



OECD Employment Outlook 2012

“What Makes Labour Markets Resilient During Recessions?” Annexes 1 and 2 of Chapter 2 of the 2012 OECD Employment Outlook

The following pages provide supplementary material underlying the empirical analysis presented in Chapter 2 of OECD Employment Outlook 2012.





“What Makes Labour Markets Resilient During Recessions?”

**Annex 2.A1. Supplementary material of Section 2.1 of Chapter 2 of the 2012 OECD
Employment Outlook**

Table 2.A1.1. Turning points of the crisis and initial recovery^a in OECD countries

Peak and trough dates based on real GDP

	Peak date	Trough date	Latest date	Duration of the crisis <i>Number of quarters</i>	Duration of the initial recovery <i>Number of quarters</i>
Australia	2008 Q3	2008 Q4	2011 Q4	1	12
Austria	2008 Q2	2009 Q2	2011 Q3	4	9
Belgium	2008 Q2	2009 Q1	2011 Q3	3	10
Canada	2008 Q3	2009 Q2	2011 Q4	3	10
Czech Republic	2008 Q3	2009 Q2	2011 Q3	3	9
Denmark	2008 Q2	2009 Q2	2011 Q3	4	9
Estonia	2008 Q2	2009 Q3	2011 Q3	5	8
Finland	2008 Q2	2009 Q2	2011 Q4	4	10
France	2008 Q1	2009 Q1	2011 Q4	4	11
Germany	2008 Q1	2009 Q1	2011 Q3	4	10
Hungary	2008 Q1	2009 Q3	2011 Q4	6	9
Ireland	2007 Q4	2009 Q4	2011 Q3	8	7
Italy	2008 Q1	2009 Q2	2011 Q3	5	9
Japan	2008 Q1	2009 Q1	2011 Q4	4	11
Korea	2008 Q3	2008 Q4	2011 Q3	1	11
Netherlands	2008 Q1	2009 Q2	2011 Q3	5	9
New Zealand	2007 Q4	2009 Q1	2011 Q3	5	10
Norway	2008 Q4	2009 Q3	2011 Q2	3	7
Poland	2008 Q3	2008 Q4	2011 Q3	1	11
Portugal	2007 Q4	2009 Q1	2011 Q3	5	10
Slovak Republic	2008 Q4	2009 Q1	2011 Q3	1	10
Slovenia	2008 Q3	2009 Q2	2011 Q3	3	9
Spain	2008 Q1	2009 Q4	2011 Q4	7	8
Sweden	2007 Q4	2009 Q1	2011 Q4	5	11
United Kingdom	2008 Q1	2009 Q2	2011 Q3	5	9
United States	2008 Q2	2009 Q2	2011 Q4	4	10

Note: The crisis is defined from the peak in real GDP to its trough, whereas the recovery is defined from the trough in real GDP to 2011 Q3/Q4. Peak (trough) dates are defined as the start of the longest spell of consecutive decreases (increases) in real GDP since 2006 Q1.

Source: OECD calculations based on *OECD Quarterly National Accounts Database*.

Table 2.A1.2. **Change in the unemployment rate and other macroeconomic aggregates by country during the crisis and initial recovery^a**

Dates based on real GDP^a

A. Crisis

	Peak date	Trough date	Real GDP	Unemployment rate	Civilian employment	Wage bill	Total hours worked	Average hours worked	Average hourly earnings ^b
Australia	2008 Q3	2008 Q4	-0.71	0.30	0.13	1.23	-0.77	-0.90	2.02
Austria	2008 Q2	2009 Q2	-5.32	1.30	-0.68	2.02	-3.48	-2.54	5.40
Belgium	2008 Q2	2009 Q1	-4.33	0.90	-0.57	0.32	-1.55	-1.55	2.48
Canada	2008 Q3	2009 Q2	-3.86	2.30	-1.91	-1.55	-4.14	-2.12	2.53
Czech Republic	2008 Q3	2009 Q2	-5.89	2.20	-1.18	-3.67	-4.75	-3.51	1.04
Denmark	2008 Q2	2009 Q2	-8.27	2.80	-2.76	-0.46	-3.38	-0.92	3.31
Estonia	2008 Q2	2009 Q3	-18.37	11.40	-10.31	-18.74	-18.71	-8.70	-0.76
Finland	2008 Q2	2009 Q2	-9.91	1.90	-2.98	-1.07	-4.52	-1.93	3.98
France	2008 Q1	2009 Q1	-3.95	1.40	-0.48	-0.20	-1.75	-0.93	1.22
Germany	2008 Q1	2009 Q1	-6.82	-0.40	0.51	-0.38	-2.20	-2.72	1.88
Hungary	2008 Q1	2009 Q3	-8.53	2.90	-3.36	-9.35	-4.43	-0.19	-6.02
Ireland	2007 Q4	2009 Q4	-12.65	7.90	-12.44	-11.31	-15.62	-4.47	6.03
Italy	2008 Q1	2009 Q2	-7.03	1.10	-1.71	-2.56	-3.33	-1.70	0.85
Japan	2008 Q1	2009 Q1	-9.16	0.70	-0.89	-2.01	-4.70	-3.84	2.83
Korea	2008 Q3	2008 Q4	-4.63	0.10	0.06	0.73	-0.07	-0.13	0.80
Netherlands	2008 Q1	2009 Q2	-4.90	0.40	0.70	-0.66	-1.80	-1.09	-0.26
New Zealand	2007 Q4	2009 Q1	-2.65	1.60	-0.55	0.33	-1.27	-0.73	1.62
Norway	2008 Q4	2009 Q3	-1.88	0.30	-1.18	-0.08	-1.19	-0.31	1.43
Poland	2008 Q3	2008 Q4	-0.41	0.00	0.79	-0.06	0.25	-0.43	-0.43
Portugal	2007 Q4	2009 Q1	-4.10	1.10	-1.40	1.75	-3.90	-2.54	5.88
Slovak Republic	2008 Q4	2009 Q1	-8.41	1.20	-1.47	1.47	-3.49	-2.44	5.56
Slovenia	2008 Q3	2009 Q2	-9.67	1.50	-2.73	-2.39	-2.52	-0.70	1.06
Spain	2008 Q1	2009 Q4	-4.88	9.80	-9.26	-4.87	-7.66	2.11	2.67
Sweden	2007 Q4	2009 Q1	-7.50	1.30	1.23	1.93	-2.54	-1.27	1.98
United Kingdom	2008 Q1	2009 Q2	-7.05	2.60	-2.07	-3.62	-3.71	-1.68	0.10
United States	2008 Q2	2009 Q2	-5.03	4.00	-3.85	-3.13	-6.08	-1.42	2.20
OECD ^c	-	-	-6.38	2.33	-2.24	-2.17	-4.13	-1.79	1.90

B. Recovery

	Peak date	Trough date	Real GDP	Unemployment rate	Civilian employment	Wage bill	Total hours worked	Average hours worked	Average hourly earnings ^b
Australia	2008 Q4	2011 Q4	7.44	0.70	4.74	8.61	4.34	-0.38	4.09
Austria	2009 Q2	2011 Q3	6.68	-0.90	1.95	1.40	2.02	-0.77	0.24
Belgium	2009 Q1	2011 Q3	5.16	-0.30	1.89	1.72	2.39	0.35	-0.51
Canada	2009 Q2	2011 Q4	7.40	-1.00	3.36	6.08	4.43	0.40	2.22
Czech Republic	2009 Q2	2011 Q3	5.07	0.10	-0.63	-0.64	-2.97	-1.74	1.76
Denmark	2009 Q2	2011 Q3	3.08	1.50	-2.58	-5.01	-3.53	-0.12	-2.39
Estonia	2009 Q3	2011 Q3	13.80	-3.90	4.88	0.05	10.86	6.12	-10.11
Finland	2009 Q2	2011 Q4	8.31	-0.60	0.87	3.21	1.31	1.19	1.12
France	2009 Q1	2011 Q4	3.79	0.80	0.12	1.25	-0.34	-0.79	1.93
Germany	2009 Q1	2011 Q3	8.04	-1.80	3.28	3.55	4.15	2.37	-2.06
Hungary	2009 Q3	2011 Q4	4.28	0.30	2.44	-0.90	1.14	-0.94	-2.34
Ireland	2009 Q4	2011 Q3	1.17	1.90	-4.39	-4.00	-5.12	0.02	0.39
Italy	2009 Q2	2011 Q3	2.65	0.80	-0.30	-1.90	-0.26	0.30	-1.90
Japan	2009 Q1	2011 Q4	6.14	-0.10	-1.36	-1.91	-0.35	1.02	-1.56
Korea	2008 Q4	2011 Q3	14.74	-0.10	2.99	11.87	-0.12	-3.02	12.00
Netherlands	2009 Q2	2011 Q3	3.78	0.90	-2.68	-1.36	-0.07	-0.22	1.59
New Zealand	2009 Q1	2011 Q3	5.45	1.50	1.88	-0.48	2.35	0.46	-2.77
Norway	2009 Q3	2011 Q2	2.13	0.10	1.53	4.72	0.77	-0.42	3.58
Poland	2008 Q4	2011 Q3	10.57	2.70	1.09	6.09	-0.03	-1.03	6.04
Portugal	2009 Q1	2011 Q3	0.22	3.00	-4.97	-5.31	-3.60	-0.04	-0.32
Slovak Republic	2009 Q1	2011 Q3	10.25	3.30	-2.74	2.61	0.89	1.79	3.65
Slovenia	2009 Q2	2011 Q3	1.65	2.30	-4.95	-2.30	-4.58	0.10	2.68
Spain	2009 Q4	2011 Q4	0.99	4.00	-4.44	-6.57	-4.05	0.43	-2.65
Sweden	2009 Q1	2011 Q4	10.33	0.10	2.69	4.74	4.51	1.71	0.28
United Kingdom	2009 Q2	2011 Q3	3.59	0.50	0.66	-4.46	-0.04	-0.62	-4.50
United States	2009 Q2	2011 Q4	6.24	-0.60	0.18	2.84	2.51	1.96	0.69
OECD ^c	-	-	5.88	0.58	0.21	0.92	0.64	0.31	0.43

a) The crisis is defined from the peak in real GDP to its trough, whereas the recovery is defined from the trough in real GDP to 2011 Q3/Q4. Peak (trough) dates are defined as the start of the longest spell of consecutive decreases (increases) in real GDP since 2006 Q1.

b) Total wage bill. Total compensation of employees for Portugal.

c) OECD is the unweighted average of countries shown.

Source: OECD calculations based on *OECD Main Economic Indicators Database* and quarterly national accounts.

Table 2.A1.3. Decomposing of the change in the unemployment rate and Okun's coefficient during the crisis and initial recovery^a

	A.Crisis												
	Change in unemployment rate =	Change of log quality-adjusted hour labour productivity	+ Change of log real average hourly wage	+ Change of log average hours worked	+ Change of log labour force	+ Change of log real GDP decline	+ Residuals	Okun's coefficient =	Change of log quality-adjusted hour labour productivity	+ Change of log real average hourly wage	+ Change of log average hours worked	+ Change of log labour force	+ Residuals
Australia	0.30	-1.93	2.00	-0.90	-0.94	0.71	1.36	0.42	-2.73	2.82	-1.28	-1.32	1.93
Austria	1.30	-7.47	5.26	-2.57	0.48	5.47	0.13	0.24	-1.37	0.96	-0.47	0.09	0.02
Belgium	0.90	-4.74	2.45	-1.56	0.26	4.42	0.06	0.20	-1.07	0.55	-0.35	0.06	0.01
Canada	2.30	-2.37	2.50	-2.14	0.56	3.93	-0.19	0.59	-0.60	0.64	-0.54	0.14	-0.05
Czech Republic	2.20	-2.34	1.03	-3.57	0.65	6.07	0.35	0.36	-0.39	0.17	-0.59	0.11	0.06
Denmark	2.80	-8.17	3.26	-0.92	0.49	8.63	-0.48	0.32	-0.95	0.38	-0.11	0.06	-0.06
Estonia	11.40	0.45	-0.77	-9.11	0.19	20.30	0.33	0.56	0.02	-0.04	-0.45	0.01	0.02
Finland	1.90	-9.36	3.91	-1.95	-0.03	10.43	-1.10	0.18	-0.90	0.37	-0.19	0.00	-0.11
France	1.40	-3.83	1.22	-0.93	0.69	4.03	0.23	0.35	-0.95	0.30	-0.23	0.17	0.06
Germany	-0.40	-6.68	1.87	-2.75	0.84	7.06	-0.74	-0.06	-0.95	0.26	-0.39	0.12	-0.10
Hungary	2.90	0.90	-6.21	-0.19	-0.45	8.92	-0.07	0.33	0.10	-0.70	-0.02	-0.05	-0.01
Ireland	7.90	-1.53	5.85	-4.57	-3.83	13.53	-1.55	0.58	-0.11	0.43	-0.34	-0.28	-0.11
Italy	1.10	-4.69	0.85	-1.72	-1.32	7.29	0.69	0.15	-0.64	0.12	-0.24	-0.18	0.09
Japan	0.70	-7.58	2.79	-3.92	-1.51	9.61	1.32	0.07	-0.79	0.29	-0.41	-0.16	0.14
Korea	0.10	-5.47	0.79	-0.13	-0.69	4.74	0.85	0.02	-1.15	0.17	-0.03	-0.15	0.18
Netherlands	0.40	-4.36	-0.26	-1.10	2.99	5.02	-1.90	0.08	-0.87	-0.05	-0.22	0.60	-0.38
New Zealand	1.60	-3.02	1.61	-0.73	3.75	2.69	-2.70	0.59	-1.12	0.60	-0.27	1.39	-1.00
Norway	0.30	-1.81	1.42	-0.31	0.42	1.89	-1.31	0.16	-0.96	0.75	-0.17	0.22	-0.69
Poland	0.00	-0.35	-0.43	-0.43	0.62	0.41	0.17	0.00	-0.85	-1.03	-1.03	1.49	0.42
Portugal	1.10	-5.92	5.72	-2.58	-0.06	4.19	-0.25	0.26	-1.41	1.36	-0.62	-0.02	-0.06
Slovak Republic	1.20	-10.24	5.41	-2.47	-1.10	8.78	0.82	0.14	-1.17	0.62	-0.28	-0.13	0.09
Slovenia	1.50	-7.76	1.05	-0.71	-1.34	10.17	0.08	0.15	-0.76	0.10	-0.07	-0.13	0.01
Spain	9.80	-0.02	2.63	2.09	2.14	5.01	-2.05	1.96	0.00	0.53	0.42	0.43	-0.41
Sweden	1.30	-9.70	1.96	-1.28	2.06	7.79	0.46	0.17	-1.24	0.25	-0.16	0.26	0.06
United Kingdom	2.60	-3.63	0.10	-1.69	-0.05	7.32	0.55	0.36	-0.50	0.01	-0.23	-0.01	0.08
United States	4.00	-1.98	2.18	-1.43	-0.34	5.16	0.41	0.78	-0.38	0.42	-0.28	-0.07	0.08
OECD^b	2.33	-4.37	1.85	-1.83	0.17	6.68	-0.17	0.35	-0.65	0.28	-0.27	0.03	-0.03
Variance	8.63	10.65	6.10	4.06	2.30	17.43	-	0.15	0.33	0.46	0.10	0.26	-
Covariance with DUR	-	4.36	0.00	-2.25	-0.43	7.36	-	-	0.08	0.04	0.04	0.01	-
Share of variance	-	0.53	0.00	-0.27	-0.05	0.89	-	-	0.51	0.26	0.27	0.05	-
Share of variance renormalised	1.10	0.45	0.00	-0.23	-0.04	0.77	-	1.10	0.53	0.27	0.28	0.06	-

Table 2.A1.3. Decomposing of the change in the unemployment rate and Okun's coefficient during the crisis and initial recovery^a

	B. Initial recovery												
	Change in unemployment rate =	Change of log quality-adjusted hour labour productivity	+ Change of log real average hourly wage	+ Change of log average hours worked	+ Change of log labour force	+ Change of log real GDP decline	+ Residuals	Okun's coefficient =	Change of log quality-adjusted hour labour productivity	+ Change of log real average hourly wage	+ Change of log average hours worked	+ Change of log labour force	+ Residuals
Australia	0.70	-1.08	4.01	-0.38	6.32	-7.17	-0.99	-0.10	0.15	-0.56	0.05	-0.88	0.14
Austria	-0.90	5.07	0.24	-0.77	-0.70	-6.46	1.73	0.14	-0.78	-0.04	0.12	0.11	-0.27
Belgium	-0.30	3.32	-0.52	0.35	1.49	-5.03	0.08	0.06	-0.66	0.10	-0.07	-0.30	-0.02
Canada	-1.00	1.24	2.20	0.40	2.52	-7.14	-0.21	0.14	-0.17	-0.31	-0.06	-0.35	0.03
Czech Republic	0.10	5.58	1.74	-1.76	-0.07	-4.94	-0.46	-0.02	-1.13	-0.35	0.36	0.01	0.09
Denmark	1.50	8.18	-2.42	-0.12	-1.54	-3.03	0.43	-0.49	-2.70	0.80	0.04	0.51	-0.14
Estonia	-3.90	12.88	-10.66	5.94	-0.81	-12.92	1.67	0.30	-1.00	0.82	-0.46	0.06	-0.13
Finland	-0.60	4.81	1.12	1.18	-0.43	-7.98	0.69	0.08	-0.60	-0.14	-0.15	0.05	-0.09
France	0.80	2.48	1.91	-0.79	2.03	-3.72	-1.12	-0.22	-0.67	-0.51	0.21	-0.55	0.30
Germany	-1.80	4.24	-2.08	2.35	2.17	-7.73	-0.74	0.23	-0.55	0.27	-0.30	-0.28	0.10
Hungary	0.30	5.10	-2.37	-0.95	2.07	-4.19	0.65	-0.07	-1.22	0.57	0.23	-0.49	-0.15
Ireland	1.90	5.25	0.38	0.02	-2.83	-1.17	0.24	-1.63	-4.50	-0.33	-0.01	2.42	-0.20
Italy	0.80	4.53	-1.92	0.30	0.13	-2.62	0.37	-0.31	-1.73	0.73	-0.12	-0.05	-0.14
Japan	-0.10	7.88	-1.57	1.01	-1.72	-5.96	0.25	0.02	-1.32	0.26	-0.17	0.29	-0.04
Korea	-0.10	2.54	11.34	-3.06	5.02	-13.75	-2.17	0.01	-0.18	-0.82	0.22	-0.36	0.16
Netherlands	0.90	5.08	1.58	-0.22	-1.37	-3.71	-0.45	-0.24	-1.37	-0.43	0.06	0.37	0.12
New Zealand	1.50	5.79	-2.81	0.46	2.77	-5.30	0.59	-0.28	-1.09	0.53	-0.09	-0.52	-0.11
Norway	0.10	-2.51	3.52	-0.42	2.84	-2.11	-1.22	-0.05	1.19	-1.67	0.20	-1.35	0.58
Poland	2.70	4.13	5.87	-1.04	4.80	-10.04	-1.02	-0.27	-0.41	-0.58	0.10	-0.48	0.10
Portugal	3.00	5.67	-0.32	-0.04	-0.72	-0.22	-1.37	-13.86	-26.23	1.50	0.19	3.33	6.35
Slovak Republic	3.30	7.18	3.59	1.77	2.06	-9.76	-1.54	-0.34	-0.74	-0.37	-0.18	-0.21	0.16
Slovenia	2.30	3.97	2.64	0.10	-2.72	-1.64	-0.06	-1.40	-2.42	-1.61	-0.06	1.66	0.04
Spain	4.00	7.78	-2.68	0.43	0.06	-0.99	-0.60	-4.05	-7.87	2.71	-0.43	-0.07	0.61
Sweden	0.10	5.20	0.28	1.70	1.62	-9.83	1.13	-0.01	-0.53	-0.03	-0.17	-0.17	-0.11
United Kingdom	0.50	8.10	-4.60	-0.63	1.35	-3.53	-0.19	-0.14	-2.29	1.30	0.18	-0.38	0.05
United States	-0.60	3.25	0.69	1.94	-0.18	-6.05	-0.24	0.10	-0.54	-0.11	-0.32	0.03	0.04
OECD^b	0.58	4.83	0.35	0.30	0.93	-5.65	-0.18	-0.10	-0.85	-0.06	-0.05	-0.16	0.03
Variance	2.87	9.27	15.85	2.72	5.45	12.74	-	7.79	26.78	0.86	0.05	0.97	-
Covariance with DUR	-	-0.20	2.01	-1.13	-0.09	2.87	-	-	13.76	-1.06	-0.06	-1.92	-
Share of variance	-	-0.15	1.58	-0.89	-0.07	2.24	-	-	58.26	-4.49	-0.26	-8.12	-
Share of variance renormalised	2.70	-0.17	1.77	-1.00	-0.08	2.52	-	45.40	56.75	-4.37	-0.25	-7.90	-

a) The crisis is defined from the peak in real GDP to its trough, whereas the recovery is defined from the trough in real GDP to 2011 Q3/Q4. Peak (trough) dates are defined as the start of the longest spell of consecutive decreases (increases) in real GDP since 2006 Q1.

b) OECD is the unweighted average of countries shown.

Source: OECD calculations based on OECD Main Economic Indicators Database and quarterly national accounts.

Table 2.A1.4. Change in selected labour market institutions in OECD countries, 1995-2007^a

	Corporatism			Coordination			Collective bargaining coverage				EPL regular workers				EPL temporary workers				UB gross replacement rate				UB net replacement rate				Tax wedge			
	1995	2007	% change	1995	2007	% change	1995	2007	% change	%-points change	1995	2007	% change	Points change	1995	2007	% change	Points change	1995	2007	% change	%-points change	2001	2007	% change	%-points change	1995	2007	% change	%-points change
Australia	1	1	0.0	2	2	0.0	71.7	40.0	-44.2	-31.7	1.0	1.4	41.7	0.4	0.9	0.9	0.0	0.0	27.0	20.2	-25.2	-6.8	60.3	56.4	-6.4	-3.8	16.1	23.2	44.3	7.1
Austria	3	3	0.0	4	4	0.0	98.1	99.0	0.9	0.9	2.9	2.4	-18.8	-0.5	1.5	1.5	0.0	0.0	32.5	31.6	-2.8	-0.9	60.4	59.6	-1.3	-0.8	27.2	27.4	0.6	0.2
Belgium	3	3	0.0	5	4	-20.0	96.0	96.0	0.0	0.0	1.7	1.7	2.8	0.0	4.6	2.6	-43.2	-2.0	38.7	40.0	3.4	1.3	62.4	63.6	1.9	1.2	40.3	37.5	-7.0	-2.8
Canada	1	1	0.0	1	1	0.0	36.7	31.5	-14.2	-5.2	1.3	1.3	0.0	0.0	0.3	0.3	0.0	0.0	19.3	11.7	-39.5	-7.6	21.0	21.9	4.2	0.9	21.7	26.1	20.5	4.4
Czech Republic	1	1	0.0	2	2	0.0	65.3	44.0	-32.6	-21.3	3.3	3.1	-7.7	-0.3	0.5	0.9	75.0	0.4	5.9	6.3	6.3	0.4	22.0	29.4	33.5	7.4	..	..	..	..
Denmark	3	3	0.0	3	3	0.0	84.0	80.0	-4.8	-4.0	1.6	1.6	0.0	0.0	1.4	1.4	0.0	0.0	64.9	47.7	-26.6	-17.3	68.0	66.0	-3.0	-2.0	30.9	30.4	-1.6	-0.5
Finland	3	3	0.0	3	3	0.0	86.2	90.0	4.5	3.8	2.5	2.2	-12.2	-0.3	1.9	1.9	0.0	0.0	35.8	34.1	-4.7	-1.7	65.6	61.4	-6.5	-4.2	42.1	35.6	-15.5	-6.5
France	2	2	0.0	2	2	0.0	91.0	90.0	-1.1	-1.0	2.3	2.5	5.4	0.1	3.6	3.6	0.0	0.0	37.4	39.0	4.3	1.6	60.5	56.8	-6.0	-3.6	39.5	40.2	1.8	0.7
Germany	3	3	0.0	4	4	0.0	70.0	62.8	-10.4	-7.3	2.7	3.0	11.9	0.3	3.5	1.3	-64.3	-2.3	26.3	23.7	-10.1	-2.7	65.1	63.0	-3.2	-2.1	37.3	32.4	-13.1	-4.9
Ireland	3	3	0.0	5	5	0.0	60.0	44.0	-26.7	-16.0	1.6	1.6	0.0	0.0	0.3	0.6	150.0	0.4	26.3	37.2	41.8	11.0	42.7	53.8	25.9	11.1	26.8	2.1	-92.1	-24.7
Italy	3	3	0.0	4	4	0.0	82.0	80.0	-2.4	-2.0	1.8	1.8	0.0	0.0	5.4	1.9	-65.0	-3.5	19.3	31.7	64.1	12.4	5.6	7.5	33.4	1.9	44.9	32.8	-27.0	-12.1
Japan	3	3	0.0	5	3	-40.0	21.5	16.1	-25.1	-5.4	1.9	1.9	-0.1	0.0	1.8	1.0	-44.4	-0.8	10.2	7.6	-25.2	-2.6	9.6	11.9	23.8	2.3	15.1	23.0	52.2	7.9
Netherlands	3	3	0.0	4	4	0.0	86.2	83.2	-3.4	-3.0	3.1	2.9	-6.4	-0.2	2.4	1.2	-50.0	-1.2	52.3	33.9	-35.1	-18.3	60.0	38.9	-35.1	-21.1	34.9	60.8	74.3	25.9
Norway	3	3	0.0	5	4	-20.0	72.0	73.7	2.3	1.7	2.3	2.3	0.0	0.0	3.1	3.1	0.0	0.0	38.8	33.6	-13.6	-5.3	74.0	75.9	2.5	1.9	24.4	28.5	16.7	4.1
Poland	1	1	0.0	1	1	0.0	42.0	38.0	-9.5	-4.0	2.1	2.1	0.0	0.0	0.8	1.8	133.3	1.0	11.5	10.2	-10.9	-1.3	36.3	40.3	10.8	3.9	..	..	..	..
Portugal	2	2	0.0	3	3	0.0	87.0	65.0	-25.3	-22.0	4.3	4.2	-3.8	-0.2	3.4	2.8	-18.5	-0.6	35.4	43.4	22.7	8.0	42.7	48.1	12.8	5.5	26.6	23.6	-11.2	-3.0
Slovak Republic	1	1	0.0	4	4	0.0	51.0	40.0	-21.6	-11.0	2.5	2.3	-6.7	-0.2	1.1	0.4	-66.7	-0.8	11.7	8.3	-28.6	-3.3	34.8	12.5	-64.1	-22.3	..	..	..	..
Spain	2	2	0.0	3	4	33.3	87.6	85.3	-2.6	-2.3	3.0	2.6	-12.1	-0.4	3.3	3.5	7.7	0.3	39.0	35.9	-8.1	-3.1	39.5	39.2	-0.8	-0.3	33.3	31.1	-6.6	-2.2
Sweden	2	2	0.0	3	3	0.0	94.0	91.0	-3.2	-3.0	2.9	2.9	0.0	0.0	2.1	1.6	-22.6	-0.5	26.9	32.4	20.4	5.5	44.3	42.8	-3.3	-1.5	42.2	38.0	-9.9	-4.2
United Kingdom	1	1	0.0	1	1	0.0	36.0	34.6	-3.9	-1.4	0.9	1.1	17.6	0.2	0.3	0.4	50.0	0.1	17.8	12.1	-32.0	-5.7	53.6	58.0	8.3	4.5	26.1	13.8	-47.0	-12.3
United States	1	1	0.0	1	1	0.0	16.7	13.3	-20.4	-3.4	0.2	0.2	0.0	0.0	0.3	0.3	0.0	0.0	11.9	13.6	14.2	1.7	5.6	5.6	-0.8	0.0	24.4	11.5	-52.7	-12.9
OECD^b	2	2	0.0	3	3	-4.6	68.3	61.8	-9.6	-6.5	2.2	2.1	-2.0	0.0	2.0	1.6	-22.4	-0.5	28.0	26.4	-5.9	-1.7	44.5	43.5	-2.3	-1.0	30.8	28.8	-6.4	-2.0

..: Not available.

a) 2001 instead of 1995 for the UB gross replacement rate of the Czech Republic, Poland and the Slovak republic.

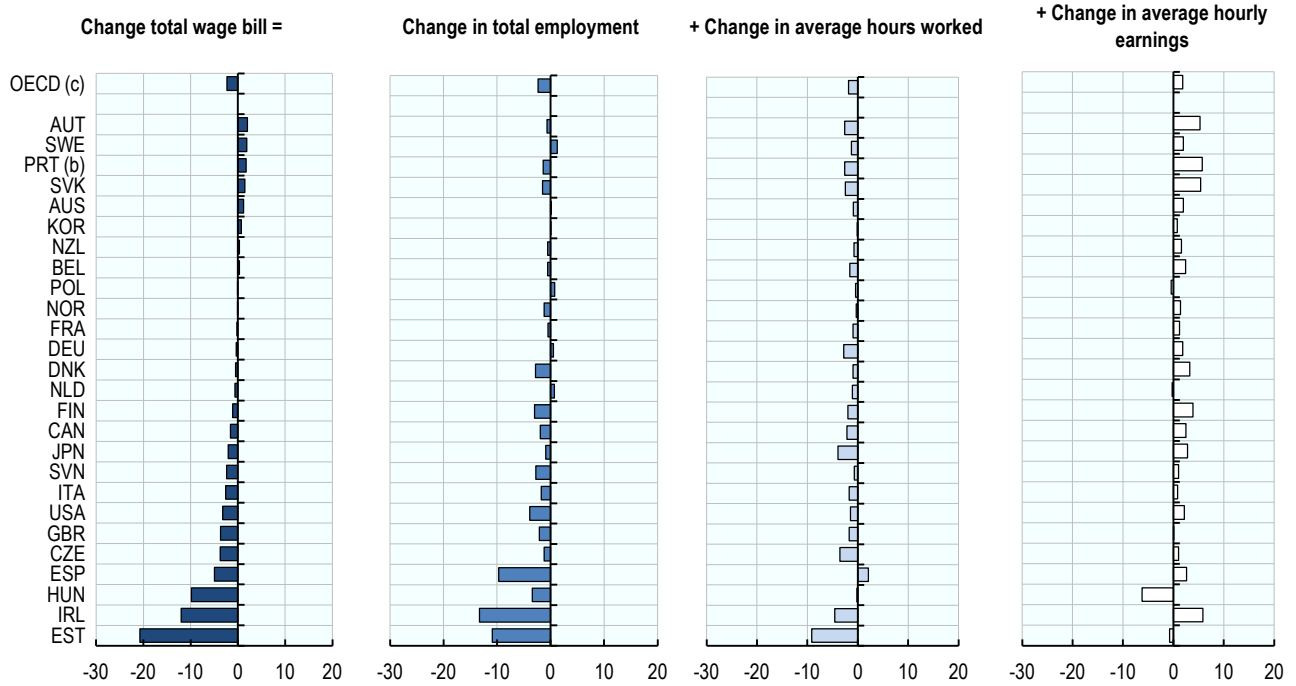
b) OECD is the unweighted average of countries shown.

Source: OECD calculations.

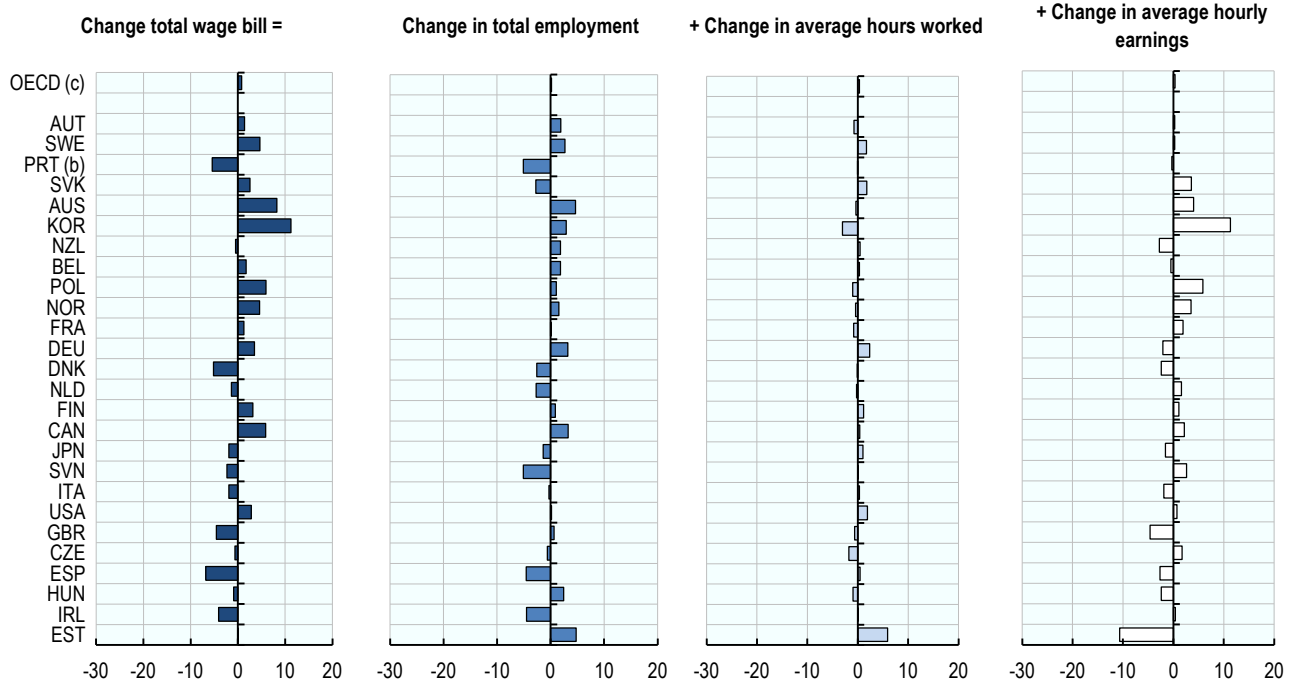
Figure 2.A1.1. Decomposition of total wage bill in OECD countries during the crisis and initial recovery^a

Decomposition of the change in total wage bill, percentage change

A. Crisis



B. Initial recovery



Countries are ordered in ascending order of the change in total wage bill during the crisis.

a) The crisis is defined from the peak in real GDP to its trough, whereas the recovery is defined from the trough in real GDP to 2011 Q2. Peak (trough) dates are defined as the start of the longest spell of consecutive decreases (increases) in real GDP since 2006 Q1.

b) Compensation of employees for Portugal.

c) OECD is the unweighted average of countries shown.

Source: OECD calculations based on *OECD Main Economic Indicators Database* and national quarterly national accounts.

Figure 2.A1.2. The change in employment and average hours worked by age, education and type of contract^a

Percentage change during the crisis and initial recovery^a

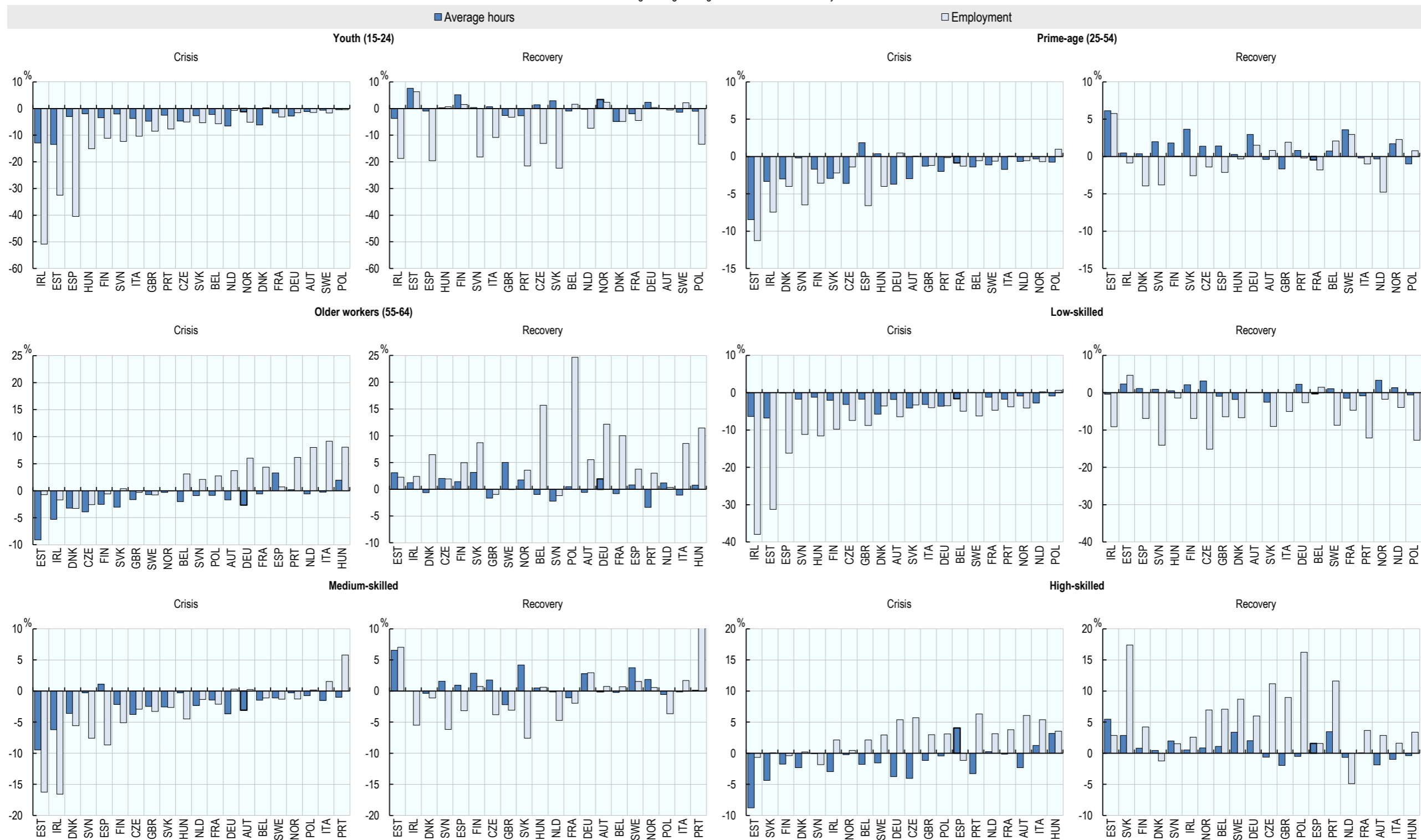
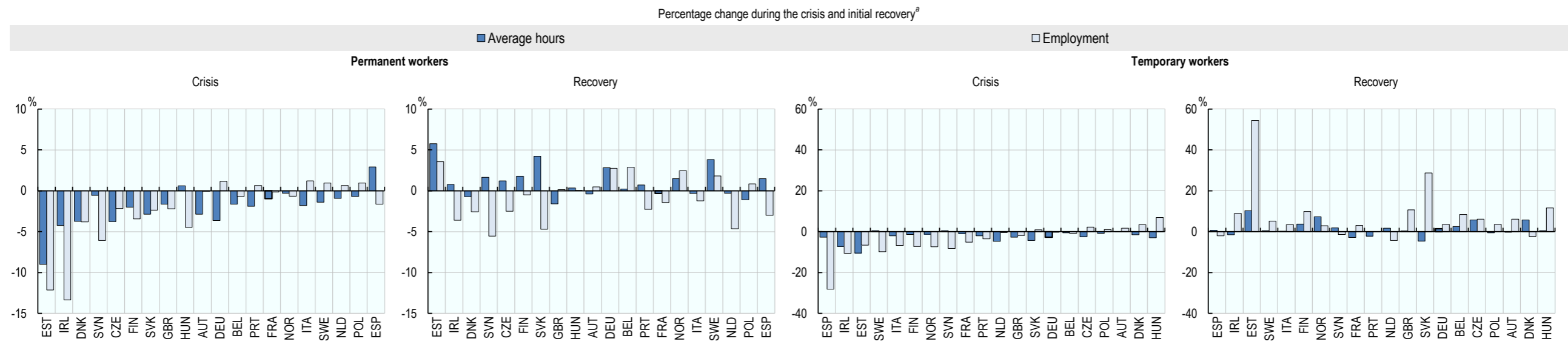


Figure 2.A1.2. The change in employment and average hours worked by age, education and type of contract^a



Note: Countries are shown in ascending order by the % change in total hours worked by group during the crisis.

a) The crisis is defined from the peak in real GDP to its trough, whereas the recovery is defined from the trough in real GDP to 2011 Q2. Peak (trough) dates are defined as the start of the longest spell of consecutive decreases (increases) in real GDP since 2006 Q1.

Source: OECD estimates based on national quarterly national accounts and the European Union Labour Force Survey (EULFS).



“What Makes Labour Markets Resilient During Recessions?”

**Annex 2.A2. Supplementary material of Section 2.2 of Chapter 2 of the 2012 OECD
Employment Outlook**

Table 2.A2.1. Sources and definitions of macroeconomic aggregates*

	Total wage bill	Unemployment	Employment	Total hours worked	Average hours worked
Australia	National Income, Expenditure and Product from the Australian National Accounts	OECD Harmonised unemployment rate	Quarterly average of monthly data for employees from the Labour force survey	Quarterly average of monthly hours worked from the Labour Force Survey	Ratio of total hours worked divided by total employed person
Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain and Sweden	Nominal wages and salaries, total compensation of employees for Portugal from the Quarterly National Accounts (QNA) from Eurostat	OECD Harmonised unemployment rate	Total employees, domestic concept, total number of jobs (employees) for Austria from the Quarterly National Accounts (QNA)	Total hours worked by employees from the Quarterly National Accounts (QNA) from Eurostat	Ratio of total hours worked divided by total employed persons
Canada	OECD estimates based on StatCan, Economic Accounts, Wages, salaries and supplementary labour income	OECD Harmonised unemployment rate	Total number of jobs from StatCan productivity accounts	Total hours worked from StatCan productivity accounts	Ratio of total hours worked divided by the total number of jobs
Japan	ESRI, quarterly national accounts estimates, Total compensation of employees	OECD Harmonised unemployment rate	Total employees from the Labour Force Survey (LFS)	Total hours worked by employees of firms with more than five employees from the Monthly Employment Survey and extended using weekly average hours worked for sectors missing from the Labour Force Survey	Ratio of total hours worked divided by total employees
Korea	<i>OECD Economic Outlook Database</i>	OECD Harmonised unemployment rate	Total employees from the Labour Force Survey (LFS)	Average weekly hours worked from the labour force survey and multiplied by total employees and 13.	Ratio of total hours worked divided by total employees
New Zealand	Total weekly gross earnings from the Earnings and Employment Survey (QES) multiplied by 13.	OECD Harmonised unemployment rate	Total employees from the Labour Force Survey (LFS)	Total number of actual hours worked each week from the Earnings and Employment Survey (QES) multiplied by 13.	Ratio of total hours worked divided by total employees
United Kingdom	Eurostat, quarterly national accounts, Nominal wages and salaries	OECD Harmonised unemployment rate	Total employees, domestic concept from the Quarterly National Accounts (QNA)	Total actual weekly hours worked from the labour force survey and multiplied by 13.	Ratio of total hours worked divided by total employees
United States	Disbursements from data on Gross Domestic Income by Type of Income from the Bureau of Economic Analysis	OECD Harmonised unemployment rate	Total number of jobs estimated as total wage and salary workers on nonfarm payrolls inflated by the share of employees having a second job	Hours of wage and salary workers on nonfarm payroll by sector	Ratio of total hours worked divided by total number of jobs estimated

* Seasonal adjusted data.

Table 2.A2.2. The role of institutions for structural labour market outcomes

Fixed effect regressions

	Unemployment rates		Lof of total wage bill		Log of total employment		Log of earnings-per-worker	
	First specification	Second specification	First specification	Second specification	First specification	Second specification	First specification	Second specification
Cyclical component of log output	-0.543 *** [0.088]	-0.542 *** [0.083]	1.244 *** [0.280]	1.207 *** [0.287]	0.796 *** [0.219]	0.822 *** [0.238]	0.448 * [0.223]	0.385 [0.226]
EPL overall index	-0.013 [0.008]		0.108 ** [0.039]		0.058 ** [0.027]		0.051 ** [0.020]	
EPL for regular workers		0.002 [0.020]		0.020 [0.083]		-0.053 [0.067]		0.073 [0.061]
Incidence of temporary workers		0.003 ** [0.001]		-0.024 *** [0.007]		-0.012 ** [0.004]		-0.012 ** [0.005]
Tax wedge	0.001 ** [0.001]	0.001 [0.001]	-0.008 * [0.004]	-0.005 [0.004]	-0.004 [0.003]	-0.003 [0.003]	-0.003 ** [0.002]	-0.002 [0.002]
Average replacement rate	0.001 * [0.000]	0.001 * [0.000]	-0.002 [0.002]	-0.002 [0.002]	-0.003 * [0.001]	-0.003 ** [0.001]	0.001 [0.001]	0.001 [0.002]
Collective bargaining coverage	0.001 ** [0.000]	0.001 [0.000]	-0.002 [0.002]	-0.002 [0.002]	-0.004 *** [0.001]	-0.005 *** [0.001]	0.002 * [0.001]	0.003 * [0.001]
Coordination	-0.010 *** [0.002]	-0.010 *** [0.002]	0.021 [0.017]	0.021 [0.014]	0.027 ** [0.010]	0.027 ** [0.010]	-0.006 [0.014]	-0.006 [0.012]
Year dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quarter dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1 401	1 391	1 402	1 392	1 402	1 392	1 402	1 392
Number of countries	20	20	20	20	20	20	20	20
R-squared	0.602	0.621	0.844	0.857	0.776	0.787	0.663	0.681

Robust standard errors in brackets

***, **, *: Statistically significant at the 1%, 5% and 10% level, respectively.

Source: OECD estimates.

Table 2.A2.3. The role of institutions for labour market resilience^{a,b}

	Change in unemployment rate	Change in log total wage bill	Change in log wage bill per capita	Change in log earnings-per-worker	Change in log total employment	Change in log employment per capita
Lag variables						
Change in dependent variable	76.3235 *** [1.671]	63.4270 *** [2.080]	63.0416 *** [2.107]	56.7004 *** [2.485]	77.3915 *** [1.604]	76.9824 *** [1.597]
Change in log output	-11.7510 *** [0.730]	32.2877 *** [2.530]	32.5165 *** [2.540]	11.0243 *** [2.188]	16.5253 *** [1.272]	16.5226 *** [1.290]
Labour market institutions						
EPL for regular workers	-0.0002 [0.022]	-0.0258 [0.088]	0.0562 [0.087]	0.1580 * [0.088]	-0.0892 * [0.047]	-0.0480 [0.044]
Incidence of temporary workers	0.0007 [0.002]	0.0011 [0.006]	0.0002 [0.006]	0.0065 [0.005]	-0.0034 [0.003]	-0.0038 [0.003]
Tax wedge	-0.0015 [0.001]	0.0026 [0.004]	0.0066 [0.004]	0.0036 [0.004]	0.0016 [0.002]	0.0032 * [0.002]
UB replacement rate	-0.0003 [0.001]	0.0002 [0.003]	-0.0001 [0.003]	0.0005 [0.002]	0.0004 [0.001]	0.0003 [0.001]
Collective bargaining coverage	0.0012 * [0.001]	0.0002 [0.003]	0.0006 [0.003]	0.0018 [0.003]	-0.0012 [0.001]	-0.0009 [0.001]
Coordination	-0.0150 ** [0.006]	0.0163 [0.026]	0.0131 [0.026]	-0.0063 [0.024]	0.0146 [0.011]	0.0138 [0.011]
Interactions of the dependent variable with:						
EPL for regular workers	-1.1958 [2.746]	4.0209 [4.058]	3.5339 [4.075]	1.8694 [4.529]	0.2123 [3.943]	0.3712 [4.001]
Incidence of temporary workers	0.0081 [0.267]	-0.5613 [0.378]	-0.5276 [0.385]	-0.4248 [0.418]	-0.0217 [0.278]	0.0419 [0.292]
Tax wedge	0.0453 [0.246]	1.0561 *** [0.322]	1.0163 *** [0.325]	1.0187 *** [0.378]	0.4668 * [0.258]	0.4542 * [0.275]
UB replacement rate	0.0610 [0.070]	0.2330 ** [0.107]	0.2060 * [0.107]	0.1666 [0.127]	0.1843 ** [0.073]	0.1825 ** [0.072]
Collective bargaining coverage	0.1025 [0.110]	-0.2621 [0.168]	-0.2052 [0.171]	-0.2102 [0.195]	-0.2485 * [0.129]	-0.2651 ** [0.134]
Coordination	3.3142 ** [1.380]	1.7888 [1.938]	1.4198 [1.944]	-0.3819 [2.211]	4.1595 ** [1.717]	4.0393 ** [1.794]
Interactions of output with:						
EPL for regular workers	1.7263 [1.272]	4.6539 [5.182]	4.0859 [5.193]	8.7198 ** [4.260]	-0.3865 [2.670]	-0.8788 [2.713]
Incidence of temporary workers	-0.4561 *** [0.167]	0.7425 [0.527]	0.7898 [0.528]	-0.5215 [0.482]	0.5411 * [0.284]	0.5535 * [0.289]
Tax wedge	0.0522 [0.117]	-0.8627 ** [0.391]	-0.7863 ** [0.392]	-0.2778 [0.359]	-0.4004 ** [0.199]	-0.3541 * [0.198]
UB replacement rate	0.0053 [0.035]	-0.0524 [0.144]	-0.0449 [0.144]	0.0016 [0.131]	-0.0542 [0.067]	-0.0557 [0.068]
Collective bargaining coverage	-0.0692 [0.050]	0.1007 [0.203]	0.0774 [0.201]	-0.1537 [0.188]	0.2178 ** [0.097]	0.2167 ** [0.095]
Coordination	3.3403 *** [0.552]	-6.2938 *** [1.952]	-6.2350 *** [1.952]	-1.4987 [1.507]	-4.5966 *** [1.004]	-4.5132 *** [1.040]
Observations	1,548	1,594	1,594	1,594	1,594	1,594
R-squared	0.869	0.682	0.672	0.475	0.843	0.825

Note: Coefficients and standard error multiplied by 100 for expositional purposes.

Robust standard errors multiplied by 100 in brackets

***, **, *: Statistically significant at the 1%, 5% and 10% level, respectively.

a) All institutional variables are expressed in deviation of their sample mean.

b) See OECD *Employment Outlook 2012* for details on the methodology.

Source: OECD estimates.