

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

Queen's International Institute on Social Policy

Building Back Better

**Social and economic impacts of the current crisis,
governments' policy responses
and lessons for going forward.**

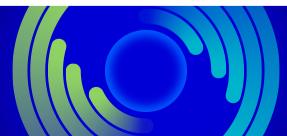
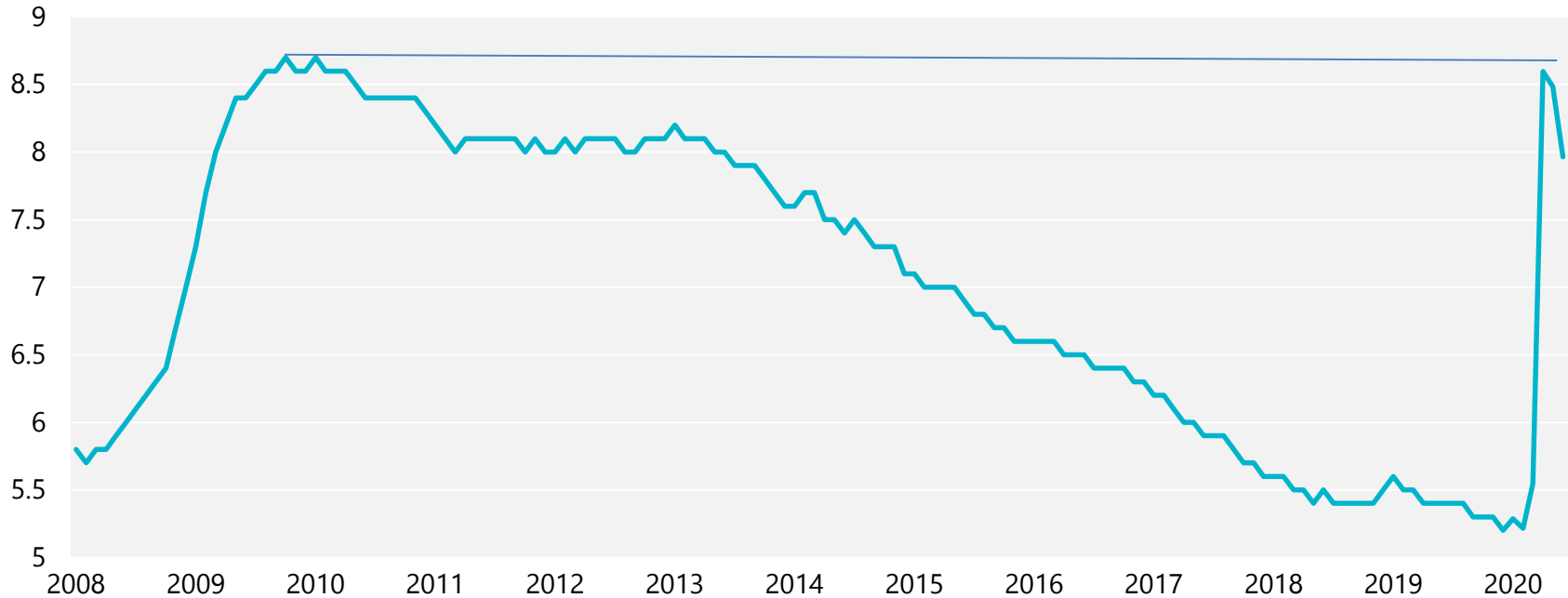
26 August 2020

Stefano Scarpetta

OECD Director for Employment, Labour and Social Affairs

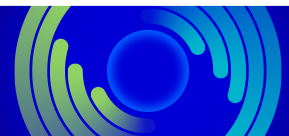
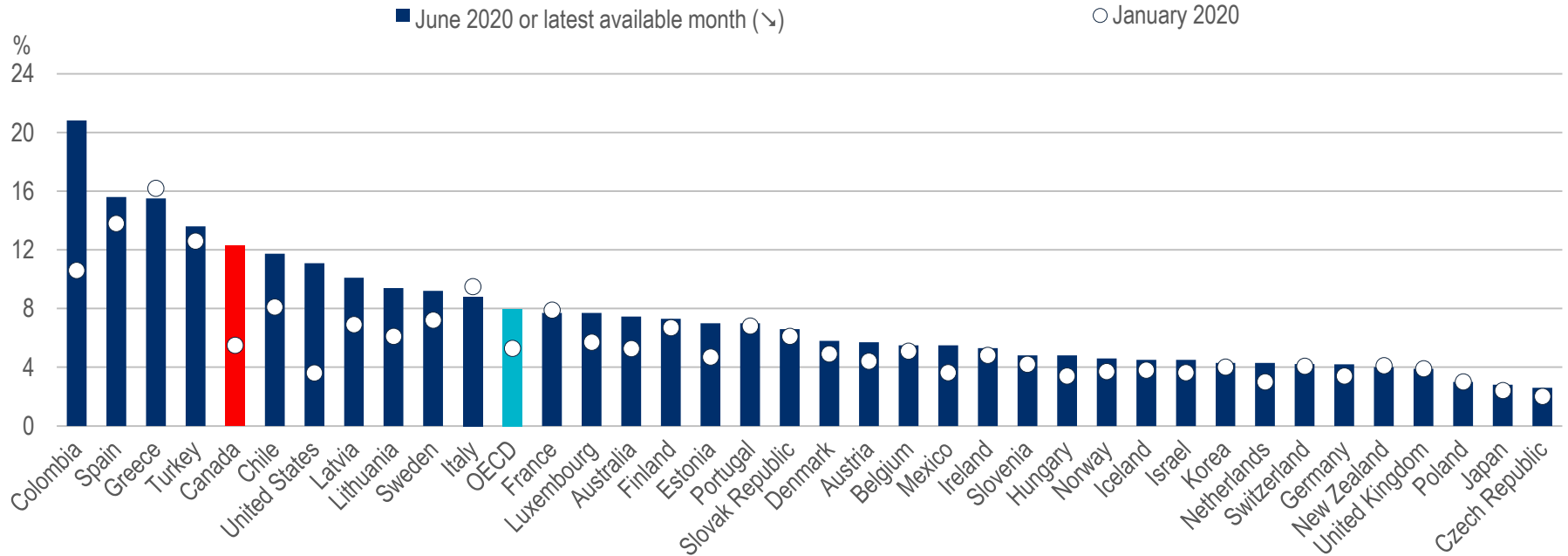
The gains in the labour market over the past 10 years wiped out in one month

OECD unemployment rate, January 2008 - June 2020



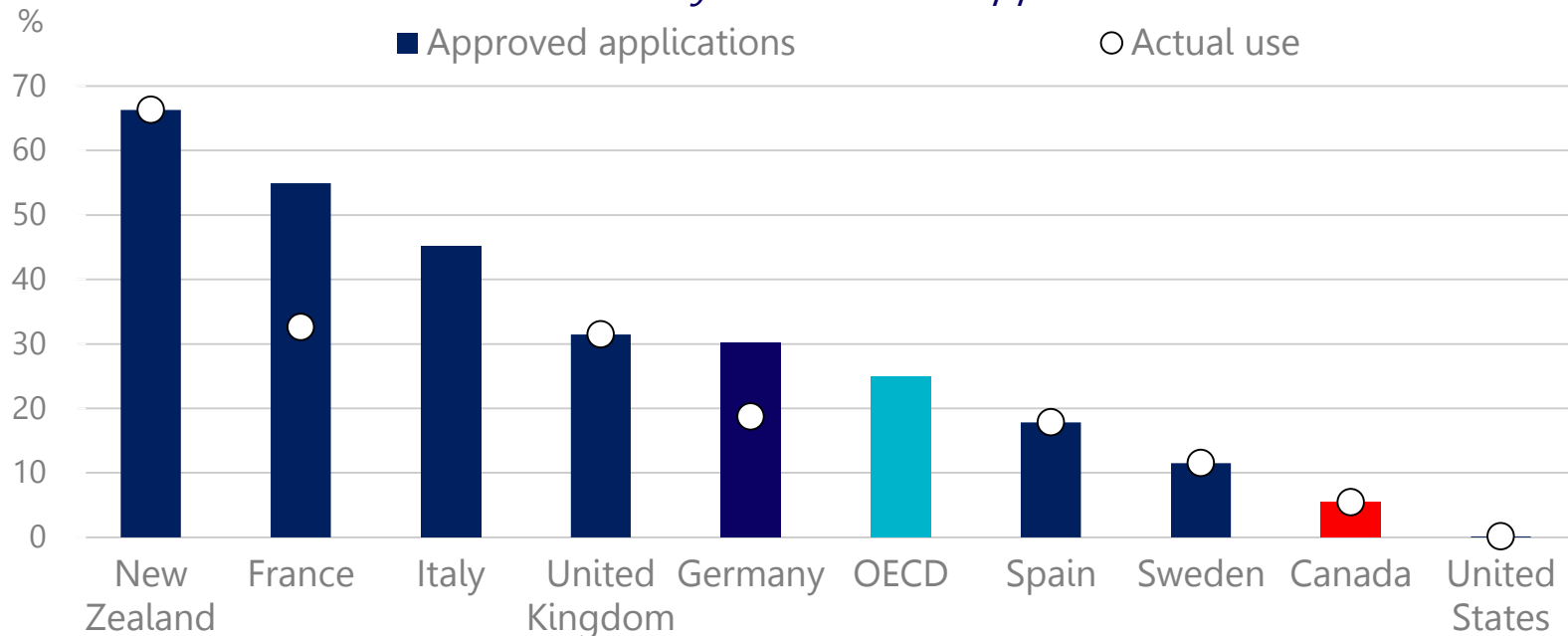
A striking variation across countries

Unemployment rate

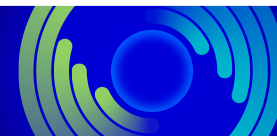


Job retention schemes have played a large role in cushioning the shock in some countries

Share of workers for which job retention support has been claimed

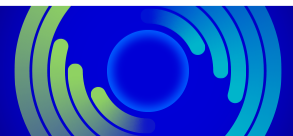
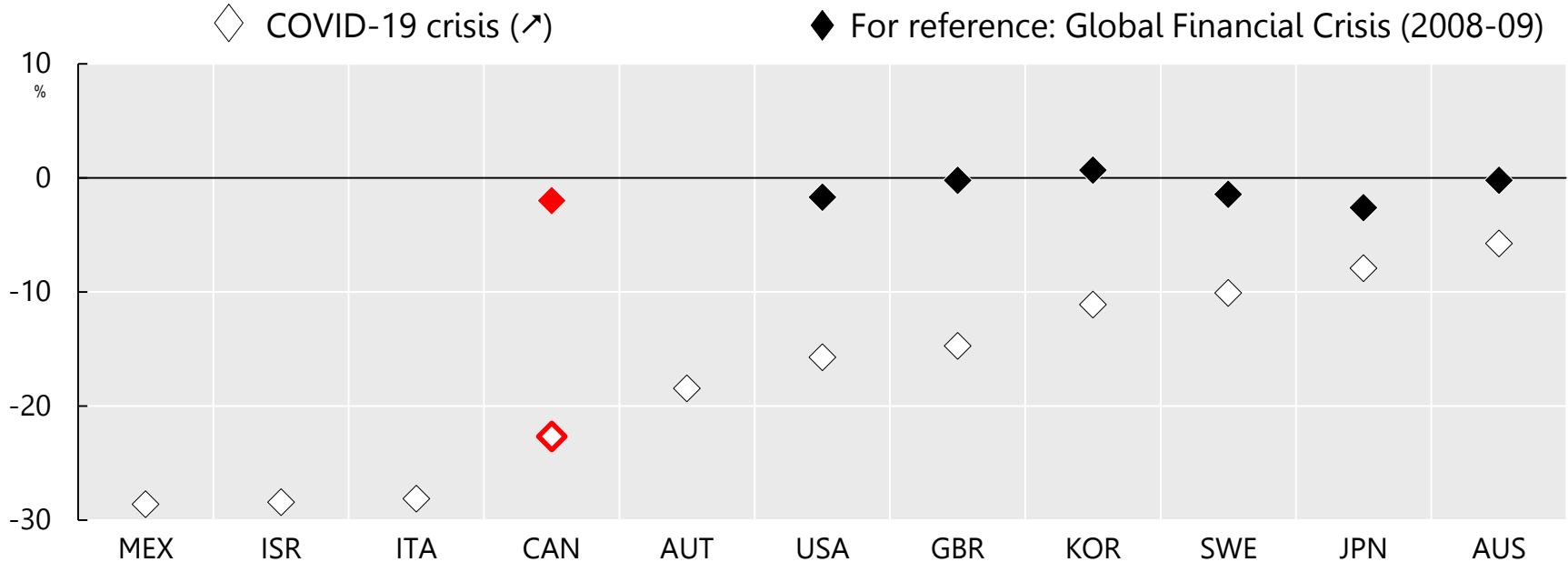


Note: Data for the United States refer to participation in short-time compensation schemes.



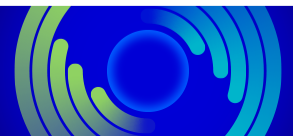
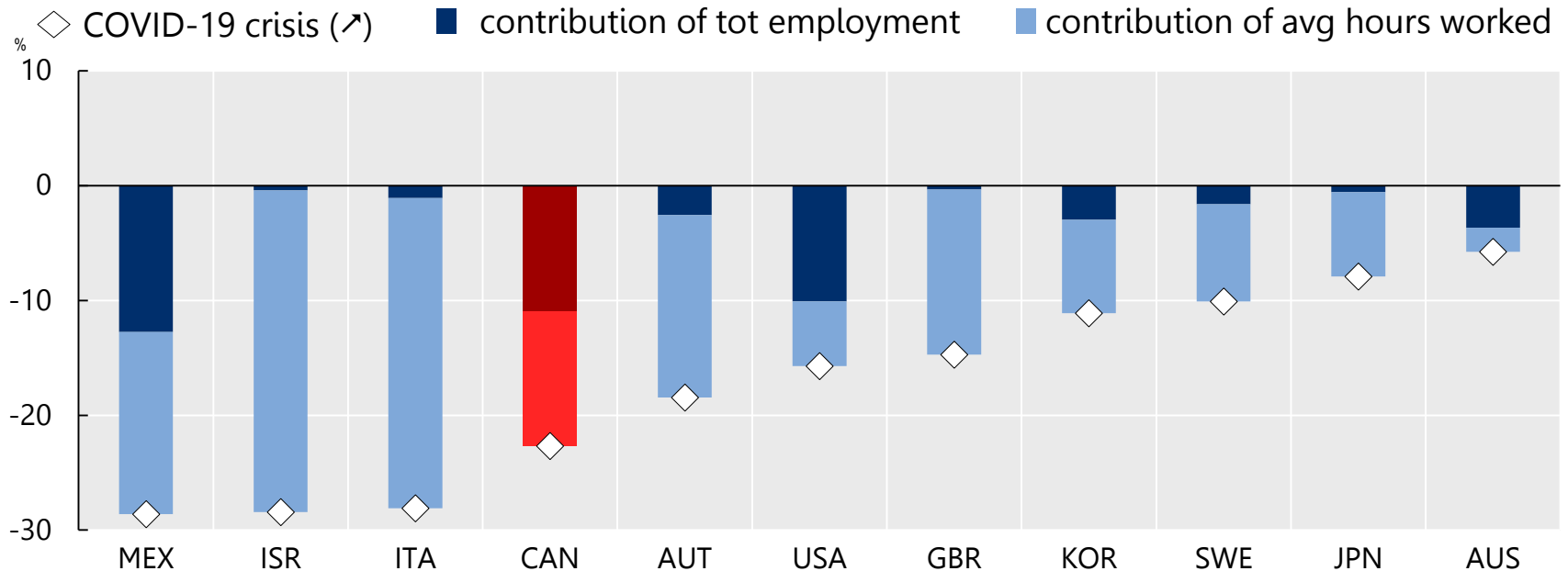
Thus while the initial impact of COVID-19 has been 10x larger than that of the 2008 crisis...

Percentage change in total hours worked with respect to the month of the onset of the crisis



...much of the impact has been channeled through the intensive margin

Percentage change in total hours worked with respect to the month of the onset of the crisis



Nevertheless, vulnerable workers are being hit the hardest

Self-employed, temporary or part-time workers

- Up to 40% in sectors most affected
- Less protected by existing safety nets
 - Job Retention Schemes
 - Unemployment insurance

Low-paid workers

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

Youth

- Youth unemployment up from 11.3% in February to 16.7% in June
- Bleak prospects for 2020 graduates

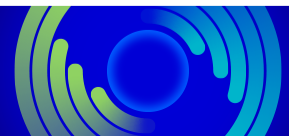
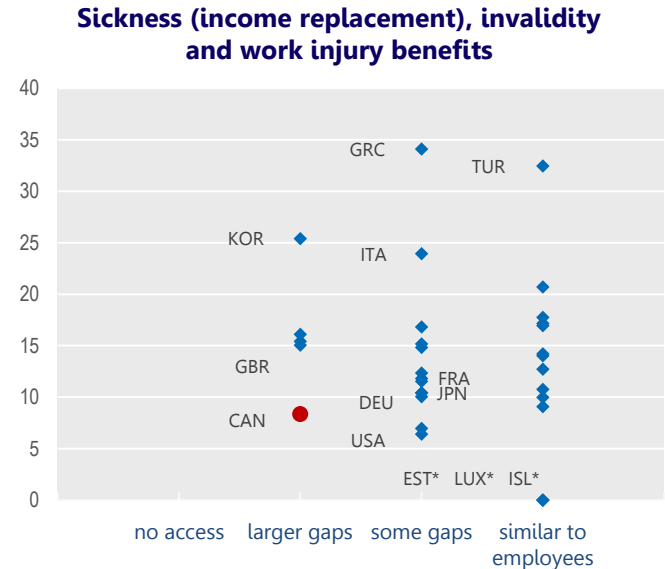
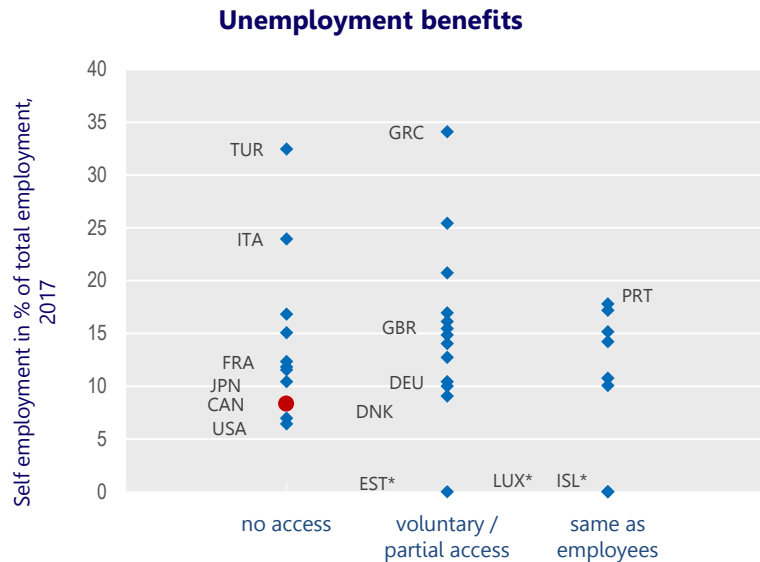
Women

- 2/3 of the health workforce
- Higher work burden at home
- Larger initial job losses



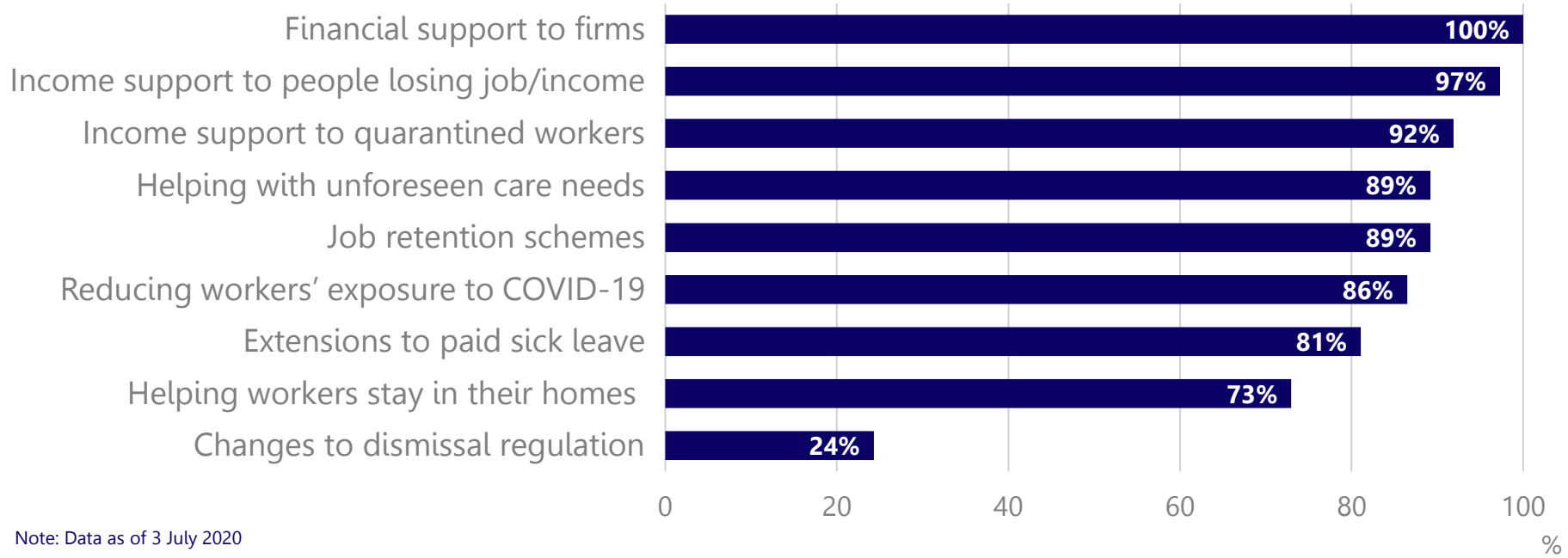
Workers in non-standard jobs are often poorly covered by social protection

Statutory access to social protection for self-employed vs. dependent employees, 2017

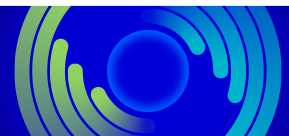


Countries took unparalleled measures supporting workers, firms and households

% of OECD countries who introduced or changed a policy

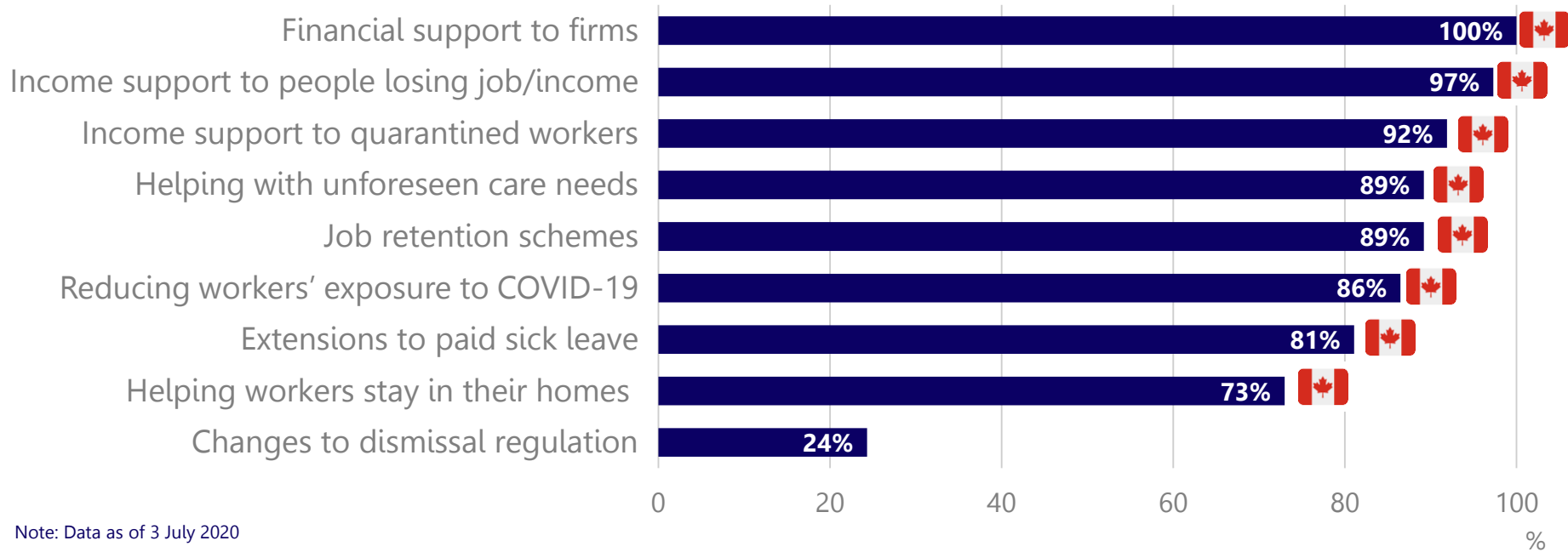


Note: Data as of 3 July 2020

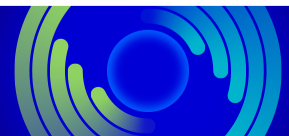


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Adapting policies for a resilient recovery - maintaining agility

Tailoring measures to changing circumstances

Adjusting crisis measures to increase efficiency

Moving off support

Staying safe

Supporting firms to increase health and safety measures

Extend sick leave entitlements to all on a permanent basis

Enhance rehabilitation support to prevent moves to long-term unemployment

Income support

Extending support where unemployment remains high

Strengthen targeting and address cliff edges in income support measures

Gradually **reintroduce job search requirements** as employment picks up

Job Retention Schemes

Tailor support on a **sector specific basis**

Target jobs viable in long term

Encourage **STW workers to register with PES** and enroll in training



And Building Back Better

Protect workers in non-standard jobs

- Permanently address social protection gaps
- Increase responsiveness of minimum income benefits

Prevent joblessness and “scarring” among young people

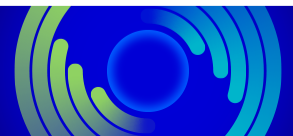
- Support for companies who offer jobs or work experience to young people to promote job creation in times of crisis
- Ensure effective outreach to re-establish contact with young people who recently lost their jobs or left school

Promote women

- Tackling the unequal care burden on women
- Strengthening family-friendly working-time arrangements
- Promote women in managerial and leadership positions

Foster low paid and displaced workers

- Boost job creation through targeted tax cuts, subsidies and investment programs.
- Establish systems to deliver timely & flexible employment support & training for all
- Increase PES capacity & spending on ALMPs to reflect higher jobseeker numbers



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<https://oecd.org/coronavirus>

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