OECD Employment Outlook 2014

Corrigendum

A number of changes have been made since the publication of the original version of the *OECD Employment Outlook 2014* on 3 Sept 2014.

Editorial, page 12:
The third sentence of the third paragraph should read as follows:
In one third of these cases, this was because earnings growth was outpaced by inflation; in the other two-thirds, it was because nominal earnings actually fell, not necessarily as a result of wage cuts but more likely because of reduced overtime pay and bonuses.

Chapter 2, page 44:
The first sentence of the third paragraph should read as follows:
For the OECD as a whole, real wage growth has been essentially flat during the period 2010-13, and in a number of countries, including Greece, Ireland, Portugal and Spain, real wages have fallen by between 2% and 5% a year on average.

The bullets should read as follows:
- (…) This proportion was lowest in Finland at just one third of the population, but approached two-thirds of the workforce in Estonia, Portugal and the United Kingdom.

- Over two-thirds of those who experienced such cuts saw their nominal wage compensation fall. (…)

Page 48:
The sentence at the bottom of the page should read as follows:
The largest falls in real wages occurred in Greece, where they declined by more than 5% per year on average, and in Ireland, Portugal and Spain, where they declined by roughly 2% on average per year.

Page 56:
The following sentences under the first bullet should read as follows:
The lowest incidence of real earnings cuts was observed in Finland where it amounted to one third of the workforce, while the highest incidences were observed in Estonia, Portugal and the United Kingdom (using administrative data) where it affected almost two-thirds of the workforce. On average across countries, two-thirds of these cuts in real earnings took the form of nominal earnings reductions (69%). This corresponds to about one in three workers (34%). (…) The incidence of nominal earnings freezes tended to be comparatively small, affecting about 9% of workers.
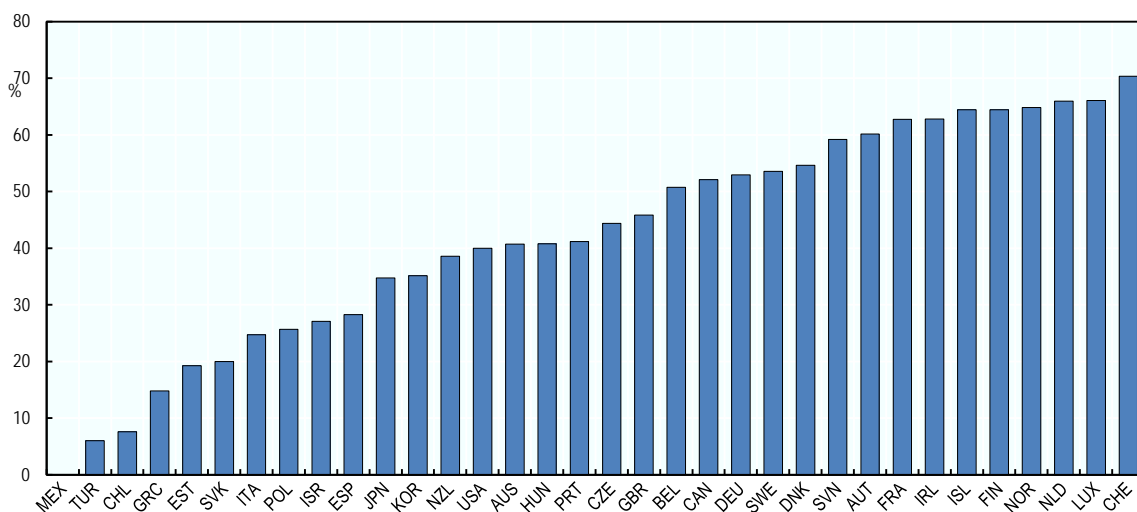
Chapter 3, page 81:
The bullet points should read as follows:

- Denmark, Finland, Germany, Luxembourg, the Netherlands, New Zealand, Norway, Sweden and Switzerland are among the best performers. (…)

- Australia, Austria, Belgium, Canada, the Czech Republic, France, Ireland, Israel, Italy, Japan, Korea, Mexico, Slovenia, the United Kingdom and the United States display average performance. Over the three main dimensions of job quality, these countries display no more than one outcome in the top-10 or the bottom-10 of the ranking across OECD countries, except for Ireland and Korea where the picture is more mixed.

- Estonia, Greece, Hungary, Poland, Portugal, the Slovak Republic, Spain and Turkey do relatively badly in two or all of the three main dimensions of job quality. (…)

- Across countries it does not appear to be the case that better job quality is achieved at the cost of fewer jobs. Countries that perform well in terms of overall job quality also tend to perform well on job quantity (as measured by the employment rate), and vice versa. (…) For example, Australia, Austria, Canada, Germany, Japan and the United Kingdom perform relatively well in terms of employment rates, while countries such as Ireland, Israel, Italy and Mexico perform relatively poorly.

Page 97: The following sentences in the first paragraph should be replaced with:

(…) In order to provide an indication of the effectiveness of insurance against the risk of unemployment in a given country, this chapter focuses on *effective* replacement rates based on the combination of benefit coverage and benefit generosity for unemployment insurance, unemployment assistance and social assistance. (…) Effective insurance is highest in Finland, Iceland, Luxembourg, Norway, the Netherlands and Switzerland, reflecting a combination of relatively high coverage and replacement rates. It is lowest in Chile, Estonia, Greece, the Slovak Republic and Turkey, typically as a result of low coverage rates. (…)

Figure 3.4 should be replaced with:

2

The note under Figure 3.4 should be replaced with:

Note: **Effective unemployment insurance**: the coverage rate of unemployment insurance (UI) times its average net replacement rate among UI recipients plus the coverage rate of unemployment assistance (UA) times its net average replacement rate among UA recipients plus the share of those not covered by unemployment benefits [or the ratio of the number of social assistance (SA) recipients to the number of unemployed if this is lower] times the SA replacement rate. The average replacement rates for recipients of UI and UA take account of family benefits, housing benefits and social assistance if eligible.

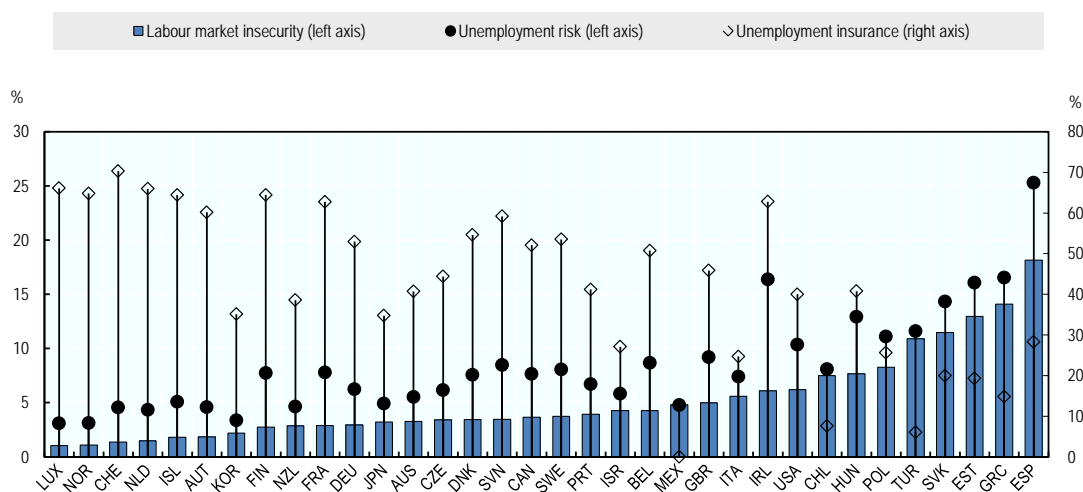**Page 98: The following sentences in the first paragraph should be replaced with:**

(…) However, it differs in a number of important respects. First, it includes mandated severance pay as well as some other benefits in addition to unemployment benefits and social assistance.[16] Second it is calculated before taking account of taxes and employee social security contributions. Third, the calculation of effective replacement rates takes account of coverage as in the aggregate case, but also the actual level of previous earnings and household composition. Despite these differences, the aggregate measure of effective insurance and the micro-based measure display a significant positive relationship across the countries for which they can be calculated, with a pairwise correlation of around 0.6. (…)

Page 102: The fifth sentence in the second paragraph should be replaced with:

The lowest levels of labour market insecurity are observed in Luxembourg, the Netherlands, Norway and Switzerland.

Page 103:
Figure 3.5 should be replaced with:

The note under Figure 3.5 should be replaced with:

Note: **Unemployment risk**: the probability of becoming unemployed times the expected duration of unemployment which may be interpreted as the average expected earnings loss associated with unemployment as a share of previous earnings. **Unemployment insurance:** the effective net individual replacement rate of unemployment and social assistance benefits in terms of previous earnings. **Labour market insecurity:** unemployment risk times one minus unemployment insurance which may be interpreted as the average expected earnings loss associated with unemployment as a share of previous earnings. For further details, see the web annex of this chapter on www.oecd.org/employment/outlook.

Page 115:
The bullet points should read as follows:

- Denmark, Finland, Germany, Luxembourg, the Netherlands, New Zealand, Norway, Sweden and Switzerland are among the best performers. (….)

- Australia, Austria, Belgium, Canada, the Czech Republic, France, Ireland, Israel, Italy, Japan, Korea, Mexico, Slovenia, the United Kingdom and the United States display average performance. Over the three main dimensions of job quality, these countries display no more than one outcome in either the top-10 or the bottom-10 of the cross-country rankings, except for Ireland and Korea where the picture is more mixed.

- Estonia, Greece, Hungary, Poland, Portugal, the Slovak Republic, Spain and Turkey are among the countries with a relatively low performance. (…)

The last paragraph should read as follows:
(…) Countries that perform well in terms of overall job quality also tend to perform well on job quantity. (…) For example, Australia, Austria, Canada, Japan and the United Kingdom do relatively well in terms of employment, while countries such as Ireland, Israel, Italy and Mexico show relatively low employment rates. (…)

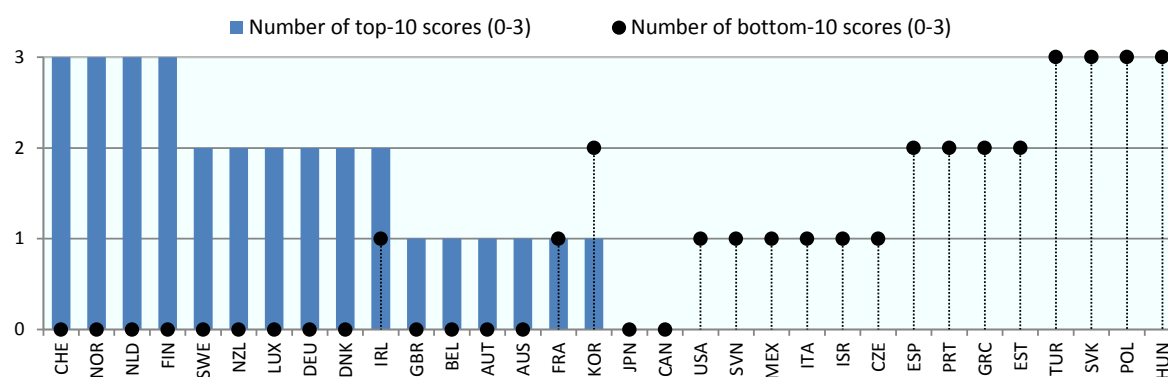**Page 116, Table 3.3 should be replaced with:**

Table 3.3.. A dashboard of job quality indicators in OECD countries

Country ranking (1-32) from high to low performance in each main dimension and subdimension
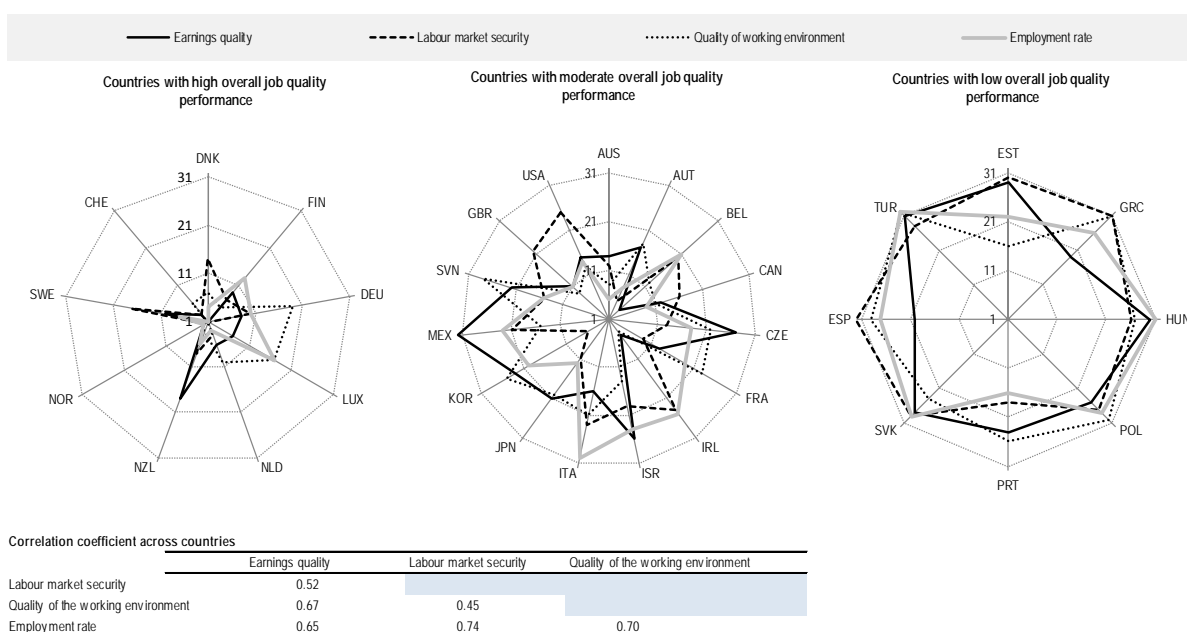
	Top-10 performers			Bottom-10 performers					

	Good-quality earnings			High labour market security			Good working environment		
	Summary index	Average earnings	Inequality	Summary index	Unemployment risk	Insurance	Summary index	Job demands	Job resources
		2010			2010		*Reduced form of the job strain index, 2005*		
Australia	14	14	17	12	10	19	8	5	9
Austria	17	17	12	5	6	8	18	27	16
Belgium	4	5	1	20	22	14	12	11	14
Canada	12	12	19	16	17	13	11	3	10
Czech Republic	27	27	21	13	12	16	22	15	25
Denmark	1	2	4	14	16	10	7	9	6
Estonia	29	29	27	30	29	29	16	22	15
Finland	9	11	3	7	18	5	5	12	8
France	13	16	9	9	19	7	23	18	31
Germany	8	7	13	10	13	12	19	19	23
Greece	19	18	11	31	31	30	31	31	29
Hungary	30	30	25	26	27	18	27	29	19
Ireland	5	1	26	24	30	6	4	4	7
Israel	26	25	32	19	11	25	14	16	11
Italy	16	15	16	23	15	27	21	14	30
Japan	21	21	10	11	9	23	20	13	24
Korea	23	23	29	6	3	22	25	26	17
Luxembourg	7	6	14	1	1	2	17	17	18
Mexico	32	32	31	21	8	32	15	21	12
Netherlands	6	8	7	4	4	3	10	1	21
New Zealand	18	19	8	8	7	21	3	7	3
Norway	2	3	5	2	2	4	2	2	4
Poland	25	26	23	27	25	26	30	28	27
Portugal	24	24	22	18	14	17	26	25	20
Slovak Republic	28	28	20	29	28	28	24	24	26
Slovenia	22	22	18	15	21	9	28	30	22
Spain	20	20	15	32	32	24	29	20	28
Sweden	10	13	2	17	20	11	1	8	1
Switzerland	3	4	6	3	5	1	6	6	13
Turkey	31	31	30	28	26	31	32	32	32
United Kingdom	11	9	24	22	23	15	9	10	5
United States	15	10	28	25	24	20	13	23	2

4

Page 117, Figure 3.9 should be replaced with:

■ Number of top-10 scores (0-3)   ● Number of bottom-10 scores (0-3)

Page 118, Figure 3.10 should be replaced with:

Earnings quality ——   Labour market security ----   Quality of working environment ·······   Employment rate ——

Countries with high overall job quality performance

Countries with moderate overall job quality performance

Countries with low overall job quality performance

Correlation coefficient across countries

	Earnings quality	Labour market security	Quality of the working environment
Labour market security	0.52		
Quality of the working environment	0.67	0.45	
Employment rate	0.65	0.74	0.70

Page 123:
Endnote 1 should read as follows:
This chapter has been produced with the financial and substantive assistance of the European Union as part of the OECD project "Defining, Measuring and Assessing Job Quality and its Links to Labour Market Performance and Well-Being" [VS/2013/0180 (SI2.666737)]. The contents of this chapter are the sole responsibility of the OECD and can in no way be taken to reflect the views of the European Union. It is a joint undertaking between the OECD Directorate for Employment, Labour and Social Affairs and the OECD Statistics Directorate running until September 2015.

Page 124: Footnote 15 should read as follows:
15. More specifically, effective unemployment insurance is defined as the coverage rate of unemployment insurance (UI) times its average net replacement rate among UI recipients plus the coverage rate of unemployment assistance (UA) times its net average replacement rate among UA recipients plus the share of those not covered by unemployment benefits (or the ratio of the number of social assistance (SA) recipients to the number of unemployed if this is lower) times the SA replacement rate. The average replacement rates for recipients of UI and UA take account of family benefits, housing benefits and social assistance if eligible. It is assumed that coverage rates in the case of unemployment insurance and unemployment assistance capture eligibility (see Box 3.4 for a discussion).