

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. Non-standard employment is usually met among women and young persons. However, during the years of recession, non-standard employment increased considerably among men; as it did also for persons with tertiary qualifications.

Non-standard employees are wage discriminated compared to observationally similar standard employees. They also face considerably higher risk of poverty. Not surprisingly, these forms of employment in Cyprus are overwhelmingly undesired, according to Labour Force Survey, 9 out of 10 temporary employees in Cyprus stated that they work on such contracts because they could not find better ones.

Non-standard workers are protected by the *Part-Time Employees (Prohibition of Unfavourable Treatment)* and the *Fixed-Term Work Employees (Prohibition of Unfavourable Treatment)* Laws. However, the available evidence suggests that the existing employment protection legislation has not been sufficient to fend off wage discrimination and involuntary non-standard employment during the recession years.

Non-standard workers integrate in the social protection system at the same terms as standard workers. Nevertheless, inequalities in the labour market (most importantly wage discrimination against non-standard workers) are translated into disparities in social provisions, mostly in regard to the adequacy and coverage of earnings-related benefits.

The essay closes with a number of suggestions aiming at enhancing the policy framework so as to mitigate disparities between standard and non-standard workers.