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## Sustainable and Precarious Employment in the Russian Federation

V.N. Bobkov, E.V. Odintsova, G.L. Podvoisky

Institute of Economics, Russian Academy of Sciences, Moscow, Russia

#### **ABSTRACT**

The subject of the present study is the relationship between sustainable and precarious employment and their scale in the Russian economy. The topic of the article is "Sustainable and precarious employment in the Russian Federation". The aim of the study is to consider the characteristics of sustainable and precarious employment through the prism of the extended and traditional concepts of the labour force and to determine their scale in the whole of the Russian Federation and in individual sectors of employment on the basis of objective indicators of precarious employment substantiated and verified by the authors. The research methodology is based on a qualitative and quantitative analysis and synthesis of the characteristics of sustainable and precarious employment, including consideration of the extended and traditional concepts of the labour force, the classification of modern employment, as well as the verification of its indicators and their variable application. The scope of the research results is to develop consensus methodological approaches to the study of sustainable and precarious employment, as well as their regulation by government authorities. The authors concluded that precarious employment in the Russian Federation is widespread, which reduces the quality of employment and requires legislative and practical restrictions. \*Keywords:\* sustainable employment;\* precarious employment;\* extended labour force concept;\* traditional labour force concept;\* ways of classifying employment;\* objective indicators of precarious employment;\* subjective indicators of precarious employment;\* concentration of precarious employment indicators; scale of sustainable and precarious employment

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### **INTRODUCTION**

Employment has always been one of the central topics of research of economists, sociologists, lawyers, and representatives of other sciences, as it is the key to the characteristic of socio-economic and other relations that characterise the social and labour sphere. With the development of nonstandard employment, interest in the study of this sphere has grown significantly due to the need to identify the features and compare its organisational, technical, and socio-economic characteristics with standard employment. It has been established that the socio-economic characteristics of nonstandard employment identify a significant part of it as precarious employment. The authors of this publication were among the first in the Russian Federation to draw attention to this problematic and to present to the scientific community an overview of its development in foreign and

domestic studies, as well as to identify the features of its manifestation in capitalist Russia [1-5].

In the period since 2018, interest in the study of precarious employment in the Russian Federation has grown significantly. Fundamental monographs [6–11] and a number of topical articles in periodicals [12–15], etc. have been published. With the expansion of research on precarious employment, a number of Russian and foreign publications have provided different estimates of its scale<sup>1</sup> [16–22]. This actualised the need to develop consensus approaches to assessing the involvement of workers in precarious employment and served as an impetus for this study.

 $<sup>^1</sup>$  The Precarity Penalty. The impact of employment precarity on individuals, households and communities — and what to do about it. PEPSO. 2015. URL: https://pepso.ca/documents/precaritypenalty.pdf (accessed on 11.08.2023).

*Purpose* of the study: to examine the characteristics of sustainable and precarious employment through the prism of the expanded and traditional concepts of the labour force and to determine their scale in the Russian Federation as a whole and in individual employment sectors on the basis of objective indicators of precarious employment substantiated by the authors [23].

Object of the study: the labour force of the Russian Federation, including its potential contingent. Subject of the study: relations of sustainable and precarious employment and their scale in the Russian economy. Hypothesis of the study: the objective characteristics of sustainable and precarious employment and their scale depend on the "framework" of the concept of labour force, ways of classification (structuring) of employment, as well as on the indicators that characterize it (indicators and indices).

### TOWARDS A THEORY AND METHODOLOGY OF THE PROBLEM

We refer to sustainable employment (SE) as work based on an open-ended labour contract, with standard working hours (full-time, normal working week), with labour and social guarantees provided by the Labour Code of the Russian Federation (protection from dismissal, stable earnings, etc.). [24].

In contrast to sustainable employment, precarious employment (PE) is a forced production relationship for the employee, which is accompanied by partial or complete loss of labour and social guarantees provided by sustainable employment. This phenomenon is widespread in the modern world. The theoretical framework for defining and measuring precarious employment is set by the International Labour Organization (ILO) (Table 1).

In practice, the ILO's theoretical model of precarious employment is adapted to the specifics of a particular country. An increase in precarious employment indicates a decline in the quality of employment.

Sustainable employment and precarious employment should not be identified, respectively,

with standard and non-standard employment [25]. In modern conditions, there is a corrosion of the classical model of standard employment, which by definition was initially sustainable. Part of it, as precarious employment expanded, absorbed elements of precarious labour relations [26].

The characteristics of sustainable employment and precarious employment depend on the concept of the labour force, on the ways of its classification (structuring), as well as on the indicators (indicators, indices). In general, a three-dimensional representation of the space of employment characteristics is presented in *Fig. 1*. It follows that employment at each point can be identified by belonging to one or another component of the concept of labour force, by a variety of its classification and certain indicators (indicators, indices) that have quantitative definiteness.

There is a distinction between expanded and traditional labour force concepts. The expanded labour force concept includes three components: employed (I), unemployed (II) and potential labour force (III).

Component I — *employed*, persons who carry out the labour process: IA - in organisations (legal entities) and IB — in the informal sector (in the sphere of entrepreneurial activity without legal entity).2 Component IA is the wage employment, which is the main job. Employees must be officially registered (under a labour agreement). In practice, part of employment in organisations is not formalised, and workers are engaged in shadow employment. Component IB is the work in the informal employment sector, which characterises the main employment of individuals. In practice, some self-employed and individual entrepreneurs are not registered with the tax authority. In this case, they carry out shadow employment.

<sup>&</sup>lt;sup>2</sup> Informal employment sector and informal employment are not identical concepts. The latter, in our opinion, represents shadow employment in the formal (organisations) and informal (individuals) sectors of the economy, among the unemployed and potential labour force.

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Table 1 The theoretical framework for the definition of precarious employment according to the ILO

Precarious employment						
I. Contractual arrangements	II. Precarious conditions					
1.1. Limited duration of contract (fixed-term, short-term, temporary, seasonal, day-labour and casual labour)	2.1. Low wage	2.2. Poor protection from termination of employment				
1.2. Nature of employment relationship (triangular and disguised employment relationships, bogus self-employment, subcontracting and agency contracts)	2.3. Lack of access to social protection and benefits usually associated with full-time standard employment	2.4. Lack of or limited access of workers to exercise their rights at work				

Source: compiled by the authors based on: URL: https://www.ilo.org/wcmsp5/groups/public/--ed dialogue/--actrav/documents/ meetingdocument/wcms 179787.pdf

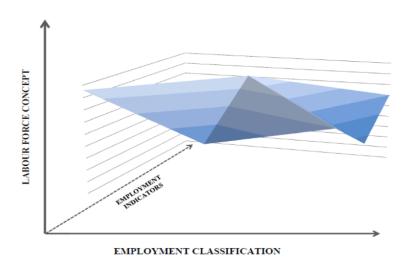


Fig. 1. The space of employment characteristics

Source: developed by the authors.

Component II is the *unemployed*. They are the temporarily unemployed and are defined by ILO methodology. The unemployed are divided into two groups: IIa — self-employed jobseekers; IIb those registered with employment centres that assist in finding employment.

Component III — the potential labour force consists of persons of working age who have either taken action to look for work but are not ready to start work at the moment but will be ready to do so within a short follow-up period determined by national circumstances (i.e., job seekers not ready to start work); or have not taken action to look for work but want to work and are ready to start

work at the moment (i.e., not looking for work, potentially ready to start work). Component III also includes persons of working age who have not expressed a desire to work and who are not fulltime students, pensioners, or homemakers [27]. In contrast to the expanded concept, the traditional concept does not include the potential labour force.

For the purposes of our study, the classification of employment presented in Fig. 2 is used. It considers modern employment in the totality of its three paradigmatic paired characteristics, namely: Standard — Non-standard (atypical) employment; Formal sector — Informal sector of employment; Sustainable — Precarious employment. Their

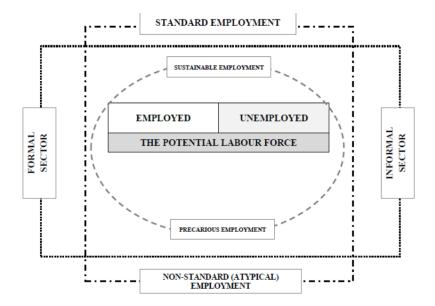


Fig. 2. Extended concept of labor force and classification of employment

Source: developed by the authors.

aggregate consideration was first applied by us in the study [28] and allows us to describe the qualitative and quantitative characteristics of sustainable and precarious employment.

Let us consider the qualitative and quantitative characteristics of sustainable employment and precarious employment sequentially, first within the framework of the traditional and then within the framework of the expanded labour force concept. It is important for us to identify their indicators and assess the extent of sustainable employment and precarious employment, both for the country as a whole and for its individual sectors.

The identification of sustainable and precarious standard and non-standard employment in the formal and informal sectors of the labour force is schematised in *Fig. 3*.

Considering them separately or jointly (objects are quadrants<sup>3</sup> within the circle) leads to different results, with significantly different qualitative and quantitative characteristics of employment. In this methodological approach, sustainable employment and precarious employment have clear objects and the results of their study identified with them.

Component I (employed), presented in Fig. 3, includes employment in the formal (IA - left area of the circle) and informal (IB — right area of the circle) sectors. Part of employment is standard and part is non-standard. Inside the dashed line highlighted in red are the precarious parts of employment, which include: 1) the part of employment in the formal sector — formal and hidden employment in organisations (IAa); 2) the part of employment in the informal sector, which includes formal and hidden employment (IBb). Each of these parts will be characterised by its qualitative and quantitative characteristics of employment, which are conditioned by its specifics (attributes, etc.) and the scale of formal PE and hidden (unformalised) employment.

The traditional labour force concept includes *component* II (unemployment), which fully represents the most acute form of precarious employment, defined by temporary unemployment and, consequently, lack of income [29]. When it is taken into account, the scope of precarious employment in the traditional labour force concept includes precarious employment in component I, representing part of the formal and informal employment sectors, and all employment in component II.

<sup>&</sup>lt;sup>3</sup> A quadrant is one-fourth of the area of a circle.

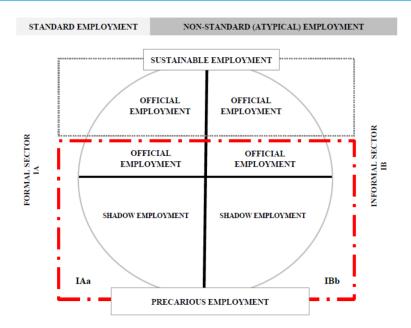


Fig. 3. Stable and precarious standard and non-standard employment in the formal and informal sectors Source: developed by the authors.

To estimate precarious employment under an expanded labour force concept, the characteristics and extent of precarious employment in components I and II need to be added to characteristics and extent of shadow employment in *component* III.

In order to qualitatively and quantitatively characterise those with precarious employment, its indicators need to be identified. Their identification, as well as the characterisation of labour force components and classification of employment, is an integral part of the theoretical and methodological toolkit of the study. Such work was carried out by the authors earlier [30]. A total of 16 indicators were identified, including 13 objective and 3 subjective indicators.<sup>4</sup> Among the objective indicators of precarious employment, 5 are defined as the key ones and 8 as non-key indicators.

The key indicators of precarious employment are: (1) Employment on the basis of verbal agreement without documentation; (2) The level of income from primary employment that does not ensure the sustainability of the financial situation of households (less than 3.9 minimum subsistence level of the working population); (3) Forced unpaid leave at the initiative of the employer; (4) Absence of paid leave; and (5) Reduction of wages or hours of work by the employer.

Non-key objective and subjective indicators of precarious employment are: (6) Employment on the basis of a civil law contract; (7) Employment on the basis of an employment contract (service contract) for a fixed term (1 year or less); (8) Unofficial employment without registration or documentation; (9) Unofficial employment in the informal sector; (10) Self-employment; (11) Wage arrears; (12) Unofficial (partially or fully) income from employment; (13) Working hours deviating from standard: Working week of more than 40 hours or not more than 30 hours (in the main job); (14) Presence of dissatisfaction with pay; (15) Presence of dissatisfaction with working conditions; (16) Workers' concern about job loss. In further measuring the scale of precarious

<sup>&</sup>lt;sup>4</sup> The ILO criteria and all available data of the Russian state statistics, as well as the database of the The Russia Longitudinal Monitoring Survey — Higher School of Economics were used to identify indicators. The initial list of indicators was verified on the basis of: 1) multicollinearity (independence) test; 2) expert assessments (were obtained during a specially organised expert survey). To identify key and non-key indicators, ranking of the identified indicators using expert judgements was applied. Subjective indicators were not considered key by the experts. Further, they were not used to assess the scale of precarious employment.

employment, the authors are guided by objective indicators (1)-(13) characterising it.

The above-mentioned components of the labour force, the method of employment classification and the indicators of precarious employment allow measuring the scale of sustainable employment and precarious employment by individual components of the labour force and in general.

### **METHODS AND DATA**

Theoretical and methodological (qualitative) approaches to the study of the object and subject of the research are based on the interrelation of deductive and inductive justification of the classification of modern employment; on the analysis and synthesis of the components of the expanded and traditional concepts of labour force and modelling of the structure of modern employment; on the standardisation of sustainable and precarious employment taking into account the concentration of their verified objective indicators; on the analysis of the conditions of employment of the labour force as a whole in the Russian Federation in its sectors; statistical and sociological approaches to the study of sustainable and precarious employment; comparison of their Russian and foreign characteristics.

Rosstat indicators, including data from the Comprehensive monitoring of living conditions (CMLC) and the Labour Force Survey (LFS), are used to quantitatively assess modern employment to complement its qualitative characteristics. In addition, data from the Russia Longitudinal Monitoring Survey — Higher School of Economics (RLMS)<sup>5</sup> are used in the analysis. The author's original calculations of sustainable and precarious employment were carried out and compared with the results published in Russian and foreign monographs and periodicals.

# RESULTS OF MEASURING SUSTAINABLE AND PRECARIOUS EMPLOYMENT (OBJECTIVE INDICATORS)

1. Extent of sustainable and precarious employment in the formal sector (organisation). This sector of employment is the main one in terms of the scale of employment and its role in the results of socio-economic development of the country. The RLMS data allow for a fairly complete characterisation of employment in the organisations sector. It has been revealed that in 20216 precarious employment prevailed among employees of organisations — they accounted for 87.2%, including moderate concentration of indicators (one or two key indicators of precarious employment) in 45.4% of employees, high concentration (one or two key indicators and one or three non-key indicators) in 33.8% of employees, and the most vulnerable position with the highest concentration of indicators (three or five key indicators, which may be accompanied by one or three non-key indicators) had 8% of employees. The transitional group (one to three non-key precarious employment indicators) comprised 5.3%, and only 7.5% of the organisations' employees were sustainably employed. A retrospective comparison of the dynamics of precarious employment for more than a decade (2008–2021) by "reference points" (2008, 2014, 2020 and 2021) showed that "compositionally" the situation with the quality of employment in the organisations sector has not changed fundamentally. The share of sustainable employment in the period under review was low, remaining at less than 10%, while precarious employment with varying concentrations covered more than 80% of employees [31].

In relation to the total number of the labour force and persons of working age who are not in the labour force, in 2021, precariously employed workers in organisations totalled 55.9%, including 29.1% with moderate, 21.7% with high, and

<sup>&</sup>lt;sup>5</sup> "Russia Longitudinal Monitoring survey, RLMS-HSE", conducted by National Research University "Higher School of Economics" and OOO "Demoscope" together with Carolina Population Center, University of North Carolina at Chapel Hill and the Institute of Sociology of the Federal Center of Theoretical and Applied Sociology of the Russian Academy of Sciences. (RLMS-HSE web sites: https://rlms-hse.cpc.unc.edu, https://www.hse.ru/org/hse/rlms)

<sup>&</sup>lt;sup>6</sup> Estimation based on 30th wave of RLMS data.

 $<sup>^{\</sup>rm 7}$  Estimation based on 17, 23, 29 and 30th waves of RLMS data.

5.1% with the highest concentration of signs of precarious employment.<sup>8</sup>

2. Extent of sustainable and precarious employment in the informal sector (individuals). This sector is dynamically developing and plays an increasingly important role in employment and socio-economic development of the country. However, its statistical support is insufficient. The databases of the Federal State Statistics Service (Rosstat, Comprehensive monitoring of living conditions (CMLC)) and RLMS (Russia Longitudinal Monitoring Survey — Higher School of Economics) allow measuring precarious employment only for some of the indicators of precarious employment used by the authors.

The databases of CMLC enable the following types of contractual arrangements to be analysed: (1) Employment on the basis of verbal agreement without documents; (6) Employment on the basis of civil law contract; (7) Employment on the basis of labour contract (service contract) for a certain period of time. The assessment of these indicators reveals 61% of sustainably and 39% of precariously employed wage workers in the informal sector, of which 26% work on the basis of verbal agreement (shadow employment) (2022).9 In turn, wage workers accounted for about 61.6 per cent of the total number of recorded informal sector workers, while 38.4 per cent were registered independent workers (employers and self-employed who do not use wage labour). 10 The CMLC database does not allow to identify shadow independent workers who have precarious employment and to analyse precarious working conditions in informal employment. The RLMS database can partially fill this gap.

RLMS allows us to analyse the following indicators of precarious working conditions in the

informal employment sector used by the authors: (2) The level of income from main employment that does not ensure the sustainability of the financial situation of households (less than 3.9 minimum subsistence level of the working population); (12) Unofficial (partially or fully) income from employment; (13) Working hours deviating from the standard working hours: the duration of the working week is more than 40 hours or not more than 30 hours (at the main place of work). The assessment of these indicators revealed 94.2% of the precariously employed according to the considered indicators of precarious working conditions, including 30.9% — for the presence of one indicator, 43.8 — for two indicators, and 19.5% of those employed in the informal sector — for three indicators (2021).<sup>11</sup> At the same time, the information in the RLMS database is insufficient to analyse precarious contractual arrangements in the informal employment sector, which does not allow us to use this criterion and complement the results obtained for working conditions. This gap can be partially filled by using the CMLC database.

Therefore, the two databases reviewed complement the characteristics of sustainable and precarious employment in the informal sector, but cannot fully describe them. It is noteworthy that, according to the RLMS data, almost all informal workers are characterised by precarious working conditions. The CMLC database shows a large proportion of precarious contract labour in the informal sector. Both results, given the limited capacity of the available databases to fully describe precarious employment, suggest, in our view, that it would not be inaccurate to attribute all employment of workers in the informal sector to precarious employment.

The magnitude of employment in the informal sector was 15.2% (2021) of the total labour force and working-age persons not yet included in the labour force.<sup>12</sup>

 $<sup>^{\</sup>rm 8}$  Estimation based on 30th wave of RLMS data and Rosstat (Labour force sample survey results — 2021. URL: https://rosstat.gov.ru/folder/11110/document/13265).

<sup>&</sup>lt;sup>9</sup> Estimation based on Rosstat data: Comprehensive observation of living conditions of the population 2022. URL: https://gks.ru/free\_doc/new\_site/GKS\_KOUZH\_2022/index.html

<sup>&</sup>lt;sup>10</sup> Estimate based on Rosstat data: Labour Force Survey 2022. Rosstat. URL: https://rosstat.gov.ru/folder/11110/document/13265.

<sup>11</sup> Estimation based on 30th wave of RLMS data.

 $<sup>^{\</sup>rm 12}$  Estimate based on Rosstat data: Results of the sample labour force survey — 2021. URL: https://rosstat.gov.ru/folder/11110/document/13265

- 3. *The extent of precarious employment among the unemployed*. All the unemployed defined by ILO methodology have precarious employment because they do not have contractual agreements and labour income while looking for work. The unemployed in 2021 represented 4.0% of the total labour force and working-age persons not in the labour force.<sup>13</sup>
- 4. *Potentially precarious (shadow) employment of working-age persons not in the labour force.* In 2021, this category of precarious employment accounted for 3.3% of the total labour force and working-age persons not in the labour force.<sup>14</sup>

Table 2 presents variants of calculations of the aggregate scale of precarious employment in the Russian Federation as a whole in 2021 for the expanded and traditional labour force concepts.

When precarious employment is identified under the expanded labour force concept under option 3, which takes into account the maximum scale of precarious employment (pp. 1-4), it reaches 78.4% (of the sum of the labour force and working-age persons not in the labour force) (2021). If the requirements for the composition of precarious employment indicators in the formal sector are tightened, precarious employment decreases to 49.3% [option 2, when considering workers with high (Table 2, pp. 1.2) and highest (*Table 2*, pp. 1.3) concentrations of its indicators], or to 27.6% [option 1, when considering as precarious employment in the formal sector only workers with the highest concentration of its indicators (*Table 2*, pp. 1.3)], respectively.

For comparison, the maximum precarious employment scale (option 3) in 2021 under the traditional labour force concept is **89.9%.** If the requirements for the composition of precarious employment indicators in the formal employment sector are tightened, the scale of precarious

employment decreases, respectively, to **55.1%** [option 2, when considering workers with high (*Table 2*, pp. 1.2) and highest (*Table 2*, pp. 1.3) concentration of its indicators], or to **29.1%** (option 1, when considering as precarious employment in the formal sector only workers with the highest concentration of its indicators (*Table 2*, pp. 1.3)). Sustainable employment using variants calculations was **10.1**, **44.9** or **70.9** per cent, respectively.

If we consider the scale of precarious employment only in the formal employment sector (*Table 3*), its maximum size (option 3) was **86.9 per cent**. When the requirements to the composition of precarious employment indicators in the formal employment sector are tightened, the scale of precarious employment decreases, respectively, to **41.6 per cent** [option 2, when considering workers with high (1.2) and the highest (1.3) concentration of its indicators], or to **7.9 per cent** [option 1, when considering as precarious employment in the formal sector only workers with the highest concentration of its indicators (1.3)]. Sustainable employment using variants calculations was **13.1**, **58.4 or 92.1 per cent**, respectively.

The penetration of some key and non-key indicators of precarious employment (low wages, wage arrears, deviating from standard working hours, etc.) into the organisational employment sector makes it necessary to estimate its size variably, taking into account the concentration of precarious employment indicators. The preferred option is option 2, in which the size of precarious employment was: under the expanded labour force concept -49.3%, under the traditional labour force concept -55.1%, including for the formal employment sector -41.6%. Thus, between 40 and 55 per cent of the labour force, including its potential sector, had precarious employment.

The above variant estimates of sustainable employment and precarious employment allow researchers and practitioners to operate with the scales of sustainable employment and precarious employment that follow from the objectives of their

 $<sup>^{\</sup>rm 13}$  Estimate based on Rosstat data: Results of the sample labour force survey — 2021. URL: https://rosstat.gov.ru/folder/11110/document/13265

 $<sup>^{14}</sup>$  Estimate based on Rosstat data: Results of the sample labour force survey - 2021. URL: https://rosstat.gov.ru/folder/11110/document/13265



### Options for identifying the aggregate scale of precarious employment in Russia based on extended and traditional labor force concepts, 2021

	Scope, %	Options for identifying the aggregate extent of precarious employment (PE)			
		Option 1	Option 2	Option 3	
I. Identification based on an	expanded labor	ur force concept *			
Precarious (including shadow) wage employment in the formal sector of the economy (in organisations), total	55.9				
Including:					
1.1. With moderate concentrations of PE (one or two key PE indicators are present)	29.1	-	-	V	
1.2. With high concentration of PE (one to two key indicators and one to three non-key PE indicators are present)	21.7	-	V	V	
1.3. With the highest concentration of PE (there are three to five key PE indicators, which may be accompanied by one to three non-key PE indicators)	5.1	V	V	V	
2. Employment in the informal sector	15.2	V	V	V	
3. Unemployment	4.0	V	V	V	
4. Potentially shadow employment of persons of working age who are not in the labour force	3.3	V	V	V	
Cumulative scale of PE, total		27.6	49.3	78.4	
II. Identification based on the t	raditional conce	ept of labour force	**		
Precarious (including shadow) wage employment in the formal sector of the economy (in organisations), total	66.9				
Including:					
1.1. With moderate concentrations of PE (one or two key PE indicators are present)	34.8	-	-	V	
1.2. With high concentration of PE (one to two key indicators and one to three non-key PE indicators are present)	26.0	-	V	V	
1.3. With the highest concentration of PE (there are three to five key PE indicators, which may be accompanied by one to three non-key PE indicators)	6.1	V	V	V	
2. Employment in the informal sector	18.2	V	V	V	
3. Unemployment	4.8	V	V	V	
Cumulative scale of PE, total		29.1	55.1	89.9	

Source: authors' assessment based on the data of the 30 round of the of the RLMS and Rosstat. URL: https://rosstat.gov.ru/folder/11110/document/13265

*Note:* \* – As a percentage of the sum of the labor force and persons of working age who are not part of the labor force; \*\* – As a percentage of the sum of the labor force and persons of working age who are not part of the labor force; "V" – taken into account when identifying the total scale of precarious employment; "–" – not taken into account when identifying the total scale of precarious employment.

research, depending on the concept of labour force, employment sectors, the number and composition of indicators characterising its concentration, as well as sectoral and regional characteristics of the objects under study.

It should be borne in mind that our results take into account only statistical estimates of the scale of sustainable employment and precarious employment, and not people's opinions, which may differ significantly from objective data.

Options for identifying the extent of precarious employment in Russia in the formal employment sector, 2021

	Scope, %*	Options for identifying the aggregate scale of PE		
		Option 1	Option 2	Option 3
Precarious (including shadow) wage employment in the formal sector of the economy (in organisations), total	86.9			
Including:				
1. With moderate concentrations of PE (one or two key PE indicators are present)	45.3	-	-	V
2. With high concentration of PE (there are one to two key indicators and one to three non-key PE indicators)	33.7	-	٧	V
3. With the highest concentration of PE (there are three to five key PE indicators, which may be accompanied by one to three non-key PE indicators)	7.9	V	V	V
Cumulative scale of PE, total		7.9	41.6	86.9

Source: authors' assessment based on the data of the 30 round of the of the RLMS and Rosstat. URL: https://rosstat.gov.ru/folder/11110/document/13265

*Note:* \* — As a percentage of the sum of the labor force and persons of working age who are not part of the labor force; "V" — taken into account when identifying the total scale of precarious employment; "—" — not taken into account when identifying the total scale of precarious employment

#### DISCUSSION

It is important to compare the results of the characterisation of sustainable and precarious employment with the assessments of foreign and Russian researchers. This will allow us to establish common and specific approaches to the study of these phenomena, identify discrepancies and determine their causes.

Let's start by looking at an international study organised by Eurofound, which periodically conducts European Working Conditions Surveys. <sup>15</sup> The fourth study (2005) included a component of studying precarious employment. Its 8 constructs and 11 indicators were defined: 1) precarious employment (indicator — type of contract); 2) low income (indicators — very low-paid jobs and number of in-kind benefits); 3) workers' lack of rights and social protection (indicator — health and safety information); 4) workers' inability to exercise their rights (indicator — unpaid

flexible working hours); 5) lack of collective bargaining (indicator — freedom to determine their working hours); 6) unbalanced interpersonal power relations (indicator — participation in communication with superiors); 7) lack of training opportunities (indicator — percentage of training opportunities); 8) low control over working hours (indicators: changing the schedule during the working day and working more than 45 hours per week).

The results of this study show that precarious employment was a significant segment of national labour markets. Using selected objective indicators comparable to those used in our study, the following estimates of precarious employment were obtained for the three countries of France, Germany, and Italy:

- employment under fixed-term contractual agreements was 12.4, 19.4 and 14.0 per cent, respectively;
- very low paid employment 23.7, 26.6 and 21.9 per cent;
- working more than 45 hours per week covered 8.0, 10.9 and 4.0 per cent of the employed, respectively.

<sup>15</sup> EWCS — A survey that is conducted every five years and covers various aspects of working life, such as working hours, work organisation, work-life balance and work-related health problems. URL: https://www.eurofound.europa.eu/surveys/europeanworking-conditions-surveys-ewcs

Objective and subjective indicators were used to assess precarious employment in this study. Their composition differed significantly from the verified indicators in our study. No country-specific integrated estimates of precarious employment were made.

Of the foreign country studies of precarious employment that we are aware of,16 we will briefly (due to the limited volume of the publication) comment on its characteristics in Italy, Hungary, and Canada. The study of precarious employment in Italy was conducted in 2013-2016. [32]. The Italian state statistical authority applied the following classification of the employment structure: 1) atypical employment (temporary employment and so-called collective workers); 2) standard employment; 3) partially standard employment (part-time + open-ended contracts); 4) economically inactive and unable to work; 5) unemployed and potential labour force. The shares of these components of the labour force among young people aged 15–34 years were 56.7; 17.9; 15.4; 5.5 and 4.5% respectively. The paper finds that companies in Italy prefer temporary contracts for newly hired workers. Conversion of open-ended contracts with employees to those that do not provide stable employment is also common. General quantitative estimates of precarious employment in Italy are not presented in the paper.

Note that in this study the classification of the employment structure is based on an extended concept of the labour force, which is in line with our results. It seems important to identify the component "partially standard employment" in the Italian state statistics, which in the future it would be advisable to identify in our work, due to the corrosion of standard employment in our country.

Thus, as of 2021, based on the above calculations (see subsection *Dimensions of sustainable and precarious employment in the formal sector*), partially standard employment

in organisations would include a transitional group of 5.3% (one to three non-key precarious employment indicators) and 45.4% (one to two key and one to three non-key precarious employment indicators) of workers with a moderate concentration of precarious employment indicators. Then the structure of the employed in organisations could be presented approximately as follows: 1) sustainably employed -7.5%; 2) partially sustainably employed — 50.7%; precariously employed — 41.8% (employees with high and very high concentration of precarious employment indicators). Of course, in the future, if the concept of "partially sustainable employment" is introduced, it will be necessary to clarify the composition of key and non-key indicators of precarious employment, which could correctly describe this phenomenon in relation to the peculiarities of Russian employment.

The study of precarious employment in Hungary [21] focuses on identifying the scale and characteristics of atypical forms of employment and contractual arrangements (2005-2012), as well as the size of unemployment (1992–2011) and their impact on poverty. As a result of the analysis, the specific weights of the following forms of employment (in % of the number of employed) were established: fixed-term contract (10-15%); part-time employment (3-5%), etc. The unemployment rate during the period under study was within the range of 6–11 per cent. A comparison of these indicators of labour force employment with a number of other countries has been made. The work is conducted within the traditional concept of the labour force, but is not limited to the employed. Along with them, the precarious employed include the unemployed, which is not included in some Russian studies of precarious employment. The publication does not give a full picture of the extent of precarious employment, as it does not consider precarious working conditions and does not identify the country size of precarious employment.

<sup>&</sup>lt;sup>16</sup> An overview of foreign studies is presented in the Introduction section of the paper.

The Canadian study<sup>17</sup> measured *the Index of precarious employment*, which is a person's average score on 10 questions related to: a measure of the employment relationship (including whether the person is in temporary employment or a standard employment relationship?); a measure of expected changes in hours of employment; income variability; the ability to voice problems at work without fear of losing it; the frequency of on-call work; whether the worker receives payment in cash; whether the worker receives payment for missing a day of work; and more.

Objective and subjective indicators were used to assess precarious employment in this study. Their composition differed significantly from the verified indicators of our study.

The published values of the "precarious employment index" were: 13.7% (1989), 20.1 (1997), 21.3% (2007), 22.1% (2011), 21.8% (2014). The dynamics of precarious employment shows an increase in its scale. The definition of an integral index of precarious employment in this study is commendable.

In Russia, the most notable sociological studies of precarious employment were carried out in 2018–2020 by a team led by a Corresponding Member of Russian Academy of Sciences Zh. T. Toshchenko. Their results are presented in the monograph [33]. Its methodological part emphasises the expediency of building a classification of workers by precarious employment based on a combination of the values of two attributes — the level of employment instability and their subjective assessment of their situation [satisfaction with employment conditions, (not) willingness to change the place of work, etc.]. The team of researchers used in their work 7 indicators (signs) of precarious employment:

1) registration of labour without a contract or with a contract for not more than 1 year;

- 2) complete inconsistency of education and qualifications with the work performed;
  - 3) permanent overwork (more than 8 hours);
- 4) moonlighting (regular or irregular) in one's own or third-party organisation;
- 5) salary in an envelope (systematic or occasionally);
- 6) change of job more than once in the last 3 years;
- 7) inability to influence decisions in your work organisation.

An important innovation is the introduction of the concept of "degree of precarity" in the characterisation of precarious employment and the establishment of its ranges depending on the number of indicators: 0-1 — low degree of precarity; 2-3 — medium degree of precarity; 4-6 — high degree of precarity (the core of the precariat).

In this study, as far as we know, for the first time in the Russian Federation, the involvement of workers in precarious employment is considered not only for the Russian Federation as a whole, but also for the main large sectors of the Russian economy: industry, construction, transport (with the example of automobile transport), and agriculture (a total of 11 sectors). It was found that the degree of precarity of employment, depending on the industry studied, was (in % of the number of employees): in industry (2018) - low - 66.5, average -26.4, high -7.1; in construction (2019), respectively -39.0; 24.4; 36.6; in transport and communications (2019) - 59.6; 22.8; 17.5; in agriculture (2018) -55.8; 28.8; 15.4; in education, science, culture and health care (2018) - 80.2; 15.3; 4.5; in trade, services (2018) - 47.6; 28.6; 23.7. According to the obtained estimates, in Russia as a whole, 45–50% of the economically active population was involved in precarious employment in 2018, and the distribution by degree of precarity in Russia as a whole in 2018–2019, including the above-mentioned sectors of the economy, was as follows: with a low degree -62.2%, with an average degree -22.6%, and with a high degree -15.3%.

The sociological surveys conducted by the authors of the monograph made it possible

<sup>&</sup>lt;sup>17</sup> The Precarity Penalty. The impact of employment precarity on individuals, households and communities — and what to do about it. PEPSO. 2015. URL: https://pepso.ca/documents/precarity-penalty.pdf (accessed on11.08.2023).

to identify such characteristics of precarious employment, which had not been previously recorded by Russian scholars, and to expand its largely previously unexplored characteristics. For example, "the inability to influence decisions in one's own production organisation" or the impact

of the transport component of (non-) accessibility of employment on the disruption of the "workfamily" balance, etc.

A number of methodological techniques described in the monograph and the calculations of precarious employment based on them coincide with those presented in our paper. This refers to the definition of a set of indicators to characterise precarious employment, the identification of the "degree of precariousness of employment", which echoes the concept of "concentration of precarious employment indicators" introduced by us and allows differentiated assessment of its level depending on the nature of the tasks to be solved, etc.

At the same time, it should be noted that, unlike our study, the authors of the monograph were guided only by the traditional concept of the labour force (moreover, they did not include the unemployed in the precarious employment), which limited the possibilities of precarious employment characteristics. The monograph does not provide a justification for the choice of precarious employment indicators rather than others. Unlike its authors, we are not in favour of considering both objective and subjective indicators of precarious employment when **simultaneously** assessing the scale of precarious employment.

We believe that it is reasonable to **base** the characterisation and evaluation of this phenomenon on objective indicators. It would be correct to consider subjective characteristics of precarious employment and corresponding indicators separately, in addition to objective ones. The contradictory relationship between these two groups of indicators, when considered simultaneously, may lead to a distortion of the characteristics and scope of precarious employment. This is why our work is limited to

identifying and analysing objective indicators of precarious employment. Subjective independent indicators have also been identified and verified: (14) Dissatisfaction with wages; (15) Dissatisfaction with working conditions; (16) Workers' concern about job loss [34]. Their relationship with objective indicators and their impact on the scale of precarious employment have not been considered by us and will be studied in the future. Due to different concepts of the labour force, different ways of classifying employment and different composition of precarious employment indicators, the characteristics and extent of precarious employment differ in the compared studies.

Let us note the analysis of sustainable employment and precarious employment carried out in the Vologda Scientific Centre of the Russian Academy of Sciences (VolSC RAS). Its results show that the scale of precarious employment among employees when assessed on the basis of the presence of one or more objective characteristics (informal nature of labour relations at the initiative of the employer, 18 lack of basic social guarantees, 19 low wages<sup>20</sup>) can reach 39% [35]. Here, as well as in the already commented studies, there is a number of general and specific methodological techniques for identifying precarious employment. In order to compare these results with others, it is necessary to bring them to a single methodological construct of the characteristics of sustainable and precarious employment.

### **CONCLUSIONS**

We have analysed the characteristics of sustainable and precarious employment in the expanded and traditional concepts of the labour force. The extent of precarious employment is determined in accordance with the classification of modern employment and using its verified objective indicators for different components of the labour

<sup>&</sup>lt;sup>18</sup> The employer refuses to conclude a labour contract.

<sup>&</sup>lt;sup>19</sup> The following social guarantees are not provided at the main place of work: compulsory social insurance, paid regular leave, payment for temporary incapacity for work.

 $<sup>^{\</sup>rm 20}$  Wages below the minimum wage rate.

force and employment sectors, as well as for the Russian Federation as a whole.

These variable estimates of sustainable employment and precarious employment will allow researchers and practitioners to use the indicators they need, depending on the chosen concept of the labour force, employment sectors, the number and composition of objective indicators describing the concentration of precarious employment, as well as sectoral and regional characteristics of the objects under study. Therefore, the hypothesis of the study, which is that the objective characteristics of sustainable and precarious employment and their extent depend on the applied concept of labour force, ways of employment classification, as well as on indicators (parameters, indices), was confirmed.

It was found that the analysed foreign and Russian studies have a number of common methodological elements. At the same time, it was found that there are significant differences in the characteristics and estimates of the scale of sustainable and precarious employment.

These differences are due to:

- different conceptions of the labour force that guide researchers of contemporary employment;
- studying of (non) involvement of workers in precarious employment without prior classification of modern employment and taking into account its peculiarities in different components of the labour force and employment sectors;
- different composition and number of precarious employment indicators without their selection and testing for independence;
- confusion of objective and subjective indicators of precarious employment, as well as ways of identifying and quantifying its objective and subjective characteristics and interpreting the obtained results.

This implies that researchers need to develop consensus methodological approaches to the study of sustainable and precarious employment based on the ILO concept, taking into account country, sectoral and regional specificities. We hope that the results we have presented will contribute to the further study of contemporary employment and can also be used by public authorities to regulate it.

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### **ABOUT THE AUTHORS**



Vyacheslav N. Bobkov — Dr Sci. (Econ.), Professor, Chief Researcher, Head of the Sector of Socio-Economic Research of Quality and Standard of Living, Institute of Economics of the Russian Academy of Sciences, Moscow, Russia https://orcid.org/0000-0001-7364-5297

Corresponding author:
bobkovvn@mail.ru



*Elena V. Odintsova* — Cand. Sci. (Econ.), Leading Researcher, Sector of Socio-Economic Research of Quality and Standard of Living, Institute of Economics of the Russian Academy of Sciences, Moscow, Russia https://orcid.org/0000-0002-7906-8520 odin ev@mail.ru



*Gleb L. Podvoisky* — Cand. Sci. (Econ.), Leading Researcher, Center for Employment Policy and Labor Relations, Institute of Economics of the Russian Academy of Sciences, Moscow, Russia https://orcid.org/0000-0002-8698-7496

### Authors' contributions:

**V.N. Bobkov** — development of the general concept of the study, determination of the research methodology, carrying out calculations, analysis of the results obtained, condemnation of the results obtained, conclusion; review of sources.

**E.V. Odintsova** — definition of research methodology; carrying out calculations, analyzing the results obtained; tabular and graphical presentation of data.

**G.L. Podvoisky** — review of sources; editing the text of the article.

g.podvoysky46@yandex.ru

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