How does GREECE compare?

Employment Outlook 2017

The 2017 edition of the OECD Employment Outlook provides an international assessment of recent labour market trends and short-term prospects. It also contains chapters on: benchmarking labour market performance based on the new OECD Jobs Strategy scoreboard; labour market resilience in the wake of the global crisis; the role of technological change and globalisation in transforming labour markets; and key country differences in collective bargaining arrangements.

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Labour market developments in Greece

Note: OECD weighted average.
Source: OECD calculations based on OECD Economic Outlook Database (No. 101), June 2017.

**RECENT LABOUR MARKET TRENDS AND PROSPECTS**

Labour market conditions continue to improve and the OECD average employment rate finally returned to its pre-crisis rate in the first quarter of 2017, nearly ten years after the global financial crisis erupted. The OECD-average unemployment rate continues its slow descent, but remains slightly above its pre-crisis level because employment has not increased enough to fully offset a rising trend in participation rates. The unemployment rate is projected to fall back to its pre-crisis level in late 2018 or early 2019. The recovery remains very uneven across countries and different groups within the workforce.

- After a prolonged and deep recession, the Greek economy started to grow again in late 2016 and is projected to continue growing during the next two years. Labour market recovery will be a slow process, despite Greece having implemented significant labour market reforms focused on introducing more flexibility.

- The Greek employment rate has been gradually recovering since late 2013. It is projected to improve further during the next two years, while still remaining more than 5 percentage points below its pre-crisis rate at the end of 2018.

- The unemployment rate, at 23.2% in February 2017, is the highest among OECD countries. Despite a moderate fall since late 2013, much of the steep crisis-related increase in unemployment remains.

- Unemployment is particularly high among young people (48% in Greece in February 2017 compared to 12.1% in the OECD area) and most of the unemployed have been without a job for one year or longer (73% in Q4 2016 compared to 32% in the OECD area). The unemployment rate is projected to decline further during the next two years, but experience suggests that getting all of the long-term unemployed back into work will be a difficult challenge.
NEW OECD SCOREBOARD SHOWS RELATIVE STRENGTHS AND WEAKNESSES OF THE LABOUR MARKET IN GREECE

The 2017 issue of the OECD Employment Outlook presents a comparative scoreboard of labour market performance that provides a rich overview of the strengths and weaknesses of different national labour markets, going well beyond the standard measures of employment and unemployment rates. These include measures of job quality (pay, labour market security, working environment) and labour market inclusiveness (income equality, gender equality, employment access for potentially disadvantaged groups). Some countries score well on most or all indicators, implying that there are no hard trade-offs that prevent countries from performing well in all areas.

- Greece scores below the OECD average on all nine indicators of labour market performance, demonstrating the high social cost of the economic crisis.
- Greece scores in the bottom third of OECD countries on all three indicators of job quantity, due to still depressed labour market conditions.
- Greece scores in the middle third of OECD countries on earnings quality, but ranks the highest among OECD countries in terms of labour market insecurity and the second highest for the share of workers experiencing job strain.
- Greece also scores poorly on all three indicators of labour market inclusiveness. Greece records the second highest share of working-age persons living with low income after Spain. The gender labour income gap in Greece is the fourth highest after Japan, Korea and Mexico. The high gender labour income gap reflects the relatively low employment rate for women, which reflects, in part, low public expenditure on childcare and the limited availability of flexible working arrangements. Finally, Greece has the second highest employment gap between prime-age men and disadvantaged groups, including mothers with young children, youth not in full-time education or training, older workers, non-natives and disabled persons experiencing difficulties with basic activities.

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