulted in the interesting finding that this particular NSR group is more unionized – not less – than the average worker in three out of five IR regimes. We may thus conclude that working mothers have grown into a large group that has taken its place and asserted its needs in the system of collective bargaining across Europe.

We also found significant effects of the macro-level context on the unionization rates of NSR groups. As we hypothesized, precarious workers tend to be less unionized in the liberal and transitional regimes, where collective bargaining coverage is low. This is in line with arguments of the existing literature on NSRs and union membership: because of the different organization of workplaces and the unwillingness and inability of unions to protect precarious workers, they have been less likely to unionize.

Our findings, however, make three important qualifications to this general claim presented in the literature. First, as we hypothesized based on the literature discussing IR regimes and unionization, in the three regimes where collective bargaining coverage is high (organized corporatism, social partnership and state-centred), the wide coverage tends to mitigate the negative effects of precariousness on unionization.

Second, we found against our hypothesis that temporary employees in the social partnership regime and part-timers in the polarized/state-centred regime are less unionized than average. The organized corporatism regime is the only one where no precarious worker group is less unionized than other workers. This suggests that the mitigating effect of the high collective bargaining coverage is only partial, and that there is something particular about the organized corporatism regime that helps unionization of precarious workers. A possible explanation is that in organized corporatism, the employees are represented mostly by powerful industry-based trade unions. In the other IR regimes, employee representation tends to be divided into various organizations such as work councils, workplace-level and industry-level unions, often resulting in lower overall rates of unionization and weaker unions (European Commission, 2009). These features of the organized corporatism regime are more likely to attract people in precarious job position to unions.

Third, and counter to our hypothesis again, we found that even in the liberal regime, low-skilled service employees are more unionized than the average worker, at the same time as temporary employees and part-timers are less unionized, as expected. What could explain the counterintuitive status of the low-skilled service workers? Eurofound's (2010) report provides evidence to explain the phenomenon. The report describes that trade unions in Cyprus, Ireland and the United Kingdom in common targeted private service sectors such as wholesale and retail trade and cleaning and catering services for the purpose of recruiting new members in the 2000s, and they have been successful in increasing union density in the target sectors.

This leads us to conclude that conscious mobilization efforts by unions can make a big difference.

By rebuilding their strategies, reacting to the transformation of labour markets, unions can succeed. And this can happen even where the macro-contextual factors are against them, that is, in the liberal IR regime where collective bargaining coverage is low. This is all the more remarkable considering that they have been successful in the case of low-skilled service workers because in their case, meso-level conditions at the workplace are often against unionization as well. Compared to the traditional factory setting where face-to-face contact with a large number of co-workers is often fairly regular, or skilled office work where hours tend to be fairly regular, team work increasingly frequent and employee turnover relatively low, low-skilled service workplaces where workmates are fewer, hours more irregular and turnover high constitute a challenge for unionization efforts. The fact that unions have succeeded in countering the unfavourable meso- and macro-contexts in the case of precarious workers in the liberal IR regime suggests that the reports about the death of unions due to unfavourable structural trends in societies and workplaces (Liu, 2013; Steingart, 2006) may be, at least to some degree, exaggerated.

Overall, our results indicate that unions may be better able to respond to the rise of NSRs than the literature has tended to argue. We have shown that the family policy-related NSR groups are, if anything, more unionized than others, suggesting that efforts by unions and policymakers across Europe to respond to the needs of these groups have paid off. While precarious workers, however, do tend to be less unionized than others, even among these groups, where unions have worked hard, they have succeeded – even in countries of the liberal IR regime where post-industrialization has proceeded the most rapidly among European countries. While these successes may fall short of reversing the trend of overall declining of unionization, they may indicate that unions are, at least to some degree, able to shift their focus from OSRs to NSRs as the growth of the latter proceeds. This does, however, require that unions understand the divergent needs of different NSR groups and use this understanding to create a diversity of personal services in addition to cash benefits for workers.

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Notes

1. Bonoli (2006) also includes people with insufficient social security coverage in his definition of new social risk (NSR) groups. In this article, we exclude this group due to limitations of our dataset. Like most other studies on union membership, we also exclude unemployed people from the analysis. This is because in most countries, they cannot join trade unions.
2. The typology expands on Ebbinghaus and Visser (1997) and Crouch (1993). We find it more useful for the present analysis than Gallie's (2007) similar typology because the latter does not include East European countries and fails to assign Ireland into any category.
3. The percentages are calculated including only the countries analysed in this study on the basis of the data from the European Trade Union Institute (2014).
4. The formula for calculation of population weights, derived by applying the formula to calculate the population size weight in the European Social Survey (ESS, 2014), is as follows

$$\text{Population weight} = \frac{(\text{Employed population aged 15 to 64 in 2010})}{(\text{Sample size})} \times 10,000$$

The sources come from 'Eurostat' (European Commission, 2014).

5. The service industry consists of economic activities corresponding to the category number from 45 to 97 except 84 in the Statistical classification of economic activities in the European Community (Nomenclature of Economic Activities (NACE)) rev. 2. In addition, this research defines low-skilled workers as those who finished education at a level lower than European Survey Version of International Standard Classification of Education (ES-ISCED) IIIb on the basis of Schneider's (2009) research to show that education equivalent to ES-ISCED I and II does not grant a vocational qualification.
6. If a respondent's nationality is coincident with the country where he or she has a job, then the respondent is a citizen. Otherwise, he or she is an immigrant.

7. If a respondent's race is not included in the major ethnic group of the country where he or she has a job, the respondent is an ethnic minority regardless of nationality.
8. The Ghent system countries are Denmark, Finland, Sweden and Belgium. Although Belgium no longer has the voluntary, state-subsidized, union-run unemployment funds, the country can be considered as a Ghent country because the current Belgian unemployment insurance system, where trade unions continue to play a pivotal role, still encourages unionization as if it were a Ghent system (Vandaele, 2006).
9. The command is the acronym for 'generalized linear latent and mixed models'.

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Precarious workers' choices about unemployment insurance membership after the Ghent system reform: The Finnish experience

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Abstract

The literature on the Ghent system has focused on the link between voluntary unemployment insurance and union membership in terms of industrial relations. Less attention has been paid to unemployment benefits and employees' decision-making concerning unemployment insurance, even though the core function of the Ghent system is to provide unemployment insurance. This paper examines both of the options that precarious workers (i.e., part-timers, temporary employees, and low-skilled service employees) choose regarding unemployment insurance membership and the change in union density after the Ghent system reform in Finland. First, the results show that the growth of the independent unemployment insurance fund was the main reason for declining union density in the 2000s and early 2010s. Second, in terms of precarious workers, we find that the emergence of the independent fund has affected their choices about unemployment insurance membership and that their choices depend on the type of precarious employment they have. Moreover, part-timers and temporary employees younger than 35 years of age are much less likely to enroll in unemployment insurance than older employees who have the same types of employment contracts.

KEYWORDS

Ghent system, precarious workers, trade union membership, unemployment benefits, unemployment insurance

1 | INTRODUCTION

Almost all industrialized countries have compulsory unemployment insurance (UI) programs that provide benefits to unemployed people. In compulsory UI schemes, every employee is enrolled in UI by law, and insurance is mainly financed by employees' and employers' contributions. By contrast, Denmark, Finland, and Sweden have voluntary UI schemes known as the Ghent system.¹ In this system, employees voluntarily decide whether to register for earnings-related UI, and trade union-linked funds, rather than the government, administer the voluntary UI members' contributions and benefits. The state only plays a regulatory and supervisory role and often provides state subsidies to contribute to the funding of unemployment benefits (Esser, Ferrarini, Nelson, Palme, & Sjöberg, 2013).

An extensive literature confirms that the Ghent system has strongly contributed to high union densities since the 1950s (Calmfors et al., 2001; Ebbinghaus, Göbel, & Koos, 2011; Neumann, Pedersen, & Westergård-Nielsen, 1991; Rasmussen & Pontusson, 2018; Scruggs, 2002; Western, 1993). Recently, however, the Ghent system has been transformed in all Nordic Ghent countries. Finland and Sweden introduced independent UI funds that employees can participate in without union membership, in 1992 and 1998, respectively, and Denmark made it possible for workers to join any UI fund regardless of their professions and trades in 2002. The reforms were introduced under the influence of neo-liberalism for the purpose of providing multiple options for workers regarding UI. Many researchers predicted that such reforms would have a steady, negative impact on union density (Kjellberg, 2006; Lind, 2009; Van Rie, Marx, & Horemans, 2011). Böckerman and Usitalo (2006) show, using high-quality panel data, that one of the main reasons for the decline in union density in Finland during the period from 1993 to 2002 was the emergence and growth of the independent UI fund. Moreover, Høgedahl and Kongshøj (2017) demonstrate that union densities in the Nordic Ghent countries have gradually decreased since those changes occurred, although they implemented different types of policy changes to the Ghent system.

Despite the literature on the relationship between the Ghent system and union density, there is a scarcity of research on specific groups of workers' choices in connection with UI in the transformed Ghent system. As the explicit goal of the Ghent system is not to recruit union members but to provide UI services for employees, it is worth asking which option individual employees have chosen concerning unemployment benefits since the implementation of the reforms. To fill this gap, this paper examines precarious workers' choices about UI membership. Atypical employment, such as part-time and temporary work and low-skilled service jobs, have become widespread in the labour market since the late 20th century (Barbier, 2013; Bonoli, 2007; Kalleberg, 2000; Standing, 2011). Kalleberg (2009) labels those types of work "precarious work" to emphasize that they became more uncertain, unpredictable, and risky due to social, economic, and political forces over the last several decades, and empirical studies confirm that atypical workers and low-skilled service employees are placed in precarious labour market situations. Part-time and temporary workers tend to suffer from job and income insecurity and confront higher poverty risks than those in standard employment (Burgoon & Dekker, 2010; Giesecke, 2009; Horemans & Marx, 2013; Van Lancker, 2013), and low-skilled service employees have a heightened risk of being unemployed or in atypical employment than other employees (Häusermann, Kurer, & Schwander, 2016; Oesch, 2013; Schwander & Häusermann, 2013). Although there is an argument that part-time employment should not be considered as a type of precarious work as long as it is voluntary, part-time workers' earnings are significantly lower than those of standard employees due to their shorter working hours; they usually have lower hourly wages and shorter job tenure, and their employment opportunities are also more limited compared with full-time workers (Horemans & Marx, 2013). Therefore, we concentrate on those in temporary and part-time employment arrangements and low-skilled service employees. As employees can freely decide whether to join a UI fund by paying a membership fee in the Ghent system, precarious employment might affect their decision to do so and constitutes a policy-relevant margin of adjustment because workers in such situations are likely to have a higher possibility of requiring unemployment benefits and to have lower incomes than those in standard employment. There are large differences in the composition of members of unions and UI funds by employment type (Figure 1). Standard employees account for approximately 85% of union members and over 87% of workers who have only UI fund membership, whereas temporary and part-time employees make up the rest. On the

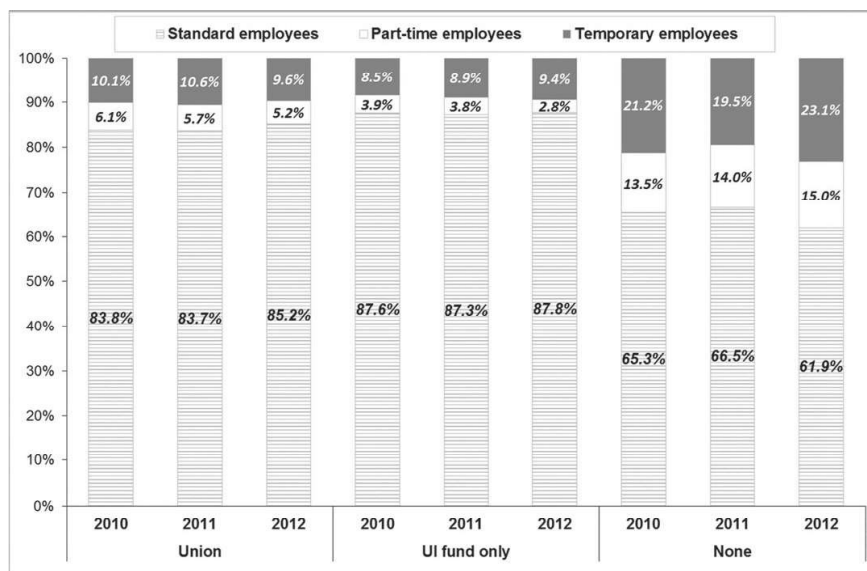


FIGURE 1 Proportions of standard, temporary, and part-time employees in union and UI fund-only members
 Source: Authors' calculations based on the Finnish IDS data from 2010 to 2012.

other hand, among workers who have neither union nor UI fund membership, those in standard employment cover less than two thirds. Temporary employees and part-time workers account for approximately 20% and 15% of them, respectively.

In Finland, the introduction of the independent UI fund was driven by employees who had difficulty joining unions because their workplaces were not affiliated with any unions. The independent UI fund had no association with any employers' organization or political group. However, employers and right-wing parties have been in favour of the independent fund and have taken a critical stance on unions' influence in the UI system. In the early 1990s, entrepreneurs raised the issue of creating such an independent fund, arguing that employees should have options other than union-run UI funds, and afterward, some of them worked as board members for the independent UI fund. At that time, the right-wing government expressed positive attitudes about the establishment of the independent fund, and the Ministry of Social Affairs and Health finally allowed the introduction of the independent UI fund in the autumn of 1991 when the country experienced a severe economic depression and drastic increase in unemployment. Trade unions did not consider the new fund a strong rival nor actively responded to the event when it was established. Recently, the Federation of Finnish Enterprises has publicly encouraged its member companies to consider paying UI contributions to the independent fund rather than union-linked funds by criticizing the alliance between unions and UI funds, and right-wing politicians have claimed that unions are less active in expanding UI membership than the independent UI fund. As a result, intentionally or not, the independent UI fund has politically negative impacts on trade unions in the Ghent system. Although the Nordic Ghent model has changed in this way, few studies have been conducted on the impact of institutional reforms on union density over the first decade of the 21st century. This paper investigates the Finnish case by analysing the Income Distribution Survey (IDS) data to examine the associations between precarious employment and UI membership and to verify whether the growth of the independent UI fund has continued to have a negative impact on union density during the period from 2000 to 2012.

This article begins with a description of the Finnish unemployment protection system, including the Ghent system, and proceeds to establish hypotheses based on a literature review and describes empirical facts about precarious workers in Finland. Subsequently, the article introduces the data and methodology that were used in this study and then presents our estimation results. In the concluding section of the paper, the findings are discussed.

2 | THE FINNISH UNEMPLOYMENT PROTECTION SYSTEM

The Finnish unemployment protection system consists of three different types of unemployment benefits: contribution-based, flat rate, and means-tested. The contribution-based unemployment benefit is an earnings-related unemployment allowance provided through UI funds based on the Ghent system. An unemployed person is entitled to this allowance when he or she meets the following conditions (TYJ, 2017). First, he or she has worked and been a member of a UI fund for at least 26 calendar weeks within the last 28 months; second, he or she has worked at least 18 hours each week and his or her salary for full-time work has been in accordance with the collective agreement of the relevant industry sector, or not less than €1,187 per month in the year 2017; last, he or she has been registered as an unemployed job-seeker at the public employment service (TE-Office). The flat rate unemployment benefit is a basic unemployment allowance that is financed by taxes and managed by the Social Insurance Institution (KELA). This allowance is granted to the unemployed who are not entitled to the earnings-related allowance. The means-tested unemployment benefit is the labour market subsidy that KELA pays through a means test for long-term unemployed people who have used up their eligibility for the contribution-based or flat rate unemployment benefits. This paper focuses only on earnings-related and basic unemployment allowances because it investigates employees' voluntary decision-making about unemployment benefits.

Trade unions play a pivotal role in the management of the earnings-related unemployment allowance. As of January 2018, there are 79 trade unions in Finland, and 73 of them belong to one of three central employee organizations: SAK (Confederation of Finnish Trade Unions), AKAVA (Confederation of Salaried Employees), and STTK (Finnish Confederation of Salaried Employees). The other trade unions have no association with any confederation. SAK-affiliated unions mainly represent blue-collar workers, whereas members of unions belonging to STTK are mostly white-collar employees. AKAVA-affiliated unions are organized by highly educated professional workers. To offer UI services to their members, unions jointly administer UI funds, generally based on the classification of industrial activity. There are 24 UI funds that employees can join at present. Unions administer 23 of these funds, whereas only one fund, which is called YTK and was introduced in 1992, is managed independent of unions. Individual employees can voluntarily join a UI fund run by unions without union membership. However, trade unions strongly encourage workers to have both union and UI fund memberships. Therefore, an absolute majority of employees who have only a UI fund membership without a union membership are members of the independent UI fund.

From an employee's perspective, the key difference between becoming a union member and joining a UI fund only is the membership fee. As Table 1 shows, most union membership fees are between 1% and 2% of gross earnings, and some professional unions charge a flat fee, which is around €400 per year. Those fees basically include union-linked UI fund membership fees. However, the membership fee for the independent UI fund is only €118 per year as of 2017. As mentioned above, because in Finland it is very common that workers join a union and union-linked UI fund, the difference between union and independent UI membership fees can be an important consideration when they decide whether to join a union-linked UI fund or the independent UI fund. Therefore, because the independent UI fund membership fee is much lower than any union membership fee, it can be a cost savings for workers to withdraw from a union and join the independent fund, considering only the earnings-related unemployment allowances they would receive in case of unemployment. On the other hand, union members can use the services that unions provide, such as legal advice, travel insurance, job information, and occupational training, in addition to the UI fund services.

TABLE 1 Membership fees of major unions and the independent UI fund as a share of gross earnings in 2016

Unions and independent UI fund	Union membership fee	UI fund membership fee ^b
SAK-affiliated unions		
• Service Union United (Palvelualojen ammattiliitto)	1.50%	0.65%
• Trade Union for the Public and Welfare Sectors (Julkisten ja hyvinvointialojen liitto)	1.38%	0.33%
AKAVA-affiliated unions		
• Trade Union of Education in Finland (Opetusalan Ammattijärjestö)	1.20% ^a	€92.4/year
• Academic Engineers and Architects in Finland (Tekniikan Akateemiset)	€378/year	€105/year
• Union of Professional Engineers in Finland (Insinööriliitto)	€385 ~ €483/year	€105/year
STTK-affiliated unions		
• Union of Health and Social Care Services (Tehy)	1.10%	€42/year
• Trade Union Pro (Ammattiliitto Pro)	1.40%	€150/year
• The Finnish Union of Practical Nurses SuPer (Suomen lähi- ja perushoitajaliitto SuPer)	1.20%	€90/year
Independent UI fund		
• General Unemployment Fund YTK (YTK)	n.a.	€118

Source: The web pages of each union and the independent fund.

Note. Each union membership fee includes its UI fund membership fee.

^aThis figure represents the average of all members.

^bThe reason membership fees for most UI funds managed by trade unions are lower than the YTK membership fee is that unions enroll only workers in their own industries, who are likely to have a relatively lower unemployment risk than average employees, as their members (Böckerman & Uusitalo, 2006).

The basic unemployment allowance is not linked to unions. People who did not belong to any UI fund during their employment are entitled to receive this benefit from KELA. In other words, employees can take the basic unemployment allowance without paying union or UI fund membership fees instead of the earnings-related one when they are unemployed. The amount of basic allowance was, on average, €703 per month in 2016.² That allowance was paid for 500 days (100 weeks) until 2016, but the duration has been cut to 400 days (80 weeks) since 2017. This benefit is considerably lower than the earnings-related unemployment allowance because the replacement rates applying to UI fund members whose monthly wages are lower than €2,000 have been higher than 60% since 2002, and there is no ceiling on the earnings-related allowance, although the replacement rate decreases sharply with the previous wage rate before unemployment (Kyrrä, Pesola, & Rissanen, 2017).³

3 | PRECARIOUS WORKERS IN FINLAND

3.1 | Proportions and income levels of precarious workers

Since 2000, the number of precarious workers in Finland has shown different trends depending on the type of worker. The proportion of part-time workers has increased steadily, whereas the share of fixed-term contract employees has remained relatively stable. Meanwhile, the ratio of low-skilled service workers has gradually decreased since 2000. Thus, the percentage of part-timers grew from 12.0% in 2000 to 14.6% in 2014, and the ratio of

temporary workers has stayed at approximately 16.0% (Table 2). By contrast, the proportion of low-skilled service workers went from 11.6% in 2000 to 6.2% in 2012. This trend seems to have been caused by a reduction in the percentage of low-educated employees from 2000 to 2012, despite the increase in the number of workers in the service sector. Considering those trends, it cannot be concluded that precarious employment in general has increased in Finland during recent years. In the same vein, Pyöriä and Ojala (2016) show that the percentage of precarious workers in Finland did not increase significantly in the 2000s and early 2010s.

Figure 2 illustrates the average incomes of all employees over the period from 2000 to 2012. The average incomes are estimated based on wage and salary information from the Finnish IDS data using survey weights. The income level of precarious workers is much lower than that of other employees. The average income of all Finnish employees was less than €25,000 in 2000, but it has exceeded €35,000 since 2010. On the other hand, the average incomes for the precarious worker groups are far lower than €30,000, even in 2012. Among them, low-skilled service employees showed the highest average income during the period, followed by temporary workers. Part-time employees received the lowest income on average, which was below €20,000 every year, except in 2010 and 2011. Although the average income of all workers continued to nominally increase over the period, that of low-skilled service and temporary workers decreased between 2011 and 2012, and the average income for part-timers decreased for 2 years in a row after 2010. This trend widened the income gap between precarious workers and others.

3.2 | Precarious workers' choice of unemployment benefits

Olson's (1965) theory of collective action and the social custom theory about union membership are useful for understanding the decisions precarious workers in Finland make concerning union and independent UI fund membership in terms of the choice of unemployment benefits. The two theories are not exclusive but rather complement each other in explaining the determinants of union membership. Olson's theory focuses on whether

TABLE 2 Shares of part-time, temporary, and low-skilled service employees in Finland (aged 15–74)

	Part-time employees (%)	Temporary employees (%)	Low-skilled service employees (%)
2000	12.0	16.4	11.6
2001	11.9	16.5	9.9
2002	12.5	16.1	9.7
2003	12.6	16.4	9.8
2004	13.2	16.2	8.9
2005	13.1	16.5	8.9
2006	13.5	16.4	8.8
2007	13.4	16.0	8.7
2008	12.7	15.1	8.3
2009	13.3	14.6	7.1
2010	13.9	15.6	6.3
2011	14.3	15.7	6.2
2012	14.5	15.7	6.2
2013	14.3	15.5	n.a.
2014	14.6	15.6	n.a.

Source: Official Statistics of Finland (2018a and 2018b) for part-time employees and temporary employees came from and authors' calculations based on the Finnish IDS data from 2000 to 2012 for low-skilled service employees.

Note. Low-skilled employees are defined as those whose highest level of education corresponds to ES-ISCED I or II.

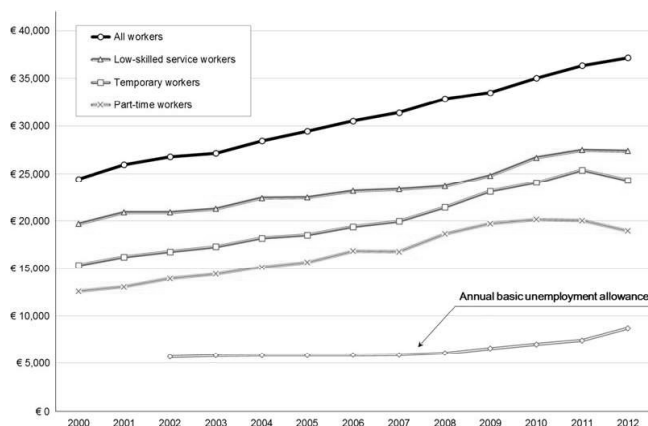


FIGURE 2 Estimated average personal wages and salaries of precarious workers and all workers

Source: Authors' calculations from the Finnish IDS data and the KELA Annual Report for each year from 2002 to 2012.

Note: The wages and salaries are indicated by nominal ones. The average basic unemployment allowances were calculated based on each year's average daily allowance. The numbers for 2000 and 2001 are excluded in this figure because their currency is not in euro but in Finnish markka [Colour figure can be viewed at wileyonlinelibrary.com]

individuals decide to participate in collective action based on their own cost–benefit comparisons (Olson, 1965). Thus, people evaluate the expected benefits and costs of joining unions, and if the benefits are higher than the costs, based on the evaluation, they are likely to be unionized; otherwise, they are not. In contrast, the social custom theory focuses on the reputations that individuals acquire in the workplace by joining or not joining unions. This theory assumes that the members of a group share customs that can be observed by each member. If someone does not obey the social conventions, they are likely to undergo a loss of reputation within their group. In essence, this theory regards unionizing as a custom that individuals obey to maintain a good reputation in the workplace. It then argues that employees tend to become union members because they do not want to be criticized by their associates (Booth, 1985).

According to the cost–benefit comparison approach, it is reasonable to expect that part-time workers would choose not to join a union or the independent UI fund but rather take the basic unemployment allowance. As Figure 2 shows, because their average income is very low, it is hard to guarantee that, when they become unemployed, most part-timers would receive earnings-related unemployment allowances significantly higher than the sum of the basic unemployment allowance and the union or independent UI fund membership fees they would pay in advance. Calculations using the Finnish IDS data also show that the amount of basic allowance unemployed people could receive each year was approximately 30% to 40% of part-timers' average income between 2002 and 2011 and increased to approximately 46% in 2012. This implies that the earnings-related unemployment allowance is not very economically attractive to a considerable fraction of part-time workers. In some cases, part-timers do not qualify for UI benefits in the first place because their wages are lower than the wage level required to acquire entitlement to them, even if they wish to join UI. That is, part-timers can probably experience welfare loss regarding UI due to their lower level of wages compared with full-time workers. The existing social security schemes often fail to support people in atypical employment relationships because they were established on the premise that most workers are full-time and permanent employees (Bonoli, 2007; Buschoff & Protsch, 2008; Rueda, 2014). Moreover, part-timers most likely do not feel the necessity of joining a union to gain a good reputation at their workplace to the same extent as other employees. Visser (2002) shows that flexible workers in industries such as retailing, cleaning,

hotels, and restaurants are likely to experience lower reputation losses from non-membership because they have less constant contact with their co-workers. Hence, the first hypothesis of this study is

H1. *Being a part-time employee increases the probability of not joining a trade union or the independent UI fund.*

From the perspective of the social custom theory, employees on fixed-term contracts are likely to be free from obligatory union membership because they are supposed to leave the workplace once their employment contracts expire. Thus, it can be expected that temporary workers would be as equally unlikely as part-time workers to join a union. However, there is the possibility that they could make a different decision regarding UI membership, considering the advantage obtained by choosing the independent UI fund. The average income level of temporary workers is considerably higher than that of part-time workers. This implies that, for most temporary workers, it would be financially beneficial to choose the earnings-related unemployment allowance option. On the other hand, their average income is much lower than that of workers as a whole. The fact that the independent UI fund membership fee is lower than union membership dues could be a powerful incentive for them to join the independent UI fund rather than a union. Consequently, the hypothesis regarding temporary workers is

H2. *Being a temporary employee increases the probability of having no UI membership and also the probability of joining the independent UI fund instead of a trade union.*

As mentioned above, the average income of low-skilled service workers is considerably higher than that of the other precarious worker groups. There is no reason for them to avoid UI membership because their earnings-related unemployment allowances are generally expected to be higher than the basic allowance. However, it is not probable that they are more likely to have UI membership than non-precarious workers, as their average income level is still much lower than that of workers as a whole. Therefore, it is predicted that low-skilled service workers are likely to enroll in UI as frequently as other employees. If this is the case, then the question then arises of which option low-skilled service workers prefer: unions or the independent UI fund. Unions and the independent UI fund offer them different types of incentives. On the one hand, these workers could favour unions because they are more likely to be able to afford to take advantage of the other benefits unions provide than temporary workers who would be likely to prefer the independent fund. Additionally, Finnish trade unions' strong collective bargaining power and extensive collective bargaining coverage reach of approximately 90% are incentives for low-skilled service workers to join a union. Scheuer (2011) and Visser (2002) show that a high level of collective bargaining coverage and the centralization of collective bargaining increase the likelihood of union membership in Western European countries, and in fact, the Service Union United (Palvelualojen ammattiliitto) and Union of Health and Social Care Services (Tehy) have been successful in recruiting employees in the service sector. Shin and Ylä-Anttila (2018) show that low-skilled service employees are as likely to have union membership as other workers in the Nordic countries, where industrial relations are based on organized corporatism. On the other hand, there are also grounds for expecting that low-skilled service workers would be inclined to choose the independent UI fund; above all, its membership fee is much lower than union membership dues. This constitutes a strong incentive for such workers to join the independent UI fund to mitigate the economic effects of unemployment because their incomes are very low compared with non-precarious workers. In addition, the high level of collective bargaining coverage may stimulate their free-riding behaviour, as this makes it possible for non-union members to receive the benefits achieved by a union's negotiations. The social custom theory predicts that they are less likely to join unions for the purpose of maintaining good relationships with their colleagues because they tend to have less opportunity for face-to-face contact with many co-workers in low-skilled service workplaces, where workmates are fewer and employee turnover is high compared with traditional factory settings. Furthermore, it is unlikely that job information or occupational training that unions provide are attractive enough to recruit low-skilled workers because the jobs they can perform in the service sector are limited, unless they obtain a formal degree or license. Overall, given the different incentives and disincentives concerning the choice between unions and the independent UI fund, it is hard to predict whether low-skilled workers

are inclined to join unions or the independent UI fund. It is reasonable to assume that both perspectives could impact their decision-making but in opposite ways, cancelling each other out. Therefore, the hypothesis in relation to that type of employees is

H3. Being a low-skilled service employee does not affect the probability of having UI membership, nor does it affect the probability of joining the independent UI fund instead of a trade union.

Today's younger European generations tend to be less unionized (Blanchflower, 2007; Ebbinghaus et al., 2011; Scheuer, 2011); Böckerman and Uusitalo (2006) demonstrate that this is also the case in Finland. This tendency can affect young workers' UI membership under the Ghent system, as joining unions is a common UI enrollment option. In this situation, it might be the case that young employees would prefer to join the independent UI fund instead of unions to be protected by UI. However, existing research indicates that this does not seem to be the case. Landais, Nekoei, Nilsson, Seim, and Spinnewijn (2017) show that young workers in Sweden, where the Ghent system is very similar to the Finnish system, are significantly less likely to buy a UI policy, even though they are more likely to be unemployed, because age offers an advantageous selection regarding what type of unemployment benefit to choose. Maczulskij (2016) shows that employees belonging to the youngest age group (under 25 years of age) are significantly more likely to forgo UI membership than other age groups in Finland. Because atypical employment, such as part-time and temporary work, discourages employees from enrolling in UI, as noted above, this effect of age could also make young workers with those employment contracts less likely to have UI membership. Thus, the hypothesis for the age effect is

H4. The younger the age group to which a part-time or temporary employee belongs, the less likely he or she is to have UI membership.

4 | METHODOLOGY

To achieve the goals of this study, we first analyse the Finnish IDS data from 2000 to 2012. The survey is conducted annually based on a rotating-panel design, where each household stays in the data for two to four consecutive years, and new households replace some of the respondents each year. Thus, we can trace the change in an individual worker's membership status regarding unions and the independent UI fund. The survey data contain register-based information on union membership from tax authorities⁴ since 2003, although they also have information based on interviews before that time. This improves the validity of the measure for union status. It is possible to calculate the proportion of workers who newly joined a union or the independent UI fund or who withdrew their membership from such organizations every year. This is useful for understanding the trends of workers' choices among unions, the independent UI fund, and non-membership. Moreover, the data provide survey weights calibrated by Statistics Finland to account for sampling probability and the attrition rate. These weight values are applied to all estimates.

To examine the year effects in the changes in union density and verify the abovementioned hypotheses, we estimate logistic models concentrating on wage and salary earners aged between 15 and 64 after merging the annual datasets from 2000 to 2012. Multinomial logistic models, whose response variable is union membership status with three values (union member = 1, independent UI fund member = 2, and other = 0), are employed to examine the year effects and test Hypotheses 1 through 3; and a binary logistic model, whose response variable is UI membership status, is used to test H4. The total sample consists of 115,452 individuals, and the annual sample size is, on average, 8,881 people.

Using the IDS data, the three precarious worker groups are defined as follows: First, a part-time employee is an employee who works fewer than 30 hr per week. Second, a temporary employee is an employee who has a fixed-term employment contract. Third, a low-skilled service employee is an employee who works in the service industry and whose highest level of education corresponds to ES-ISCED I or II. The statistical model for

testing the hypotheses includes the following control variables: gender (male = 0, female = 1), marital status (unmarried = 0, married = 1), family status (no children = 0, with children = 1), urbanization (urban = 0, rural = 1), age group (five categories), education level (four categories), industry type (14 categories), regional indicators (19 categories), and unemployment risk.⁵

5 | RESULTS

5.1 | Changes in union density after the introduction of the independent UI fund

Calculations using the IDS data show that union density has been on the decline, whereas the proportion of workers belonging to a UI fund has remained at approximately 85% (Figure 3). This means that the proportion of employees who enroll in UI funds has not been significantly affected by the Ghent system reform. The independent UI fund has become progressively more popular; its share accounted for only approximately 7% in 2000 but increased to 17.3% by 2011. By contrast, union density has decreased. Three out of four employees had union membership in 2000, but the union membership rate has been below 70% since 2010.

The change in union density can also be examined from the perspective of trade union confederations. The union density rate in Finland was estimated to be approximately 84% in 1993 (Böckerman & Uusitalo, 2006), but it has been found that only two thirds of all employees had union membership in recent years. Figure 4 shows that such a large decline resulted from the gradual decrease in the shares of members from SAK- and STTK-affiliated unions over the last 20 years. In contrast, the ratio of members belonging to AKAVA-affiliated unions nearly doubled from 11% in 1991 to 20.7% in 2012. Traditional blue-collar and white-collar workers became less organized than before, whereas professional workers grew more organized. Moreover, the growth of the independent UI fund encouraged traditional blue-collar and white-collar workers, rather than professional workers, to leave the unions.



FIGURE 3 Shares of wage and salary earners that belong to unions and to only UI funds [Colour figure can be viewed at wileyonlinelibrary.com]

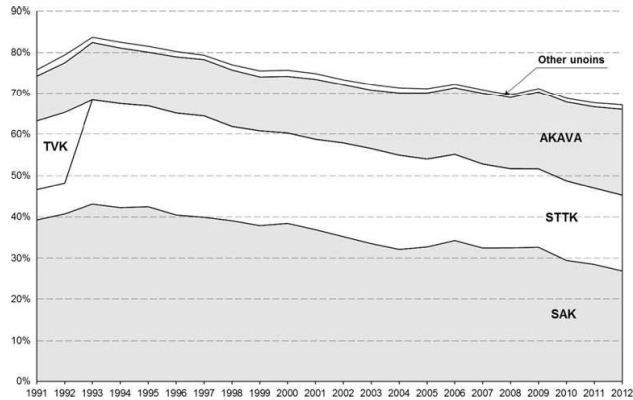


FIGURE 4 Composition of union density by trade union confederations

Note: The figures for the period from 1992 to 1999 came from Böckerman and Uusitalo (2006), and those from 2000 to 2012 were estimated by calculating the Finnish IDS data. TVK was merged into STTK in 1992 [Colour figure can be viewed at wileyonlinelibrary.com]

5.2 | Individual UI members' choices between unions and the independent UI fund

To determine whether the growth of the independent UI fund has had a substantial impact on union density, we investigated new and existing UI members' selections between a union fund and the independent fund each year by tracing the change in every respondent's union or independent UI fund membership status. For new UI members, the proportion of those who chose unions was 83.6% in 2001, but Figure 5 shows a downward tendency for the next 1 years. The rate remained below 80% after 2006 and dropped to 61.8% in 2009. This means that the proportion of

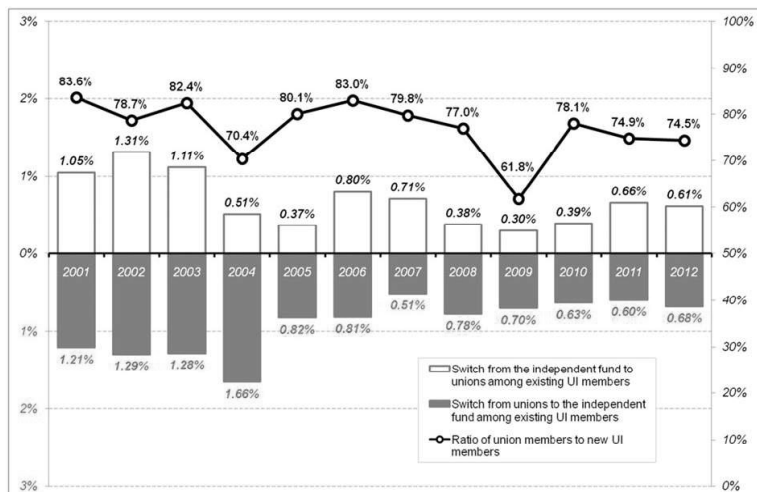


FIGURE 5 New and existing UI members' choices between unions and the independent fund [Colour figure can be viewed at wileyonlinelibrary.com]

new UI members who chose the independent fund instead of unions has increased. Furthermore, among existing UI members, the membership change between unions and the independent UI fund shows that the newly introduced fund has eroded union density. The number of people who withdrew their union membership and joined the independent fund is larger than that of those who changed their membership from the independent fund to unions for nine of the years between 2001 and 2012, whereas the reverse situation took place only in 2002, 2007, and 2011. The findings also show that the switch from unions to the independent fund has been preferred among existing UI members. On average, 0.92% of them per year gave up their union membership and joined the independent fund, whereas 0.68% per year moved from the independent fund to unions.

5.3 | Multinomial and binary logistic estimates

The results of the multinomial logistic regression models for union membership and UI fund-only membership in Table 3 show the marginal effects, instead of coefficient estimates, to make the table more easily readable. The first model, which includes only year variables, illustrates that every year variable except the one for 2001 had a significantly negative effect on union membership. The year effects on UI fund-only membership continued to grow over time. The second model, which includes explanatory variables for the hypothesis tests and control variables, in addition to year variables, reveals that the year effects on union membership were larger, but those on UI fund-only membership were similar compared with the first model.

Hypotheses 1, 2, and 3 can be evaluated by using the results of the second model. According to the findings, H1 (i.e., being a part-time employee increases the probability of not joining a trade union or the independent UI fund) is supported. The marginal effect of being a part-time worker on non-membership in a UI fund is significantly larger than that on union membership and UI fund-only membership. Thus, part-timers are more likely to give up the earnings-related unemployment allowance than full-time workers by declining to join either a union or a UI fund. Next, H2 (i.e., being a temporary employee increases the probability of having no UI membership and the probability of joining the independent UI fund instead of a trade union) is also supported. The estimates show that the marginal effect of the temporary worker variable on union membership is significantly negative, whereas that on non-membership and UI fund-only membership are significantly positive. This can be interpreted to mean, on the one hand, that fixed-term contract workers are less likely to have UI membership than permanent employees and, on the other hand, that temporary workers who want to take the earnings-related unemployment allowance option tend to prefer the independent UI fund. Moreover, according to the results, H3 (i.e., being a low-skilled service employee does not affect the probability of having UI membership, nor does it affect the probability of joining the independent UI fund instead of a trade union) is also supported. There were no statistically significant differences between the marginal effects of the low-skilled service worker variable. In conclusion, all hypotheses about the associations between precarious employment and union and UI fund membership are empirically supported in the analysis.

In regard to control variables in the logistic model, some interesting patterns emerge. To begin with, the results show that female workers are more likely to join unions, which is unusual in most European countries. This is probably because a larger number of women are employed in the public sector in Finland. Shin and Ylä-Anttila (2018) show that it is only in Nordic countries that female workers are more unionized than men. The primary and secondary education variables have a significantly negative impact on union membership, despite there being no significant effect of the low-skilled service worker variable. In this regard, Ebbinghaus (2007) highlights that unions tend to be unconcerned with unskilled or low-skilled blue-collar workers because they prefer a high-skill, high-wage strategy. According to the results concerning industry variables, only employees in the trades and other private services are significantly more likely to enroll in the independent UI fund instead of unions than those in primary industries, whereas the other industries have a positive effect on union membership, except for hotels and restaurants and other public and personal services.

TABLE 3 Results from multinomial logistic models for union and UI fund memberships

The year effects only					The year and precarious employment effects and control variables				
	Non-member (%)	Union member (%)	UI fund-only member	F from adjusted Wald's test		Non-member (%)	Union member (%)	UI fund-only member (%)	F from adjusted Wald's test
2000	Ref.				2000	Ref.			
2001	-0.5	-1.6	2.1	2.71	2001	-0.3	-1.9	2.2	3.2*
2002	-0.6	-3.8	4.4	11.39**	2002	-0.2	-4.3	4.6	13.6**
2003	-2.6	-6.9	9.5	48.1**	2003	-1.8	-8.0	9.8	55.9**
2004	-2.6	-8.1	10.7	59.93**	2004	-1.9	-8.4	10.2	61.3**
2005	-3.3	-8.6	11.9	72.11**	2005	-2.2	-9.6	11.8	78.1**
2006	-3.5	-7.2	10.7	62.67**	2006	-2.5	-8.3	10.8	67.1**
2007	-2.3	-8.3	10.5	58.55**	2007	-1.4	-9.7	11.1	67.7**
2008	-2.3	-9.8	12.1	74.4**	2008	-1.0	-14.0	15.0	97.9**
2009	-4.7	-8.8	13.6	89.81**	2009	-3.4	-13.5	16.9	102.8**
2010	-3.5	-11.1	14.6	95.97**	2010	-1.9	-14.8	16.8	120.2**
2011	-2.9	-12.9	15.9	116.92**	2011	-1.5	-15.8	17.2	133.3**
2012	-2.0	-12.8	14.8	116.07**	2012	-0.7	-16.1	16.8	131.9**
		Precarious employment							
		Part-time worker				13.3	-9.1	-4.3	284.8**
		Temporary worker				6.5	-7.8	1.3	100.4**
		Low-skilled service worker				-0.2	0.0	0.2	0.1
		Control variables							
		Female				-6.5	8.0	-1.4	226.3**
		Married				-2.8	3.0	-0.3	40.6**
		Children				-0.5	0.6	-0.2	1.3
		Rural				3.2	-2.8	-0.4	32.4**
		Unemployment risk				-8.5	30.1	-21.6	3.6*
		Age							
		Aged less than 25 years				24.5	-17.1	-7.5	446.2**
		Aged 25-34				7.0	-5.4	-1.7	125.1**
		Aged 35-44				Ref.			
		Aged 45-54				-1.7	4.2	-2.5	33.95**
		Aged 55-64				-1.6	6.0	-4.4	50.0**
		Education							
		Primary education				9.8	-9.3	-0.5	48.4**
		Upper secondary or vocational education				3.7	-4.0	0.3	28.2**
		Polytechnic or lower university degree				Ref.			
		Master's or doctoral degree				-2.2	7.7	-5.5	53.7**
		Industry							
		Primary industry				Ref.			
		Manufacturing				-8.5	10.1	-1.5	79.3**
		Energy and water supply				-8.1	12.6	-4.5	36.2**
		Construction				-4.5	4.5	0.0	13.3**
		Trade				-0.7	-2.8	3.5	3.1*

(Continues)

TABLE 3 (Continued)

The year effects only				The year and precarious employment effects and control variables			
Non-member (%)	Union member (%)	UI fund-only member	F from adjusted Wald's test	Non-member (%)	Union member (%)	UI fund-only member (%)	F from adjusted Wald's test
		Hotels and restaurants		1.5	-2.1	0.6	0.9
		Transportation		-3.3	5.4	-2.1	10.2**
		Information and communications		-4.7	3.4	1.3	12.6**
		Finance and insurance		-5.6	5.8	-0.3	20.2**
		Other private services		-1.1	-3.0	4.2	4.2*
		Public administration		-6.5	14.0	-7.5	68.0**
		Education and R&D		-5.4	10.5	-5.1	34.9**
		Health and social services		-6.1	15.7	-9.5	81.7**
		Other public and personal services		-1.5	3.7	-2.2	2.5

Note. Marginal effects are reported. Control variables include 19 regional dummies that are not reported in the table.

* $p < 0.05$.

** $p < 0.01$.

The results of the binary logistic model for UI membership are used to test H4 regarding the age groups of part-timers and temporary workers. Figure 6 displays the probabilities that part-time workers and fixed-term contract employees will have UI membership by age group. According to the findings, there is no significant difference in the probability across the three oldest age groups of part-timers (ages 35–44, 45–54, and 55–64), which have approximately 80% membership rates, whereas the probability of those aged 25–34 is less than 70% and that of

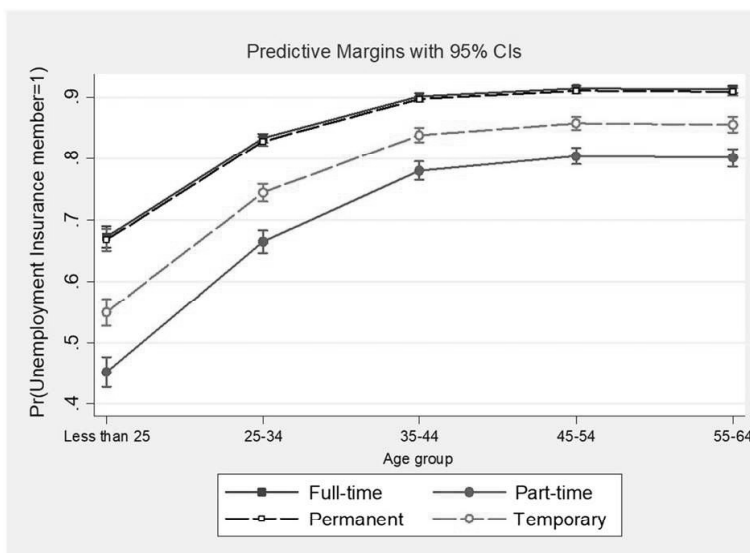


FIGURE 6 Predicted probability of joining UI for full-time and part-time employees and permanent and temporary employees, depending on age group [Colour figure can be viewed at wileyonlinelibrary.com]

the age group younger than 25 years old is only approximately 45%. The same trend is also found among temporary workers. The probabilities of all age groups older than 34 years of age are approximately 85%, but the figure for temporary employees aged 25–34 decreases to below 75%, whereas that of the youngest age group drops to approximately 55%. Therefore, H4 is partially supported because age reduces the probability that younger groups of atypical workers join UI funds, whereas it does not make a difference across groups aged 35 and above.

6 | CONCLUSION

The union density in Finland has steadily declined since 1993. The results based on tracking individual workers' union or UI fund membership status confirm that the growth of the independent UI fund has been the main reason for the decline. It is found that the year effects on UI fund-only membership in the 2000s were larger than those in the 1990s calculated by Böckerman and Uusitalo (2006). That is, the erosion of the Finnish Ghent system caused by the growth of the independent fund happened faster in the 2000s than in the 1990s.

The present study also shows that the emergence of the independent UI fund affects precarious workers' choices about unemployment benefits and that their choices depend on the type of precarious employment they have. Both part-time and temporary employees tend to take the flat rate unemployment benefit option without joining a UI fund. On the other hand, when temporary workers want to have UI membership, they appear to prefer the independent UI fund to unions. Low-skilled service workers, meanwhile, do not show significant differences from others in regard to enrolling in UI funds. As a result, the Ghent reform appears to have been ineffective in encouraging part-time employees to have UI membership, even though the independent UI fund was introduced to offer employees multiple and more flexible ways to obtain UI membership. Moreover, we find that young workers in atypical employment arrangements have a strong tendency not to join UI funds; part-timers and temporary employees under 25 years old in particular show a much lower probability of having UI membership than other age groups.

To conclude, the reform of the Finnish Ghent system has caused union density to decrease, but it has had only limited success in encouraging precarious workers to subscribe to UI. The reform has also failed to offer young atypical employees an effective incentive to join UI funds. Considering these results, it does not appear that the reform has made a positive contribution to strengthening solidarity in the Finnish labour market. Nevertheless, the independent UI fund became the largest UI fund with over 350,000 members, which accounts for approximately 14% of all employees in the country (YTK, 2017), and its membership seems likely to increase for the next few years, as it has actively recruited new members by using various kinds of media outlets, whereas unions are not active in increasing UI members. Despite the continued growth of the independent UI fund, the UI system could intensify labour market dualization by turning precarious workers into outsiders who are not protected by the comprehensive coverage of UI funds, unless the independent UI fund more actively recruits them. As it is probable that the proportion of precarious workers, particularly part-timers, would increase if Finland were to become a more post-industrial society based on highly advanced technological development, the government and its social partners should consider and prepare policies to encourage part-time and temporary employees to register for UI rather than letting them rely on the basic unemployment allowance. With regard to union membership, our findings show that unions can hardly rely on the Ghent system anymore. To prevent a lasting union density decline, therefore, unions should build up new institutions and strategies to successfully attract young people and precarious workers (Bryson, Ebbinghaus, & Visser, 2011). Finally, because we analysed only the Finnish setting, it is necessary that future studies further investigate the Danish and Swedish cases to draw the relevant cross-national policy conclusions between the Nordic Ghent countries, focusing on what types of decisions precarious workers make about their unemployment benefit options under the transformed situation and on how the impacts of the reforms on union density have evolved.

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ENDNOTES

- ¹ In Belgium, although trade unions are still closely involved in the administration of unemployment insurance, it is mandatory for workers to register for social insurance.
- ² Basically, the basic unemployment allowance is a flat rate benefit. However, the amount is increased if an unemployed person cares for children younger than 18 years of age. In addition, it can be reduced to some extent when he or she do not meet the criteria for employment promoting activities arranged by the public employment service (TE-Office).
- ³ The maximum payment period of earnings-related unemployment allowance depends on the length of employment and age. If an unemployed person was employed for over 3 years, he or she is entitled to the allowance for 400 days. Otherwise, the maximum period is 300 days. If the person is aged 58 or over and was employed for more than 5 years, the maximum period is 500 days (TYJ, 2017).
- ⁴ The Finnish tax code has deductions due to union and UI fund fees.
- ⁵ The variable of unemployment risk was constructed by estimating separate probit models for each year from 2000 to 2012 with the IDS data (cf. Böckerman & Uusitalo, 2006). Individual persons' unemployment risks are defined as the probabilities that they become unemployed in year $t + 1$. Hence, we first estimated the probit models for employment in year $t + 1$ with covariates of gender, five age groups, four educational levels, 14 industries, and 19 regions by using the panel feature of the data. After that, predicted unemployment probabilities for each individual were calculated in the whole sample based on the estimated coefficients.

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Precarious Work, Unemployment Benefit Generosity and Universal Basic Income Preferences: A Multilevel Study on 21 European Countries

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Abstract

The idea of universal basic income (UBI) has been attracting increasing attention globally over recent years. However, research on the individual and institutional determinants of UBI support is scarce. The present study attempts to fill this gap by analysing workers' attitudes towards UBI schemes in 21 European welfare states and focusing on the roles of precarious work (i.e. part-time work, temporary employment, low-skilled service employment, and solo self-employment) and unemployment benefit generosity (i.e. net replacement rate, payment duration, and qualifying period). We estimate fixed and random effects logistic models by merging country-level institutional data with the European Social Survey Round 8 data collected in 2016. The findings show that temporary employment is associated with positive attitudes towards UBI schemes, whereas other types of precarious work do not have significant influences. In addition, the results reveal that the more generous a country's unemployment benefits, the less likely are workers in that country to support UBI schemes.

Keywords: Universal basic income; precarious work; unemployment benefit generosity; social policy preferences

1. Introduction

A large corpus of literature demonstrates that precarious work (Kalleberg, 2009), such as part-time work, temporary employment, low-skilled jobs in the service sector, or solo self-employment, has become increasingly dominant in the labour market since the late 20th century (Allmendinger, *et al.*, 2013; Schulze Buschoff and Protsch, 2008; Kalleberg, 2000; Standing, 2011). Social security programs designed and established during the period of industrialization in advanced welfare states assume that most workers have full-time permanent

positions, and therefore, these programs focus on managing the so-called old social risks that such workers or their families are expected to face. However, while the proportion of workers who are not in full-time permanent employment positions has gradually increased in the post-industrial economy, existing social policy programs have often failed to provide them with adequate social security coverage (Bonoli, 2005; Schulze Buschoff and Protsch, 2008; Rueda, 2014). Moreover, such workers tend to suffer from job insecurity and relatively low incomes (Barbieri, 2009; Giesecke, 2009; Halleröd, *et al.*, 2015). In addition, technological advancements and automation may further increase atypical work and unemployment in the future (OECD, 2016).

In this scenario, the role of UBI schemes as a new social policy program for the post-industrial society has attracted attention and stirred up debates. For example, the Swiss basic income referendum of 2016 and the Finnish basic income experiment of 2017-2018 have attracted considerable attention worldwide. UBI schemes are occasionally considered possible alternatives to alleviate the risks faced by workers in precarious jobs (Standing, 2013; Van Parijs, 2004). Basic Income Earth Network (2019) defines a UBI as “a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement”, and the concept is used interchangeably with basic income, citizen’s income, citizen’s basic income, social dividend, or universal grant (Citizen’s Basic Income Trust, 2019).

A considerable part of the political economy literature approaches atypical work from the perspective of labour market segmentation and focuses on the differences in political preferences and welfare attitudes between the insiders with stable, full-time, and fully insured employment and the outsiders with unstable and insecure employment (Guillaud and Marx, 2014; Garritzmann *et al.*, 2018; Häusermann *et al.*, 2016; Lindvall and Rueda, 2014). However, there is a scarcity of research on UBI preferences, and we are unaware of precarious workers’ attitudes towards UBI schemes. Because UBI differs from the existing welfare programs, in that it intends to provide everyone with a specific amount of income unconditionally, it is necessary to explore the UBI preferences of precarious workers by considering this difference. Therefore, by studying the opinions of precarious workers on UBI, we expect to gain novel insights into the dynamics of contemporary labour markets and social policy institutions.

Furthermore, to contribute to the discussion on the relationship between institutions and policy preferences, we examine whether the generosity of unemployment benefit influences the UBI preferences of workers. It is likely that the introduction of UBI schemes will increase the degree of decommodification, which means “the degree to which individuals, or families, can uphold a socially acceptable standard of living independently of market participation” (Esping-Andersen, 1990, p. 37), unless the level of benefit from the scheme is lower than that provided by previous programs before its introduction. We argue that the

workers who have experienced high degrees of decommodification are unlikely to consider UBI schemes necessary. Thus, the level of unemployment benefit generosity has a negative effect on workers' UBI preferences.

Our study fills these gaps by studying whether precarious workers are more likely to support UBI schemes than non-precarious workers and whether unemployment benefit generosity negatively influences the UBI preferences of workers. To answer these research questions, we estimate multilevel logistic models by merging country-level data obtained from multiple international organizations with individual-level data from the European Social Survey (ESS) Round 8, which was dedicated to the theme of welfare attitudes. Before statistical analysis, in the second section, we review the relevant literature, introduce our theoretical framework, and set up our hypotheses. Section 3 introduces the data and the methods, and section 4 presents the results. In the last section, we conclude the study by discussing the implications of our findings and the limitations of this study, as well as by outlining the key future directions to be studied.

2. Background and hypotheses

2.1. Surveys on attitudes towards basic income

High-quality evidence on attitudes towards basic income is limited. In the 2000s, a few surveys investigated public opinion on basic income in Nordic countries.¹ Nationwide and representative opinion surveys on basic income were conducted in Finland and Sweden based on the same questions in 2002 (Andersson and Kangas, 2005). The item on attitudes towards basic income was as follows: “*What do you think about a system that would automatically guarantee a certain basic income to all permanent residents?*” Approximately two-thirds of the Finnish respondents responded in favour of basic income compared to only 46% of Swedish respondents. The authors interpreted this difference in terms of political power of the social democratic party, which is generally against basic income and was stronger in Sweden, and Swedish people's belief that the Swedish welfare state is the best example of a universalistic welfare regime. A Norwegian study conducted in 2003 included the same question to collect opinions on basic income (Bay and Pedersen, 2006). The survey revealed that two-thirds of the Norwegian electorate favoured a basic income system, although approximately 30% of the electorate exhibited negative attitudes towards it, which the authors ascribed to the Norwegian oil economy, strong culture of solidarity in the country, and social policy traditions of Norway that emphasise flat-rate benefits and general taxation.

Recently, multiple public opinion surveys on UBI have been conducted in European countries.² Most of these surveys, however, have not yielded data suitable for in-depth analysis, but the ESS Round 8 Data (2016) are suitable for

exploring various factors associated with individual UBI preferences. The survey asked respondents in 21 European countries, as well as in Israel and Russia, about their attitudes towards UBI by explaining the concept, which is based on the definitions provided by Basic Income Earth Network (2019) and Citizen's Basic Income Trust (2019). The survey results indicated that, on average, almost half of the respondents supported the introduction of a UBI scheme in the 21 European countries, although there were distinct differences in approval ratings across countries (Lee, 2018). A limitation of the questionnaire items was that they did not specify the quantum of monthly basic income and the extent to which existing welfare benefits will be replaced with UBI. This ambiguity made it difficult for the respondents to expect who would benefit under the new system. Nevertheless, the question clearly indicated that the mentioned UBI scheme is a new social security scheme based on universality, unconditionality, and individuality and that it aims to improve poor people's standard of living and enhance income redistribution.

2.2. Expected effects and simulations of UBI schemes

Haagh and Rohregger (2019) reported that UBI schemes can commonly be expected to reduce economic inequality, increase self-motivation for labour market participation, improve administrative efficiency, and strengthen social protections for workers vulnerable to labour market transformations. These expected effects can attract the attention of the precarious workers addressed in this study. First, given that most people in precarious work face economic inequality, they would, at the very least, be likely to favour the potential redistributive effect of UBI. Second, many people could more voluntarily take up part-time jobs while relying on UBI. Third, if UBI schemes can increase administrative efficiency, every person can experience reduced bureaucratic red tape when receiving welfare benefits. Last, because a considerable proportion of non-standard workers are not entitled to social security benefits (Matsaganis et al., 2016), UBI schemes can be considered a possible alternative to protect workers who are outside the social security net in terms of welfare reform. Therefore, we examine the relationship between each type of precarious work and UBI preferences by considering the extents of interest of various groups of precarious workers in the expected effects.

Although UBI experiments have been conducted in many countries, it is difficult to find reliable scientific evidence to prove any of the reported effects. However, multiple microsimulation studies on diverse types of UBI schemes have demonstrated that such schemes are expected to have a stronger redistributive effect than existing income security systems.³ Kela's (2016) microsimulation in Finland demonstrated that full UBI models with generous payment levels, such as €1,000 and €1,500 per month, can substantially reduce income inequality and the number of low-income households, and partial UBI models

can be effective for narrowing income gaps, unless the level of payment is lower than the current basic social transfers. Especially, it was predicted that the introduction of UBI schemes can benefit low-income wage earners in Finland (Kela, 2016). Torry (2014; 2017) and Martinelli (2019) estimated the distributional effects of UBI models, which can be considered in the UK, by employing EUROMOD, a tax-benefit microsimulation model for the European Union. Torry (2017) revealed that partial UBI schemes with modest payments have a stronger positive effect on income redistribution than the existing benefits system.⁴ In another study, Torry (2014) demonstrated that full schemes with relatively low payment levels could encourage people to additionally participate in employment by reducing means-tested benefits, although low-income households would incur losses. Martinelli (2019), who explored three UBI models—a full scheme with a moderate payment level, a generous full scheme, and a partial scheme with a modest payment level—found that all of these schemes could potentially reduce the poverty rate and income inequality. Moreover, the microsimulation indicated that all the three models would improve working-age poverty rate on average, although a majority of working-age households without children would likely experience income loss (Martinelli, 2019). As a result, microsimulation studies are in line with public expectations on the redistributive effect of UBI schemes (Haagh and Rohregger, 2019).

It would be very difficult for ordinary people to anticipate the specific and extensive results calculated using these microsimulation models and to precisely estimate their personal benefits without the specifications of UBI schemes. Nevertheless, survey participants can decide whether they are for or against UBI without such precise information by relying on the aims and features of the new system provided by survey items.

2.3. Precarious workers' preferences for UBI schemes

Both part-time positions and temporary employment tend to increase income and job insecurity and poverty risks (Burgoon and Dekker, 2010; Horemans and Marx, 2013; Van Lancker, 2013). In addition, people in these types of work are likely to face difficulties when accessing social security benefits, such as unemployment benefits and pension, in most EU member states owing to frequent marginalisation from the labour market or very few working hours (Matsaganis et al., 2016). Schulze Buschoff and Protsch (2008) pointed out that social insurance systems protect atypical workers to a lesser extent than they protect standard employees. Because of such economic insecurity, part-time workers and temporary workers can express stronger tendencies towards the expansion of redistribution, and exclusion from the social safety net can motivate their desire for restructuring the existing social security systems. Although UBI is not the only alternative for realising their demands, overall, the factors would cause these workers to take a positive view of UBI. Especially because

temporary employees are more likely to become unemployed than permanent workers, they may regard unconditional and periodic UBI payments as a reliable support system that can support their uncertain future. Part-time employees, who usually earn relatively low hourly wages, have shorter job tenures, and have access to limited job opportunities (Horemans and Marx, 2013), could experience lower levels of stress and worry because of not having full-time jobs by relying on the additional income provided by UBI schemes. In consideration of all these points, our hypotheses related to part-time workers and temporary employees are as follows:

H1a: *Part-time workers are more likely to favour UBI schemes than full-time workers.*

H1b: *Temporary employees are more likely to favour UBI schemes than permanent employees.*

The literature indicates that unskilled or low-skilled workers tend to be more supportive of government redistribution and welfare policies than highly skilled or administrative workers (Jæger, 2006; Linos and West, 2003; Svallfors, 2004; Wren and Rehm, 2013). This trend is understandable because these groups of employees are the most vulnerable in all countries (Häusermann *et al.*, 2016). Furthermore, as jobs in the service sector that require lower skill levels become increasingly vulnerable to labour market transformations (Oesch, 2013), low-skilled service employees are likely to earn low wages and experience poor working conditions. This could incentivise low-skilled service workers to support UBI given its potential for redistribution. In terms of the demand for welfare reforms, however, low-skilled service workers would be less likely to demand the reorganisation of social protection than other types of precarious workers because they can generally qualify for all welfare benefits as other standard workers, unless they are on a fixed-term contract or in a part-time position. Considering that there are many alternative redistribution measures other than UBI and that the desire of this group of workers for the overall restructuring of social security is not strong, they are unlikely to support UBI more actively than other workers. Therefore, the hypothesis regarding low-skilled service employees is as follows:

H1c: *The attitudes of low-skilled service sector employees towards UBI schemes do not differ significantly from those of other workers.*

Studies have demonstrated that a substantial proportion of solo self-employed workers have suffered from financial hardships. Halleröd *et al.* (2015) revealed that considerable numbers of the working poor in Europe are self-employed, and most of them do not have other employees. Schulze

Buschoff and Protsch (2008) demonstrated that solo self-employed workers tend to change their employment status frequently and are at a high risk of becoming unemployed. Contrary to self-employed individuals running stable businesses, solo entrepreneurs tend to start their businesses involuntarily; often rely on more irregular, potentially lower income; and are less likely to be adequately covered and protected by earnings-related social insurance or pension schemes (Schulze Buschoff and Protsch, 2008; Dekker, 2010; Jansen, 2016; Pedersini and Coletto, 2009). These characteristics of solo self-employment, which seem similar to those of temporary employment, can induce favourable attitudes towards UBI. However, Jansen (2016) revealed a stark contrast in pro-welfare attitudes between solo self-employed workers and temporary workers. This may be ascribed to the fact that self-employed workers are assumed to prefer “free markets and a low level of social protection because they depend on flexible labour markets and often on relatively low-paid workers” (Iversen and Soskice, 2001, p. 883). Jansen (2016) argued that because solo self-employed workers are potential employers, they would consider temporary workers as an important source of employment for their businesses and be reluctant to extend social security. Consequently, their negative attitudes towards welfare policies may neutralise their favourable impressions towards UBI, which can be ascribed to their economic vulnerability and low level of social protection. Hence, the hypothesis for solo self-employed workers is as follows:

H1d: *The attitudes of solo self-employed workers towards UBI schemes do not differ significantly from those of permanent employees.*

We expect that part-time workers’ and temporary employees’ income insecurity and job uncertainty would play an important role in making them support UBI. This means that these two factors would function as intermediate variables between those types of precarious work and UBI preferences. Thus, the following hypothesis is formulated to verify whether income and job insecurity are parts of the mechanism in the relationships between the dependent and independent variables:

H2: *Being a part-time worker or temporary employee increases income insecurity and subjective unemployment risk, which, in turn, positively influence support for UBI schemes.*

2.4. Unemployment benefit generosity and UBI preferences

Nowadays most welfare states operate unemployment insurance schemes to protect workers from income insecurity in the event of unemployment, but the introduction of a UBI scheme could probably transform unemployment insurance systems. Because most workers—even the self-employed in some

countries—have unemployment insurance, whether voluntary or compulsory, they are likely to be approximately aware of the possible unemployment benefits that they could receive. Thus, the characteristics of existing unemployment insurance schemes might affect their UBI preferences.

Importantly, information about the specifications of UBI schemes is vague, and debates on the topic are still underway in all European countries. In other words, the situation is uncertain in this regard. Kahneman and Tversky (1984) showed that people tend to favour stability over change and try to avoid losses over acquiring possible gains. It seems likely that workers would be reluctant to support the introduction of UBI schemes if they feel that the current level of unemployment benefit is satisfactory. Otherwise, it is possible that they would be in favour of the new system. In addition, Jæger (2006) demonstrated the relative level of unemployment benefits to be negatively associated with individual preferences for redistribution. This can be interpreted to mean that generous unemployment benefits would undermine people's support for the expansion of a redistributive policy. Therefore, we predict that the more generous an unemployment benefit scheme, the less supportive would workers be about the introduction of a UBI scheme.

When measuring the generosity of unemployment benefits, focusing only on the level of benefits in terms of their income replacement rate is inadequate, although many economic analyses of the generosity of such benefits tend to concentrate only on this indicator. The conditions of the entitlement, duration of benefit payments, and, especially, the qualifying period, are powerful indicators as well (Kuitto, 2018; Scruggs, 2007). First, the replacement rate refers to the extent to which unemployment benefits replace recipients' income from employment. Thus, the higher the replacement rate, the more generous is the unemployment benefit. Next, the payment duration indicates the period for which unemployment benefit is paid to an unemployed person. This duration varies substantially across countries, even when their unemployment insurance systems exhibit similar income replacement rates. The longer the payment duration, the more generous is the unemployment benefit. Lastly, the qualifying period for unemployment benefit is the period of employment or the contribution required to gain entitlement. This implies that the longer the qualifying period, the less generous is the benefit. Consequently, the hypotheses associated with the generosity of unemployment benefits are as follows:

H3a: *The higher a country's net replacement rate of unemployment benefit, the less supportive of UBI schemes are workers.*

H3b: *The longer a country's unemployment benefit payment duration, the less supportive of UBI schemes are workers*

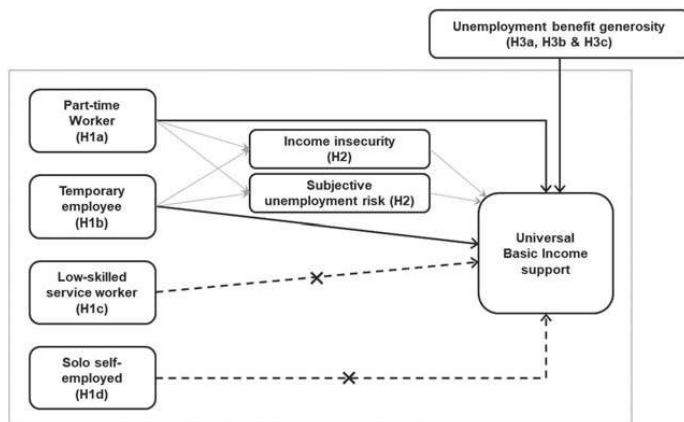


FIGURE 1. Analytical framework: individual- and country-level determinants of universal basic income preferences.

H3c: *The longer a country’s qualifying period for unemployment benefit, the more supportive of UBI schemes are workers.*

To sum up, Figure 1 displays our study framework.

3. Methodology

The main data source for our analysis is the ESS Round 8 Data (2016), which were collected by administering a biennial cross-sectional survey through face-to-face interviews in 2016. We only analysed the cases of respondents who are in paid work and are between the ages of 15 and 64 years to focus on how precarious workers’ opinions on UBI differ from those of other workers. When estimating statistical models, we applied population and post-stratification weight values to reflect the characteristics of the populations in the individual countries and to account for the effects of varying inclusion probabilities and unit non-response. The population weight values corresponding to each country were newly calculated based on data about the size of employed populations, and the post-stratification weight values came from the ESS data. In addition, our analysis targeted the cases from 21 countries that participated in the survey, excluding Israel and Russia. Finally, we combined these data with other data, including country-level variables from multiple official statistical sources.

The ESS data provide the variables to display respondents’ opinions about the introduction of UBI schemes, which we used as the dependent variable in

our analysis. The item originally has four values (strongly against = 1, against = 2, in favour = 3, strongly in favour = 4), but we recoded the variable into a dichotomous one (strongly in favour or in favour = 1, strongly against or against = 0) and employed logistic models with a binomial dependent variable. We estimated the fixed-effects models with clustered standard errors and country dummies to test the hypotheses related to precarious workers and mediation. In this part of the study, we focused on the individual level, which is why we used the most powerful controls at the country level, which are country fixed effects. In terms of the second part of the study, where we focus on the country-level institutional factors, we employed random intercept models and random slope models to obtain correct variance estimates of the higher-level variables. The number of countries is 21, because of which the analytical power at the higher level could be limited. Thus, we check the robustness of random intercept models by applying the two-step approach described by Bryan and Jenkins (2016).

The individual-level main explanatory variables in our analysis are four precarious worker groups: part-time workers, temporary employees, low-skilled service sector employees, and solo self-employed workers. We operationally defined these groups as follows: first, a part-time worker is a person in paid work with fewer than 35 hours per week. Second, a temporary employee is a person who has a fixed-term employment contract. Third, a low-skilled service sector employee is an employee who works in the service industry and whose highest level of education is the European Survey Version of International Standard Classification of Education (ES-ISCED) I or II. Finally, a solo self-employed worker is a self-employed person who does not have employees. Moreover, to capture individual countries' unemployment benefit generosity, we included the unemployment benefit net replacement rate, unemployment benefit payment duration, and the qualifying period for unemployment benefit as country-level explanatory variables. The data on those variables were obtained from the Organisation for Economic Co-operation and Development (OECD, 2019a; 2019b).⁵

The control variables are divided into individual- and country-level variables. The individual-level control variables are gender (male = 0, female = 1), age (in years), household type (six categories: two-earner couple with children, two-earner couple without children, one-earner couple with children, one-earner couple without children, single with children, and single without children), education (five categories; ES-ISCED I or II, ES-ISCED IIIb, ES-ISCED IIIa, ES-ISCED IV, and ES-ISCED V1 or V2), public sector employment (public sector worker = 1, otherwise = 0), and frequency of attendance at religious services (ranging from never = 0, through to everyday = 6). A considerable number of studies demonstrate that those demographic features tend to make difference in individual welfare attitudes. Regarding family composition, whether to have children and whether to live with spouse or partner are usually

employed, but we created the more elaborate household type variable because the number of earners and child co-residence could affect respondents' expected benefits related to the introduction of UBI schemes. Because public sector employment and attendance at religious services tend to positively and negatively influence support for welfare policies, respectively (Burgoon and Dekker, 2010; Häusermann et al., 2016; Rehm, 2009; Svallfors, 2004), we include them as control variables.

The country-level control variables are averages of public social expenditure as a percentage of gross domestic product (GDP) between 2010 and 2015, log of nominal GDP per capita in 2015, and log of population on 1 January, 2016.⁶ Given that GDP per capita and public social expenditure are significantly associated with redistributive preferences and affect the associations of other country-level variables with them (Jæger, 2006; Pittau *et al.*, 2013), we consider them possible confounders. Population size is meaningful in comparative welfare state research because social democratic welfare states that provide generous cash benefits mostly have small populations (Ragin, 1994). Especially, when it comes to UBI schemes, it is probable that people in countries with large populations are more likely to feel that paying everyone in the country a UBI would be too demanding compared to those in countries with small populations.

In order to test the hypotheses regarding mediation, we employ household income (the bottom decile = 1, through to the top decile = 10) and the subjective likelihood of unemployment (likely to be unemployed during the next 12 months = 1, otherwise = 0) variables. We follow the basic steps for mediation analysis suggested by Baron and Kenny (1986) by estimating regression models among independent, dependent, and mediator variables.

4. Findings

4.1. Descriptive findings

Table 1 demonstrates standard and precarious workers' approval ratings by country. European standard workers' opinion on the debate about the introduction of UBI schemes is very strained because, in the 21 countries, their average approval rating for UBI is 49%. The proportion of part-time workers who are in favour of UBI is 49.5%, which is only marginally different from that of standard workers, although a higher proportion of part-timers are supportive of the scheme than standard employees in Finland, France, Iceland, the Netherlands, Portugal, Slovenia, and Sweden. By contrast, in all countries except Belgium, temporary employees' approval ratings for UBI are higher than those of standard employees, and the average number across countries is 55.4%, which is higher than the figure for standard workers. Low-skilled service employees' and solo self-employed workers' average approval ratings are the same at 51.2%, which is only 2.2 p.p. higher than that of standard employees. A comparison of the public opinion

TABLE 1. Standard and precarious workers' approval ratings for UBI by country, 2016

Country	Standard workers	Precarious workers			
		Part-time workers	Temporary employees	Low-skilled service workers	Solo self-employed
21 countries	49.0%	49.5%	55.4%	51.2%	51.2%
Austria	44.4%	45.3%	71.1%	43.8%	44.2%
Belgium	58.5%	57.0%	56.5%	60.3%	54.7%
Czech Republic	51.5%	54.2%	51.7%	69.4%	33.7%
Estonia	40.0%	46.7%	57.0%	52.7%	58.2%
Finland	55.8%	62.5%	61.5%	54.0%	55.0%
France	43.7%	53.7%	54.4%	51.0%	54.1%
Germany	41.5%	40.1%	47.7%	38.7%	59.4%
Hungary	70.7%	54.5%	82.2%	69.6%	39.2%
Iceland	41.1%	67.9%	69.2%	60.9%	68.4%
Ireland	58.7%	59.2%	66.4%	58.3%	52.3%
Italy	59.5%	52.8%	60.4%	59.3%	49.1%
Lithuania	76.7%	75.0%	93.3%	82.8%	90.9%
Netherlands	44.3%	51.7%	53.3%	34.3%	51.1%
Norway	30.5%	34.9%	35.8%	35.7%	32.7%
Poland	54.8%	51.5%	60.3%	64.4%	52.4%
Portugal	57.3%	70.6%	64.6%	57.0%	41.0%
Slovenia	64.9%	80.8%	82.1%	78.0%	68.0%
Spain	48.4%	49.8%	48.9%	47.5%	44.8%
Sweden	37.2%	49.1%	54.1%	43.6%	43.8%
Switzerland	36.2%	34.7%	39.9%	44.9%	51.5%
United Kingdom	53.0%	54.8%	60.0%	51.7%	52.2%

Source: Authors' calculations by using data from the ESS round 8 (2016)

Note: The calculations were conducted with only the samples in paid work for the 21 countries from the data. Post-stratification and country weights were applied to the calculation and the values that correspond to "Don't know" and "Refuse to answer" were excluded from the calculation. Standard workers mean employees who have a permanent full-time contract.

in each country reveals that low-skilled service workers have considerably higher approval ratings for UBI in the Czech Republic, Estonia, Iceland, and Slovenia and the solo self-employed in Estonia, Germany, Iceland, Lithuania, and Switzerland. In addition, the results demonstrate that in 10 of the 21 countries, a higher proportion of solo self-employed workers were in favour of UBI schemes than standard workers, while the opposite is true in the other 11 countries.

Table 2 displays the correlation coefficients between country-level variables and their variance inflation factors (VIFs) in the multilevel logistic model including all individual-level variables. The highest correlation is found between the log of GDP per capita and public social expenditure and its coefficient is approximately 0.6, whereas most other correlations are considerably low. Moreover, since all the VIFs are lower than 5, it is found that country-level items

TABLE 2. Correlation coefficients between and VIFs of country-level variables

	Correlation coefficients					Variance Inflation Factor (VIF)
	net replacement rate	log (qualifying period)	log (payment duration)	Public social expenditure	log (GDP per capita)	
Net replacement rate	1	-	-	-	-	1.39
log (qualifying period)	-0.179	1	-	-	-	1.19
log (payment duration)	0.413	-0.146	1	-	-	1.56
Public social expenditure	0.298	-0.202	0.397	1	-	3.73
log (GDP per capita)	0.094	-0.345	0.425	0.599	1	2.23
log (population)	-0.077	0.181	-0.140	0.492	-0.013	2.12

Note: The VIFs were calculated based on the final logistic model including all individual-level variables.

are not highly correlated to each other in the model. Thus, it does not seem that multicollinearity between them would be problematic.

4.2. Regression findings

Table 3 displays the results of our logistic models with country fixed effects. Model 1, which includes only the explanatory and control variables, provides a statistical basis for testing the hypotheses related to the effects of different forms of precarious work (H1a, H1b, H1c, and H1d). For the hypothesis on mediation (H2), Models 2 and 3, which include household income and the likelihood of unemployment variables, respectively, in addition to the variables in the first model, and Model 4, which includes both aforementioned variables in addition to the variables in the first model, were estimated. The hypotheses associated with unemployment benefit generosity (H3a, H3b and H3c) are tested using the full model summarised in Table 4.

Model 1 indicates that among the four types of precarious work, only temporary employment is significantly positively associated with UBI preferences, while the other precarious positions do not have a significant impact. Therefore, H1b (i.e. temporary employees are more likely to favour UBI schemes than permanent employees), H1c (i.e. low-skilled service sector employees do not show significant differences in attitudes towards UBI schemes from other workers.) and H1d (i.e. solo self-employed workers do not show significant differences in attitudes towards UBI schemes from permanent employees) are supported by the findings, but H1a (i.e. part-time workers are more likely to favour UBI schemes than full-time workers) does not receive support. These results are robust when we fit ordered logistic models and linear probability models with the original ordinal variable of basic income preferences. However, logistic models without weights indicate that both part-time employment and temporary work have significantly positive effects on UBI preferences, thus lending weak support for hypothesis H1a.

Models 2 and 3 demonstrate that the mediating variables, household income and the subjective likelihood of unemployment, are significantly associated with UBI preferences and attenuate the coefficient of temporary employment.⁷ Consequently, H2 (i.e. being a part-time worker or temporary employee increases income insecurity and subjective unemployment risk, which, in turn, positively influence support for UBI schemes) is supported only for temporary employees. Model 4 indicates that household income and the likelihood of unemployment are significantly associated with UBI preferences even when they control for each other: the higher the household income, the weaker is the support for UBI, and the higher the subjective unemployment risk, the stronger is the support for UBI. Moreover, being an employer and of a higher age are found to be associated with a negative opinion about UBI. A comparison between the coefficients of temporary employment in Models 2 and 3 reveal

TABLE 3. Logistic regression on UBI preferences with country fixed effects

	Model 1	Model 2	Model 3	Model 4
<i>Individual-level</i>				
Part-time employment	1.07 (0.063)	1.01 (0.036)	1.07 (0.059)	1.01 (0.037)
Low-skilled service work	0.92 (0.060)	0.93 (0.066)	0.92 (0.063)	0.93 (0.072)
Work type				
Permanent employment	Ref.	Ref.	Ref.	Ref.
Temporary employment	1.11* (0.047)	1.07 (0.063)	0.99 (0.062)	1.00 (0.076)
Solo self-employment	1.06 (0.127)	1.07 (0.119)	1.05 (0.120)	1.05 (0.112)
Self-employment with employees	0.82*** (0.046)	0.88* (0.055)	0.84** (0.052)	0.89 (0.061)
Female	0.98 (0.039)	0.98 (0.046)	0.97 (0.036)	0.97 (0.043)
Age	0.99*** (0.001)	0.99*** (0.002)	0.99*** (0.001)	0.99*** (0.002)
Household type				
Two-earner couple with kids	Ref.	Ref.	Ref.	Ref.
Two-earner couple without kids	1.00 (0.047)	1.02 (0.045)	1.01 (0.047)	1.02 (0.047)
One-earner couple with kids	1.09 (0.055)	0.98 (0.054)	1.07 (0.048)	0.96 (0.050)
One-earner couple without kids	1.21* (0.099)	1.07 (0.070)	1.20* (0.099)	1.07 (0.069)
Single with kids	0.99 (0.087)	0.83* (0.076)	0.98 (0.083)	0.82* (0.079)
Single without kids	1.16** (0.050)	1.02 (0.045)	1.16** (0.054)	1.02 (0.046)
Education				
ES-ISCED I or II	1.07 (0.043)	1.04 (0.067)	1.05 (0.047)	1.03 (0.065)
ES-ISCED IIIb	0.94 (0.063)	0.97 (0.081)	0.94 (0.058)	0.96 (0.080)
ES-ISCED IIIa	Ref.	Ref.	Ref.	Ref.
ES-ISCED IV	0.97 (0.065)	1.05 (0.089)	0.99 (0.065)	1.06 (0.089)

TABLE 3. Continued

	Model 1	Model 2	Model 3	Model 4
ES-ISCED V1 or V2	1.06 (0.081)	1.33** (0.122)	1.08 (0.087)	1.34** (0.127)
Public sector employment	1.03 (0.023)	1.02 (0.026)	1.05 (0.025)	1.03 (0.028)
Religious attendance	0.94 (0.031)	0.93** (0.025)	0.94 (0.030)	0.93** (0.025)
Household income				
1st decile		Ref.		Ref.
2nd decile		1.05 (0.209)		1.04 (0.211)
3rd decile		1.01 (0.134)		1.02 (0.150)
4th decile		0.95 (0.103)		0.95 (0.106)
5th decile		0.86 (0.099)		0.85 (0.106)
6th decile		0.74** (0.082)		0.74** (0.082)
7th decile		0.75** (0.081)		0.77* (0.092)
8th decile		0.70* (0.100)		0.71* (0.100)
9th decile		0.57*** (0.069)		0.57*** (0.075)
10th decile		0.49*** (0.053)		0.50*** (0.055)
Likelihood of unemployment			1.40*** (0.114)	1.28*** (0.102)
Country fixed effects	Yes	Yes	Yes	Yes
BIC	24,014.4	20,530.9	23,561.7	20,262.6
Number of observations	17,515	15,231	17,094	14,944
Log Likelihood	-11,914.4	-10,164.3	-11,683.4	-10,030.4

Note: The results in Models 2 and 4 are robust, when the models include no response category to household income variable.

Ref. = reference category; BIC: Bayesian Information Criterion.

Odds ratios and robust standard errors (in parentheses).

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

TABLE 4. Random intercept model on UBI preferences: null and full models

	Null model	Full model
<i>Individual-level</i>		
Part-time employment		1.07 (0.064)
Low-skilled service work		0.92 (0.061)
Work type		
Permanent employment		Ref.
Temporary employment		1.11* (0.047)
Solo self-employment		1.07 (0.128)
Self-employment with employees		0.83*** (0.044)
Female		0.98 (0.039)
Age		0.99 (0.001)
Household type		
Two-earner couple with kids		Ref.
Two-earner couple without kids		1.00 (0.047)
One-earner couple with kids		1.09 (0.055)
One-earner couple without kids		1.21* (0.099)
Single with kids		0.99 (0.087)
Single without kids		1.15** (0.050)
Education		
ES-ISCED I or II		1.06 (0.042)
ES-ISCED IIIb		0.93 (0.064)
ES-ISCED IIIa		Ref.
ES-ISCED IV		0.96 (0.064)
ES-ISCED V1 or V2		1.06 (0.080)
Public sector employment		1.03 (0.023)
Religious attendance		0.94 (0.030)
<i>Country-level</i>		
Net replacement rate (NRR)		0.99** (0.002)
Benefit payment duration		0.85** (0.041)
Qualifying period for benefit		1.26*** (0.068)
Public social expenditure		1.06*** (0.013)
Log (GDP per capita)		0.49*** (0.041)
Log (population)		0.84*** (0.038)
Variance between countries	0.088	0.016
BIC	26,228.9	24,967.0
Number of observations	18,409	17,515
Number of countries	21	21
Log Likelihood	-13,104.6	-12,385.8

Ref. = reference category; BIC: Bayesian Information Criterion.

Odds ratios and robust standard errors (in parentheses).

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

the mediating impact of employment insecurity to be stronger than that of income insecurity.

Table 4 displays the estimates of random intercept models. The full model reveals the net replacement rate and payment duration to be significantly negatively associated with UBI preferences and qualifying period to significantly positively influence the dependent variable. In addition, the estimates based on the

two-step approach confirm the findings (see Appendix Table A5). Consequently, the three hypotheses pertaining to the generosity of unemployment benefits are supported by the findings. Multilevel models, including random slopes on the individual-level explanatory variables, do not differ substantially from the random intercept models. Especially, the variances of random slopes on part-time work and temporary employment are nearly zero.⁸

In addition to the hypothesis tests, country-level control variables throw up a few interesting results: the findings demonstrate that public social expenditure is significantly positively related to workers' UBI preferences, whereas GDP per capita and population size are significantly negatively related to workers' UBI preferences.

5. Discussion

In this study, we examined the social dynamics of post-industrial labour markets by analysing precarious workers' social policy preferences. More specifically, we studied their opinions on UBI schemes, a hotly debated policy measure that some consider a desirable solution in the changed societal reality. In this way, we attempted to determine the extent to which those who face new social risks in the labour market would prefer a new policy solution.

Our study found, first, that among different types of precarious workers, only temporary employees tend to be more supportive of the introduction of UBI schemes, whereas part-time workers, low-skilled service employees, and solo self-employed workers do not exhibit significantly different preferences for UBI than those of standard employees. Next, as assumed, income and unemployment insecurity serve as mediators between temporary employment and UBI preferences. Finally, the generosity of unemployment benefit has a negative effect on individual workers' attitudes towards UBI in terms of income replacement rate, payment duration, and qualifying period.

Our findings indicate that employment insecurity is an important factor that shapes the opinions of precarious workers towards UBI schemes. Temporary employees who are simultaneously vulnerable to income and employment insecurity tend to be more supportive of UBI. However, part-time workers and solo self-employed workers, who do not experience subjective employment insecurity despite having low household income levels, are not more supportive of UBI than full-time workers and permanent employees, respectively (see Appendix Table A3). This means that merely having a low level of earnings does not sufficiently motivate precarious workers to support UBI. Temporary employees' support for UBI can be explained considering their specific situation, in which they tend to experience both income and job insecurity and are likely to be excluded from social security systems (Matsaganis et al., 2016). Considering these findings, it seems that UBI is not more welcomed

by low-skilled people working in the service sector, unless they are temporary employees. However, unemployed low-skilled people might be more supportive of the introduction of UBI schemes. This should be investigated in future studies. In addition, given that newly emerging types of work such as platform work and zero-hour contracts have been categorised as precarious work in recent years, their effects on UBI preferences should be examined in future studies.

Regarding the non-deviant preferences of part-timers, there could be another possible explanation. Part-time jobs are mainly dominated by women, who are less likely to be the main breadwinners in their households and may be working part-time voluntarily to achieve a better balance between work and family. Therefore, they might worry that receiving a UBI could lead to counterproductive tax effects, resulting in a lower net household income. As expected, the preferences of solo self-employed workers for UBI do not differ significantly from those of permanent employees. However, they are clearly distinguishable from those of self-employed individuals with employees, who are found to be more likely to oppose the introduction of UBI schemes. This possibly indicates that the UBI preferences of solo self-employed workers reflect their mixed socioeconomic status of potential employer and precarious worker (Jansen, 2016).

In terms of institutional factors, interestingly, all the three features explaining the generosity of unemployment benefits significantly influence UBI preferences. Thus, it seems difficult for UBI schemes to receive widespread support in countries that provide more generous unemployment benefit. As mentioned above, this pattern can be explained by using the prospect theory of Kahneman and Tversky (1984). That is to say, workers who can receive generous unemployment benefits are likely to be reluctant to support an uncertain UBI scheme because of the risk that it would curtail their potential benefits. Apart from those variables, activation policy can be a topical issue related to generosity. Because unemployment benefits recently becoming more conditional on active job-seeking in many countries may influence people's UBI preferences, future studies should further investigate the effects of such reforms on UBI preferences.

The findings of our study demonstrate that temporary employees, who are faced with job uncertainty and income insecurity but are not adequately protected by existing social security systems, could become powerful proponents of UBI schemes, and workers in countries that provide less generous unemployment benefits are more likely to favour UBI. Therefore, we can expect that as fixed-term employment becomes more dominant in the post-industrial labour market, the demand for UBI would increase, unless social security systems are improved to protect temporary workers and the unemployed. Welfare states should proactively attempt to respond to such a demand.

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Supplementary material

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Notes

- 1 The Eurobarometer 56.1 survey conducted in 2001 in all European Union member countries contained one questionnaire item asking about the extent to which respondents agree or disagree. However, this is not suitable for examining public opinion on basic income because a guaranteed level of basic income is highly likely to have different meanings in different countries (Pfeifer, 2009) and because the item did not provide any specific information about basic income.
- 2 The University of Bath (Ipsos Mori, 2017) and the Royal Society for the Encouragement of Arts, Manufactures and Commerce (Young, 2018) investigated public opinion on UBI in the UK, while Dalia Research conducted surveys in 28 EU member countries in 2016 and 2017 separately (Dalia Research, 2017).
- 3 UBI schemes can be broadly divided into full schemes, which replace most existing social benefits with a basic income, and partial schemes, which pay a basic income while retaining the current means-tested and contributory benefits (Kela, 2016; Martinelli, 2019). However, UBI designs vary considerably according to the level of basic income, income tax rates, and relationship between UBI and existing systems.
- 4 Torry's (2017) microsimulation assumed that the basic income of young people aged 16–20 years is £50 per week, that of people aged 25–64 years is £61 per week, and the pension of everyone aged over 65 years is £40 per week.
- 5 We use the data from 2015 for the replacement rate and those from 2014 for the payment duration and qualifying period, which are the latest years for which the data are available. We use one of the most common cross-country comparative indicators of measuring the average replacement level of the unemployment benefits proposed by the OECD (2019a). We thus apply average net replacement rates of two types of households at average wage level; a single person without children and a two-earner married couple with two children. This indicator is viewed to represent the national average generosity of the unemployment insurance benefits. The payment duration refers to the maximum benefit duration in each country, while the qualifying period indicates the minimum employment or contribution periods required. For all variables, the data relate to a 40-year-old individual with a long and uninterrupted employment record (OECD, 2019b).
- 6 Public social expenditure data were obtained from Eurostat (2018a), GDP per capita data from the World Bank (2018), and population data from Eurostat (2018b).
- 7 Moreover, by estimating fixed-effects logistic models, we found that temporary employment significantly lowers household income level and increases employment risk (see Appendix Table A3).
- 8 We also estimated random intercept models, including welfare regime type variables (see Appendix Table A4). Interestingly, the model adding those variables exhibits that the qualifying period and duration of unemployment benefit significantly affects UBI preferences, even though it is logically problematic to have welfare regime types and country-specific indicators that are substantially linked to the regime types in one model at the same time.

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The effects of non-standard work and labour market policy spending on preferences for social investment policy regarding unemployment: A multilevel study of 20 European countries

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Abstract

This study explores labour force participants' attitudes towards the social investment approach to unemployment in a budgetary trade-off scenario, focusing on non-standard employment and labour market policy expenditure impacts. It analyses a dataset combining European Social Survey Round 8 data (2016) and country-level variables, revealing that workers' preferences for increased job training (social investment) through unemployment benefits cutbacks vary by form of employment. The findings demonstrate that part-time permanent employment positively relates to these preferences, whereas part-time temporary work is negatively associated. However, full-time temporary employment is not found to have a significant influence. Although the solo self-employed do not significantly differ from standard employees, they support the social investment policy less than employers. Finally, the results indicate that lower job training expenditure tends to motivate workers to support it, while the ratio of social protection spending to total labour market policy expenditure positively affects workers' preferences.

Keyword: Social investment, non-standard employment, labour market policy, social policy preferences

1 Introduction

Today, social investment is one of the main themes in the policy debate surrounding welfare reform. Indeed, European welfare states have extended social investment policies – such as childcare, education and vocational training – in response to new social risks which existing welfare programmes often fail to address in a post-industrial society (Bonoli, 2007; Esping-Andersen, 2002; Hemerijck, 2015; Kuitto, 2016; Morel et al., 2012). Reflecting this trend, many recent studies analyse individual preferences for social investment policies, demonstrating that the public highly support the paradigm in general (Busemeyer and Neimanns, 2017; Garritzmann et al., 2018). A considerable volume of research examines preferences for social investment ideas or policies, but the attitudes of workers in non-standard

employment – who tend to face higher unemployment risk but have fewer job opportunities and less protection from existing social security programmes (Bonoli, 2005; Cutuli and Guetto, 2013; Forrier and Sels, 2003; Pedersini and Coletto, 2009; Schulze Buschoff and Protsch, 2008) – are seldom examined. In addition, although social investment policies for the unemployed are closely associated with labour market policies (LMPs), research on institutional LMP factors influencing workers’ preferences for social investment is scarce. Hence, to fill these knowledge gaps, this study aims to examine how different types of non-standard employment and governments’ LMP spending affect workers’ attitudes towards the social investment approach to joblessness in European welfare states.

Over the last couple of decades, the most topical issue in the debate on European LMPs has been the spread of activation programmes that enforce welfare conditionality and impose sanctions upon individuals who fail to meet the conditions (Buss, 2019a; Fossati, 2018; Knotz, 2018). Although activation or workfare policies are types of active labour market policies (ALMPs), they cannot easily be regarded as part of the social investment approach because they contribute very little investment in human capital (Boloni, 2012). In the same vein, Garritzmann et al. (2018) show that the public also differentiate between workfare and social investment policies. On the other hand, upskilling the unemployed via vocational training is the most social investment-oriented ALMP, a traditionally popular intervention in the Nordic region (Bonoli, 2012; Hemerijck, 2018; Morel et al., 2012). In recent years, as reports have gradually shown that workfare policies tend to negatively affect jobseekers’ economic situations and well-being while also increasing precarious employment (Murphy, 2020; Raffass, 2017; Seikel and Spannagel, 2018; Wright et al., 2020), criticism of workfare has increased. In this situation, upskilling programmes can offer a promising alternative as a social investment approach to replace punitive activation models. Thus, the current study focuses on opinions about job training and education enhancements, not general ALMPs.

In the era of permanent austerity (Pierson, 1998), budgetary limitations are among the largest obstacles to pursuing welfare reform by significantly expanding vocational training and education because they sometimes require a trade-off between social investment and social protection in (LMP) expenditures (Bengtsson et al., 2017). Thus, increased investment in vocational training could lead to a reduction in unemployment benefits. Moreover, Busemeyer and Garritzmann (2017) and Neimanns et al. (2018) illustrate that public support for social investment is even lower in budgetary trade-off situations between social investment versus social protection. Therefore, this study also assumes a budgetary trade-off between investments in upskilling programmes and expenditure for unemployment benefits, and it explores economically active people’s preferences for social investment policy regarding unemployment.

This study’s first objective is to examine non-standard employment’s effects on preferences for the social investment approach to unemployment. In contrast to standard work based on permanent and full-time contracts, non-standard work, is an important theme of the post-industrial labour market, having become dominant in most welfare states. It commonly

includes temporary employment, part-time employment and solo self-employment (Kalleberg, 2000, 2009; Schulze Buschoff and Protsch, 2008), and non-standard workers are likely to face a higher risk of unemployment and lower income compared to standard employees (Emmenegger, 2009; Marx and Picot, 2013; Rueda, 2005). Because material self-interests tend to affect individual preferences for social investment in situations with budgetary constraints (Neimanns et al., 2018), non-standard workers might have different attitudes from standard employees.

Its second goal is to analyse how governmental expenditures on LMPs affect workers' attitudes towards social investment for the unemployed. It is an important area of comparative studies on welfare attitudes to explore the relationship between institutions and policy preferences. To contribute to this discussion, this article concentrates on LMP spending. The proportions of expenditures on social investment policies and passive labour market policies (PLMPs) may influence perceptions of a country's LMPs which, in turn, could affect preferences for the social investment approach in budgetary trade-off scenarios.

To achieve these research objectives, this study estimates logistic regression models using a dataset which combines microdata from the European Social Survey (ESS) Round 8 and country-level data from the Organisation for Economic Co-operation and Development (OECD). Prior to statistical analysis, this article reviews the relevant literature and proposes hypotheses in its second section. Section 3 then explains the study's data and methods, and Section 4 demonstrates the analysis results and verifies the hypotheses. Finally, this article concludes with a discussion of the study's findings and limitations, offering suggestions for future studies.

2 Background

2.1 A trade-off between different types of welfare policies

Recent studies identify three main types of welfare policies employed in most mature welfare states today (Beramendi et al., 2015; Bonoli, 2013; Fossati, 2018; Torfing, 1999): passive social insurance, social investment, and workfare. *Passive social insurance* refers to social transfers, such as workers' unemployment benefits, which aim to compensate and restore workers' lost income when they become unemployed, elderly, or ill (Beramendi et al., 2015). In contrast, the benefits of *social investment* policies generally accrue only over the longer term (Beramendi et al., 2015; Bonoli, 2013; Hemerijck, 2018). They aim to improve human capital through education and training programmes, which may improve workers' labour market prospects and then result in better employment and wage opportunities. The third family of welfare policies, *workfare*, have also become commonplace (Bengtsson et al., 2017; Buss, 2019b; Deeming, 2015; Fossati, 2018). Workfare policies assign stringent conditions to benefit reciprocity and impose sanctions when such conditions are not fulfilled. For instance, workfare policies may require unemployed workers to accept lower or mismatched jobs, and their

rejection of such jobs may result in cuts to their unemployment benefits (Fossati, 2018; Knotz, 2018). Workfare aims to pressure and precipitate unemployed workers into reemployment.

Although mature welfare states' governments employ all three types of welfare policies, they must frequently adjudicate on which policies they would like to fund most (Beramendi et al., 2015; Cantillon, 2011) because mature welfare states face the pressure of permanent austerity. If they spend more on some policies, they might need to cut spending on other policies in order to contain costs. Cantillon (2011) notes that European governments decreased passive compensations when they expanded their social investment policies per the European Commission's Lisbon Strategy (EC, 2013) recommendations. Likewise, Bengtsson et al. (2017) show that many European welfare states reduced their expenditure on costlier social investment policies, such as training, but increased spending on cheaper workfare policies in the immediate aftermath of the 2008 Great Financial Recession. Thus, mature welfare states must consider trade-offs in welfare spending whenever they prioritise one type of policy.

Such trade-offs may have political implications (Lindvall and Rueda, 2014). Public preferences may not mirror the government's policy direction. Even if the public support each individual welfare policy (Garrizmann et al., 2018), governments may still favour some policies over others when compelled to prioritise spending for particular policies. In other words, spending pressures may compel the public to consider which policies they wish to protect at the expense of other policies. In this context, workers may choose according to their labour market position – for example, they may be less inclined to cut spending for the policies that most benefit them. Conversely, workers may be more inclined to cut spending for the policies that least benefit them. Although the welfare state literature thoroughly examines workers' support for each of the three welfare policy types individually (Häusermann et al., 2015; Rehm, 2009), it delves less into workers' trade-off in weighing these policies against one another. Far less is known about different workers' preferred spending allocations for these different welfare policies. In particular, the current study focuses on workers' preferred trade-off between passive unemployment benefit and social investment. Studying trade-off preferences regarding these two welfare policies is relevant because European governments have expanded workfare at the expense of social protection and social investment schemes – especially since the austerity measures imposed during the 2008 Great Financial Crisis (Bengtsson et al., 2017). Trade-offs between passive social protection and social investment may be even starker, when these policies face social spending cuts. Thus, investigating workers' preferences regarding such trade-offs is relevant.

2.2 Non-standard workers' preferences for the social investment approach to unemployment

The literature demonstrates that the unemployed tend to support increasing public spending for unemployment benefits rather than education policy (Garrizmann et al., 2018) and have less favourable attitudes towards activation or workfare programmes than employees because such programmes emphasise their responsibilities to participate in the labour market, rather than

their social rights (Buss, 2019a, 2019b; Fossati, 2018). Social investment policy aims to equip the unemployed with upgraded job skills, but it is also likely to stress their commitments to upskilling. Moreover, if unemployment benefits must be cut in order to implement a social investment policy, the unemployed would immediately lose income. Hence, unemployed workers are expected to be less likely to favour a social investment approach, given the budgetary trade-off situation. In stark contrast, employers would have more supportive attitudes in this situation because they can benefit from the social investment policy, which facilitates their recruitment of a more skilled workforce. Previous studies demonstrate that employers are not only proponents of but also main actors in activation and workfare programmes (Van Berkel, 2017). Because they usually play an important role in implementing job training programmes, which are the essence of social investment for the unemployed, employers have no reason to take a negative stance towards such programmes.

Given that the majority of non-standard workers face a higher unemployment risk compared to standard employees, their preferences will probably fall between those of the unemployed and employers, who are more likely to adopt the opposite stance. Although non-standard workers share common features – such as lower protection and unstable labour market status – they exhibit heterogeneous political preferences and welfare attitudes, according to their employment types (Burgoon and Dekker, 2010; Jansen, 2019; Marx and Picot, 2013; Marx, 2014). Therefore, to explore non-standard workers' preferences regarding social investment policy, the current study divides these workers into four groups: permanent part-time employees, temporary part-time employees, temporary full-time employees and solo self-employed workers.

Part-time jobs are mainly undertaken by people who need to simultaneously work and care for family members or acquire education for future careers (Horemans and Marx, 2013). Thus, many part-timers likely want to become full-time employees after their current personal tasks terminate. However, part-time employees usually have shorter job tenures and suffer from limited employment opportunities (Horemans and Marx, 2013). Because the social investment approach would help them overcome these problems, they would likely adopt a positive view of a policy that would increase job training and education. On the other hand, their attitudes towards reducing unemployment benefit in order to shoulder such programmes' costs would depend on whether their employment contracts are permanent or temporary. Part-time permanent workers are likely less sensitive to such reductions due to their relatively low unemployment risks. On the contrary, part-time temporary workers are more likely to adopt a negative stance because they face higher incidences of unemployment and at the same time, their unemployment benefits, which relate to their current earnings, are probably much lower than full-time workers' ones. For part-time workers who depend on fixed-term contracts, this potential income loss may be a powerful disincentive against the social investment approach. As a result, in the budgetary trade-off situation, it is hypothesised that part-time permanent employees are more likely to support the social investment approach than standard workers, whereas part-time temporary workers are less likely to support.

A reduction in unemployment benefits would likely be an undesirable suggestion for full-time workers in fixed-term employment, but their negative reactions would likely be weaker than those of part-time temporary employees because full-time workers' unemployment benefits are higher in an earnings-related unemployment insurance system. On the other hand, some factors may cause full-time temporary workers to adopt a positive attitude towards the social investment approach. Since they have fewer training opportunities than standard workers – which makes further developing their employability difficult (Cutuli and Guetto, 2013; Forrier and Sels, 2003) – they may feel that policies which aim to expand vocational education and training are beneficial. Moreover, most temporary employees' ultimate goal is to gain permanent employment (De Jong et al., 2009). To achieve this objective, they may be willing to sacrifice some unemployment benefits for job training and education. Consequently, full-time temporary workers are expected not to have significantly different attitudes towards the social investment approach from standard employees because the positive and negative factors influencing their preferences may compensate each other. Given all these points, this study's hypotheses regarding part-time and temporary employees are as follows:

- H1:** *Part-time permanent employees are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*
- H2:** *Part-time temporary employees are less likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*
- H3:** *Full-time temporary employees' attitudes towards the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits do not significantly differ from standard employees' attitudes.*

Solo self-employed workers' socioeconomic status differs from the self-employed, who are commonly called 'petty bourgeois' (Arum and Müller, 2004). As most solo entrepreneurs have low-skilled jobs in the service industry (Jansen, 2019), their vulnerable status often obliges them to face a higher risk of unemployment and suffer irregular incomes as well as exclusion from the social security system (Dekker, 2010; Jansen, 2019; Schulze Buschoff and Protsch, 2008). Although they are potential employers, in such a situation, solo self-employed workers seem unlikely to be as favourable as employers towards reducing unemployment benefits. Furthermore, the social investment approach would not be immediately useful in employing workers since generally solo self-employed workers do not have employees because of difficulty expanding their business, rather than a shortage in the available skilled workforce. However, a different perspective suggests that since the social investment approach could give such precarious businesspersons more opportunities to undertake vocational training and

education, it could attract them. Hence, solo self-employed workers are likely to support the social investment approach more than standard employees but less than employers. Therefore, this study's hypotheses regarding solo self-employed workers are as follows:

H4a: *Solo self-employed workers are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits reduction.*

H4b: *Solo self-employed workers are less likely than employers to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

2.3 Effects of labour market policy expenditure

In addition to self-interest, how a country spends its budget on unemployment issues can affect workers' attitudes towards the social investment approach to unemployment in the budgetary trade-off situation because they are likely to have their own opinions on reforming the government's current LMPs for the public good.

Economic analyses reveal that public expenditure on ALMPs helps reduce unemployment rates; in particular, investments in vocational training – which usually account for most of this expenditure – have an effect over time by increasing human capital (Card et al., 2010; Escudero, 2018; Hotz et al., 2006). These findings align with public expectations that training will upgrade employability. Thus, the current study predicts that on average, people in a country, which allocates a smaller portion of its budget to job training and education, will likely think their country must increase spending on such programmes in order to provide the unemployed with more training opportunities, even if part of their unemployment benefits is sacrificed. Thus, this study's first hypothesis regarding LMP expenditure is as follows:

H5: *The lower a country's expenditure on job training, the more its workers support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

The proportion of expenses for welfare benefits associated with unemployment among total public LMP expenditure may also affect workers' preferences. Welfare states use ALMPs and PLMPs concurrently because a suitable mix of ALMPs and PLMPs – rather than a simple increase in ALMP spending – can reduce unemployment (Bassanini and Duval, 2009; Martin, 2015; Pignatti and Van Belle, 2018). The proportions of expenditures on the two types of LMPs, which vary across countries, may influence workers' perceptions of how balanced the relationship between ALMP and PLMP expenditures is at an aggregate level. That is, if a country spends less on unemployment benefits vis-à-vis ALMPs, workers may tend to want

more welfare rather than job training on a budget. On the other hand, workers in a country, which has already invested a large portion of its public expenditure into ALMPs, will likely be reluctant to support more public spending for job training and education. Therefore, this study formulates its second hypothesis regarding public spending on LMP as follows:

H6: *The lower a country's ratio of PLMP expenditure to total LMP spending, the less its workers support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits.*

3 Methodology

To test the above hypotheses, this study analysed a data set combining the ESS Round 8 data (2016) and country-level data from Eurostat and OECD statistics. This analysis focused on respondents who are in paid work or unemployed and looking for a job, between 15 and 64 years of age, because this research concerns only the economically active population. The ESS Round 8 provides microdata from 21 European countries, but this study examined only 20 countries, excluding Iceland because suitable count-level variables on the country were unavailable. In conducting descriptive and regression analyses, this study applied both population and post-stratification weights. The former were calculated by the authors based on data about economically active population in each country, while the latter derived from the ESS data.

The dependent variable in this analysis came from the following item in the ESS data:

'Now imagine there is a fixed amount of money that can be spent on tackling unemployment. Would you be against or in favour of the government spending more on education and training programs for the unemployed at the cost of reducing unemployment benefit?'

This survey item was originally coded with four categorical values ('strongly against' = 1, 'against' = 2, 'in favour' = 3, 'strongly in favour' = 4), but a new binary variable was created in the current study by a recoding ('strongly in favour or in favour' = 1, 'strongly against or against' = 0) which was used as the dependent variable for logistic regression models. To determine the effects of different kinds of non-standard employment, the fixed-effects logistic models with clustered standard errors and country dummies were examined because they most powerfully control for country effects. In assessing the effects of LMP spending, random intercept models and random slope models were fit to attain accurate variance estimates of the country-level institutional variables. However, due to the limited number of countries, the findings from the random-effects models may be technically problematic. Hence, to verify the statistical models' reliability, the two-step approach suggested by Bryan and Jenkins (2016) was applied. Furthermore, since welfare states' institutional features or societal characteristics

tend to be highly correlated with each other, multicollinearity can occur between count-level variables in regression models. Thus, the current study examined the correlations coefficients between the aggregate indicators and their variance inflation factors (VIFs) in multilevel logistic models, and the results are presented in Table 1. Public expenditure on vocational training and public social expenditure showed the highest degree of correlation, but their coefficient is fairly low accounting for 0.544. In addition, the VIFs of all country-level variables in the multilevel logistic model – including all individual-level variables – were less than 2. As a result, aggregate variables are not highly correlated, and multicollinearity between them is deemed not to constitute a threat.

The individual-level independent variables are four kinds of non-standard employment: part-time permanent, part-time temporary, full-time temporary and solo self-employment. Each of these variables is operationally defined as follows. First, part-time permanent employment is one that involves less than 35 working hours per week based on a permanent employment contract. Second, part-time temporary employment is one that involves less than 35 working hours per week based on a fixed-term employment contract. Third, full-time temporary employment is one that has no less than 35 working hours per week based on a fixed-term employment contract. Finally, solo self-employment is self-employment which do not have any employee. In addition, the country-level explanatory variables are the public expenditure on vocational training as a percentage of GDP and PLMPs' share of total LMP expenditure in 2015. The data on these variables were obtained from OECD statistics (OECD, 2020a).

The individual-level control variables were selected based on the welfare attitude literature. They are as follows: gender ('male' = 0, 'female' = 1), age (in years), education level (five categories: ES-ISCED I or II, IIIb, IIIa, IV, and V1 or V2), the presence of children ('no child at home' = 0, 'residing with children' = 1), public sector employment ('non-public sector job' = 0, 'public sector job' = 1) and attendance at religious services (ranging from 'never' = 0 through to 'everyday' = 6). Additionally, to investigate how economic hardship ('living comfortably' = 1 through to 'very difficult to live' = 4) and subjective unemployment risk ('likely to be unemployed during the next 12 months' = 1, 'unlikely to be unemployed' = 0) affect the associations between non-standard employment and preferences for the social investment approach to unemployment, supplementary models were estimated using these variables.

The country-level control variables in this analysis are averages of public social expenditure as a percentage of GDP from 2011 to 2015, public spending on education in 2015 and average unemployment rates from 2011 to 2015.¹ Because public social expenditure tends to influence the relationship between different country-level variables regarding welfare regimes (Jæger, 2006), and because public spending on education is closely associated with

¹ Public social expenditure data were obtained from Eurostat (2018), public spending on education data were obtained from OECD (2020b) and unemployment rate data were obtained from OECD (2020c).

social investment, this study includes both of these aspects as possible confounders in its statistical models. Unemployment rates are also added because the national unemployment rate is highly likely to affect opinions regarding LMPs.

Table 1. Correlation coefficients between and VIFs of country-level variables

	Correlation coefficients					Variance Inflation Factor (VIF)
	Public expenditure on vocational training	Ratio of PLMP to total LMP spending	Public social expenditure	Public spending on education	Unemployment rate	
Public expenditure on vocational training	1	-	-	-	-	1.72
Ratio of PLMP to total LMP spending	0.467	1	-	-	-	1.86
Public social expenditure	0.544	0.441	1	-	-	1.97
Public spending on education	0.373	0.104	0.479	1	-	1.64
Unemployment rate	-0.077	0.344	-0.194	-0.420	1	1.67

Note: The VIFs were calculated based on the logistic model including all individual-level variables.

4 Empirical findings

4.1 Approval ratings for the social investment approach to unemployment

Table 2 displays different groups of workers' approval ratings by country. First, two-thirds of people in the labour force are found to support the social investment approach. Workers' average approval ratings in the Netherlands, Norway and the United Kingdom are higher than 80%, whereas the corresponding figures in Lithuania and Spain are 49.2% and 53.1%, respectively. Part-time permanent workers' average approval rating is 71.3%, which is 3.4 percentage points higher than standard workers' average approval rating, although the reverse tendency appears in Belgium, Germany, Spain, Sweden and Switzerland. In contrast, the proportion of part-time temporary employees who support the social investment approach is 58.1%, which is even lower than the corresponding figure for standard employees. However, notably, Dutch and Portuguese part-time temporary workers show considerably higher approval ratings than standard employees in these countries. This study's findings demonstrate that 69.8% of full-time temporary workers support the social investment idea on average. This

figure is slightly higher than the corresponding figure for standard workers, but the gaps between the two groups vary greatly across countries. Next, the proportion of solo self-employed workers who are in favour of increasing job training at the cost of unemployment benefits is estimated at 69.6%, which is higher than standard workers' corresponding figure yet lower than employers'. However, exceptionally, in Estonia, Lithuania, Poland and Slovenia, the solo self-employed have noticeably higher approval ratings than employers. Finally, the average approval ratings of the unemployed are 59.1%, but a detailed comparison reveals large variations across countries. Less than half of the unemployed in 11 of the 20 countries surveyed have positive attitudes towards the social investment approach, whereas their corresponding approval ratings in the Netherlands and Norway are above 80%.

Table 2. Approval ratings for social investment approach of different worker groups

Country	Average	Standard workers	Employed							Employers	Unemployed
			Part-time permanent	Atypical workers		Solo self-employed	Part-time temporary	Full-time temporary	Employers		
				Part-time temporary	Full-time temporary						
20 countries	67.9%	67.9%	71.3%	58.1%	69.8%	69.6%	74.4%	54.6%	74.4%	54.6%	
Austria	55.0%	57.0%	62.3%	38.7%	56.2%	45.8%	50.3%	36.7%	50.3%	36.7%	
Belgium	75.0%	78.2%	75.4%	65.9%	70.2%	81.8%	83.4%	52.9%	83.4%	52.9%	
Czechia	63.3%	65.2%	70.2%	40.0%	54.8%	63.6%	74.4%	53.9%	74.4%	53.9%	
Estonia	54.8%	55.6%	60.0%	57.1% [†]	61.0%	69.1%	53.8%	45.6%	53.8%	45.6%	
Finland	65.0%	66.4%	75.9%	47.0%	60.0%	67.5%	82.2%	50.8%	82.2%	50.8%	
France	67.3%	68.8%	71.3%	47.6%	74.0%	60.1%	75.2%	57.9%	75.2%	57.9%	
Germany	60.0%	60.8%	60.0%	53.3%	71.9%	53.7%	64.1%	40.4%	64.1%	40.4%	
Hungary	54.1%	51.4%	64.3%	34.3% [†]	69.5%	65.3%	65.5%	51.5%	65.5%	51.5%	
Ireland	78.6%	83.1%	86.0%	81.5%	66.1%	78.8%	84.3%	70.5%	84.3%	70.5%	
Italy	78.9%	81.2%	84.2%	72.7%	71.1%	75.4%	78.7%	76.1%	78.7%	76.1%	
Lithuania	49.2%	51.7%	56.9%	53.6% [†]	45.9%	65.2%	41.0%	40.5%	41.0%	40.5%	
Netherlands	81.1%	76.8%	80.5%	88.4%	94.8%	78.9%	86.3%	79.9%	86.3%	79.9%	
Norway	85.1%	84.5%	84.5%	82.3%	89.9%	84.6%	84.0%	85.7%	84.0%	85.7%	
Poland	66.3%	65.7%	67.7%	52.1%	67.7%	77.2%	70.5%	55.6%	70.5%	55.6%	
Portugal	64.2%	65.2%	66.2%	84.6%	74.3%	67.7%	82.8%	42.1%	82.8%	42.1%	
Slovenia	55.6%	53.4%	57.8%	57.1% [†]	53.2%	75.0%	64.6%	46.3%	64.6%	46.3%	
Spain	53.1%	53.4%	52.0%	47.2%	52.2%	64.8%	65.9%	40.5%	65.9%	40.5%	
Sweden	65.9%	66.9%	63.3%	55.5%	68.3%	65.8%	85.2%	41.7%	85.2%	41.7%	
Switzerland	66.5%	67.5%	61.9%	66.9%	77.5%	57.1%	75.5%	52.2%	75.5%	52.2%	
United Kingdom	81.0%	81.6%	85.0%	54.0%	85.2%	79.6%	85.2%	70.5%	85.2%	70.5%	

Source: Authors' calculations by using the ESS round 8 data (2016)

Note: Post-stratification and country weights were applied to the calculation.

[†] The number of cases is less than 10.

4.2 Regression findings

On the basis of the findings from this study's fixed-effects logistic models, which Table 3 shows, the hypotheses associated with the impacts of different types of non-standard employment (H1, H2, H3, H4a and H4b) can be tested. According to Model 1, which includes the individual-level independent and control variables, part-time permanent employment has a significantly positive effect while part-time temporary employment is significantly negatively associated with preferences towards social investment. Consequently, the results support both H1 (i.e. part-time permanent employees are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits) and H2 (i.e. part-time temporary employees are less likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits). Moreover, part-time temporary employees are found to be as supportive as the unemployed. On the other hand, since this study is unable to identify a significant effect concerning temporary full-time employment, H3 (i.e. Full-time temporary employees' attitudes towards the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits do not significantly differ from standard employees' attitudes) is rejected. Regarding solo self-employment, the analysis results reveal that the form of employment has no significant effect compared to standard employment, which is the reference category in Model 1, whereas its coefficient is significantly negative when the reference category is self-employment with employees.² As a result, the results do not support H4a (i.e. solo self-employed workers are more likely than standard employees to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits reduction) but do support H4b (i.e. Solo self-employed workers are less likely than employers to support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits).

In addition, models 2, 3 and 4 demonstrate that economic hardship and the subjective likelihood of unemployment do not affect the associations between non-standard employment and preferences for the social investment policy for unemployment in the assumption of budgetary constraints, though workers suffering economic hardship are found to be less likely to support such a policy. As expected, all of the models indicate that being an employer has a significantly positive effect while being unemployed has a significantly negative effect. Among the control variables, age is found to be negatively associated with these preferences while frequency of religious attendance is positively related.

Table 4 illustrates the estimates of the random intercept models, which provide evidence to test the study's hypotheses regarding LMP spending. The full model shows that public expenditure on vocational training is significantly negatively associated with individual

² This study estimated a model in which the reference category is 'self-employment with employees', but Table 3 does not display its results. In this model, the odds ratio for solo self-employment is 0.78, and its p-value is 0.037.

preferences for the social investment approach. In addition, it shows that the ratio of PLMP to total LMP spending has a significantly positive association. As the methodology section mentions, the current study conducted a two-step approach, whose estimates are presented in Appendix Table A3. This approach also confirms the country-level findings. Consequently, the findings support both H5 (i.e. the lower a country's expenditure on job training, the more its workers support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits) and H6 (i.e. the lower a country's ratio of PLMP expenditure to total LMP spending, the less its workers support the social investment approach which aims to increase job training and education at the cost of a reduction in unemployment benefits). Because multilevel models with random slopes do not make any substantial changes to the random intercept models, the results are not described. Additionally, a higher unemployment rate is found to be associated with a negative attitude towards the social investment policy in the full model as well as the two-step approach. However, the other country-level control variables – public social expenditure and public spending on education – show no significant effect.

Table 3. Logistic regression on preferences for social investment policy to unemployment

	Model 1	Model 2	Model 3	Model 4
Work type				
Full-time permanent (standard)	Ref.	Ref.	Ref.	Ref.
Part-time permanent	1.12 ** (0.036)	1.11 ** (0.034)	1.12 *** (0.033)	1.12 *** (0.032)
Part-time temporary	0.58 *** (0.089)	0.59 ** (0.090)	0.59 *** (0.086)	0.60 ** (0.090)
Full-time temporary	1.06 (0.084)	1.08 (0.073)	1.08 (0.082)	1.09 (0.077)
Solo self-employment	0.99 (0.130)	0.99 (0.134)	1.00 (0.124)	1.00 (0.128)
Self-employment with employees	1.27 * (0.123)	1.26 * (0.136)	1.31 ** (0.127)	1.29 * (0.139)
Unemployment	0.59 *** (0.045)	0.67 *** (0.070)	0.59 *** (0.048)	0.65 *** (0.080)
Female	0.88 * (0.053)	0.89 (0.056)	0.89 (0.058)	0.90 (0.061)
Age	0.99 ** (0.004)	0.99 ** (0.004)	0.99 ** (0.004)	0.99 ** (0.004)
Education				
ES-ISCED I or II	0.90 (0.116)	0.95 (0.117)	0.89 (0.121)	0.93 (0.121)
ES-ISCED IIIb	0.91 (0.077)	0.93 (0.080)	0.91 (0.075)	0.92 (0.078)
ES-ISCED IIIa	Ref.	Ref.	Ref.	Ref.
ES-ISCED IV	1.13 (0.106)	1.14 (0.109)	1.13 (0.109)	1.14 (0.112)
ES-ISCED V1 or V2	1.04 (0.076)	1.03 (0.074)	1.03 (0.076)	1.02 (0.073)
Having children	1.04 (0.028)	1.05 (0.030)	1.04 (0.032)	1.04 (0.033)
Religious attendance	1.07 *** (0.013)	1.07 *** (0.013)	1.08 *** (0.014)	1.08 *** (0.014)
Economic hardship				
Living comfortably		Ref.		Ref.
Coping with living		0.86 * (0.051)		0.86 * (0.051)
Difficult to live		0.83 (0.081)		0.85 (0.084)
Very difficult to live		0.59 ** (0.090)		0.60 ** (0.106)
Likelihood of unemployment			0.93 (0.074)	0.96 (0.069)
Country fixed effects	Yes	Yes	Yes	Yes
BIC	22,507.9	22,371.8	21,915.8	21,795.7
Number of observations	18,643	18,567	18,047	17,987
Log Likelihood	-11,185.1	-11,677.7	-11,435.7	-11,380.2

Note: The estimates of country dummy variables are not displayed.

Ref. = reference category; BIC: Bayesian Information Criterion.

Odds ratios and robust standard errors (in parentheses).

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Table 4. Random intercept models on preferences for social investment policy to unemployment

	Null model	Full model
<i>Individual-level</i>		
Work type		
Full-time permanent full-time (standard)		Ref.
Part-time permanent		1.11 ** (0.036)
Part-time temporary		0.58 *** (0.089)
Full-time temporary		1.06 (0.083)
Solo self-employment		0.99 (0.130)
Self-employment with employees		1.28 ** (0.121)
Unemployment		0.59 *** (0.046)
Female		0.88 * (0.053)
Age		0.99 ** (0.004)
Education		
ES-ISCED I or II		0.90 (0.116)
ES-ISCED IIIb		0.90 (0.076)
ES-ISCED IIIa		Ref.
ES-ISCED IV		1.11 (0.106)
ES-ISCED V1 or V2		1.03 (0.075)
Having children		1.04 (0.029)
Religious attendance		1.07 *** (0.013)
<i>Country-level</i>		
Public expenditure on vocational training		0.04 *** (0.019)
Ratio of PLMP to total LMP spending		6.75 *** (3.222)
Public social expenditure		1.03 (0.017)
Public spending on education		1.20 (0.210)
Unemployment rate		0.95 ** (0.017)
Variance between countries	0.222	0.073
BIC	24,340.7	23,302.2
Number of observations	19,380	18,643
Number of countries	20	20
Log Likelihood	-12,160.5	-11,557.7

Ref. = reference category; BIC: Bayesian Information Criterion.

Odds ratios and robust standard errors (in parentheses).

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

5 Discussion

This study contributes to the recent discussion on public opinion concerning the social investment paradigm by analysing the effects of different types of non-standard employment and LMP spending on individual workers' preferences in a budgetary trade-off scenario. Multiple studies analyse public opinion towards social investment approaches as alternative social policy ideas, but they rarely assume a trade-off between public expenditures on social

investment and social protection. Moreover, there is very little knowledge of the effects of non-standard employment and institutional LMP factors on preferences for social investment.

The current study's key findings are summarised as follows. First, it identifies a stark difference between part-time permanent employees and part-time temporary employees in the assumption of budgetary constraints. The former group is more likely to support the social investment policy for the unemployed, even by accepting unemployment benefit reduction, whereas the latter group tend to have less positive attitudes than standard employees. Second, part-time temporary employment's effect is similar to unemployment's effect. Third, being a full-time temporary employee or solo self-employed worker does not affect individual preferences. However, solo self-employed workers tend to harbour less favourable attitudes towards the social investment policy for the unemployed than employers. Finally, at the country level, public spending on job training is negatively associated with support for the social investment approach while the ratio of unemployment benefits to total LMP spending is positively associated.

Temporary employment does not itself seem to affect preferences for the social investment approach to unemployment in the budgetary trade-off situation. However, this study's analysis reveals that a combination of fixed-term and part-time contracts negatively influences these preferences. Because part-time temporary employees face the highest level of income insecurity among the groups of non-standard workers, they may have the most negative attitudes. Their worries about upcoming economic hardship seem to suppress their vocational training needs. Although solo self-employed workers' attitudes do not differ from standard workers' attitudes, they clearly have different preferences from employers, who show the highest level of support. This finding confirms the argument that significant disparities in political opinion exist between employers and solo self-employed workers, as Jansen (2019) shows.

An interesting finding shows that the institutional features related to LMP spending influence workers' attitudes. Since the social investment approach is less popular in countries with higher levels of public spending on job training, these countries' governments appear to need to improve the quality of job training programmes in order to increase workers' support. In addition, because workers in countries with relatively small budgets for unemployment benefits tend to be less favourable, a large reduction in unemployment benefits would likely greatly erode public support for the social investment approach in these countries.

Nowadays, as the gig economy has rapidly grown, platform workers have received a huge amount of attention in the academic and policy fields (Vandaele, 2018). Since they might face a high risk of unemployment and, at the same time, highly demand more opportunities for vocational training, an exploration of their attitudes towards the social investment approach to unemployment is required. However, due to data limitations, the current study is unable to address this group of workers. Thus, future studies should analyse platform work's effects on these preferences.

Preferences

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Appendix Table A1. Descriptives of the individual-level variables

Variable	Value	N	Mean	Std. Dev.
Age	15 - 64	20,466	42.83	0.081
Employment type	<i>Full-time permanent</i>	11,546		
	<i>Part-time permanent</i>	2,108		
	<i>Part-time temporary</i>	513		
	<i>Full-time temporary</i>	1,676	19,804	
	<i>Solo self-employment</i>	1,399		
	<i>self-employment with employees</i>	1,177		
	<i>Unemployment</i>	1,385		
Female	No	10,576		
	Yes	9,890	20,466	
Education	<i>ES-ISCED I or II</i>	2,929		
	<i>ES-ISCED IIIb</i>	3,862		
	<i>ES-ISCED IIIa</i>	4,299	20,401	
	<i>ES-ISCED IV</i>	3,150		
	<i>ES-ISCED V1 or V2</i>	6,161		
Children at home	No	10,871		
	Yes	9,595	20,466	
	<i>Never</i>	7,810		
	<i>Less often</i>	4,249		
Attendance at religious services	<i>Only on special holy days</i>	4,341		
	<i>At least once a month</i>	1,909	20,358	
	<i>Once a week</i>	1,681		
	<i>More than once a week</i>	305		
	<i>Every day</i>	63		
	<i>Living comfortably on present income</i>	7,256		
Economic hardship	<i>Coping on present income</i>	9,865	20,350	
	<i>Difficult on present income</i>	2,589		
	<i>Very difficult on present income</i>	640		
The likelihood of unemployment	No	15,429		
	Yes	4,233	19,662	

Appendix Table A2. Descriptives of the country-level variables

Country	Public expenditure on vocational training* (2015)	Ratio of PLMP to total LMP spending (2015)	Public social expenditure* (2011-2015)	Public spending on education* (2015)	Unemployment rate (2011-2015)
Austria	0.17%	0.46	29.44%	4.611%	5.22%
Belgium	0.19%	0.16	29.98%	5.353%	8.02%
Switzerland	0.11%	0.18	26.96%	4.508%	4.65%
Czechia	0.12%	0.02	19.88%	3.180%	6.36%
Germany	0.36%	0.20	28.84%	3.620%	5.21%
Estonia	0.11%	0.08	15.28%	4.008%	8.91%
Spain	0.15%	0.11	25.32%	3.506%	23.75%
Finland	0.15%	0.48	30.72%	5.576%	8.33%
France	0.25%	0.27	33.94%	4.538%	9.76%
United Kingdom	0.20%	0.01	28.24%	4.249%	6.97%
Hungary	0.07%	0.02	20.58%	3.230%	9.35%
Ireland	0.09%	0.22	21.36%	3.113%	13.26%
Italy	0.09%	0.17	29.48%	3.349%	11.14%
Lithuania	0.06%	0.07	15.92%	3.393%	12.07%
Netherlands	0.24%	0.07	30.36%	4.341%	6.47%
Norway	0.13%	0.10	25.66%	6.281%	3.51%
Poland [†]	0.08%	0.01	19.03%	4.015%	9.31%
Portugal	0.07%	0.27	26.48%	4.141%	14.15%
Sweden	0.26%	0.15	29.48%	5.018%	7.84%
Slovenia	0.08%	0.04	24.34%	3.818%	9.15%
<i>Mean</i>	<i>0.15%</i>	<i>0.155</i>	<i>25.56%</i>	<i>4.19%</i>	<i>9.17%</i>
<i>Std. Dev</i>	<i>0.079%</i>	<i>0.136</i>	<i>5.249%</i>	<i>0.864%</i>	<i>4.439%</i>

[†] The social expenditure of Poland was calculated based on the data from 2011 to 2014.

* Public expenditure as a percentage of GDP

Appendix Table A3. Estimates of country-level variables from random intercept model and two-step approach

Method	Parameter estimates (standard errors)				
	Public expenditure on vocational training	Ratio of PLMP to total LMP spending	Public social expenditure	Public Spending on education	Unemployment rate
Random intercept logistic model	-3.287*** (0.511)	1.910*** (0.477)	0.029 (0.016)	0.183 (0.175)	-0.048** (0.018)
Two-step:					
Step 1			N.A.		
Step 2 (OLS)	-0.621*** (0.126)	-0.366** (0.114)	0.004 (0.004)	0.040 (0.044)	-0.011* (0.005)

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$.

Notes: Population and post-stratification weight values were applied to the all models; the two-step significance levels refer to critical values from $t(14)$ -distribution; because Step 1 in the two-step approach have only individual-level variables, their estimates are not displayed in this table.