

Labour Supply and Incentives to Work in Europe

Edited by

Ramon Gomez-Salvador

*Principal Economist, Directorate General Economics,
European Central Bank, Frankfurt am Main, Germany*

Ana Lamo

*Senior Economist, Directorate General Research, European
Central Bank, Frankfurt am Main, Germany*

Barbara Petrongolo

*Lecturer, Department of Economics and Research Associate,
Centre for Economic Performance, London School of
Economics, UK*

Melanie Ward

*Senior Economist, Directorate General Economics, European
Central Bank, Frankfurt am Main, Germany*

Etienne Wasmer

*Professor, Departement des Sciences Economiques, Universite
du Quebec a Montreal, Canada*

Edward Elgar

Cheltenham, UK • Northampton, MA, USA C

Contents

<i>List of contributors</i>	ix
<i>Acknowledgements</i>	xii
Introduction <i>Ramon Gomez-Salvador, Ana Lamo, Barbara Petrongolo, Melanie Ward and Etienne Wasmer</i>	1
PART I INCENTIVES TO WORK	
1 A matching model of non-employment and wage pressure <i>Andrew Brigden and Jonathan Thomas</i>	9
Discussion <i>Javier Ortega</i>	41
2 Tax effects on work activity, industry mix and shadow economy size: evidence from rich country comparisons <i>Steven J Davis and Magnus Henrekson</i>	44
Discussion <i>Pietro Garibaldi</i>	105
PART II FACTORS AFFECTING LABOUR FORCE PARTICIPATION	
3 Mothers' changing labour supply in Britain, the USA and Sweden <i>Shirley Dex, Siv Gustafsson, Andrew Jenkins, Heather Joshi, Eiko Kenjoh and Mark R. Killingsworth</i>	115
Discussion <i>Marc Gurgand</i>	151
4 Women's hours of market work in Germany: the role of parental leave <i>Monika Merz</i>	153

	Discussion	191
	<i>Holger Bonin</i>	
5	The determinants of labour force participation in the European Union	195
	<i>Veronique Genre, Ramon Gomez-Salvador and Ana Lamo</i>	
	Discussion	219
	<i>Barbara Petrongolo</i>	
6	Hiring incentives and labour force participation in Italy	222
	<i>Piero Cipollone, Corrado Di Maria and Anita Guelfi</i>	
	Discussion	268
	<i>Jan C. van Ours</i>	
PART III NEW FORMS OF EMPLOYMENT RELATIONSHIPS		
7	Recent developments in part-time work in EU countries: trends and policy	273
	<i>Hielke Buddelmeyer, Gilles Mourre and Melanie Ward</i>	
	Discussion	309
	<i>Rob W. Euwals</i>	
8	Matching workers to jobs in the fast lane: the operation of fixed-term contracts	312
	<i>Jose M. Varejao and Pedro Portugal</i>	
	Discussion	332
	<i>Julian Messina</i>	
PART IV PANEL DISCUSSION - LABOUR SUPPLY IN AN ENLARGED EUROPE		
	Labour supply in a new Europe	339
	<i>Francesco Paolo Mongelli</i>	
	Challenges for labour markets in the new Europe	353
	<i>Juan J. Dolado</i>	
	Causes and consequences of international labour mobility in an enlarged EU	361
	<i>Herbert Brucker</i>	

Does EU enlargement imply a 'race to the bottom' in EU labour markets? <i>Dennis J. Snower</i>	377
The effects of enlargement in imperfect labour markets <i>Etienne Wasmer</i>	379
<i>Index</i>	391