

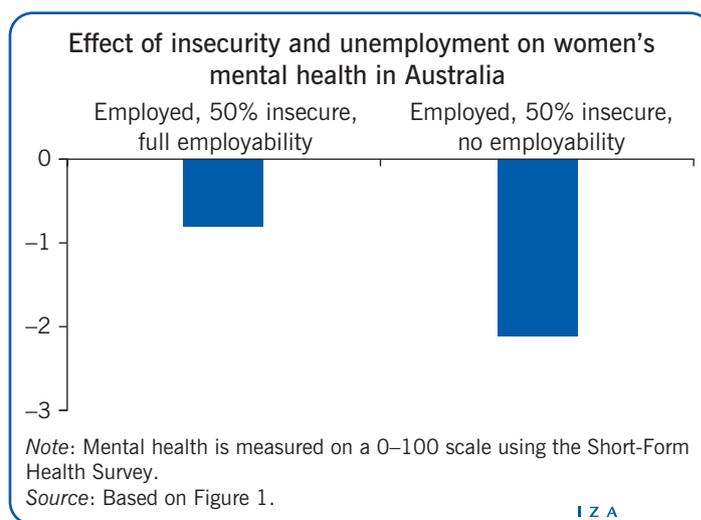
## Health effects of job insecurity

### Job insecurity adversely affects health, but fair workplace practices and employee participation can mitigate the effects

Keywords: job insecurity, employability, unemployment

#### ELEVATOR PITCH

Research has shown that job insecurity affects both mental and physical health, though the effects are lower when employees are easily re-employable. The detrimental effects of job insecurity can also be partly mitigated by employers allowing greater employee participation in workplace decision-making in order to ensure fair procedures. But as job insecurity is felt by many more people than just the unemployed, the negative health effects during recessions are multiplied and extend through the majority of the population. This reinforces the need for more effective, stabilising macroeconomic policies.



#### KEY FINDINGS

##### Pros

- + Many cross-sectional studies in epidemiology, psychology, and economics show a strong connection between job insecurity and poor physical or mental health.
- + Some longitudinal studies show that the effects of job insecurity on health are causal, particularly in relation to mental health, headaches, eyestrains, and skin problems.
- + The size of the effect of job insecurity on health can be as large as the effect of unemployment.

##### Cons

- Many cross-sectional and longitudinal studies do not prove causation, and there are a few countries in which no association is found.
- Longitudinal studies confirm that the harmful effects of job insecurity on health are mitigated when employees are re-employable.
- Employee participation and social support are associated with higher well-being, and may help in situations of high insecurity.
- Little is known about how people may or may not adapt to job insecurity over time or how they may compensate for the associated uncertainty.

#### AUTHOR'S MAIN MESSAGE

Job insecurity has become an increasing problem since the great recession and as labor markets have become more flexible. It is well established that job insecurity, like unemployment, has causal detrimental effects on mental and physical health. Workers' health is not just a matter for employees and employers, but also for public policy. Governments should count the health cost of restrictive policies that generate unemployment and insecurity, while promoting employability through skills training. Policy should also encourage forms of employee participation and social support in workplaces.