## Part-Time Employment in Switzerland

Relevance, Impact and Challenges

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## 1. Reality and challenges: an introductory note

## 1.1 Motivation

In recent labour market history, one of the most striking features has been the increase of non-standard employment arrangements. These types of arrangements refer to atypical and alternative employment arrangements which are often called flexible staffing arrangements. The utilization of these flexible labour arrangements has been, nonetheless, the source of much controversy in the past twenty years. Nowadays part-time employment is becoming more and more common in the OECD countries, more specifically in Switzerland.

In the Swiss labour market, part-time work remains the most wide-spread employment schedule among flexible standard arrangements: out of the overall active population, one employee out of three works part-time and more than half of all women are part-timers. Female part-time workers represent 57% of the active population which is far more than the same proportion of male part-timers (13%). The progression of part-time activities among men and women has also been five times higher in the past years than the work progression for full-timers (SFSO, 2009). In international comparison, Switzerland ranks second just after the Netherlands in terms of the highest percentage of female part-time employees worldwide. When considering the overall number of part-timers (including men and women), Switzerland ranks fourth worldwide after the Netherlands, Japan and Australia (ILO, 2009).

Although forms of involuntary part-time schedules still exist, part-time employment is becoming more and more a desirable work arrangement to conciliate private and professional obligations.

Despite the potential importance of part-time employment in Switzerland, many statements about its impact are rather speculative. Until now, most empirical works have been focused on part-time work as being one out of several explanatory variables in econometric models focusing on the labour market. There are, however, very few studies in

which part-time and full-time workers are differentiated into two samples and compared directly with each other.

This thesis attempts to present some economic angles of the impact of part-time work on hierarchical occupation and earnings disparities, as well as personal and social welfare. The models used in the following economic research contain comparisons between large samples of part-time and full-time employees by using two reliable Swiss datasets. Although the following analysis is in no way a comprehensive study, we tried to cover particular fields of economic science such as vertical segregation, earnings disparities, labour market segmentation and finally, social welfare.

## 1.2 Contribution and thesis overview

One of the central contributions of this thesis is the importance attributed to the status of part-time and full-time. By avoiding the common tendency to take this characteristic as only one of several explanatory variables, part-time becomes a fundamental focus of analysis where two types of workers are compared: the first includes a group of part-timers working less or equal to 75% of a full-time schedule, and the second, more than this percentage (the threshold of 75% being clearly explained in the following chapters).

This thesis is structured into five chapters<sup>1</sup> with the main economic core in Chapters 3 to 5 where several econometric models are tested with large datasets of respondents such as the Swiss Earnings Structure Survey (SESS) and the Swiss Labour Force Survey (SLFS), the first containing more than 1.3 million observations and the second approximately 48'000 respondents.

Chapter 2 aims to introduce the concept of flexible time arrangements by presenting their main characteristics and determinants. Several angles are highlighted such as the notion of core and periphery within

<sup>1</sup> This PhD thesis was preliminarily thought to be composed of four main papers but the interaction and relationship among these papers lead us finally to present the entire research in a more linear approach containing five chapters.