

## **EMPLOYABILITY IN THE CONTEXT OF LABOUR MARKET INSECURITY**

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### **Abstract**

Radical changes have been experienced in economic, social and political fields in the last 40 years. Employment is the leading issue in which such change has taken place.

Today, gradually-increasing unemployment, insufficiency of proper jobs, the flexibility in the labour market and the rising competition among the labour itself cause precarity and inequality to increase and the precarious employment conditions to happen in terms of labour. On the other hand, globalization, conversion of labour markets and the novelties in information and communication technologies causes the knowledge, quality and skills, which the individuals have, to become invalid in a short time. This case requires labour to adjust to changing conditions in the continually changing and further-demanding labour market, in which unemployment is gradually increasing and stability in employment is lost and reliance is getting less.

In this sense, lifelong learning is of importance in terms of the fact that individuals achieve employability qualities and develop them continually so that they can compete in the labour market. Actually, these days, the real responsibility is left to the labourer for sustainable and employment-creating development, and the labourer is expected to get trained continually, and if he/she loses his/her job by force of the competition rules of the market, labourers are again expected to find a new employment opportunity.

The objective of the study in this context is to question the role of employability in terms of labour market insecurity. The role of employability in labour market insecurity will be determined comparatively in the time and space dimension.

Keywords: Labour Market, Insecurity, Flexibility, Precarious Employment, Employability.

### **1 INTRODUCTION**

Today, a deregulation and flexibility in the labour market is available as a consequence of capital saving preferences and competition on the global scale. This situation brings interdependence between labour markets on global scale together with an increase in instability. One of the major problems is to burden the risks that appear in labour market to the labour itself.

Traditional working pattern in which the security in labour market is available is becoming increasingly a luxury for the majority of the workers. Depending on the changing structure of the labour market precarious work conditions and insecurity have increased. In this context, a reduction of protection for employment has resulted in a pressure of being constantly employed on the individual. It has been a must to develop continuous employability qualifications in lifelong learning for both current and the future employees in the labour market.

The aim of the study is to deal with employability approach as a compliance tool for growing insecurity in the labour market today. In this context, the reasons, types and results of the insecurity will be discussed in the study.

## **2 LABOUR MARKET AND INSECURITY**

Together with the final stage of globalization which started in the 1980s and has continued its effects until today there have been rapid developments in production structure and world trade. Moreover the factors such as international capital movements and domination of multinational enterprises, the development and spread of communication and transport technology, the financial crisis that has become common in the international economic system and their effects on the national economies, the increase in international competition and mutual dependence between labour markets have caused instability and uncertainty in the national labour markets (Gündoğan, 2007, p. 21).

Today it's obvious that the changes in the global economy have caused restructuring in labour market. In this sense, the resulting decline in stability and security in the labour market constitutes one of the major problem areas. Due to the changes such as the rapid spread of the innovations in technology and intensification of competition on global scale some unexpected fluctuations in product and capital markets have appeared. Therefore, it has been a precondition for the business to adapt this process and the changing demand in the market rapidly and efficiently in order to realize competitive advantage (Golsch, 2004, p. 2).

However, deregulation applications with an aim of flexibilisation the labour market recommend that regulations for the employment to be more flexible. Thus, it is tried to strengthen the global scale adaptability of the businesses to the changes in social, economic and political life. In other words, it is seen that with the regulations that led to change in terms of the quality of employment relation it is aimed to transfer various risks to labour market (Golsch, 2004, p. 2).

This situation leads insecure employment conditions for the many people who are employed in labour market. Consequently, there has been an increase in low wages, poor working conditions and deprivation of career opportunities (Statistics New Zealand, 2014, p. 6).

In this context, one of the most important changes taking place today is the increasing of insecurity in the labour market. On a global scale, most of the workers have temporary, insecure and uncertain working conditions. As well as creating one of the major problem area with high unemployment rates, it is seen that most people does not have appropriate job that offer an appropriate wage, a secure future, the right to access for social protection (International Labour Office, 2012, p. 23).

## **3 REASONS OF INSECURITY**

Since the end of the 1970s during which new liberal economic policies are introduced, the economic structure after the Second World War does not work anymore. The decrease in the profit rate and accordingly impossibility of the reproduction of capital has resulted in the current accumulation regime becoming increasingly dysfunctional. In this context, passing the post-Fordist regime of accumulation from the Fordist regime of accumulation, capitalism has experienced changes in terms of the realization of re-structuring and the production system (Şaylan, 2002, p. 147). During the Post fordist period an accumulation regime which is based on the implementation of product diversification and innovation has been concerned rather than identical products which are produced consistently in terms of macro-economic growth (Amin, 1996, p. 258).

On the other hand, in the context of the preferred accumulation regime today a great deal of products and services are produced through cross-border production chains emerged as a combination of value-added activities of the different production units from one another geographically within the global production system (Hayter, 2005, p. 9). In this context, multinational network businesses are referred to as the "added" value chain (Milberg, 2004, p. 62 vd.). Production is tried to be moved to neighbouring countries where labour is cheap and unorganized in accordance with seeking effort of multinational companies for cheap and controllable labour (Öngen, 1994, p. 36). In this sense, a new global labour market is emerging that is needed depending on the fluctuations in the market during the research, development, design, marketing, logistics and financing stages of the production. Thus, the labour markets in different countries are becoming more dependent on each other (Gereffi, 2005, p. 8).

In this context, the current revenue generation preference is based on the transfer of uncertainties contained in the production order to the labour market. This preference leads to an increase in the informal employee number in developing countries and organization of subcontractor networks with the introduction of competition on the labour market through deregulation and flexibility depending on the extent of poverty and to become the labour as an adaptation variable (Erdut, 2007, p.79).

Depending on the changing structure of the labour market, division and polarization are observed in labour in terms of the flexibility. Accordingly, the labour is divided as core and environmental labour. Another important

issue is the insecurity caused by division and flexibility. Security concerns in the labour market are increasing day by day. Especially, the increase in the low-skilled labour with streamlines environmental trend and the labour demand elasticity increases the possibility of encounter with job insecurity and temporariness. However, insecurity is not only concerned for environmental labour but also for core workforce. Core labour has certain guarantees, but these guarantees are not in the frame of laws, rules and rights, they depend on the profitability of the business by its own facilities. In other words, the sustainability of the security of this workforce depends on the continuity of individual effectiveness. This is never easy. With the constantly updated technologies the threat of losing the job is always available. In addition, there is a continuous tension in competition-productivity link (Sapanca, 2005, pp. 90-92).

In this context, in the situation of being unemployed or loss of the job due to the changing structure of the labour market, the difficulty of finding a new job creates uncertainty and future anxiety for the workers. Table 1 shows the long-term unemployment rates in several countries between the years 1995-2013. Accordingly, it is notable that there is a steady increase in the unemployment rates within the years and it constitutes one of the major problem areas. Moreover, according to the rates in the year 2013 it can be seen that unemployment has gained a long-term quality. Accordingly, insecurity is increasing in the labour market day by day.

Table 1: Unemployment and Long-Term Unemployment Rates in Selected Countries (1995-2013)

Countries	Unemployment Rate (%)			Long-term Unemployment Rate (%)
	1995	2003	2013	2013
United States	5.6	6.1	7.4	25.9
United Kingdom	8.7	4.9	7.5	36.3
Canada	9.5	7.6	7.1	12.7
Denmark	7.1	5.4	7.0	25.5
Germany	8.1	9.3	5.3	44.7
France	11.8	8.6	10.4	40.4
Italy	11.7	8.9	12.2	56.9
Belgium	9.3	8.2	8.4	46.0
Spain	23.1	11.5	26.6	49.7
Netherlands	7.2	3.6	6.7	35.9
Turkey	7.6	10.5	10.0	24.4
Japan	3.1	5.2	4.0	41.2
Russian	8.2	8.2	5.6	31.0
Greece	9.1	9.7	27.3	67.5
Portugal	6.8	6.3	16.5	56.3

**Source:** OECD, <http://data.oecd.org/unemp/long-term-unemployment-rate.htm> ; Worldbank, <http://data.worldbank.org/indicator/SL.UEM.TOTL.ZS>

On the other hand, the changing structure of the labour market also leads to an increase in diversity particularly in terms of the contract types and employment conditions. Indeed, it can be seen that the number of the atypical employment such as part-time workers, temporary employees and self-employed in the labour market is increasing day by day (Statistics New Zealand, 2014, p. 6).

Table 2: The Rates of the ones who were Employed Atypically to the Total Employment (1988-2013)

Countries	Incidence of Part-time Employment (%)		Incidence of Temporary Employment (%)		Self-employment Rate (%)	
	1988	2013	1988	2013	1988	2013
United States	14.5	12.3	-	-	8.9	6.6
United Kingdom	20.5	24.5	6.0	6.2	14.6	14.4
Canada	16.8	18.9	-	13.4	9.49	8.7
Belgium	12.7	18.2	5.4	8.2	18.1	15.1
Denmark	19.0	19.2	11.5	8.8	10.9	9.0
France	12.6	14.0	7.8	16.5	14.1	-
Germany	11.4	22.4	11.4	13.4	-	11.2
Greece	7.0	10.2	17.6	10.0	49.5	-
Italy	8.6	18.5	5.8	13.2	29.4	25.0
Luxembourg	7.2	15.3	3.7	7.1	10.1	-
Netherlands	26.9	38.7	8.7	20.6	12.0	16.1
Portugal	7.8	11.7	18.3	21.5	-	21.7
Spain	5.0	14.7	22.4	23.1	28.5	17.9
Turkey	8.2	12.3	18.0	12.0	59.6	35.9

**Source:** OECD, <http://stats.oecd.org/#> ; OECD, <https://data.oecd.org/emp/self-employment-rate.htm>

Table 2 shows the atypical employment rates between the years 1988-2013. The table shows that proportion of part-time and temporary employees of total employment on a global scale has increased since the years 1980s.

In this context, today instead of the standard employment relationship, a kind of precarious employment is being widespread in which low wages, poor working conditions and less social protection is offered (United Nations, 2003, p. 15). Accordingly, a decrease in the standard employment is emerging as one of the most important factors that increase the precariousness of employment. Precarious employment forms shaped by individual bargaining contain many uncertainties with pressure arising from the risks of having a permanent job, being unemployed in the future or not being able to find a secure job. With precarious employment types not only reduces the job security and social responsibility about the social aids but also there it transfers the risk and responsibility arising from the market conditions to the employees (Temiz, 2004, p. 60).

#### **4 FORMS OF INSECURITY**

Depending on the flexible applications that have increased by the effects of globalization and labour market reforms applications, security and stability in the labour market are replaced by instability (Tschöll, 2014, p. 87). In this sense, today the individual life has become open to changes whose time and results are unpredictable. The individuals have a life of including the risk of change any time in the direction of paid employment, vocational training, and self-employment, unpaid work in the family business, education, unemployment or retirement. The uncertainty in working life affects the living conditions beyond the business changes (Erdut, 2004, p. 149).

In this context, the increase of the risks of employment reveals new type of insecurity. Because, these risks are not limited with unemployment and may be related to various insecurity types. Moreover, new risks and insecurity that are included in employment are forcing a change in the traditional concept of unemployment. Another option is born that will change radically the concept of unemployment described as the inability to have a paid job. And the new unemployment concept is described as exposure to risks arising from the abandonment of personal responsibility with flexible and diversified forms of underemployment as well as having a paid job (Erdut, 2004, p. 149).

On the other hand the sources of the insecurity may be defined as the loss or reduction of control over the business processes, the lack of or reduction of possibility for the increase in income and status, the increase of the risks and uncertainty that reduce the income, need of more working for the same income level, the reduction of conventional wage increase, the loss of ability to finish the job and increase of uncertainty regarding the results. Thus, the loss of control of the individual business processes will increase the risk of insecurity. The insecurity would intensify in the condition of an increase in the condition of uncertainty and instability (Temiz, 2004, p. 59).

In this context, it seems that insecurity has become a structural feature of today's labour market. Insecurity arises in different ways. It is possible sort the common insecurity types as (i) the insecurity of the labour market; (ii) job insecurity; (iii) income insecurity; (iv) work insecurity; (v) the quality insecurity; (vi) profession insecurity (Eyck, 2003, p. 42).

There are not always suitable employment opportunities in the labour market. The labour market is not prone to full employment or balance. Anyone who wants to work and who need income may not be able to find a job at any time. As some of the jobs available in the labour market are not suitable for the people, the number of unemployed is greater than the number of vacancies at the same time. That is called as the labour market insecurity (Kapar, 2005, p. 37).

Job insecurity refers to the deprivation process that can occur in terms of continuity of the work and some important facts about the business. The job insecurity may arise as a situation of weakness in order to continue the business under threat or as a personal uncertainty of potential loss of job and future concerns (Peene, 2009, p. 5). In this context, the job insecurity causes a great deal of instability and uncertainty in terms of the professions and the future of the employees (Lamotte, Zumbiri-Rey, 2008, p. 9).

Income insecurity refers to inability of employees to gain an income which is adequate for the cost of living or disruption in the income of a particular period (Lamotte, Zumbiri-Rey, 2008, p. 12). Employment and job insecurity lead to income insecurity, poverty and exposure of various risks. In this sense, the income insecurity referring to the deprivation of access to the employment opportunities is one of the most important sources of vulnerability. The groups which do not have income security are mostly employed in informal sector which lack of regulations about working conditions and offer a relatively low wages. Moreover, they are forced to work in insecure and unhealthy conditions. Their access to education and health care services is limited and the quality of the service gained is very low. The failure to achieve adequate educational facilities brings about a withdrawal in terms of acquisition of new skills and qualifications (United Nations, 2003, p. 1).

Working conditions can lead to negative effects on the health of employees. Many factors such as threats to labour health and safety, working long hours, night work, working condition which is isolation from social relations may cause working insecurity (Kapar, 2005, p. 37). Further, to make regulations to ensure protection occupational health and security, restrictions on working time, night work regulations for women are among the ways in order to ensure working security (Standing, 2007, p. 17).

Qualifications required for the jobs change over time. This change creates quality insecurity. The quality of the employees, unemployed and the ones who are the newcomers of the labour market may lose its importance as a parallel to the innovation and development in the manufacturing process. People encounter various obstacles when the need for renewal and development of the existing qualities arises (Kapar, 2005, p. 37).

The profession insecurity refers to the lack of opportunity of the people for self-development and getting promotion in the business. The nature of the profession and promotion opportunities is determined by the company. The employees, mostly based on various characteristics, are exposed to discrimination and restrictions (Kapar, 2005, p. 37).

## **5 EMPLOYABILITY**

Employability may be defined as the ability of individuals to find a job, to develop it and to adapt it in case of a change, to be able to find another job in case of being unemployed or if they want to change it, to be able to leave the active population without hindrance in various stage of life and re-join it when they want to. (Erdut, 2002, p. 81)

Today, a single choice for the individuals in their lives may not be sufficient and it is expected to show the flexibility to continually adapt to the changing conditions at every stage of life. However, to be able to adapt the current conditions does not bring the comfort of having a safe career. On the contrary, it means to face the risk of being bound to a business or disfavoured by it. Because, employment does not include continuity and the protection of the employability is required. In recent insecurity, the concern to protect the employability against the time has gained more importance. To have the concern of failure or inability has been much more important than being qualified (Erdut, 2004, p. 150). In this context, nowadays employability has been a dominant factor to gain the opportunity of employability and maintain it in the case of insecurity that appears in labour market (Green, Hoyos, Barnes, Owen, Baldauf, Behle, 2013, p. 11).

On the other hand, one of the most important conditions in order to ensure re-employability in different areas according to the new economic requirements is lifelong learning. For people, in order to maintain employability, to gain qualifications during the whole life and continuing education is becoming a necessity (Sapancali, 2005, p. 240).

With the rapid technological change, the transformation of the labour market and globalization the importance of continuous education and lifelong learning with the ability to use this information and skills is increasing. As these developments are creating new opportunities to take advantage of this opportunity, in large part, remains committed to the acquisition of new skills and qualifications. Therefore, training and acquisition of new skills is important in overcoming the vulnerability in the labour market (Erdut, 2002, p. 81).

Indeed, today lifelong learning has a significant role in the regulation of active labour market policies in order to provide employability for the unskilled labour and the unemployed in the global scale (McQuaid, Lindsay, 2005, p. 199). Many important regulations are being made on this matter at by the European Union. The main objective of the European Employment Strategy, raising the level of employment for all individuals in the labour market is associated with employability. In this context, since the Luxembourg Summit in 1997, employability is considered as one of the four main axes by the European Employment Strategy. Employability as being an important goal in European Employment Strategy revised in 2003, it is also included as a main element in 2000-2010 Lisbon Treaty. Moreover, to improve employability is considered to have an important role in order to realize educational and social objectives (Green, Hoyos, Barnes, Owen, Baldauf, Behle, 2013, p. 11).

## **6 RESULT**

Today instability is emerging as a requirement of the functioning of the labour market with increasing unemployment rates and accordingly increasing competition within the labour. Moreover, atypical employability types and the lack of suitable jobs are other factors that affect this requirement. The protection need of many employees cannot be meet depending on the change of the content of traditional forms of employment. Uncertainty and instability that emerge in terms of work and the income in return for work are increasing today. That brings about a process in which the workers lack of income that is sufficient for making a living and continuing it.

On the other hand, employability plays an important role for individual to adapt the changing conditions in the rapidly changing labor market which brings a variety of insecurities along. Accordingly, it is aimed to bear the main responsibility to obtain employment insurance, to find a job and to create employment opportunities on the employees. With an increase in the participation for the lifelong learning it is expected for the employees to improve themselves and increase the employability by finding a job when they are unemployed.

In this context, due to the universality and the size of the insecurity problems in the labour market it is required to take comprehensive measures at the international level. Furthermore, it is important to prevent low wages,

poor working conditions, unstable and precarious work in the labour market. Lastly, it is necessary to focus on the creation of appropriate job opportunities in the labour market.

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