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## 171 **The correlation between unemployment and economic growth in Latin America – Okun’s law estimates by country**

Maria Sylvina PORRAS-ARENA and Ángel L. MARTÍN-ROMÁN

The authors question the validity of Okun’s law in Latin America in this paper. Based on several econometric models, they show that fluctuations in economic activity have a lesser impact on unemployment rates in Latin American countries than in other, more advanced economies. Instead of stimulus policies focused on reducing unemployment in general, these countries need targeted policies that encourage job creation in specific sectors. That being said, the unemployment–output ratio differs from one Latin American country to another. Where the ratio is weak or non-existent, cyclical variations adversely affect the quality of employment – another aspect that must also be addressed by economic policy.

Keywords: Okun’s law, unemployment, economic growth.

## 199 **Revisiting the stepping-stone hypothesis: Transitions from temporary to permanent contracts in Peru**

Miguel JARAMILLO BAANANTE and Daniela CAMPOS UGAZ

This study seeks to gauge the extent to which temporary contracts function as stepping stones to permanent contracts and to distinguish intrafirm from interfirm contract conversions. Using 2012–2016 data from a Peruvian matched employer–employee database, the authors propose several measures of contract conversion and estimate duration models. Their findings show that only 7 per cent of fixed-term contracts are converted and that about half of the conversions occur in the same firm.

Keywords: labour contracts, screening, labour market institutions, duration analysis.



223 **Who demands labour (de)regulation in the developing world?  
Revisiting the insider–outsider theory**

Lucas RONCONI, Ravi KANBUR and Santiago LÓPEZ-CARIBONI

The “inside–outsider” perspective, which dominates the discourse on labour regulations, argues that protective regulations hurt the less well-off outsiders but are kept in place in the interests of the insiders, who are covered by the regulations. Thus, if the insider–outsider divide were as depicted in the standard representation, outsiders would be strongly against regulations. Our evidence that a large majority of outsiders in developing countries in fact support protective labour regulations calls for a rethink of the sharp inside–outsider divide. We suggest a number of avenues for exploration, including income-sharing, transitions, fairness and employer power in labour markets.

Keywords: labour markets, labour law, neoclassical economics, developing countries, equity, efficiency.

245 **Do international treaties have an impact only on ratifying States?  
The influence of the ILO Maternity Protection Conventions in  
160 countries between 1883 and 2018**

Keonhi SON

Contrary to the expectation that only ratifying States comply with ILO Conventions, this article argues that even non-ratifying States improve their domestic standards consistent with ILO Conventions to enhance their legitimacy. Using a new historical database, I track changes in maternity leave provisions in 160 countries between 1883 and 2018 in the light of the International Labour Conference’s adoption of the Maternity Protection Conventions. The empirical findings confirm that both non-ratifying and ratifying States expanded the terms and conditions of their paid maternity leave policies shortly thereafter.

Keywords: International Labour Organization, international treaty, world polity, family policy, maternity protection.

271 **Gender, family status and health characteristics: Understanding  
retirement inequalities in the Chilean pension model**

Marcela PARADA-CONTZEN

This paper aims to measure the impact of life-cycle events on accumulated retirement savings within the context of a retirement system with mandatory individual savings accounts. Taking into account the impact of lifetime events through multiple channels, the author presents a set of correlated equations that capture labour market behaviour, portfolio and savings decisions, risk preferences, and family and health characteristics, using data from an iconic Chilean experiment. The findings indicate that a woman located in the middle of the wealth distribution who is married with two children, and who suffers a health shock in the last ten years of her working life cycle, accumulates less wealth than her counterpart.

Keywords: retirement, old age benefit, sex discrimination, Chile.

305 **Prison labour, customs preference schemes and decent work:  
Critical analysis and outlook**

Andrea SITZIA and Benoît LOPEZ

In customs preference schemes, prison labour is primarily viewed as unfair competition, to be rejected out of hand. This form of employment can, however, be understood differently, notably by considering the conditions under which it may constitute decent work, and by seeing it as a tool for rehabilitation. Following an in-depth legal analysis, in which they compare the relevant standards of the ILO to EU and WTO customs regulations in the light of the capability approach, the authors call for the development of a set of rules drawing on several branches of law relating to prison labour.

Keywords: prison labour, decent work, unfair competition, tariff policy, ILO standards, European law, vulnerable groups, capability approach, EU, WTO.



## 327 **Development of a composite job quality index for LGBTQ+ workers in Quebec (Canada)**

Michele BAIocco, Martin BLAIS, Mariia SAMOILENKO,  
Line CHAMBERLAND and Isabel CÔTÉ

When heterosexism and cisgenderism leads to social exclusion at work, it negatively affects the well-being of LGBTQ+ people. To measure this phenomenon, the authors constructed a specific job quality index based on a sample of 1,761 LGBTQ+ Quebec workers recruited as part of the UNIE-LGBTQ survey (2019–2020). The index was created using factor scores; it comprises 16 indicators and covers five dimensions. It has acceptable internal consistency and is moderately associated with LGBTQ+ job satisfaction. Its conceptual validity is bolstered by the fact that it reflects anticipated differences between groups.

**Keywords:** sexual orientation, gender identity, employment quality, working conditions, work environment, job satisfaction, heterosexism, cisgenderism, Canada.