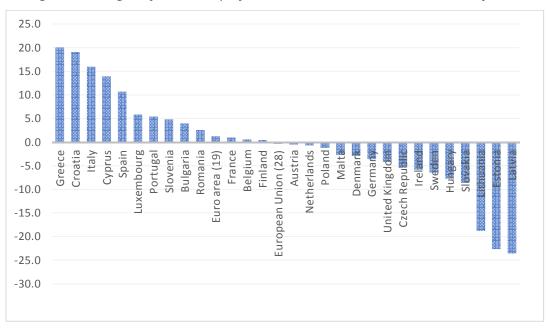


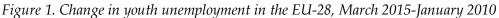
Are student workers a threat or a solution?

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14 July 2015

Youth unemployment is one of the top policy concerns of European policy-makers, although there have always been major differences between individual member states, which the crisis itself has served to accentuate. Youth unemployment has grown sharply, particularly in the Mediterranean countries such as Greece, Croatia, Italy, Cyprus and Spain, while it now registers lower in the Baltic and Central European nations than in 2010.





Data source: Eurostat.

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The European Union has deployed a range of policies to tackle the issues including but not limited to the following initiatives:

- Youth employment package, in particular <u>the youth guarantee</u>
- <u>Youth Employment Initiative</u> aimed at the most troubled regions
- Promotion of <u>flexicurity</u> in labour market policies
- <u>Youth on the Move</u> to increase mobility of young workers
- Revised <u>New Jobs and Skills agenda</u>

The last two packages aim in particular to equip Europe's youth with the right set of skills to alleviate skill mismatches, which keep young people unemployed even when companies face constraints to growth due to a lack of available workers trained in specific skill sets.

The commentary looks at student workers against this background. The massification of tertiary education means that a significant percentage of young people participate in tertiary education while also working. They can be seen as a threat – as cheap and highly qualified competition for low-skilled workers in casual jobs who are ignoring their studies in favour of immediate income. Or they might present an opportunity – a natural way for a large percentage of young people to gain experience and contact with the labour market without the need for massive government programmes.

We argue in this commentary that student work is more of an opportunity than a threat. For a detailed report, click here.

Finding 1: There is a lot of student workers and the number is growing.

In just a decade between 2001 and 2011, the number of working students in the EU-27 grew from 5.2 million to 6.4 million. This statistic represents a growth of 23% compared to a mere 4% growth in general employment in the EU (see Figure 2)

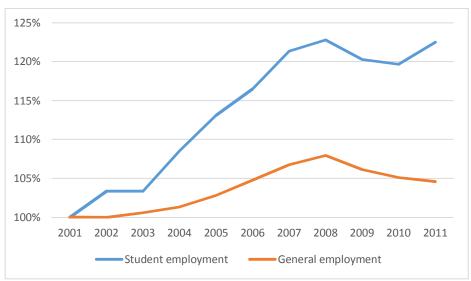
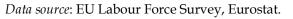
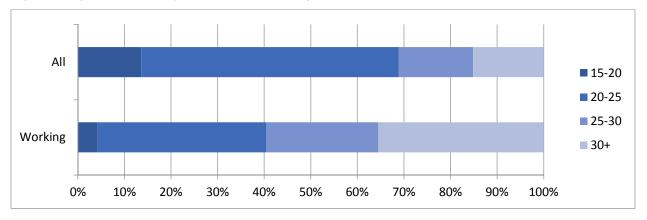


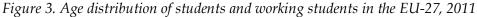
Figure 2. Growth of employment and student employment in the EU-27, 2001-11



Finding 2: Student workers are no longer 18-year olds flipping burgers at McDonalds.

The massification of tertiary education has led to an erosion of the traditional role of a student as a young person preparing for a future career, perhaps doing odd jobs on the side. As can be seen in Figure 3, one-third of all students are older than 25 and they represent 60% of all working students.





Data source: EU Labour Force Survey, Eurostat.

One out of every three working students works in a professional position (Figure 4), although most (but not all) working students in this category belong to the 25+ category. The share of working students in elementary occupation is less than 5%, and students are also not present in other blue-collar occupations. They are predominantly engaged in medium- and high-skilled white-collar jobs.

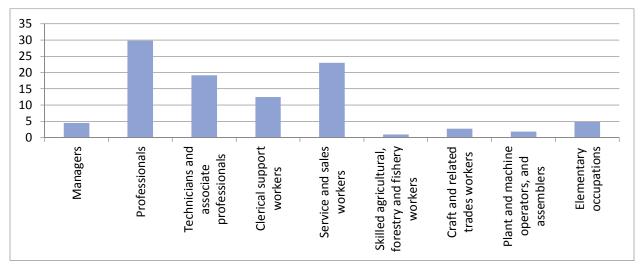
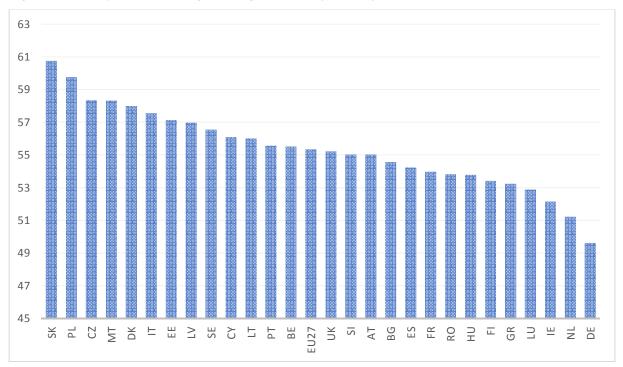


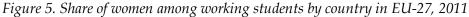
Figure 4. Share of occupational groups in the population of working students, in 2011

Data source: EU Labour Force Survey, Eurostat.

Finding 3: Student work contributes to gender equality.

It has long been an aim of the European Union <u>to increase the labour market participation of</u> <u>women</u>. One of the most striking aspects of student labour is that, according to EU LFS data, the participation rate of male and female students in the labour market is now about equal in all EU countries. In fact, due to most college students being female now, woman student workers generally also outnumber their male counterparts (Figure 5).





Data source: EU Labour Force Survey, Eurostat.

Finding 4: Students prefer work that is flexible and complementary to their studies.

Students perform a specific role in the labour market by providing very flexible labour. As shown in Figure 6, based on data from a Slovak job portal, the interest in student labour tends to pick up during times of economic stress when employers seek flexible workers. This coincides with uncertainty about the future.

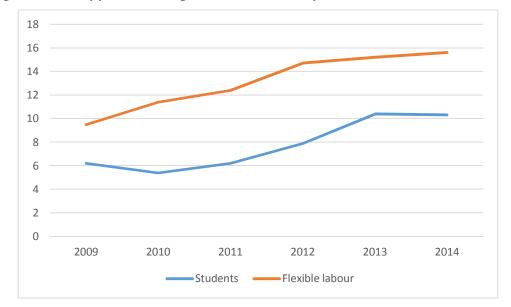


Figure 6. Share of job ads seeking student workers and flexible labour in Slovakia, 2009-14

Data source: Slovak job portal (profesia.sk).

The flexible work tends to reflect students' preferences. Data on social aspects of tertiary education gathered within the framework of the Eurostudent project¹ show that students prefer to work about 8 hours per week and get increasingly dissatisfied as their working commitments grow. (Figure 7).

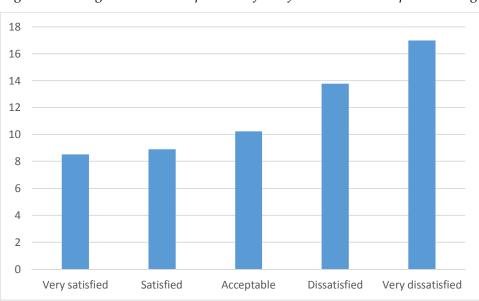


Figure 7. Average hours worked per level of satisfaction with time spent working

Data source: EUROSTUDENT.

¹ An EU-funded international scientific project aiming to collect large-scale data on the social dimension of higher education across Europe.

At the same time, we have already established that student jobs tend to be present particularly in the higher end of the skills spectrum, rather than in the precarious segment. It is, therefore, reasonable to see students labour as a complementary force answering demands for flexible labour in this sector, where complexity of most jobs rules out taking advantage of the reserve of low-skilled unemployed and underemployed workers.

Conclusion

The problem of unemployed youth in Europe is here to stay and higher education can certainly provide a part of the answer. In spite of the rapid massification of tertiary education, students tend to enter relatively lucrative segments of the labour market and largely stay out of the low-skilled jobs. A combination of flexibility and human capital tends to be particularly in demand during the uncertain times, when employers look to expand without permanently increasing their overhead.

Little evidence has been found to suggest that working students are particularly threatened by the precarious character of low-skilled jobs. Instead, participation in higher education is increasingly common for Europeans well into their 30s in professional positions, although as a complementary activity to their career. In general, establishing a satisfactory balance between work and study is important for students, most of whom appear to prefer a work arrangement of about 8 hours per week.

In spite of the fast growing number of student enrolments, higher education still offers a way towards meaningful, quality employment. It therefore seems useful to continue to focus on overcoming the barriers that prevent young Europeans from enrolling in higher education combined with work in a skilled position. In addition to the existing labour market demand for the student workers, which seems resilient to the crisis and possibly even benefits from the reluctance of employers to create regular jobs, the working-student experience is equally accessible to women as men. As a consequence, student employment might contribute to bridging the gender gap in employment.