# **Employment**

Access to paid work is crucial for people's ability to support themselves. On average, two out of three working age adults in the OECD area are employed (Figure 4.1, Panel A). In Iceland and Switzerland about eight out of ten are employed, compared to about one out of two in Greece and Turkey. Gender differences in employment rates are small in the Nordic countries, but such differences tend to be largest in Chile, Korea, Mexico and Turkey.

The economic crisis has had a large impact on the employment rates in many countries (Figure 4.1, Panel B). On average, the employment rate declined by 1 percentage point in the OECD area from mid-2007 to mid-2013, but the variation across countries is large. While the rates dropped by 10 or more percentage points in Greece and Spain; Chile, Israel and Turkey experienced an increase of 5 or more percentage points over the same period.

Women have improved their relative position in the labour market compared to men (Figure 4.1, Panel B). Only in Estonia, Korea and Poland, was the change in the employment rate the same for both sexes. In spite of this relatively more favourable development for women, the long-term increasing trend in female employment rates came to a halt in OECD countries after the onset of the crisis.

While employment has dropped, part-time work has increased in many countries. Even if these people avoid unemployment, the consequence for many of them is under-employment and reduced incomes. Involuntary part-time as a share of total employment has increased substantially in Ireland, Italy and Spain following the onset of the crisis (Figure 4.2). The increase has been strongest for women, where involuntary part-time reached about 14% of total employment in Italy and Spain in 2012. But also in Australia and Ireland, about 10% of women worked involuntarily in part-time jobs. For men, the share of involuntary part-time was about 5% in Ireland and Spain in 2012.

Immigrants' employment thus seems to be more sensitive to economic conditions than that of the natives. On average, the change in employment rates for the foreign-born between 2007 and 2012 was approximately the same as for the native-born (Figure 4.3). This, however, hides large differences across countries. In those countries which experienced the sharpest drop in employment rates of the native-born (Greece, Ireland and Spain), foreign-born fared even worse than the natives. In contrast, in countries with increasing employment rates, such as Germany, there was a larger increase in the employment rates of the foreign-born than among the natives.

## Definitions and measurement

A person is employed if working for pay, profit or family gain for at least one hour per week, even if temporarily absent from work because of illness, holidays or industrial disputes. The data from labour force surveys of OECD countries rely on this work definition during a survey reference week. The basic indicator for employment is the proportion of the population aged 15-64 who are employed. These employment rates are presented by gender and migrant status.

Involuntary part-time workers are part-timers (working less than 30 usual hours per week) because they could not find a full-time job.

National definitions broadly conform to this generic definition, but may vary depending on national circumstances. For more information www.oecd.org/employment/database.

## **Further reading**

European Commission (2013), "EU Employment and Social Situation", Quarterly Review, Brussels, March.

OECD (2013a), "Changes in Family Policies and Outcomes in EU and OECD Countries: Is There Convergence", OECD Publishing, Paris, forthcoming.

OECD (2013b), International Migration Outlook 2013, OECD Publishing, Paris, http://dx.doi.org/10.1787/migr\_outlook-2013-en.

OECD (2013c), OECD Employment Outlook 2013, OECD Publishing, Paris, http://dx.doi.org/10.1787/empl\_outlook-2013-en.

### Figure notes

Figure 4.1: Panel A: Data for the Russian Federation are annual and refer to 2012. Data for Mexico refer to Q1 2013. Panel B: Data for South Africa refer to Q1 2007.

Figure 4.2: Data for Switzerland refer to 2010 instead of 2012. Countries are ranked in increasing order of the percentage point change of the total population.

Figure 4.3: Data refer to 2008 instead of 2007 for Canada, Germany and Ireland; and to Q2 2007 for Switzerland.

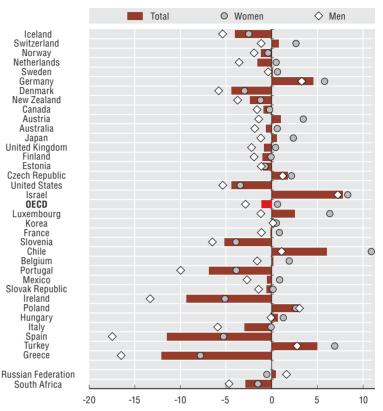
Information on data for Israel: http://dx.doi.org/10.1787/888932315602.

#### 4.1. The economic crisis has had a large impact on the employment rates in many countries

Panel A. Employment rate, aged 15-64, total and by gender, Q2 2013 (%)

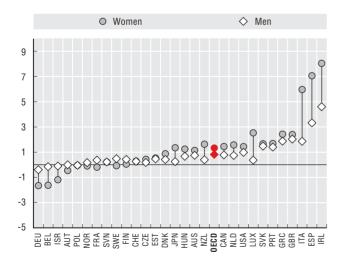
Total (≥) O Women ♦ Men 74 4 74.2 72 R 72.8 72.4 72.2 70.5 69.2 67.8 67.3 66.7 65.7 64.0 62.9  $\Diamond$ 61.9 60.5  $\Diamond$ 59.9 59.8 54.3 41.2 90 80 70 60 50 40 30 20 10 0

Panel B. Percentage point change in employment rate between 2007 and Q2 2013



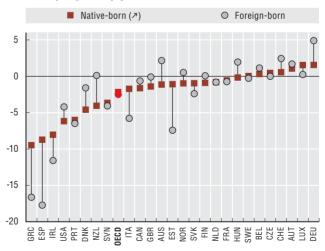
# 4.2. Involuntary part-time work increased during the crisis

Percentage point change in the share of involuntary part-timers in total employment between 2007 and 2012



# 4.3. Immigrants' employment seems to be more sensitive to economic conditions than that of the natives in some countries

Percentage point change in the employment rates of the native-born and foreign-born population between 2007 and 2012, 15-64



Source: OECD calculations based on quarterly national labour force surveys, the OECD Short-Term Labour Market Statistics and the OECD Labour Force Statistics Databases (cut-off date: 8 October 2013), OECD Employment Outlook 2013 (www.oecd.org/els/emp/oecdemploymentoutlook.htm) and International Migration Outlook 2013 (www.oecd.org/els/mig/imo2013.htm).

**StatLink** http://dx.doi.org/10.1787/888932966371



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