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**31<sup>st</sup> Annual Conference of *the International Working Party on Labour Market Segmentation (IWPLMS)* , 14<sup>th</sup> to 17<sup>th</sup> of July 2010, in Valencia University**

## **Age of Precarity: Segmentation patterns in Rhone-Alps economic branches**

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### **Abstract**

Our paper analyse the evolution of the main labour variables in French region of Rhône-Alps for different age groups. We carry out an empirical analysis of the evolution of the labour segmentation patterns between 1995 and 2007, based on administrative records. Our aim is to compare evolution of regional employment model by age groups, sex and economic branches. We analyse inequalities in wages and contract-stability, in a global point of view and focusing in the emergent tertiary sectors of tourism, transport and personal services. We conclude that general destabilisation and new global and sectoral segmentation patterns have to be considered by age groups as a relevant aspect to understand the emerging working norms and contemporaneous employment models founded in labour precarity.

## Outline

1 – Segmentation approach and young workers precarity : A conceptual framework

2 – Evolution of global segmentation patterns by sex, age and economic branch in the Rhone-Alps' employment relationships

2.1 Data source methodological introduction and globally aggregated approach.

2.2 Studying economic branches:

3. Precarity and age segmentation patterns in three emerging economic branches

3.1 Tourism

3.2 Transport and logistics.

3.3 Personal services and Home helpers

Conclusions

## Introduction

A main subject in labour economics should be the generational aspect of the employment models. Some tendencies about the structural demographical change of last decades in France have been published in a journalistic report of *Alternatives Economiques* review<sup>1</sup>. In the 2007 IWPLMS Conference, François MICHON<sup>2</sup> spoke about the French suburbs riots in November of 2005 and the strikes, faculty occupations and multitudinous demonstrations of spring 2006 against the *First Employment Contract* (CPE) and labour precarity. Both events affect young workers, the unemployed or students as main actors. In his paper Michon propose to take into account those events to re-actualise socio-economics understanding models and labour market segmentation analysis in our *fast-changing* societies.

What is the evolution of segmentation patterns in the last few years evolution of the Rhone-Alps economy? Can we measure the inequalities between different age groups in a general level and in particular sectors of employment?

Our paper start, in the first section, with a conceptual framework of our subject in a segmentation point of view. We introduce a new segmentation tendencies analysis, looking for their utility in the young workers' precarity study. The second section, analyses empirically the evolution of the main labour variables in the French region of the Rhône-Alpes for different age groups. We carry out a segmentation analysis of the employment model evolution from 1995 to 2007. Our aim is to understand segmentation patterns by age, sex and economic branch, so we analyse groups' evolutions and inequalities in wages and contract-stability. The last section focus our subject in three emerging tertiary economic branches : Tourism ; Transport and logistics; and Personal services and household workers. We try to understand the new segmentation patterns (specially by the age) and their specific incidence in young worker's employment precariousness.

Our paper is a first experimentation based on administrative records of all the employer-employee contracts, *Déclaration Annuelles de Données Sociales* (INSEE), that allows

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<sup>1</sup> Alternatives Economiques, « Generations », Hors série n.85, 3th trimester 2010

<sup>2</sup> MICHON, François (2007), "What became of labour market segmentation in France: Its changing design", Paper presented to the 28 th conference of the IWPLMS, Aix-en-Provence, 5-7 july 2007, pp. 4-5

for quite interesting conclusions on labour economics because high representativeness of the data source, which is collected by French public institutions for *all* labour contracts in *all* legal firms<sup>3</sup>.

## **1 – Segmentation approach and Young workers' Precarity : A conceptual framework**

The capitalist economic system tends to push to people's and territories' fragmentation. In the Rhone-Alps, as in many other European societies, new sources of segmentation are emerging in the renovated industrial relations model. Since the 90s, precarity in work conditions is becoming a powerful and heterogeneous employment norm, reinforcing inequalities between traditional and emerging economic branches and asking for new analytic frameworks for understanding the labour segmentation patterns. Increasing destabilisation of employment and well-being (either by wage reductions or by other rent transfers) are directly correlated with current social and labour management tendencies. Currently, the working class are more and more employed in new tertiary sectors (with high immaterial, cognitive and relational components) and tends to a more hyper-specialized activities model, divided into many different labour segments. As proposed by Heloise PETIT, dual segmentation models from the 70s **need to be re-actualized**. New dynamic approaches that increasingly lead to labour flexibility create general precariousness, job instability and increasing inequalities between different social groups<sup>4</sup>. Florence LEFRESNE point to mass jobless, employment conditions transformations and institutional domestication of current social conflicts [not direct/not open] as new processes that impose new segmentation approaches to be explained<sup>5</sup>, with special attention to young people as “*the tip of the bridge in those transformations*”<sup>6</sup>.

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<sup>3</sup> See the exceptions in 2.1 section

<sup>4</sup> PETITE Heloise (2006), “Generalised precariousness or persistent segmentation?” in Köhler C., Junge K., Schröder T. and Struck O. (Eds.) (2006)

<sup>5</sup> LEFRESNE Florence, « Vers le renouvellement de l'analyse segmentationniste », *Economie et Sociétés*, série « Economie du travail » AB n°22, 8/2002, p.1241-1267

<sup>6</sup> LEFRESNE, Florence, “Précarité pour tous, la norme du futur”, *Le Monde Diplomatique*, mars 2006

The incidence of age in new employment patterns seems to indicate that age is one of the main aspects of new segmentation tendencies. As asserted by Jérôme GAUTIE<sup>7</sup>, the destabilisation of Internal Labour Markets through the declining role of specific qualifications (less importance given to qualifications due to technological changes), the dismantling of implicit inter-generational subsidies inside the firm's organisation and the replacement of older workers by qualified younger ones at lower wages<sup>8</sup>, open the door to a new segmentation model, showing growing inequality between young workers and older ones on the one hand and middle-aged workers on the other. New atypical forms of employment (fixed term contracts, forced part-time works, durably subsidised jobs...) and their impact on the young population add to high unemployment rates and contribute to making it difficult for new entrants to start their working lives<sup>9</sup>.

But are a firm's internal organisation factors of the primary explanation of youth precarity at work? Evidence seems to indicate that this is not the case. Many analyses explain the incidence of external or societal tendencies as main causes of precarity. Albert RECIO adds to internal organisational factors (outsourcing, flexibility, individualisation, etc) other macroeconomic aspects such as global *financiarisation*<sup>10</sup>, the liberalisation of the European economy, the decline of the public sector, deregulation, among others. For Recio, there are also other "extra-systemic factors" that have a direct repercussion for work conditions and employment models (ageing societies with older populations, outsourcing of household activities, new environmental issues...)<sup>11</sup>. In the same way, Jill RUBERY<sup>12</sup> asserts that employment and work regulations and the emerging tertiary economic branches are at the source of changes in the employment relationships. From this approach, the changing institutional and

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<sup>7</sup> GAUTIE Jérôme (2004), "Les marchés internes du travail, l'emploi et les salaires", RFE XVIII, avril 2004 ; GAUTIE Jérôme (2002), « Déstabilisation des marchés internes et gestion des âges sur le marché du travail : quelques pistes », Document de travail n.15 du Centre d'études de l'emploi, mars 2002.

<sup>8</sup> Breaking down of demographical equilibrium that allowed this ILM model is at the beginning of this change, GERME Jean-François (2003), « Les mobilités professionnelles : de l'instabilité dans l'emploi à la gestion des trajectoires », Qualifications & Perspectives.

<sup>9</sup> The French *Research and Study Centre about Employment and Skill* (CEREQ) produces a really interesting "Generation Survey" for better understanding this phenomenon of youth's entry in working life. <http://www.cereq.fr/>.

<sup>10</sup> *Financiarisation* is a term used to realize the financial markets' main role in the economic activities and the production models, as well as in their taking decisions patterns.

<sup>11</sup> RECIO ANDREU Albert (2001), "Nuevos retos a las relaciones laborales", PORTULARIA, Universidad de Huelva, pp. 13-31

<sup>12</sup> RUBERY Jill, "Segmentation theory thirty years on", Paper presented to the 27 th conference of the IWPLMS, Copenhagen, September 2006

sectoral framework of work contracts would be the main reason for young people's precarity.

Discussions of these internal and external factors are part of a larger theoretical and empirical literature, as well in debates in universities, among researchers and in bulletins of unions and many other daily discussions about industrial relations and their conflicts. Although the theoretical issues relating to the causes of youth precarity are not clear, empirical evidence of this precarity has been demonstrated for many countries, economic branches and local specific studies<sup>13</sup>.

In France, Florence LEFRESNE's articles and publications are surely the main socio-economic reference for understanding youth labour conditions. She analyses three main obstacles for young people's entry into labour markets:

- Their late exit from the academic system and their increasing skill level<sup>14</sup> as a main reason reinforcing a “declassifying” process (no relation between achievement of high credentials and less-skilled work).
- New hiring and labour force management strategies oriented towards young people, intensified in some sectorial or specific situations.
- Public measures and legislative changes to promote the transformation of youth employment norms.

The extremely heterogeneous incidence of these phenomenon justify an applied analysis of young workers' precarity and new age segmentation patterns of the Rhone-Alps' employment model.

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<sup>13</sup> LEFRESNE, Florece (1999) ; FONDEUR, Yannick (1999) ; GAUTIÉ Jérôme (2002) ; DAVILA-RODRÍGUEZ María Ángeles (2004) ; HIDALGO-VEGA, Álvaro and PÉREZ-CAMARERO Santiago (2004) ; ECKERT, Henri and MORA, Virginie (2007) ; LÓPEZ LACALLE, Pablo (2007) ; GORROTXATEGI, Ander y ZUBIRI-REY, Jon Bernat (2008)

<sup>14</sup> France presents the highest scholar rate of European countries, with 88% of 15-19 years old young at school. This rate is 34% for 20-24 years old and take smaller values for 25-29 years old (4%). FONDEUR, Yannick (1999), « Repères sur l'emploi des jeunes dans six pays européens », *La Revue de l'IREs*, n° 31, vol. 2, 1999, p. 23-58

## **2 –Evolution of global segmentation patterns by sex, age and economic branch in the Rhone-Alps employment relationships**

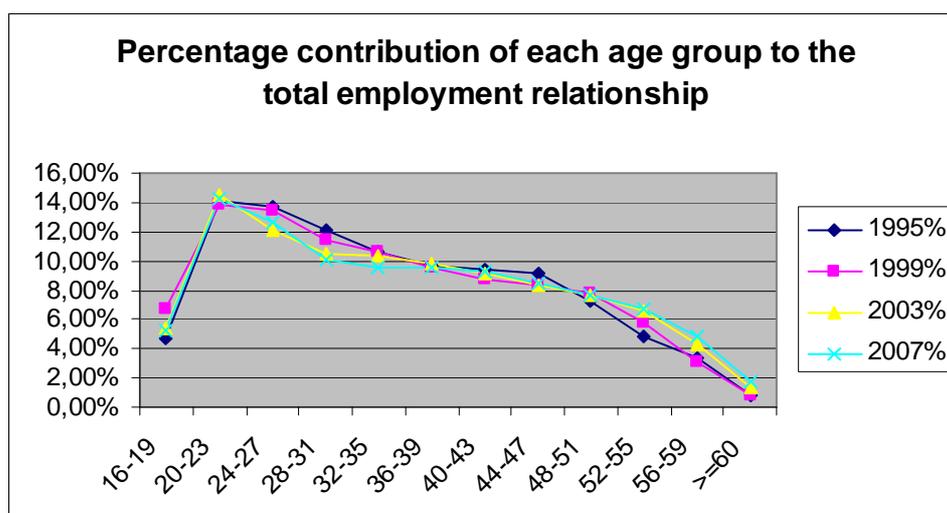
### **2.1 Data source methodological introduction and globally aggregated approach.**

In this paper we analyse the evolution of the labour segmentation patterns for 1995, 1999, 2003 and 2007 throughout DADS (Annual declarations of social contributions) data base for the Rhone-Alps region of France. The DADS data base “postes” describes the **employment relationships, which a data line for each employee-employer interaction in the same firm and workplace.** DADS data bases gives us information about salaries, duration of the relationship (in days, in paid hours), as well as about the economic branch in which the work takes place and general employee information about her age, sex, provenance etc. **The activities out of French continent territory are not considered in DADS data base. The State's organism, domestic services and agriculture-sylviculture employment are excluded as well from this administrative procedure.**

Our analysis is considered by age groups, defined as “employees having the same age within a 4 year age range”. To make a generation approach possible throughout the different years studied, we assign increasing age group numbers to decreasing in age groups. So we have 12 generations numbered from 1 to 12 to 1995, from 2 to 13 in 1999, from 3 to 14 in 2004 and from 4 to 15 in 2007.

When we discuss “age group = 12” we mean employment relationships of employees between 16 and 19 years old in 1995. This would be assimilated with relationships of 20-23 years old employees in 1999, of 24-27 in 2003 and 28-31 in 2007. We assume that there exists comparability between people in different data bases and we presume “representative” groups of employees in our data source.

For 1995 and 1999 we have data for 1/25 of the total employment relationships. Although in 2003 and 2007 we manage 1/12 of over all administrative data base.



Source: Own calculations, managing based on DADS 1995, 1999, 2003 and 2007.

Testing if our data bases are comparable we can assess the fact that age group structure does not change with time, so we can proceed to compare DADS data for our time horizon. We first proceed to describe the complete structure of the data, to start, later on, analysing it by sex, age group and sectoral branch view points.

In the data base we manage (DADS for 1995, 1999, 2003 and 2007) there exists a variable (called “**duree**”) that measures **the length in days of permanency in the employment relationship**. For each observation we have the sum of the “duree” of all the contracts in the same firm and workplace for each employee. So it is both possible having more than one line (observation) for each employee in the case of changing firm, or in the case of job changing in the same firm. Otherwise, as a unique observation, we observe the relationship of an employee who has been engaged in more than one contract in a year at the same firm.

By basing our examinations in the “duree” variable we can define three types of relationships between worker and his/her workstation: stable, unstable or uncertain relationships. As we manage yearly based data, we have relationships of a maximum of 360 days. We have, therefore, considered those who hold the entire period as having **stable relationships**: starting the first day of the year (the relationship possibly comes from the past) to the last day in the period (possibly going on next year). **Unstable relationships** are those that last less than a year. This means that the relationship starts before the first day of the year (so it is not possible that it carries the same work

relationship from the previous year) and finishes before the year finishes (is not possible to continue more in the same workstation). **Uncertain relationships**, however, are those starting the first day of the year, or finishing the last, in such a way which means we can not establish its exact duration. We are not sure about the nature of such a relationship. Moreover, we do not know if there are stable or unstable. Now we define **stability rate**: what is the rate between stable relationships over the total relationships in a specific year.

In the other main aspect of our analysis we look at **median hourly wage** in current Euros of 2007. We have updated Euros in 1995, 1999 and 2003 to 2007's price level in order to get hourly wage levels comparable. We have approximated changes in price levels through inflation, even if it is largely considered that real inflation in these years, coinciding also with the starting point of the use of the Euro in 1999, was widely higher.

### **Women's share**

One of the most commonly accepted reason for labour disparities is gender.

From age grouping and also sectorial branch perspectives we will attempt to describe the labour conditions for women over the 12 years of the study; focusing on their share of the labour force by group of age, stability rate inequalities and differences in hourly gross wage.

Firstly, we can see an indirect relationship between age and women's share in the labour force. This result is

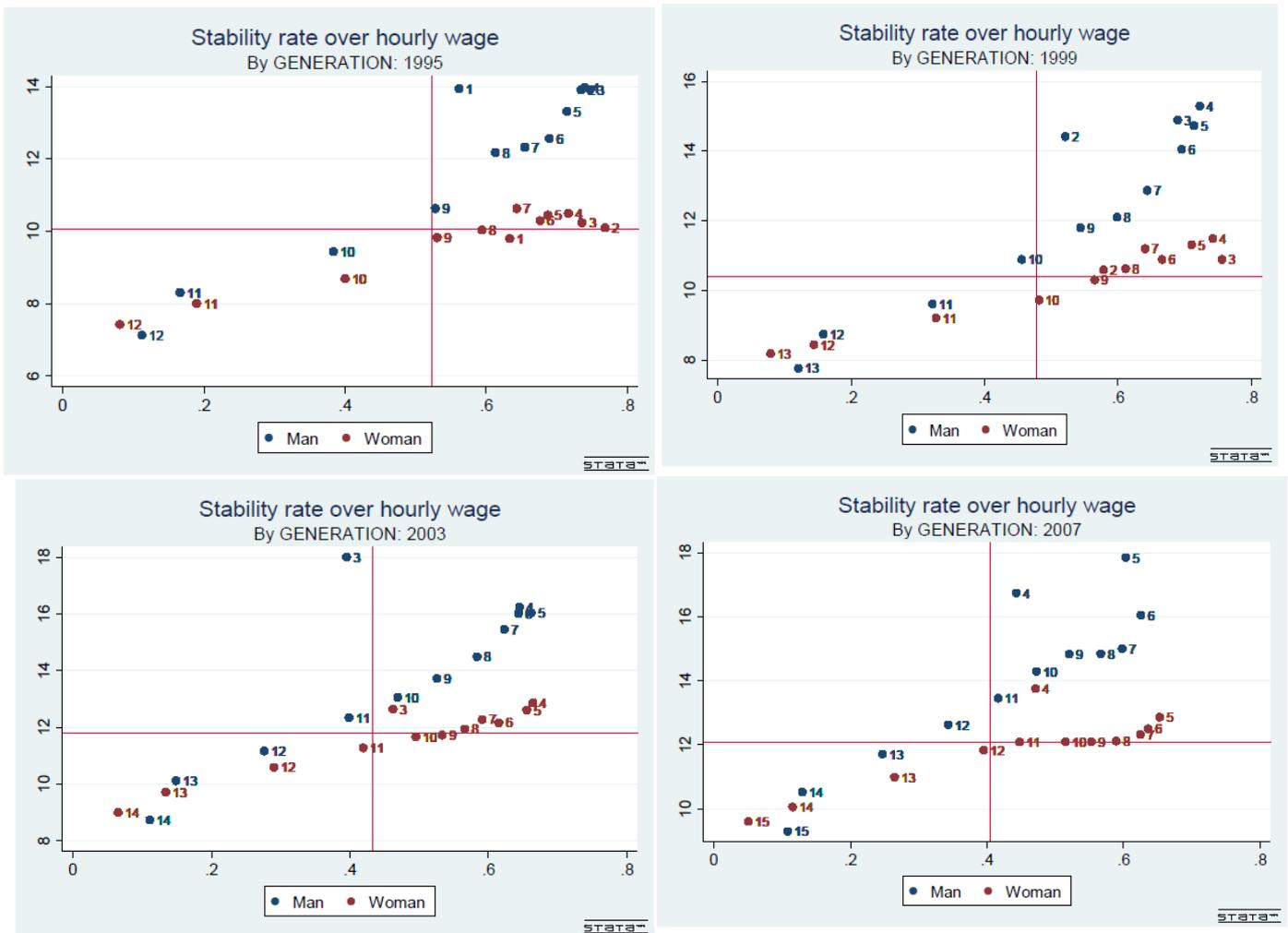
<b>Women's Share</b>				
<i>Age Groups</i>	<i>1.995</i>	<i>1.999</i>	<i>2.003</i>	<i>2.007</i>
16-19	50,00	61,98	43,21	47,02
20-23	52,86	59,26	47,72	47,82
24-27	47,04	49,12	45,25	47,02
28-31	42,18	45,62	43,02	48,80
32-35	39,90	43,11	43,24	48,58
36-39	44,47	46,21	44,38	46,62
40-43	43,95	45,58	47,26	44,85
44-47	41,27	46,91	48,53	43,57
48-51	40,42	48,30	47,02	43,61

coherent with an increasing in woman rate in employment relations. Secondly we would point out the overall increase in the women's share of 2,27 points in the analysed 12 years period.

Source: Own calculations, managing based on DADS 1995, 1999, 2003, 2007

There has been an increase in the emphasis on time devoted to studying, so incorporation into the labour market for youngest women has declined together with their higher level of education. For older generations, a significant increase of the women's share in employment relationships can be noticed, reaching almost 50% of sharing for 56-59 years old women in 2007. For middle age generations, the women's share does not have a clear trend.

**Share of contracts by age group (stability rate and median hourly gross wage):**



Source: Own calculations, managing based on DADS 1995, 1999, 2003 and 2007.

Evaluating the employment model's transformation along our data bases we can observe that in the youngest age groups differences by gender are not remarkable, as people grow get older, however, differences can be noticed (specifically in hourly wage).

Is also remarkable that the amount of people aged 59-63 years old, both for man and woman, normally decreases in this stability rate, whilst the hourly gross wage, however continues to grow.

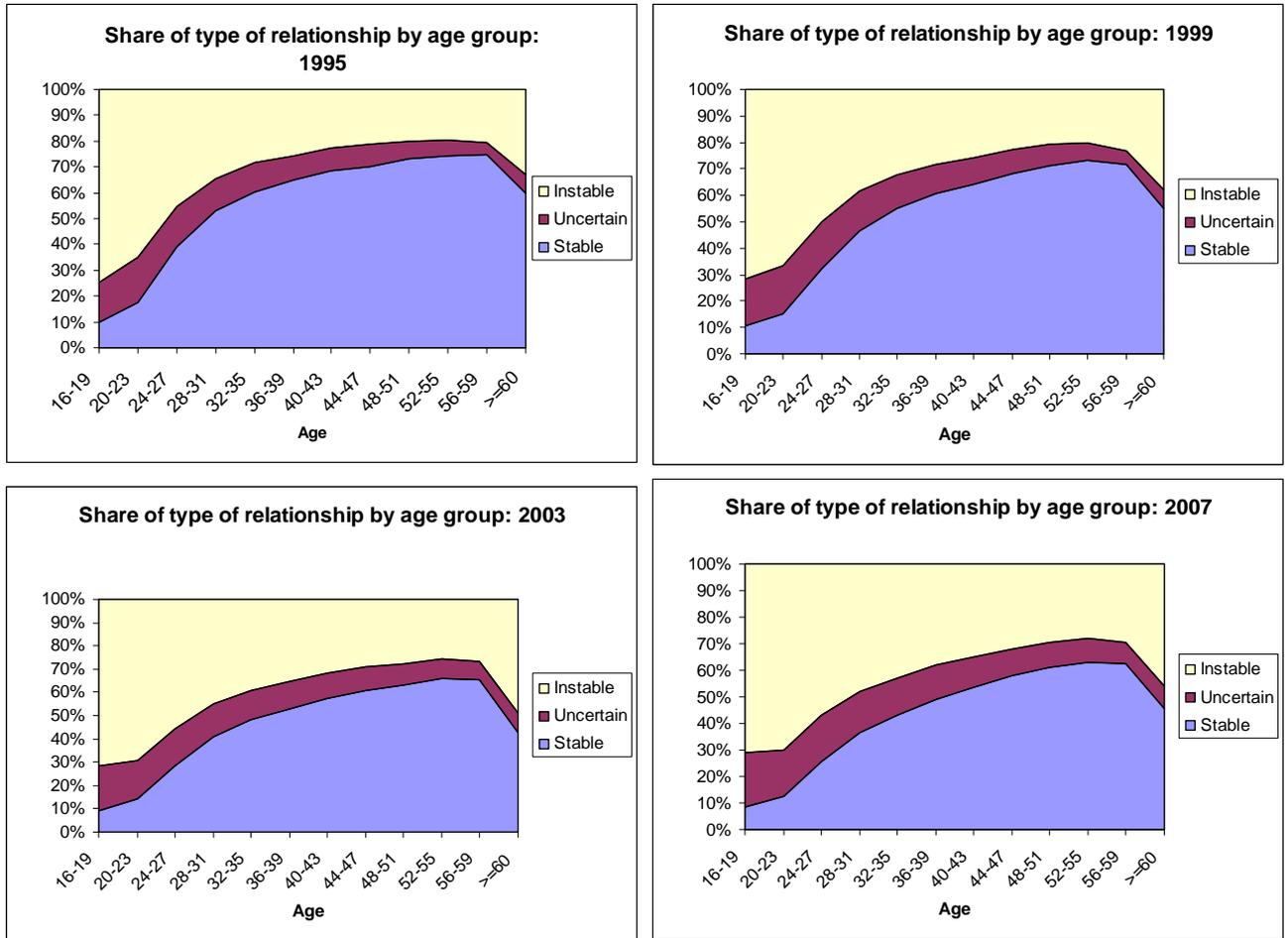
We would be able to observe other indicators of the breaking down of the traditional age patterns in the employment model. As we said in the first section, in our social-liberal state model both youngest and oldest employees are supposed to be supported by middle age populations (the most productive ones); in order to let young people be formed/educated and the elder to transmit them their experience. The decrease in hourly wage, however, and the stability rate of the oldest age group can be considered as a break in this inter-generational solidarity model. In the other side young employees instability and the permanence of large hourly wages inequalities let more difficult the beginning of their careers and their professional promotion patterns.

Other peculiarity of graphics of evolution is the clear stagnation that women suffer and which goes on increasing through the period. In the younger age groups women and men seems to walk together increasing in stability and hourly wage, but, as time passes, stability rate continues growing since hourly wage remains lower for women than for men. Evolution for data bases observed shows that, in 1995, hourly wage increases slower for women than for men. In 2007 instead, hourly wage remains constant for women, since is linearly increasing with age for men. With income level stagnation between 28 and 51 years old in 12 Euros per hour, the women upgoing career likes to be quite difficult in this median woman's case.

In the graphics behind we can observe the evolution of share in type of employment relationships. In general, young age groups have higher share of unstable and uncertain contracts than older generations. As time goes by, share of stable contracts increases (reaching almost the 70% for 56-59 years old workers) to decrease again in the last lap of working life of people in Rhone– Alps from 1995 and 2007.

It is remarkable that, since in 1995 maximum share of stable relationships arrive to 70% more or less, in 2007 this share has decreases to a maximum share of 60%.

There has been an increase in instability, as young people start working with less stability rate in 2007 than in 1995. Contemporaneously, older age groups in 2007 were not able to reach stability levels hold in 1995.



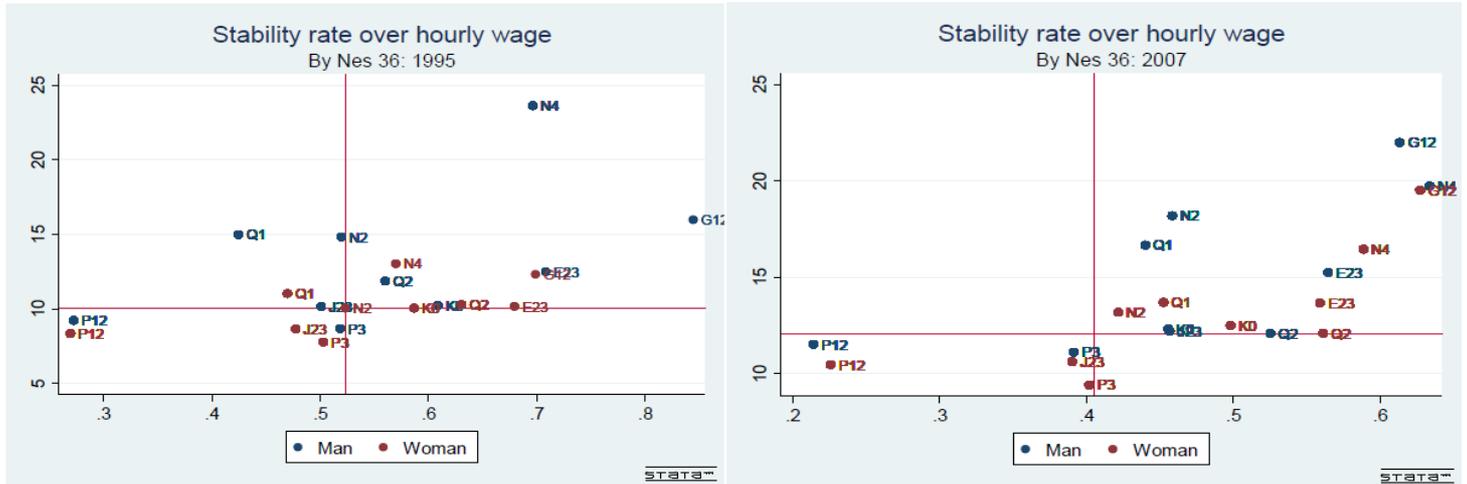
Source: Own calculations, managing based on DADS 1995, 1999, 2003 and 2007.

## 2.2 Studying economic branches:

We are interested in studying the performance of people for some specific sector in our time horizon and from the point of view of age groups. For different reasons we analyse the following sectors: Transports <sup>k0</sup>, Assistance and Consulting <sup>N2</sup>, Research and Development <sup>N4</sup>, Tourism <sup>P12</sup>, Personal Services <sup>P3</sup>, Equipment industry <sup>E23</sup>, Energy <sup>G12</sup>, Commerce <sup>J23</sup>, Education <sup>Q1</sup> and Health and Social Action <sup>Q2</sup>. We start by describing those sectors, focusing first in the overall situation for each year, and in the specific sector's evolution in a second time. In the following graphs we can observe the

distribution by sectors around mean of stability rate and median of hourly wages in the four years analysed.

(Stability rate and median hourly gross wage)



Source: Own calculations, managing based on DADS 1995, 1999, 2003 and 2007

- <sup>K0</sup> **Transports:** what is defined as “Transports” in economic synthesis nomenclature named nes36 in our data base.
- <sup>N2</sup> **Assistance and Consulting:** what is defined as “Assistance and Consulting” in economic synthesis nomenclature named nes36 in our data base.
- <sup>N4</sup> **Research and Development:** what is defined as “Research and development” in economic synthesis nomenclature named nes36 in our data base.
- <sup>P12</sup> **Tourism:** what is defined as “Hotels and Restaurants” (P1) and “Recreational, sportive and cultural activities” (P2) in economic synthesis nomenclature, named nes36, in our data base.
- <sup>P3</sup> **Personal Services:** what is defined as “Personal Services” in economic synthesis nomenclature named nes36 in our data base.
- <sup>E23</sup> **Equipment industry:** what is defined as “Mechanic equipments industry” (E2) and “Electric and Electronic equipments industry” (E3) in economic synthesis nomenclature, named nes36 in our data base.
- <sup>G12</sup> **Energy sector:** what is defined as “Production of combustibles and carburant” (G1) and “Water, gas and electricity” (G2) in economic synthesis nomenclature, named nes36 in our data base.
- <sup>J23</sup> **Commerce:** what is defined as “Wholesale trading” (J2) and “Retail trade” (J3) in economic synthesis nomenclature, named nes36 in our data base.
- <sup>Q1</sup> **Education:** what is defined as “Education” in economic synthesis nomenclature, named nes36 in our data base.
- <sup>Q2</sup> **Health and Social Action:** what is defined as “Health and Social Action” in economic synthesis nomenclature, named nes36 in our data base

In the 12 years period analysed, the median hourly wage, in current € of 2007, has increased continuously, from 10€ to 12€ per hour from 1995 to 2007. On the other hand, stability rate has suffered an important decrease, being 56,60% in 1995, it fell to

40,46% in 2007. So basically, we assume the fact **of decreasing in stability** of 28,52% in order to reach the increment of salaries of 20%. We have also taken into account that salaries had been calculated corrected by inflation, even if real decrease in purchasing power has not been taken into account in our methodology.

Going deeper to analyse relationships among sectors: it is clearly observed, on the one hand, that **Tourism** is quite far from the mean of stability rate and little behind of the hourly wage's median. **Personal services** are closer to the mean and median values of stability and hourly wage, but still in lower relative positions. **Commerce** is as well one of the most unstable sectors, with less than 40% stability rate for the women in 2007 and one of the **most clear** gender intra-sectorial inequalities patterns.

In a middle position, **Transports** are in the median hourly wage but they have a relatively high stability rate around 45-50%. **Assistance and consulting** is a quite big and heterogeneous branches, with the highest gender inequality patterns (a 6-7 €uros wage difference between median man and woman). **Education** finds as well in 1995 than in 2007 à quite similar lower stability rate (more clear for men) with more than 50% unstable employment relations for both sex groups. Men have a higher median hourly wage than women in this branch.

On the other hand, we have masculine employment relations in **Research and development** and **Energy** sector workers, widely better paid and with higher stability rate than the rest (decreasing stability from 1995 has to be pointed). Research and development is one of the most unequal economic branches by gender in Rhone-Alps. The gender inequalities in Energy sector gets into an average level in 2007. Employees in **Equipment industry** have more stable contracts than workers from other sectors, and have relatively less women share, around 20%.

We can conclude that global dispersion around the mean and the median becomes wider in terms of stability rate and hourly wage.

### 3. Precarity and age segmentation patterns in three emerging economic branches

During a research-action project developed by a partnership between Grenoble's university<sup>15</sup> and regional sections of CGT and CFDT worker's unions, so many innovate approaches can be developed about four chosen emergent tertiary sectors. The main ideas before each sectoral data analysis were collected from the documents produced during the last three years of the project. Download at <http://www.upmf-grenoble.fr/lepii>

#### 3.1 Tourism

Each year, hotels in Rhone-Alps are visited by 9 million tourists, and the camping areas by 1.3 millions (information about 2005). CFDT union's researchers Joanne MICHELUTTI and Christian JUYAUX, define Tourism economic branch as the "travelling season activities offered to people during a less than a year consecutive period"<sup>16</sup>. With high rates of temporary seasonal works, mostly taken by young people, tourism is a really precarious branch. That is not only directly observed in wages and job stability, but also in many other aspects of work conditions, like quite usual precarious professional housing and usual lack of health assistance.

The seasonal nature of this branch breaks down any stability option for their workers, who also are moonlighting or find problems to have their experience recognized<sup>17</sup>. Many problems of income discontinuity or social assistance rights guarantee can be found, due to the nature of a protection model thought up for a continuous professional careers.

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<sup>15</sup> This project has been directed by Bruno LAMOTTE and Cécile MASSIT from *Work and Social Development* research group (CNRS, CEREQ and UPMF members), *Production Economics and International Integration Laboratory* of Grenoble's UPMF University

<sup>16</sup> MICHELUTTI Joanne and JUYAUX Christian (2008), "Les saisonniers du tourisme en Rhône-Alpes" in LAMOTTE Bruno et MASSIT Cécile (dir.)(2008), « Précarité et nouvelles formes d'emploi : quatre études sectorielles en région Rhône-Alpes », Bilan qualitatif du Projet « Précarité et Nouvelles formes d'emploi », Mars 2008-Décembre 2008,

<sup>17</sup> MICHELUTTI Joanne and JUYAUX Christian (2008), idem

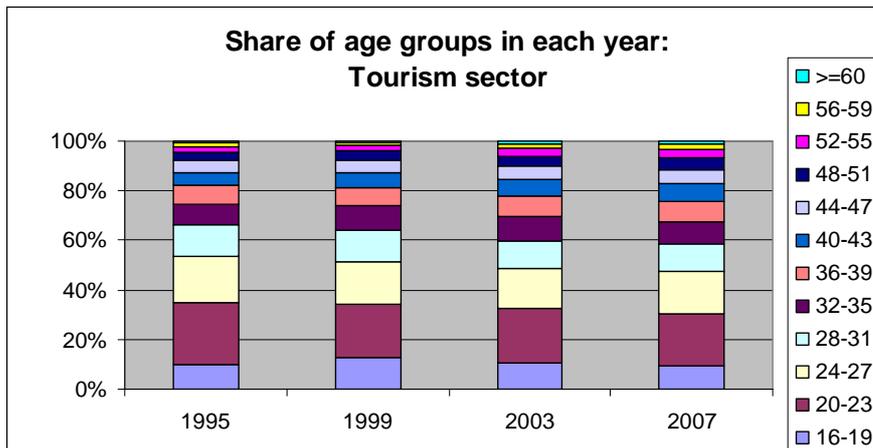
**Focusing now in analysis of DADS data bases:**

Let us now figure out what data shows for “Hotels and Restaurants” and “Culture, Sport and Leisures” as the main branches directly concerned by tourism activities.

In 1995, young employees in the tourism sector, involving 66,46% of the total employment relationships of this branch, were less than 32 years old. There were approximately 211.500 employment relationships (employee-employer relation with the same or with many contracts) in Tourism sector in 1995. 265.025 in 1999, 286.152 were registered in 2003 and 318.540 in 2007.

<i>Approximate number of employment relationships in Tourism</i>	<i>1995</i>	<i>1999</i>	<i>2003</i>	<i>2007</i>
	211.500	265.025	286.152	318.540

In tourism we can observe a quite equalized woman share (around 50%) throughout all the period. Most of workers are pretty young and the stability rate is one of the smallest, situated around 27% in 1995 and 22% in 2007.

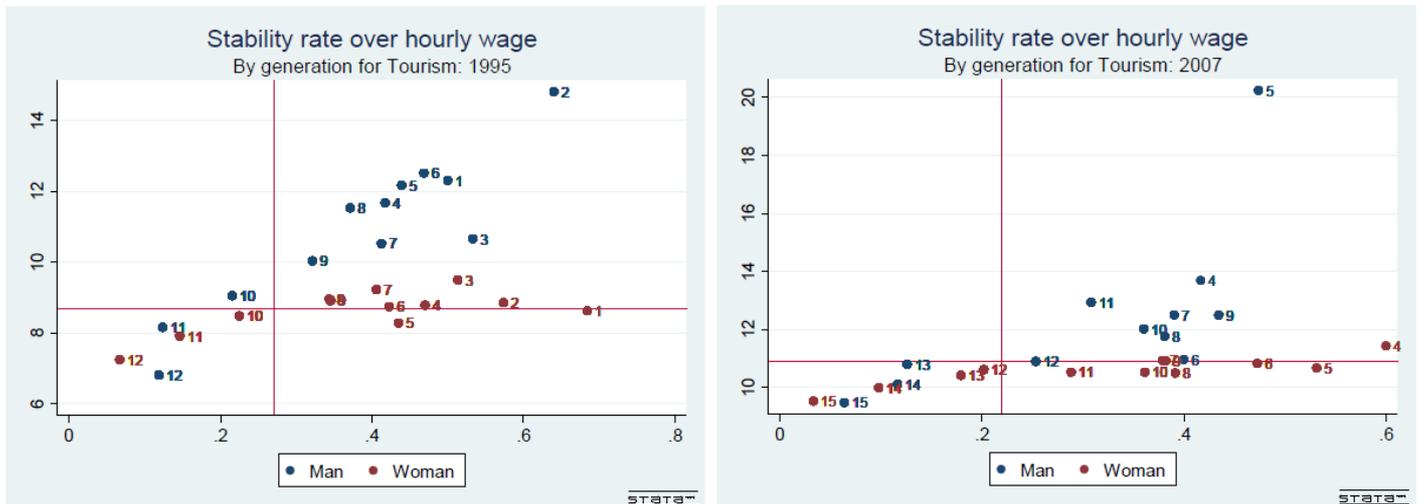


Source: Own calculations, managing based on DADS 1995, 1999, 2003 and 2007.

The relative importance of young workers in the Tourism sector tends to be reduced as the time goes by, but the share of new generations is still very high.

The hourly wages are also of the smallest, and, as in other sectors, even lower for women. Looking at hourly wage over stability rate for different age groups by sex we have obtained two graphs, one for 1995 and the other to 2007.

**(stability rate and median hourly gross wage)**



Source: Own calculations, managing based on DADS 1995 and 2007.

Both in 1995 and 2007 a positive relationship between hourly wage and stability rate increasing in age can be pointed out. There exists also a clear difference between men and women working in the tourism sector. As workers became older, the hourly wage and stability rate lineally increase for men. Instead, for women, once they reach 35 years old, their stability rate grows, but their median hourly gross wage stops going up. The same trend can be observed for 2007, with the only difference of having wider inequalities among age groups. Women's stagnation is very clear and persists along years. Median hourly wages go from 8,69€ per hour in 1995 to 10,92€ in 2007. On the other hand, the mean of stability rate for this sector has decreased from the 27% to the 22% of employment relationships in this branch.

In the Tourism economic branch we can observe that there exists a wide spread in hourly wages analysing intra age group relationships. 50% of workers of the youngest generations earn between 6 and 10 gross income per hour. As we increase in age, instead, the spread in hourly wage goes widening to reach a maximum of 13,75 Euros per hour for the oldest age group in 1995. In 2007, the evolution of dispersion for hourly wage seems to have decreased, as maximum differences in hourly wages among 75<sup>th</sup> and 25<sup>th</sup> percentile are not greater than 10€.

### **3.2 Transports and logistics.**

Logistic activities are defined by Jacques PERRAT as “management of production, stocks, furniture, transports, storehouse and distribution activities”. This branch is holding design and administration of merchandises, financial and information fluxes <sup>18</sup>.

This emerging branch is complex to delimit, and it should be studied between the traditional branch of transport and the new emerging logistic activities linked to increasing global interrelations of capitalist global economies.

Jacques PERRAT presents the INSEE-Rhone-Alps sources for concluding that in 2006 there are 69.500 logistic employments and 56.100 transport employments. From a status point of view 46.200 are directly employees, 65.400 are self-employed and 14.000 are interims (temporary employees by a work-intermediation agency). Finally there are 31.000 extra auxiliary employments. So totally there are 156.700 workers in the transport and logistic sector that supposes the 7% of regional employment <sup>19</sup>.

Transport and logistic in Rhone-Alps is a geographically high concentrated branch, with three zones taking 65% of regional logistic employees (Ain’s plain, Est of Lyon and North of Isere). The externalisation of logistic services, with recurrent use of outsourcing for many activities, promotes a relative absence of quality skill programs, reinforced by the small size of most firms(90% with less than 49 employees)<sup>20</sup>.

These logistic activities, not directly concerned in transporting material merchandises, are extremely fragmented and irregularly mixed in different branches (commerce, industry, transport). Our data analysis is focused only in the transport sector's employment relationships.

#### **Focusing now in analysis of DADS data bases:**

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<sup>18</sup> MASSIT Cécile (2010), CR du colloque « Sécourisation des parcours et dialogue social », Organisé par le LEPII -UPMF, la CFDT Rhône-Alpes et la CGT Rhône-Alpes, Grenoble, 17 et 18 décembre 2009

<sup>19</sup> MASSIT Cécile (2010), Op cit.

<sup>20</sup> MASSIT Cécile (2008), CR du seminar « La précarité dans l’emploi », Grenoble, 16-17 october 2008, Logistic branch

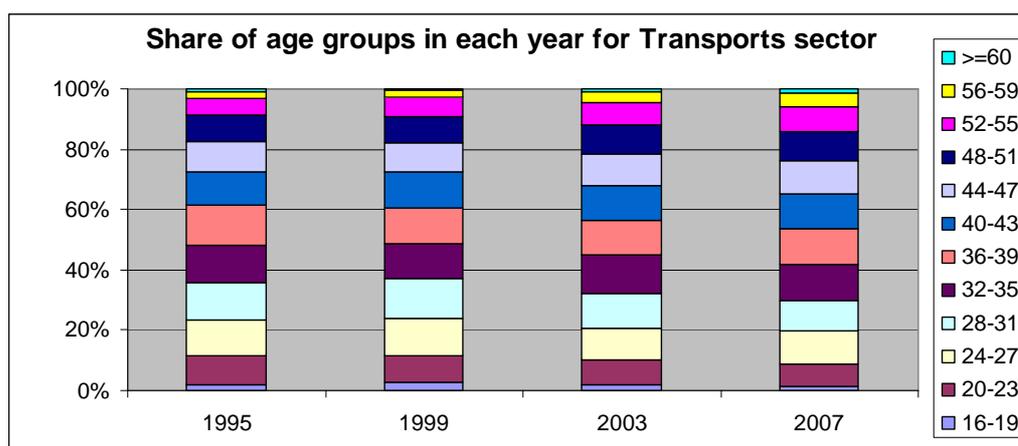
In 1995 the sector has 119.000 employment relationships. Increasing in 32,11% over 12 years, in 2007 we face 157.212.

In 2007 there were around 157.000 employments relationships in the Transport sector, more or less 9,11% of the total regional relationships.

<i>Approximate number of employment relationships in Transports</i>	<i>1995</i>	<i>1999</i>	<i>2003</i>	<i>2007</i>
	119.000	143.075	148.524	157.212

On the one hand, the transport sector has the lowest woman share among the studied economic branches. The stability rate barely surpasses 60% in 1995 and decreases in the studied period, reaching 46,55% in 2007. The Transport sector has been always linked with a low women share and low skilled workers. Woman share increases with time, but does not reach more than 22,89% in 2007.

On the other hand, the share of people by age group in this sector is quite homogeneous, as each age group contributes with around a 10% to the whole employment relationships of the sector. We can also observe that labour force in the transport sector is getting older, as the share of young people in the sector is slowly decreasing.



Source: Own calculations, managing based on DADS 1995, 1999, 2003 and 2007.

Looking at distribution by age group of hourly wage and stability rate in 1995, we can see a strong inequality among younger and older age groups. The younger ones are very far from older, which (excluding the oldest ones) go far from the median of hourly wage

and mean stability rate. The positive slope of linear trend increasing in age, stability rate and hourly wage is extremely sharp in 1995 and there are not gross differences by gender to point out.

For 2007, we also have no differences by gender, even if we can observe more equitable distribution by age groups. We cannot forget that the woman share in this sector, even increasing in time, is one of the lowest ones.

Concluding this sector analysis we can point out the middle dispersion in hourly wages, as 75<sup>th</sup> percentile and 25<sup>th</sup> percentile for each age group fluctuates around 3,5€ per hour. In resume, we face a low payment sector for the majority of workers, with a higher and increasing dispersion between age groups.

**(Stability rate and median hourly gross wage)**



Source: Own calculations, managing based on DADS 1995 and 2007.

**3.3 Personal services and Home helpers**

The average population age is increasing in France and in Rhone-Alpes, like in most European territories. As we can see in a quantitative study about home helper’s branch at regional level<sup>21</sup>, 20% of the population from Rhone-Alpes is more than 60 years old, and this rate will increase up to 27% in 2030. Ageing society’s phenomena, correlated

<sup>21</sup> SEMIO-Observatoire de la branche Aide à Domicile (2008), « ETUDE QUANTITATIVE NATIONALE BRANCHE AIDE A DOMICILE RHONE ALPES », Décembre 2008.

to the increasing feminine employment rates and the renewing of exclusion and marginalisation social problems, determine the positive evolution of home helpers and the demand of other personal services.

As has been studied by worker's union researcher Yves JALMAN, the personal services sector has an increasing demand in Rhone-Alps, with 210.000 house holdings using them, and about 100.000 employees in 2006 (between 5 and 7 % of active population in the region)<sup>22</sup>.

Emmanuelle PUISSANT explains how the new emerging professionalization of care and other housing services, causes a confrontation between different kind of work-senses (civil, domestic, industrial, marketable...)<sup>23</sup>. We can use some different categories to understand this branch:

- "Personal services", as a big and heterogeneous sector, can be categorized in three different areas: Services to the families (linked to children care, scholar's support, informatics or administrative assistance, illness guard...); Daily life services (clean or cooking activities, garden services, house maintenance and surveillance...); and Services to dependent people (assistance and caring of aged, disabled or ill people).
- There are three modalities of giving those services: interpersonal direct employment relation (most used contractual way); direct employment supported by an intermediation relation; and service providers.
- Therefore, there are four kinds of employees: personal users, public local or territorial actors, non-profit associations and lucrative private firms.

This complex and highly fragmented employment model is not completely studied in our data analysis. We have to remember that as in DADS there is no information about the State's institutions workers, we are not taking them into account in the employment relationships general data base. Instead, employment relationships in "territorial collectivities" or regional/local public institutions are considered. The main restriction

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<sup>22</sup> JALMAN Yves (2008), Précarité et Nouvelles formes d'emploi : Diagnostic Cgt , Lyon le 1er juin 2008

<sup>23</sup> PUISSANT Emmanuelle (2007), « Associations d'aide à domicile : des tensions dans la relation de travail », Communication to Social Economy Association's congress, september

JANY-CATRICE Florence and PUISSANT Emmanuelle (2010), « L'aide à domicile face aux services à la personne et registres d'action contradictoires : des politiques aux organisations », nextly published in the IRES' revue.

of DADS data bases is that we have **no information about households hiring directly a home helper or any other kind of personal services**. That is a main part of domestic services, that should be studied with another kind of survey. Finally we have to take into account the “black workers” phenomenon (those working without a regular job contract<sup>24</sup>), that is really the last important and officially invisible working group of this economic sector.

**Focusing now in analysis of DADS data bases:**

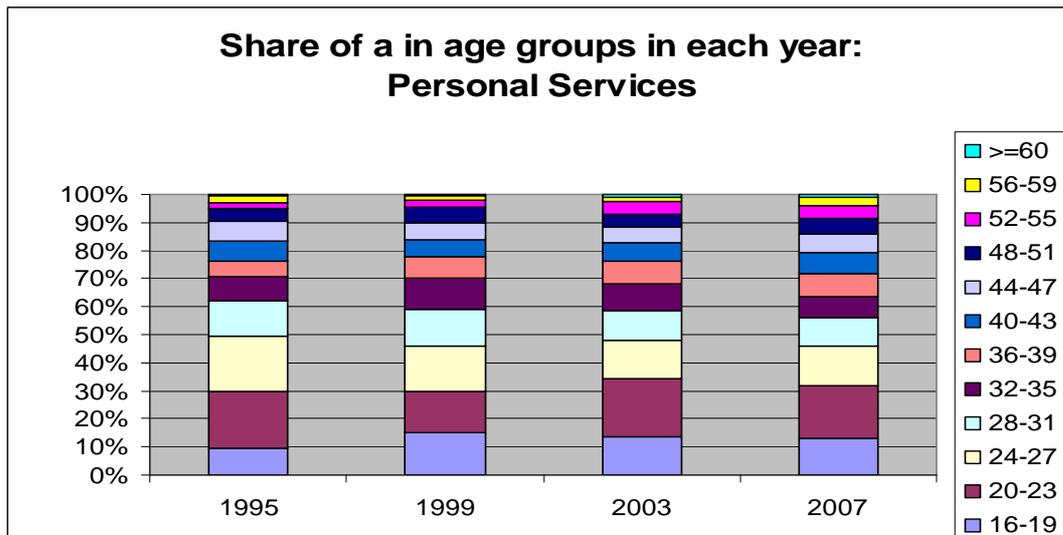
We are focusing now in the data we have managed (DADS) in order to understand what is happening in the Personal services sector in the time horizon DADS data bases give us. We have an increase in employment relationships for the registered part of this sector since 1995, increasing in almost 43% .

<i>Approximate number of employment relationships in Personal Services</i>	<i>1995</i>	<i>1999</i>	<i>2003</i>	<i>2007</i>
	20.920	23.750	24.744	29.880

In the Personal services sector, Education and Health and Social Action we have no less than 55% of women employees, reaching 80% in Personal Services. In the data analysed, far from decreasing, the women share has also increased, being of 82% in 2007. Compared to other economic branches, we can observe that the mean of stability rate is relatively lower for Personal Services. In the same way, in terms of hourly gross wage, global median is above indicators for this sector.

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<sup>24</sup> Sometimes home helpers (mostly women) and other people coming from periphery countries) they cannot have access to a legal job contract because not having residence papers. This problem is increasing in France because of a new segregation policy that suppose around 28.000 poor-foreigners expulsion.



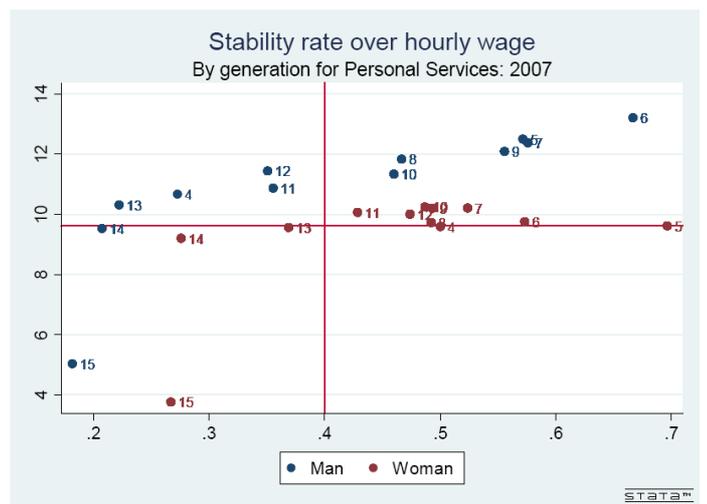
*Source: Own calculations, managing based on DADS 1995, 1999, 2003 and 2007.*

Looking at the distribution by age group of the sector's principals, it is remarkable that a clear positive relationship among wage and stability variables and increasing age is not observed. Being older is related to higher stability rate, but not along with, as it is normally observed, an increase in hourly wage.

Scatter plots, nevertheless, show an increase in dispersion and difference in the variables we work with between women and men. Even if women represent around 80% of the total workstations in the sector, they seem to be paid worse, have less stability rate and improve their principals later than men.

In general we are not facing a high internal inequalities sector. In the personal services economic branch we have, mainly, poorly paid women, being very similar among them in terms of hourly wage. We are talking about a poorly equitable sector (maximum intra percentiles differences of 3 Euros on average, both in 1995 and 2007).

**(Stability rate and median hourly gross wage)**



Source: Own calculations, managing based on DADS 1995 and 2007.

## **Conclusions**

This paper has been focused on the main segmentation patterns in Rhone-Alps' economic branches, trying to evaluate the role of different age groups, and particularly of young employees, in the recent evolution of this topic in last years. In the first section we have proposed a conceptual framework about new tendencies in segmentation patterns to understand young workers precarity. The main issue is to identify the socio-economic factors of this process and their internal or external nature related to the firms. We realize the urgent need of re-conceptualising segmentation models to analyse the main problems of young generations at the beginning of their working lives.

The second section analyses the evolution of segmentation patterns by sex, age and economic branch in the Rhone-Alps economy. A quite stable global age structure of employment relationships in the 1995-2007 period, allows us to a comparative approach of the evolution of segmentation patterns. Can globally increasing hourly gross wages be taken as an absolute amelioration of the employees' well-being? How are global destabilisations of employment relationships (stability rate falls down from 55% in 1995 to 41% in 2007) are distributed by age, sex and sectoral patterns? The maximum share of stable employments (for aged 52-55) was 70% in 1995 and decreased to 60% in 2007. The young employees, with quite smaller hourly wages, have not really objective inequalities by sex. On the other side of age groups structure, we realized quite long and increasing sex inequalities for middle and more aged groups of employees, with a clear stagnation of median hourly wage for women aged 20 to 51. The extremely small stability rate for young workers, increase for middle-age employees and decrease again in the last lap of working life.

If we get into the segmentation patterns by branches, we realize this factor as one of the most determinant in the hourly wage and stability distribution inequality. We recognize quite persistent inequalities from really stable and well-paid branches as energy, equipment industry or research and innovation activities (the last one with one of the largest gender inequalities patterns), to the most precarious ones as tourism, commerce or personal services. The quartile's distribution (not explained in this paper) shows quite different intra-branch inequality patterns for all of these economic sectors.

Finally, in the third and last section we have identified some specific employment models and their segmentation patterns for three tertiary economic sectors. **Tourism** is the most precarious economic branch of Rhone-Alps economy. More than 66% of the employment relationships are focused on the young workers (up to 32 years old). The global stability rate of the branch decrease from 27% of employment relationships in 1995 to 22% in 2007. In 1995 we can observe a stronger direct relation of ageing in stability and median hourly. In 2007 the inter-generational wage inequalities are quite narrow. The ageing precariousness shows the lower hourly wages for older employees from 50 years old. In this branch women's stagnation in income patterns is an extremely clear process: women do not increase their hourly median wage from 24 to 60 years old.

The **Transport and logistics** branch is one of the main emerging economic activities in Rhone-Alps. With a really equilibrate age structure (10% contribution of each age group to their total employment relationships). With quite (increasingly) unstable employment patterns (60% in 1995 and around 45% global stability rate in 2007), the amelioration age perspectives are quite linear and not really segmented by sex. The women's share in transport firms is the lowest one in all the economic sectors (22.9%).

**Personal services and home helpers** is the last branch in which we have focused our paper. It has a radical change in segmentation patterns from 1995 to 2007, we find many interesting information from this sector, in which 80% of employment relationships are take by women. Despite the major participation of women in this care and helping activities, men's median hourly wages are higher for all age groups, with a more inequality tendency from 1995 to 2007. Non-positive relations between wage and stability are observed. We can conclude that this economic branch is at the beginning of a permanently precarious employment relations model. Without any more career perspectives (no increase of job stability and hourly wage for ageing workers) most of their employees stay in a permanent stagnation of their working conditions for their whole life.

After focusing in young workers precarity and the main age segmentation patterns in Rhone-Alps' economy, we rebound in two further investigation perspectives:

- More complex than the static approach of segmentation patterns by the age group in a particular year, a longitudinal data base or a dynamic approach of

annual sources could develop a new exercise for understanding precarity and segmentation as a process, with a temporal approach of career steps and transitions as important issues in employment relationships models<sup>25</sup>.

- The introduction of Socio-Professional Categories could be the second opening perspective. Economic branches as the main aspect of employment relationships, do not take into account the other main available information about working conditions, the role that workers really play in their professional activities.

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<sup>25</sup> FAVEREAU Olivier, SOLLOGOUB Michel and ZIGUERA Jacques A. () ; SCHMID Günther y GAZIER Bernard (2002) ; ZUBIRI-REY Jon Bernat (2008)

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