

OECD Employment Outlook 2021: How does your country compare?

As vaccination campaigns continue and some countries begin to loosen COVID restrictions, economic growth is expected to accelerate. The unprecedented levels of assistance that countries have provided through job retention schemes and income support have saved up to 21 million jobs and helped many households make it through the pandemic. In many ways, there is light at the end of the tunnel.

But this light burns more brightly for some than others. We know that the COVID-19 pandemic has deepened already existing social and economic divides, between those with high skills and high incomes and those without, between generations, between men and women, between those with good jobs and those with precarious jobs or no jobs at all. Unemployment is high and jobs are not expected to make a rapid recovery. Reaching pre-pandemic employment rates may take several years.

A slow rebound in jobs increases the risk of long-term unemployment...

... while the COVID-19 pandemic has exacerbated social and economic divides, a situation that risks continuing into the recovery

These are steep challenges. But this moment also brings a once-in-a-lifetime opportunity to rebuild more resilient labour markets, addressing long-standing structural issues that have been exacerbated by the COVID-19 crisis. Failing to address inequality and exclusion now is likely to result in deeper social divisions and have a negative impact on productivity and the economic recovery.

After previous crises, most countries quickly tightened the public purse strings. This time, however, countries are committing unprecedented resources to the recovery over the next 5 to 10 years. The United States, for example, has pledged trillions of US dollars, while the European Union is borrowing on behalf of its member countries for the first time to support often large national recovery and resilience plans. Investing in productivity and jobs will help get people back into work.