

RELATIONSHIPS BETWEEN WAGES AND EMPLOYMENT INDICATORS

Assoc. prof. Claudiu George Bocean Ph. D
University of Craiova
Faculty of Economics and Business Administration
Craiova, Romania

Abstract: In recent decades, employment decreased while unemployment rose in most world economies. In the same period there was an increase in wages received by workers for their labor. The present paper work examines the influences of wages evolution on employment and unemployment. Based on the data from European Union I studied and the other types of correlations that can be established between variables which characterize HR compensation policy, employment, unemployment and economic growth. The results showed that there is not a significant correlation between the evolution of wages and evolution of employment and unemployment rates.

JEL classification: E24, M52,

Key words: HR compensation, minimum wage, real wage employment, unemployment,

1. INTRODUCTION

Classical and neoclassical economists (Pigou, 1937; Keynes, 1936; Phelps, 1994; Friedman, Milton, 1968; Tobin, 1984) have suggested, over the years, that wage variations should be the mechanism capable of maintaining a normal level of employment. They considered that wage flexibility ensures full employment of labor (except for a small part of the workforce, considered natural unemployment). Therefore, in the classical and neoclassical theories exists voices stating that there is a partial cause-effect relationship between real wages and employment or unemployment (Pigou, 1937; Keynes, 1936; Tobin, 1984).

Based on the comparisons that were made between US and European labor markets, policy makers have concluded, in the early 1990s, that high unemployment in Europe has as a main cause real and relative wages inflexibility. In a study published in 1993, the OECD stated that labor market and wage flexibility is the adequate solution for reducing unemployment (OECD, 1993). Since 1990s it has started a comprehensive process of deregulation of the labor market in Europe. Although many specialists in the labor market area have expressed skepticism (Freeman, 1995; Nickell and Bell, 1996; Howell and Heubler, 2000; Calistri and Galbraith, 2001), this flexibility process continued in Europe without leading to a substantial reduction in unemployment. However, the degree of workers protection in the European labor market was substantially reduced.

Blanchflower and Oswald (1994), David Card (1995) and Blanchard and Katz (1999) have also studied the relationship established between real wages and unemployment rate, having the starting point - the Phillips curve. Their research results have shown that there is not a clear causal relationship on long term. Blanchflower and Oswald (1994, p. 137) pointed out that “their results directly contradict the usual formulation of the accelerationist Phillips” curve. David Card (1995) and Blanchard and Katz (1999) defend the traditional accelerationist Phillips curve, but state that under certain conditions and periods traditional Phillips curve could be denied.

Tyrväinen (1995) believes that, at certain periods, especially during economic crisis, real wages exert some influences on unemployment. Following research he found that real wages resistance “have contributed strongly to the increase in unemployment in the late 1970s and the early 1980s” (Tyrväinen, 1995, p. 45). Reducing unemployment that followed economic growth was influenced also by the evolution of real wages. The unemployment decrease that followed after the economic growth was also influenced by the evolution of real wages.

Apergis and Theodosiou (2008) strongly reject the hypothesis that wage variations could affect employment. Thus, employment can not be increased by cutting real wages. Rather, there can be seen an inverse relationship: “real wages would decrease as a result of increased employment, which leads to an increase in demand for products and thus to an increase in inflation. In this way salaries real will decrease, not by decreasing nominal wages but due to their erosion through inflation” (Apergis and Theodosiou, 2008, p. 48).

Two American authors Daniel Aaronson and Andrew Jordan have concluded that the trends of certain parts of the labor force (long-term unemployed and those employed part-time) “correlates involuntarily with the real wage evolution” (Aaronson and Jordan, 2014, p.1). A decrease in real wages will lead to an increase of long-term unemployment and a decrease of part-time employment. They also believe that real wages variation has some influence on employment. In this respect, they conclude, based of their calculation and estimation, that there is „a strong connection between real wage growth and medium-term unemployment, as well as a connection amid real wage growth and marginally attached workers, mostly those working part time involuntarily for economic reasons” (Aaronson and Jordan, 2014, p.4).

The relationship between minimum wages and employment is also widely studied, being a controversial subject in labor economics and at political level. Many countries have not established a minimum wage, considering that would determine, in this way, a reduction in employment. These views were based on neoclassical theory according to which wage growth leads employers to require a smaller amount of work.

In the recent years, countries have followed quite different strategies regarding the evolution of minimum wages. Even in the context of global economic crisis, there may be alternatives: either a more restrictive policy or an expansive policy regarding minimum wage. On the one hand, many countries had frozen or had recorded little increases of minimum wage, with the argument of limiting labor costs to deal with economic crisis and to protect jobs. Such a view is supported by neo-liberal economic thinking and by international organizations such as International Monetary Fund or Organization for Economic Co-operation and Development (OECD, 2009). The main supporters of restrictive policy in the minimum wage field are the employers'

organizations, which in many countries have even requested a reduction in the nominal minimum wage.

Many economists, however, expressed doubts about the restrictive role of limiting policy of minimum wage, considering that it is a good tool against the economic crisis (Schulten, 2010). The American economist and Nobel laureate Paul Krugman, for example, believes that the claims expressed for reducing minimum wages are “a totally counterproductive idea” that would lead to a worsening of economic situation (Krugman 2009). Minimum wages have an important role in preventing a deflationary wage-price spiral.

However, more recent studies have investigated this issue and found insignificant influence of minimum wage on the levels of employment or unemployment (Dube et al., 2011; Giuliano, 2013; Meer and West, 2013).

This paper aims to examine the types of correlations that can be established between variables which characterize HR compensation policy, employment, unemployment and economic growth at European Union level. After I presented research methodology, I conducted a series of analyzes, observations, and I made interpretations of research results. Based on historical data and estimates for GDP growth taken from the database of the IMF I made a forecast of the evolution of total employment, labor productivity, real unit labor costs.

2. RESEARCH METHODOLOGY

Research design involved comparative studies between variables that are the subject of research. To determine the relationships and influences that are established between the indicators relating to human resources policy on compensation and indicators of employment, I calculated correlations between the 14 variables. To these variables I added, in order to increase the relevance of research, two economic variables (Real GDP and Labor productivity) and one demographic (Population aged 15-64). Data used in research are taken from a study of Directorate-General for Employment from European Commission entitled „Employment and social developments in Europe”. The chronological data series cover the period 2003-2013 for all variables.

The research variables used are:

- V01 - Real GDP (% growth),
- V02 - Total employment (% growth),
- V03 - Labor productivity (% growth),
- V04 - Nominal unit labor costs (% growth),
- V05 - Real unit labor costs (% growth),
- V06 - Population aged 15-64 (thousand),
- V07 - Employment rate (% population aged 15-64),
- V08 - Employment rate (% population aged 15-24),
- V09 - Self-employed (% total employment),
- V10 - Part-time employment (% total employment),
- V11 - Unemployment rate (% labor force),
- V12 - Youth unemployment rate (% labor force 15-24),
- V13 - Long term unemployment rate (% labor force),

• V14 - Minimum wage (euro/month). For the minimum wage variable, I calculated average sum of minimum wages for 20 EU countries that have regulated minimum wage (Eurostat, 2015).

Correlations (the Pearson coefficient) were calculated for the two data sets (table 1 and table 2) corresponding to all member countries of the European Union (UE-28), respectively, to the most developed countries in the European Union (UE-15), to underline the differences between them.

Table 1. Data set for investigated variables (UE - 28)

EU-28	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
V01	1,5	2,6	2,2	3,4	3,2	0,4	-4,5	2	1,6	-0,4	0,1
V02	0,4	0,7	1	1,6	1,8	1	-1,8	-0,7	0,2	-0,2	-0,3
V03	1,1	1,9	1,1	1,7	1,4	-0,6	-2,8	2,7	1,4	-0,1	0,4
V04	-0,1	0,8	1,4	1,1	1,8	1,3	1,8	0,9	0,6	3,1	0,4
V05	-0,3	-1,5	-0,8	-1,1	-0,9	1,1	3,2	-1,4	-0,8	0,8	-0,3
V06	326015	326855	329024	330712	332023	333197	333735	333335	333406	332854	331890
V07	62,5	62,9	63,4	64,3	65,3	65,7	64,5	64	64,2	64,1	64,1
V08	36	36,1	35,9	36,5	37,3	37,3	34,9	33,9	33,5	32,7	32,3
V09	16,4	16,1	16	15,7	15,5	15,3	15,4	15,6	15,4	15,5	15,4
V10	16,5	17,2	17,8	18	18,1	18,1	18,7	19,2	19,5	19,9	20,3
V11	9,1	9,3	9	8,2	7,2	7	9	9,6	9,6	10,4	10,8
V12	4,2	4,3	4,1	3,7	3,1	2,6	3	3,9	4,1	4,7	5,1
V13	8,3	8,3	8,3	7,7	6,8	6,9	8,7	9	9,1	9,7	9,8
V14	543,36	553,55	586,19	609,76	644,57	673,16	684,38	700,18	724,37	738,22	753,34

Source: European Commission, 2014; Eurostat, 2015 and own calculations

Table 2. Data set for investigated variables (UE - 15)

EU-15	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
V01	1,3	2,4	2	3,2	3	0,1	-4,6	2	1,5	-0,5	0
V02	0,5	0,8	1	1,5	1,6	0,8	-1,8	-0,3	0,3	-0,3	-0,4
V03	0,8	1,6	1	1,6	1,3	-0,7	-2,8	2,3	1,2	-0,2	0,4
V04	0,1	1,3	1	1,2	1,5	0,7	2,4	0,7	0,8	3,4	0,5
V05	-0,3	-1	-0,6	-0,8	-0,7	1,2	3,2	-1,4	-0,5	0,9	-0,3
V06	252262	252908	254934	256496	257920	259101	259649	259893	260336	260207	259711
V07	64,5	64,8	65,3	66,1	66,9	67,1	65,8	65,4	65,5	65,2	65,1
V08	40	40	39,9	40,4	41	40,8	38	36,9	36,5	35,4	34,9

V09	14,2	14,2	14,2	14,1	14	13,8	13,8	13,9	13,8	14	14
V10	18,6	19,4	20,3	20,7	20,8	21	21,6	22,1	22,4	23,1	23,6
V11	8,1	8,3	8,2	7,8	7,1	7,2	9,1	9,5	9,6	10,6	11
V12	15,8	16,5	16,9	16,2	15,1	15,7	19,9	20,4	20,7	22,3	22,9
V13	3,3	3,5	3,4	3,2	2,8	2,6	3	3,8	4,1	4,6	5,2

Source: European Commission, 2014

After analyzing empirical data I enounce a series of conclusions relating to the relationships and influences that are established between wage levels and indicators of employment. Also, based on GDP growth as the independent variable, I make a prediction on the total employment (% growth), labor productivity (% growth) and real unit labor costs (% growth).

3. DATA ANALYSIS AND INTERPRETATION

After calculating the correlations it can be seen that, in the EU-28, real GDP (% growth) vary directly proportional with total employment and labor productivity (0,820 and 0,911) and inversely proportional (-0,933) with real unit labor costs (Table 3).

Table 3. Correlations among investigated variables (UE - 28)

	V01	V02	V03	V04	V05	V06	V07	V08	V09	V10	V11	V12	V13	V14
V01	1	0,820	0,911	-0,311	-0,933	-0,430	-0,175	0,371	0,396	-0,353	-0,259	-0,371	0,147	-0,441
V02	0,820	1	0,513	-0,075	-0,585	-0,372	0,133	0,658	0,246	-0,469	-0,600	-0,678	-0,163	-0,485
V03	0,911	0,513	1	-0,400	-0,979	-0,373	-0,353	0,071	0,411	-0,181	0,051	-0,059	0,349	-0,300
V04	-0,311	-0,075	-0,400	1	0,425	0,468	0,437	-0,074	-0,425	0,330	-0,076	0,034	-0,188	0,339
V05	-0,933	-0,585	-0,979	0,425	1	0,427	0,355	-0,089	-0,413	0,184	-0,054	0,070	-0,395	0,325
V06	-0,430	-0,372	-0,373	0,468	0,427	1	0,791	-0,365	-0,951	0,771	-0,023	0,218	-0,322	0,870
V07	-0,175	0,133	-0,353	0,437	0,355	0,791	1	0,188	-0,860	0,382	-0,549	-0,345	-0,648	0,538
V08	0,371	0,658	0,071	-0,074	-0,089	-0,365	0,188	1	0,309	-0,822	-0,913	-0,982	-0,713	-0,724
V09	0,396	0,246	0,411	-0,425	-0,413	-0,951	-0,860	0,309	1	-0,768	0,071	-0,161	0,302	-0,864
V10	-0,353	-0,469	-0,181	0,330	0,184	0,771	0,382	-0,822	-0,768	1	0,552	0,721	0,343	0,963
V11	-0,259	-0,600	0,051	-0,076	-0,054	-0,023	-0,549	-0,913	0,071	0,552	1	0,969	0,880	0,391
V12	-0,371	-0,678	-0,059	0,034	0,070	0,218	-0,345	-0,982	-0,161	0,721	0,969	1	0,778	0,594
V13	0,147	-0,163	0,349	-0,188	-0,395	-0,322	-0,648	-0,713	0,302	0,343	0,880	0,778	1	0,142
V14	-0,441	-0,485	-0,300	0,339	0,325	0,870	0,538	-0,724	-0,864	0,963	0,391	0,594	0,142	1

Source: European Commission, 2014; Eurostat, 2015 and own calculations

It can be said that an increase in employment is accompanied by an increase in GDP, since the additional employment produces additional GDP and additional GDP increases the amount of productive investments leading to increasing in employment. Similarly, a higher productivity will result in an increase of GDP. Regarding the correlation between the evolutions of GDP and wages, we can see that the main beneficiaries of increased productivity and profits from sales of products and services are the owners of capital, only a small proportion of additional value returning to employees by increasing wages. This evolution is demonstrated by the inverse correlation between variables labor productivity and real unit labor costs (-0,979). These correlations are similar in the UE-15 (table 4) .

Table 4. Correlations among investigated variables (UE - 15)

	V01	V02	V03	V04	V05	V06	V07	V08	V09	V10	V11	V12	V13
V01	1	0,874	0,936	-0,453	-0,929	-0,422	0,019	0,393	0,524	-0,356	-0,391	-0,467	-0,076
V02	0,874	1	0,648	-0,350	-0,649	-0,479	0,310	0,676	0,490	-0,499	-0,677	-0,727	-0,367
V03	0,936	0,648	1	-0,464	-0,989	-0,323	-0,204	0,126	0,471	-0,201	-0,122	-0,206	0,150
V04	-0,453	-0,350	-0,464	1	0,525	0,349	0,089	-0,260	-0,166	0,343	0,268	0,321	0,093
V05	-0,929	-0,649	-0,989	0,525	1	0,356	0,239	-0,113	-0,518	0,199	0,098	0,196	-0,198
V06	-0,422	-0,479	-0,323	0,349	0,356	1	0,416	-0,629	-0,858	0,905	0,505	0,672	0,336
V07	0,019	0,310	-0,204	0,089	0,239	0,416	1	0,426	-0,526	0,107	-0,543	-0,374	-0,576
V08	0,393	0,676	0,126	-0,260	-0,113	-0,629	0,426	1	0,349	-0,842	-0,984	-0,991	-0,893
V09	0,524	0,490	0,471	-0,166	-0,518	-0,858	-0,526	0,349	1	-0,605	-0,205	-0,397	0,032
V10	-0,356	-0,499	-0,201	0,343	0,199	0,905	0,107	-0,842	-0,605	1	0,771	0,868	0,684
V11	-0,391	-0,677	-0,122	0,268	0,098	0,505	-0,543	-0,984	-0,205	0,771	1	0,976	0,925
V12	-0,467	-0,727	-0,206	0,321	0,196	0,672	-0,374	-0,991	-0,397	0,868	0,976	1	0,854
V13	-0,076	-0,367	0,150	0,093	-0,198	0,336	-0,576	-0,893	0,032	0,684	0,925	0,854	1

Source: European Commission, 2014 and own calculations

Following analysis the relationship between total employment and nominal unit labor costs resulted that there is no correlation between the two variables. Increase in nominal wages does not lead to a reduction in employment, the two indicators being decorrelated (0,437 for UE-28 and 0,089 for UE-15). The correlation between variables unemployment rate and nominal unit labor costs (calculated both for the EU-28 and EU-15) are an argument that supports this idea (0,076 for UE-28 and 0,268 for UE-15). Summarizing, we can say that at EU level there is no direct or inverse correlation between evolution of nominal and real wages and the evolution of employment and unemployment.

Employment rate (% population aged 15-64) is in direct correlation with the population (0,791 for UE-28), this correlation following to be affected by population

aging. This phenomenon can be observed in the EU-15 countries where life expectancy is increased, which increases the proportion of people aged over 64 years in total population.

A positive development of employment rate (% population aged 15-24) will result in a decrease in the values of variables unemployment rate (% labor force), youth unemployment rate (% labor force 15-24), long term unemployment rate (% labor force). These correlations (Pearson coefficient values are: -0,913, -0,982, -0,713 for UE-28 and -0,842, -0,984, -0,991 for UE-15) has as argument that young people usually occupy an important position in total unemployment, particularly in long-term unemployment.

Regarding the evolution of the variable self-employed individuals (% total employment) I found that it is influenced by the evolution of the minimum wage (-0,864). An increase in the minimum wage will determine self-employed individuals to change their status and offer their labor to an employer. Also, the variable self-employed individuals (% total employment) was correlated inversely with the variable part-time employment (% total employment), which means that the two types of employment are interchangeable (-0,768 for UE-28 and -0,605 for UE-15). Even if they give up at self-employed status, most of these individuals do not want the full-time jobs, having a predilection for part-time employment.

Regarding the unemployment rate, after analyzing the data, we see that it increase due to rising youth unemployment and long-term unemployment (Pearson coefficient values are: 0,969, 0,880 for UE-28 and 0,976, 0,925, for UE-15). These two types of unemployment are the core of unemployment. Therefore, to reduce unemployment, European Union must redirect its active policies in the labor market towards these two categories of disadvantaged unemployed: young people (especially young graduates) and the unemployed for a period longer than one year (in particularly those who are at five years away from retirement age).

Regarding the influence of the minimum wage on employment and unemployment are numerous studies showing that there is no correlation between these indicators. My calculations are in line with previous research. Pearson coefficient calculated for the variables total employment (% growth) and minimum wage (euro / month) does not indicate a significant correlation (-0,485). Also, Pearson coefficient calculated for variables unemployment rate (% labor force) and minimum wage (euro/month) does not indicate a significant correlation (0,391). Although the correlations are insignificant, it can see from empirical data that, to some extent, for certain periods and conditions, an increase in the minimum wage may cause a very small reduction of employment and an increase in unemployment.

4. FORECASTS OF LABOR MARKET INDICATORS

Starting from the correlations significant established between real GDP (% growth) and total employment (% growth), labor productivity (% growth), real unit labor costs (% growth), I made predictions on the evolution of variables involved for the EU-28 (using ARIMA model). Based on the values predicted by the IMF for the growth rate of GDP (IMF, 2015), I made a forecasts of total employment, labor productivity, real unit labor costs. Forecasts for the period 2014-2019 are based on data series from period 2003- 2013 (Table 5).

Table 5. Forecasts of total employment, labor productivity and real unit labor costs in UE - 28

	Real GDP (% growth)	Total employment (% growth)	Labor productivity (% growth)	Real unit labor costs (% growth)	
2003	1,5	0,4	1,1	-0,3	Historical trends
2004	2,6	0,7	1,9	-1,5	
2005	2,2	1	1,1	-0,8	
2006	3,4	1,6	1,7	-1,1	
2007	3,2	1,8	1,4	-0,9	
2008	0,4	1	-0,6	1,1	
2009	-4,5	-1,8	-2,8	3,2	
2010	2	-0,7	2,7	-1,4	
2011	1,6	0,2	1,4	-0,8	
2012	-0,4	-0,2	-0,1	0,8	
2013	0,1	-0,3	0,4	-0,3	
2014	0,8	0,1	0,9	-0,8	Forecasts
2015	1,3	0,5	1	-0,7	
2016	1,7	0,8	1	-0,7	
2017	1,7	0,9	1,1	-0,8	
2018	1,6	0,9	1	-0,7	
2019	1,6	1	1,1	-0,8	

Source: European Commission, 2014; IMF, 2015 and own calculations

From estimates it can be concluded that in the absence of major economic disturbances, evolutions of the three variables (total employment, labor productivity, real unit labor costs) will follow a normal trend. However due to IMF estimates on weaker economic growth than the pre-crisis period, the growth rate of these indicators will not be satisfactory. Employment and labor productivity will slightly increase keeping, to some extent, the former growing tendency. The growth rate of employment (annual increase of about 0,8-1,0 percent) will improve as compared to the rate during recession but will not reach pre-crisis levels from the period of economic boom. Labor productivity will return to pre-crisis levels (annual increase of about 1,0-1,1 percent). Real unit labor costs in the EU-28 will decrease (annual decline of about 0,7-0,8 percent) as a result of nominal wage erosion by inflation and due to fragility of economic recovery. As a result of economic conditions that do not improve significantly, nominal wages will experience stagnation.

5. CONCLUSIONS

Although during the period 2003-2013, European Union has seen a economic growth of about 12,1% (EU-28), respectively 10,4% (EU-15), real unit labor costs growth was negative (-2% in EU-28, respectively -0,3% in EU-15). Increased productivity (8,2% in EU-28, respectively 6,5% in EU-15) is mostly transferred to equity holders, especially amid austerity policies promoted as a result of the economic crisis triggered in 2008.

In this article I studied for the period 2003-2013 the relationships established between the evolutions of wages (real wages, nominal wages, minimum wage) and the indicators characterizing employment and unemployment. The empirical results show that there are not significant correlations between HR compensation policy and employment indicators. If there are correlations, they establish between the evolutions of wages and some parts of employment (for example, between self-employed individuals and minimum wage). Following estimates made using data collected from the European Commission and the IMF, I found that evolutions of employment and labor productivity will keep earlier upward trends, while real unit labor costs will register a downward trend due to the erosion of nominal wages by inflation.

REFERENCES

1. Aaronson, D., Jordan, A. Understanding the relationship between real wage growth and labor market conditions, Chicago Fed Letter, No 327, October 2014.
2. Apergis, N., Theodosiou, I. The Employment –Wage Relationship: Was Keynes right after all?, American Review of Political Economy, Vol. 6, No.1, June 2008, pp. 40-50.
3. Blanchard, O. J., Katz L. Wage Dynamics: Reconciling Theory and Evidence, American Economic Review, 89, May, 1999, pp. 69-74.
4. Blanchflower, D., Oswald A. The Wage Curve, Cambridge: MIT Press, 1994.
5. Calistri, A.D., Galbraith, J.K. Wage Flexibility and Unemployment: A Panel Data Analysis of OECD Countries, UTIP Working Paper Number 18, Austin: University of Texas Inequality Project, 2001.
6. Card, D. The Wage Curve: A Review, Journal of Economic Literature, 33, 1995, pp. 785-799.
7. Dube, A., Lester, W., Reich M. Do frictions matter in the labor market? Accessions, separations and minimum wage effects, Working paper 5811, IZA, June 2011.
8. European Commission Employment and social developments in Europe, European Commission Directorate-General for Employment, Social Affairs and Inclusion, Directorate A, 2014.
9. Eurostat Minimum wage (euro/month), dataset code: tps00155, 2015.
10. IMF World Economic Outlook Database, Gross domestic product, constant prices - percent changes, January 2015.
11. Freeman, R. The Limits of Wage Flexibility to Curing Unemployment. Oxford Review of Economic Policy, 11, no. 1, 1995, pp. 63-72.
12. Friedman, M. The Role of Monetary Policy, American Economic Review, 58, 1-17, 1968.
13. Giuliano, L. Minimum wage effects on employment, substitution, and the teenage labor supply: Evidence from personnel data. Journal of Labor Economics, 31(1), January 2013, pp. 155-194.

14. Howell, D.R., Huebler, F. Trends in Earnings Inequality and Unemployment Across the OECD: Labor Market Institutions and Simple Supply-Demand Stories, New-York: Center for Economic Policy Analysis, CEPA Working Paper 23, 7 January 2001.
15. Keynes, J.M. The General Theory of Employment, Interest and Money, Macmillan Press London, 1936.
16. Krugman, P. Would cutting the Minimum Wage raise Employment? Times Krugman Blog, New York, 16 December, 2009.
17. Meer, J. West, J. Effects of the Minimum Wage on Employment Dynamics, NBER Working Paper No. 19262, April 2013.
18. Nickell, S., Bell, B. Changes in the Distribution of Wages and Unemployment in OECD Countries. American Economic Review Papers and Proceedings 86, 2, 1996, pp. 302-308.
19. OECD Employment Outlook, Paris: OECD, 1993.
20. OECD Going for Growth. Economic Policy Reforms, Report, Paris: OECD, 2009.
21. Phelps, E. A Program of Low-Wage-Employment Tax Credits, Working Paper 55, New York: Russell Sage Foundation, 1994.
22. Pigou, A.C. Real and Money Wage Rates in Relation to Unemployment, Economic Journal, 47, 1937, pp. 405-422.
23. Schulten, T. Minimum wages under the conditions of the global economic crisis, in Heyes, J. and Rychly, L. - eds., Labor Administration and the Economic Crisis. Challenges, Responses and Opportunities, Geneva: ILO, 2010.
24. Tobin, J. Unemployment in the 1980s: Macroeconomic Diagnosis and Prescription, in Pierre A.J. (ed.), Unemployment and Growth in Western Economies, New York: Council on Foreign Affairs, 1984.
25. Tyrväinen, T. Real Wage Resistance and Unemployment: Multivariate Analysis of Cointegrating Relations in 10 OECD Countries, OECD Jobs Study Working Papers, No. 10, OECD Publishing, 1995.