

# Considering additional drivers of labour market duality

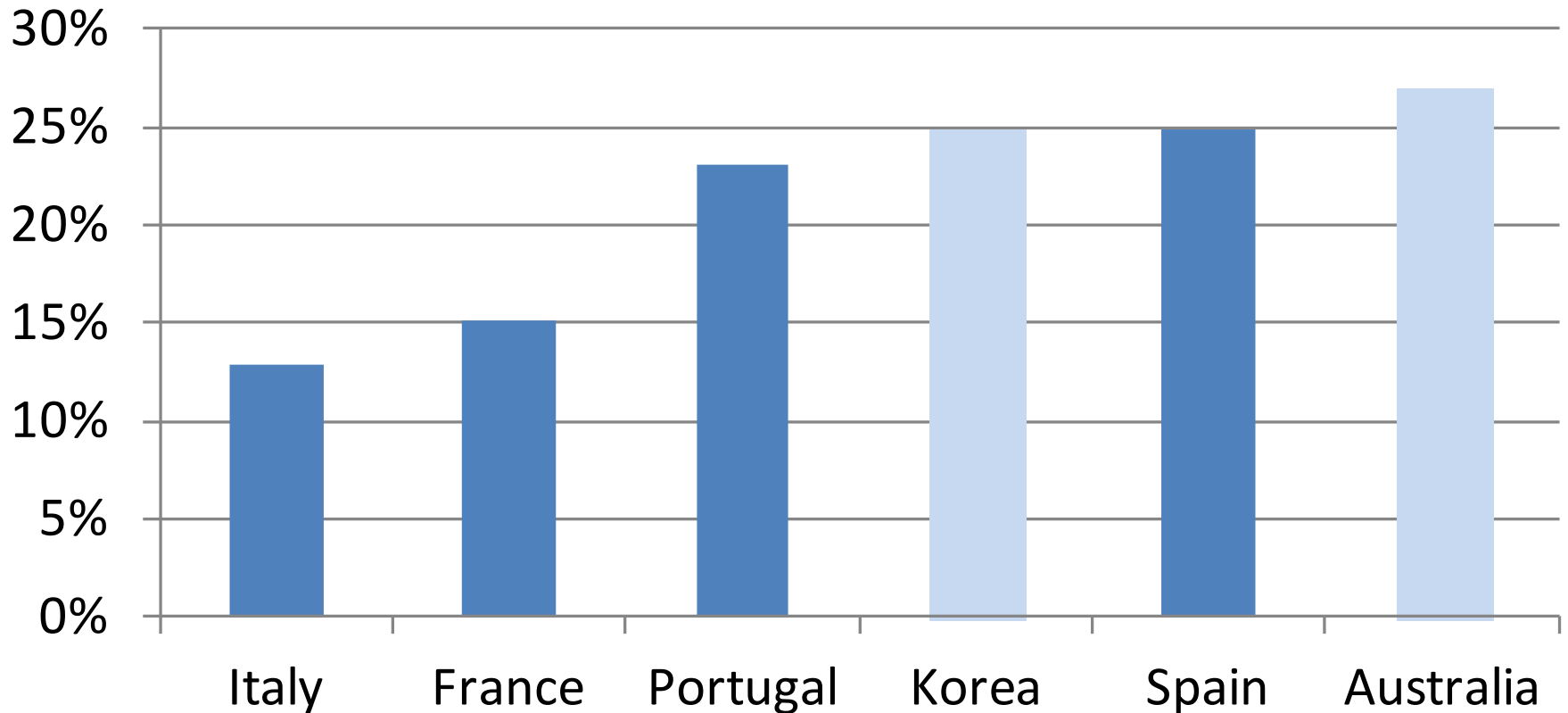
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# Share of temporary workers

## Non-permanent employees 2010 (% of total employees)

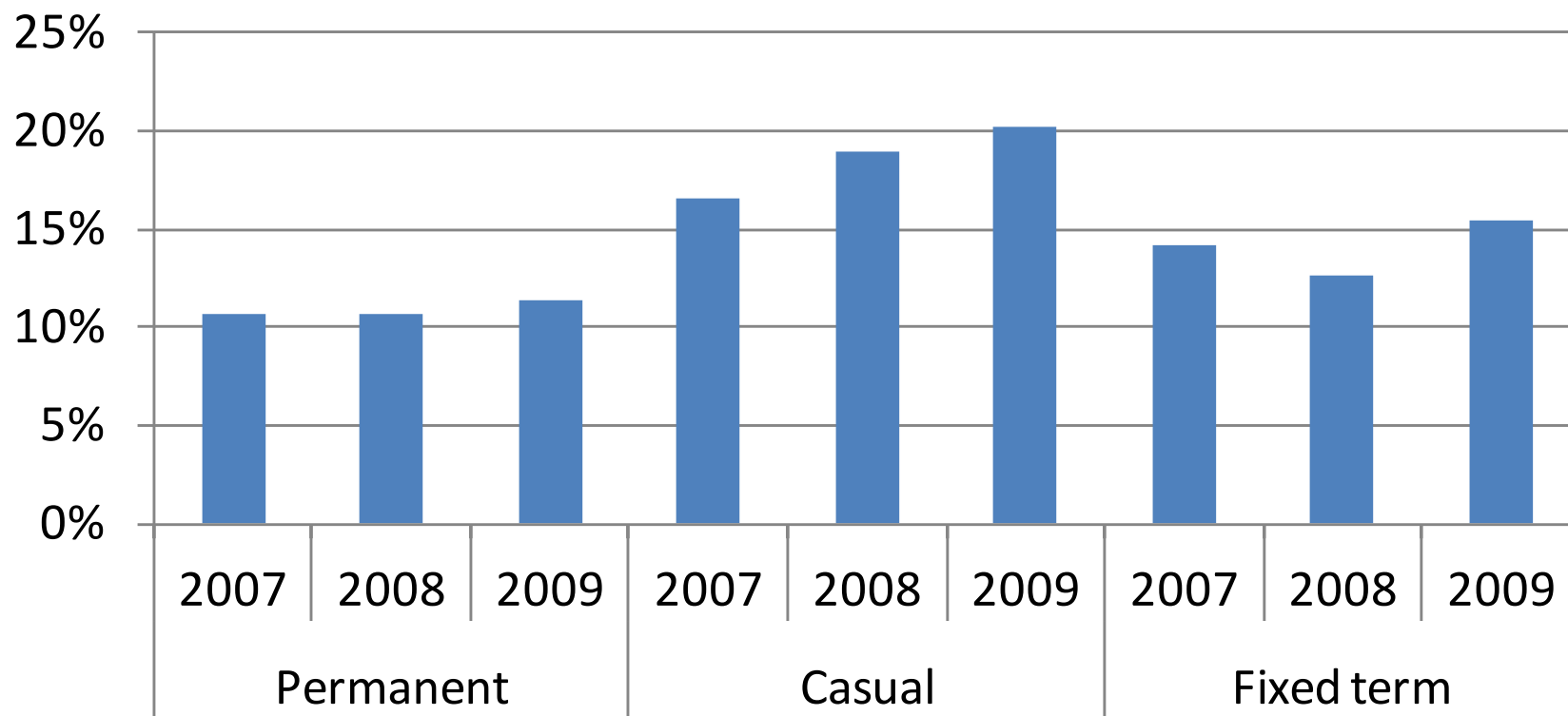


# Australia

- **Around 23% of employees are casual:**
  - can be dismissed at any time without notice or severance pay
  - no guaranteed hours of work
  - do not receive paid holidays or sick leave
  - paid an hourly wage premium of ~25%
- **Provide employers with external and internal flexibility**

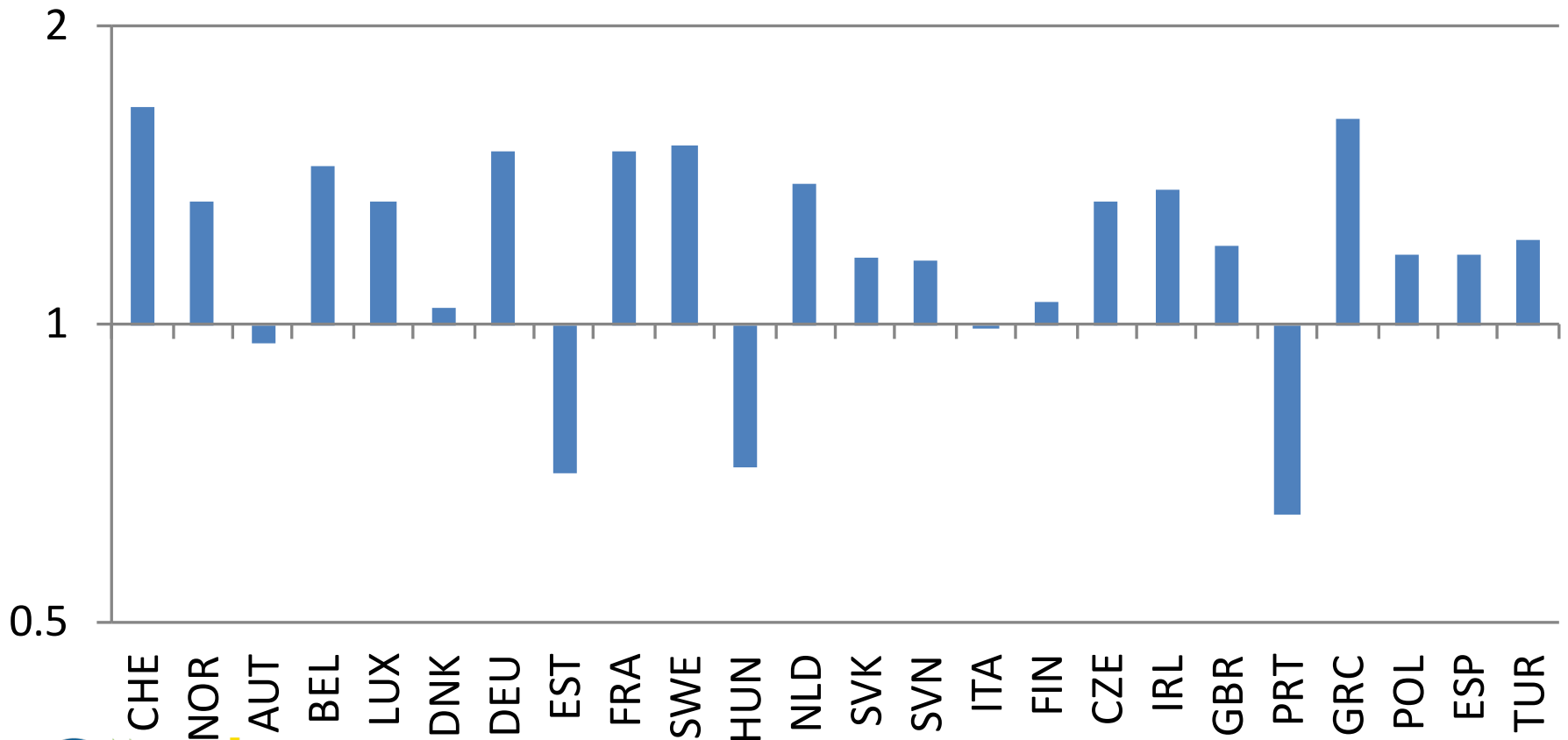
# Hours flexibility in Australia

**% of continuing employees having weekly hours reduced from one year to the next**



# Hours flexibility in Europe

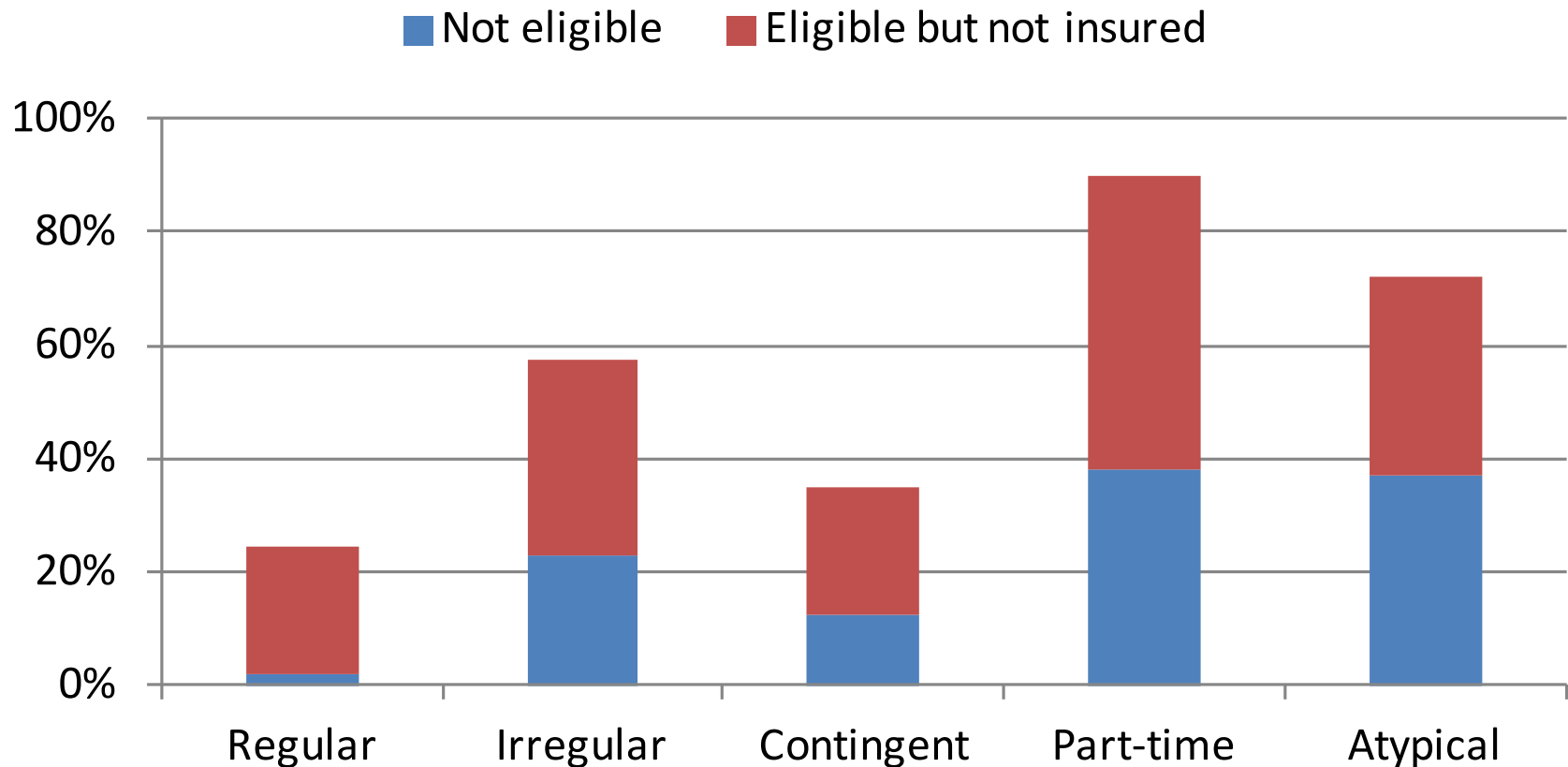
**Proportion of employees with no control over hours and hours that vary day-to-day or week-to-week, ratio of temporary to permanent workers**



- Large businesses find dismissal difficult
- But small businesses (that hire the bulk of non-regular workers) do so because:
  - work is ‘truly’ temporary in nature
  - lower wages
  - lower social contributions
  - ease of evading labour regulations

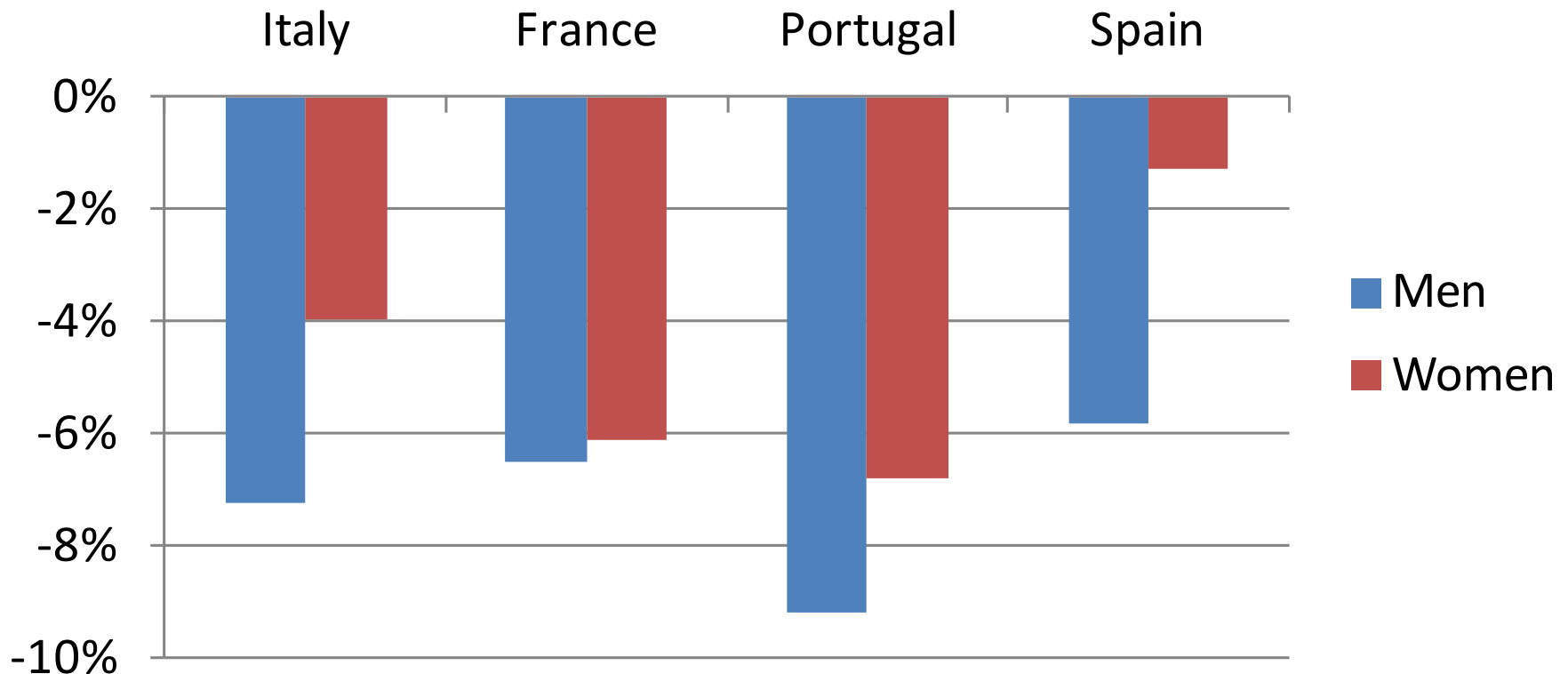
# Labour costs in Korea

## Non-coverage of employment insurance (% of employees)



# Labour costs in Europe

## Gross wage penalty to fixed-term contracts (full-time, controls for age, occupation, education, tenure)



Source: European Structure of Earnings Survey, 2006