Non-standard employment in Cyprus: Trends and policy responses

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Abstract

The recent financial crisis in Cyprus caused considerable changes in the labour market, including a large rise in the various forms of non-standard employment such as temporary and part-time work. Using a variety of secondary sources as well as primary data analysis, this paper provides a general description of the trends and policy implications of this neglected topic in Cyprus. It is found that non-standard employment is usually met among women and young persons. However, during recession, non-standard employment increased considerably among men and persons with tertiary qualifications. Non-standard workers are explicitly protected by employment legislation. However, evidence shows that non-standard employees are discriminated in terms of pay compared to observationally similar standard employees. Inequalities in the labour market are translated into higher risk of in-work poverty and disparities in social provisions, mostly in regard to the adequacy of earnings-related benefits, including pensions. The paper closes with a number of suggestions aiming at enhancing the policy framework so as to mitigate disparities between standard and non-standard workers.

Keywords: Non-standard employment, Labour market inequality, Social protection, Cyprus.

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