

Definition and measurement

In the definition of the International Labour Organisation, a person is considered as “employed” if he or she works for pay, profit or family gain (in cash or in kind) for at least one hour per week, or is temporarily absent from work because of illness, holidays or industrial disputes. The data from labour force surveys of OECD countries used in this section rely on this definition. The basic indicator for employment used here is the employment-to-population ratio (also called employment rate), which is measured as the proportion of the population of working age (persons aged between 15 and 64) who are employed, either as a self-employed or as an employee. Employment rates are presented for individuals grouped by age, gender and educational attainment.

This section also presents data on the incidence of part-time, as a percentage of total employment. Part-time employment refers to persons who usually work less than 30 hours per week in their main job, and the data include only persons answering questions about their usual hours of work. The OECD data on employment are gathered through national labour force surveys.

Employment rates among the population of working age have increased in most OECD countries since the mid-1990s. In many OECD countries, employment-to-population ratios in 2005 were at their highest level since 1980s (Figure SS1.1). The increase in employment rates since 1995 has exceeded 5 points in Canada, Finland, Greece, Italy and the Netherlands, and 10 points in Ireland and Spain. Conversely, employment rates are around 5 points lower than in the mid-1990s in several central and eastern European countries as well as in Turkey. Cross-country differences in employment rates remain substantial, ranging between 70% or more in the United States, Australia, Netherlands, Canada, the United Kingdom and Sweden and 60% or less in Turkey, Poland, Hungary, Italy, the Slovak Republic and Mexico (Table SS1.3).

The general increase in employment rates has not benefited all groups equally. Youths, women, older and less skilled workers continue to face more difficulties in finding a job than prime-age men. Employment rates of foreign-born people, especially among women, are also much lower than those of natives (OECD, 2006). The share of young people (those aged 15-24) in paid jobs has steadily declined over time, mainly due to longer periods spent in education. On average, the employment rate of young people is 1/3 lower than that of prime-age people, and the difference exceeds 1/2 in Luxembourg, the Czech Republic, France, Hungary and Belgium. The employment rates of older people (those aged 55-64) are also on average 25 percentage points lower than for prime-age people. Mobilising the potential labour supply of older people more effectively will play a key role in coping with population ageing in the future.

Employment rates for women are 16 percentage points lower than those of men in 2005. In Turkey,

Mexico, Italy, Greece and Poland, female employment rates are less than 50%, while they exceed 70% in Switzerland, Denmark, Sweden, Norway and Iceland. In many of these same countries (Denmark, Canada, Norway, Iceland, Sweden and Finland) the differences in employment rates among prime-aged men and women are less than 10 points. On average, employment rates of people with less than upper secondary education are 17 points lower than for those with upper secondary education, and 27 points less than among those with university and other tertiary degrees.

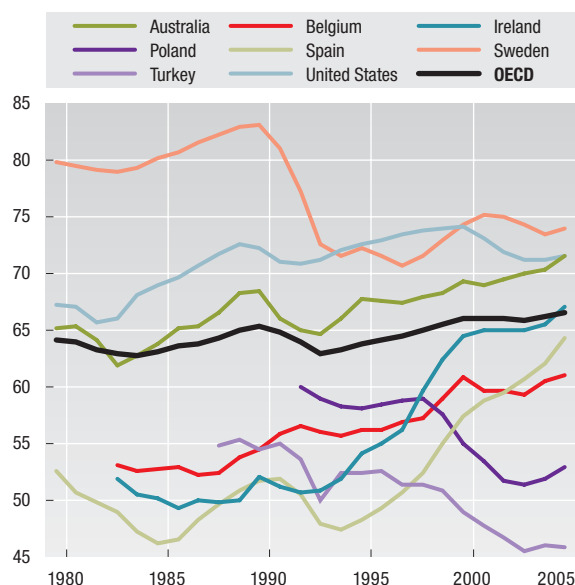
Higher employment rates have been accompanied by a greater incidence of part-time jobs in several OECD countries, particularly in Belgium, Germany, Ireland, Italy, Japan and the Netherlands (OECD, 2006). The importance of part-time work varies considerably across OECD countries (Figure SS1.2). In general, it is higher for older and younger people, as well as among women. The incidence of part-time employment among the working-age population exceeds 30% in eleven OECD countries, including Australia, Canada, Denmark, Japan, the Netherlands and the United States; among older people, it is close to this level in Japan, the Netherlands and the United Kingdom. For young people, part-time jobs make work and education more compatible. Similarly, for women, part-time jobs may help to better reconcile work and family tasks.

Status indicators: Unemployment (SS2), Mothers in paid employment (SS3), Gender wage gaps (EQ3).

Response indicators: Tax wedge on labour (SS3), Out-of-work benefits (SS6).

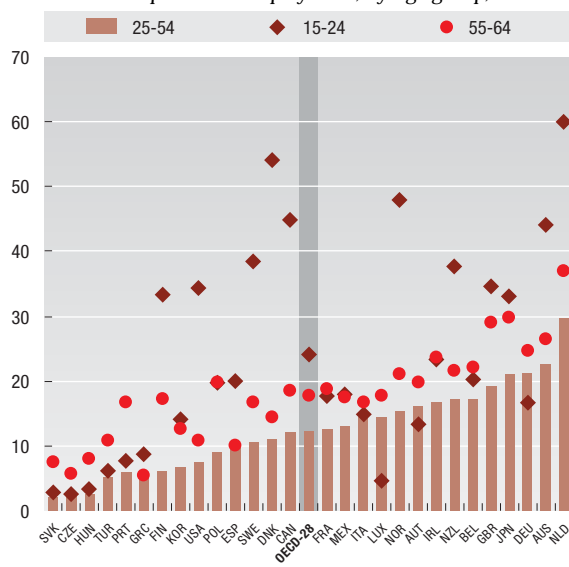
SS1.1. On average, more people are in work

Employment-to-population ratio, persons aged 15 to 64



SS1.2. Higher incidence of part-time jobs among seniors and youths

Incidence of part-time employment, by age group, 2005¹



1. 2004 in Mexico and Sweden.

SS1.3. Employment indicators, 2005¹

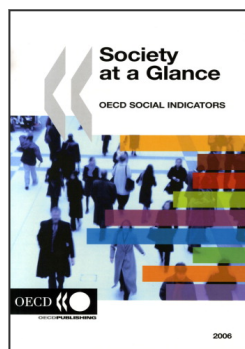
	Employment to population ratio for population aged 15-64	Employment to population ratio by:							Incidence of part-time employment in percentage of employment			
		Age			Gender		Educational level					
		15-24	25-54	55-64	Men	Women	Less than upper secondary education	Upper secondary education	Tertiary education	Total	Men	Women
Australia	71.6	63.6	78.8	53.7	78.5	64.7	60.6	78.8	83.3	27.3	15.7	41.7
Austria	68.6	53.1	82.6	31.8	75.4	62.0	52.2	73.9	82.5	16.2	4.8	29.6
Belgium	61.0	26.6	78.3	32.1	67.7	54.1	49.4	73.1	84.1	18.1	6.2	33.1
Canada	72.5	57.8	81.3	54.8	76.7	68.3	57.1	76.7	82.2	18.3	10.8	26.9
Czech Republic	64.8	27.3	82.0	44.6	73.3	56.3	42.3	74.8	86.4	3.3	1.6	5.5
Denmark	75.5	62.0	83.9	59.8	80.1	70.8	62.0	79.7	86.5	18.0	12.0	24.9
Finland	68.0	39.2	81.7	52.6	69.4	66.5	57.0	74.2	84.5	11.2	7.9	14.8
France	62.3	26.0	79.6	40.7	67.8	56.9	59.6	75.4	81.7	13.6	5.3	23.3
Germany	65.5	42.6	77.4	45.5	71.4	59.6	48.6	69.5	82.7	21.8	7.4	39.4
Greece	60.3	25.3	74.3	41.6	74.5	46.2	56.8	69.0	82.4	6.1	3.0	11.1
Hungary	56.9	21.8	73.7	33.0	63.1	51.0	36.9	70.9	82.7	3.2	1.8	5.0
Iceland	84.4	71.6	88.2	84.8	87.4	81.2	80.5	87.7	93.3	20.1	10.2	31.2
Ireland	67.1	46.3	78.0	51.7	76.2	58.0	57.2	75.7	86.1	18.6	6.8	34.8
Italy	57.5	25.5	72.2	31.4	69.7	45.3	51.6	73.5	82.3	14.7	5.3	29.2
Japan	69.3	40.9	79.0	63.9	80.4	58.1	66.7	73.6	79.2	25.8	14.2	42.3
Korea	63.7	29.9	73.4	58.7	75.0	52.5	66.4	70.1	76.7	9.0	6.5	12.5
Luxembourg	63.6	25.0	80.6	31.7	73.4	53.7	59.3	68.5	83.2	14.0	1.7	31.1
Mexico	59.6	43.7	68.7	52.5	80.2	41.5	64.8	63.8	82.2	15.1	8.1	27.6
Netherlands	71.1	61.9	80.9	44.9	77.4	64.8	59.0	77.7	85.6	35.7	15.3	60.9
New Zealand	74.6	56.9	82.0	69.7	81.5	68.0	65.1	82.0	83.9	21.7	10.2	35.3
Norway	75.2	52.9	83.2	67.6	78.3	72.0	62.1	78.9	89.3	20.8	10.0	32.9
Poland	53.0	20.9	69.5	29.1	59.0	47.0	37.5	61.3	82.3	11.7	7.1	17.4
Portugal	67.5	36.1	80.8	50.5	73.4	61.7	71.9	80.3	88.0	9.8	5.9	14.4
Slovak Republic	57.7	25.6	75.3	30.4	64.6	50.9	22.0	70.3	83.6	2.6	1.4	4.1
Spain	64.3	41.9	74.4	43.1	76.4	51.9	57.5	73.0	81.9	11.4	4.2	22.2
Sweden	73.9	42.5	83.9	69.6	75.9	71.8	67.0	80.7	85.4
Switzerland	77.2	59.9	85.1	65.0	83.9	70.4	66.1	79.8	89.7	25.1	8.0	45.8
Turkey	45.9	31.2	54.1	30.8	68.2	23.7	50.1	61.5	75.2	5.8	3.2	13.4
United Kingdom	72.6	58.1	81.1	56.8	78.6	66.8	53.0	79.4	88.8	23.6	10.0	39.3
United States	71.5	53.9	79.3	60.8	77.6	65.6	56.5	72.8	82.0	12.8	7.8	18.3
OECD	66.6	42.3	78.1	49.4	74.5	58.7	56.6	74.2	83.9	15.7	7.3	26.5

1. 2004 for Germany, Netherlands, and Sweden; 2004 by educational attainment; part-time: 2004 for Mexico and 2002 for Iceland.

Source: OECD (2006), OECD Employment Outlook, Paris (www.oecd.org/els/employmentoutlook/EmO2006).

StatLink: <http://dx.doi.org/10.1787/623335867553>

Further reading ■ OECD (2005), *Live Longer, Work Longer*, Paris.



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