



**The Pecuniary and Non-Pecuniary Costs of Job Displacement.
The Risky Job of Getting Back to Work
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This paper investigates the pecuniary and non-pecuniary costs of involuntary job loss by focusing both on post-displacement earnings losses and injury rates. To this aim, administrative data from Italy containing individual work histories have been merged with individual data on workplace injuries. Propensity score matching techniques are employed to measure the causal effect of displacement on workplace injury rates. We find that in a period of tight labour market, re-employed displaced workers experience only moderate and short lived earnings losses but they are 72 percent more likely to get injured on a subsequent job compared to the control group of non-displaced workers. These results seem to suggest that re-employed displaced workers may trade-off pecuniary job attributes for the non pecuniary ones.

Keywords: Job Displacement; Post-Displacement Injury Rates; Propensity Score Matching.

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