

OECD WORK ON  
**EMPLOYMENT, SOCIAL  
PROTECTION AND  
INTERNATIONAL  
MIGRATION**



2017-18



# OECD WORK ON Employment, Social Protection and International Migration

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# The OECD Directorate for Employment, Labour and Social Affairs

“Rapid demographic change, technological progress, digitalisation and globalisation are creating many opportunities, but concerns are growing about people’s ability to cope with the rapid changes in work and society. This often fuels anxiety and uncertainty about the future. We need to help governments develop forward-looking skills, labour, health and social policies that help people seize opportunities while enabling them to face the challenges of a more dynamic and competitive environment.”

**Stefano Scarpetta**, Director

The Directorate for Employment, Labour and Social Affairs (ELS) leads the OECD’s work on employment, social policies, international migration and health. This brochure presents activities on employment, social policies and international migration. Activities on health are presented in a separate brochure.

## ► What We Do

The Directorate oversees OECD work on interrelated policy areas that help countries boost employment and skills, and improve social welfare and health. For the next biennium we will be working on a number of projects to help countries promote stronger and more inclusive growth in a context of digitalisation, globalisation and rapid demographic change. These include the Future of Work project and the revision of the OECD Jobs Strategy, which also feed into the OECD Going Digital horizontal project and the OECD Skills Strategy. In 2018 we will hold a Social Policy Ministerial Meeting on social protection for the 21st century. Work on skills anticipation and lifelong learning will help countries better match the fast changing skill needs of employers and promote an effective use of skills in the workplace.

To advance OECD work on the causes and consequences of inequalities in society and the economy, we are working on social mobility and the middle class and organising activities through the OECD Centre for Opportunities and Equality (COPE). We are working on diversity and social inclusion, looking at how to get the most out of diverse societies and fight discrimination. Working with other directorates we will develop a comprehensive approach to promoting child well-being. We also lead the OECD project on Ensuring the Effective Integration of Vulnerable Migrants, to enhance the integration of migrants and refugees. As part of the Inclusive Growth Agenda, at the 2017 Ministerial Council Meeting we presented the Preventing Ageing Unequally Action Plan and the progress report on implementation of the OECD Gender Recommendation.

### ► **Who We Serve**

The Directorate's work on employment, social policies and international migration is overseen by the Employment, Labour and Social Affairs Committee (ELSAC).

ELSAC meets twice a year and brings together senior officials from all OECD member countries and observers from key partner countries. It provides a forum for member countries to share views and experiences, bearing in mind the competencies and mission of the OECD. ELSAC collects and publishes comparable data across countries and encourages co-operation between member countries, as well as with key partners.

### Key events

- *High-level Policy Forum and Social Policy Ministerial Meeting*, Montreal, 14-15 May 2018.
- *International Diversity Forum*, Paris, 22 January 2018.
- *International Forum on Migration Statistics*, Paris, 15-16 January 2018
- *Conference on Adapting to Changing Skill Needs*, Paris, 10 July 2017.
- *High-level Policy Forum on the New OECD Jobs Strategy*, Berlin, 13 June 2017.
- *The only way is up? Social Mobility and Equal Opportunities*, Paris, 4 May 2017.



# The New OECD Jobs Strategy

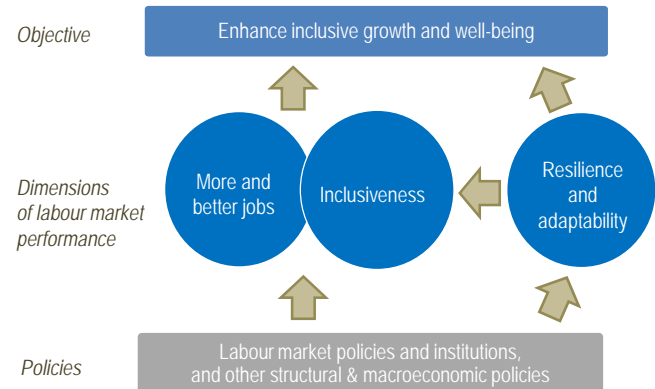
The *OECD Jobs Strategy* consists of a comprehensive set of policy recommendations to promote more and better jobs. Since its launch in 1994, it has become a key reference for guiding national labour market policies in member and non-member countries. It was reassessed in 2006, putting greater emphasis on fostering both higher employment rates and improving job quality, and highlighting the importance of combining reforms into coherent packages.

In the context of the recent global economic crisis and deeper structural changes taking place in labour markets, in January 2016 OECD Employment and Labour Ministers called for a major review of the Jobs Strategy to strengthen further its relevance for guiding policy makers. The new *OECD Jobs Strategy* will provide comprehensive and up-to-date policy advice for achieving an inclusive labour market that performs strongly in the context of demographic change, environmental challenges, globalisation, digitalisation and changes in work organisation. It will be structured according to three overarching objectives: 1) more and better jobs; 2) inclusive labour markets; and 3) greater resilience and adaptability.

The first two dimensions focus on improving the quantity and quality of jobs and achieving a fairer distribution of outcomes and opportunities in such a way that nobody is left behind.

The third dimension contains a forward-looking element by focusing on the ability of workers and labour markets to withstand future shocks and seize new opportunities. Adaptability and resilience are essential to ensure the “sustainability” of good labour market outcomes and economic performance and shaping the future of work, ensuring that potential threats arising from secular trends are turned into opportunities, and that opportunities are shared fairly among all actors in society.

## The New OECD Jobs Strategy Framework



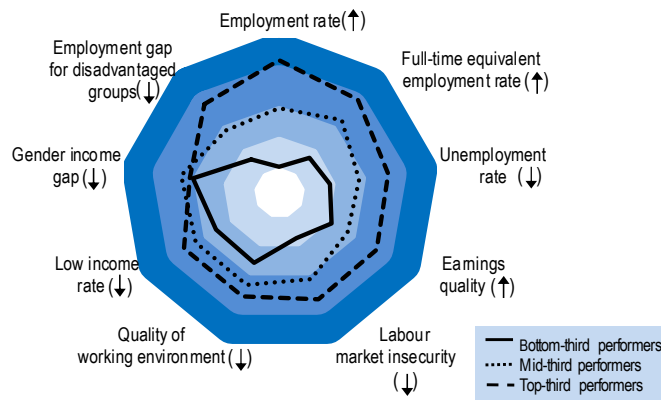
The new *OECD Jobs Strategy* involves two main deliverables. The first is a policy document for the 2018 Ministerial Council Meeting (MCM) that presents the overall framework of the new *OECD Jobs Strategy* and its main policy recommendations and guidelines. The second is the supporting analytical volume that provides the evidence-base and analysis supporting the new framework and policy recommendations and guidelines.

### Measuring and assessing labour market performance: The New OECD Jobs Strategy Scoreboard

To what extent can policy improve labour market performance along each of the three dimensions of the new *OECD Jobs Strategy*? To address these questions it is important to first assess how countries perform along the three main dimensions. The figure is drawn from the new OECD dashboard comparing labour market performance of OECD countries in terms of job quantity (the employment rate, in headcounts and full-time equivalent and the unemployment rate), job quality (earnings quality, labour market security and the incidence of job strain) and inclusiveness (the share of low-income households, gender labour income inequality and the employment gap of disadvantaged groups). Top employment rate performers also tend to perform better in other dimensions of labour market performance. This suggests that by combining policies into coherent packages, it is possible to do well in terms of job quantity, job quality and inclusiveness simultaneously.

### Average performance among countries with low, intermediate and high employment rates

The concentric circles measure increasingly high levels of performance with respect to the corresponding outcome – reflecting higher or lower values depending on the direction of the arrow – with the inner (outer) circles indicating performance in the bottom (top) 20%



### Publications

- *High-Level Policy Forum on the New OECD Jobs Strategy: Issues paper*
- *OECD Employment Outlook 2017* (2017)  
<http://www.oecd.org/employment/jobs-strategy/>

**DID YOU KNOW** ...that it took ten years after the economic crisis for employment rates in the OECD to reach their pre-crisis levels. Unemployment rates are still higher, because labour force participation has increased.

# Income inequality

## Despite recovery, income inequality remains at its highest level in 30 years

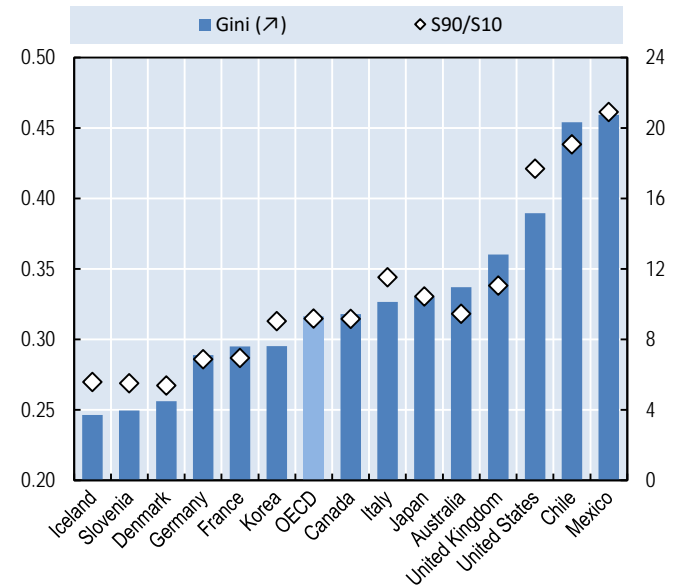
Differences in levels of income inequality in the OECD are large. The Gini coefficient – a common measure of income inequality that scores 0 when everybody has identical income and 1 when all the income goes to only one person – ranges from 0.25 in Iceland and Slovenia, around 0.30 in France, Germany and Korea, just below 0.40 in the United States and Turkey, and around 0.45 in Mexico and Chile. In lower-inequality countries, the richest 10% of the population earn 5 times the income of the poorest 10% while this ratio raises to 20:1 in high-inequality countries.

Over the past three decades, the gap between the rich and poor has widened in the large majority of OECD countries. During that period, the Gini coefficient increased by three points to an OECD average level of 0.32.

The fruits of the economic recovery during the past years have not been evenly shared and high-income households gained more due to unequal growth of labour incomes and changes in redistribution. As a result, income inequality did not decrease in recent years.

## Income inequality varies greatly across OECD countries

Gini coefficient and S90/S10 income share ratio of household disposable income, in 2015 (or nearest year)



**Note:** Gini coefficients are based on disposable equivalised incomes for OECD countries,

**Source:** OECD Income Distribution Database (<http://oe.cd/idid>).

**DID YOU KNOW** ...that income inequality has reached record highs in most OECD countries and remains at even higher levels in many emerging economies.

Keeping measurement-related differences in mind, the main emerging economies have higher levels of income inequality than OECD countries, particularly in Brazil, Colombia and South Africa. Inequality also increased in many emerging economies, but there are encouraging signs of stabilisation in China and even declines in Brazil and many other Latin American countries.

Furthermore, household wealth is much more concentrated at the top than income, with half of total wealth being owned by the 10% wealthiest households and almost all of the other half owned by the next richest 50%, while the 40% least wealthy own just 3%. Over the long run, growth, if any, benefited disproportionately higher-income groups while lower-income households were left behind. This long-run increase in income inequality does not only raise social and political but also economic concerns: it tends to drag down GDP growth, and it is the rising distance of the lower 40% from the rest of society which accounts for this effect.

To tackle inequality and promote opportunities for all, countries should adopt a comprehensive policy package, centred around four main areas: promoting greater participation of women into the labour market; fostering employment opportunities and

and good quality jobs; strengthening quality education and skills development, and adaptation during the working life; and a better design of tax and benefits systems for efficient redistribution. The OECD's Inclusive Growth Initiative outlines a comprehensive approach to tackling inequality in all dimensions and promoting higher living standards.

Inequalities of outcomes such as earnings and income and inequalities of opportunities go hand in hand, largely due to higher inequality curbing social mobility and opportunities for the poor and people from disadvantaged backgrounds. The OECD is currently undertaking a study on social mobility within and between generations to gain a deeper understanding of the evolution of opportunity and equality, and to discuss appropriate policy responses.

#### Publications and data

- *“Income Inequality Remains High in the Face of Weak Recovery”* (2016)
- *In it Together: Why Less Inequality Benefits All* (2015)
- *Divided We Stand: Why Inequality Keeps Rising* (2011)
- *“Bridging the Gap: Inclusive Growth 2017 Update Report”* (2017)
- [www.oecd.org/social/income-distribution-database.htm](http://www.oecd.org/social/income-distribution-database.htm)  
OECD Centre for Opportunity and Equality (COPE) [oe.cd/COPE](http://oe.cd/COPE)

**DID YOU KNOW** ...that despite economic recovery in most countries, incomes at the bottom of the distribution are still below pre-crisis levels, while top and middle incomes recovered the income lost during the crisis.



# The Future of Work

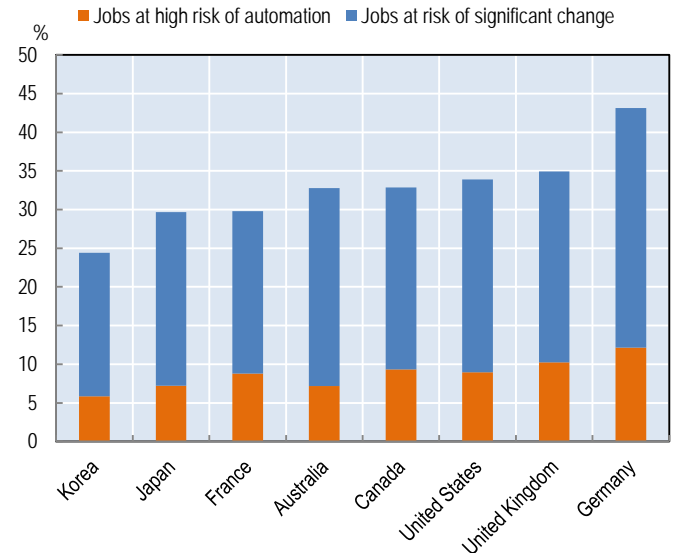
## Making labour markets more adaptable and resilient

Technological progress, globalisation and demographic change are having a profound impact on labour markets across OECD countries. Together, they will affect the number and the kind of jobs that are available, as well as how and by whom they will be carried out.

Driven by these trends, the future of work will offer unparalleled opportunities for the creation of new, more productive jobs and for bringing more people into the labour market. However, there are also significant risks associated with these trends – including the destruction of large numbers of jobs, significant reallocation of labour resources, and falling job quality. It has been estimated, for example, that 9% of jobs across OECD countries are at high risk of automation, while another 25% are likely to undergo significant change as a result of technological change.

These developments set significant challenges for labour market and social policy. The key question is how to make labour markets more resilient and adaptable, so that workers and firms can manage the transition with the least possible disruption, while maximising the potential benefits.

## Jobs at risk of automation



**Note:** Jobs are at high risk of automation if at least 70% of tasks can be automated. Jobs at risk of significant change if between 50%-70% of tasks can be automated.

**Source:** Arntz, M., T. Gregory and U. Zierahn (2016), "The Risk of Automation for Jobs in OECD Countries: A Comparative Analysis", *OECD Social, Employment and Migration Working Papers*.

If these challenges are not managed properly, they risk translating into increased labour market polarisation and rising inequalities. Indeed, OECD research has shown that the occupational structure of labour markets in the vast majority of OECD countries have polarised between 1995 and 2015. In addition, income inequality in OECD countries is at its highest level for the past half century.

### OECD Future of Work Initiative

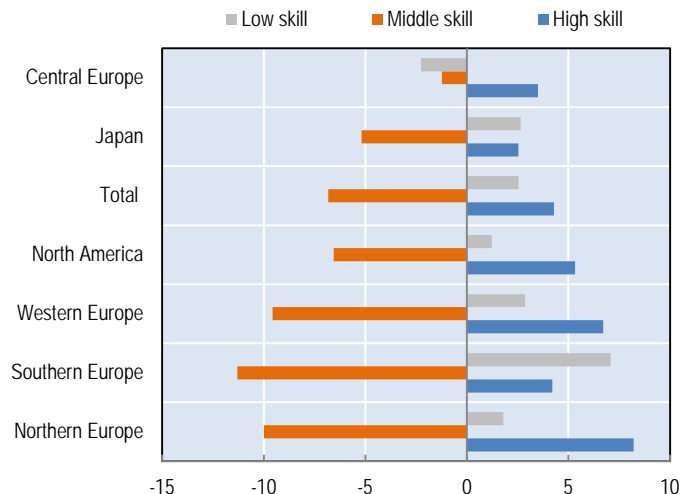
Over the 2017-2018 biennium, OECD will investigate how the megatrends of population ageing, technological change and globalisation are affecting labour market outcomes: how people's careers are changing, what this means for the occupational structure and for the distribution of wages, and what the implications are in terms of skills needs.

Over the biennium, this work will result in a series of workshops and policy briefs, and will culminate in a thematic *Employment Outlook* in 2019. The work will also feed into the OECD's horizontal project Going Digital.

**DID YOU KNOW** ...that the share of the population aged 65 and over will rise from less than one person in six in 2015 to more than one person in four in 2050.

### Labour market polarisation, 1995-2015

Percentage point change in share of total employment



Source: OECD (2017), *OECD Employment Outlook 2017*, OECD Publishing, Paris.

### Publications

- “Basic Income as a Policy Option: Can it Add Up?” (2017)
- “Skills for a Digital World” (2016)
- “Automation and Independent Work in a Digital Economy” (2016)
- “The Risk of Automation for Jobs in OECD countries: A Comparative Analysis” (2016)

<http://www.oecd.org/employment/future-of-work.htm>

# Connecting People with Jobs

## Activation policies to tackle unemployment and non-employment

Since the Global Financial Crisis, unemployment and long-term unemployment are back on the policy agenda in all OECD countries. Equally disturbing, however, are continually high non-employment rates in most countries for certain groups of the population. Low education, poor health, gender and age can present a considerable barrier to employment, with significant country differences.

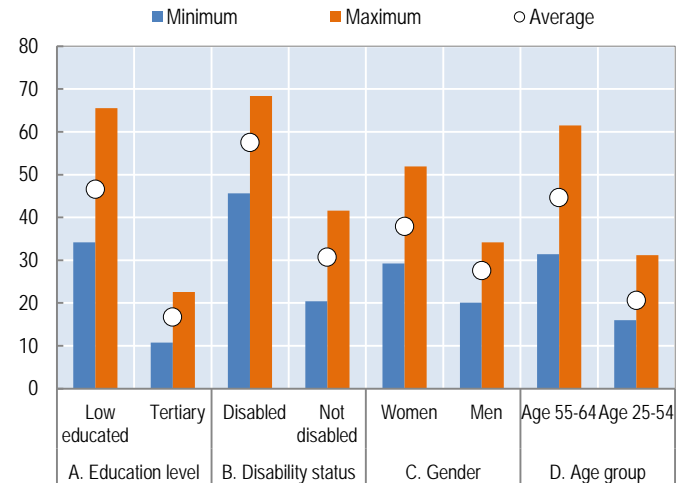
### Why is activation needed?

Ensuring that all people have better opportunities to participate actively in the labour market is essential given rapid population ageing, growing inequality and the need to heal the economic and social scars left by the Global Financial Crisis. Effective activation policies can help harness the productive potential of each country's population and contribute to economic growth, social cohesion and the sustainability of the social protection system.

**DID YOU KNOW** ...that most OECD countries spend at least five times as much on benefits for working-age people than they spend on helping people back into employment.

## For some groups of the population non-employment rates are very high: education, health, gender, age

Non-employment-to-population ratio by population characteristics, percentages



**Note:** Data refer to persons aged 25-64 in Panel A and 15-64 in Panels B and C. Data refer to 2015 for Panels A (except for France, 2014), C and D. Data refer to 2014 for Panel B, except for Australia, Canada, Germany and the United States (2012).

**Source:** Panel A: OECD (2015), *Education at a Glance*; Panel B: EU-SILC 2015 except: Australia, Canada, Germany and the United States, OECD (2017), *Connecting People with Jobs: Key Issues for Raising Labour Market Participation in Australia*. Panels C and D: OECD Labour Force Statistics Database.

### What are activation policies?

The core objective of activation policies is to foster more inclusive and resilient labour markets. This requires ensuring that jobseekers have the motivation to seek work. Welfare benefits may reduce motivation, unless they are conditional on active job search and availability for suitable jobs. But even motivated jobseekers may struggle to find work without help and participation in measures to increase their employability. Bringing more people into employment also involves addressing demand-side barriers and expanding employment opportunities for jobseekers. The implementation of these three key elements of activation policy – motivation, employability and opportunities – has to be managed by effective and efficient labour market institutions and policies.

### How can the OECD help countries develop and strengthen their activation policies?

The *Connecting People with Jobs* project aims to help countries strengthen their activation policies to promote a quick (re)integration of jobseekers and other benefit recipients into employment. OECD work will focus on those groups in a country who face the greatest barriers and disincentives to finding work as well as on innovations in the delivery of employment services to the unemployed and inactive. The new reviews would seek to help countries both to cope with short-term challenges linked to the fallout of the Global Financial Crisis and to strengthen long-term labour market performance.

### Help countries cope with short-term challenges:

- ▶ Preventing high unemployment from becoming structural
- ▶ Promoting a quick reintegration of the unemployed
- ▶ Sharing lessons from country experiences in coping with a large rise in unemployment
- ▶ Disseminating good practice in use of new tools and technology to deliver employment services

### Strengthen long-term labour market performance:

- ▶ Tackling long-term welfare dependency
- ▶ Mobilising labour resources more fully to cope with population ageing and fiscal constraints
- ▶ Reaching out to groups on the margins of the labour market
- ▶ Evaluating effectiveness of measures for hard-to-place groups

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### Publications

- *Connecting People with Jobs: Key Issues for Raising Labour Market Participation* – country reviews for Australia (2017), Slovenia (2016) and the United Kingdom (2014)
- *Activation Policies for More Inclusive Labour Markets*, in *OECD Employment Outlook 2015* (2015)  
<http://www.oecd.org/els/emp/activation.htm>

# Skills

## Getting skills right: Assessing and responding to changing skill needs

Skills have the potential to transform lives and drive economies. However, as shown by the OECD Skills Strategy, it is critical that countries and individuals develop the right skills that respond to labour market needs so that these skills are fully utilised by individuals and employers.

Imbalances between the supply and demand for skills generate significant skill mismatches and shortages in many countries. Skill mismatch is pervasive with as many as three in five workers employed in jobs that do not make the best use of their skills. At the same time, a large number of employers (around 40% of employers across 42 countries) report facing recruitment problems due to skill shortages. Skills mismatches and shortages entail large costs for individuals, employers and society. They can result in lower earnings and job satisfaction, higher risk of job loss, loss of competitiveness as well as lower economic growth.

As part of the *Adapting to Changing Skill Needs* project, a set of indicators are being developed to measure skill needs and skill imbalances in a comparable way across countries. The

OECD Skills for Jobs indicators is hosted on an OECD web-page integrated in OECD.stat, providing data visualisation tools for end-users to download and extract information.

- ▶ In-depth country reviews are being conducted, taking stock of trends in skills imbalances, identifying strengths and weaknesses in the collection and use of information on skill needs and assessing policies aimed at tackling skills imbalances.
- ▶ There are plans to extend the project in several directions, including forecast and foresight of future skill needs and developing an indicator of readiness of adult learning systems to respond to the challenges of rapidly changing skill needs.

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### Publications

- *Getting Skills Right: Good Practice in Adapting to Changing Skill Needs* (2017)
  - *Getting Skills Right: Skills for Jobs Indicators* (2017)
  - *Getting Skills Right – country reports for France* (2017), Italy (2017), South Africa (2017), Spain (2017), Sweden (2016) and the United Kingdom (2017).
  - *Getting Skills Right: Assessing and Anticipating Changing Skill Needs* (2016)
- <http://www.oecd.org/els/emp/skills-and-work.htm>

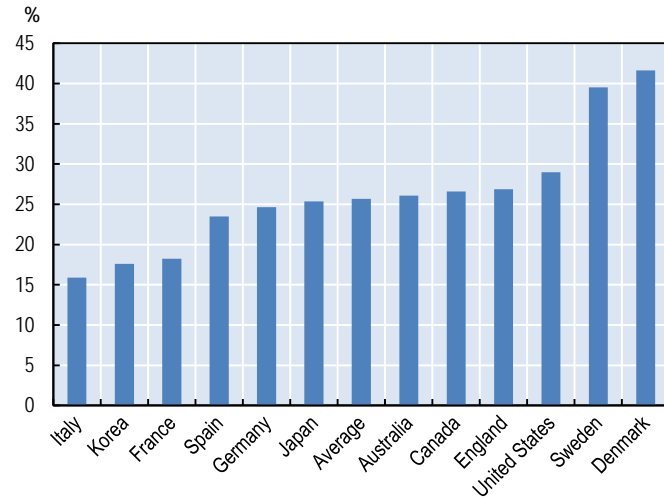
### Skill use at work and high-performance work practices

The Survey of Adult Skills (PIAAC) has proven very valuable in looking at the demand for skills. In 2016, we exploited the data to show that skills use has a substantial impact on productivity, wages and job satisfaction. The study also finds a strong relationship between skills use and the existence of high performance practices at work. These practices include aspects of work organisation (team work, autonomy, task discretion, mentoring, job rotation, applying new learning) and management practices (employee participation, incentive pay, training practices and flexibility in working hour).

This work on skills use also provided valuable directions for the improvement of the Survey of Adult Skills in view of its second cycle (2018-2022). Based on the finding that work organisation and management practices matter, we are working on improving the information on these aspects collected through the PIAAC household survey. We are also developing an employer module on skills to be carried out in conjunction with the next cycle of PIAAC to better understand skill needs and gaps and to identify what employers are doing to address them, including human resource, recruitment and management practices, the provision of training, the outsourcing of services or the replacement of labour with capital taking advantage of technological change.

### High-Performance Work Practices

Share of jobs with high HPWP<sup>1</sup>



1. Share of workers in jobs where the summary HPWP is above the top 25th percentile of the pooled distribution.

Source: OECD Survey of Adult Skills (PIAAC), 2012, 2015.

**DID YOU KNOW** ...that High-Performance Work Practices (HPWP) account for just under 30% of the variation in the use of reading skills at work. HPWP are the biggest contributor, well ahead of occupation which is the second largest factor but only accounts for 14% of the variation.

# Ageing and Pensions

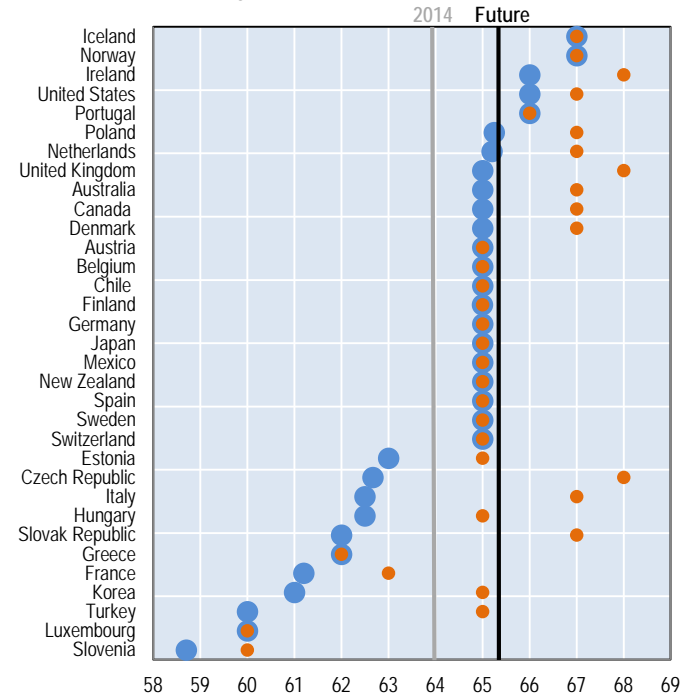
## Next frontier: Focusing more on social sustainability

The last decade has seen a period of intense reform activity in the area of pensions, with governments changing key parameters of their retirement income systems, often to improve financial sustainability. The most visible progress has been to raise legal pension ages. 67 has indeed become the new 65, and several countries are going further.

The sixth edition of *Pensions at a Glance* marks the tenth anniversary of our flagship publication on pension systems. Ten years of scrutiny of member and G20 countries' pension systems and policies, ten years of assessing and predicting workers' pension entitlements, and ten years of recommending reforms that lead to more financially sustainable pay-as-you-go pensions and respond to citizens' need for stable and adequate incomes in old age. The OECD's call has been heeded in most countries around the world.

Our efforts to analyse country-specific pension features and provide policy recommendations to improve pension frameworks have also been strengthened. Fifteen pension policy notes have been published, identifying key country-specific policy priorities. The series of in-depth reviews has been extended with the study of the Mexico pension system while the Latvia review will be published in the first quarter of 2018.

## Current and future retirement ages for a man entering the labour market at age 20



Source: *Pensions at a Glance 2015: OECD and G20 Indicators* (2015).

Recent OECD publications in the area of pensions also include the comparison of schemes covering civil servants and private-sector workers in the *Pensions Outlook* series.

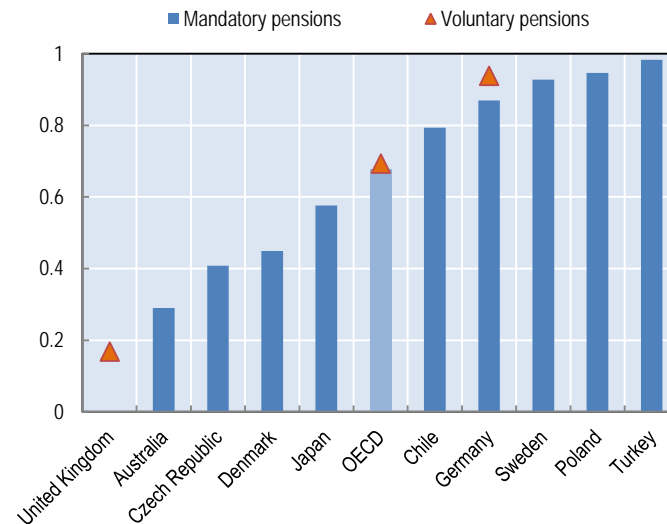
There remain many policy challenges. Fixing the financial difficulties of pay-as-you-go systems as populations age is only one part of the equation. The other part relates to social sustainability and whether future pensions will be sufficient to provide adequate living conditions for older people. Public finance pressure and the current low-growth, low-interest rate environment have resulted in lower pension promises.

Not all people will indeed be able to work up to higher retirement ages due to job strain and declining health. Unemployment rates, in particular among younger groups, continue to be high in many countries, and time out of work often means time out of the pension system. Upward inequality trends will imply growing inequality in old age for the future cohort of pensioners (see figure), which shows that a rise in wage inequality leads to a near equivalent rise in pensions inequality in the future in many countries.

*Preventing Ageing Unequally* (2017) shows that the future elderly population is likely to experience old age in much more varied ways. These growing disparities will likely result in higher pensioner inequality. Preventing ageing unequally requires a comprehensive policy approach to help individuals overcome disadvantages that cumulate over their life course.

### Impact of an increase in wage inequality on pension inequality

Change in pension Gini (in p.p.) for a 1 percentage-point increase in wage Gini, full career case



Source: *Preventing Ageing Unequally* (2017).

### Publications

- *Preventing Ageing Unequally* (2017)
- *Pensions at a Glance 2017: OECD and G20 Indicators* (2017)  
[www.oecd.org/pensions/policy-notes-and-reviews.htm](http://www.oecd.org/pensions/policy-notes-and-reviews.htm)  
<http://www.oecd.org/pensions/>



# Child Well-being

## Enhancing child well-being and promoting equal opportunities

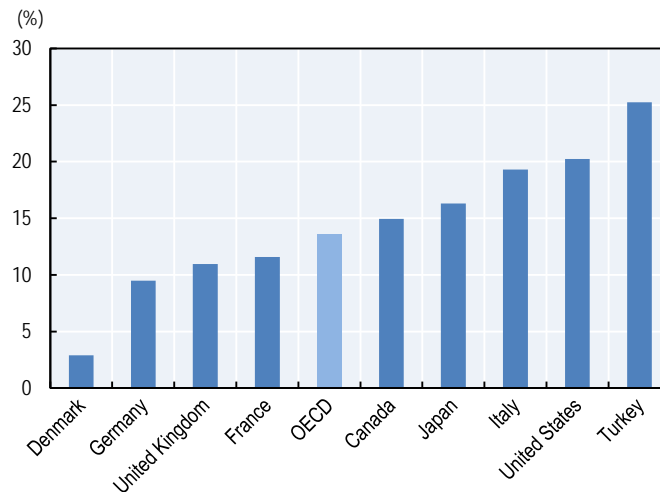
Too many children in OECD countries are still not getting the best possible start in life. Across the OECD, one child in seven lives in relative income poverty – one in three for children from migrant families – and in many OECD countries children are now more likely to be poor than any other age group.

Disadvantage early in life can have long-lasting effects. Poor children are more likely to fare badly in a range of well-being dimensions compared to other children: for example, they are less likely to do well at school; they are more likely to report poor health and/or be obese; and they are more likely to experience bullying or have difficulty talking to their parents. These early disadvantages affect children's future prospects in the labour market and in society. To promote strong and inclusive growth, policy should focus on investing in children and responding to the needs of families in order to enhance child well-being in all its dimensions.

The OECD has a proven track record on the measurement and analysis of child well-being and child development. We started working on child well-being in 2009, and established a measurement framework that was used to provide an extensive analysis of child well-being in the report

*Doing Better for Children* (2009). Some of the indicators included in that report have been used since then in the *OECD Family Database*, which is routinely updated to monitor progress in selected outcomes of families with children.

### Child income poverty rates, 2014 or latest available



**Note:** Percentage of children (0-17) with an equivalised post-tax-and-transfer income of less than 50% of the national annual median equivalised post-tax and transfer income. Data for Japan refer to 2012

**Source:** OECD Income Distribution Database, [oe.cd/idd](http://oe.cd/idd).

Later publications like *Doing Better for Families* (2011) and *How is Life for Children?*, a dedicated chapter on child well-being in *How's Life?* (2015), have provided further evidence on child well-being.

The OECD recently launched the *OECD Child Well-Being Portal* – a platform for conducting policy-oriented research on children, enhancing child well-being and promoting equal opportunities among children – and is currently leading a research project on children and child well-being. The areas under investigation include:

- ▶ the determinants of child poverty;
- ▶ the relation between child poverty and child well-being, and the associated policy responses;
- ▶ the mechanisms at play in the transmission of economic and/or social disadvantages from parents to children, including the impact of parental socio-economic background on childhood health and educational outcomes;
- ▶ the policy challenges raised by the rise in non-traditional family living arrangements.

**DID YOU KNOW** ...that roughly one child in ten lives in a household where no adult is in paid employment on average in the OECD.

### Children pay a high price for inequality

In 2015, the OECD published *How is Life for Children?*, a dedicated chapter in *How's Life?* (2015) that explored what life is like for children in OECD countries.

The chapter shows that children's well-being varies greatly not just across countries, but also by age, by gender, and especially by socio-economic background. Children from more affluent backgrounds tend to have better health, for example, and enjoy a happier school life. Children from less well-off families find fewer of their classmates to be kind and helpful, and are more likely to be bullied at school. Life satisfaction, reading and problem-solving skills, communication with parents and intentions to vote in national elections in later life are all also lower among children from less affluent backgrounds. In short, inequality among parents ends up sapping the opportunities available to their children.

### Publications and data

- *How's life for children?* in *How's Life? 2015: Measuring Well-being* (2015)
  - *Enhancing Child Well-Being to Promote Inclusive Growth* (2016)
  - *Doing Better for Children* (2016)
  - *OECD Family Database*, [oe.cd/fdb](http://oe.cd/fdb)
- <http://www.oecd.org/social/child-well-being/>

# Gender

## Gender equality for inclusive growth

Greater gender equality is not simply a moral imperative. The equal participation of women and men in education and the labour force also contributes to stronger, more sustainable and inclusive economic growth.

The OECD has placed gender equality at the top of its strategic agenda and actively promotes the principles underlying the 2013 OECD Gender Recommendation, which calls on countries to enhance gender equality in education, employment, and entrepreneurship through legislation, policies, investments, monitoring and campaigns. Many countries have prioritised gender equality since 2013, yet all countries must step up their efforts to ensure that policies reflect – and result in – societies in which boys, girls, men and women can all reach their true potential.

While women's labour force participation rates have moved closer to men's over the past few decades, women are still less likely to be in the workforce than men across OECD countries. These gaps widen during the family formation years, as mothers' disproportionate responsibility for unpaid caregiving tends to depress women's labour force participation, relative to men.

The OECD Gender Data Portal is an important resource with cross-national data on gender inequalities. The website provides useful analytical tools and reliable data, showing governments where action is most needed. Selected indicators include:

- ▶ Educational outcomes such as gender gaps in years of schooling, enrolment and proficiency in science, technology, engineering and mathematics (STEM) fields, and OECD PISA test results.
- ▶ Labour market outcomes such as the male and female participation rates, the gender wage gap, and the female share of seats on board of publicly listed companies.
- ▶ Entrepreneurship outcomes such as male versus female self-employment rates and gender gaps in earnings.



When women do work, they are more likely to work part-time, for lower pay, and in less lucrative sectors than men. All of these factors contribute to sizeable gender pay gaps: the median female worker earns 15% less than the median male worker across OECD countries on average. This gap has hardly changed in recent years.

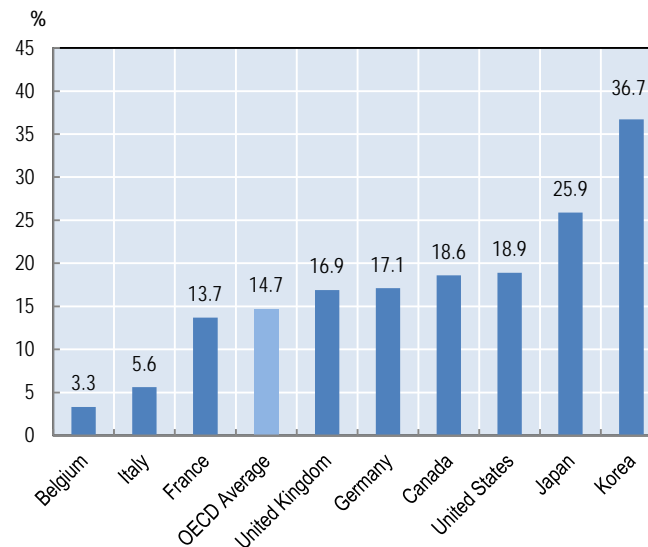
Public policies can do better. Governments must ensure that parents have adequate work-life supports, such as paid parental leave and good-quality, affordable childcare, so that both men and women can combine child rearing with participation in the labour market. Measures like pay transparency rules and policies aimed at getting more women into lucrative STEM jobs can help to close the gender wage gap.

### Publications and data

- *The Pursuit of Gender Equality: An Uphill Battle* (2017)
- *Building an Inclusive Mexico: Policies and Good Governance for Gender Equality* (2017)
- *Dare to Share: Germany's Experience Promoting Equal Partnerships in Families* (2017)
- *Gender Equality in the Pacific Alliance: Promoting Women's Economic Empowerment* (2016)
- "Parental leave: Where are the Fathers?" (2016)
- "Walking the Tightrope: Parents' Work-Life Balance across the Stages of Childhood" (2016)
- OECD Gender Data Portal <http://www.oecd.org/gender/data/>

### Gender wage gap

Ratio of the difference between median earnings of men and women in percentage to median earnings of men, for full-time employees, 2015 or latest year available.



Source: OECD Gender Data Portal.

**DID YOU KNOW** ...that women do more unpaid childcare and housework than men, on average, in every OECD country? Even female breadwinners tend to do more unpaid work than their partners.

# International Migration

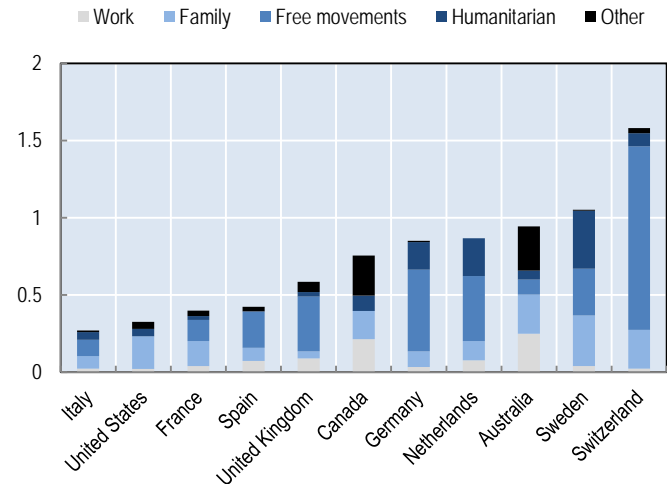
Migration has responded to major shocks in the past decade. Particularly in Europe, the 2007/08 economic crisis and, more recently, the humanitarian crisis in 2015/16 have reshaped the international situation in many ways. The OECD's work on migration has responded to this with a wide range of publications, analyses and policy briefs looking at possible policy responses to economic and geopolitical shocks. The latter work includes, for example, a focus on additional pathways for refugees and the potential of existing corridors of legal migration and mobility for refugee populations as well as ways to counter human smuggling.

In the meantime, migration continues to be driven by structural factors. OECD countries are competing to attract and retain talents, including international students, and family links drive more than 40% of permanent movements across the OECD. The annual *OECD International Migration Outlook* reviews and analyses the main trends in migration flows, stocks and policies. It provides internationally comparable data on temporary and permanent migration flows by category of entry and data on the migrant population and its main characteristics. It also offers an analysis of the evolution of immigrants' labour market situation.

**DID YOU KNOW** ...that the number of permanent migrants to OECD countries is at its highest since 2007 and has reached 5 million entries in 2016.

## Permanent migration flows by category of entry to selected OECD countries, 2015

Percentage of the total population



Source: *International Migration Outlook 2017*.

## Migration contributes to meeting skills shortages and countering population ageing

Labour markets in OECD countries are subject to important transformations. In some sectors digitalisation and technological innovation create skills needs that are hard to meet with local labour. At the same time, some countries are experiencing rapid population ageing, increasing the need for skilled labour. If managed well, migration contributes to meeting these needs.

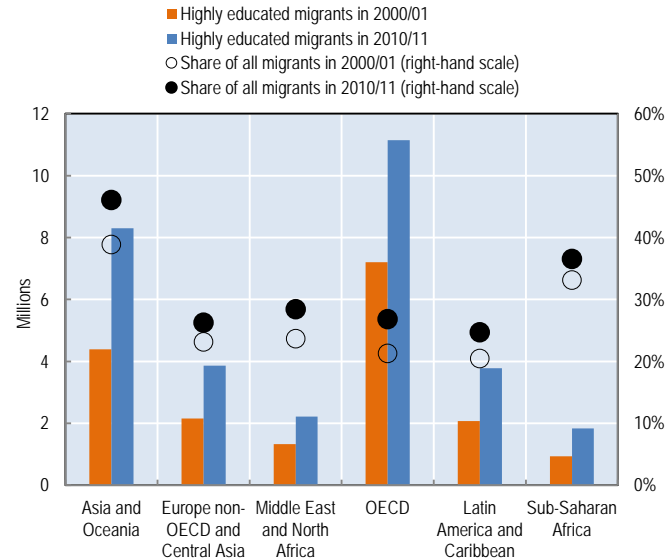
Not surprisingly, therefore, labour migration – although just a fraction of total migration – is the focus of policy measures to ensure access to skills and human resources. Increasingly complex mechanisms seek to balance the needs of employers with safeguards for resident workers, while trying to achieve a wide range of other policy goals. To help strike this balance, the OECD is conducting a series of country reviews on the management of labour migration, the *Recruiting Immigrant Workers* series. To date, reviews on Sweden, Germany, New Zealand, Norway, Austria, Europe and the Netherlands have been published.

### Publications

- *International Migration Outlook 2017* (2017)
- *Recruiting Immigrant Workers: Europe 2016* (2016)
- *Labor Migration in Asia: Building Effective Institutions* (OECD/ADB/ILO 2016)

## The stock of highly educated migrants rose sharply over the first decade of the 2000s

Highly educated migrants by region of origin, 2000/01 and 2010/11



Source: Database on Immigrants in OECD Countries (DIOC).

**DID YOU KNOW** ...that OECD countries recorded the highest number of asylum applications since the Second World War in 2015 (1.66 million) and another 1.64 million in 2016? Almost three-quarters of applications were submitted in an EU country.

# Integrating Immigrants and their Children

On average across the OECD, one in five persons is either born abroad or has at least one foreign-born parent. Integrating this group into the labour market and, more generally, in public life, is high on the policy agenda of many OECD countries.

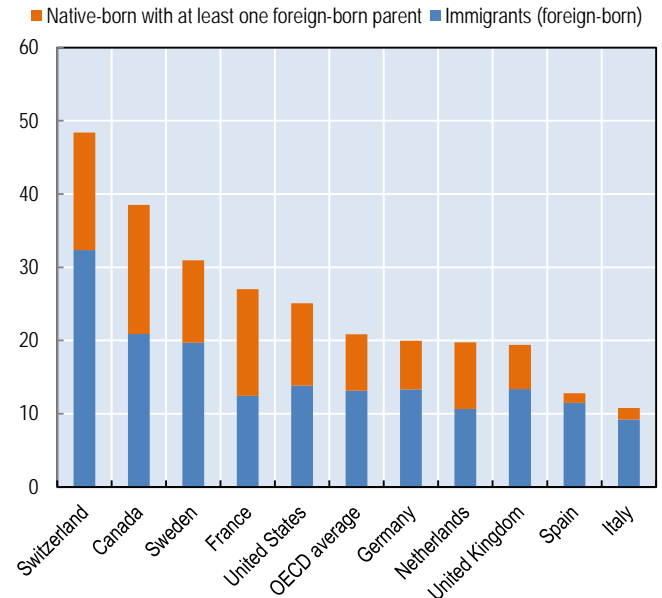
Integration is vital to ensure the ability of migrants to function as autonomous, productive and successful members of society. It is also critical for the acceptance of migration by the host-country population at a time when immigration and integration are among the main issues of concern in public opinion surveys in many countries.

Having reliable facts is a prerequisite for a better informed public debate. The joint OECD-EU publication *Indicators of Immigrant Integration: Settling In* provides the most comprehensive international comparison of the outcomes of immigrants and their children, covering all EU and OECD countries. It contains 34 key indicators on employment, education and skills, social inclusion, civic engagement and social cohesion. Among other findings, it shows that highly educated immigrants are more likely to be overqualified or not in employment than their native-born peers.

**DID YOU KNOW** ...that two in three immigrants aged 15 to 64 are in employment across the OECD –slightly more than among the native-born.

## Immigrants and native-born offspring of immigrants, around 2014

Percentages of the total population



Source: Calculations by the OECD Secretariat based on national data.

## Helping countries design better integration policies

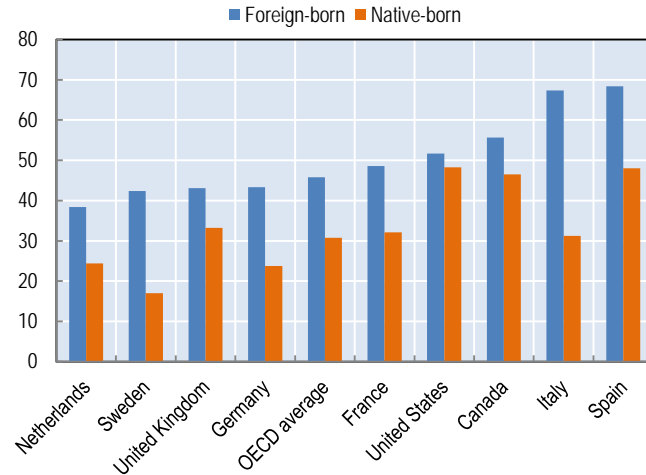
The OECD helps countries design better integration policies through a long-standing series of country reviews and through thematic policy work, covering key groups and issues in integration policy. A specific focus is on refugees, family migrants, young people and most vulnerable migrants more generally. Among the key issues covered are the skills of migrants and the recognition of foreign qualifications, language training and intergenerational aspects of integration. The results of this work also inform policy making at the global level, for example in the context of the G20 and the UN Global Compact on Migration.

To make the most out of diversity and to ensure that disadvantaged groups are not left behind, it is critical to better understand under what condition diversity can bring economic and social benefits for all. In this context, a discrimination testing tool and an inventory of effective diversity and non-discrimination policies in OECD countries are under development.

**DID YOU KNOW** ...that persons with a foreign-sounding name often have to write up to four times as many applications to get invited to a job interview than otherwise equivalent persons with a native-sounding name.

## Highly educated persons either overqualified or not in employment, by country of birth, 15-64 years old, 2013-2015

Percentages (excluding people in education)



Source: National Labour Force Surveys and US Current Population Survey.

### Publications and data

- *Indicators of Immigrant Integration 2015: Settling In (2015)*
- *Working Together: Skills and Labour Market Integration of Immigrants and their Children in Sweden (2016)*
- *Making Integration Work: Refugees and Others in Need of Protection (2016)*



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