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Comparative Analysis of Transitions from Education to Work in Europe

The Transition Process: Towards Exclusion or Financial Self-Sufficiency, a French-Irish Comparison

WORKING PAPERS

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Introduction

During recent decades, quick access to a full-time, permanent, well-paid job has ceased to be the standard pattern for European school-leavers. The school-to-work transition has been increasingly considered a complex time process. National institutions, education and employment policies produce various school-to-work patterns. Even if retrospective surveys show that their position on the labour market improves with time, new entrants are more likely to only get precarious part-time jobs, with low wages. Even in the countries where leavers have difficulty in securing stable employment, youth unemployment does not have the same pattern across countries. In France, youth inactivity remains rare despite a high unemployment rate among youth. In the United Kingdom in contrast, youth inactivity has seen a sharp increase, although there are greater employment opportunities for young people (see Ryan, 1999). Joblessness is more relevant than unemployment in measuring the magnitude of youth employment problems in a comparative perspective. Considerable proportions of youngsters have not even had the opportunity to reach financial independence after having spent five years on the labour market. The key question then is to find out what are the types of transition processes that lead to such an unsuccessful outcome, and then to focus on the main determining factors.

Long-term unemployment or inactivity: final step to exclusion

Previous studies modelling access to employment for young people showed that in France, the diploma is the main passport to finding a job (see Elbaum, 1988). Age and situation the year before also have important significant effects. Elbaum was the first to identify the social and family effects on the probability of being employed. If the social group of father doesn't seem to have any significant impact, being a foreigner does have a negative effect, and living in a couple situation (married or common law) reinforces the chance of having a job.
Using a longitudinal survey of French unemployed, Herpin (1990) considers the probability of getting a job within the first six months of the follow-up. Once more, age and diploma are highly significant. A quick return to employment is easier for those who were unemployed for a short period (less than three months) and is difficult for long-term unemployed (more than one year). Family context is not neutral: living as part of a couple is an advantage for men and a handicap for women. Family and social networks don't seem to provide access to jobs for married or cohabiting women. The probability of having children is presumably the source of these specific difficulties, as middle-aged women have no specific handicap by living in couple situation. In the same paper, Herpin studied the probability of unemployed people leaving the labour force within a year and a half. Lower level unemployed are more likely to withdraw from the labour market. The length of the initial unemployment spell increases the chance of being discouraged. Having children raises the probability of leaving the labour force, especially if they were born after the first employment spell.

Low level of earnings: a broader concept of exclusion

Besides this definition of exclusion based on withdrawal from the labour market, another precarious status must be examined which corresponds to a less obvious form of social exclusion: those who do not earn enough to be self sufficient. Hence, the interest is in the factors that determine the earnings of individuals.

As wages are the result of a bargain between employees and employers, within the whole population, the range of earnings depend (apart from institutional wage regulation) both on individual factors and on occupational and firm factors.

Individual factors

According to Human Capital theory, earnings rise as the level of education increases (as a return to human capital accumulation). Experience and seniority are expected to procure a higher level of earnings, as they are indexes of general and specific human capital accumulation. The influence of seniority and experience on wages is the subject of an abundant literature –see for example Barth (1997) and for a survey of recent research see Cahuc, Zylberberg (1996), chapter 3.

Job classifications influence earnings too, being the sign of a qualification recognised (or not) by the firm. Owing to screening effects during the hiring process and/or to the specific behaviour of the corresponding agents, other individual characteristics (such as social capital, gender, and ethnicity) may affect the wages. Localisation is also likely to be a relevant factor: regional singularities, on the individual side as well as on the firm side, probably have a effect on earnings.

Working conditions

Earnings vary according to job conditions: shift hours, weekend working hours and the physical difficulty of jobs are often the subject of wage premiums. The theory of equalizing differences (see for instance Rosen, 1986) offers a formalisation of such effects.

Firm factors

Wage and bargaining policies of firms also have an effect on wages: in some firms wage increases with inflation, in others with financial results or social climate. The position of the firm on its market is important too: a dominant position may correspond to a surplus income to be shared with the employees. All these factors are usually summarised by the industry and size of the local unit. It is only a proxy, as it has been shown that heterogeneity within industry is rather high.

Using French data, the following results are obtained (Bayet, 1996):

- Class position (French CS) and experience are the main individual sources of wage dispersion, followed by gender and education.
- Size of the local unit and above all industry are the main firm factors. Wage policy and work organisation are also significant.

Another study (Kaukewitsch and Rouault, 1998) presents a French-German comparison of the range of earnings. They found similar factors for both countries: age (as a proxy for experience), seniority, gender, class position, part time (versus full time), region, type of contract (fixed term versus unlimited duration), industry and size of the local unit.

Comparing more specifically the thirty-year-old's wages during the 90's to the same age-cohort's wages in the 70's, Baudelot and Gollac (1997) show a generation effect: more educated, the thirty-year-olds of today have also less experience. And their relative wage, compared to the whole population, is lower than in the 70's. Their models use almost the same set of explanatory variables as Bayet's or Kaukewitsch and Rouault: age, class position, industry, size of the local unit and nature of the employer (public versus private) and area (urban versus rural).

The male-female wage gap is often analysed. In this case, it is not easy to differentiate the part due to women's education (see Brown and Corcoran, 1997) and behavioural characteristics, from the part due to employers' behaviour. In addition, the "mutatis mutandis" hypothesis is

difficult to support when coefficients for males and females are estimated together. It is perhaps worthwhile to at least try separate models for men and women.
A more recent paper (Bayet, Colin, 1998) reveals that although factors determining the range of earnings are well known, their change over time is much more difficult to forecast.

Methodological approach

For these empirical analyses, we use the longitudinal school leaver's surveys carried out in two European countries – France and Ireland: these surveys are harmonised in a common data-set, built for the purpose of comparative study, within the framework of the European CATEWE project. We shall then be able to compare both countries in relation to the relative share of each type of transitions *(See appendix 1 for more details).*

We shall proceed step-by-step. Firstly, we shall describe the transition process of these youngsters during the initial period of labour market integration for both countries. Several types of transitions will be developed and we will use them to point out commonalties and differences between the two countries. Secondly, we shall focus on the outcomes of the transition process and especially those amongst school-leavers who are non employed five years after leaving: who are these youngsters without any income? In which way was their entry into working life different from those who experienced a "successful" trajectory? [1]
We shall then ask the same questions regarding the young people who were employed at the time of survey, but whose earnings don't allow them to be financially self-sufficient: do their initial characteristics (educational background, social origin, gender, etc.) differ consistently from independent young people? Are we able to characterise the transition process leading to this outcome? Minimum wage regulations and the extensive youth employment policies in France produce a different context from the Irish one. This probably generates contrasting ways of reaching financial independence. In particular, as a result of minimum wages laws in France, most of the new entrants who haven't reached financial independence after five years on the labour market are part-time workers. This question will be introduced by examining employment at the time of the survey.

[1] One important issue is to separate short and long-term joblessness. A similar percentage of joblessness among the cohort of those who left secondary school five years earlier does not have the same meaning, but depends on the duration of the current spell. Very short spells of unemployment or inactivity may be the sign of matching processes in an active labour market. On the contrary, long-term joblessness even at an intermediate rate is a strong sign of employment problems. Due to the size of the Irish sample, we can not take the duration of unemployment spells into account in our models for Ireland. (See *Grelet, Mansuy, Thomas, 2000b* for a French model of the scale of exclusion from the labour market).

1. Transition processes in France and Ireland.

1.1. Institutional Contexts and school leavers' profiles

Education[2]

General level of education
In both countries, the compulsory minimum age for leaving school is 16. Third level participation rates have recently seen dramatic rise. Consequently, the share of third level leavers among labour market entrants is one of the highest in Europe (38% of LM entrants in France and 37% in Ireland, against an EU average of 26%, according to 1997 ECLFS estimates)[3].

Vocational Education and Training.
Vocational Education and Training is present in both countries and there are tendencies towards expansion. But its prominence is much greater in France: at ISCED level 3, 39.1% of French trainees attend vocational schools and 13.2% attend alternative training. The corresponding figures are 17.6% and 7.1% respectively in Ireland, where general education is more widespread.
We can note that Irish vocational education and training is less concentrated on ISCED level 3 than in the French case.[4] Apprenticeships are more developed in France.

Standardisation
Both French and Irish systems are highly standardised.

Differentiation
Lower secondary education is undifferentiated in both countries.
Upper secondary level is moderately (general tracks) to highly (vocational tracks) differentiated in France. There is strong differentiation according to the track (academic, technical, vocational) and also the main subject studied (among vocational courses, electronics is the most prestigious and valued in the labour market, administrative work is the least valued). There is also differentiation according to the place of training (vocational school trainees have a higher general level, but apprentices find a job faster). Horizontal differentiation is less pronounced in Ireland.
Vertical differentiation is high in Ireland, but the hierarchy is not a simple one: it depends on the stage and the level achieved, and also on grades. In France, the level effect is high, but there is also a strong differentiation according to the main subject.
The 'generation 92' survey shows that the subject effect may even override the level effect. An individual with a CAP or a BEP in manufacturing does better in the labour market than someone with a Bac in the services sector.

Flexibility
Changing tracks within the system is possible in France and seems to be more limited in Ireland.

[2] See Catewe working papers, volume 1 'A Conceptual Framework' and vol II 'Country Reports', ESRI, August 1999.
[3] See 'Key Data on Training' - vol on Transition, EU, forthcoming, Spring 2001.
[4] See 'Key Data on Training' - vol on Transition, EU, forthcoming, Spring 2001.

Labour Market Entry

Unemployment
Unemployment risk for new entrants is more limited in Ireland. In both countries unemployment risk for new entrants falls sharply with increasing levels of education. The unemployment rate for ISCED 0-2 new entrants is twice that of ISCED 3 entrants. This means that the lower level leavers are a group at risk on the labour market, in both countries.
In both countries, unemployed new entrants have a greater chance of leaving unemployment within a year than their seniors do.[5]

State policy
Youth integration schemes are widespread in France, aiming to avoid labour market exclusion, and to enhance skills. They are less developed in Ireland, where public policy is more oriented towards older long-term unemployed.[6]
State regulation in the French labour market is higher than in the Irish case, where there is a minimum wage. However, schemes often introduce wage flexibility for those who hire young people *(see appendix 1 for more details*).

Characteristics of secondary level leavers (longitudinal comparative database –** see tables of appendix 2**)

Both samples were selected in a similar fashion. School leavers, with at most an upper secondary level of education are studied. The samples were selected to be representative of these school leavers[7]. The results obtained reveal different national education and training systems, as well as social demographic differences.

Nearly equally divided between males and females
The two samples are about the same in terms of the gender distribution, near equality with only a few more males: 51– 49 per cent for Ireland, 54 – 46 per cent for France. The higher percentage of females for France corresponds to their slightly higher enrolment in tertiary education.

Parents' level of education: similar results
For fathers, the proportion with third level education is similar for both countries. But Irish fathers are less qualified (85 per cent under second level compared with 65 per cent in France). Mothers' education is similar in both countries and their level of education is below that of fathers'. The difference between fathers and mothers is greater in France.

Irish youngsters come from larger families
Ireland has the highest fertility rate in the EU: 1.94 in 1998, relative to an EU average of 1.45. France comes second, but a large step behind, with 1.77. Our sample reflects then a more general reality: Irish families are larger than in France. Many more families have fewer than 3 children in France, than in Ireland. Conversely, we have much larger families in Ireland.

[5] See 'Key Data on Training', forthcoming spring 2001.
[6] See Catewe working papers, volume II 'Country reports', ESRI, August 1999.
[7] In 1997, the share of second level leavers among labour market entrants was comparable in both countries (62% in France, 63% in Ireland –see 'Key Data on Training–), but the two countries may differ as regards the proportion of these leavers who drop out at third level (excluded from the sample). The French sample is representative of the second level school leavers who didn't attempt to go on to tertiary education, that is of 57% of all LM entrants.

The average number of siblings is 2.4 in France, and 3.8 in Ireland (the median is 2 in France – 3 in Ireland).

Ethnicity: the vast majority of these youngsters were born in the country where they live
96 per cent of the French sample was born in France and 94per cent of the Irish sample was born in Ireland (in the latter case, some of those born out of Ireland may be children of immigrants returning in Ireland).

Age: French leavers are often older
Irish school leavers are younger: their average age is 17.8 years while it is 19.2 in France.
This wide difference is due to three factors. Firstly, repeating classes is most unusual in Ireland, and fairly common in France. Secondly, it is easier to change tracks or subjects in France, but doing so means taking longer to complete. Thirdly, vocational tracks, common in France, are of longer duration than academic ones. The average age at sitting a vocational Bac without repeating is 19 compared to 18 for a general Bac; vocational trainees often take supplementary modules after their main diploma to become more specialised.
So, much of the following information concerning individuals is linked to these variables. Higher proportions of Irish are still living with their parents. Only one out of three Irish has left the parental home whereas more than 55 per cent have done so in France.
The difference in their marital situation is even larger: only 5 per cent are living in a couple situation in Ireland, whereas the figure is 47 per cent in France. This also shows a country difference. Examining this by gender, there are no males living with their partner in Ireland, but the difference between the two countries is higher for females (23 per cent greater in France).

More children for French leavers
We can also note that 20 per cent of the French have a child, while in Ireland only 15 per cent have a child. This result is related to the younger age of the latter, as the fertility rate is notably higher in Ireland.

Level of education shows national differences
Less qualified youngsters[8] are more prominent in Ireland at the time of leaving school, 10 per cent have no qualification compared to 6 per cent in France. In contrast 19 per cent of French leavers versus 5 per cent of Irish leave having “failed lower secondary level”, while a higher proportion of Irish leave at “passed lower second level”. (In “failed lower secondary level”, some French youngsters left at an “upper secondary level” but did not sit the BEPC).
For both countries, more than half of the youngsters left with “passed upper second level”.
We can also note that the Irish leavers often obtain diplomas after leaving school.

[8] Although the Casmin scale is more relevant to the French case, we used the VTLMT scale which is more adapted to the Irish case. Hence, we need to read the French results carefully as regards level of education. The main problem with using the VTLMT measure for France is that it is based on BEPC, which is considered an equivalent of the Junior Certificate but which is not compulsory in France and therefore does not play the same role.

1.2. Labour force history and types of pathways in France

1.2.1. Cohort flow

As can be seen in Figure 1, almost three out of four leavers were employed[9] in April 1997 (see also Table 1 below). This proportion was under 50 percent in October 1992, as the unemployment share was at its highest level, soon compensated by military obligations: a part of these unemployment or inactivity periods are certainly "waiting spells". After two years, the decline in the unemployment rate is rather slow, and its fluctuation is above all marked by the seasonal movement of the labour market. From then on, returns to education or training remain stable until the end (4.7 percent).

This global pattern nevertheless hides important discrepancies between genders, social origins and levels of education.
There is a huge difference between male and female employment (14 percent, see Table 1). Young women are more subject to unemployment risk, or to withdrawal from the labour market, despite higher educational attainment among females (84 per cent of females left at the upper second level, compared to 67 per cent of males). The higher the level of education of youth, the better are their employment prospects. Almost 80 percent of those who passed the upper second level had found a job by April 1997, whereas this percentage barely exceeds 60 per cent among those who left school at the lower second level. As regards access to employment, vocational tracks are more successful than general education: only those who left with a full maturity certification are as likely to be employed in April 1997 as those who left from a vocational track (more than 75 per cent).
Social origin seems to play a more complex role, in the sense that a more favourable position influences both access to employment and returns to education. That is, although the unemployment rate follows the hierarchy of the social ladder, it is no longer true as regards the employment rate: children of better educated fathers are less often found employed than the less educated ones. This is due to the remarkably high proportion of those who were studying or training[10] five years after they left school for the first time (16 per cent versus 2 per cent on average). This non-linear link between social origin and employment rate, which we will keep in mind in the further analyses, is also to be observed with the occupation of the father (and, to a lesser extent, of the mother).
In every crosstabulation involving individual characteristics, the level of labour market withdrawal among young people follows the same trend as the unemployment rate. This is why the following analysis will aggregate inactivity with unemployment, although we keep the distinction between the two statuses in some analyses.

[9] In this section, employment includes employment schemes with or without training, as well as apprenticeships.
[10] In the French survey, it is difficult to make a clear distinction between return to the educational system (including apprenticeships), and other training periods.

Figure 1: Flow of the French cohort between January 1992 and April 1997

Comment: The monthly calendar begins in January 1992 (1st month), although most of the youngsters left in June 1992. The calendar ends in April 1997

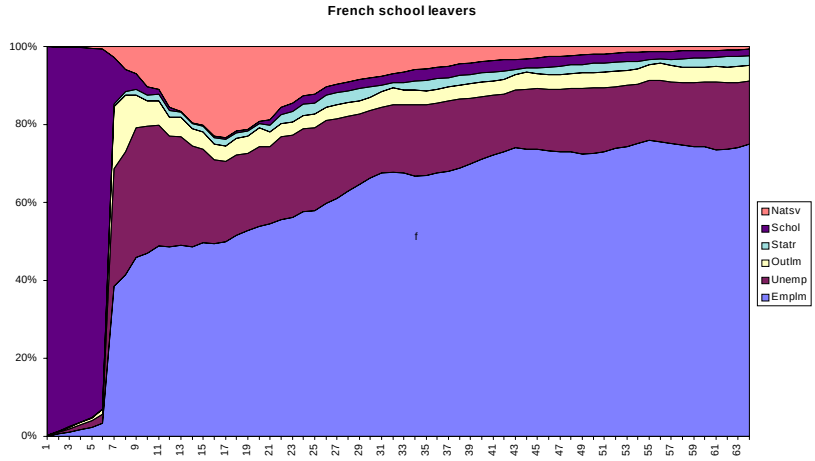

Table 1: Individual characteristics and situation in April 1997 (France)

Initial Characteristics, French sample	Principal activity - April 1997					
	Employed	Unemplo-yed	Training, on	Educati-National Service	, labour force	Out of , ALL
All	73.6	16.7	2.6	2.1	0.8	4.2	100.0
Gender							
Male	79.8	13.1	2.6	1.9	1.5	1.1	100.0
Female	66.1	21.0	2.6	2.3	.	7.9	100.0
Initial education: Highest qual							
No qualif	44.7	38.6	5.4	1.9	1.4	8.1	100.0
Failed lower 2d level	62.7	25.6	3.0	1.9	1.3	5.5	100.0
Passed lower 2d level	61.0	20.4	4.6	3.5	1.1	9.4	100.0
Failed upper 2d level	72.8	15.2	3.2	3.7	0.8	4.4	100.0
Passed upper 2d level	80.3	12.2	2.0	1.8	0.6	3.1	100.0
Level of Education, CASMIN Scale							
1ab-Compulsory	53.9	32.4	4.4	1.5	1.3	6.4	100.0
1c-Basic voc	77.7	15.6	1.6	0.7	0.9	3.5	100.0
2a-Adv voc	76.9	15.3	2.4	1.3	0.8	3.4	100.0
2b-Acad 2nd interm	61.3	22.2	3.4	3.2	1.5	8.5	100.0
2c-Full maturity	79.4	11.5	2.3	3.1	0.4	3.3	100.0
Fathers education							
< upper 2nd	72.7	17.9	2.5	1.8	0.6	4.5	100.0
Upper 2nd	76.7	14.4	2.3	2.0	1.1	3.5	100.0
3rd level	67.6	14.7	5.7	6.1	0.8	5.1	100.0

1.2.2. Types of pathways

A hierarchical classification of French leavers, constructed on the basis of individual labour force histories[11], leads to division into nine distinct clusters, according to the pattern of the pathways, and the global vicinity to the labour market: labour force exclusion through inactivity or unemployment, precarious trajectories with unemployment spells cut by short jobs, delayed employment, and successful trajectories with immediate access to lasting jobs *(see graphs appendix 3).*

Cluster 1: Inactivity (596 people, 3.6 per cent of the French sample)
Females make up a large majority of this group (80 per cent, versus 46 per cent on average). These youngsters who spent more than 73 per cent of their time out of the labour market are younger and less educated than average (52 per cent are under 19 compared to 33 per cent overall). For some of them, a period of inactivity is just a waiting spell before their first step into the labour market. But for the majority of these youngsters, the transition process is reduced to a very short experience in the labour market, from which they exit very soon, if they ever tried to enter. These are more likely to live in a couple, and to have left the parental home.

Cluster 2: Withdrawal from the labour market (452 people, 5.1 per cent of the French sample)
Eight out of ten youngsters in this group are females. They have in common withdrawal from the labour market after (or even for) a while. They spent 27 per cent of their time out of the labour market, maybe discouraged by difficulties in finding a job (nevertheless, they spent almost half of the time employed, mostly at the beginning of the transition process). Note that the share of unemployment is rather high in this group, where youngsters are less educated, and come from a low social class. More than 70 per cent of them are married (compared to 47 per cent on average).

Cluster 3: Return to education (833 people, 5.1 per cent of the French sample)
These youngsters spent 44 per cent of their time in education: they returned to school after having stayed a year or more on the labour market (condition to be included in the sample as a school-leaver). They have a higher level of education and also a higher social origin. They are more likely to be single and still living with their parents.

Cluster 4: National service just after school (2,414 people, 14.8 per cent of the French sample)
This group includes exclusively males and are older than average (see appendix 1 for details about *French Military service).* Because they reached the enrolment age, or for other reasons, they do their military duty a short time after leaving school. They are better educated (in relation to age of leaving) and are more likely to be of French origin. They found a job fairly quickly at the end of their military period. Almost all of them are employed in April 1997.

Cluster 5: National service after a while (987 people, 6 per cent of the French sample)
The share of unemployment, before and after national service, is a bit higher in this group compared to the preceding: these males spent 19 per cent of the time[12] unemployed, but

[11] Labour force histories are registered as the combination of six different monthly situations (employment, unemployment, state training, education, national service – concerning French males, inactivity –out of the labour force), over a 55-month period (from October 1992 to April 1997).
[12] Proportion of time is computed on the basis of 55 months, time spent in military service deducted.

nevertheless employment is the major activity (79 per cent of the time). They are younger than in the preceding group, and less educated.

Cluster 6: National service after two years (781 people, 4.8 per cent of the French sample)
Outside of military service, these young males spent 75 per cent of the time employed. 45 per cent of them left school under the age of nineteen (compared to 33 per cent on average), at a rather low level. Due to their age, they mostly live with their parents at the time of survey.

Cluster 7: Alternating employment, unemployment and state training (2,077 people, 12.7 per cent of the French sample)
Females are slightly over represented in this group of youngsters, who experienced the most unstable pathways, with more than five different situations within the period of 55 months (compared to less than 3 on average). Seasonal effects are very important in this group, with employment rates rising every summer. Nevertheless, these young people managed to spend half their time on the job, alternating with spells of unemployment or training[13] (either at the beginning or at the end of the observed process). The rate of employment tends to grow as time goes on. This group of young is relatively young, less educated and unmarried.

This cluster can been split into two groups, which are differentiated according to the timing of state training.
The first group (1230 people), where state training – and, to a lesser extent, national service – occurs at the beginning of the transition process, is marked by dramatic employment growth (from 30 per cent in October 1992 to 70 per cent in April 1997): jobs progressively take over from training and military service – the level of unemployment remaining nevertheless at a rather high level during the whole period.
In the second group (847 people), training spells occur during the last two years: almost 40 per cent of youngsters are on state training in April 1997. The employment rate remains low throughout the period (around 40 per cent).

Cluster 8: Between employment and unemployment (3,068 people, 18.8 per cent of the French sample)
The high rate of unemployment is not compensated by state training in this group, where youngsters shared their time between employment and unemployment. Women are over represented in this group (65 per cent compared to 46 per cent on average). They left school with a low level of education. This large cluster can be split into three groups:

- In the first group (1,446 people), the unemployment rate stays at the same high level (around 65 percent) during the whole period.
- In the second group (1,188 youngsters), it drops from 60 to 30 percent, as employment rates go up.
- In the third group (434 people), the number of unemployed is limited to 20 percent at the end of the process, and the beginning of the process is marked by a high percentage of youngsters who postpone their entry on the labour market.

Cluster 9: Durably employed (5,135 people, 31.4 per cent of the French sample)
In this very large group, youngsters have been employed more than 92 per cent of the time. Males are over represented in this group (62 per cent compared to 46 per cent on average).

[13] In the French survey, it is not always easy to make the distinction between long post-education training spells, and return to education.

They are slightly older and better educated. The proportion of youngsters who left the parental home and live with partners is higher in this group.

1.3. Labour force history and types of pathways – Ireland

1.3.1. Cohort flow

Almost four out of five Irish youngsters were on the job in April 1997: this is a marked growth compared with the level in July 1992 (66 per cent). In contrast the unemployment rate only decreased from 14.3 percent to 11.2 percent (see Figure 2 and Table 2 below). In the meantime, the share of state training declined dramatically, while those who returned to education only decreased from 6 to 4 per cent. The proportion who withdrew or remained out of the labour market is stable during the whole period (around 4 per cent).
There are again considerable differences depending on individual characteristics.
Although there is no visible gender effect on the employment or unemployment rate, transition processes are gendered: females are much more likely to be absent from the labour market. Furthermore, state training seem to be more common among females, as more males return to education: this may be related to the difference in educational attainment, which is higher among female school leavers (72 per cent of females have left at the upper second level, compared to only 54 per cent of males).
The higher the level of education, the higher the employment rate: only 57 per cent of those having left without any qualifications are employed at the time of survey, while this proportion grows to 86 per cent for those who passed the upper second level.
Like in the French case, social origin influences both access to employment and returning to education: the likelihood of joblessness is higher at the bottom of the social ladder, as those with a better social origin are more inclined to return to education.

Figure 2: Flow of the Irish cohort between January 1992 and April 1997
Comment: The monthly calendar begins in January 1992 (1st month). The calendar ends in April 1997

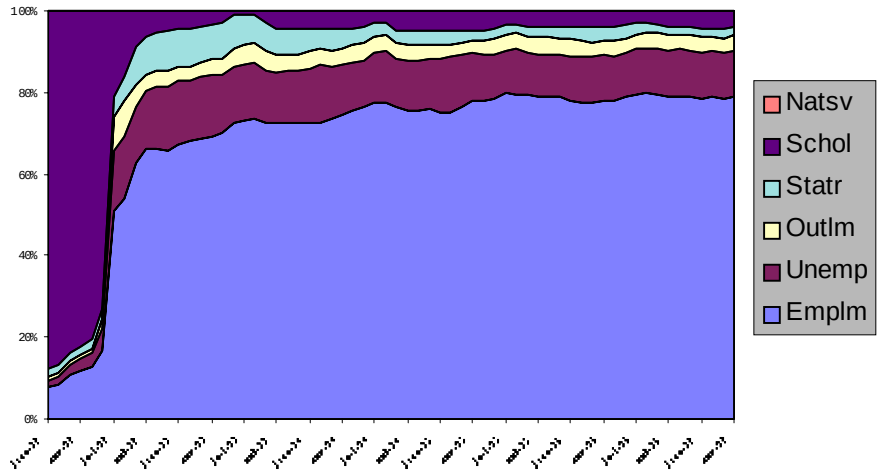

Table 2: Individual characteristics and situation in April 1997 (Ireland)

Initial Characteristics, Irish sample	Principal activity - April 1997					
	Employed,	Unemplo-yed	State training,	Educati- on	labour force, Out of	ALL
All	79.3,	11.4,	1.7,	4.5,	3.2,	100.0,
Gender						
Male	81.6,	11.0,	0.9,	5.6,	0.9,	100.0,
Female	76.9,	11.8,	2.5,	3.3,	5.6,	100.0,
Initial ed: Highest qualif.,						
No qualif	55.6,	36.6,	3.7,	.,	4.1,	100.0,
Failed lower 2d level	73.9,	14.9,	.,	3.7,	7.4,	100.0,
Passed lower 2d level	75.3,	16.5,	1.4,	2.6,	4.1,	100.0,
Failed upper 2d level	81.4,	12.2,	.,	1.4,	5.0,	100.0,
Passed upper 2d level	85.1,	4.6,	1.8,	6.4,	2.1,	100.0,
Level of Education, CASMIN Scale						
1ab-Compulsory	78.7,	18.2,	0.8,	.,	2.3,	100.0,
1c-Basic voc	62.7,	26.8,	1.8,	2.8,	5.9,	100.0,
2a-Adv voc	100.0,	.,	.,	.,	.,	100.0,
2c-Full maturity	85.7,	4.2,	2.1,	5.7,	2.4,	100.0,
3a-lower level tert ed	74.1,	9.6,	.,	13.2,	3.1,	100.0,
3b-higher level tert ed	24.1,	.,	.,	48.1,	27.8,	100.0,
Fathers education						
< upper 2nd	79.3,	12.6,	1.8,	3.0,	3.4,	100.0,
Upper 2nd	81.4,	4.7,	.,	11.9,	1.9,	100.0,
3rd level	72.6,	6.1,	3.3,	14.7,	3.3,	100.0,

1.3.2. Types of pathways

A hierarchical classification of Irish leavers, performed on the basis of individual labour force histories, leads to the identification of the same global patterns of trajectories in Ireland as in France, and to a partition into seven disjoint clusters *(see graphs appendix 4).*

Cluster 1: Inactivity (46 people, 5.6 per cent of the Irish sample)

Nine out of ten youngsters in this group are females. They spent on average 58 per cent of the time out of the labour market. The proportion of married people is higher in this group.

Cluster 2: Return to education (30 people, 3.7 per cent of the Irish sample)

In this group, youngsters spent two thirds of the time at school, where they returned after one, two or even three years on the labour market. They are older (73 per cent are over 17, compared to 61 per cent on average), with a higher level of education and social origin. They are more likely to have the left the parental home. One out of two have left their parental home, but their marriage rates are no higher than those for other groups.

Cluster 3: School followed by employment (31 people, 3.8 per cent of the Irish sample)

Females are more likely to belong to this group of youngsters who returned to education for one year (on average) and went back to a job again. They were already better educated — and

older than others — as they left school for the first time. The number of different periods in the transition process is markedly above the mean (2.5 changes).

Cluster 4: State training followed by employment (76 people, 9.3 per cent of the Irish sample)
The proportion of time spent on the job is much higher in this group than in the previous one (71 per cent). Youngsters in this group benefit from state training (22 per cent of total time) just after leaving school, and before entering a job. They have no distinctive characteristics.

Cluster 5: Employment, state training, unemployment (32 people, 3.9 per cent of the Irish sample)
In this group youngsters share their time equally between employment (44 per cent of the time) and state training (41 per cent), employment being more common at the beginning of the process. School-leavers belonging to this group are younger than average (48 per cent left before the age of eighteen, compared to only 39 per cent on average). The number of changes is highest for this group (almost 3 changes on average). These youngsters have also experienced unemployment: the proportion of time spent out of work reaches 9 per cent.

Cluster 6: Unemployment (95 people, 11.6 per cent of the Irish sample)
The proportion who are unemployed is very high in this group, where people spent more than 70 per cent of the time out of work, with only a slight improvement over time. They are rather young (46 per cent under eighteen), with a lower level of education and a lower social origin.

Cluster 7: Continuous employment (508 people, 62.1 per cent of the Irish sample)
Men are a bit more likely to belong to this group of school-leavers who have been employed throughout the period. Due to its numerical importance, this group is close to the mean, and it is difficult to observe any significantly distinctive characteristics.

1.4. French-Irish comparison of labour force histories

Are there types of transition processes that are specific to one country? To what extend can we say that both countries share the same transition patterns? Comparing the cluster analysis results for both countries will help us to answer these questions.

The role of National service
It is clear that military obligations play an important role in the process for French males'[14], and there is no comparable group in Ireland.

Return to education and training
Although returning to education and training is much less developed in France than in Ireland, this characterises one type of pathway in both countries (in Ireland, there is also a group who return to education within the first year after leaving school, which is not included within the sampling definition of the French survey).
In terms of state training, in France it is often associated with unstable trajectories where unemployment alternates with employment spells, with training either at the beginning or at

[14] For a clarification of this point, see appendix 1.

the end of the observed process. In Ireland, we find the similar patterns, but the proportion unemployed in such trajectories is much lower.

Continuous employment
The same types of trajectories are found in both countries, where access to employment is fast and durable.

Long-term unemployment
In France as well as in Ireland, some lower level school-leavers experience serious difficulties on the labour market. The difference between the two countries is a higher proportion in such unsuccessful pathways in France. Nevertheless, the gap between employment and unemployment seems to be somewhat more radical in Ireland than in France.

Inactivity
In both countries, there are some youngsters who either delay their entry on the labour market, or withdraw after a while (married females being over represented in the last type). Rates of inactivity are very close in both countries (around 4 percent).

2. Exclusion from the labour force

After this overview of the entire labour force history we will focus on outcomes, that is the position of the cohort in April 1997. Our main goal is to study the most unsuccessful, those who are excluded from the Labour Market.

We will define the idea of exclusion from the labour force using the notion of precariousness, based on the situation at the time of survey.
Youngsters employed at the time of survey will be grouped together, and the groups of "unemployed" and "out of the labour market" will be considered precarious[15]. Our models intend to analyse which individual characteristics explain these precarious situations.

In order to compare both countries, we used the categories set out to create a dummy variable: whether the person was employed at the time of survey or not. In this way, we are modelling the probability of being in a precarious situation.

Sample structure, by country

Situation	Ireland	France	All
Frequencies *Percentages*			
Employed	647 (*79%)*	11,836 (*72%)*	12,483
Precarious (unemployed or out of the labour force)	121 (*15%)*	3,610 (*22%)*	3,731
Others*	49 (6%)	897 (6 *%)*	946
All	**817 (*100 %)***	**16,343 (*100%)***	**17,161**

* This group will be excluded from further analysis.

[15] We follow then the remark of Ryan (1999): joblessness (unemployment + inactivity) is more comparable across countries, during the transition process, than just unemployment.

Global comparison

The best approach to compare both countries would be to make the comparison with the same model. But as the sizes of the samples are so different, we construct two different models *(See appendix 5)*. Also, we can note that the country has a significant effect in this model. The probability of being in a precarious situation is higher in France. That gives another general argument but only based on the dichotomy employment/precariousness.

Ireland

The first approach was to use the most complete set of variables describing individual characteristics.

No significant effect of Marital Situation, Place of birth of the youth, Place of residence.
Unlike in Elbaum or Herpin's models, this information is not significant in predicting the probability of being in a precarious situation.

Gender and level of education are significant factors
The gender effect is very strong. In Ireland, males have a higher probability of being employed than females.

No qualification is the only case in which youngsters are more likely to be in a precarious situation
The level of education is significant for Ireland; but educational levels from failed lower secondary level to passed upper secondary level show no significant variation. This is linked to the marked predominance of employed youngsters, and only the lowest level leads to precariousness with a higher unemployment probability.

France

No marital effect
We obtain the same result, in the both complete model for both countries and in the model for France. But the marital situation is very closely linked to gender and to departure from the parental home. This relationship will be studied in a further paragraph.

Level of education
In France, the level of the diploma strongly influences the probability of being employed or out of the labour force. The probability of being in a precarious situation decreases as the level of education gets higher. We can observe a big difference between the no qualifications group and those who failed lower secondary level, and a second gap between passed lower and failed upper secondary level.

Place of birth is significant
Being born in a foreign country leads to a higher probability of precariousness.

Place of residence
French school leavers are more likely to be employed at the time of survey if they reside near Paris. The Paris area has a concentration of the most dynamic activities, so this finding is not unexpected. Herpin, for instance, found a similar effect.

Gender effect significant
We find a strong gender effect in France. Young men experience precariousness less than women do. The probability of being in a precarious situation is 1.75 greater if the youngster is female.

Still in parental home or living alone and precariousness
We do not find the same probability of being in a precarious situation between young people who have left the parental home and those who have not. The probability of experiencing precariousness is higher for single youngsters, but this variable is very closely correlated with gender and marital situation.

Comparative conclusion

More individual characteristics are determinant in France. Screening effects by educational level seem to be stronger in France, and context variables also play a greater role. As we have just seen, fewer variables determine the probability of being in a precarious situation in Ireland. Nevertheless, this may be linked to the sample size.
So these models show that the characteristics included in the Irish model (gender, level of education) are significant for both models.
As a conclusion, we can note that once the difference country differences in rates of employment/unemployment have been studied, the same characteristics explain the probability of precariousness in both countries.

3. Paid employment: characterisation and financial dependence

Having considered the transition process leading to exclusion from the labour force and its determination, we shall now focus on relatively low wages, which can be considered another type of exclusion.
Youth employment schemes and minimum wage regulations shape this category. And a recent French study on low wages (Leminez, 1999) shows that low wage workers are concentrated in certain sub-populations: low-wage workers are 4.5% of the total labour force, but 11% among part-time workers, 7% among women, 12% among those aged under 25 and 11% of unskilled non manual workers. Given this data, we can see that school leavers are a population particularly at risk of being low wage-workers. This is why we focused on financial dependence for labour market entrants.

In this study, we shall consider earned income, not only as financial resources for the youngsters, but also as a cost for the employer. We shall therefore try to enlighten the link between national labour market segmentation and different types of pathways. According to Marsden's (1986) segmentation model, young people who don't earn their living five years after they left school have been confined to a non-qualified and non-organised segment of the labour market. They are not able to capitalise on their labour force experience, but rather experience several precarious spells of employment. We shall try to identify which firms hire these youngsters, and in which kind of jobs, and to show the commonalties and differences between the two countries.

In the following models, we consider the effects of individual characteristics on the level of wages. But we know that, wage level doesn’t depend only on individual characteristics of

young people. Bayet (1996) suggests several theoretical points of view on wage determination:

- Wages are related to individuals' human capital, measured by diplomas (level, subject) and the nature of previous year experience; education is taken into account in our model and experience is controlled, because we have a cohort of leavers; seniority in the present firm, as a signal of specific human capital accumulated on the job, can also be introduced into the models;
- Wages are related to working conditions (occupation is a determining factor; working at week-ends, at night, in difficult conditions… leads to compensatory premiums);
- Wages are related to company characteristics: size of the local unit, industry, work organisation, human resources policies, bargaining rules and so on affect the level of wages.

Our model applies to monthly wages, regardless of the number of hours worked. A low wage level may be the consequence of a low hourly wage rate, or of a part-time job. As young workers may have chosen part-time jobs, low income is not always the sign of a precarious job. This case is minor in the French context, where companies often use part-time jobs in order to adjust their employment costs. Young women leaving secondary education are very often unwilling part-time workers. This is also the case for young men.

Empirical studies for France (Bayet, 1996) show that for the total labour force, occupation and length of experience are the two main individual factors explaining the level of wages, followed by education and gender. On the firm's side, industry and size of the local unit are highly significant. Of course these factors are not independent.
Other firm effects are noticeable: wage policy and work organisation explain 20% of the wage dispersion. The market share of the firm also has a significant effect.

In this step, we focus on those who were employed in April 1997, and had declared their earnings. We again split this sub-sample into categories, depending on the level of their wages, compared to thresholds externally based on the wages distribution in the whole active population, in order to be comparative. For France, we used the median wage for the active population in 1997. And we took the Irish value from the SWS- structure of wages survey, carried out by the European Community in 1994. In order to make it comparable we actualised it, so we used £1081 as the median wage.

Dependence for both Countries

The model in this section studies the dependence situation for youngsters employed in April 1997. Analysis is based on levels of earnings, and youngsters are considered in a dependent situation if they earn less than 60% of the median wage (monthly: 5300FF for France and £650 for Ireland): with this definition, 30 per cent of workers are in a dependent situation in both Ireland and France *(see appendix 6).*

The individual characteristics included are the same as in the exclusion study: level of education, gender, marital status and ethnic origin. We also add characteristics of the job at the time of survey: social class, experience on the labour market (measured by proportion of time spent in employment); and characteristics of the firm: size and industry type. We were unable to directly integrate working conditions, as in Rosen's formulation, but some of their effects are contained in the social class and firm description variables.

We use a logistic model to estimate the probability of being in a dependent situation. We had to divide the sample and make a model by country, but the same method is used for both countries. At first, we include the complete set of variables, and in a second step, include only the significant effects.

Results for Ireland

Limited significant effects for individual characteristics
The levels of education of the parents are not significant; and the individual characteristics such as place of birth, marital situation, having left the parental home or not, do not influence the probability of being dependent either.
The industrial segment is not significant, such as most of the job characteristics (social class, occupational segment).

This leads to the second model, in which only significant effects are kept.

Number of worked hours (full/part time) determines the level of earnings
Unsurprisingly, this characteristic has the most important effect when trying to explain the probability of dependence. Having a part-time job increases the probability of being dependent.

Firm characteristics are the most significant
The firm size is very significant: the probability of being dependent is significantly lower if the youngster is working in a big firm (500 people or more).

Individual effects

Gender effect
Like for the probability of being in a precarious situation, we note that females are more likely to be dependent (working but with low earnings).

Level of education only as a dummy effect
The level of education influences the probability of being dependent. But merely having the qualification is significant: the probability of being dependent is higher for youngsters without the qualification. There is no significant difference between the other degrees.

This modelling must be interpreted with care: because of the small size of the sample, some effects may not be significant because the youngsters concerned are too few.

Results for France

Social origin and family context are not significant
Fathers' and mothers' level of education are not significant in the probability of being dependent. Place of birth is not significant either. Even for French youngsters, having a child does not significantly alter the probability of being dependent.
As the situation of living together is linked to gender and to departure from parental home, this characteristic does not appear to be significant.

Individual characteristics such as gender and level of education influence the probability of being dependent.
Level of education is also significant: as the level of education increase, the probability of being dependent decreases. There is no significant difference between failed lower secondary and passed lower secondary level.

The probability of being dependent is significantly higher for females. But we can notice that youngsters who have already left the parental home have a lower probability of being dependent.

Firm size is significant
The probability of being dependant is the highest in a small firm (under 10 people), and lowest in big firms (more than 500 people).

Job description
Occupational segment and social class are significant for French youngsters.
Part-time work leads to a much higher probability of being dependent (of course the income of part-timers is lower).

Financial dependence: conclusion
This leads to the same remark as for the first part: the main significant effects are the same in both countries. The French model is however more precise. In both cases, we tried to characterise the financial dependence with individual characteristics only or with job description (firm and working conditions) only. But using the whole set of variables leads to better results, even if we saw the same characteristics significant in the partial models.

Conclusion

Early labour force history analysis shows commonalties between the French and Irish cases: in both countries we find pathways characterised by quick access to stable employment, others dominated by inactivity or unemployment. But we notice differences: the transition process of French young men was affected by compulsory national service, returning to education occurs less in France and unemployment is more frequent than in Ireland. But unemployed young Irish seem to be more often long-term unemployed.
Five years after having left school, the probability of being jobless is significantly higher for young women and the unqualified in both countries. Of those with a job, women and the unqualified are more at risk of being low-wage workers. The French ET system seems to provide stronger market signals, both in terms of access to jobs and in avoiding low wage positions. Family context affects the risk of being jobless in France, but not in Ireland. Being a part-time worker or working in a small firm significantly increases the risk of earning low wages and of being a financially dependent worker in both countries.
Occupational segment and social class are significant determinants of low wages only in France. In the French case we found similar variables to Kaukewitsch and Rouault who used the Structure of Wages Surveys (SWS) for France and Germany.
Does this mean that segmentation is stronger in the latter two countries than in Ireland, or that Irish wages are more loosely linked to educational level or job position, allowing individual factors other than education to play a greater role?

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Appendix 1 : The longitudinal databases

France

The French data are extracted from the "'92 Generation" survey conducted by Céreq to follow 27,000 young people entering the labour market in 1992, regardless of their training level: for the needs of the CATEWE project, it has been reduced to the 16,500 who left school at the secondary level of education. The survey identifies their work situation (job status and wage) in 1997 and analyses their work histories, known through the monthly registration of their situation. Some of these situations are specific to the French institutional context and need some clarification.

The French National Service

In 1997, the national service was compulsory for young men born before 1980. A minority were exempted (27 per cent, according to the 'youth survey' 1992).[16] Family background (supporting younger brothers and sisters, or his own children) or health conditions were the main reasons for exemption. An exemption is given less often to those who have a vocational or technical qualification.

National service in France was mainly military (97 per cent of all cases).

The modal duration was 10 month, but specific forms may last longer: 'long' military service (security, for example). Civil forms are the longest (24 months).

National service is not a total waste of time in a labour market trajectory: it may provide educational resources:

- young men may get a vocational or technical qualification in army schools;
- those who choose national service outside the army are working;
- certain branches of the army train for highly skilled jobs during national service: the air force, marines, and health service for example;
- The army may teach people how to manage a team, for those who become officers or non commissioned officers.

Other usable skills may be acquired during the national service: a driver's license/a lorry driver license may be very useful in finding a job and 33 per cent pass one or the other during their military service.

Military service is not a second chance for a smoother transition for the lower level school-leavers. But, the longitudinal surveys of Cereq show that military service may be a way to acquire work experience for those who have a first-level vocational qualification: this was the case for 20 per cent of young men having left vocational secondary education.

Globally, educational resources in national service are more often offered to those who are most educated.

If we compare the job situation before and after national service, it was the same for 50 per cent. The situation improves for 40 per cent. For 10 per cent, the situation is worse after national service.

[16] See N. Herpin and M. Mansuy, ' Le rôle du service national dans l'insertion des jeunes', Economie et Statistique n°283-284,1995.

The two main forms of supported youth employment: 'Contrat de Qualification' and 'Contrat Emploi Solidarité.

A **'Contrat de Qualification**' –CQ– is a fixed term employment contract (6 to 24 months). Created in 1984, it concerns young people (16 to 25 years old) leaving school without a qualification, or with one inappropriate to finding a job.

According to the contract, vocational training is offered for 25 per cent of the time, and ordinary work for 75 per cent. The corresponding minimum salary varies from 30 per cent to 75 per cent of the minimum wage, according to age and seniority. But in certain activities, young people hired under CQ may have higher wages. About 30 per cent of them stay on in the same firm when their CQ ends.

After her or his training period, the young person sits a vocational exam. According to the follow-up surveys[17], 62 per cent of the young people earn a vocational diploma or a vocational title. They acquire a qualification recognised by employers, or adapt the one they had before to the needs of the firm. One can find four training strategies offered by employers, from the most intensive investment in training to the lowest[18]. The first one consists in building new competencies to use afterwards. In the second one, the firm, often a small firm, uses costly competencies during the training process but doesn't hire the young trainee when her or his qualification is achieved. In a third model, the young person learns skills by experience, and the training period is a theoretical complement, but work experience is the decisive element. In a fourth model, CQ is used as cheap labour, and the connection between the training period and work experience within CQ is loose.

CQ is close to apprenticeships, but people entering CQ are more qualified: in 1997, 43 per cent of CQ entrants have a diploma lower than " baccalauréat " (A-levels), 37 per cent have a bac and 20 per cent have tertiary education. And even if only 30 per cent of them stay in the same firm when their CQ ends, most of them find a job.

Their situation on the labour market after the program is close to the situation of young people having had an apprenticeship or an ordinary job. It is very different from the situation after a **'Contrat Emploi Solidarité'** – CES – which is a public sector contract without training: after a CES, the unemployment risk is notably higher. These contracts are targeted at young people who experience difficulties in finding a job, and long-time job seekers. They aim to encourage the participation of young people in community life through the accomplishment of a useful activity, and permitting access to work experience. They are half-time limited-term contracts (for 3 to 12 months, 24 months for the most disadvantaged publics and, exceptionally, 36 months), paid at the minimum hourly wage, without any variation according to age or skills. Employers can be regional or local communities, non-profit organisations, public institutions, social security bodies, work councils or housing project administrators.

Ireland

The Irish data draws on a national survey of those who left school in the academic year 1991/2 but did not immediately enter third-level education. This group were first interviewed in May/June 1993 and re-interviewed in late 1998. The follow-up survey collected detailed information on the employment, unemployment, education and training histories of respondents along with information on experiences of migration and household formation.

[17] See C Charpail, S. Zilberman, septembre 1998,"Diplôme et insertion professionnelle après un contrat de qualification", Premières Synthèses Dares n°39.3.

[18] See M.C. Combes, septembre 2000,"La mise en œuvre de la formation au sein du contrat de qualification", Premières Synthèses Dares n°38.1.

Appendix 2: Characteristics of secondary level leavers

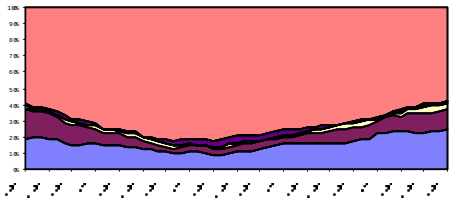
	Ireland		France	
	Freq	%col	Freq	%col
Gender				
Male	439	53.7	9209	56.3
Female	379	46.3	7134	43.7
ALL	818	100.0	16343	100.0
Father's education				
Unknown	55	6.7	2556	15.6
< upper 2nd	641	78.4	8912	54.5
Upper 2nd	93	11.4	4196	25.7
3rd level	29	3.5	679	4.2
ALL	818	100.0	16343	100.0
Mother's education				
Unknown	52	6.4	2215	13.6
< upper 2nd	619	75.7	10614	64.9
Upper 2nd	124	15.2	3080	18.8
3rd level	23	2.8	434	2.7
ALL	818	100.0	16343	100.0
Number of siblings				
Unknown	21	2.6	109	0.7
0	15	1.8	1206	7.4
1	79	9.7	4886	29.9
2	147	18.0	4743	29.0
3	175	21.4	2372	14.5
>=4	381	46.6	3027	18.5
ALL	818	100.0	16343	100.0

	Ireland		France	
	Freq	%col	Freq	%col
Young born in Ire/Fr?				
Unknown	53	6.5	2	0.0
No	45	5.5	568	3.5
Yes	720	88.0	15773	96.5
ALL	818	100.0	16343	100.0
Living in IDF/Dub ?				
No	649	79.3	14804	90.6
Yes	169	20.7	1539	9.4
ALL	818	100.0	16343	100.0
Age in 1992				
Unknown			32	0.2
<=16	107	13.1	431	2.6
17	199	24.3	764	4.7
18	318	38.9	3433	21.0
19	145	17.7	4494	27.5
20	30	3.7	3854	23.6
21	16	2.0	2205	13.5
>=22	3	0.4	1130	6.9
ALL	818	100.0	16343	100.0
Whether living with parents				
Unknown	169	20.7	77	0.5
No	444	54.3	6858	42.0
Yes	205	25.1	9408	57.6
ALL	818	100.0	16343	100.0

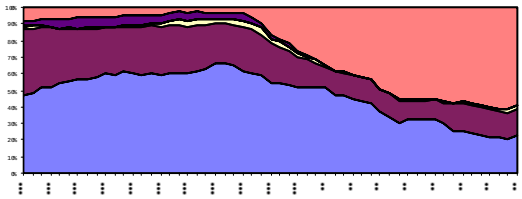
	Ireland		France	
	Freq	%col	Freq	%col
Marital status at time of survey				
Unknown	35	4.3	92	0.6
No	743	90.8	8350	51.1
Yes	40	4.9	7901	48.3
ALL	818	100.0	16343	100.0
Initial education: Highest qual				
Unknown	19	2.3		
No qualif	62	7.6	481	2.9
Failed lower 2d level	36	4.4	2916	17.8
Passed lower 2d level	167	20.4	509	3.1
Failed upper 2d level	70	8.6	1539	9.4
Passed upper 2d level	464	56.7	10898	66.7
ALL	818	100.0	16343	100.0
Level of Education (CASMIN scale)				
Unknown	14	1.7	5	0.0
1ab-Compulsory	141	17.2	1218	7.5
1c-Basic voc	147	18.0	2123	13.0
2a-Adv voc	8	1.0	6790	41.5
2b-Acad 2nd interm			1170	7.2
2c-Full maturity	475	58.1	5037	30.8
3a-lower level tert ed	29	3.5		
3b-higher level tert ed	4	0.5		
ALL	818	100.0	16343	100.0

Appendix 3: French Clusters

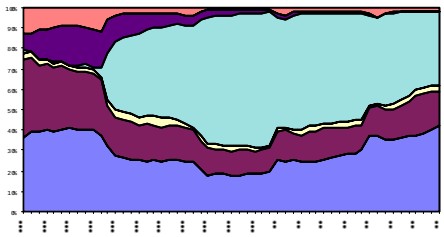
French LFH, Cluster 1: Inactivity



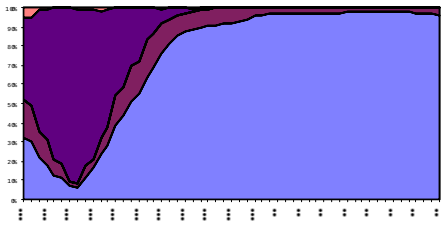
French LFH, Cluster 2: Withdrawal from the Labour Market



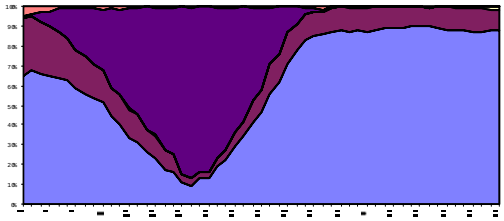
French LFH, Cluster 3: Return to Education



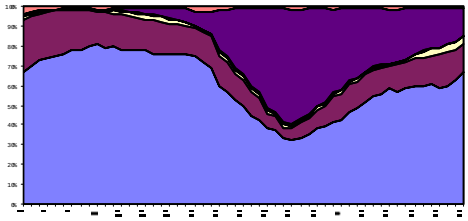
French LFH, Cluster 4: National Service after School



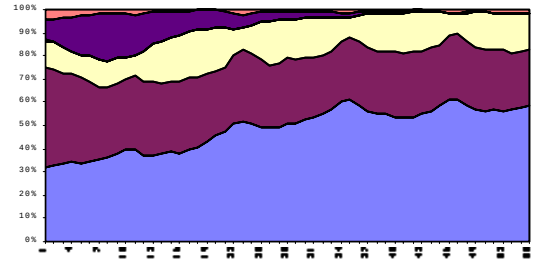
French LFH, Cluster 5: National Service after a while



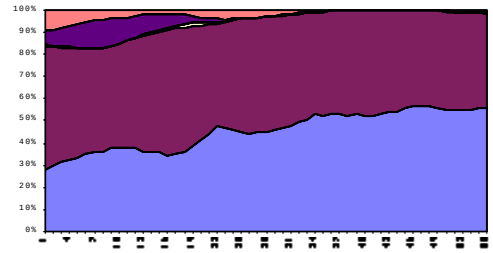
French LFH, Cluster 6: National Service after two years



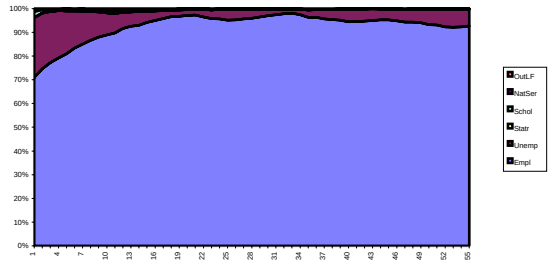
French LFH, Cluster 7: Alternating Employment, Unemployment, State Training



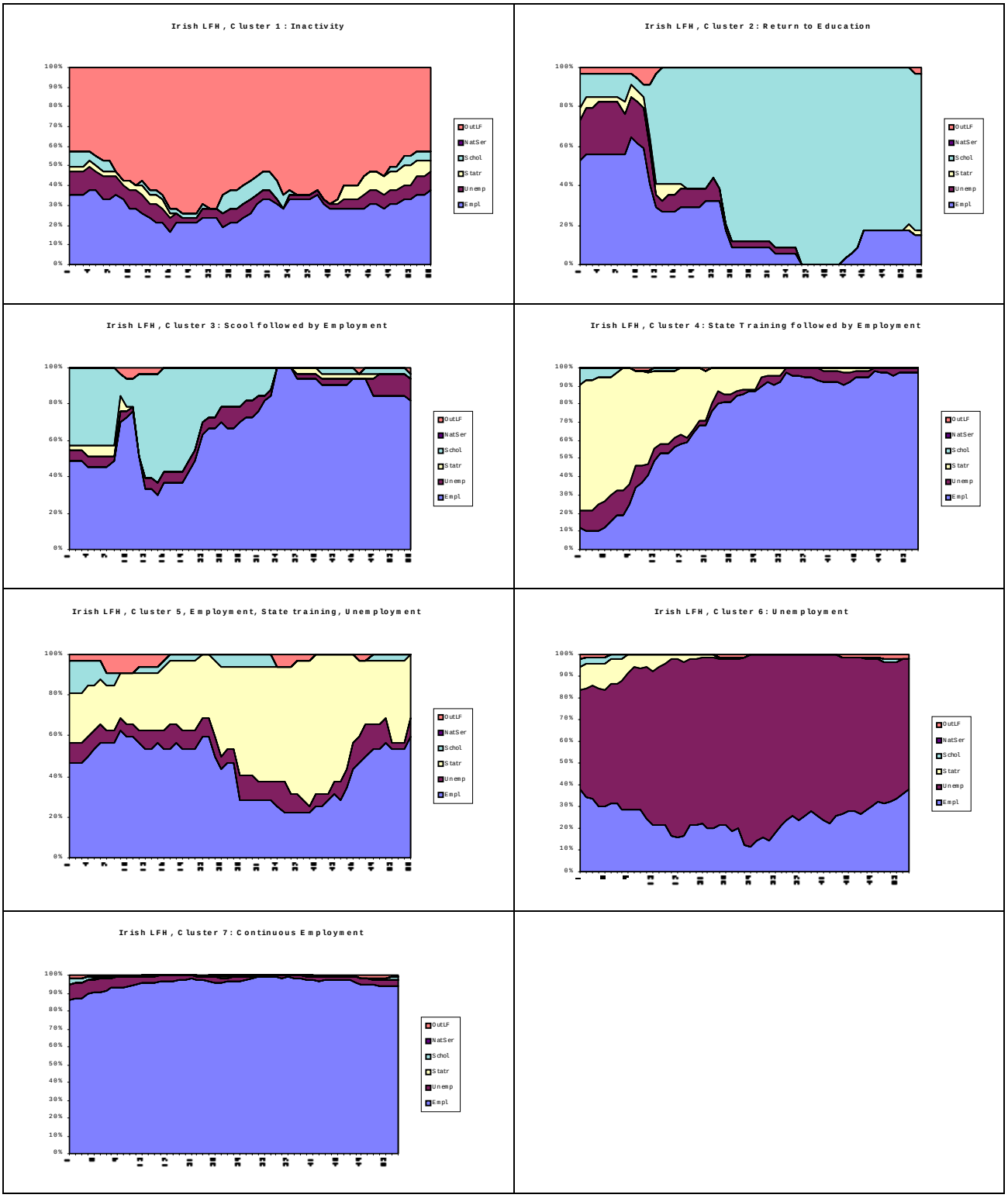
French LFH, Cluster 8: Between Employment and Unemployment



French LFH, Cluster 9: Durably Employed



Appendix 4: Irish Clusters



Appendix 5: Exclusion from the labour Force, models

Complete dataset

Response: CAT2 — Response Levels (R)= 2
Weight Variable: EUWGT — Populations (S)= 114
Data Set: CATEGOR2 — Total Frequency (N)= 16026
Frequency Missing: 188.5527 — Observations (Obs)= 16144

MAXIMUM-LIKELIHOOD ANALYSIS-OF-VARIANCE TABLE

Source	DF	Chi-Square	Prob
INTERCEPT	1	228.73	0.0000
LAND	1	39.36	0.0000
SEX	1	669.72	0.0000
INITEDH	4	878.60	0.0000
MARITAL	1	32.05	0.0000
LOCJ	1	29.64	0.0000
RES	1	28.25	0.0000
LIKELIHOOD RATIO	104	455.57	0.0000

ANALYSIS OF MAXIMUM-LIKELIHOOD ESTIMATES

Effect	Parameter	Estimate	Standard Error	Chi-Square	Prob
INTERCEPT	1	-1.0995	0.0727	228.73	0.0000
LAND	2	-0.3611	0.0576	39.36	0.0000
SEX	3	-0.5454	0.0211	669.72	0.0000
INITEDH	4	0.8773	0.0580	228.99	0.0000
	5	0.2503	0.0409	37.39	0.0000
	6	0.1717	0.0699	6.04	0.0140
	7	-0.4561	0.0553	68.04	0.0000
MARITAL	8	0.1190	0.0210	32.05	0.0000
LOCJ	9	0.2466	0.0453	29.64	0.0000
RES	10	0.1591	0.0299	28.25	0.0000

France

Response: CAT2 — Response Levels (R)= 2
Weight Variable: EUWGT — Populations (S)= 132
Data Set: CATEGOR2 — Total Frequency (N)= 15344
Frequency Missing: 101.7857 — Observations (Obs)= 15461

MAXIMUM-LIKELIHOOD ANALYSIS-OF-VARIANCE TABLE

Source	DF	Chi-Square	Prob
INTERCEPT	1	185.49	0.0000
SEX	1	673.81	0.0000
INITEDH	4	793.65	0.0000
MARITAL	1	0.54	0.4625
LOCJ	1	32.05	0.0000
RES	1	29.84	0.0000
LEFTHOME	1	27.31	0.0000
LIKELIHOOD RATIO	122	525.75	0.0000

ANALYSIS OF MAXIMUM-LIKELIHOOD ESTIMATES

Effect	Parameter	Estimate	Standard Error	Chi-Square	Prob
INTERCEPT	1	-0.7233	0.0531	185.49	0.0000
SEX	2	-0.5632	0.0217	673.81	0.0000
INITEDH	3	0.8411	0.0602	194.97	0.0000
	4	0.2551	0.0416	37.53	0.0000
	5	0.1698	0.0750	5.12	0.0236
	6	-0.4499	0.0565	63.30	0.0000
MARITAL	7	0.0212	0.0289	0.54	0.4625
LOCJ	8	0.2619	0.0463	32.05	0.0000
RES	9	0.1678	0.0307	29.84	0.0000
LEFTHOME	10	0.1532	0.0293	27.31	0.0000

Ireland

Response: CAT2 — Response Levels (R)= 2
Weight Variable: EUWGT — Populations (S)= 60
Data Set: CATEGOR2 — Total Frequency (N)=541.34
Frequency Missing: 227.023 — Observations (Obs)= 532

MAXIMUM-LIKELIHOOD ANALYSIS-OF-VARIANCE TABLE

Source	DF	Chi-Square	Prob
INTERCEPT	1	14.14	0.0002
SEX	1	11.30	0.0008
INITEDH	4	41.24	0.0000
MARITAL	1	0.20	0.6550
LOCJ	1	0.90	0.3431
RES	1	1.17	0.2794
LEFTHOME	1	6.67	0.0098
LIKELIHOOD RATIO	50	51.01	0.4336

ANALYSIS OF MAXIMUM-LIKELIHOOD ESTIMATES

Effect	Parameter	Estimate	Standard Error	Chi-Square	Prob
INTERCEPT	1	-1.5075	0.4009	14.14	0.0002
SEX	2	-0.4796	0.1427	11.30	0.0008
INITEDH	3	1.1265	0.2947	14.61	0.0001
	4	-0.0307	0.4087	0.01	0.9402
	5	0.0130	0.2367	0.00	0.9562
	6	0.2344	0.3514	0.44	0.5047
MARITAL	7	-0.1125	0.2517	0.20	0.6550
LOCJ	8	-0.3216	0.3392	0.90	0.3431
RES	9	0.1756	0.1623	1.17	0.2794
LEFTHOME	10	-0.3741	0.1448	6.67	0.0098

Ireland - Model 2

MAXIMUM-LIKELIHOOD ANALYSIS-OF-VARIANCE TABLE

Source	DF	Chi-Square	Prob
INTERCEPT	1	67.06	0.0000
SEX	1	10.47	0.0012
INITEDH	4	53.46	0.0000
LEFTHOME	1	7.00	0.0081
LIKELIHOOD RATIO	13	15.14	0.2990

ANALYSIS OF MAXIMUM-LIKELIHOOD ESTIMATES

Effect	Parameter	Estimate	Standard Error	Chi-Square	Prob
INTERCEPT	1	-1.2313	0.1504	67.06	0.0000
SEX	2	-0.4297	0.1328	10.47	0.0012
INITEDH	3	1.3052	0.2716	23.09	0.0000
	4	-0.0980	0.3959	0.06	0.8045
	5	0.0516	0.2216	0.05	0.8159
	6	0.1318	0.3262	0.16	0.6861
LEFTHOME	7	-0.3355	0.1268	7.00	0.0081

Appendix 6: Financial Dependence, models (Youngsters on job in April 97)

Complete dataset

Data Set: WORK.MOD02
Response Variable: DEP
Response Levels: 2
Number of Observations: 9894
Weight Variable: EUWGT
Sum of Weights: 9507.5651879
Link Function: Logit

Response Profile

Ordered Value	DEP	Count	Total Weight
1	1	2963	2948.9444
2	0	6931	6558.6208

WARNING: 2551 observation(s) were deleted due to missing values for the response or explanatory variables.

Model Fitting Information and Testing Global Null Hypothesis BETA=0

Criterion	Intercept Only	Intercept and Covariates	Chi-Square for Covariates
AIC	11776.838	7642.666	.
SC	11784.037	7808.259	.
-2 LOG L	11774.838	7596.666	4178.171 with 22 DF (p=0.0001)
Score	.	.	3996.226 with 22 DF (p=0.0001)

Analysis of Maximum Likelihood Estimates

Variable	DF	Parameter Estimate	Standard Error	Wald Chi-Square	Pr > Chi-Square	Standardized Estimate	Odds Ratio	Variable Label
INTERCPT	1	0.6373	0.2162	8.6927	0.0032	.	.	Inter
SEX	1	0.9824	0.0657	223.6371	0.0001	0.262497	2.671	Gender
EDFATH1	1	-0.0129	0.0993	0.0169	0.8966	-0.003464	0.987	
EDFATH2	1	-0.0417	0.1051	0.1573	0.6917	-0.009905	0.959	
EDMOTH1	1	-0.1069	0.1043	1.0506	0.3054	-0.027532	0.899	
EDMOTH2	1	-0.1406	0.1150	1.4961	0.2213	-0.030335	0.869	
LEFTHOME	1	-0.3252	0.0837	15.1023	0.0001	-0.086272	0.722	
MARITAL	1	-0.0338	0.0840	0.1622	0.6872	-0.009140	0.967	
LOCJ	1	0.2535	0.1640	2.3885	0.1222	0.024368	1.288	
INIT1	1	1.1307	0.1485	58.0043	0.0001	0.111075	3.098	
INIT2	1	0.6183	0.0823	56.4746	0.0001	0.119076	1.856	
INIT3	1	0.5702	0.1495	14.5507	0.0001	0.058448	1.769	
INIT4	1	0.1966	0.0975	4.0666	0.0437	0.032426	1.217	
CHILDREN	1	-0.0806	0.0848	0.9026	0.3421	-0.016786	0.923	
SCLAS1	1	-0.4065	0.1390	8.5456	0.0035	-0.069453	0.666	
SCLAS7	1	-0.4410	0.0878	25.1984	0.0001	-0.098403	0.643	
OCC1	1	-0.3958	0.1562	6.4178	0.0113	-0.064404	0.673	
OCC2	1	-0.3987	0.1049	14.4403	0.0001	-0.077151	0.671	
OCC3	1	-0.2564	0.0687	13.9364	0.0002	-0.066202	0.774	
FIRM1	1	1.2193	0.1034	139.0583	0.0001	0.297184	3.385	
FIRM2	1	0.6055	0.0949	40.7073	0.0001	0.162926	1.832	
CORE	1	-0.2436	0.0626	15.1358	0.0001	-0.065801	0.784	
FTIME	1	-3.0679	0.0739	1722.6822	0.0001	-0.681844	0.047	

Association of Predicted Probabilities and Observed Responses

Concordant = 86.1%		Somers' D = 0.724	
Discordant = 13.7%		Gamma = 0.726	
Tied = 0.3%		Tau-a = 0.304	
(20536553 pairs)		c = 0.862	

Ireland

Response Variable: DEP
Response Levels: 2
Number of Observations: 323
Weight Variable: EUWGT
Sum of Weights: 313.92007942
Link Function: Logit

Response Profile

Ordered Value	DEP	Count	Total Weight
1	1	99	95.96939
2	0	224	217.95069

Model Fitting Information and Testing Global Null Hypothesis BETA=0

Criterion	Intercept Only	Intercept and Covariates	Chi-Square for Covariates
AIC	388.516	359.197	.
SC	392.293	381.863	.
2 LOG L	386.516	347.197	39.318 with 5 DF (p=0.0001)
Score	.	.	38.484 with 5 DF (p=0.0001)

Analysis of Maximum Likelihood Estimates

Variable	DF	Parameter Estimate	Standard Error	Wald Chi-Square	Pr > Chi-Square	Standardized Estimate	Odds Ratio	Variable Label
INTERCPT	1	-1.0241	0.6598	2.4094	0.1206	.	.	Inter
SEX	1	1.0265	0.2722	14.2179	0.0002	0.279491	2.791	Gender
INIT1	1	1.5242	0.5812	6.8768	0.0087	0.172739	4.591	
FIRM1	1	1.3151	0.4034	10.6293	0.0011	0.318452	3.725	
FIRM2	1	1.0257	0.3744	7.5074	0.0061	0.279161	2.789	
FTIME	1	-1.4197	0.5810	5.9715	0.0145	-0.172169	0.242	

Linear Hypotheses Testing

Label	Wald Chi-Square	DF	Pr > Chi-Square
Firm1 = Firm2	0.9449	1	0.3310

France

Response Variable: DEP
Response Levels: 2
Number of Observations: 9677
Weight Variable: EUWGT
Sum of Weights: 9291.4392682
Link Function: Logit

Response Profile

Ordered Value	DEP	Count	Total Weight
1	1	2895	2882.1229
2	0	6782	6409.3164

Model Fitting Information and Testing Global Null Hypothesis BETA=0

Criterion	Intercept Only	Intercept and Covariates	Chi-Square for Covariates
AIC	11509.514	7366.229	.
SC	11516.692	7481.069	.
-2 LOG L	11507.514	7334.229	4173.285 with 15 DF (p=0.0001)
Score	.	.	3987.205 with 15 DF (p=0.0001)

Analysis of Maximum Likelihood Estimates

Variable	DF	Parameter Estimate	Standard Error	Wald Chi-Square	Pr > Chi-Square	Standardized Estimate	Odds Ratio	Variable Label
INTERCPT	1	0.8046	0.1294	38.6517	0.0001	.	.	Inter
SEX	1	0.9750	0.0667	213.6354	0.0001	0.260286	2.651	Gender
LEFTHOME	1	-0.3594	0.0630	32.5477	0.0001	-0.094894	0.698	
INIT1	1	1.0833	0.1502	52.0047	0.0001	0.105946	2.954	
INIT2	1	0.6321	0.0824	58.9086	0.0001	0.122631	1.881	
INIT3	1	0.6639	0.1633	16.5359	0.0001	0.063728	1.942	
INIT4	1	0.2020	0.0990	4.1645	0.0413	0.033365	1.224	
SCLAS1	1	-0.4460	0.1421	9.8520	0.0017	-0.076053	0.640	
SCLAS7	1	-0.4616	0.0895	26.5832	0.0001	-0.102769	0.630	
OCC1	1	-0.4100	0.1597	6.5879	0.0103	-0.066575	0.664	
OCC2	1	-0.4056	0.1062	14.5793	0.0001	-0.078536	0.667	
OCC3	1	-0.2539	0.0698	13.2407	0.0003	-0.065576	0.776	
FIRM1	1	1.2006	0.1057	129.0092	0.0001	0.292806	3.322	
FIRM2	1	0.5766	0.0971	35.3010	0.0001	0.155065	1.780	
CORE	1	-0.2609	0.0639	16.6901	0.0001	-0.070427	0.770	
FTIME	1	-3.0985	0.0745	1728.5440	0.0001	-0.692527	0.045	

Linear Hypotheses Testing

Label	Wald Chi-Square	DF	Pr > Chi-Square
init4=0	4.1645	1	0.0413
init2=init3	0.0336	1	0.8546
init2=init3=init4	14.7236	2	0.0006
sclas1=sclas7	0.0096	1	0.9218
occ1=occ2	0.0006	1	0.9805
occ1=occ2=occ3	2.6061	2	0.2717
firm1=firm2	83.7930	1	0.0001