



closing gaps in European social citizenship

**Intersectional inequalities and the quality of
work trajectories in different labour market
regimes: a mixed method approach**

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- i) to advance the knowledge base that underpins the formulation and implementation of relevant policies in Europe with the aim of exercising the EU social rights as an integral part of EU citizenship and promoting upward convergence, and
- ii) to engage with relevant communities, stakeholders and practitioners in the research with a view to supporting social protection policies in Europe. Contributions to a dialogue about these results can be made through the [project website \(euroship-research.eu\)](#), or by following us on Twitter: @EUROSHIP_EU.

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Contents

Contents.....	3
Introduction	4
Country cases on early career development and intersectionality.....	6
UNITED KINGDOM	9
Employment trajectories and poverty risk	9
Although a challenge, it makes you visible: The story of “Abby”	9
NORWAY	10
Employment trajectories and poverty risk	10
When it’s not the lack of will, but of health: The story of “Emilie”	11
ITALY.....	12
Employment trajectories and poverty risk	12
When family becomes it all: The story of “Elena”	12
SPAIN.....	13
Employment trajectories and poverty risk	13
When once an outsider remains an outsider: The story of “Ada”	13
ESTONIA	14
Employment trajectories and poverty risk	14
When remedy can also create a trap: The story of “Eerika”	14
HUNGARY	16
Employment trajectories and poverty risk	16
When you fly without a safety net: The story of “Mark”	16
Summary	17
References	20

Introduction

In capitalist democracies, successful integration into the labour market is an essential part of transition into adulthood. There exists ample evidence that lack of work leads to poverty and social exclusion. Consequently, paid work is presented as the solution to avoid and recover from both poverty and social exclusion. Following this logic, unemployment is often seen as the cause or an important dimension of poverty (Copeland and Daly, 2012; De Graaf-Zijl and Nolan, 2011, Unt et al 2022a). However, having (any) job may not be enough to reach financial independence or avoid being financially marginalized. One can still be poor despite being mostly employed (Halleröd 2004). Social scientists and politicians have termed this situation as in-work poverty (being in employment, but yet in poverty) and it affects many young people across Europe. This situation may lead to a cycle of poverty and social exclusion, making it difficult for young people to escape from the trap of low-income work and improve their financial situation. According to Eurostat (ilc_iw01), in 2021, 8.9% of adults (18-64 years old) were living in in-work poverty. Among young people, the share of working poor was even higher, where 12.8% of young adults aged 18-24 were considered working poor.

Defining in-work poverty is challenging for various reasons as it combines the economic situation of a household and the economic status of a person. Being in poverty typically refers to a person who lives in a household that has an annual income below poverty line. Whether the person is working is often considered in reference to a timeframe, such as having worked six or seven months during the past year (12 months). In the current analysis, we adopt the standard indicator of in-work poverty which has been included into EU social reporting since 2005 (Bardone & Guio, 2005). It is a hybrid concept defining an in-work poor person as a working person who lives in a “poor” household after social transfers have been calculated. Household poverty is defined as a relative concept with reference to the living standard in a given society (<60% of median equivalized income). A person is considered working, if they have been employed for the majority of the past year (i.e., >6 months). Thus, this concept brings together two important dimensions: first that a young person is working and second, the potential role of a household to act as a buffer and provide social protection from poverty. Previous studies (Easterlin & Plagol 2008, Hagerty et al. 2001) have shown that in order to capture the nature of quality of life, both «objective and subjective dimensions of well-being are important» (Stiglitz et al. 2009, p. 15). Therefore, we also studied the subjective in-work poverty among youth. As a measure we used the agreement with the statement “I have great difficulties to make ends meet”.

In-work poverty risk does not affect all workers the same way. Young labour market participants are more likely to experience in-work poverty risk than the average working population (Halleröd & Ekbrand 2014, Unt et al 2021). In addition, because labour markets are gendered, measures of in-work poverty suggest that families tend to offer better protection against in-work poverty for women compared to men (Märtsin et al 2023). Women in more vulnerable labour market situations (including low wages) often share a household with a full-time working partner and therefore are less likely to fall into the category of working poor. Men, in comparison, are more likely to share a household with a partner who has a low-wage or no income, which increases their in-work poverty risk (Maitre et al., 2012). Higher in-work poverty risk has been related also to other factors. Crettaz and Bonoli (2011) point out factors such as low pay, low labour force attachment and large family size. Besides individual characteristics,

Frazer & Marlier (2010) highlight institutional factors such as minimum wages and social protection that can also reduce the in-work poverty risk.

A common way to analyse in-work poverty is by assessing the risk to poverty in relation to certain social and/or employment status(es). However, rather than dividing people into specific categories depending on their current labour market position, “we should try to understand different employment positions as existing along a continuum from total inclusion in the core labour force, through different forms of peripheral labour market positions, to total exclusion from the labour market” (Halleröd et al 2015, 478). Also, a static picture on labour market status can differ considerably from a longitudinal perspective including different types of transitions. Therefore, in our analysis, instead of looking at labour market statuses and its relation to in-work poverty risk, ***we look at labour market trajectories that may include different types of transitions and/or fluctuations between employment statuses and quality***. Also, instead of looking at single risks related to in-work poverty, we want to take a more holistic view, where potential interplay between different factors is considered on both the individual and structural levels. For this we bring together evidence from in-depth life-course interviews to analyse trajectories of in-work poverty across six European countries and apply the ***intersectionality approach***. Thus highlighting how work-trajectory in young adulthood intersects with various other domains in people’s life, particularly the “usual suspects” domains of education, family, migration and health.

Intersectionality can be considered as a “methodology for research” (Symington, 2004; for more see Arciprete et al 2022) that helps in pointing out hidden injustices by providing an understanding of social inequalities. It assumes that individuals belong simultaneously to multiple social groups/categories that are socially ranked in terms of power. According to this approach, one should not focus on a single status such as gender or ethnicity separately because inequality experienced by individuals is a result of the interplay between separate but related social statuses and categories to whom the individual is considered to belong.

The aim of the report is to synthesize the findings of both quantitative and qualitative analysis¹ from the EUROSHP group on the topics of work quality of young adults and its relation to social exclusion risk. For this purpose we examine individual trajectories of young adults in terms of labour market attachment that relate to higher risk of in-work poverty. After outlining the most precarious labour market trajectory in quantitative terms, we zoom in to a single life story of a young person from each specific institutional context to provide qualitative depth and an intersectional look at the lives of youth. Instead of focusing on separate or single risk categories, we focus on the interplay, accumulation and/or reduction of different poverty and social exclusion risks among young adults. It is well known that the organization of welfare states is related to country differences in in-work poverty (Frazer et al. 2011) and that differences in institutional structure of the welfare states explain some of the difference in country poverty rates (Korpi & Palme 1998). Thus, it is the combination of labour market and welfare state features that explain country differences in in-work poverty. In this paper we aim to unfold those interactions and intersectional inequalities through the voices of young adults. Therefore, we see the individual early career trajectory cases within concrete country contexts as a useful tool that helps us better understand the potential interaction (or lack of it) between individual and institutional elements.

¹ For data, methods and more detailed findings, more detailed information can be found in EUROSHP Working Papers no 16 (Unt et al 2022a, quantitative findings), no 18 (Unt et al 2022b, quantitative findings) and no 21 (Märtsin et al 2023).

The next section of the report summarizes the main findings of the quantitative analysis (for more details see Unt et al. 2022a, 2022b) regarding early career trajectories of young adults, its association with in-work poverty risk and (individual) characteristics related to that risk. This will be followed by country cases where we present both the highest in-work poverty risk trajectories in that country as well as a life story that reflects the realization of various in-work poverty risk factors from an intersectionality perspective.

Country cases on early career development and intersectionality

In this section, we will present an overview of European youth labour market trajectories, focusing on those people who during the second year worked at least for six or more months, and thus could potentially be at risk of in-work-poverty. Using a group-based trajectory modelling technique (see also EUROSHIP Working Paper no 18 Unt et al. 2022b, p. 16), we identified six labour market trajectory groups for young adults out of education and in employment (i.e., 6+ months a year) (see Figure 1):

- A «full-time» trajectory where the young adults basically remained in full-time employment throughout the observed 2-year period (69% of the cases were in this category group).
- A «part-time» trajectory group where the young adults remained throughout the observed period around the level of part-time employment (11% of cases fell into this category).
- A «insecure employment to full-time employment» trajectory group characterized by transition from marginal employment (unemployment or part-time employment) to full-time employment (8% of cases fell into this employment trajectory group).
- A «full-time to part-time» trajectory group where initial full-time employment became eventually part-time employment (6% of cases fell into this category).
- A «unemployment to full-time employment» trajectory group characterized by rather fast transition from unemployment status to full-time employment (5% of cases fell into this employment trajectory group).
- A «inactivity to full-time employment» trajectory group that was characterized by a transition from inactivity to full-time employment (slightly over 1% of cases fell into this category).

Further analysis indicated that the trajectory groups, meaning different patterns of young adults' labour market attachment and position relate differently to their social exclusion levels. Estimations using the group-based trajectory modelling that included poverty risk in the trajectory-group formation equation showed that while «full-time» trajectory relates to lowest in-work-poverty risks – about 5% of cases in this trajectory group experienced/ lived in relative poverty in the second year. In turn, trajectories with considerable amount of insecurity also related to significantly higher levels of in-work poverty. The highest poverty level (18% of young adults in this trajectory group were characterised as living in relative poverty in the reference year) related to the «part-time» trajectory group. Above-average higher poverty risk related also to trajectory group characterised as «insecure to full-time employment» (12%) and trajectory group characterised as «full-time to part-time».

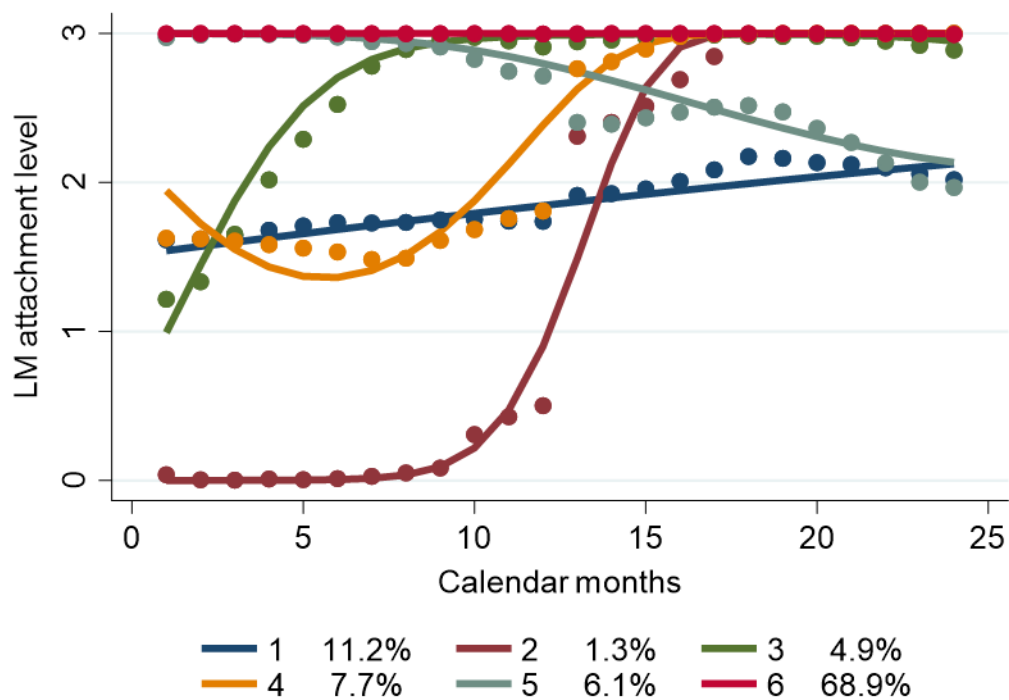


Figure 1 Employment trajectories of young adult in Europe

Source: EU-SILC 2005-2019, authors' calculations

Note: Longitudinal information for 2-year (24 months, starting in January) period of employment status is used, which is presented in the x-axis. Employment status is presented in y-axis and coded as full-time employment (3), part-time employment (2), unemployment (1) and inactivity (0).

The findings of the multi-level analysis indicated that females were significantly less likely to experience in-work poverty measured by household relative poverty level. Very importantly, we found (see details Unt et al. 2022b) that when poverty was measured by a subjective measure, i.e. perceived ability to make ends meet, women were at higher in-work poverty risk. This challenges the common assumptions behind the equal sharing of resources within household and indicates that the way poverty is measured and operationalized has an impact on the conclusions we draw. Poverty risk (both objective and subjective) decreased with the increase of age of young adults, which may indicate that longer labour market experience lowers average in-work-poverty risk (here should be kept in mind that the analysis includes only young adults active in the labour market, whereas for example long-term unemployed or NEET would often remain excluded). There exists also an educational effect. Young adults with higher education, but also medium level education experience significantly lower levels of in-work poverty (both relative poverty and perceived poverty) compared to young adults with low level of education. Also, household characteristics help to explain some of the in-work poverty risk. The findings show that having more children in the household leads to significantly higher levels of in-work poverty risk for the household. Unsurprisingly, the more working age adults in the households are employed, the lower the household poverty, which means that unemployed or inactive adults in the household increase household poverty risk.

Next to individual characteristics Frazer & Marlier (2010) highlight institutional factors such as minimum wages and social protection that often mediate the labour market position driven poverty and exclusion risks for the total population. Our findings for *youth* offer partial support to these findings. An increase in the ratio of minimum wage relative to median wage tends to

associate with lower poverty levels among young adults. To our best knowledge, the wage floor effect has not been studied for youth subjective in-work poverty before. Interestingly, relatively higher minimum wage was especially effective in buffering the subjective poverty levels of youth. We also found some moderator effect of minimum wage regulation of the country – the higher the minimum wage levels relative to median wage, the less likely young adults are to enter labour market from inactivity (i.e., young adults following the “inactive to full-time employment” trajectory) or experience in-work-poverty. Which may indicate the importance of social protection in this process.

Despite some common trends and significant associations on a European level, our analysis showed that both the employment trajectories and related poverty risks differed across countries (see also Unt et al 2022a). Therefore, we carried out detailed analysis for six country cases: the UK, Norway, Italy, Spain, Estonia, and Hungary. Our analysis using the objective poverty risk measure indicated that:

- In the EU overall and in all the observed countries, the most prevalent employment trajectory was «full-time» employment trajectory. However, the share of youth in this trajectory varied greatly across countries. In Spain only slightly more than half of the young adults enjoyed this type of labour market security, compared to Norway, where it reached to almost 3/4 of the observed cases.
- All country cases included a so-called “employment insecurity” path. However, similarly the share of youth in this vulnerable pathway differed considerably. In Estonia and Hungary, only every 12th belonged to this trajectory group, while in case of the UK, Spain, and Italy, as many as every a fifth of all the cases.
- In all country cases, the lowest levels of in-work poverty risks related to «full-time» trajectory group. However, in Norway only 3% of young adults in this trajectory group experienced poverty, while in Spain the figure was more than double (7%).
- In all country cases, higher (i.e., above average) in-work poverty related to employment trajectories that included episodes or periods of labour market exclusion or marginalization, i.e., part-time work, unemployment or inactivity.
- There existed considerable gender differences across trajectory groups. The most dominant group that at the same time related to lowest in-work poverty risk - «full-time» employment trajectory - was in all the country-cases male-dominated, whereas female concentration tended to be higher in trajectory groups with higher insecurity and respectively higher in-work poverty risk.
- High in-work poverty associated in most of the countries with above-average share of young adults working in service sector, meaning youth often employed in “low quality jobs” with low salaries, low levels of employment protection and high levels of employment insecurity.
- Higher in-work poverty risk tends to relate with lower level of education – in most cases the share of low-educated people tended to be higher in trajectory groups with higher poverty risks, although this was not the case in all countries.
- Households with fewer adults in employment tend to be at higher risk to in-work poverty in most of the observed countries. At the same time, having more children in the household seems to be another characteristic of trajectories with higher poverty risk, but also this was not the case in all observed countries. Both in Estonia and Hungary young adults in the trajectory group “inactivity to full-employment” were female-dominated and had on average higher number of children. Yet, the trajectory-group related poverty risks differed considerably between the two countries.

Overall, despite common trends across EU countries in general, countries have unique features when it comes to labour market attachments and social exclusion of young adults. Moreover, we also find different “profiles” of young adults in seemingly similar trajectories, indicating once more country (institutional) differences. Young adults may experience similar labour market challenges and yet very different outcomes in terms of social exclusion. To take a detailed look at how national structural factors and intersectional differences affect inequalities, we present a singular case of a youth who shares some intersectional qualities that are directly related to in-work poverty risks in that country. For this, we first summarise the main characteristics of the most vulnerable labour market trajectory group(s). Then we zoom into the life story of one young adult in this type of high in-poverty risk employment trajectory group.

As already noted, each country has slightly or some completely different patterns of employment trajectories, and therefore we draw not from overall European Union level trajectory groups but focus on country-specific findings. In this way, we present six different stories from six different countries illustrating the intersectionality and accumulation of risk factors among young adults during their early career stage. The great advantage of these stories is the multi-layer picture of individual and institutional features that shape employment and poverty outcomes. It also allows to get a more longitudinal and dynamic perspective on social exclusion among young adults.

UNITED KINGDOM

Employment trajectories and poverty risk

Based on group-based trajectory modelling results, we identified five trajectory groups for young adults’ labour market participation in the case of the UK (for more see EUROSHIP Working Paper no 16, Unt et al 2022: 10-13). The highest poverty risk (18%) was related to the trajectory group characterised as «labour market insecurity» pathway, which consisted of persistent low attachment to labour market varying from part-time work to unemployment and inactivity. This trajectory group was the second biggest of the five – about 22% of the employment trajectories of the young adults fell into this category. Compared to other trajectory groups, the labour market insecurity trajectory group was characterised by above-average share of females, low-educated workers and jobs in service sector. At the same time, the share of other household members in employment was lower than in many other trajectory groups, while the average number of children was somewhat higher.

Although a challenge, it makes you visible: The story of “Abby”

To highlight some of the ways in which such a trajectory can span out in a young person’s life, we consider the experiences of “Abby”, who is a 21-year-old mother of one. She left school at the age of 16 and attended a college where she studied make-up. Abby acknowledges that it was probably not the best choice. However, as she was also not that interested in further studies and had no one to discuss her plans with either, she chose the area that she liked and had experience with. Abby became a mother when she was 17. The relationship with the father of her daughter didn’t work out and they are no longer together, although they sometimes go out together to spend a day with their daughter.

Abby and her 4-year-old daughter share a small two bedroom house with her parents, sister and ex-partner. It is a cramped space but being close to her parents and ex-partner makes it easier for Abby to manage to combine the care and work obligations, as they can look after her daughter when they are not working. Abby says that she has a good support network and can

call upon her parents to help with many aspects of her life from help with understanding how to pay her bills to childcare.

As a teenage mother Abby has had many contacts with social welfare institutions and received good support from these organizations. She states that the social workers were extremely supportive and that she has not encountered any judgment or disrespect. One of the specialists assigned to her encouraged her to take childcare courses before her child was born and she found these very useful. She had a more mixed experience at the job centre: some people were very helpful, while others did not seem to care what she was interested in doing. Since having her daughter, Abby has participated in on-the-job training in various roles in a call-centre and restaurant.

In addition to her care obligations, Abby's labour market participation is also impacted by her health condition. Abby has suffered from unexplained joint pain for 9 years and feels that she has not received the care services she would like and needs. As her health condition is undiagnosed and she cannot prove that she needs special work arrangement, she has felt that the employers have been unsympathetic towards her condition. Abby has had many part-time low-paid or minimum-wage jobs, and she has only stayed in them for a short time. She has had to leave these jobs as she has felt physically unable to continue. She left her most recent job in a bingo hall as the shifts were too long and physically demanding. Abby is about to start a job at an AA tuition centre. This is a six month contract for 25 hours a week and would supplement her current income from child benefit and universal credit. Abby would like to move out of her family home and be independent although she worries that she may struggle to manage.

Abby's story highlights how various single poverty risk factors – unfinished or low educational, young children and single parenthood, low quality jobs – become a real challenge when they add together and reinforce each other. When these factors are accompanied with health issues the already vulnerable and unstable situation becomes amplified. Fortunately, Abby is not facing all the challenges alone but benefit from different types of support, both on the individual/family and the structural/institutional level such as help with housing and provision of childcare from close family, advice and encouragement from social workers, and on-the-job training for acquiring better labour market skills. All these resources appear to be relevant in her attempts to avoid falling into or get out of poverty and social exclusion. Although she had better experience with some services than the others, she claims having benefitted from them one way or the other. For example, pregnancy and become a single mother represented a turning-point that has affected her educational and labour market trajectory. However, her efforts to mitigating risks through the involvement of social and child protection services, makes Abby more exposed to the requirements and expectations of staff in the social services. Currently she is still locked in employment insecurity which has a spill-over effect on other domains of her life, such as her housing situation and lack of financial autonomy. However, she is hopeful and wants to change her life.

NORWAY

Employment trajectories and poverty risk

Based on group-based trajectory modelling results, six trajectory groups for young adults' labour market participation were identified in the case of Norway (for more see EUROSHIP Working Paper no 16, Unt et al 2022: 13-16). The trajectory group with the highest in-work poverty risk (19%) was the one called «part-time to full-time». It was closely followed by a trajectory group called «labour market exclusion to full-time». Both trajectories include periods of weaker labour

market attachment, but also full-time employment. The share of the «part-time to full-time» trajectory in the youth population was about 8%, which was not very high. If to point out anything particular about this trajectory group, then slightly higher share of women than men and slightly higher share of young adults with low educational level compared to most dominant (and secure) employment trajectory group. Also, a rather high share of employment in the service sector compared to more secure employment trajectories. The mean number of other household member employed was also higher than in the full-time trajectory group as well as was the mean number of children, which may indicate that these young adults are not necessarily alone but likely engaged in (family) relationships.

When it's not the lack of will, but of health: The story of "Emilie"

Some of the factors evident in the «part-time to full-time» employment trajectory and especially the impact health conditions can have on the labour market experience, is apparent in the case of "Emilie". Emilie is a young woman in her late twenties who describes herself as an on-and-off student for ten years, studying subjects such as philosophy, media and communication theory, graphic design, content production, in both online and on-site courses. Emilie has always struggled to concentrate and complete things, and keeping a structure in her everyday life. As a child, teachers described her as a distant pupil with mental disabilities, "living in her own world", but no one ever enquired why she was having these challenges. Some years ago, she started to explore her own health condition, via internet research. After getting a thorough medical examination she was diagnosed with a neurodevelopmental disorder as well as syndrome that mildly affects her movement and coordination. After the receipt of the diagnoses, Emilie was able to access various medical and social services. Through a social benefit service program, she was assigned a mentor who helped her to complete her bachelor's degree. With the state funded allowance she is now able to live independently with her boyfriend who has a similar condition and whose coping skills inspire Emilie to find her own path. While being proud of what she has been able to achieve with the social and financial support from the state, she is also sensitive to negative judgements from family members and advisors from the social services regarding her need for financial help.

Emilie says that she has been working since she was 15. She takes pride in being hard-working and living up to her family's ideas of being resourceful and contributing to society. However, Emilie has never had a stable employment, but always relied on short-term and part-time contracts in a variety of different fields: selling strawberries at the gas station, being a telemarketer, dishwashing assistant at a restaurant, teacher assistant and a shop assistant at several supermarkets. During her university studies she volunteered at different student organizations and had several part-time jobs in order to make ends meet. Emilie's health condition has made it physically and mentally challenging for her to keep a job for longer periods and alternating between work and studies. About five years ago her body started to show signs of fatigue and after having a medical incident in a supermarket where she worked at the time, she sought medical support. Today she receives sickness and social insurance benefits from the public labour and welfare service, and has received a work assessment allowance. Her plan is to start searching for a job as soon as possible. Although she hopes that the support she has received will enable her to find long-term employment that fits with her condition, she is also ambivalent and worried a new job will impact on her health and she will be back to where she was 5 years ago.

From the labour market perspective, Emilie's employment career shows discontinuity and vulnerability as she has been exposed to temporary and often unskilled jobs. Even when being attached to the labour market, she has remained in a risk of low pay or easy job loss, which puts

her and her household into a greater risk of in-work poverty. Her precarious employment trajectory has been affected by underlying health condition that has influenced many of her employment choices and even kept her out of employment for some periods. In addition to the challenges and struggles in terms of labour market attachment, her story shows effective ways of handling personal challenges, using both personal and institutional resources. For example, with the help of a mentor assigned by a social benefit service program, she was able to graduate from university. Institutional support (both in terms of health and employment matters) next to her own positive and forward-looking attitude has been the key for keeping her on track.

ITALY

Employment trajectories and poverty risk

Based on group-based trajectory modelling results, five trajectory groups for young adults' labour market participation were identified in the case of Italy (for more see EUROSHIP Working Paper no 16, Unt et al 2022: 16-19). The trajectory group with the highest poverty risk (18%) was summarised as the «labour market insecurity» trajectory where young adults remained in unemployment and/or part-time employment throughout the observed period. This was also the second largest trajectory group out of the five, comprising as much as 18% of the young adults. One of the characteristics of the trajectory group was that it was rather female-dominated. The share of women was clearly higher compared to other trajectory groups. Also, the share of low-educated persons was slightly above average, as was the share of those employed in service sector jobs. The share of other employed household members, was not significantly different from other Italian households. Although, the mean number of children was slightly above the average (although even in this case rather low, especially compared to some other country cases).

When family becomes it all: The story of “Elena”

To understand the mechanisms and processes that can shape this kind of trajectory in a young woman's life in Italy, we analyse the case of Elena, a 20-year-old single woman. Her parents divorced when she was young. Although she did have some contact with her father, she grew up mostly with her mother. Elena was very good at school until middle school, was playing sports and enjoying her life. But in high school she lost interest in studying and eventually dropped out of school. She recalls that the decision to stop going to school was not so much about her disliking studying, but rather about wanting to spend more time with her friends. Elena's mother was strongly opposed to her decision to drop out of school and tried everything she could to change her mind. She enrolled Elena to a private school, where the teachers were very supportive of her catching up with her studies as she was a bright and capable student, but she dropped out of this school too after only a couple of months.

Today Elena deeply regrets her decision. She admits that this it has had an impact on her ability to find a permanent and well-paid employment. Until now Elena has only had a couple of short-term jobs in restaurants as a waitress, with a very low salary and no regular contracts. In one of the last waitering jobs she had, she felt exploited by the owner and left due to the bad terms of her employment contract. The COVID-19 pandemic made it particularly challenging for her to find any employment.

Elena says that she has not received any support from the state. During the COVID-19 pandemic Elena completed a professional course to become a salesperson and is now enrolled in a professional course at the Help Centre. She is looking for a job that would give her a decent enough salary. She is not thinking of moving out of her mother's house, but instead wants to

save the money she earns. So, that eventually she will be able to pay for a private school and get her diploma. Her current goal is to try to go back on track and take control of her life.

Elena's story includes several risk factors – early school drop-out, low level of education – that relates to difficulties in finding stable jobs with a decent salary. Her labour market trajectory has consisted of temporary jobs with low employment protection and low pay or no jobs at all. The latter has put her in a greater risk of poverty, even when actually participating in the labour market. In order to keep on track and not become socially excluded, a well-functioning “safety net” has been relevant, which in her case has been to a great extent her family (more precisely her mother). While young men in similar social situation could potentially find seasonal or low-paid jobs in the many small and mid-size local companies, in agricultural, construction or service sector, Elena's employment prospects have remained more limited due to gender structured labour market, making her dependent on the financial and emotional support of her family. She has a plan towards gaining a diploma and increasing here level of attained education, which she hopes will increase her labour market chances and respectively provide with more (employment and financial) security. However, it may not guarantee her a success, forcing her to the position of unwanted dependency on her family also in the medium and long-term.

SPAIN

Employment trajectories and poverty risk

Based on group-based trajectory modelling results, five trajectory groups for young adults' labour market participation were identified in the case of Spain (for more see EUROSHIP Working Paper no 16, Unt et al 2022: 19-21). We found the highest in-work-poverty risk (22% of cases) in the trajectory group we called «labour market insecurity trap», where young adults stayed in/between part-time employment and unemployment throughout the observed period. This type of trajectory characterised about 1/5 (18.8%) of the young adults in employment in Spain. Compared to other trajectory groups, this was a highly female-dominated (69% were women) group. The share of low-educated people was just above average and the share of employment in the service sector was clearly higher than in other trajectory groups. The number of other household members employed remained below average, while the number of children in the household was slightly above the average.

When once an outsider remains an outsider: The story of “Ada”

The story of Ada highlights the challenges of this kind of employment trajectory, while also bringing to focus the additional challenges of migration. Ada moved to Spain more than a decade ago. She has a one-year-old son and they share a flat with 5 flatmates. This arrangement helps Ada with childcare when she needs to work in the night shift or long hours. However, the fact that the people in the flat are not a family, they are excluded from applying for the minimum income benefit.

Ada was studying at the university before coming to Spain. However, her education level has not given her access to high-skilled and well-paid jobs in Spain. Instead, she has relied on temporary contracts, with significant periods of unemployment between various jobs. Her first job in Spain was in a greengrocer shop, later on, she started to work as a cleaner in private houses and companies. Her longest contract has been around 1 year. Currently, she works as a cleaner at a company that calls her depending on their needs (i.e. a zero hour contract). This working model results in insecurity, economic instability and permanent precarious living conditions. Ada may have to work for three consecutive weeks, and then be without a job for one month. Her working position does not give access to unemployment benefits, and since her

access to minimum income benefits has been denied, she has no income when not working. Furthermore, this working model makes it very difficult for her to plan for work and care obligations.

Ada has taken several training courses in different working sectors with the help of a charity linked to the Catholic Church. She has taken hairdressing courses and cleaning courses, learned how to care for elderly people, to iron clothes, and clean hospitals. Among all the courses, she thinks the only one that has been useful regarding employment opportunities is the 3-months long course of cleaning, as the course was accompanied by assistance with job seeking. Ada is very pleased with the help she has received from the charity, but her experiences with welfare state institutions have been negative, especially in relation to fixing her son's documents and applying for childcare. Ada's main aim now is to solve the bureaucratic issues concerning the health care for her son, and finding a stable job.

Ada's employment trajectory highlights the intersectional risks related to migration and the related lack of support from family or kin network in managing employment and work-life balance. Not being able to rely on family and kin network for childcare and housing makes it challenging for Ada to navigate the irregular working hours and employment schedules. The lack of a secondary care provider further aggravates the challenges related to childcare and work-life balance. While Ada's education level could potentially give her an advantage in entering the labour market and keeping jobs. Her migration status decreases the positive impact this might have on improving her employment prospects, as it has been difficult for her to get her education validated in a new cultural and educational system. Despite her efforts to improve her situation, she continues to find herself in the position of an outsider. An important feature of Ada's case is also the challenges in accessing the support that welfare institutions could provide, a deficit that was at least partly covered by charities.

ESTONIA

Employment trajectories and poverty risk

Based on group-based trajectory modelling analysis, six trajectory groups for young adults' labour market participation were identified (for more see EUROSHIP Working Paper no 16, Unt et al 2022: 21-24). From those six groups, the highest level of poverty risk related to the trajectory group called «inactivity to full-time employment». Although it could be considered a successful transition as in these cases young adults with very low labour market attachment or inactivity end up being employed full-time. However, 16% of young adults in this trajectory group were facing poverty in the year when they actually were mostly full-time employed. Although the group was rather small (4% of observations fell into this employment trajectory), it revealed some distinctive features. The trajectory group showed a high prevalence of women. Also, it showed above-average share of young adults with low level of education and above-average share of young adults working in the service sector, which often relate to jobs with low employment security and stability, low pay and limited career prospects. Another important characteristic of this trajectory group was the above-average number of children in the households. All statistical identifiers point to a "profile" of young, low-educated women who have had their children early and struggle (re)accessing the labour market.

When remedy can also create a trap: The story of "Eerika"

To illustrate how the generous parental leave package in Estonia can become a trap for young mother seeking to return to labour market, we discuss the case of Eerika, a 25-year-old mother of two young children. She comes from a poor family from the country-side. Being a very good

student, she dreamt of going to further education after finishing secondary school. Unfortunately, living and studying in a big city proved too difficult for a girl whose parents were unable to support her financially. Being in an abusive relationship at the time did not help either. Representing a dramatic turning point in her efforts to invest in education, Eerika dropped out of higher vocational education after only one semester and returned to her parental home. She managed to escape the abusive relationship and found a job in a local pub as a waitress, then worked for a while in a dairy farm. Soon after moving back, she met her current husband and became pregnant with her first child. She left the job in the dairy farm at the last stages of her pregnancy in order to dedicate herself to the role of a mother. Before the birth of her second child, she did return briefly to the workforce, working part-time as a cleaner in a school. These jobs provided some needed extra income for the family but did not build skills or knowledge that would increase her more value in the labour market. When she does eventually try to re-enter the market, with few skills and a long gap in her experience finding decent quality work will be a challenge.

Eerika and her family have benefited greatly from the generous parental leave system. Together with her husband, they have approached the parental leave creatively. Officially, Eerika's higher-earning husband is officially on parental leave and receives the parental benefit (100% of previous earnings) while Eerika is supposedly to be working. In reality, Eerika is at home with the children, while her husband works full-time (it is allowed to work while receiving parental benefit without any financial penalty up to certain income limit). While this kind of manoeuvre has significantly improved the family's financial situation (they receive basically two husband's salaries) and allowed them to save enough money to buy themselves a rundown house in the country-side to renovate, it has also put Eerika in a very vulnerable position in terms of welfare (as officially not in employment neither in parental leave, has no social insurance and no pension contribution) and employability. Eerika is aware of the challenges she will face on her re-entry into the workforce and would like to use the time at home to figure out what to do in the future and then learn a new profession. However, she does not know how to go about this. As they have somewhat bent the rules of parental leave, she is worried about turning to the unemployment office to receive career counselling support. Equally worrying, the work-time arrangement between the partners has not improved the family's work-life balance, as her husband is extra busy at work while she is at home with the children. Not giving her the time to prepare herself for when the parental leave payments end and she has to return to the workforce.

Eerika's story shows how the inability to successfully integrate into the labour force in the early stages of the career can together with relatively early parenthood translate into high social exclusion risk in a medium or long-term perspective. Due to limited labour market experience and no job to return to after parental leave, she is struggling in finding her place in the labour market. Generous parental benefits provide the family with financial security while children are young, but also allow for the exclusion of women from the labour market in the long-term. Moreover, as woman and mother she is expected and/or willing to accommodate her career plans to work-family reconciliation needs. Which compounds to further limit her labour market outcomes and possibilities. Even when the severe insecurity and exclusion is temporary, it may have long-term consequences both in terms of career prospects as well as income levels. The lack of social security and social contribution translates into lower benefit rights, lower wages, lower pensions, etc. Inability or resistance to make full use of state services (e.g., registration in and services provided by unemployment office) reduce her possibilities to exit the risk situation even more and increases the risk of remaining trapped locked into "bad jobs" with low income.

HUNGARY

Employment trajectories and poverty risk

Based on group-based trajectory modelling results, six trajectory groups for young adults' labour market participation were identified in the case of Hungary (for more see EUROSHIP Working Paper no 16, Unt et al 2022: 24-27). The highest poverty risk (19%) related to the trajectory group of «labour market insecurity». This trajectory group is not very common though. Only 4.9% of the cases belong to that group. Different from other countries, the highest risk of poverty group was somewhat more difficult to characterise. Females were not clearly a higher risk of poverty compared to males. Also, young adults in this trajectory group were not necessarily predominantly low-educated, however they were more likely employed (above the average) in service sector jobs, which is often an indicator or “low quality jobs”. The number of children in the households of this trajectory group was around average or below.

When you fly without a safety net: The story of “Mark”

To consider the challenges that men with families in insecure employment trajectories in Hungary face, we consider the case of Mark, a 31-year-old married Roma man, a father of two. He lives with his wife and their two children in a flat which they own. Both of them are working full-time in a factory as operators. Mark has elementary school education. He started many high-school-level professional training programmes but did not complete any of them because he felt it was more important for him to start working and earn some money as quickly as possible. Mark has also applied through the Labour Office to enter an adult education training programme to become a security guard. However, he has never received a call-back about the start of these courses. He says he never really had the opportunity to pick the educational courses he wanted because he could not afford it, but also admits that he did not really care about school when he was younger.

An important turning point in Mark's life was becoming a father at the age of 21. Today he has two children and Mark sees providing for them as his primary purpose in life. One of his children has a medical condition and Mark and his wife have had to give up their paid work temporarily to care for him. Today, having to balance work and family life takes its toll, not giving Mark and his wife any time to spend together. They adjust their work shifts to each other so that there is always someone who can watch the children, they barely meet and talk. It would have helped a lot if someone could have looked after the kids when they are working. Then they could be on the same shift and spend time together as a family after work. But they do not have anybody to help them (nor is nurseries available or affordable).

Mark has had many jobs and only short periods of unemployment. He has also worked abroad, which has given him the opportunity to invest in land and save for the flat in which the family currently lives. Although his work in forestry and construction has been long-term, it has been low-paid and sometimes irregular. Now, Mark is working in 8-hour shifts as an operator in a factory belonging to a multinational company, which will close soon, making Mark's current employment situation very insecure. He does not know how soon he can find another job because employment opportunities in the area are scarce. The prospects he has at the moment are either going to work at the factory where his wife works or applying for a job in a fast food restaurant. Mark says that the income he and his wife get from their work is not enough, covering only their utility bills and the necessary costs of providing for two school-aged children. They do not get any social assistance, except a family allowance for the two kids which only covers the costs of the children's school meals. Mark would like to become a security guard or someone who repairs electronic devices, but at the moment he needs to make sure he is not laid off suddenly from his current job at the factory and can continue providing for his family.

Mark's case highlights the poverty risks associated with men who have a low educational background, insecure employment perspectives with care responsibilities. While he is currently employed and is demonstrating proactivity and inventiveness regarding his current and future job opportunities. His work situation is precarious due to the lack of legal protection measures (e.g., no proper employment contracts) for workers in many local small and mid-size companies, as well as the lack of job prospects in the area he currently lives. Mark's situation is further aggravated by his family's health condition of one of his children that has impacted his employment trajectory and pushed him into temporary unemployment. His case also highlights the stigma attached to Roma people in Hungary. On the one hand, the desire to avoid stigmatisation makes him ambivalent or reluctant to use the little social benefits that the state provides to families. While at the same time, he faces obstacles in staying in the labour market in the economically disadvantaged area of the country where he is able to live most comfortably as a father of a Roma family.

Summary

In the current report we have summarized and synthesized the empirical findings of the quantitative and qualitative study on young adults' social exclusion and in-work poverty risk. Our findings show some common trends when it comes to early career trajectories effect on poverty risk among young adults in Europe. Both pooled and single country-level analysis indicated that the most common employment trajectory of those who manage to remain in employment more than 6 months a year is full-time employment. The in-work poverty risk for this trajectory group is also lowest, i.e., 2-7% depending on the country. Which is below average (yet not non-existent) in-work poverty risk among this age group. The poverty risk becomes larger as employment insecurity and reduced attachment to the labour market becomes more present in the employment trajectory of a young adult. Although both on European and country level the in-work poverty risk tends to be highest for "insecure employment" trajectories, there do exist considerable national differences in these risks.

There are also some common trends that are positively associated with higher in-work poverty risk such as **lower educational level**, the **type of job** (we tested in our analysis for service jobs which often relate to lower pay and higher insecurity), having more **dependent household members** (e.g., children; adults not in employment). The effect of **gender** which was of special interest was challenging to disentangle, sometimes appearing to increase risk, sometimes to minimize it. On the one hand, women are less likely to live in a poor household, according to our quantitative measurement (relative poverty). This finding is in line with previous findings and is often explained by women having partners who earn more and are more likely employed. Which in turn reduces women's risk to experience household poverty even when being in an insecure employment track. Looking at the subjective measure, women are more likely to feel that they have difficulties making ends meet. Therefore showcasing the importance of how poverty is measured and the assumption that the resources are equally distributed inside the household hold.

Although each factor we have discussed plays a prominent role in affecting in-work poverty. In our qualitative analysis we see that the actual pathway can hardly ever be narrowed down to one or two risk categories. Low labour market attachment and an insecure career path is the key and explains much of the poverty and deprivation risk, but there are always triggers and factors that shape the employment trajectory in the first place. These factors can be found both

on individual, household/family, community or country (policy) level. We presented six stories from different country contexts. In each case we examine a well-known and common risk factors of in-work poverty for that country. Each case also sheds light on other risk factors and more importantly, creating an **intersectional analysis** between different risk-elevating (but also risk-alleviating) conditions.

The story of “Abby” from the UK highlighted how single poverty risk factors such as **unfinished education** and **single parenthood** accompanied with **health issues** amplify the already insecure and challenging labour market situation of a young adult (woman). It also showed the importance of different type of **support**, both on individual/family and structural/institutional level, to handle this challenge. Interestingly, in this case it seemed that having a young child actually helped her to become more visible for the system of social services, having a “spill-over” effect also on her personal issues regarding her employability. The story of “Emilie” from Norway highlighted the **“domino-effect”** of frail health that marked her educational and respectively occupational outcomes, leaving her often at the margin or even out of the employment, which in turn had an impact on her social exclusion. Next to the challenges and struggles related to health risks, it also showed the importance of both personal, and to an even greater extent institutional support in fighting her way back to employment. The story of Elena from Italy showed a rather ‘classical’ insecure employment trajectory case both in terms of causes (early school drop-out, low level of education) and consequences (temporary or no jobs). It also showed a **gender** story where her male counterparts in a similar situation could potentially find seasonal or low-paid jobs, while her employment prospects even more limited, making her a dependent on the financial and emotional support of her family. It also narrowed down the support available to her to just her family and no other institutions.

The story of “Ada” from Spain highlighted the risks related to **migration background** and the related lack of support from family or kin network in managing employment and work-life balance related challenges. While her education merits could potentially give her some advantage in terms of employment outcomes, her migration background kept her on the periphery of the labour market and an increased social exclusion risk in all areas of her life. It also showed the power of third sector (charity) institutions to give some support and alleviation to her challenging situation where other support channels were missing or failing. The story of “Eerika” from Estonia highlighted the challenge young **parents** (most likely mothers) are often facing in their (re)entry to the labour market. Her and her family’s poverty risk were mitigated by generous family benefits provided by the state in the short term but increased due to her disconnection from labour market and social security system in the long term. The inability or resistance to make full use of state services (e.g., registration in and services provided by unemployment office) reduced her possibilities to exit the high-risk situation further. Instead elevating the risk of remaining trapped into an insecure employment trajectory. The story of “Mark” from Hungary highlighted the role of employment insecurity (e.g., no proper employment contract) in affecting in-work poverty risk. The ‘classical’ risk factors of precarious employment and in-work poverty were in his case accompanied by a **challenging family situation** and the health condition of one of his children that has impacted his employment trajectory and pushed him into temporary unemployment. As an **ethnic minority (here Roma)**, his case also highlights the potential effect of stigma on labour market outcomes. The desire to avoid stigmatisation made him reluctant to use the little social benefits that the state provides to families, while facing obstacles in staying in the labour market in a disadvantaged economic area of the country where his people live.

Our analysis thus indicates that the different levels of social factors (individual/family and

institutional/ structural) are interconnected and reinforce each other and cannot be considered in vacuum. Personal characteristics and welfare opportunities are often closely interconnected as are social networks and welfare support mechanisms (for more see also the EUROSHIP Working Paper no 21, Märtsin et al 2023). For example, it is not a coincidence that only one of the cases described here comes from a young man, while all the others focus on the experiences of young women. Our analysis highlights gender as one of the important factors to consider in the context of in-work poverty. However, it has to be considered in relation to others, such as the presence of children, health condition or migration status. When present together these factors can significantly amplify the vulnerability of a person, making it harder for various meso and macro measures and strategies to ameliorate their employment trajectory. To accurately understand how in-work poverty is related to employment trajectories for young adults, we need to look beyond individual factors or single characteristics and employ systematic and critical methods to our analysis. This may help us to better understand how the social context (cultural and social factors) influence the risks of in-work poverty and the ability of young adults to deal with these risks.

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