

International Labour Review

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- 331 **Enforcement matters: The effective regulation of labour**
Ravi KANBUR and Lucas RONCONI

The distinction between *de jure* and *de facto* regulation is well understood in theory, but has rarely been applied to cross-country empirical work on the impact of labour regulation on labour market outcomes for lack of data. Policy debate has been based on measures of stringency of law, suggesting a negative correlation between labour regulation and labour market outcomes. This article provides new cross-country measures of labour law enforcement and evidence of a negative correlation between stringency and intensity of enforcement. Previous results concerning the consequences of labour regulation and the legal origins theory no longer hold when a measure of effective labour regulation is used.

KEYWORDS: LABOUR LEGISLATION, APPLICATION, VIOLATION, LABOUR INSPECTION, LABOUR COURT.

- 357 **Wage distribution and firm size: The case of the United States**
Damir COSIC

Substantial literature has been produced on the increasing wage gap in the United States, invoking various possible factors, but largely ignoring the relationship between firm size and wage distribution. In this study, the author decomposes wage differences over time between large, medium and small firms, identifying the effects

of observed characteristics (and their returns) along with residual inequality, i.e. inequality among workers with the same observed characteristics. From 1992 to 2012, trends at small, medium and large firms became more uniform, while wage inequality rose across the board. Significantly, it increased more quickly in the upper half of the wage distribution and at large firms, where residual inequality was highest.

KEYWORDS: WAGE DIFFERENTIAL, INCOME DISTRIBUTION, SIZE OF ENTERPRISE, SMALL ENTERPRISE, USA.

379 **What drives youth unemployment in Europe?
Economic vs non-economic determinants**

Iva TOMIĆ

This article explores the main determinants of youth unemployment in Europe in the period 2002 to 2014 by estimating panel data models for the 28 Member States of the European Union (EU). Heterogeneity is acknowledged by estimating models for subsamples of countries with “high” and “low” youth unemployment rates. The main results suggest that youth unemployment is more pronounced in countries with poor GDP growth, a low share of construction activity and high public debt. Reduced mobility (owing to homeownership), corruption, reception of a high level of remittances and a lack of possibilities for young people to live outside parental homes are also important factors.

KEYWORDS: YOUTH UNEMPLOYMENT, LONG TERM UNEMPLOYMENT, STATISTICAL ANALYSIS, ECONOMIC RECESSION, GROSS DOMESTIC PRODUCT, CORRUPTION, FAMILY, EU COUNTRIES.

409 **Towards better prevention of fatal occupational accidents in Portugal**

António J. R. SANTOS, Efigénio L. REBELO and Júlio C. MENDES

Portugal, with a relatively high fatality rate for occupational accidents, faces the challenge of reducing fatalities with limited funding. This research identifies significant predictors in Portugal and estimates probabilities of occurrence. The model, based on applied logistic regression, suggests that policy-makers should focus prevention efforts on older workers; persons with permanent contracts; those employed by large enterprises or at workplaces in the trade or services sectors; and those exposed to deviations by overflow, overturn, leak, flow, vaporization or emissions that are likely to cause musculoskeletal disorders, wounds, fractures or traumatic amputations.

KEYWORDS: OCCUPATIONAL ACCIDENT, OCCUPATIONAL INJURY, HAZARD, OCCUPATIONAL SAFETY, PORTUGAL.

435 **The ILO Domestic Workers Convention and regulatory reforms
in Argentina, Chile and Paraguay. A comparative study of
working time and remuneration regulations**

Lorena POBLETE

In June 2011, the International Labour Conference adopted the Convention concerning decent work for domestic workers, No. 189, and its accompanying Recommendation No. 201. From a comparative law standpoint, this article seeks to analyse the role played by Convention No. 189 on regulatory reforms, focusing on the legislative measures taken in three Latin American countries that have ratified it: Argentina, Chile and Paraguay. An analysis is also made of the discussions and controversies that have determined the way in which the working time and wage provisions contained in the Convention have been incorporated into the national laws on paid domestic work in these three countries.

KEYWORDS: DOMESTIC WORKER, DECENT WORK, HOURS OF WORK, WAGES, ILO CONVENTION, ILO RECOMMENDATION, APPLICATION, LABOUR LEGISLATION, COMMENT, COMPARATIVE STUDY, ARGENTINA, CHILE, PARAGUAY.

461 Demand shocks and employment adjustments: Does employment protection legislation create rigidity?

Irfan A. SOFI and Mohd H. KUNROO

With state-level panel data from the Indian manufacturing sector for 2000–12, and labour turnover as a proxy for employment adjustments, the authors estimate differential effects of demand shocks on employment adjustment across states with high and low levels of EPL. They find that EPL does not hinder employment adjustment; the response of labour separation rates to negative demand shocks is relatively higher in states with high levels of EPL, and labour turnover is inversely associated with EPL, which may be viewed as indicative of the beneficial effects of EPL for both enterprises and workers.

KEYWORDS: LABOUR DEMAND, LABOUR STUDY, ECONOMIC RECESSION, LABOUR TURNOVER, EMPLOYMENT SECURITY, LABOUR LEGISLATION, COMMENT, INDUSTRIAL SECTOR, INDIA.

481 Job stability in Europe over the cycle

Ronald BACHMANN and Rahel FELDER

This article investigates the evolution of job tenure for the time period 2002–2012 using microdata from the European Union Labour Force Survey (EU-LFS). Overall, the data show a slight increase in average job tenure at the EU level, which can be explained by disproportional lay-offs of short-tenured workers during the crisis. When controlling for changes in the demographic composition of the workforce, an underlying negative trend in mean tenure becomes visible. Job tenure evolved very differently across the EU before and during the crisis, highlighting the importance of institutional frameworks, especially employment protection legislation (EPL).

KEYWORDS: JOB INSECURITY, ECONOMIC RECESSION, DISMISSAL, TEMPORARY EMPLOYMENT, DEMOGRAPHIC ASPECT, EMPLOYMENT SECURITY, INSTITUTIONAL FRAMEWORK, EU COUNTRIES.