

# 2 SECTION

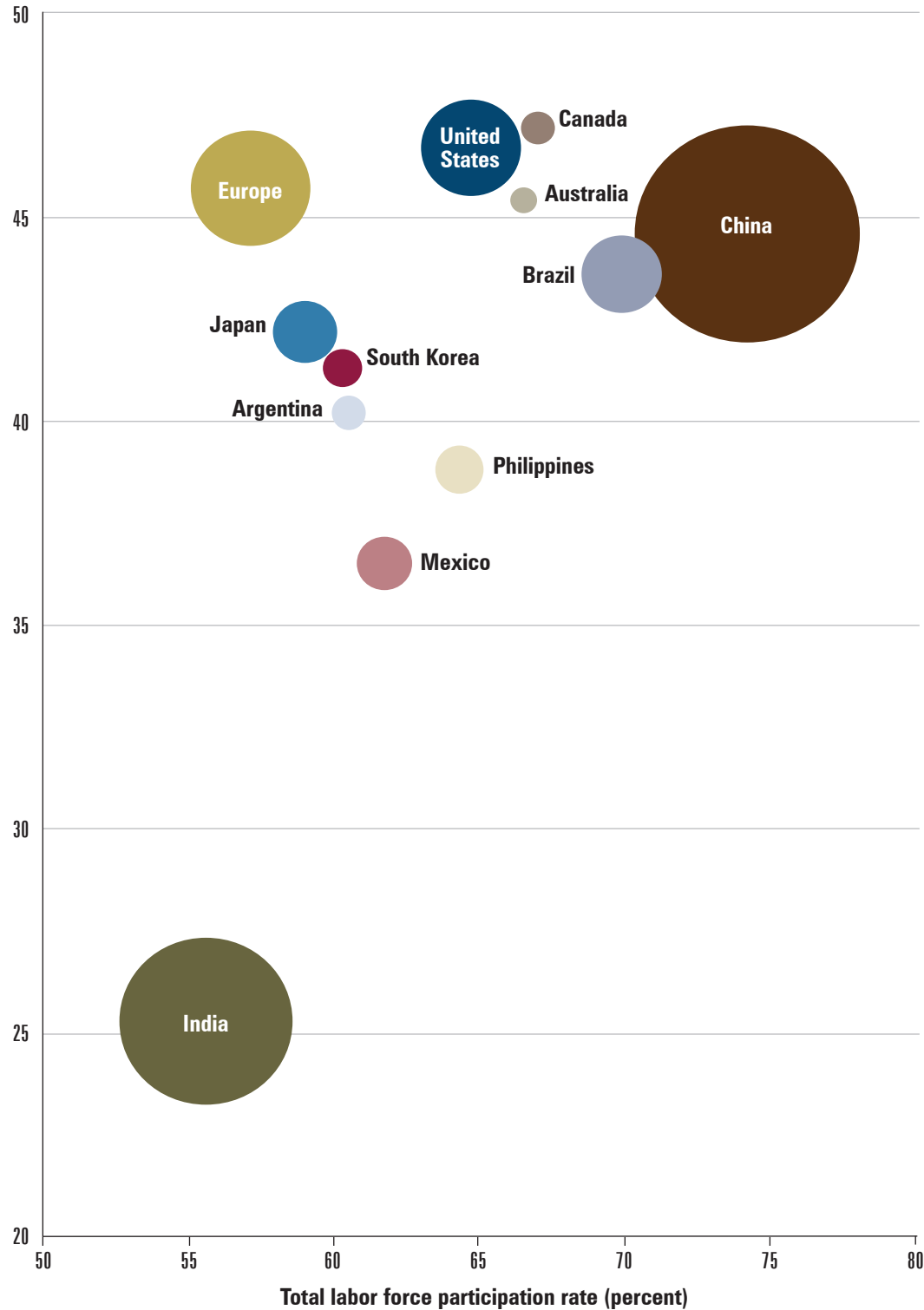
## Labor Market

Labor force statistics, such as employment and unemployment, are key indicators of how labor markets are functioning within and across countries. Labor force levels and participation rates provide information on the supply of labor in an economy. Employment levels and employment-population ratios measure the extent to which people are engaged in productive labor market activities, while unemployment levels and rates provide information on an economy's unused labor supply.

# Labor force size, gender composition, and participation rates, selected countries, 2010

## CHART 2.1

Women's share of the labor force (percent)



China and India had the largest workforces; China had the highest labor force participation rate, while India had the lowest.

- Women made up less than half of the labor force in all selected countries and Europe. India had the lowest proportion of women in the labor market, by far.

**NOTE:** Each bubble represents the size of the labor force for that country. Europe includes Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, the Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland, and the United Kingdom.

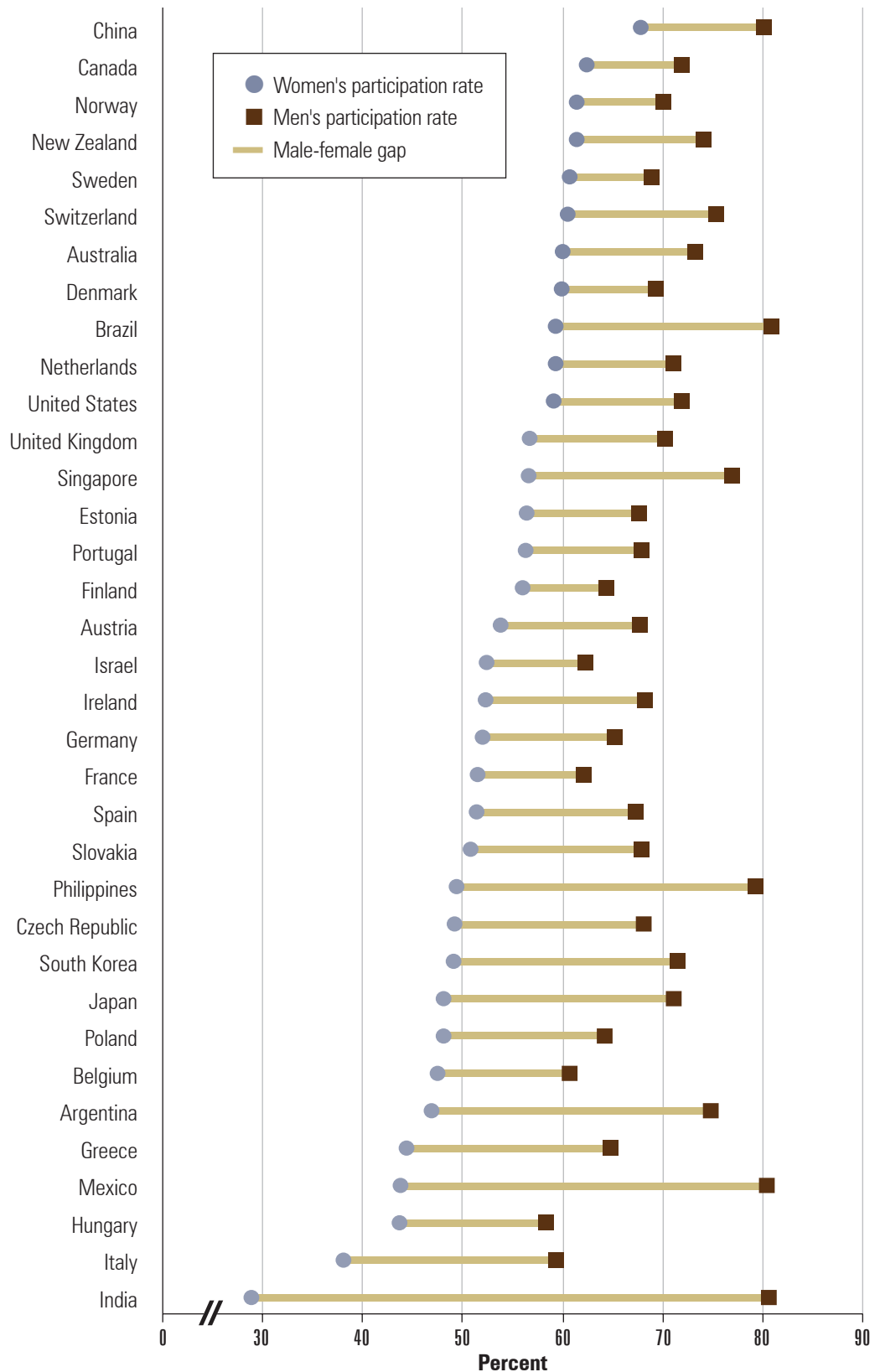
**SOURCES:** U.S. Bureau of Labor Statistics and International Labour Office.

# CHART 2.2

## Labor force participation rates by sex, selected countries, 2010

Women's participation rates in India and Mexico were among the lowest, and these countries had the largest gender gaps.

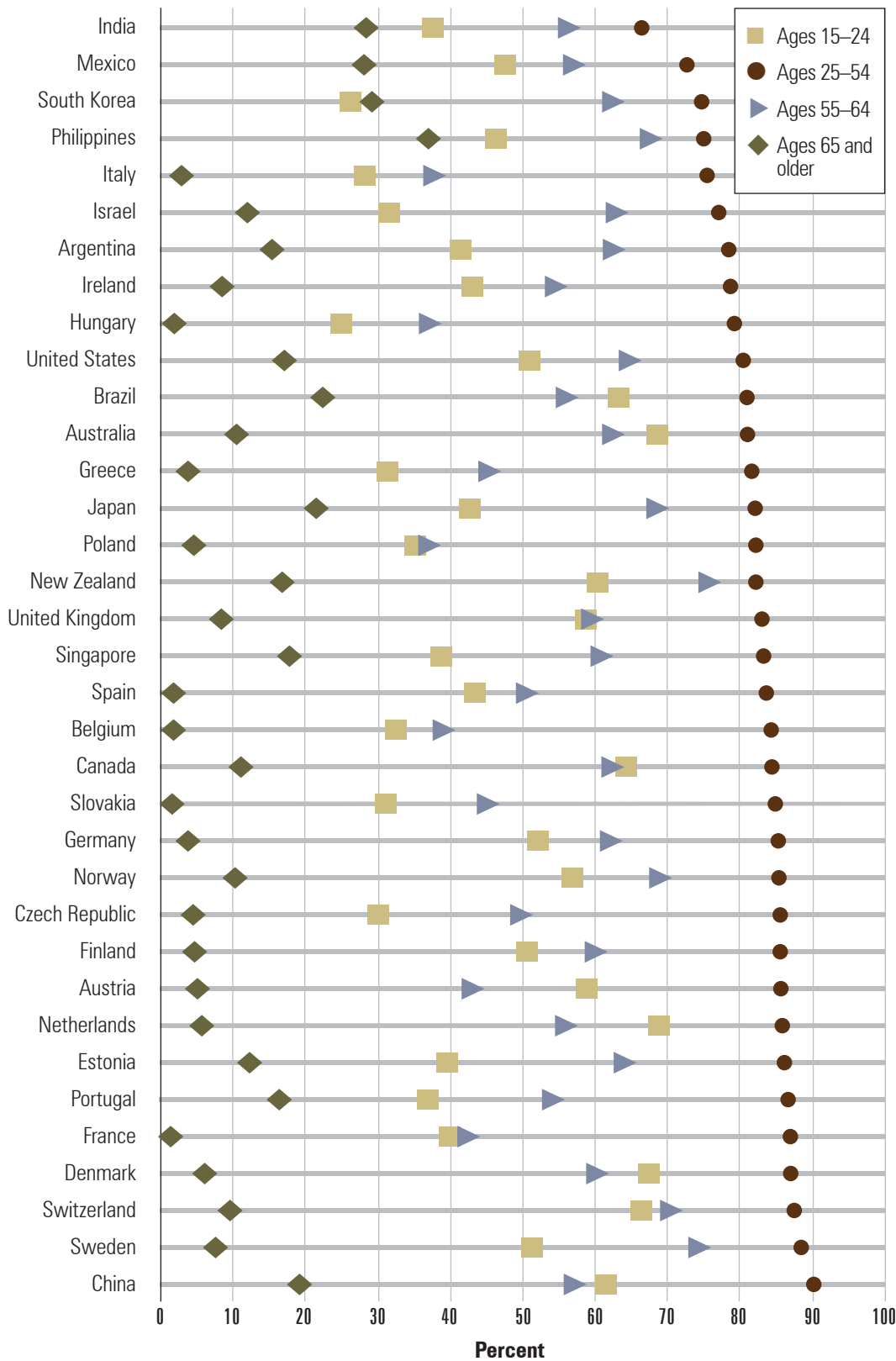
- Labor force participation rates were higher for men than women in all selected countries, although the size of the male-female gap varied considerably. The largest differences between men and women were in Asian and Latin American countries.
- The highest participation rates for men were in large emerging economies: Brazil, India, Mexico, and China. China also had the highest participation rate for women and, thus, a relatively low gender gap.



SOURCES: U.S. Bureau of Labor Statistics and International Labour Office.

# Labor force participation rates by age, selected countries, 2010

## CHART 2.3



Participation rates were lowest for those ages 65 and older in all selected countries except South Korea.

- In the Philippines, more than one-third of people ages 65 and older were still in the labor force. In contrast, many European countries had rates below 5 percent for this age group.
- Participation rates among youth (ages 15–24) varied most across countries. The Netherlands and Australia had the highest participation rates, and Hungary, South Korea, and Italy had the lowest rates.

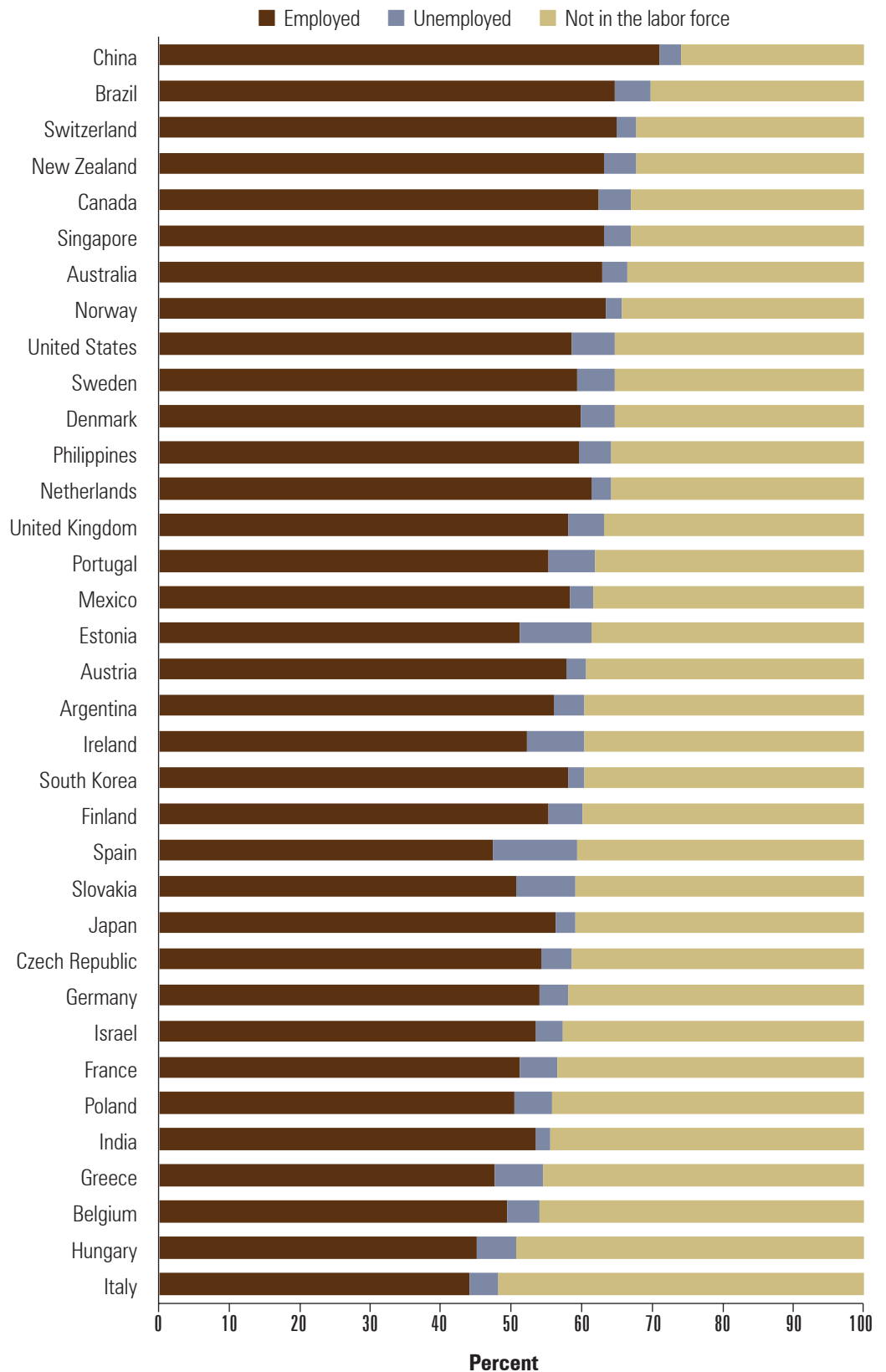
SOURCE: International Labour Office.

# CHART 2.4

The working-age population is composed of those in the labor force—the employed and the unemployed—and those not in the labor force.

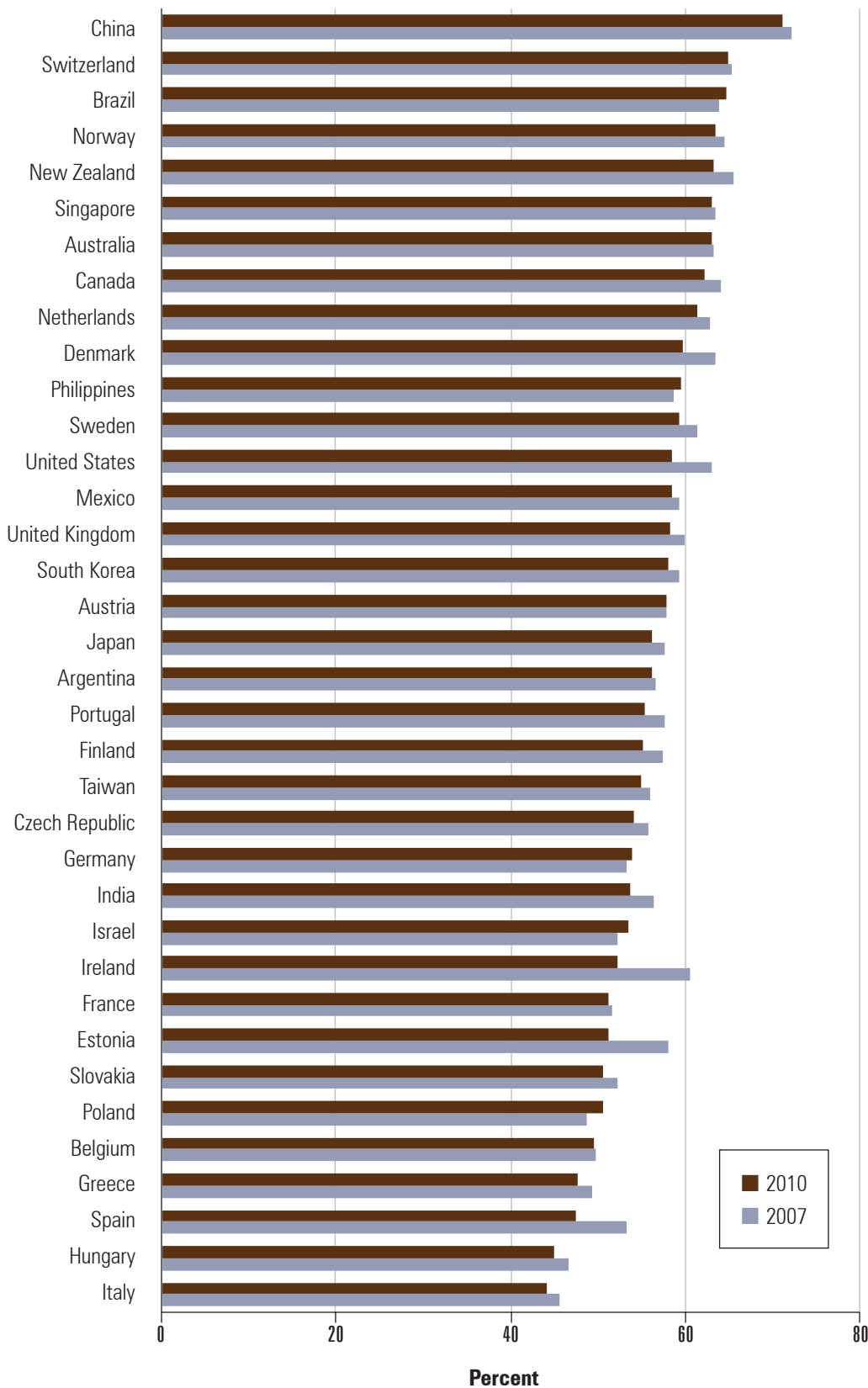
- Italy was the only country with less than half of its working-age population in the labor force.
- High unemployment in Spain and Estonia led to employment rates similar to countries with lower labor force participation, such as Italy and Hungary.

## Working-age population by labor force status, selected countries, in percent, 2010



SOURCES: U.S. Bureau of Labor Statistics and International Labour Office.

# Employment-population ratios, selected countries, 2007 and 2010



## CHART 2.5

In 2010, China and Switzerland had the highest proportions of employed persons, while Italy and Hungary had the lowest.

- Employment-population ratios decreased between 2007 and 2010 in 30 out of 36 selected countries, with the steepest declines in Ireland, Estonia, Spain, and the United States.

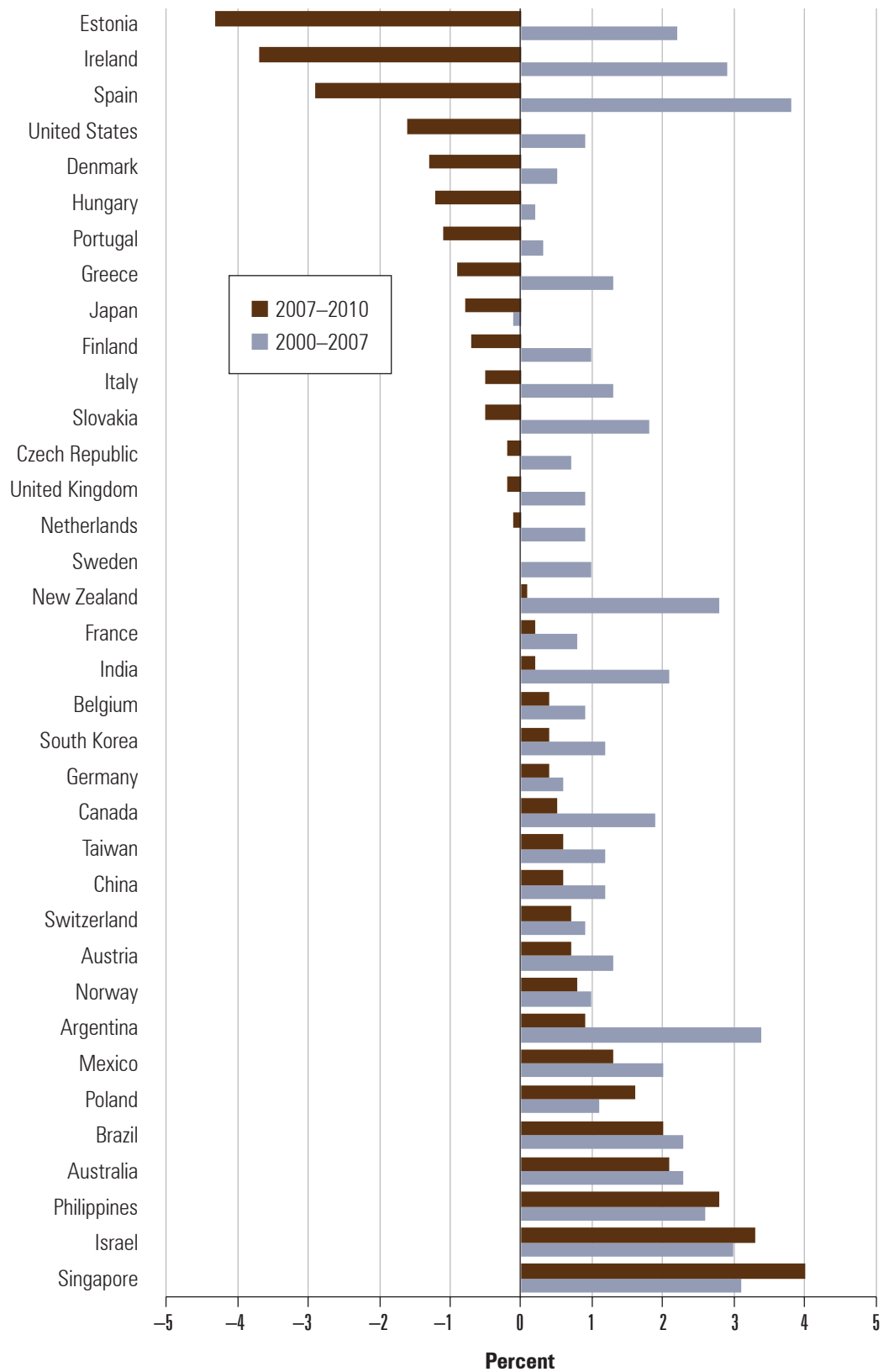
SOURCES: U.S. Bureau of Labor Statistics and International Labour Office.

# CHART 2.6

**Between 2007 and 2010, the sharpest declines in employment were in Estonia and Ireland, followed by Spain and the United States.**

- Employment grew from 2000 to 2007 in all selected countries except Japan, but it decreased in almost half of the selected countries from 2007 to 2010, a period of global recession.
- The largest gains in employment between 2007 and 2010 were in Singapore, Israel, and the Philippines. These countries and Poland were the only countries that had more employment growth between 2007 and 2010 than between 2000 and 2007.

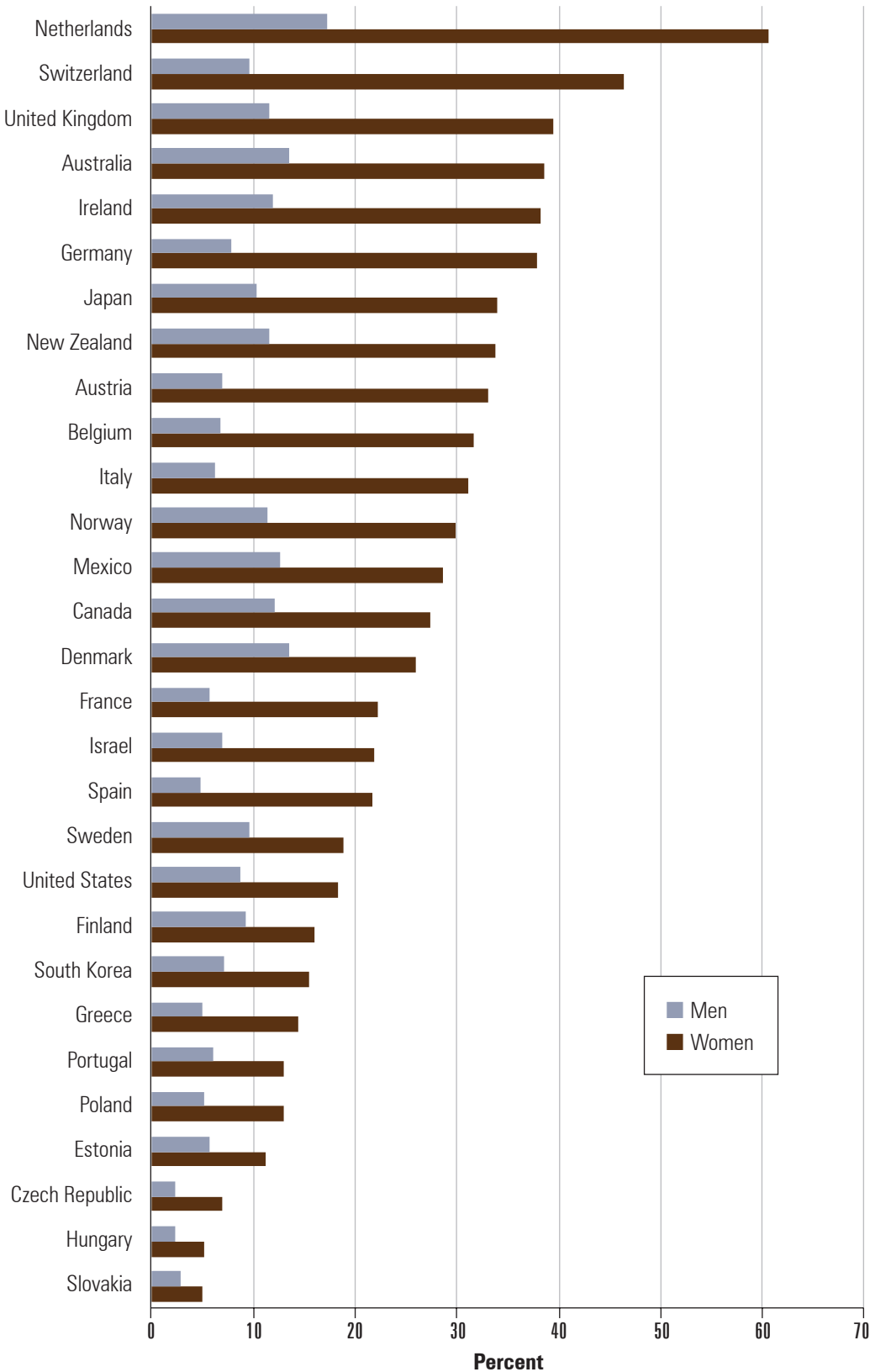
## Employment growth, selected countries, average annual rates, 2000–2007 and 2007–2010



**SOURCES:** U.S. Bureau of Labor Statistics and International Labour Office.

# Part-time employment rates by sex, selected countries, 2010

## CHART 2.7



**Part-time work for men and women was most prevalent in the Netherlands; it was much less common in Eastern European countries.**

- A larger share of employed women worked part time (fewer than 30 hours per week) than did employed men in all selected countries. The part-time employment rate for women was roughly two to five times higher than the men's rate in all selected countries.

SOURCE: Organisation for Economic Co-operation and Development.

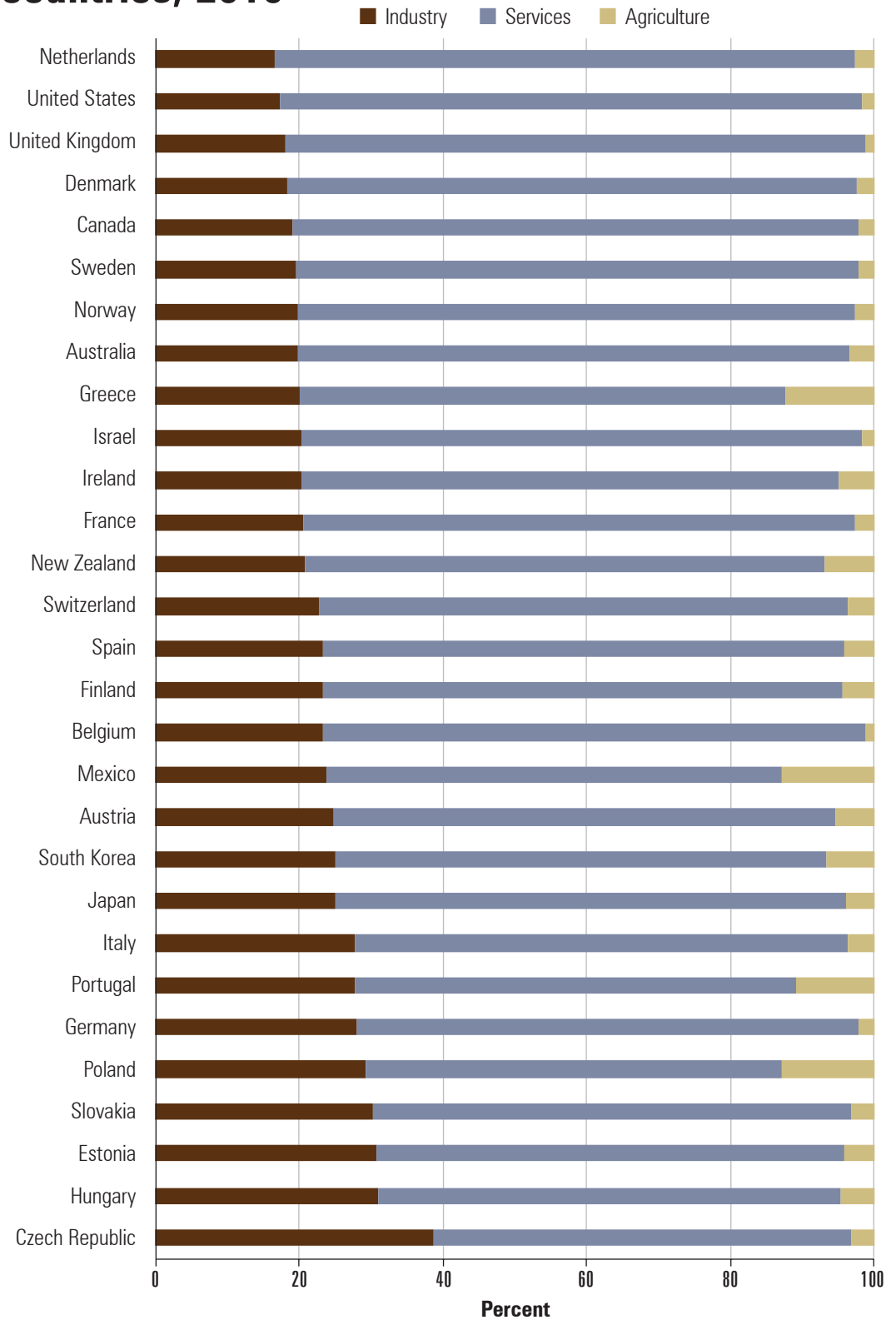


# CHART 2.8

More than half of employment was in the service sector in all selected countries.

- The United States, the Netherlands, and the United Kingdom had the largest shares of service employment (more than 80 percent).
- The largest shares of industry employment (near or more than 30 percent) were in five Eastern European countries: the Czech Republic, Hungary, Estonia, Slovakia, and Poland. These countries, plus Portugal and Mexico, also had the lowest shares of employment in services.
- Mexico, Poland, Greece, and Portugal had the largest agricultural sectors.

## Share of employment by sector, selected countries, 2010

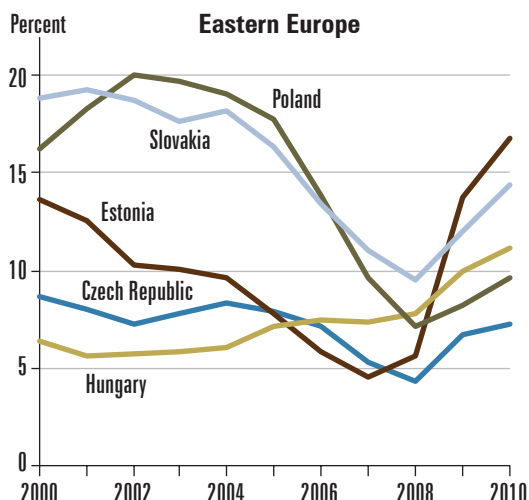
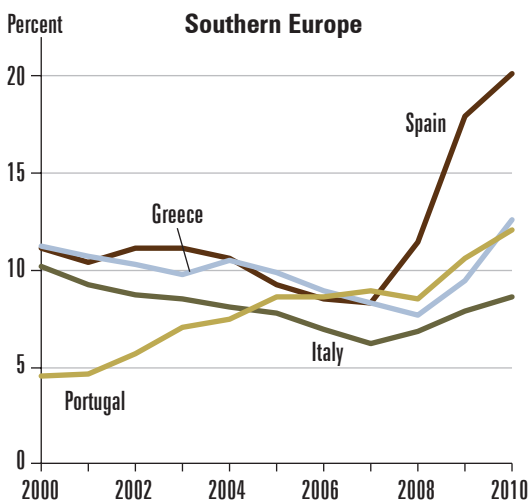
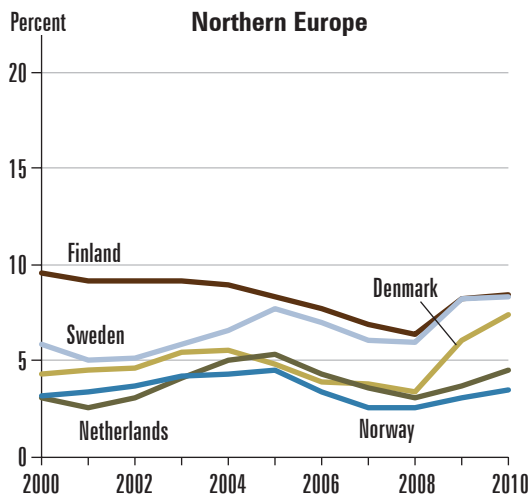
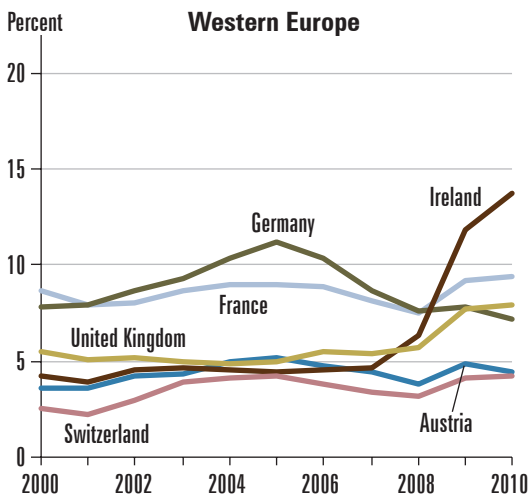
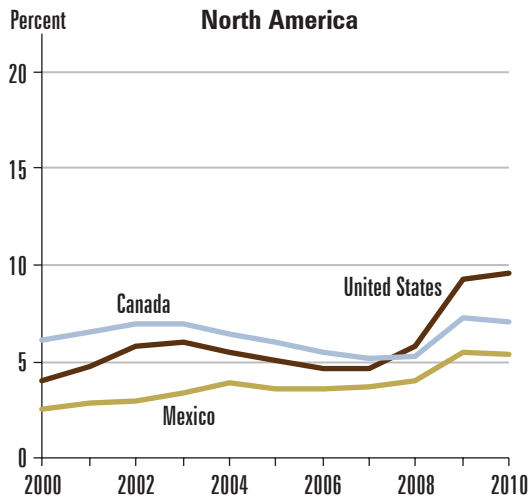
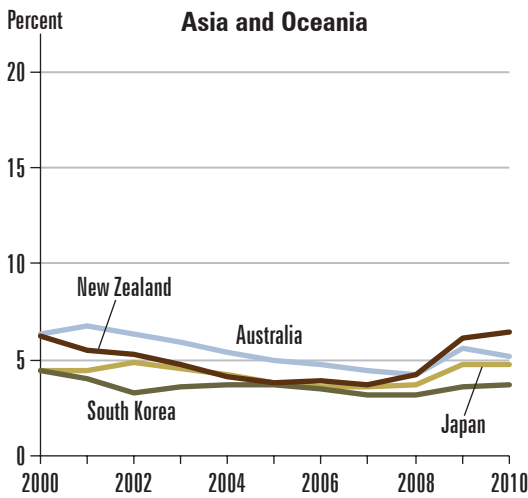


**NOTE:** 2009 data for the Czech Republic and Switzerland. Agriculture includes hunting, forestry, and fishing. Industry is composed of mining and quarrying, manufacturing, construction, and for some countries, public utilities (electricity, gas, and water). Public utilities represent less than 3 percent of industry in all countries shown.

**SOURCES:** U.S. Bureau of Labor Statistics and Organisation for Economic Co-operation and Development.

# Unemployment rates, selected countries, 2000–2010

# CHART 2.9



In a majority of the selected countries, unemployment rates were higher in 2010 than they were in 2000, in part because of the effects of the global recession at the end of the decade.

- The global recession had the most profound effect on unemployment rates in Southern and Eastern Europe; unemployment rates increased sharply in those countries between 2008 and 2010.
- Ireland and Spain had the largest increases in the unemployment rate between 2000 and 2010.

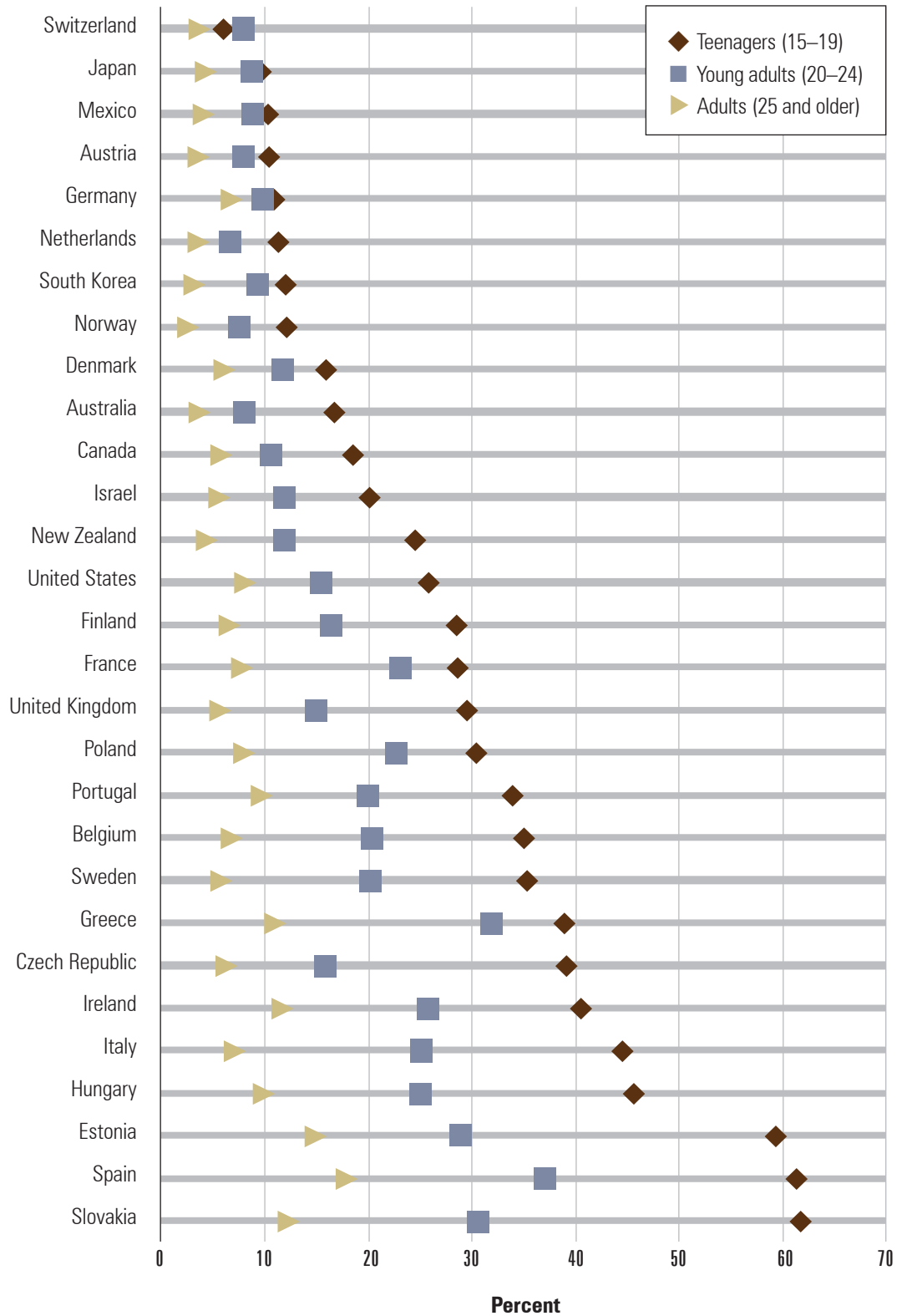
SOURCES: U.S. Bureau of Labor Statistics and Organisation for Economic Co-operation and Development.

# CHART 2.10

## Unemployment rates by age, selected countries, 2010

Unemployment rates for youth (teenagers and young adults) are generally higher than those for adults, partly because youth lack skills and work experience. They are therefore more vulnerable to economic downturns.

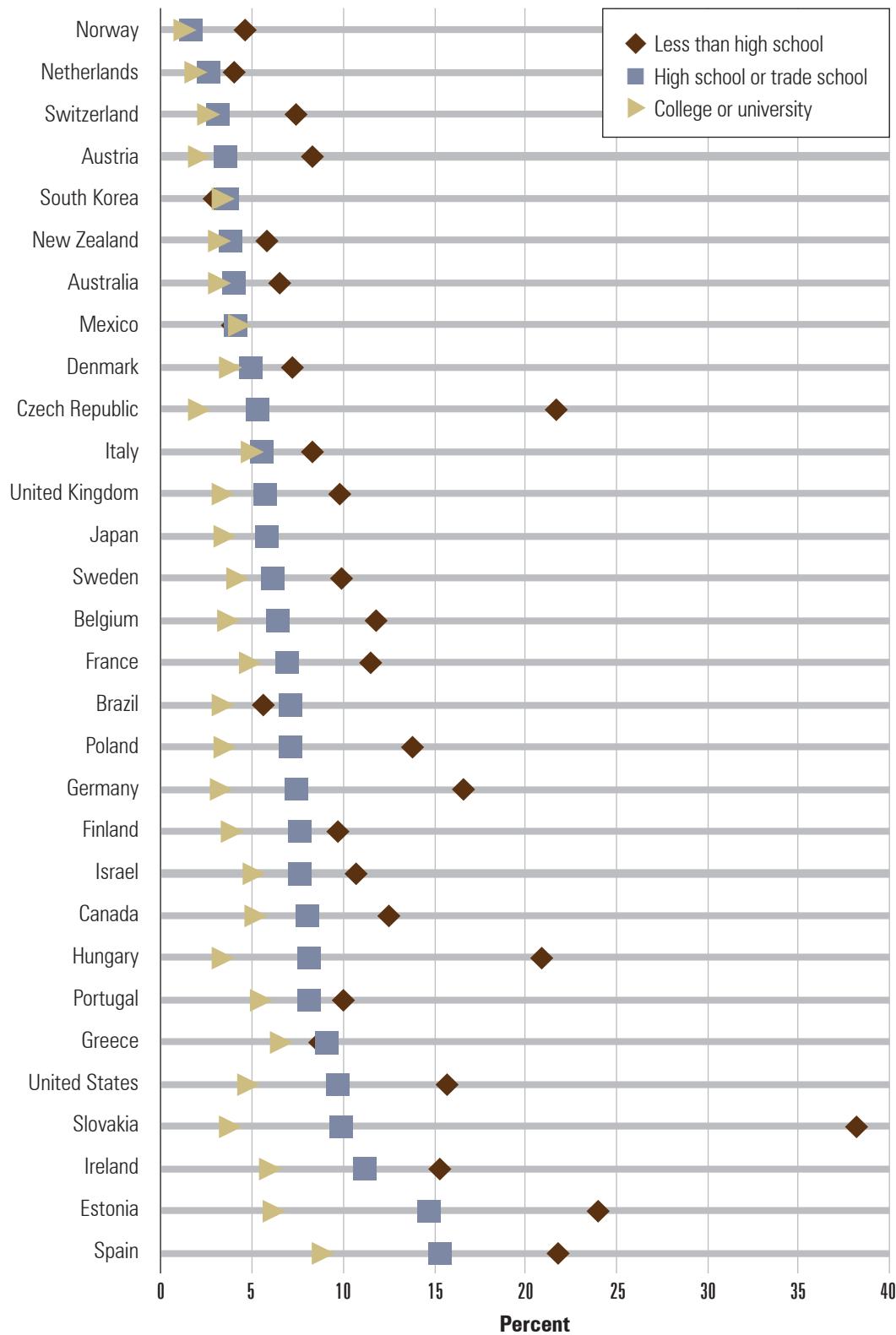
- Unemployment rates for youth are highest in Eastern and Southern Europe. For countries in these regions, youth unemployment rates topped 30 percent for teenagers, and exceeded 15 percent for young adults.



**NOTE:** For Canada, France, Norway, Spain, Sweden, the United Kingdom, and the United States, teenagers are ages 16 to 19.

**SOURCES:** U.S. Bureau of Labor Statistics and Organisation for Economic Co-operation and Development.

# Unemployment rates by education, selected countries, 2009



## CHART 2.11

In 26 out of 30 selected countries, college graduates had the lowest unemployment rates, followed by high school graduates; those with less than a high school education had the highest rates.

- The unemployment rate gap between persons with less than a high school education and those with a high school diploma was generally larger than the gap between college graduates and high school graduates, reflecting the value of a high school education in seeking employment.

**NOTE:** Data refer to persons ages 25 to 64. Data for those who have less than a high school education are not available for Japan.

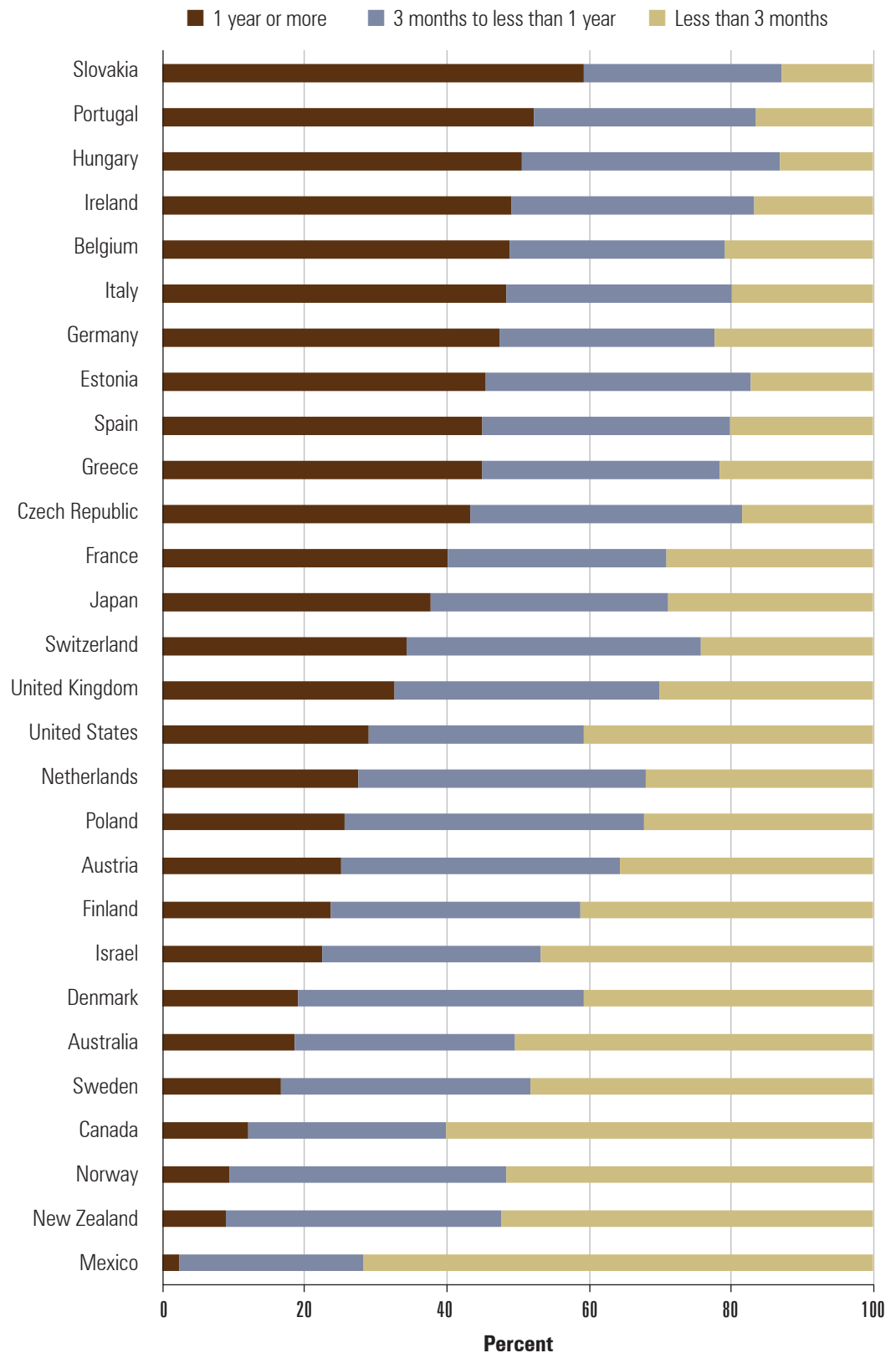
**SOURCE:** Organisation for Economic Co-operation and Development.

# CHART 2.12

**Long-term unemployment (1 year or more) made up the largest share of total unemployment in 13 out of 28 selected countries; the 12 countries with the largest shares of long-term unemployment were all in Europe.**

- Slovakia had the highest composition of long-term unemployment, with nearly 60 percent of the unemployed out of work for 1 year or more.
- In Mexico, more than two-thirds of the unemployed were out of work for less than 3 months.

## Composition of unemployment by duration, selected countries, 2010



SOURCE: Organisation for Economic Co-operation and Development.

### Sources

Data for 10 countries for most indicators are based on the BLS report *International Comparisons of Annual Labor Force Statistics, Adjusted to U.S. Concepts, 10 Countries, 1970–2010*. The 10 countries are the United States, Canada, Australia, Japan, France, Germany, Italy, the Netherlands, Sweden, and the United Kingdom. To facilitate international comparisons, BLS adjusts data for these countries to U.S. concepts. For specific adjustments and breaks in series, see the [country notes](#) associated with the BLS report.

Data for the remaining countries and for some indicators in their entirety—labor force participation rates by age (chart 2.3), part-time employment rates (chart 2.7), and unemployment by education (chart 2.11) and by duration (chart 2.12)—are based on data from the International Labour Office (ILO) or the Organisation for Economic Co-operation and Development (OECD).

Country coverage for labor force levels and participation rates, employment-population ratios, and employment growth (charts 2.1–2.6) is supplemented with data from the ILO database [Key Indicators of the Labour Market](#) (KILM). The KILM harmonizes data using econometric models to account for differences in national data and scope of coverage, collection and tabulation methodologies, and other country-specific factors, such as military service requirements. Although some differences remain between the KILM and ILC series, they do not materially affect comparisons across countries.

Country coverage for part-time employment rates, employment by sector, and unemployment data (charts 2.7–2.12) is supplemented with data from the OECD database [OECD.Stat](#). The OECD generally uses labor force surveys and captures labor force statistics according to ILO guidelines, which facilitate cross-country comparisons, because these guidelines create a common conceptual framework for countries. However, except for total unemployment rates (chart 2.9), the OECD does not adjust data for differences that remain across countries in coverage and definitions that can affect international comparisons. See *Labor Force Statistics in OECD Countries: Sources, Coverage and Definitions*. For total unemployment rates, the OECD series used is the “harmonized unemployment rates” (HURs), which are adjusted to conform to the ILO guidelines in countries where deviations occur. For a full discussion of comparability issues, see the BLS article, “International unemployment rates: how comparable are they?” at [www.bls.gov/opub/mlr/2000/06/art1full.pdf](http://www.bls.gov/opub/mlr/2000/06/art1full.pdf).

Using multiple sources for an indicator to extend country coverage can introduce additional comparability issues, because each organization employs different methods for harmonizing data, if adjustments are made at all. Users should use caution when making international comparisons and are encouraged to review the methodological documents associated with each source.

In chart 2.6, the periods 2000–2007 and 2007–2010 are selected to compare a time of global recession (2007–2010) against a prerecessionary time (2000–

2007). The chart shows the average annual growth rate during each period. Although 2007 is included in both, it represents two different annual changes that do not overlap: 2006–2007 in the first period and 2007–2008 in the second period.

## Definitions

Labor market data cover only civilians (i.e., members of the Armed Forces are not included). The **labor force participation rate** is the labor force as a percent of the working-age population. The **labor force** is the sum of all persons classified as employed and unemployed. The **working-age population** is either ages 15 and older or ages 16 and older, with the lower age limits varying by country. (See BLS and ILO documents from above sources.)

The **employed** are persons who, during the reference week, did work for at least 1 hour as paid employees; worked in their own business, profession, or on their own farm; or did work as unpaid workers in an enterprise operated by a family member (for at least 1 hour according to the ILO guidelines but for at least 15 hours according to U.S. concepts). Definitions of the employed vary by country. (See BLS, ILO, and OECD documents from above sources.) The **employment-population ratio** is employment as a percentage of the working-age population. **Part-time employment** refers to employed persons who usually work less than 30 hours per week in their main job; in some countries, “actual” rather than “usual” hours are used. The **part-time**

**employment rate** is the share of total employment that is part time and is also referred to as the incidence of part-time employment.

The **unemployed** are persons without work, who were actively seeking employment and currently available to start work. Definitions of the unemployed vary by country. (See BLS and OECD documents from above sources.) The **unemployment rate** is unemployment as a percentage of the labor force; it is the most widely used measure of an economy’s unused labor supply. For unemployment rates by education (chart 2.11), the levels of educational attainment accord with the 1997 International Standard Classification for Education (ISCED). **Less than high school** corresponds to “less than upper secondary education” and includes ISCED levels 0–2 and 3C. **High school or trade school** corresponds to “upper secondary and post-secondary education” and includes levels 3A, 3B, and 4. **College or university** corresponds to “tertiary non-university and university” and includes levels 5–6. ■