

The Labor Market Effects of Facilitating Social Security Contributions under Part-Time Employment Contracts: Evidence from Colombia

LABOUR ECONOMICS

DOI:

<https://doi.org/10.1016/j.labeco.2024.102630>

Publicado:

Miércoles, 4 Septiembre 2024

Authors:

Brenda Samaniego de la Parra^e,

[Andrea Sofía Otero-Cortés^a](#),

[Leonardo Fabio Morales^a](#)

Ver más

^eExterno

^aBanco de la República, Colombia

Clasificación JEL:

J23

[Descargar documento](#)

Lo más reciente

[Comercio exterior de servicios en Colombia 1994-2024: Un análisis descriptivo](#)

Sandra Isabel Salamanca-Gil, Enrique Montes-Uribe, Juan Sebastián Silva-Rodríguez

[Impacto de los cierres en la vía al llano sobre los precios de los alimentos en Colombia](#)

Jhorland Ayala-García, Yesica Tatiana Lara-Silva, Alejandro Alberto Vargas-Villamil, Lina Romero-Chaparro

[Impacto macroeconómico y fiscal del cambio demográfico](#)

Jesús Alonso Botero-García, Ligia Alba Melo-Becerra, Cristian Castrillón Gaviria, Daniela Gallo

[Otras Publicaciones](#)

We examine the impact of homogenizing the tax base between part-time and full-time labor contracts in a context with high informality. Using employer-employee matched administrative records and household survey data, we estimate the effects of a reform that eliminated a wedge in regulatory costs across different work schedules in Colombia, reducing the relative costs of formal part-time employment. We find that the reform increased the probability of entering the formal sector for previously informal part-time workers (the target population). Using pre-reform variation in firms' demand for workers eligible for the policy, we find a 5.5 percent increase in formal employment at firms more exposed to the policy. Mean wages at these firms rose by 0.88 percent after the reform relative to those at firms that tend to hire fewer workers with no formal sector experience.

The Labor Market Effects of Facilitating Social Security Contributions under Part-Time Employment Contracts: Evidence from Colombia

The Labor Market Effects of Facilitating Social Security Contributions under Part-Time Employment Contracts: Evidence from Colombia - Portal de Investigaciones Económicas

Firms with more exposure to the reform also experienced higher churn, consistent with the policy creating incentives for firms to rotate across workers at a faster pace.
