

3. PUBLIC EMPLOYMENT

Employment in the public sector

Governments across the OECD perform a wide range of functions, all of which depend on a dedicated and skilled public sector workforce. The large differences in the relative sizes of public sector employment across the OECD reflect the equally large variety of activities undertaken by governments and the ways they deliver public services. Services can be delivered in large part by government employees or through a range of partnerships with the private or not-for-profit sectors. In some countries, the large majority of health care providers, teachers and emergency workers, for example, are directly employed by the government. In other countries alternative delivery mechanisms mean that many of these professionals are employed by organisations that are not state-owned, or as private contractors. The use of outsourcing, the relative size and structure of the voluntary, charitable and/or not-for-profit sectors and the availability of private sector providers, all determine their use of public sector employment.

The size of public sector employment varies significantly among OECD countries. Nordic countries as Denmark, Norway and Sweden report high public sector employment levels reaching near or over 30% of total employment. On the other hand, OECD countries from the Asian and Latin American regions rely less on public sector employees. Only around 8% of Japan's total employment is made up of public sector employment, while Chile and Mexico count just over 10%.

Although many OECD countries report sizeable reductions in central government employment (see "Employment reforms in central government since 2008" indicator), public sector employment as a percentage of total employment across OECD countries rose slightly between 2009 and 2013, from 21.1% to 21.3%. This average hides some small variation among OECD countries. In Belgium, Poland and the United Kingdom public employment as a share of total employment decreased the most between 2009 and 2013. In contrast, Denmark, Norway and Slovenia experienced increases of over one percentage point, while Switzerland displays the largest increase of three percentage points over the same period.

When compared to the total labour force (including unemployed), public sector employment trends show similar behaviour except in a few cases, which determined a relatively stable OECD average at just above 19% between 2009 and 2013. Spain's indicator shows slight reductions over this period from 13.2% to 12.7% of total labour force between 2009 and 2013 (compared to 16.2% to 17.4% as share of total employment). Similarly in Greece, public sector employment as a percentage of total labour force decreased between 2009 and 2013 (from 19.9% to 17.5%) while it slightly increased as a percentage of total employment over the same time period (from 22.2% to 22.6%). However, it has to be noticed that in both countries the slight increase of the public sector in terms of total employment was due to a faster decrease in the total employment

as compared to the public sector, thus not indicating real increases in public sector employment.

Methodology and definitions

Data were collected by the International Labour Organization (ILO), ILOSTAT (database). Public sector employment covers all employment of general government sector as defined in the System of National Accounts (SNA) plus employment of public corporations. The general government sector comprises all levels of government (central, state, local and social security funds) and includes core ministries, agencies, departments and non-profit institutions that are controlled by public authorities. Public corporations are legal units producing goods or services for the market and that are controlled and/or owned by government units. Public corporations also include quasi-corporations. Data represent the total number of persons employed directly by those institutions, without regard for the particular type of employment contract. The labour force, or active population, comprises all persons who fulfil the requirements for inclusion among the employed or the unemployed. The employed comprise all persons of working age who, during a specified brief period such as one week or one day, were in the following categories: paid employment or self-employment. For purposes of international comparability, the working-age population is commonly defined as persons aged 15 years and older, although this might vary in some countries. Labour force refers to all persons of working age who furnish the supply of labour for the production of goods and services during a specified time-reference period.

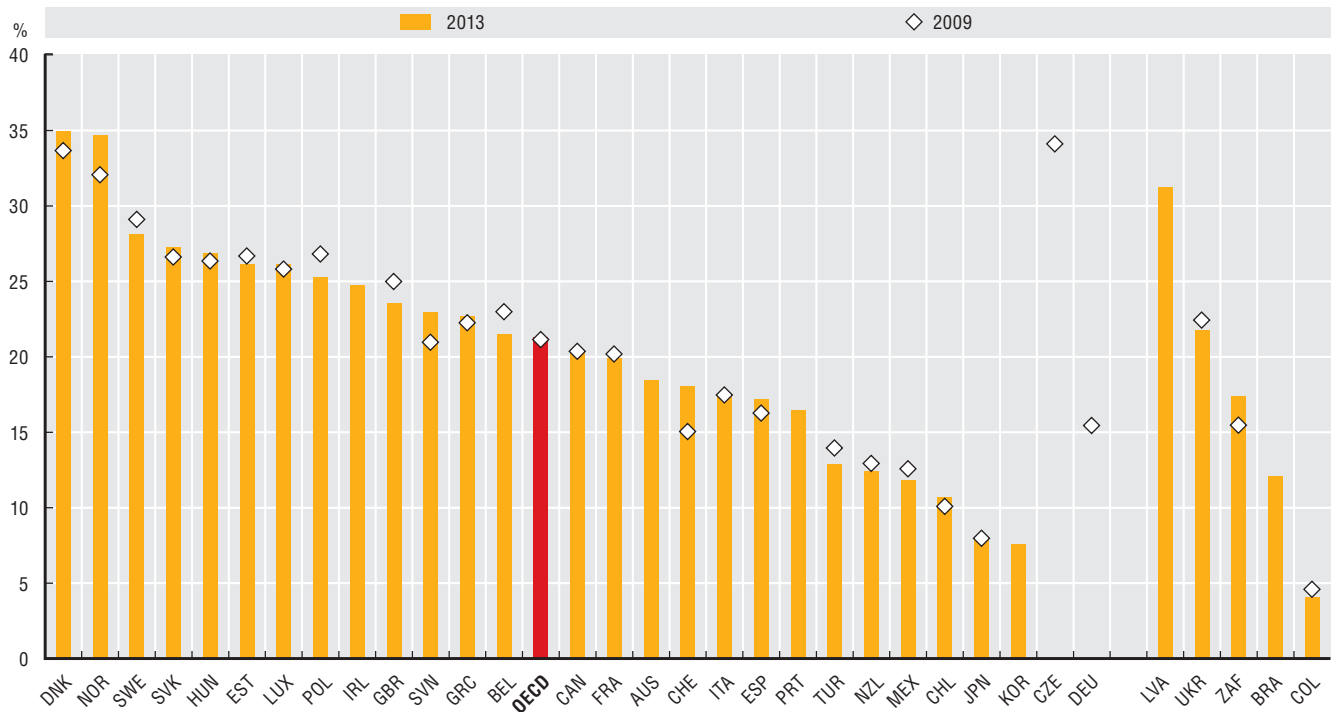
Further reading

OECD (2011), *Public Servants as Partners for Growth: Toward a Stronger, Leaner and More Equitable Workforce*, OECD, Paris, <http://dx.doi.org/10.1787/9789264166707-en>.

Figure notes

Data for Austria, Finland, Iceland, Israel, Korea, the Netherlands and the United States are not available. Data for Australia, Czech Republic, Germany, Ireland and Portugal are not included in the OECD average due to missing time series. Data for Czech Republic and New Zealand are expressed in full-time equivalents (FTEs). Data for Australia, Greece, Hungary, Slovenia and Spain and Ukraine are for 2012 rather than 2013. Data for Denmark, Luxembourg, New Zealand and Turkey are for 2011 rather than 2013. Data for Switzerland are for 2008 rather than 2009.

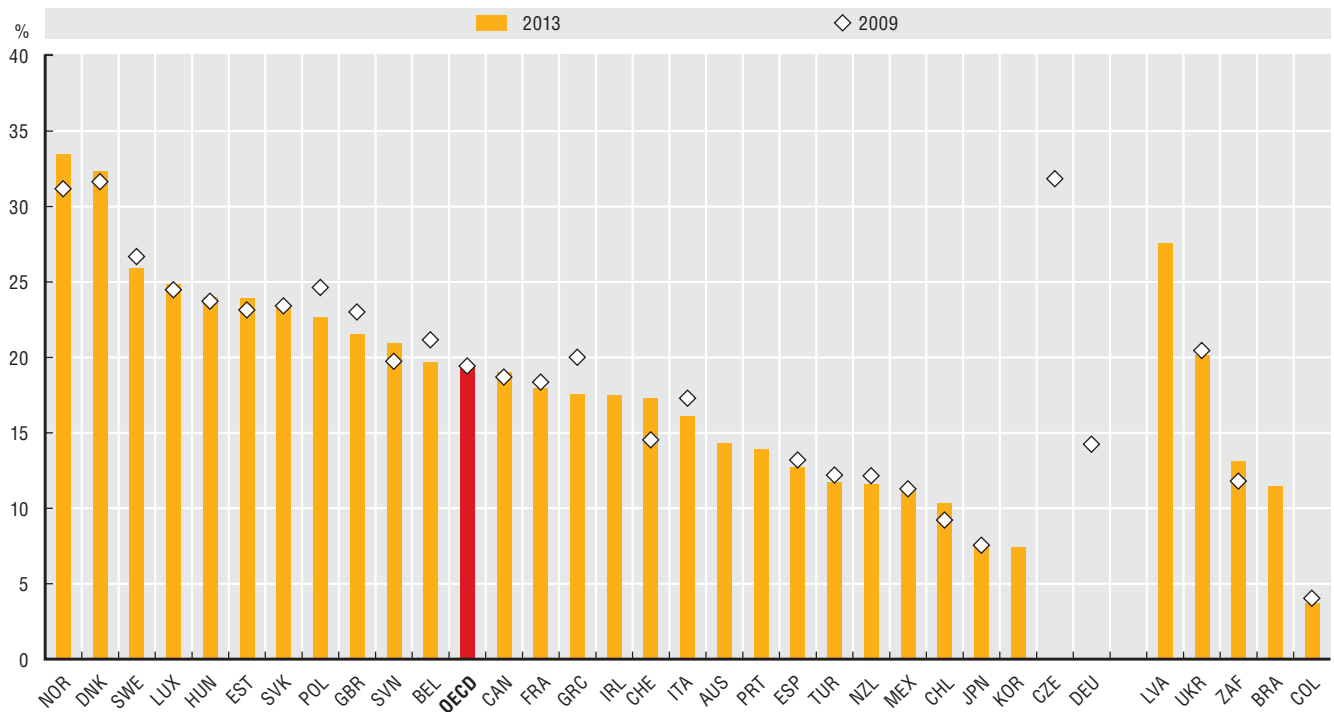
3.1. Public sector employment as a percentage of total employment, 2009 and 2013



Source: International Labour Organization (ILO), ILOSTAT (database). Data for Italy are from the National Statistical Institute and the Ministry of Finance. Data for Portugal are from the Ministry of Finance. Data for Korea were provided by national authorities.

StatLink <http://dx.doi.org/10.1787/888933248603>

3.2. Public sector employment as a percentage of the labour force, 2009 and 2013



Source: International Labour Organization (ILO), ILOSTAT (database). Data for Italy are from the National Statistical Institute and the Ministry of Finance. Data for Portugal are from the Ministry of Finance. Data for Korea were provided by national authorities.

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