



## **The Detrimental Effect of Firm Restructuring on Employees' Health: Empirical Evidence for France**

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In this paper, we explore the link between firms restructuring and employees health. The French public debate has recently focused on the social and human cost of these reorganizations, in particular in line with the emergence of a series of work-related suicide. Surprisingly, very few statistical evidence exist up-to-know for France. In health economic, the health cost of such disruptions can be large and is well-documented (Ferrie et al., 2005; Ferrie et al., 1998; Väänänen *et al*, 2004). Fears due to the lose of a job or major changes in the professional activities can induce increase of stress related pathologies and deterioration of health. No empirical evidence exists from France.

In this paper, we use a new panel micro-dataset “Hygie”. This original dataset has been obtained by merging several administrative data on health spending and job situation, giving a quite unique information on socio-demographics employees characteristics, former career path, firms and medical expenditures. For firms, we have in particular information on occupational hazard (global number of days lost due to medical reason, average cost of health disease by firms ...) and on potential restructurings. We have also more usual information (setting up date, size, branch of industry,... ). We observe trajectories of 525 000 private sector employees aged 25 to 65 from 2005 to 2008, for 250 000 firms. So, with the “Hygie” new panel data we estimate the correlation between the health expenditures of employees and the demographic events of the firms after controlling for some usual determinants.

We focus on several health indicators: sickness absence and several types of medical expenditures (general practitioner consultation, hospitalization, drugs' consumption ...). Restructuring are often a long process, which can have health consequence for employees before the final legal decision of reorganisation or closing. We thus use a dynamic specification in order to capture these anticipation effects and these long term effects. The first preliminary results show that firm reorganisations have a significant detrimental impact on employees health.

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