

OECD Employment Outlook 2014

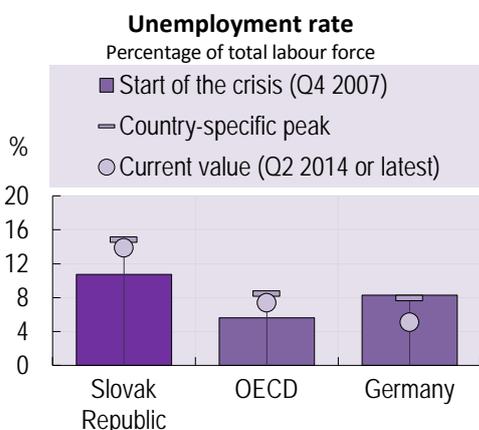
The 2014 edition of the OECD Employment Outlook reviews recent labour market trends and short-term prospects in OECD and key emerging economies. It zooms in on how the crisis has affected earnings, provides country comparisons of job quality, examines the causes and consequences of non-regular employment, and estimates the impact of qualifications and skills on labour market outcomes.

For further information: www.oecd.org/employment/outlook

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Unemployment is likely to remain high, with many unemployed trapped in long spells of joblessness

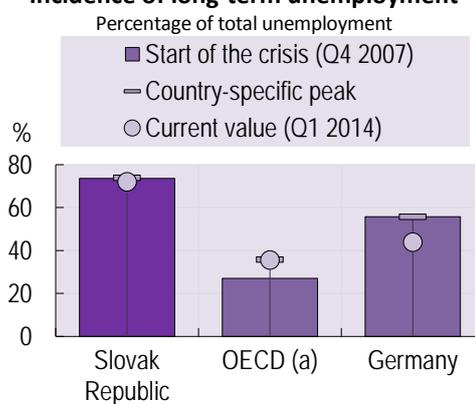
Unemployment rose substantially in the Slovak Republic as a result of the crisis and has only declined slowly since reaching a peak of 14.8% of the labour force in early 2010. At 13.3% in August 2014, the unemployment rate remains one of the highest among developed countries and is twice as high as the OECD average.



Source: OECD Short-Term Labour Market Statistics (database), <http://dx.doi.org/10.1787/data-00046-en>.

With 72% of the unemployed in Slovak Republic having been out of work for more than a year in the second quarter of 2014, the incidence of long-term unemployment is one of the highest in the OECD. This points to the need to strengthen efforts to help and encourage the unemployed to find work through more effective active labour market programmes.

Incidence of long-term unemployment



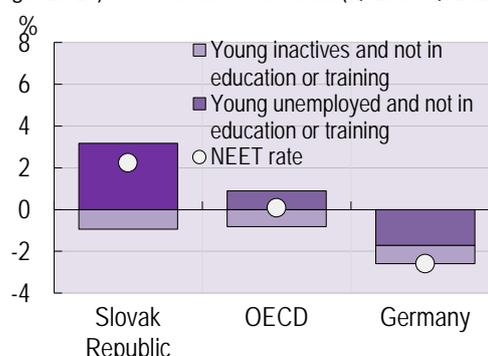
a) OECD is the weighted average of 33 OECD countries excluding Chile.

Source: OECD calculations based on quarterly national Labour Force Surveys.

The youth unemployment rate has been over 30% for five consecutive years, and the share of young people who are not in employment or education and training (NEET) has increased substantially.

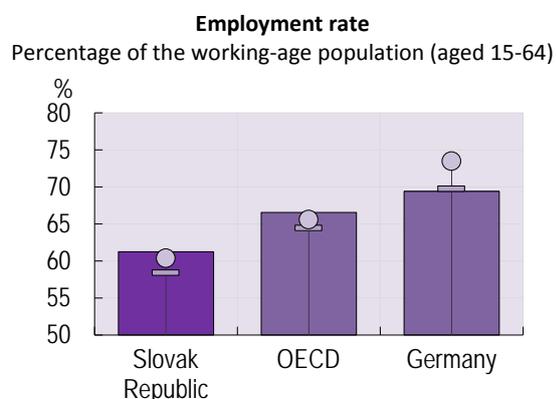
NEET rate among youth

Percentage-points change in NEET rate (as a percentage of youth aged 15-24) since the onset of the crisis (Q4 2007-Q4 2013)



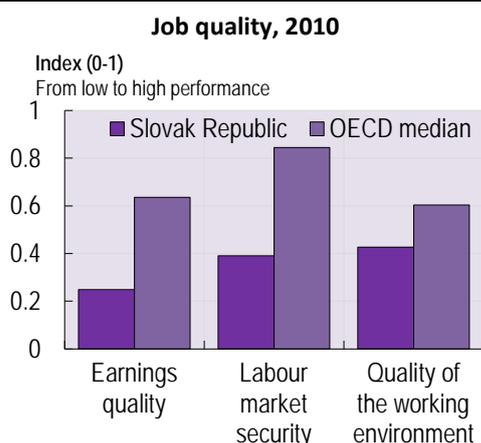
Source: OECD calculations based on quarterly national Labour Force Surveys.

On a more positive note, the Slovak Republic has managed to increase labour force participation, pushing its traditionally low employment rate back above 60% and close to its pre-crisis level.



Source: *OECD Short-Term Labour Market Statistics* (database), <http://dx.doi.org/10.1787/data-00046-en>.

Need for improvement in job quality



Source: *OECD Employment Outlook 2014*.

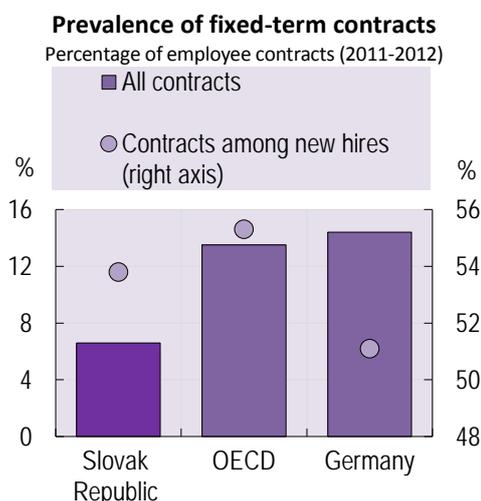
People spend most of their day and a significant part of their life at work. Therefore, job quality is a key determinant of well-being. The 2014 *OECD Employment Outlook* paints a broad picture of job quality across OECD countries, based on three essential dimensions: earnings quality (level of earnings and degree of inequality); labour market security (risk of job loss and income support available); and quality of the working environment (work demands and conditions,

and the resources available to cope with these demands).

The Slovak Republic performs below both the OECD median and most of its regional neighbours in all three of these dimensions. Its score for labour market security is particularly low, reflecting the combination of a very high unemployment risk and low access to benefits. Earnings quality is dragged down by low average earnings, while the quality of the working environment is low because of a relatively high number of workers reporting both excessive on-the-job demands and insufficient resources to cope with these demands.

The use of fixed-term contracts is increasing

The 2014 *OECD Employment Outlook* also puts a spotlight on labour market duality. The share of fixed-term contracts in the Slovak Republic is one of the lowest in the OECD. However, the steady increase in their use – more than half of the newly signed work contracts are temporary according to the latest estimates, up from 40% in 2006 – suggests a need to monitor developments closely to ensure that the labour market does not become overly polarised.



Source: OECD calculations based on microdata from the European Union Labour Force Survey (EU-LFS).

OECD Employment Outlook 2014 is available to journalists on the **password-protected** website or on request from the Media Relations Division. For further comment on the Slovak Republic, journalists are invited to contact Mark Keese (+33 1 45 24 87 94; mark.keese@oecd.org) or Balint Menyhert (+33 1 45 24 87 92; balint.menyhert@oecd.org) from the OECD Employment Analysis and Policy Division.

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How does the SLOVAK REPUBLIC compare? © OECD September 2014

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