

TACKLING CORONAVIRUS (COVID-19)
CONTRIBUTING TO A GLOBAL EFFORT

The path to a sustainable and inclusive recovery

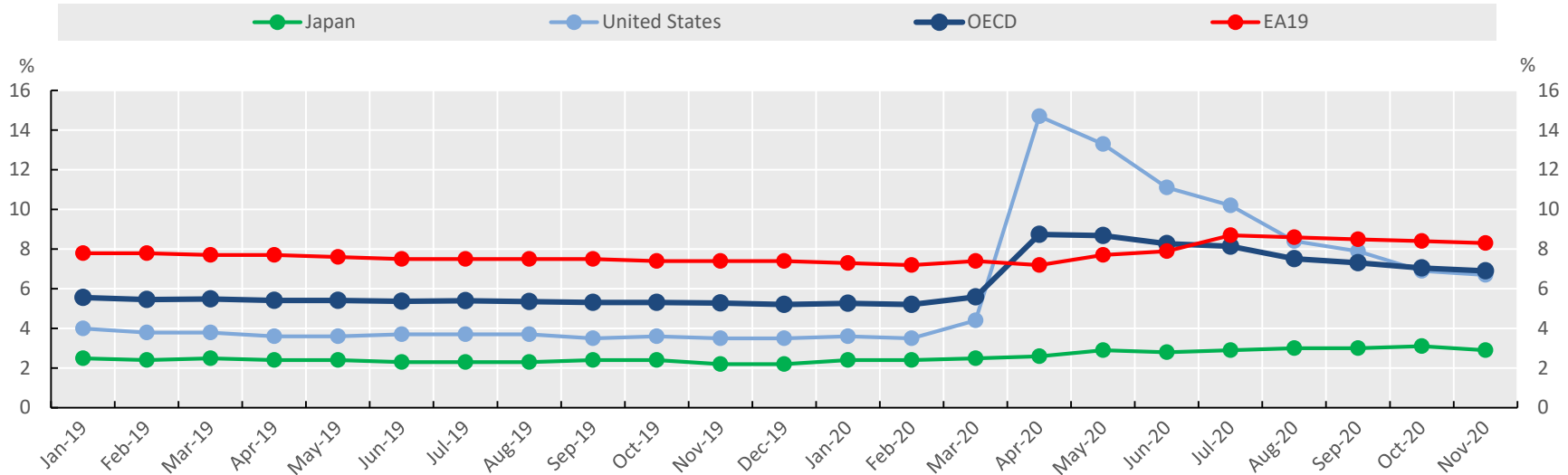
Priorities for continued support to those hit hardest by the crisis

Global Parliamentary Network
9 February 2021

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Director for Employment, Labour and Social Affairs
OECD

The OECD unemployment rate declined to 6.9% in November 2020...

Unemployment rate, January 2016 to November 2020

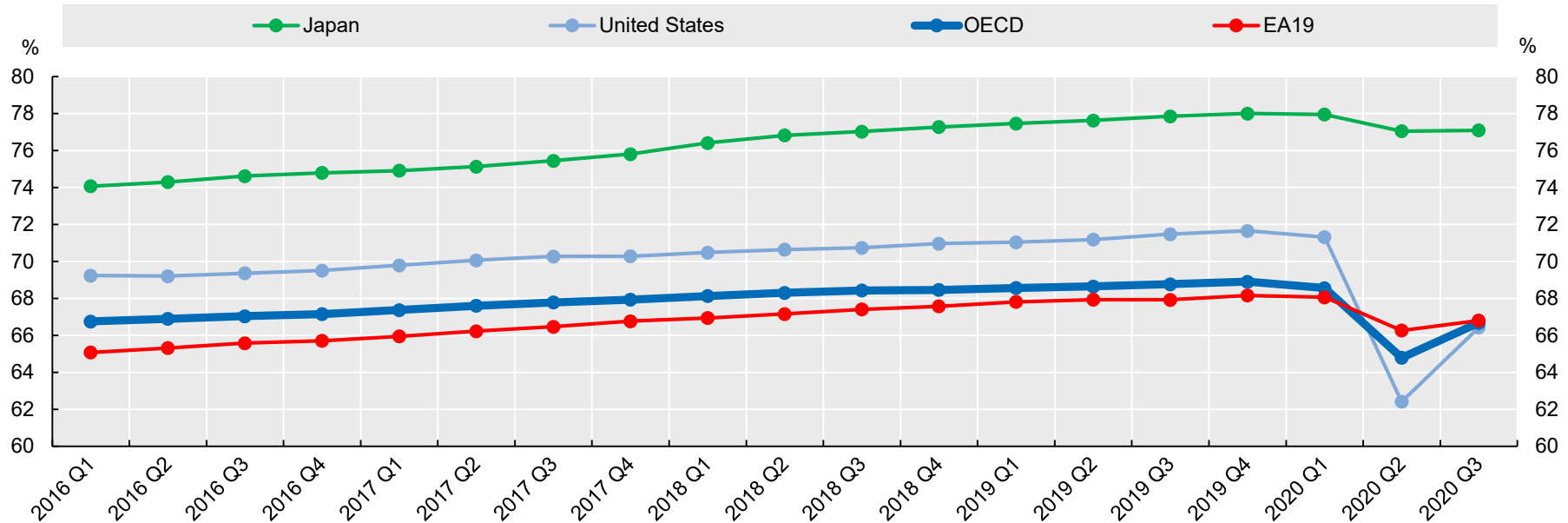


Source: <https://data.oecd.org/unemp/unemployment-rate.htm>.



...but employment remains below the pre-pandemic level

Employment rate, Q1 2016 to Q3 2020

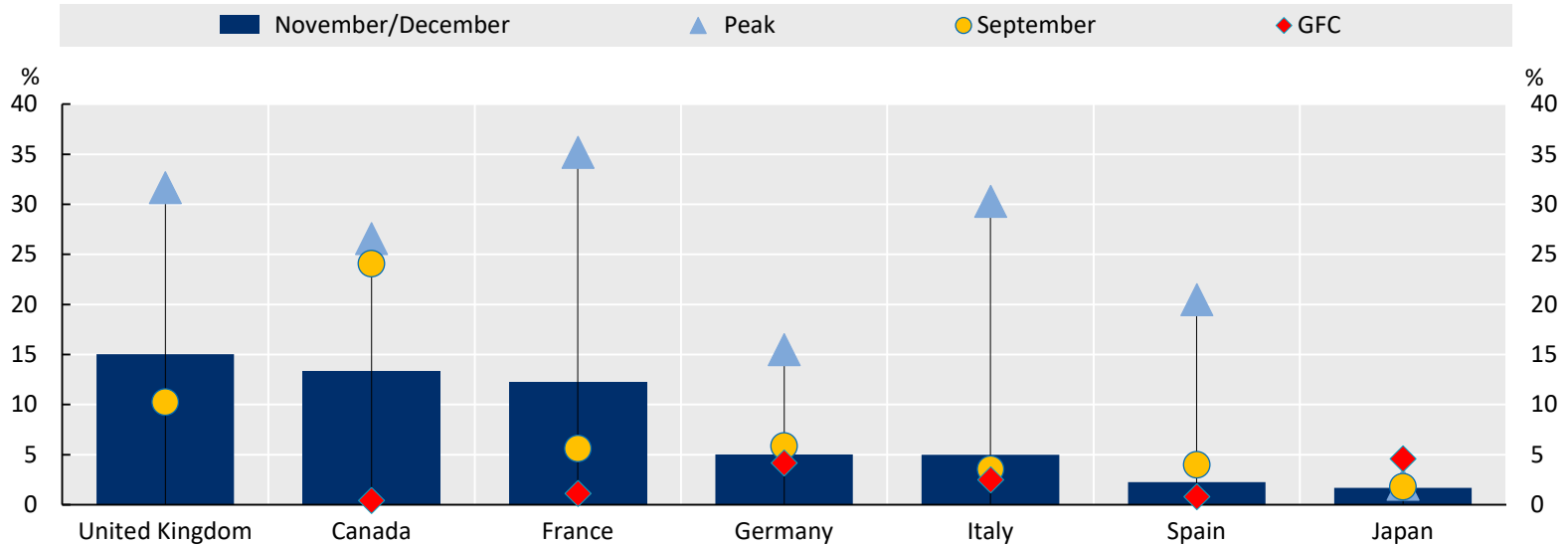


Source: <https://data.oecd.org/emp/employment-rate.htm>.



The use of job retention schemes remains well above the peak of the GFC

Participation in job retention schemes as a share of dependent employees

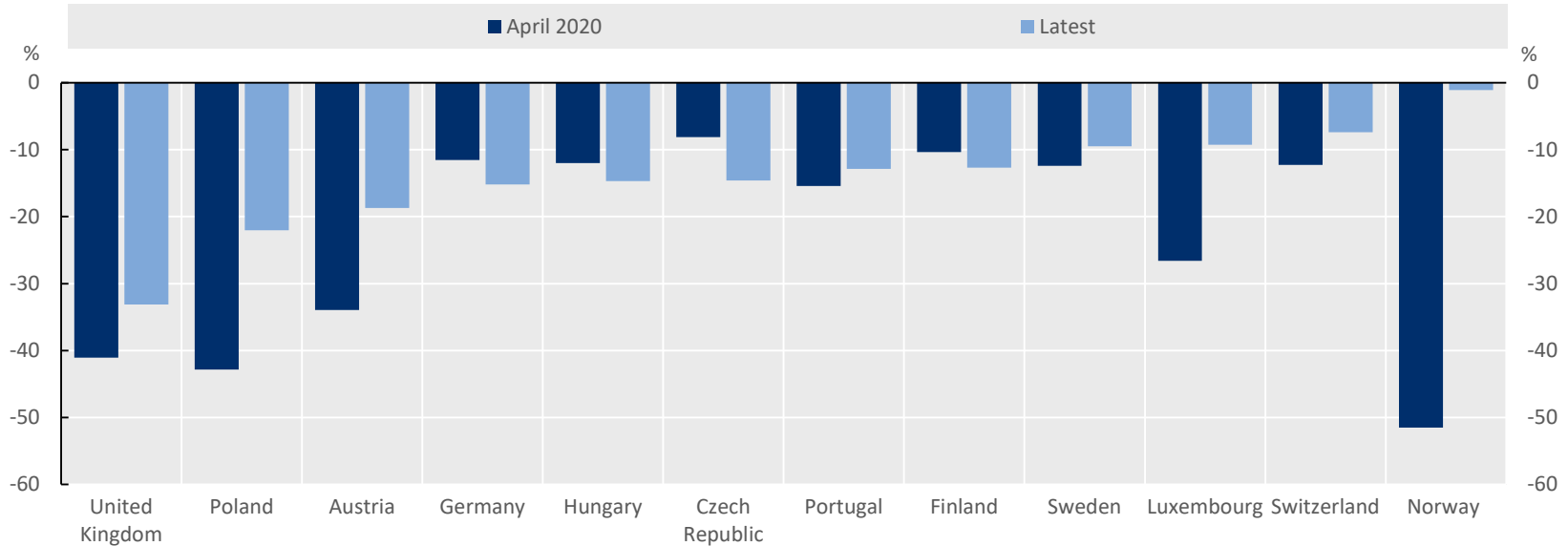


Source: OECD calculations based on national sources



Job vacancies are only slowly picking up...

Change in the total number of vacancies from January 2020

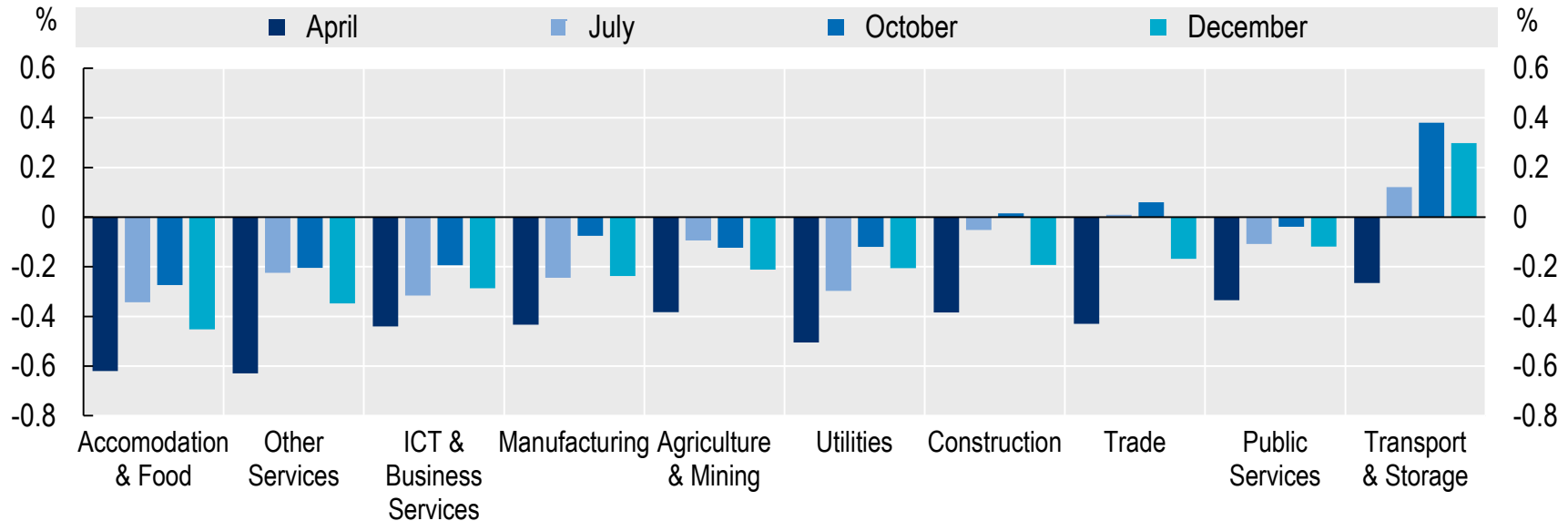


Source: OECD Registered Unemployed and Job Vacancies dataset. Latest data refer to December 2020 for Germany and Norway, November 2020 Austria, Finland, Sweden, Switzerland and October 2020 for the Czech Republic, Finland, Germany, Hungary, Luxembourg, Poland, Portugal, Sweden, Switzerland and the United Kingdom.



...but there is substantial heterogeneity across sectors

Percentage change in online job postings since January 2020



Note: Based on online job postings in Australia, Canada, New Zealand, the United Kingdom and the United States.
Source: OECD calculations using data from Burning Glass Technologies



The burden of the crisis is disproportionately falling on some groups

Low-income workers

- 50% less likely to have worked from home
- Twice as likely to have stopped working

Young people

- OECD youth unemployment surged from 11.3% in February to 18.9% in April
- 2020 and now 14.3%, graduates face difficult job prospects

Self-employed, temporary or part-time workers

- Account for up to 40% of employment in most affected sectors
- Less coverage from social protection

Women

- 2/3 of healthcare workforce
- Greater income insecurity and risk of unemployment



A light at the end of the tunnel, but “*it ain't over till it's over*”

3 main issues to consider in the near term:

- Cold weather
- New virus variants
- Logistics of the vaccination campaigns

Risk of a surge in **bankruptcies** and in **unemployment** without substantive **support to sectors deeply constrained** as well as **reallocation** to new and growing firms.



A bridge towards an inclusive recovery

- Support **sectors and workers** that continue to be severely impacted by the health crisis;
- Promote **hiring** and support job creation;
- Adapt/strengthen **support for jobseekers** including **public employment services**;
- Invest in **training** to support jobseekers in moving to jobs in sectors in demand;
- Close **gaps in social protection** and set foundations for an inclusive recovery



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<http://oecd.org/els>
<http://oe.cd/employment-outlook>
<https://oecd.org/coronavirus>

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