NEWS

LATIN AMERICA
AND THE CARIBBEAN

2000 LABOUR OVERVIEW

7

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Foreword

We are living through a period of *economic recovery with high unemployment*. After a year-long recession caused by the implementation of adjustment policies in the majority of the countries, Latin American economies began to make a comeback. Current estimates project 4.3% GDP growth for the year 2000, as well as real wage gains (1.2% for industrial wages and 0.5% for minimum wages) as a result of prevailing a low and decreasing rate of inflation. However, the unemployment rate will remain at a level similar to last year's 9%. The number of unemployed workers throughout the region is being estimated at 19 million. Youth and women will continue to suffer most, and specially the former, whose present unemployment rate more than doubles the regional average.

All the countries reviewed managed to come out from the recession, albeit not at the same pace and most often lagging behind in terms of unemployment reduction, with the sole exception of Mexico, whose dropping unemployment rate is at 2.3%, the lowest in the region. Mexico's performance in this area was built upon fast economic expansion and a steady growth throughout the Asian crisis.

Although the economic recovery created expectations of improved employment conditions , *unemployment continues to resist abatement*. Three major factors help, among others, to explain this phenomenon. The first one is a proven asymmetry of employment in the economic cycle. The latest recession showed once again that employment contracts faster than the GDP under these conditions and grows slower during the expansionary period. As a result, the product reaches pre-crisis levels faster than the unemployment rate. The *2000 Labour Overview* shows such a behavior in Brazil, Chile and Colombia during the recent crisis, as well as in Mexico, in the context of the "tequila" downturn.

A second factor is tied to the way enterprises react to the adjustment according to their size, particularly in a context where the public sector stopped contributing to direct employment generation. Available information for Argentina, Chile, Mexico and Peru shows that current labour law has provided large enterprises (more than 50 workers) with a high degree of flexibility to lay down workers during a recession and hiring them back in the upswing. Enterprises adjust quickly, but workers' vulnerability soars. However, the net effect is highly influenced by the behavior of small and medium-sized enterprises (PYMES), which varies from one country to the other. Overall, in the face of recession, PYMES resist employment reduction and seek financing instead, while their capacity to generate employment during the process of recovery will depend on their ability to deal successfully with their newly acquired debt.

A third factor is related to the behavior of the labour supply, a usually neglected element when it comes to examining the immediate economic environment. The labour supply plays a decisive role towards determining the net effect on the unemployment rate, whose evolution is hard to predict. This feature can be verified by comparing the different reactions of the labour supply to the recovery process. In Chile, a dropping rate of participation helped to reduce unemployment, in spite of a slight recovery of the rate of occupation; in Mexico, growing unemployment was reinforced by a sustained labour supply. Conversely, increased employment in Brazil and Colombia was neutralized by a growing rate of participation that left unemployment untouched.

Changes in the employment structure continue. All four processes identified in previous issues of the *Labour Overview* are still valid. The structure of employment is undergoing a process of privatization –95 out each 100 new jobs are generated in the private sector. Tertiary, informality and precariousness of labour are continuing too - 83 out of each 100 new jobs are generated in the service sector, thus cutting down the contribution of good-producing sectors to job creation. The share of the informal sector in total employment climbs from 43% to 46%, contributing with 60 out of each 100 new jobs. Lastly, 55 out of each 100 new waged jobs generated in the last decade lack social protection.

The *Labour Overview* assesses the *purchasing power of wages* by expressing minimum wages in kilograms of bread and industrial wages in terms of the number of working months required to buy a low-cost car. On average, in the year 2000 a minimum wage buys 5 kilograms of bread a day, against 3 kilograms a day in 1995. This level of purchasing power is still low but consistent with the expansion of minimum wages recorded in the last five years. The purchasing power of minimum wages varies sharply among the various countries, going from 7 kilograms of bread a day (Argentina, Chile, Colombia and Panama) to 2 or 3 kilograms a day (Guatemala, Nicaragua, Peru and Uruguay).

On the other hand, the average number of monthly industrial wages required to buy a low-cost car increased from 32 to 35 in the same period. The purchasing power varies from country to country: between 10 and 20 months (Argentina, Brazil, Chile, Panama and Uruguay) to 4 to 7 years (Bolivia, Ecuador, El Salvador and Honduras). In developed countries such as Korea, Spain, the United States, France or Italy, a third of the number of months required by the group commanding the highest purchasing power in Latin America, is enough to buy a low-cost car.

A thorough reading of the six previous issues of this report indicates *that the region's labour performance in the last*

decade was an erratic one, albeit in a slightly improving context. Ongoing processes of economic recovery were interrupted by successive crisis, such as the 1995 "tequila" downturn in Mexico and the 1998-99 "Asian" crisis. Between 1990 and 2000, Chile, Costa Rica, El Salvador, Honduras, Mexico, Panama and Peru improved their labour performance in terms of changes to the level and quality of employment, wages and productivity. Other three countries remained constant: Bolivia, Brazil and Uruguay, while the labour situation deteriorated in Argentina, Colombia, Ecuador, Paraguay and Venezuela.

An evaluation of the relative labour performance of the countries under review, the balance for the decade highlights a constant positioning of Chile and Mexico at the most favorable level, as well as the steady presence of Argentina, Uruguay and Venezuela, although at lower and declining levels. Favorable but generally small changes took place in Bolivia, Costa Rica, El Salvador, Honduras, Panama and Peru. On the other hand, this assessment shows small losses in Brazil and bigger ones in Colombia, Ecuador and Paraguay.

To summarize, *the region still cannot overcome the 1980s "foreign debt crisis"*. The moderate and unstable recovery that took place in the 1990s was not enough to compensate for the deterioration experienced in 1985. A comparison between the labour performance of those countries in 1985 and 2000, shows that five are in better shape (Bolivia, Chile, Costa Rica, El Salvador and Uruguay), six are faring worse (Argentina, Brazil, Ecuador, Paraguay, Peru and Venezuela), while four (Colombia, Honduras, Mexico and Panama) remain at the same level of labour progress recorded in the mid-80s.

Nevertheless, the *outlook for the year 2001 is more encouraging*. GDP growth projections for 2001 point at a persistent process of economic recovery in all the countries under review. A regional 4.2% rate of growth that would drive the unemployment rate down to 8.1% has been projected. The exception is Mexico, where growth would decrease, although still at rates over the regional average, and the unemployment rate would continue to be the lowest in the region. Notwithstanding the expected drop in unemployment, several countries will show over two-digit rates: Argentina, Colombia and Ecuador will register between 14% and 17.5%; Uruguay and Venezuela between 12% and 13%. Only Brazil, Chile and Mexico will remain below the regional average (8.1%).

The *2000 Labour Overview* also features information about three special subjects. The first one deals with the employment situation endured by youths throughout the last decade. This social group shows the highest and fastest growing rates of unemployment, while job opportunities stagnate and available jobs are low-quality ones. Although wage differentials are dropping, youths earn wages are only 44% of those earned by adults. Education has shown high profitability; those who completed secondary education earn wages that are 46% over the wages of those who have only completed basic education. The second special subject discussed in this issue is the cost of hiring women. Research conducted by the ILO concluded that the additional cost is low in Argentina, Brazil, Chile and Mexico -from 0.2% of the workers' wages (Mexico) to 1.9% (Chile). Public policies make an important contribution by socializing the cost of maternity leave through social security schemes and preventing this right from becoming a discriminatory factor.

The third special subject addresses occupational conditions in terms of accident insurance coverage and the number of working hours. Coverage ranges from over 60% of the workers in Chile, Costa Rica and Panama to very low percentages (10% to 20%) in El Salvador, Honduras, Nicaragua and Paraguay. On the other hand, the number of hours of work in the region has remained at approximately 1,800 per year, subject to legal regulations enforcing a 44-48 hours of work per week. Latin American countries seem to follow labour patterns prevailing in the United States and Japan. Peruvians work over 2,000 hours a year, against 1.900 hours in Chile, Colombia, Costa Rica, Ecuador and Nicaragua. In this region, no country gets close to Europe's average of 1,500 hours a year.

This is the labour situation at the beginning of the new century. We are coming out from the latest crisis, but the region's structural problems have not gone away. Latin America and the Caribbean are still seeking to adapt to new ways in the economic area, and therefore also in the labour field. Thus, it is imperative to conciliate competitiveness and economic efficiency with demands over social protection, safety and enforcement of labour and civil rights.

Víctor E. Tokman
ILO Regional Director for the Americas

Economic recovery meets a sluggish labour market response

- Unemployment doesn't give ground. The 8.9% average rate for the first three quarters of 2000 is very similar to the rate registered in the same period of 1999 (9.0%).

- Unemployment decrease continues to oppose a stiff resistance, even in the face of a strong economic recovery that shows a 4.3% rate of GDP growth throughout the first semester, and also in the absence of a significant increase in the wage push.

- Industrial and minimum wages increased by 1.2% and 0.5%, respectively, sustained by growing productivity (1.3%) and lower inflation (from 8.4% in the first semester of 1999 to 7.9% in the same period of 2000).

- During the first three quarters of 2000, the Latin American labour market performed below expectations, although economic activity was growing at a faster pace than expected. Such a phenomenon may be attributed to the fact that, in spite of the reaction of the labour demand in response to GDP growth, a similar expansion of the labour supply also takes place (3.2% supply and 3.0% demand). This will determine whether the unemployment rate will remain constant.

- Average unemployment also remains constant for men, women and youths. The latter's unemployment rate is 2.1 times the total rate.

- In this general picture, Mexico is the sole exception on account of a clear tendency towards unemployment reduction, coupled with fast growing real wages, thanks to a solid process of economic recovery.

- The labour performance of the countries under review during the last decade was erratic, although in a context of slight improvement. Between 1990 and 2000, seven countries showed some improvement to their labour performance, measured as a composite index including changes to the level and quality of employment, wages and productivity. They were Chile, Costa Rica, El Salvador, Honduras, Mexico, Panama and Peru. Other three showed no change (Bolivia, Brazil and Uruguay), while the labour situation deteriorated in Argentina, Ecuador, Colombia, Paraguay and Venezuela.

- After an evaluation of the relative labour performance of the countries under review, the balance for the decade highlights a constant positioning of Chile and Mexico at the most favorable level, as well as the steady presence of Argentina, Uruguay and Venezuela, although at lower and declining levels. Favorable but generally small changes took place in Bolivia, Costa Rica, El Salvador, Honduras, Panama and Peru. On the other hand, this assessment shows small losses in Brazil and bigger ones in Colombia, Ecuador and Paraguay.

- ILO projections indicate that 4.3% GDP growth would result in a 9.0% unemployment rate for the year 2000. Thanks to a faster than expected growth, employment prospects will improve starting in the second semester of the year and during 2001. A steady process of economic recovery would allow for a drop in unemployment in the area of one percentage point. In the year 2001, GDP is expected to reach 4.2%, coupled with an 8.1% unemployment rate. Thus, the unemployment rate would achieve its 1997 pre-crisis level only two and a half years later.

Economic recovery and the labour market

The ongoing economic recovery has failed to generate significant improvements in the labour market. Unemployment persists, since the rates of participation and employment had similar reactions to last years' rate of economic growth. The quality of employment continues to deteriorate in the face of growing informality and lack of social protection. Nevertheless, increased productivity and lower rates of inflation have improved the purchasing power of both industrial and minimum wages.

Urban unemployment

The region's current unemployment rate is similar to that of 1999 (9%), in spite of the fact that economic growth remained in the frame of the global economic recovery since the second half of 1999 and throughout the year 2000.

Information about unemployment for 2000 (up to the third quarter) is available for the following twelve (12) countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Mexico, Panama, Peru, Uruguay and Venezuela. The incidence of the Economically Active Population (EAP) of these countries on the total represents 95%, which is also the size of their contribution to the regional GDP (Statistical Annex).

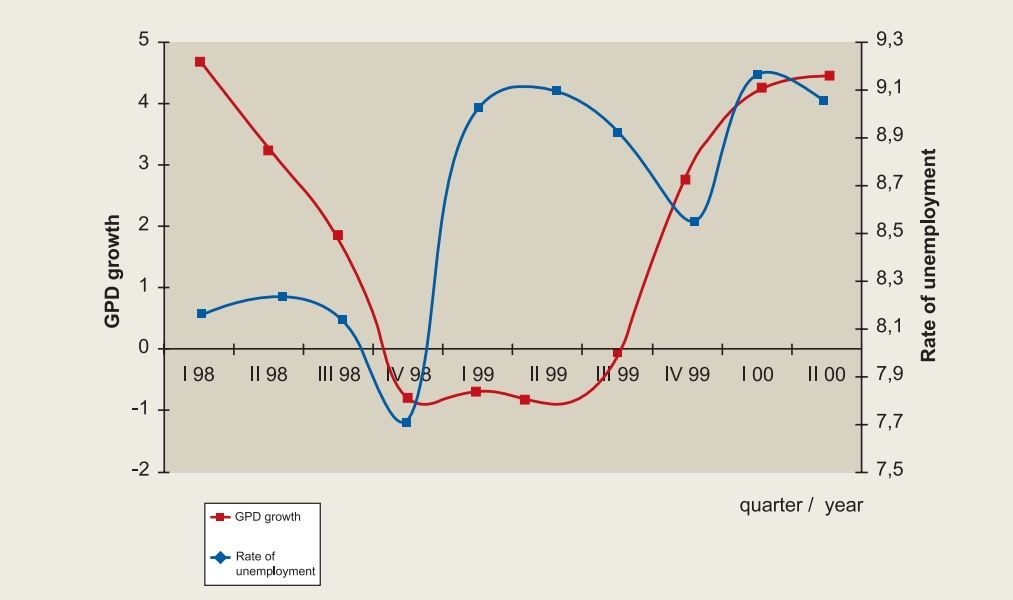
The unemployment rate of the above mentioned countries reached 8.9% (weighted average). While similar to the figure registered by this group of countries in the same period of 1999 (9.0%), that rate is 1.7 percentage points higher than the level observed during the pre-crisis period (1997 average).

The evolution of unemployment varies from country to country. A comparison between the first three quarters of 2000 and the same period of 1999 shows a slight drop of the unemployment in seven countries: Brazil (7.7% to 7.5%), Chile (10.1% to 9.2%), Costa Rica (6.2% to 5.2%), Ecuador (15.0% to 14.9%), El Salvador (8% to 7%), Mexico (2.6% to 2.3%) and Venezuela (15.3% to 14.6%). On the other hand, the unemployment rate increased in Argentina (14.5% to 15.4%), Colombia (19.8% to 20.4%), Panama (13.0% to 13.3%), Peru (8.7% to 10.3%) and Uruguay (11.9% to 13.3%).

FIGURE 1

LATIN AMERICA, GPD GROWTH AND RATE OF UNEMPLOYMENT, 1998 - 2000

(percentages)



Source: ILO, based on official data.

Unemployment reduction did not come about as fast as was expected in late 1999. ILO employment projections for this group of countries estimated that the unemployment rate for 2000 (8.5%) would be lower than last years'. However, this reduction does not appear among figures on average unemployment for the first three quarters of 2000, since these show stagnation with respect to the same period of 1999, even when a 4.3% rate of GDP growth currently forecasted for 2000 is higher than the 3.6% projected early this year by different specialized agencies (see section devoted to employment and product projections).

Meanwhile, from a medium-term perspective, the level of unemployment in the countries reviewed during the last year and a half continues to be high and significantly higher than the level of 6.4% registered in the 1990-1997 period. This was the result of a sharp deterioration of the terms of exchange brought about by the effects of macroeconomic adjustment processes implemented after the Asian and Russian crisis, depreciation of commodities such as fish meal, copper, meat and coffee, and appreciation of oil prices.

Thus, in the first three quarters of the year 2000, the unemployment rate climbed over two digits in seven countries: Argentina (15.4%), Colombia (20.4%), Ecuador (14.9%), Panama (13.3%), Peru (10.3%), Uruguay (13.3%) and Venezuela (14.6%); was higher than the regional average in Chile (9.2%), but stayed below it in Brazil (7.5%), Costa Rica (5.2%), El Salvador (7%) and Mexico (2.3%). The case of Mexico is particularly different from the rest of the region, as a result of the positive effects of a strong US economy and the appreciation of oil, the country's main export commodity.

Unemployment by sex

Along with the urban average unemployment rate, the rates of unemployment for men and women remained constant between 1999 and 2000.

Except for Venezuela, where the male unemployment rate soared (13.6% to 14.0%), while the female rate dropped (17.1% to 15.9%), and Brazil, where the male unemployment decreased (0.3 percentage points) and the female unemployment grew (0.3 percentage points), the rest of the countries experienced changes to male and female unemployment in the same direction, although with varying intensity (Statistical Annex). Male and female unemployment rates increased in Argentina (0.7 and 1.0 percentage points, respectively), Colombia (0.1 and 1.0 percentage points, respectively), Peru (2.4 and 1.6 percentage points, respectively) and Uruguay (0.9 and 1.3 percentage points, respectively). On the other hand, male and female unemployment rates dropped in Chile (0.6 and 0.3 percentage points, respectively), Costa Rica (0.5 and 1.3 percentage points, respectively), El Salvador (1.4 and 1.2 percentage points, respectively) and Mexico (0.2 and 0.2 percentage points, respectively).

Youth unemployment

In most of the countries for which information is available, youth unemployment tends to grow even in the context of the ongoing economic recovery. However, the patterns of youth unemployment vary from one country to the other, as reflected in its evolution in the first semester of 1999 and the same period of 2000: Argentina (35.9% to 45.0%), Brazil (grows from 14.5% to 14.7% in the 18 to 24 age group), Colombia (37.9% to 41.3% in the 12 to 17 age group and 35.7% to 35.8% in the 18 to 24 age group), Peru (14.2% to 18.2% in the 14 to 24 age group), Uruguay (27.1% to 30.5%) and Venezuela (26.6% to 28.0%). The indicator behaves in different ways according to the age group in Chile (drops in the 15 to 19 age group from 27.6% to 26.0% and grows from 19.8% to 20.1% in the 20 to 24 age group), but declines in Mexico (4.5% to 4.2% in the 20 to 24 age group) (Statistical Annex).

The ratio between the rate of youth unemployment and the unemployment rate is an average of 2.1, but it is hardly homogeneous region wide: Argentina (2.9 times), Colombia (2.7 times) and Uruguay (2.3 times) are over the average, while Brazil (1.8 times), Chile (1.3 times), Mexico (1.9 times), Peru (1.8 times) and Venezuela (1.9 times) are below the average.

Economic activity, employment and unemployment

The process of economic recovery underway in the region since the last semester of 1999 has failed to reduce unemployment (Box 1). GDP growth climbed from 0.4% in 1999 to 4.4% in the first semester of 2000. Besides, a strong shift took place in the first semester of 2000 with respect to the same period of 1999, when the level of economic activity decreased by 0.8%.

In this context, it is significant to highlight that the average GDP growth observed during the first semester of 2000 is higher than the 3.6% projected at the beginning of the year by several international organizations and specialized financial agencies. This is mainly the result of the high rates of growth currently enjoyed by the economies of Mexico (7.8%), Peru (6.0%) and Chile (5.8%), besides the positive performance of the Brazilian economy (3.8%), which represents close to 37% of the regional product.

On the other hand, the annualized expansion of the GDP picks up speed in all the countries under review during the first semester of 2000, with respect to the beginning of the process of economic recovery of the region that took place during the second semester of 1999: Argentina (-2.0% to 0.7%), Brazil (2.1% to 3.8%), Chile (0.9% to 5.8%), Colombia (-2.3% to 1.5%), Ecuador (-8.2% to 0.5%), Mexico (4.8% to 7.8%), Peru (2.0% to 6.0%), Uruguay (-5.6% to 1.0%) and Venezuela (-5.2% to 1.5%).

In spite of an acceleration of 5.2 percentage points among the average rates of the Latin American GDP during the first semester of 1999 (-0.8%) and 2000 (4.4%) the unemployment rate remained stable (around 9.0% for each semester).

This outcome was due to a similar reaction of labour supply and employment to GDP growth. In fact, the closeness of the elasticities of both labour supply and employment with respect to production growth explains to a great extent the reason why the average unemployment rate remained constant (Figure 1).

As far as the labour supply is concerned, the average rate of participation in the countries where information is available varied from one country to the other. The rate of participation increased in Brazil (1.0%), Colombia (1.1%), Ecuador (0.4%) and Mexico (0.6%), while the indicator remained constant for Uruguay and decreased in Argentina (-0.2%), Chile (-0.5%), Costa Rica (-1.4%), El Salvador (-1.4%), Panama (-0.1%) and Venezuela (-0.8%).

Box 1

EMPLOYMENT RECOVERS SLOWER THAN ECONOMIC ACTIVITY

In the 1990s, Latin America went through two important economic adjustments. Both showed that employment drops faster than the labour supply under recessionary conditions, driving up significantly the rates of unemployment. Yet the unemployment rate drops slowly during the expansionary phase. This is why recovering to pre-crisis levels takes longer for unemployment than for economic cycle.

The countries reviewed are Brazil, Chile, Colombia and Mexico. For the former three, the analysis covers the 1998-2000 period (starting in 1997 for Brazil), when the region was affected by currency devaluations implemented in the South-East Asian countries and Russia. In the case of Mexico, the analysis covers the adjustment process triggered by the devaluation of the peso in late 1994, up to the beginning of 1997.

Evolution of the product during the adjustment process. Brazil's GDP suffered a –3.3% reduction during a period of almost two years, while Chile's product dropped –1.7% in a year and a half. The Colombian recession lasted for seven quarters, causing a –4.3% contraction of the product, while Mexico experienced the highest reduction of GDP (-7.1%) during 1995. Mexico and Chile eventually recovered

to their pre-crisis GDP levels, although at different stages of their adjustment processes. It took Mexico five quarters to reach the target, while Chile made it after two quarters. In the third quarter of the year 2000, Brazil and Colombia have not been able to regain their pre-crisis GDP levels, in spite of the fact that their economies are already in the expansionary phase of the economic cycle.

Fast growth of unemployment as a result of a declining GDP. Just before the crisis, Brazil had a 5.9% unemployment rate. Into the recession, this country's highest unemployment rate reached 7.9% (or 1.3 times over the pre-crisis rate). In Chile, those rates registered 5.3% and 11.4% (or a 2.2 times increase). In Colombia, a 14.4% pre-crisis unemployment rate climbed to 20.5% (or a 1.4 times increase), while in Mexico grew by 2.1 times (3.6% to 7.4%, respectively.)

Employment-output elasticity is greater in the recessionary phase than in the expansionary period. This would explain the slow recovery of the unemployment rates recorded in the pre-crisis period. Brazil, Chile and Colombia show 0.4, 0.8 and 0.8 employment-product elasticity, respectively, in the recessionary phase, as opposed to 0.2, 0.3 and 0.0 employment-output elasticity, respectively, in the expansionary period. Conversely, Mexico is the sole country where this elasticity is greater in the expansionary phase (0.6) than during the recession (0.0).

	ADJUSTMENT			
	Brazil 1997-2000	Chile 1998-2000	Colombia 1998-2000	Mexico a/ 1995-1996
A. Scope of the adjusment (%)				
GPD variation during the contraction	-3.3	-1.7	-4.3	-7.1
GPD variation during the recovery	2.4	3.5	2.2	7.1
B. Duration of the adjusment (number of quarters)				
GPD				
Contraction	8	4	7	4
Recovery b/	4	2	2	5
Total	-	6	-	9
RATE OF UNEMPLOYMENT				
Contraction	9	5	9	4
Recovery (*)	4	4	-	8
Total	-	-	-	12
C. Employment-output elasticity				
Contraction	0.4	0.8	0.8	0.0
Recovery	0.2	0.3	0.0	0.6
D. Rate of participation (%)				
Pre-crisis c/	58.7	54.0	62.7	54.8
Contraction d/	57.1	54.2	64.8	55.5
Recovery e/	58.4	53.5	-	55.7
E. Rate of unemployment (%)				
Pre-crisis c/	5.9	5.3	14.4	3.6
Contraction f/	7.9	11.4	20.5	7.4
Recovery e/	7.3	10.7	-	3.7

Source: ILO, based on official country data

a/ The adjustment period during the crisis caused by the devaluation of the Mexican currency was taken into consideration
b/ Brazil and Colombia have yet to recover to their pre-crisis levels
c/ Rate recorded before the crisis
d/ Rate of participation related to the highest rate of unemployment recorded during the cycle
e/ Rate for the third quarter of 2000, except for Mexico
f/ Highest rate of unemployment recorded during the cycle
* Number of quarters between the date of the highest rate of unemployment recorded during the cycle and the third quarter of 2000.

The unemployment cycle is longer than the economic cycle. In Mexico, recovering to the pre-crisis level of the unemployment rate took 12 quarters (3 years), or 3 quarters more than those required to regain the initial product level. The other countries failed to regain pre-crisis unemployment levels in spite of the long time elapsed since the beginning of their adjustment processes: Brazil (13 quarters), Chile (9 quarters) and Colombia (9 quarters). In the third quarter of 2000, these countries' rates of unemployment were substantially higher than in the pre-crisis period, as reflected in the following figures for Brazil (7.3%), Chile (10.7%) and Colombia (20.5%)

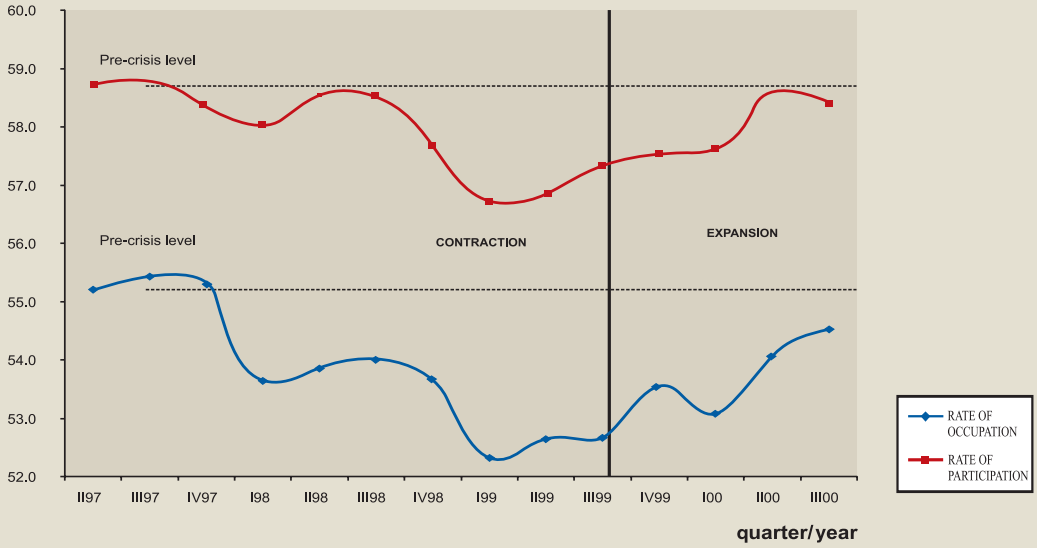
After all, delays to recover from unemployment do not depend fundamentally on the intensity of economic growth, but rather on the evolution of the labour supply and employment generation.

During the economic recession, the rate of participation (or ratio between the economically active population – EAP- and the working age population–WAP) grew in Chile, Colombia and Mexico. At the same time, a falling employment rate explains the fast increase of unemployment in these countries throughout the period. Brazil showed the same outcome, but unlike the other three countries, it was caused by a falling rate of participation in the recessionary face, along with an even greater contraction of the rate of occupation.

Mexico's economic recovery took place hand in hand with the expansion of the rate of employment, and since the labour supply remained stable, the unemployment rate dropped. In Brazil, the economic expansion came along with a recovery of the levels of participation. Consequently, the effect on unemployment was positive but moderate. In the other end, Chile fails to recover the rate of occupation, but a falling labour supply drives a moderate reduction of the unemployment rate. Meanwhile, Colombia shows a stable situation in terms of the labour supply and occupation, and therefore also with regard to the unemployment rate.

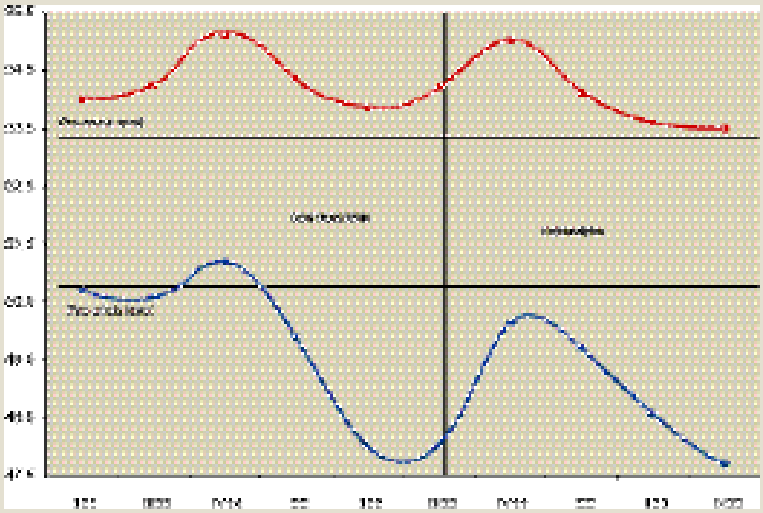
LATIN AMERICA: SELECTED COUNTRIES
PARTICIPATION AND OCCUPATION RATES

BRAZIL. 1997-2000

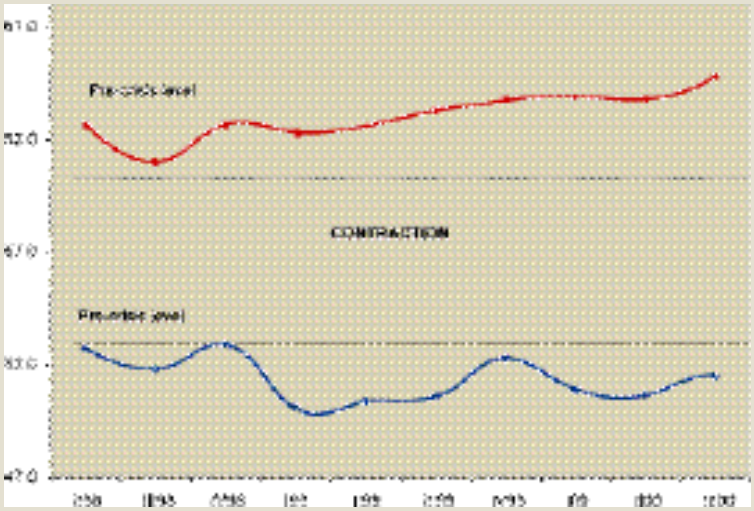


Source: ILO, based on official country data

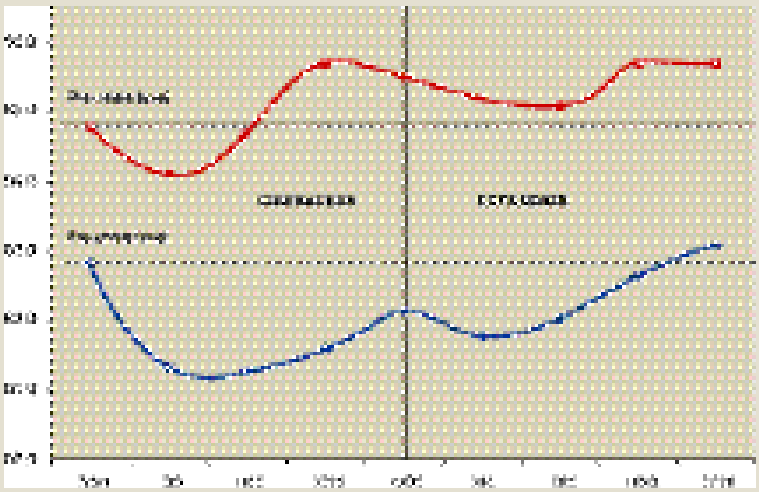
LATIN AMERICA: SELECTED COUNTRIES
PARTICIPATION AND OCCUPATION RATES
CHILE. 1998-2000



LATIN AMERICA: SELECTED COUNTRIES
PARTICIPATION AND OCCUPATION RATES
COLOMBIA. 1998-2000



LATIN AMERICA: SELECTED COUNTRIES
PARTICIPATION AND OCCUPATION RATES
MEXICO. 1995-1996



Source: ILO, based on official country data

As much as with the rate of participation, the behavior of the rate of occupation, which is the main indicator of the level of employment, varied widely (Statistical Annex). Brazil (0.9%), Colombia (0.3%), Ecuador (0.5%), Mexico (0.7%) and Panama (0.1%) registered increases, while Argentina (-0.6%), Chile (-0.2%), Costa Rica (-0.8%), El Salvador (-0.8%), Uruguay (-0.8%) and Venezuela (-0.8%) experienced reductions.

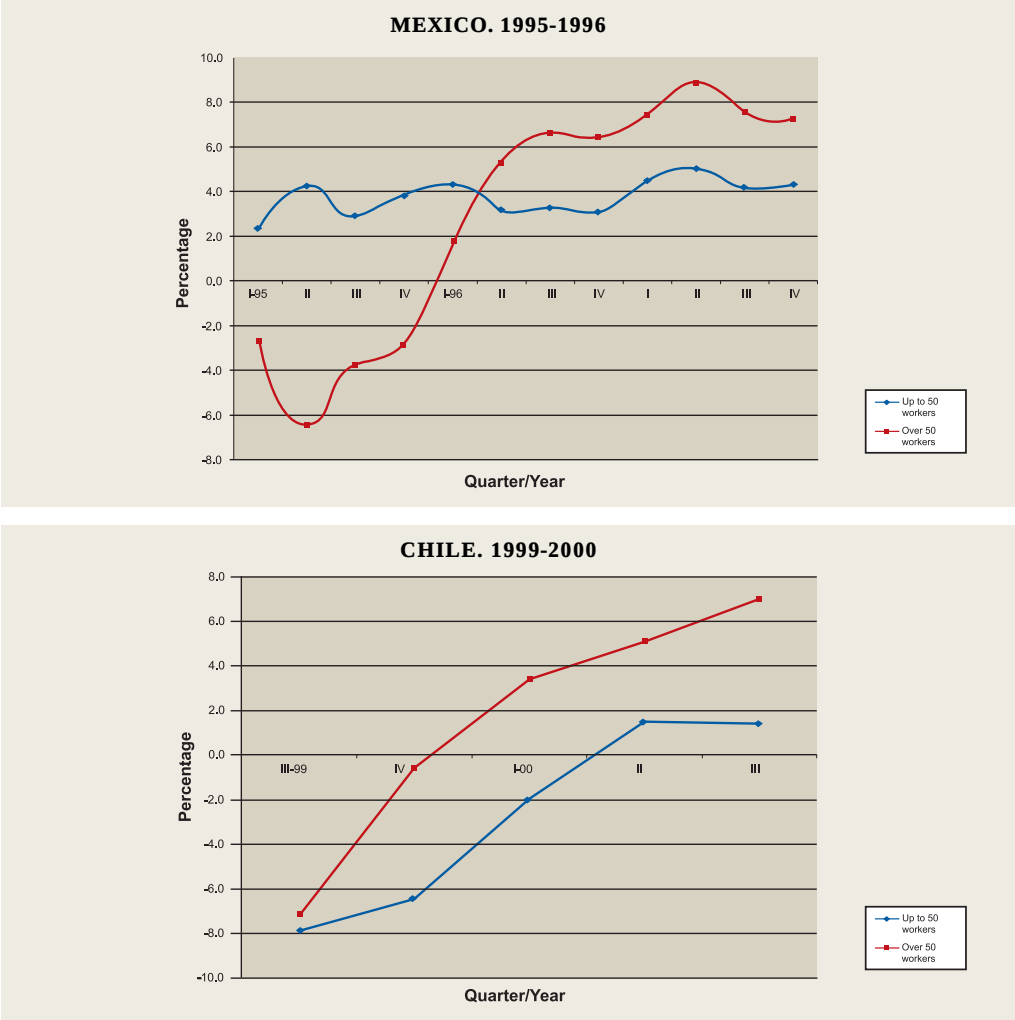
The contribution of private sector enterprises to employment generation: The leadership of large enterprises during the recovery process

Employment is taking long to respond to economic recovery, but little is known about the causes of this phenomenon. Therefore, an effort is required to uncover the factors associated with slow employment growth by examining the role of the private sector in the period 1999-2000. A first conclusion would indicate that in the present structural context, employment generation falls almost on the shoulders of private entrepreneurs, while the public sector plays a subsidiary role in this regard. It follows then that the performance of the private sector in this area depends on its behavior at the enterprise level, considering that this sector represents 64.8% of total private employment.

Any analysis of the evolution of employment in the present economic environment must take into account the heterogeneous structure of the private sector, which includes a segment made up of *small enterprises* (up to 50 workers), constituted by a group of microenterprises (up to 5 workers) and small enterprises (6 to 50 workers)

FIGURE 2

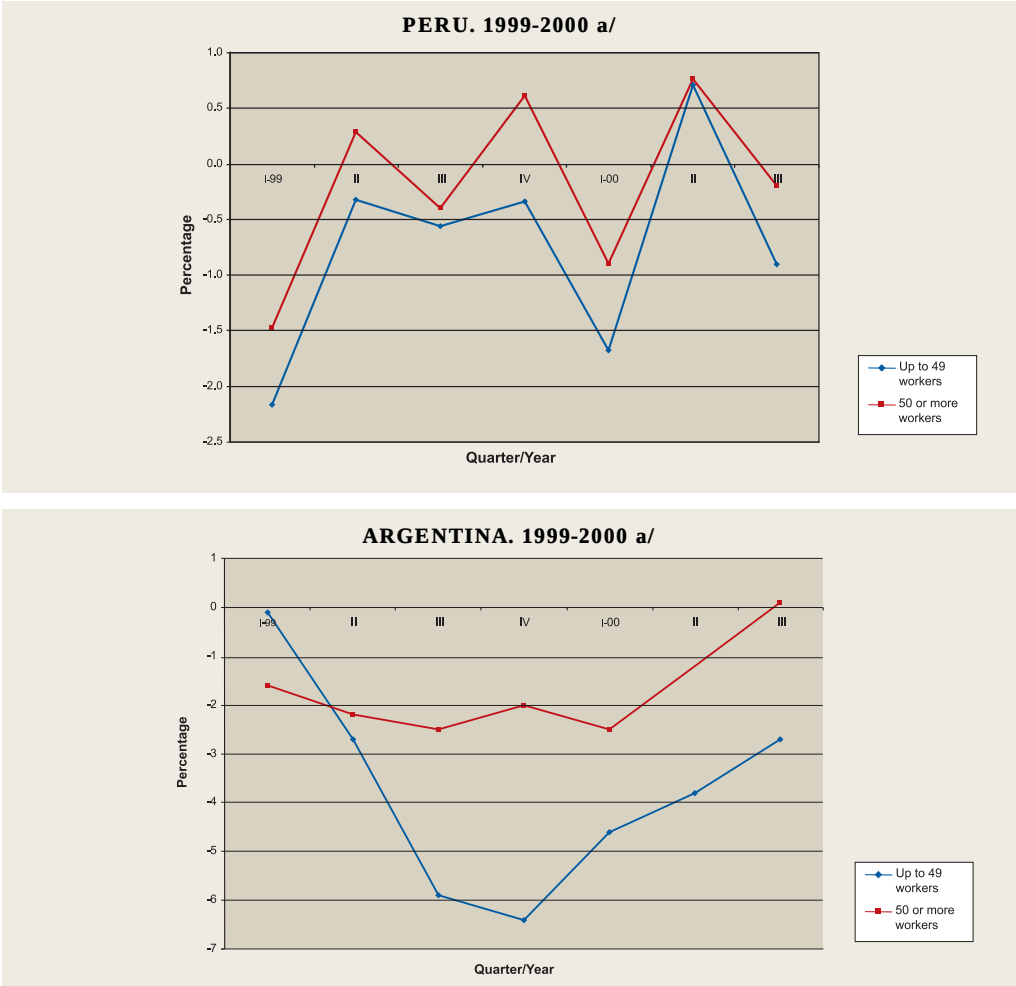
LATIN AMERICA: SELECTED COUNTRIES
EMPLOYMENT VARIATIONS BY THE SIZE OF ENTERPRISES



Source: ILO, based on official country data.

FIGURE 2 *(continued)*

LATIN AMERICA: SELECTED COUNTRIES
EMPLOYMENT VARIATIONS BY THE SIZE OF ENTERPRISES



Source: ILO, based on official country data.

a/ In Argentina and Peru, the segment constituted by small enterprises (up to 49 workers) includes only enterprises with 10 to 49 workers.

characterized by low levels of productivity and wages, as well as by poor social protection and unionization. A segment constituted by *large enterprises* (more than 50 workers) that use modern technology pays adequate wages, provides adequate social protection to workers and concentrates most unionized workers. These enterprises generate a significant part of the product, in spite of their low share in the country's total employment.

The performance of private enterprises in the area of employment generation is examined here in the context of the adjustment processes undergone by three countries (Argentina, Chile and Peru) in the 1999-2000 period; for reference purposes, the case of Mexico in the 1995-1997 period is covered too.

During the recessionary phase, employment in large enterprises quickly declines in all the countries (with employment-output elasticity over 1; in other words, employment contracts faster than the product). Meanwhile, small enterprises show a different behavior in response to the reduction of the levels of activity (Figure 2). In *Argentina* and *Chile*, the number of jobs in small enterprises drops even more quickly than employment in large enterprises. Employment also decreases in *Peru*, although at a smaller rate, while employment in *Mexico's* small enterprises continued to grow steadily throughout the recession.

Under recessionary conditions, employment growth is driven by the large enterprises, while the small ones display a heterogeneous behavior.

In *Chile* and *Mexico*, the expansion of employment in the post-adjustment period was determined by the behavior of large enterprises (Figure 2). However, what sets both countries apart in this area are the different development patterns followed by their respective small enterprises. While employment in Mexican small enterprises registered a moderate and constant increase, Chilean small enterprises showed a poor capacity to create new jobs. As a result, total employment grew in Mexico at a pace that drove unemployment down in a short period of time. Meanwhile, total occupation growth in Chile is still not enough to lead a substantial drop in the unemployment rate (Box 1).

No steady recovery of employment is still in sight in *Peru* in response to the economic recovery. Yet large enterprises are leading total employment variations, followed closely by the small enterprises. Therefore, employment growth in private enterprises has been unsteady. This situation did not translate into higher unemployment thanks to the anticyclic behavior of the informal sector.

Available figures for *Argentina* show that economic recovery notwithstanding, employment continues to fall, albeit at a slower pace, and employment reduction in large enterprises is lower than in the small ones. Therefore, employment continues to decrease and the unemployment rate remains high.

Sectoral composition and quality of employment

Medium-term trends indicate that the increase in employment registered during the decade went along with a series of changes in both the sectoral composition and the quality of employment, that were driven by the process of privatization of the employment structure towards tertiary activities, informality and employment precariousness.

Firstly, the process of *privatization* deepened during the decade, taking into account that 95 out of each 100 new jobs were created by the private sector. Formal employment continued to contract. In this segment, the share of the public sector in total formal employment went down 2.8 percentage points and private employment gained 2.8 percentage points. Medium-size and large enterprises continue to be the most important sources of formal employment.

Secondly, the structure of employment continues to shift towards *tertiary activities*. Eighty-three (83) out of each 100 new jobs created during the decade were provided by the service sector. The importance of good-generating sectors (manufacturing industry, mining, power and water works and construction) in non-farm employment diminished in almost all countries throughout the 1990s, except for Panama and Bolivia, where the share of those sectors increased. In the rest of the countries, the decline of good-generating sectors varied widely in the same period. Argentina (-2.6 percentage points), Brazil (-4.5), Chile (-3.3), Colombia (-3.3), Costa Rica (-7.4), Ecuador (-5.8), Uruguay (-6.9), and Venezuela (-4.9), went through the most significant changes in this area.

Service-generating sectors (commerce, transport, financial enterprises and municipal and personal services) grew region wide, specially in less modern sub sectors, such as the latter. By the end of the decade, this sub sector took the lead at the regional level, creating one out of three jobs. Although with a smaller but growing participation, commerce became the second most important sector, employing one out of four occupied workers.

Thirdly, the steady deepening of *informality* further deteriorates the quality of employment. Available figures show informality growing from 42.8% en 1990 to 46.4% of total employment in 1999. In other words, 60 out of each 100 new jobs were created in the decade in the informal sector (Statistical Annex). Significantly, 1 out of each 3 new informal jobs were created by microenterprises, which constitute the most modern segment of the informal sector.

The most important segment of the informal sector is constituted by independent workers who by the end of the 1990s represent 23.9% of the occupied work force (1.7 percentage points more than in 1990); followed by the microenterprises, which represent 15.8% of the occupied work force (1.1 percentage points more than in 1990) and the domestic service, representing 6.7% of the occupied work force.

Informality grew evenly between men and women, although informal employment represents half of the work force of the latter against men's 43.9%. The same behavior was apparent at the level of occupational sub segments, but with different intensity. Informality among men increased mostly within the segment of independent workers (21.6% to 24.3%) and among women, domestic service attained the highest growth (13.8% to 15.1%).

Lastly, *precariousness* continues to expand among the occupied work force, since increasing informality was coupled with falling social protection for waged workers. Available information indicates that the proportion of waged workers contributing to social security dropped from 66.6% in 1990 to 65.9% in 1999 (Statistical Annex). Reduced contributions are a common feature among formal waged workers, informal workers and men and women alike. As a result, 55 of each 100 new waged workers had access to social protection during the past decade.

Real wage patterns

The purchasing power of real wages improves as a result of growing productivity and a declining rate of inflation during the period (Box 2).

The average *industrial wage* in the countries for which information is available (Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay) shows a 1.2% increase in real terms between the first three quarters of the current year and the same period of 1999 (Statistical Annex), which is similar to the 1.3% average productivity increase registered during the period (Figure 3).

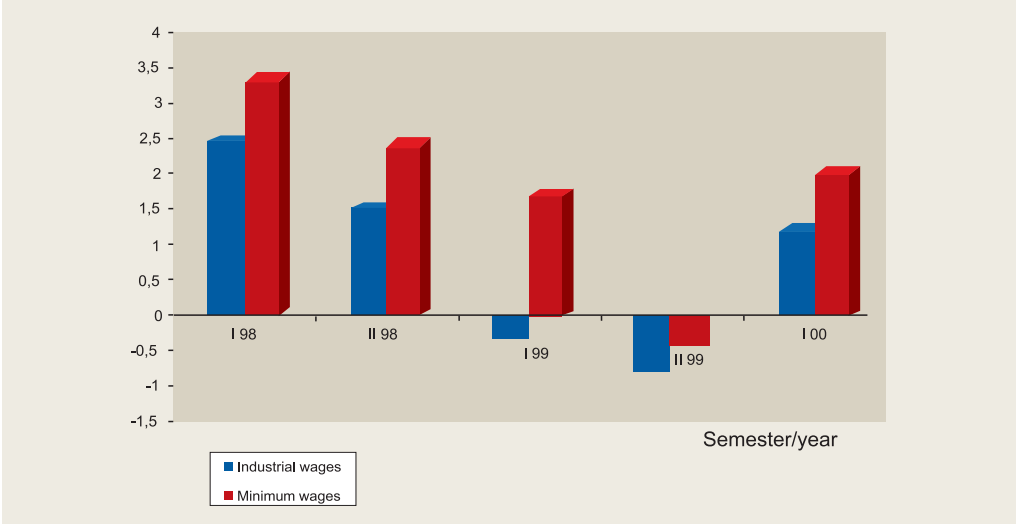
Information for the year 2000 shows real wage gains in the manufacturing industry among the same group of countries, compared with the performance attained in the same period of 1999 (-1.2%). Yet the actual 1.2% increase compares unfavorably with a 2.2% increase registered prior to the Asian crisis (first semester of 1998).

Real industrial wages grow in the majority of the countries under review, although without following a regular pattern: Argentina (0.3%), Chile (1.5%), Colombia (4.1%), Mexico (5.3%), Peru (3.4%), but decrease in Brazil (-1.5%) and Uruguay (-0.9%).

FIGURE 3

LATIN AMERICA : EVOLUTION OF REAL WAGES. 1998 - 2000

(annualized rates of growth)



Source: ILO, based on official country data.

The average *minimum wage* shows a 0.5% increase in real terms during the first three quarters of 2000, with respect to the same period of 1999 (Statistical Annex). The expansion of the minimum wage is lower than the average productivity increase (1.3%) and reflects falling rates of inflation in the majority of the countries under review during this period (Figure 3). Conversely, the purchasing power of minimum wages in Ecuador and Venezuela deteriorated as a result of inflationary and recessionary processes in both countries.

The evolution of the minimum wage varies from country to country. The purchasing power of the minimum wage improves in ten of the sixteen countries for which information is available, going from around 10% in Peru and Chile, to less than 1% in Colombia and Panama. In the remaining seven countries, the real minimum wage drops significantly in Ecuador and Venezuela (-30.1% and –4.3%, respectively) and contracts moderately in other four: Costa Rica (-0.4%), El Salvador (-1.4%), Paraguay (-1.1%) and Uruguay (-1.2%).

The expansion of the average minimum wages shows a declining tendency in the last three years, regardless of lower inflation rates, due to more restrictive minimum wage policies adopted in several countries in response to the new conditions generated by the Asian crisis. The purchasing power of the average minimum wage reached 2.7% in 1998, dropped to 1.7% in 1999 and attained stability at 0.5% in 2000.

Inflation continues to decline due to a steady implementation of policies aimed at preserving macroeconomic stability, as well as a restrictive wage policy aligned with the growth of productivity, in order to compensate to some extent the sharp appreciation of oil prices world wide.

BOX 2

THE PURCHASING POWER OF WAGES

The well-being of workers and their families depends to a great extent on the purchasing power of labour wages. The income of poor workers depends basically on the minimum wage, while the average earnings of higher paid workers are provided by wages. For the purpose of measuring the purchasing power of workers in terms of homogeneous goods among countries, bread is used as a standard referring to the minimum wage, and a low-cost automobile with respect to industrial wages.

Available figures show that the average minimum wage bought 3 kilograms of bread a day in 1995 while the average minimum wage for the year 2000 buys 5 kilograms of bread a day, as a result of an increase of approximately 50% in the last five years; being this figure in line with the growth registered by the index of the real minimum wage in the region between both years. In 2000, a minimum wage can buy 146 kilograms of bread a month. The countries where the minimum wage has a high purchasing power (i.e. 200 or more kilograms of bread a month) are: Argentina (250), Chile (200), Costa Rica (235) and Panama (372). At the other end, the minimum wage commands less purchasing power in Guatemala (76), Nicaragua (85), Peru (69) and Uruguay (85).

Likewise, the same data show that in 1995, a Latin American industrial worker had to work 32 months to buy a modest automobile. In the year 2000, he/she would have to work 35 months, as a result of the reduced purchasing power of industrial wages. Hence, industrial workers would need three more months to purchase the same car as compared to five years ago. Countries enjoying higher levels of purchasing power are Argentina, Brazil, Chile, Panama and Uruguay, where 10 to 20 monthly industrial wages may buy a low-cost automobile in the year 2000. Meanwhile, the purchasing power of industrial wages lags far behind in Bolivia, Ecuador, El Salvador and Honduras, where buying an automobile may require between four and seven years of work from an industrial worker.

The purchasing power of Latin American industrial wages is clearly poor compared to the purchasing power of industrial wages in developed countries. American or French industrial workers only need 4 months work to buy a low-cost automobile. Korean and Italian industrial

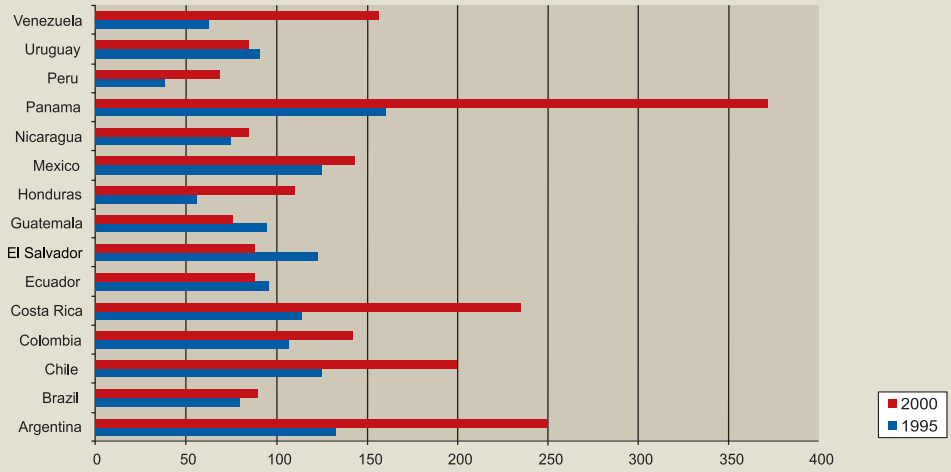
workers only need 5 months work, while their Spanish counterparts have to toil 6 months to reach the same target.

These figures are revealing. In spite of an increase of almost 50% in the last five years, the minimum wage is indisputably inadequate to meet the basic food requirements of a standard household in many countries of the region. On the other hand, the falling purchasing power of deteriorated industrial wages indicates that middle-income workers may have to continue to work an inordinate number of months to buy a low-cost automobile, which is the symbol of modern consumer power of Latin American workers.

Lastly, an international comparison between Latin American industrial wages and those in developed countries reveals that the former are, on average, seven times lower than the latter. Nevertheless, the gap somewhat closes in the face of countries such as Argentina, Chile, Panama and Uruguay, where industrial wages command higher buying power: i.e., one third of the purchasing power of industrial salaries in developed countries. This example highlights not only the existing productivity gap between Latin American and developed countries, but also the higher share of the latter's workers into the profits derived from technological progress in developed nations.

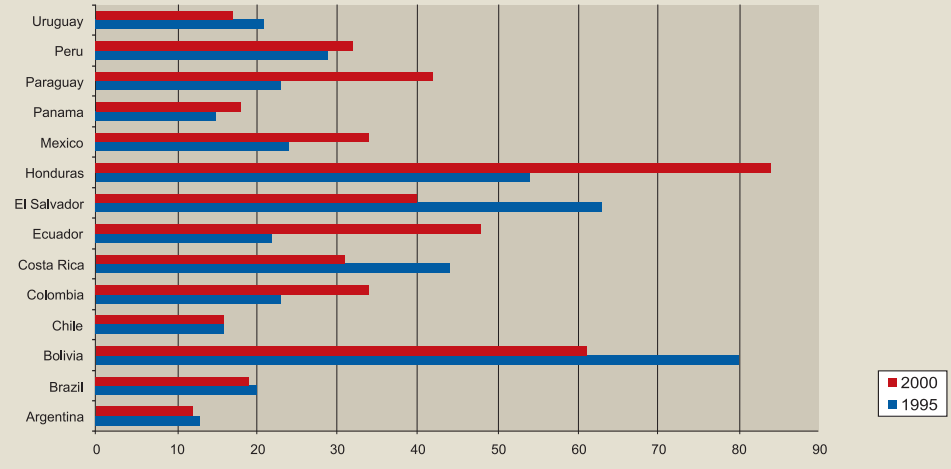
MINIMUM WAGE

Kilograms of bread which can be bought with one month's minimum wage



INDUSTRIAL WAGE

Number of monthly wages needed to buy a low priced car*



Source: **ILO, based on official country data.**
*** 1,000 - 1,500 cc. automobile**

Average inflation in the countries under review reaches 7.9% in the first semester of 2000, below the rates registered in 1998 and 1999. Inflation kept declining in five of the nine countries in question: Chile (3.8% to 3.4%), Colombia (12.7% to 9.4%), Mexico (18.3% to 10.1%), Uruguay (7.4% to 4.3%) and Venezuela (26.1% to 19.1%).

Widespread progress has been achieved in the area of economic stabilization. Only three out of nine countries (Ecuador, Mexico and Venezuela) show inflation rates over two digits. In Brazil and Colombia, rates range from 5% to 10% and the remaining four (Argentina, Chile, Peru and Uruguay) have annual inflation rates under 5%.

Labour progress in Latin America

As was previously stated, the quality of the labour market performance in the year 2000 was lower than expected, although economic activity is expanding faster than anticipated. Overall, unemployment does not give ground in the region. Yet the purchasing power of industrial and minimum wages grows and productivity improves. The sole exception in this general picture is Mexico, where unemployment is steadily abating along with a fast expansion of real wages and productivity, as a result of a solid economic recovery.

This section assesses labour progress in the region during the 1990-2000 period, from a medium-term perspective. As in previous analysis (ILO, *1993-1999 Labour Overview*), the view to this issue is that labour progress depends on the performance of employment, real wages and productivity. In operational terms, labour progress is measured on the basis of an index made of five basic indicators: unemployment, informality, industrial wages, minimum wages and productivity. The index varies directly with respect to changes in the last three indicators and inversely to changes in the first two (unemployment and informality).

In order to examine the trends of labour progress, two dimensions must be taken into account. The first one relates to the evolution of the absolute level of labour progress in each country. This approach helps to gauge the different patterns (progress, stagnation, setback), provided that the last year of the period under review is higher, equal or lower than the first year. The second dimension involves the evolution of the relative level of labour progress; i.e. the changes registered by each country with respect to all the others during the period under review.

Data used to conduct this analysis relate to the basic indicators previously discussed (Statistical Annex). In order to determine the relative level of labour progress of the countries during the period in question, data on unemployment and informality included in this report were complemented with information about the level of industrial and minimum wages and productivity, measured in US dollars and adjusted to the rate of exchange. Besides, the analysis covers two different periods (1990-1997 and 1997-2000), for the purpose of evaluating the impact of the adjustment policies implemented in the face of the Asian crisis on the region's labour performance.

The evolution of the previously described indicators shows the following trends on labour progress in the region for the 1990-2000 period.

The evolution of the *absolute level of labour progress* highlights the fact that progress achieved in the 1990-1997 period was halted by the negative effects of the adjustment policies adopted to deal with the Asian crisis, on the performance of the labour market in the countries under review (Table 1). In that period, the labour situation improved in the majority of the countries in question (13 out 15): Brazil, Chile, Costa Rica, El Salvador, Panama, Paraguay and Peru; stagnated in six countries: Argentina, Bolivia, Colombia, Honduras, Mexico, and Uruguay and deteriorated only in Ecuador and Venezuela.

Whenever takes place, labour progress is associated most of the time with reduced unemployment, a moderate increase of productivity, better industrial and minimum wages and growing productivity. Chile is the sole country where the whole set of labour progress indicators improved during the 1990-1997 period.

TABLE 1

LATIN AMERICA: SELECTED COUNTRIES
EVOLUTION OF LABOUR PROGRESS BY LEVELS. 1990-2000

Relative level of labour progress. 1990 a/	Country/Period	1990-1997	1997-2000	1990-2000
HIGH	Brazil	↑	↓	↔
	Chile	↑	↓	↑
	Mexico	↔	↑	↑
MEDIUM-HIGH	Argentina	↔	↓	↓
	Costa Rica	↑	↔	↑
MEDIUM	Ecuador	↓	↓	↓
	Panama	↑	↔	↓
	Paraguay	↑	↓	↓
	Uruguay	↔	↔	↔
MEDIUM-LOW	Colombia	↔	↓	↓
	Honduras	↔	↑	↑
	Venezuela	↓	↔	↓
LOW	Bolivia	↔	↔	↔
	Peru	↑	↓	↑
	El Salvador	↑	↓	↑

Source: ILO, based on the Statistical Annex.
a/ The following indicators were used to measure the relative level of labour progress in 1990: urban unemployment rate, share of the informal sector in total non agricultural employment, purchasing power of industrial and minimum wages, both expressed in comparable measurement units in the countries, and the productivity.

Note: The arrows indicate the direction of changes to labour progress:
↑ Progress ↓ Setback ↔ Stagnation

Wherever the labour situation stagnated, improvements in any given indicators were neutralized by the deterioration of other indicators during that period. The countries that manage to reduce unemployment, did it through a slight reduction of productivity or in a context of declining productivity and real wages. In other countries, improved productivity was coupled with the deterioration of the level and quality of employment (increasing informality) and mixed results with respect to the evolution of real wages. Lastly, the countries where the labour situation has deteriorated feature increasing unemployment and informality, as well as falling real wages and productivity.

The policies implemented to deal with the Asian crisis inflicted setbacks even to those countries that had made progress in the labour area throughout the decade. Thus, in the post-adjustment period (1997-2000), only two countries (Mexico and Honduras) preserved their labour progress because they were left untouched by the effects of the Asian crisis. Meanwhile, labour progress relapses or stagnates in the majority of the countries. The indicators showed deterioration of the labour situation in eight (8) out of fifteen (15) countries (Argentina, Brazil, Chile, Colombia, Ecuador, El Salvador, Paraguay, and Peru), and stagnation in five (5) countries

TABLE 2

LATIN AMERICA: SELECTED COUNTRIES
RELATIVE LEVEL OF LABOUR PROGRESS. 1990-2000

1990-1997

1990/2000	High	Medium-High	Medium	Medium-Low	Low
High	Chile Brazil	Costa Rica			
Medium-High			Uruguay		
Medium	Mexico	Argentina			El Salvador Bolivia
Medium-Low			Panama	Colombia Honduras	Peru
Low			Ecuador Paraguay	Venezuela	

1997-2000

1990/2000	High	Medium-High	Medium	Medium-Low	Low
High	Costa Rica Chile		Mexico		
Medium-High	Brazil		Argentina	Panama	
Medium		Uruguay El Salvador		Honduras	
Medium-Low		Bolivia	Peru		Venezuela
Low				Colombia	

1990-2000

1990/2000	High	Medium-High	Medium	Medium-Low	Low
High	Chile Mexico	Costa Rica			
Medium-High	Brazil	Argentina	Panama		
Medium			Uruguay	Honduras	El Salvador
Medium-Low				Venezuela	Peru Bolivia
Low			Ecuador Paraguay	Colombia	

Source: ILO, based on the Statistical Anex.

(Bolivia, Costa Rica, Panama, Uruguay and Venezuela) . In Honduras and Mexico, labour progress continued regardless of the crisis.

The labour performance of the region during the last decade of the XX century was erratic, since economic recovery was affected by the so-called "tequila" crisis in 1995 (which had limited effects), and the 1998-99 "Asian" crisis, which hit a larger number of nations. Six countries show labour progress (Chile, Costa Rica, El Salvador, Honduras, Mexico, Panama and Peru), while three others stagnated (Bolivia, Brazil and Uruguay). Lastly, the indicators showed a deteriorated labour situation in Argentina, Colombia, Ecuador, Paraguay and Venezuela.

The slight and unsteady recovery of the labour situation that took place in the last decade, failed to compensate the damage caused by the foreign debt crisis in the 1980s. Comparing the index of labour performance between the year 2000 and the 1985, it shows improvements in only five (5) countries (Bolivia, Chile, Costa Rica, El Salvador and Uruguay). Meanwhile, the situation deteriorated in six (6) countries (Argentina, Brazil, Ecuador, Paraguay, Peru and Venezuela) and remained constant in four (4) countries (Colombia, Honduras, Mexico and Paraguay). It should be noted also that the different components of the index display a diverse behavior. On one hand, most countries feature improved levels of productivity and industrial wages, but not with respect to minimum wages. On the other, informality expands in almost all of them, while the unemployment rate drops in eight countries, rises in six and remains constant in one. Therefore, the deterioration of employment quality, reinforced in Argentina Bolivia, Brazil, Ecuador and Paraguay, by insufficient generation of new jobs, appears to be the prevalent problem.

The relative level of *labour progress* is elicited by comparing the position of each country with respect to all the others during the 1990-2000 period. As in the previous analysis, the period preceding the Asian crisis (1990-1997), as well as the post-adjustment (1997-2000), are taken into account into the former. Table 2 displays the situation in the different countries in 1990 (above-right) and 2000 (below-left) by descending levels of progress for both years.

The countries located along the diagonal maintained in 2000 the same level of progress achieved in 1990. Those below it registered lower progress and those above it improved their relative position.

Five (5) out of fifteen (15) countries maintained their relative position of labour progress between 1990 and 2000 (Argentina, Chile, Mexico,Uruguay and Venezuela). Six (6) countries managed to improve their relative position of labour progress (Bolivia, Costa Rica, Honduras, El Salvador, Panama, and Peru). But the majority of them failed to go beyond the second step, except for El Salvador, which moved from a *low* position in 1990 to a *medium* one in the year 2000. Regarding the evolution of the countries that succeeded in maintaining or reaching a high level of labour progress, it should be underlined that Chile and Costa Rica began their respective processes of productive change in the 1980s, while Mexico emerged from the crisis (1995-1996) riding on a fast and sustained process of growth and with the capacity to create enough jobs to reduce unemployment and apply increasing productivity to improve real wages.

Conversely, four (4) countries (Brazil, Colombia, Ecuador and Paraguay) suffered setbacks in terms of labour progress between 1990 and 2000. But these countries have a diverse relative position. Brazil moves from a *high* level in 1990 to a *medium-high* position in 2000. The situation of the remainder three (3) countries is different. All of them relapsed: Ecuador and Paraguay moved from a medium level for 1990 to the low level in 2000, while Colombia dropped from the *medium-low* level to the *low* position.

Unemployment and product projections. 2000-2001

The regional GDP is expected to reach over 4% during the second semester of 2000 and throughout the year 2001 (Statistical Annex). This performance would help to reduce the regional unemployment rate from 9.0% in 2000 to 8.1% during 2001 (Figure 4).

Although the maintenance of the current unemployment rate would appear to be inconsistent with the level of economic recovery already achieved, this behavior responds to the fact that both the labour supply and employment show similar dynamics in the face of the expansion of the economic activity. However, it is expected that this trend will change in the second semester of 2000, since labour supply-output elasticity is expected to be lower than employment-output elasticity in an expansionary context during the year 2001. In this respect, it should be underlined that including the last quarter of 1999, the region would register nine quarters of continuous growth at an average rate of 4.2% between 1999 and 2001.

GDP growth expectations for the year 2001 overtake those for the year 2000 in the nine countries under review, except for Mexico and Chile: Argentina (1.2% for 2000 and 3.7% for 2001), Brazil (4.0% and 4.2%), Colombia (2.0% and 3.8%), Ecuador (0.5% and 3.5%), Peru (4.0 and 6.0%), Uruguay (0.5% and 4.0%) and Venezuela (2.5% and 3.0%). Mexico would grow 4.8% in 2001, a rate lower than the expected 6.8% for 2000, while Chile would drop from the expected 5.8% for 2000 to 5.5% in 2001.

It is expected that the estimated increase of the GDP will translate into a drop of 0.9 percentage points of the average unemployment rate in the year 2001 with respect to 2000. Major reductions will take place in Colombia (from 20.0% for 2000 to 17.5% in 2001), Uruguay (13.5% to 12.5%), Argentina (15.2% to 13.8%), Chile (9.3% to 8.3%), Ecuador (15.4% to 14.0%) and Venezuela (14.3% to 13.0%). Brazil is expected to register a more moderate decline (7.5% to 6.6%) and the rest of the countries would show as a whole a 1 percentage point cut of the unemployment rate.

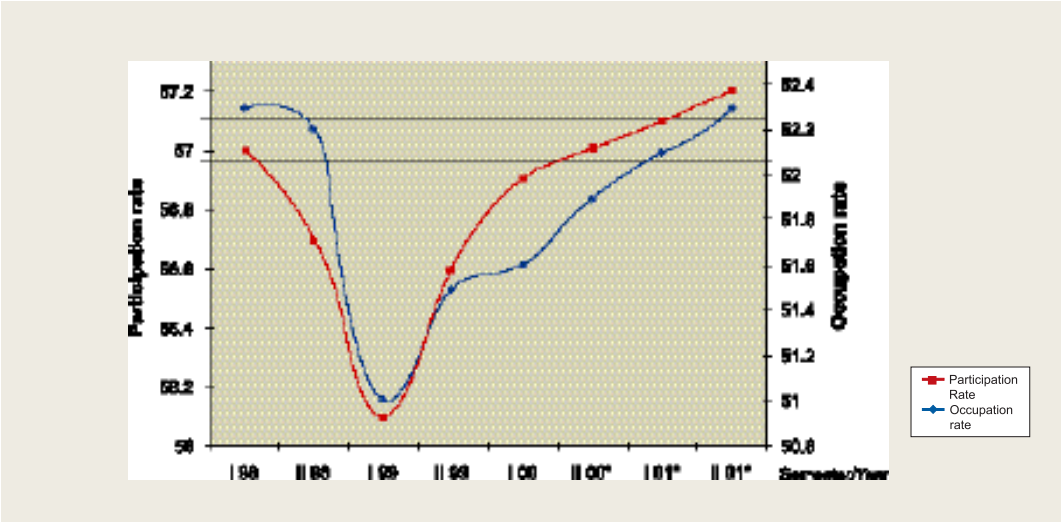
These diverse growth prospects do not have a significant effect on the evolution of unemployment. Indeed, unemployment rises even in countries where GDP growth rates exceed the regional average in 2001 but register deceleration with respect to the previous year. This would be the case of Mexico, where product growth is expected to slowdown in the year 2001 (4.8%) as compared to 2000 (6.8%) and unemployment increases (2.7% against 2.3%).

Projections for the years 2000 and 2001 indicate that the economic recovery will effect changes to labour supply-output and employment-output elasticity throughout the period (Figures 4 and 5). After an increase of the labour supply recorded at the beginning of the recovery process,

FIGURE 4

LATIN AMERICA: LABOUR SUPPLY AND EMPLOYMENT. 1998 - 2001*

(percentages)

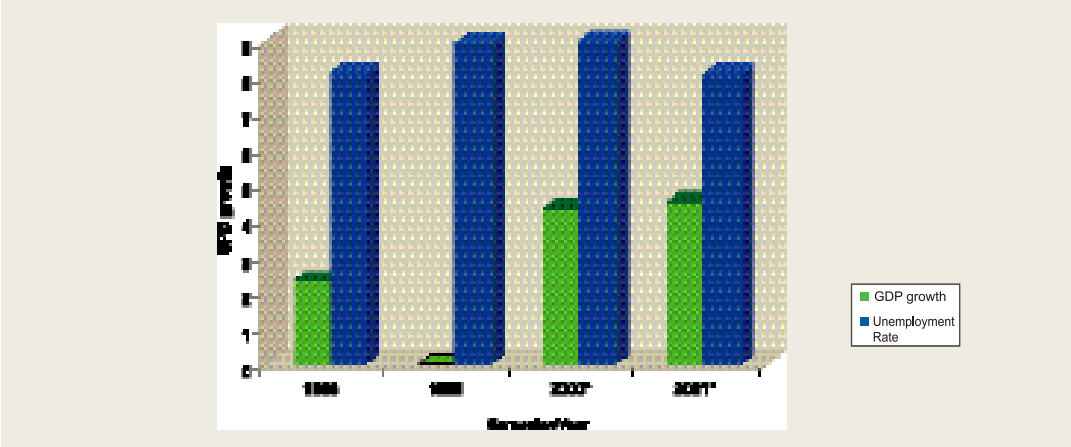


Source: ILO, based on official data and estimations, and the Unemployment Projection Model.
*Estimates.

FIGURE 5

LATIN AMERICA : GDP GROWTH AND UNEMPLOYMENT. 1998-2001*

(percentages)



Source: ILO, based on official data and estimations, and the Unemployment Projection Model.
*Estimates.

it is expected that the growth of the participation rate will slow down once the economy reaches its pre-crisis levels. The rate of participation in the first semester of 2000 (56.9%) is close to the prevailing rate in the pre-crisis period (57.0%). Under these conditions, it is expected that the rate of participation will grow 0.6% in 2001, to reach 57.2% by the end of the year.

The occupation rate reaches 51.6% in the first semester of 2000, below its pre-crisis level of 52.3%. It is estimated that the economic recovery would lead to a 1.4% annual increase of the occupation rate in 2001, thus reaching its 1998 level. As a result, the employment level of the pre-crisis period would be reinstated two years and a half after the inception of the crisis.

SPECIAL SUBJECT

More and better employment opportunities for youths

Cutting down increasingly high levels of youth unemployment was one of the most pressing challenges faced by Latin American countries in the early 1990s. By the end of the last decade, a global look into the situation of youths in the region reveals that notwithstanding a moderate expansion of the work force, the problem of youth unemployment continues to be unresolved. Besides, the declining quality of jobs available for young people highlights their peculiar occupational vulnerability, regardless of improvements in their education level.

The purpose of this section is to examine the situation of young people in the labour market on a regional level, on the basis of data provided by household surveys conducted in the labour market during the 1990-1999 period in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

The conclusions of this review are as follows:

The occupational situation of the youth does not improve in the 1990s

- *Unemployment grows swiftly in spite of a moderate expansion of the work force.* The youth rate of unemployment doubled, climbing from 7.9% in 1990 to 16% in 1999; almost twice the average regional rate of unemployment.

- *Unemployment continued to hit the poor, women and teenagers hardest (15 to 19 years of age).* By the end of the decade, the rate of unemployment reached 24.6% among the poor, against 11.5% among rich youngsters, 20.1% among women and 19.9% among younger teens (15 to 19). Yet unemployment among youngsters (20 to 24 years of age) increased less than in the other groups, moving from 7.5% in 1990 to 13.3% in 1999.

- *The rate of youth participation in the labour market comes to a standstill.* Low growth of both the EAP (1.8% per year) and the young population (1.8% per year) came along with a 23.6% to 27.4% increase of the rate of schooling between 1990 and 1999, but also with a declining proportion of youths who are idle and out of school. Thus, the rate of youth participation remained at around 58% (69.9% among men and 46.6% among women). Besides, the annual growth of youth EAP was comparatively higher among the poor sectors (2.6%) and women (2.8%).

- *These figures contrast with those of OECD countries,* where the rates of participation for young male and women are 30% and 39%, respectively. On the other hand, the rate of schooling achieved by young Latin Americans (27%) is too low if we compare it with the prevailing rate in developed countries (36%).

- *Youths have a hard time securing a job: the rate of occupation drops.* Youth rate of occupation drops as a result of slow employment growth (0.8% per year) in relation to the expansion of the young population (1.8%) . Employment generation betrays an age bias. While the adult population increased at an annual rate of 3.3% during the period, 7 out of 100 new hired were youths and 93 were adults. Besides, access was harder to youth in the formal sector, since 100% of new employment was created in the informal sector.

- *Employment opportunities still vary according to socioeconomic level and sex.* By the end of the decade, the rate of occupation among the poorest youths (43%) is lower than that of the richest youngsters (53%), and the rate among young women (37%) is lower than the male rate (61%).

The quality of youth employment deteriorates

• *The total of new youth employment was created in the informal sector* (+ 2.5% per year) and employment informality increased from 42% in 1990 to 47% in 1999. This increase took place in every branch of economic activity, particularly in the construction industry, where it climbed from 54.6% to 70% in the period under review.

• *Social security coverage dropped among youth from 44% in 1990 to 38% by the end of the decade, following a 7.2% reduction of young affiliates throughout the period.*

• *Almost all newly-created jobs were part-time ones (less than 20 hours per week), affecting youths occupied in both the formal and informal sectors. Moreover, youths have longer work days, specially in the private and public formal sectors.*

• *Wage trends are an exception, since the income gap between youths and adults is slightly narrowing.* Yet income inequality is still high among youths. At the end of the decade, the wages of workers occupied in the informal sector are 44% lower than those in the formal sector; i.e. 5 percentage points more than the gap recorded in the early 1990s.

Better education does not necessarily guarantee a greater access of youths to employment opportunities

• *The rate of unemployment increased and the quality of employment deteriorated at the end of the period, in spite of the fact that youths were better educated.* Among the unemployed, the percentage of youths with less than six years of schooling drops from 30% in 1990 to 21% in 1999, and the male-female gap narrows. Among women, only a 17% has less than 6 years of schooling and 41.8% has over 10 years. Occupied youths have a lower level of schooling than the unemployed: 26% of them have less than six years of schooling and 33% have over 10 years (36% among the unemployed).

• *Nonetheless, the expansion of employment – insufficient as it is- goes along with better education.* The employment of youths with more than 10 years of schooling grew 2.5% per year, while the employment of poorly educated youngsters (less than 6 years of schooling) contracted during the period (-2.9%). In the 1990s, the occupation of youths in the 20 to 24 year old age group increased 2.9% per year, but declined among youths who have low levels of schooling (-1.9).

• *Level of jobs and wage improvements are positively linked to school attendance. The average income of occupied youths with higher education is 4.6 times over the income of those who have attained basic education. This development shows that the so-called education prize grows as school attendance increases. Thus, a high-school degree increases a worker's income by 46.3%, with respect to workers with basic education. Besides, this study confirmed that the growth of real wages is directly proportional to the educational level achieved by workers throughout the decade.*

• *The level of education improved specifically among workers occupied in the informal sector.* Occupied informal workers with more than 10 years of schooling increased at an annual rate of 6.5%. (against 3.8% in the formal sector); progress is greater among workers employed in microenterprises (+ 7% per year). Yet the educational gap is still large between workers employed in the formal and informal sectors. In the formal sector, half of them have more than 10 years of schooling against 60% in the public sector, while only one out of every four workers employed in the informal sector has attained that level.

More and better employment opportunities must be created for youths

• *Economic growth is essential but fails to improve the access of youths to the labour market.* An annual rate of GDP growth over 7.0% -which is hardly achievable according to current projections- would be required just to maintain the rate of unemployment of the late 1990s.

• *Therefore, new efforts should be made to widen employment opportunities consistent with increasing educational levels among youths.* Adequate conditions should be created to incorporate young workers into microenterprises, while the public and private sectors should do the same in the area of community services and the service sector, respectively.

• *The educational system should focus on improving the employability of young people.* Employment oriented training should focus on creating mechanisms that emphasize on the job training in private enterprises and the public sector, as a substantive component of training programs and labour insertion.

A. The occupational situation of youths does not improve in the 1990s

1. Youth unemployment grows in the 1990s

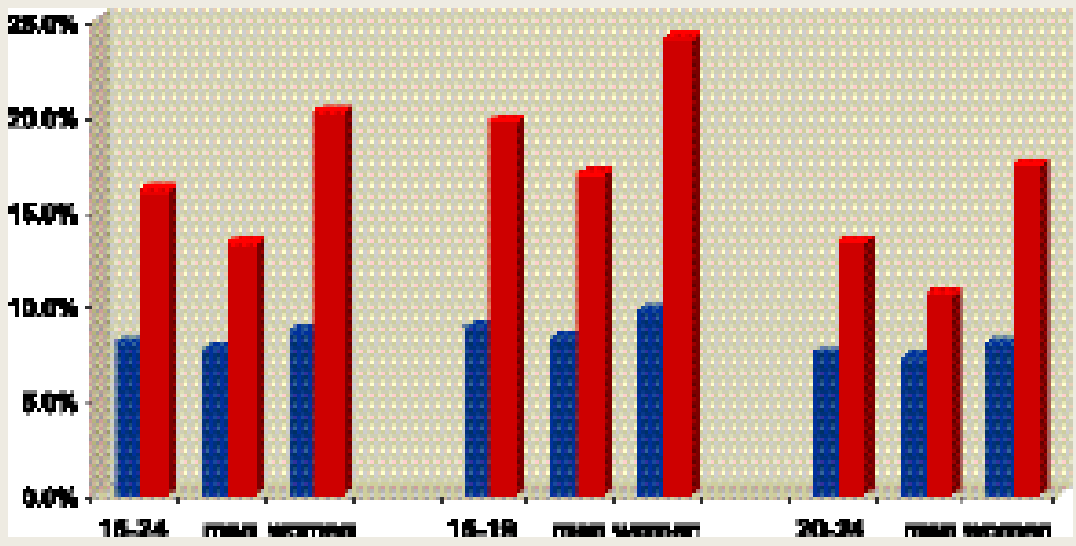
The rate of youth unemployment doubles. In spite of the poor growth of the youth EAP, the rate of unemployment doubled among young people, climbing from 7.9% in 1990 to 16% 1999 (Figure 1a); i.e. almost twice the average regional rate of unemployment (9%). Another way of confirming this trend is provided by the fact that 6 out of each 10 new youths entering the EAP during the decade were laid off.

An additional feature of youth unemployment is the relative increase of the number of youngsters who are looking for jobs for the first time with respect to unemployed workers (31% in 1990 to 42% by the end of the decade) (Annex, Table 2). As mentioned earlier, there are signs to the effect that the chances of finding employment depend to a great extent on the labour experience of the job seeker. Thus, a substantial portion of unemployed youths are caught in a vicious circle, where there is no way of finding a job without previous experience, nor the chance of acquiring previous experience without the opportunity of having a job.

Youth unemployment is higher among the poor. Unemployment is comparatively higher among youths who belong to the poorest segments of society. By the end of the decade, the rate of unemployment rises regularly from 11.5% in the richest quintile to 24.6% in the poorest (Figure 2a). In other words, one out of each nine young workers are unemployed in the richest quintile, while unemployment affects one out of four in the poorest quintile.

FIGURE 1a

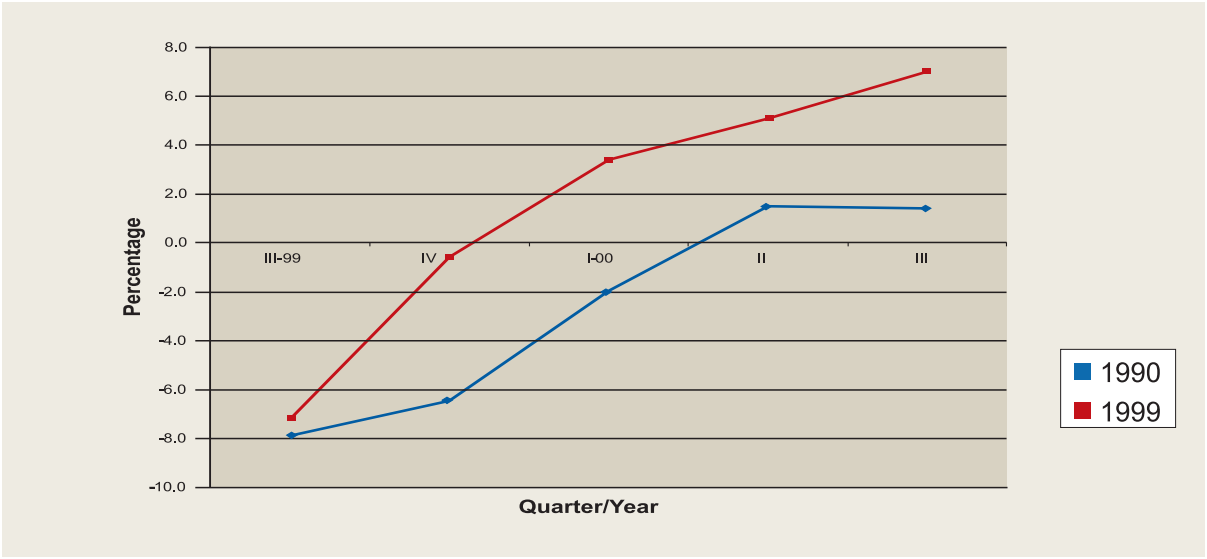
LATIN AMERICA : SELECTED COUNTRIES
RATE OF UNEMPLOYMENT BY AGE GROUP AND SEX. 1990-1999
(percentages)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

FIGURE 2a

LATIN AMERICA: SELECTED COUNTRIES
RATE OF UNEMPLOYMENT BY INCOME QUINTILE. 1990-1999
(percentages)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

Yet the number of the unemployed grows swiftly in all other economic segments, with the richest quintile showing the most significant shift by increasing three-fold in the decade. Indeed the richest quintiles display a higher rate of "new unemployed-new EAP" than the poorest ones. In the latter, although the EAP expanded quickly, access to employment grew essentially in the informal sector and part-time arrangements.

Young women are more affected by unemployment than young men. The number of unemployed young women almost triplicated during the decade, against a twofold increase for men. The female rate of unemployment rose more than twofold in the period (from 8.5% in 1990 to 20.1% 1999), particularly in the poorest households, climbing to 31.6% in the first quintile by the end of the decade.

Thus, the proportion of unemployed young female in total unemployment increased from 40% in 1990 to 51% at the end of the decade. While the participation of the young female EAP in the female work force also grew (from 37% to 40%), unemployment among young women is totally out of proportion with respect to their participation in the EAP.

2. Youths participation rate stagnated

Examining the participation of youths in the labour market is of the utmost importance. First of all, the expansion of the youth work force is directly related to an increasing chance of being laid off, since poorly qualified youths, failing to displace adult workers, generally compete among themselves. Secondly, a high rate of youth participation is a negative indicator because it reflects an early withdrawal from the formal educational system to take highly precarious jobs. On one hand, this situation restricts young people's possibilities to invest in the development of their basic human capital, as well as the return of their future investment in training activities. Besides, it also entails the fulfillment of a highly likely scenario where youths may become trapped in low quality, low productivity and poorly educational labour circles. In other words, a condition denoting not only

a poor current labour positioning, but also a heavy mortgage on their future. The highlights of the evolution of the youth work force are as follows:

Stagnation of the participation rate around 58% throughout the period. The youth work force did not expand. Its 1.8% annual rate of growth is considerably lower than the adult EAP during the decade. Thus, the youth work force moved from 27.2% of the total in 1990 to 24.4% by the end of the decade. (Annex, Table 1). The slow growth of the youth EAP was basically influenced by the following factors:

Firstly, the population and the youth EAP experienced a moderate expansion: both grew at an annual rate of 1.8%, which explains why the rate of youth participation remained constant during the period. Conversely, the adult population increased at an average annual rate of 2.7% (Figure 3a), while the corresponding EAP grew 3.6% per year.

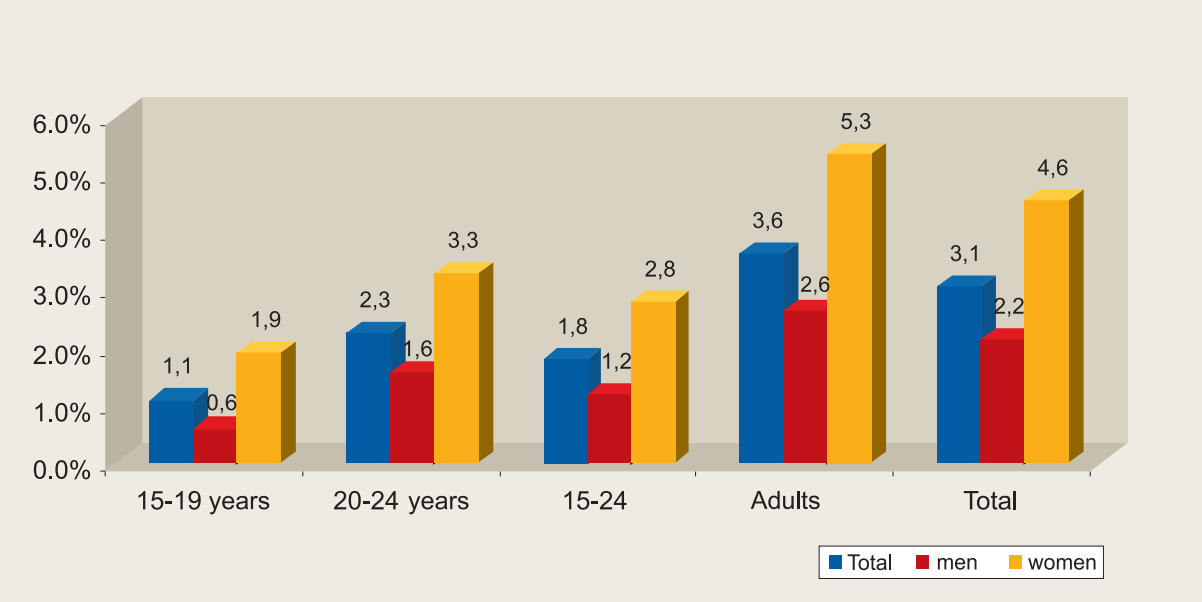
Secondly, school attendance increased among youths. During the 1990s, school attendance shows a clear and regular upward tendency (Figure 4a). In the countries under review, the proportion of youths with over 10 years of schooling grows from 26% in 1990 to 34% in 1999. This trend is fully consistent with another important figure: while the youth population expanded at an annual rate of 1.8% during the period, the number of students grew 3.6%. Therefore, the proportion of students in the youth population increased from 23.6% to 27.4% between 1990 and 1999, respectively. In this regard, it is reasonable to predict that a growing number of youths will make efforts to work while continuing to improve their education, thanks to increasing flexibility in terms of work schedules and contractual arrangements, and larger incentives to promote investment in the area of human capital.

Thirdly, the proportion of youths who are idle and off the school system, a source of major social and labour concerns, dropped 6.9% during the period.

Another explanation to the behavior of the youth rate of participation has to do with the reaction of the youth population to the economic cycle. According to the concept of *added worker*, when parental unemployment cuts down the family income, youngsters may feel encouraged to drop out of school in order to look after a source of income, thus increasing the rate of participation.

FIGURE 3a

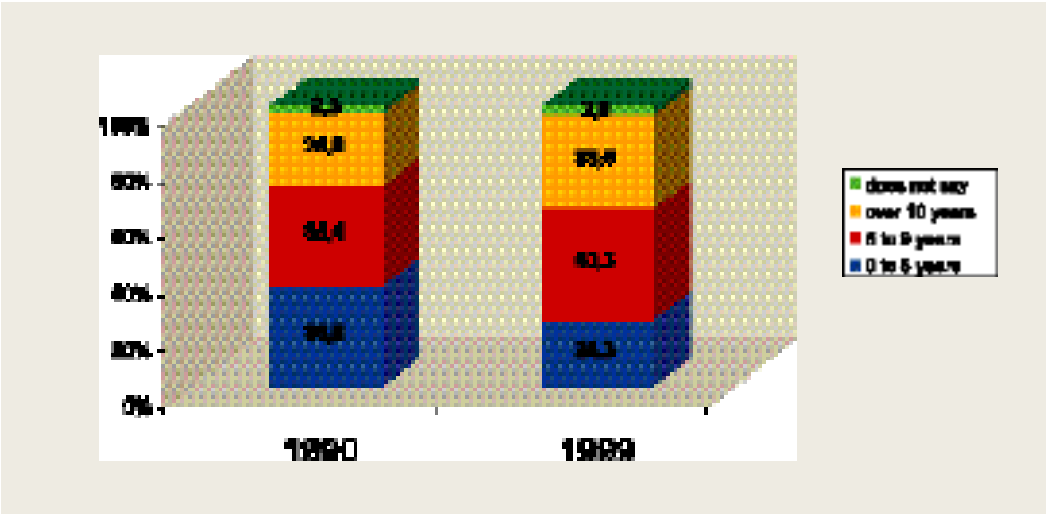
LATIN AMERICA: SELECTED COUNTRIES
EAP EXPANSION 1990-1999
(average annual percentages)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

FIGURE 4a

LATIN AMERICA: SELECTED COUNTRIES
YOUTH POPULATION: SCHOOL ATTENDANCE 1990 AND 1999
(percentages)



***Source*:** ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

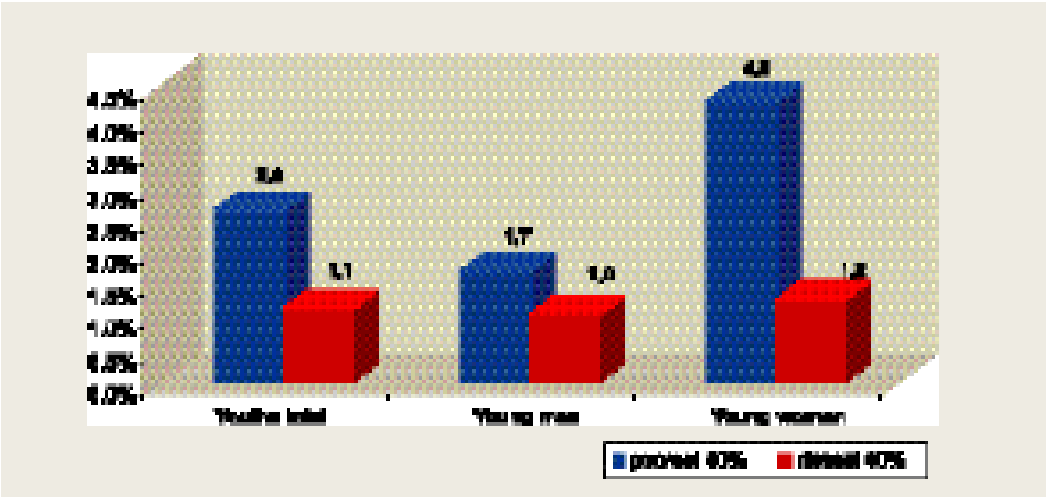
Conversely, the notion of *discouraged worker* suggests that even the slightest chance of landing a job (in view of the general rate of unemployment) increases the profitability of using idle time to accumulate human capital by remaining longer in the formal school system or in other training opportunities, driving down the rate of participation. In order to gather more information on this issue, the situation of young people in the different income quintiles should be differentiated (Figure 5a).

Faster expansion of the youths poor work force. The expansion of the youth work force highlights significant differences by economic bracket. The work force grew at an average annual rate of 2.6% among poor youths (first two quintiles), but registered a much lower rate (1.1%) among youths pertaining to higher quintiles.

These differences may be explained to a certain extent by demographic factors: the poorest segments of the young

FIGURE 5a

LATIN AMERICA: SELECTED COUNTRIES
EAP EXPANSION BY INCOME QUINTILE AND SEX. 1990-1999
(annual growth percentages)



***Source*:** ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

population expanded at a 2.3% annual rate, which is considerably higher than the 1.5% increase in the richest quintiles.

Besides, the participation rate of the poorest segments of the young population expanded quickly (from 53.3% in 1990 to 54.8% in 1999), while the participation of the richest segments contracted from 62% to 60.1% in the same period. With regard to the first quintiles, the figures show two opposing effects. On one hand, the efforts made by the countries to increase the school coverage and ensure school attendance appear to have been fruitful, to the extent that the expansion of the student population (slightly over 3.8% a year) was comparatively larger among these youths. However, this effect might have been outstripped by the scope of the number of youths seeking employment, most likely driven by a declining family income. As we will see below, most of them may have lost their jobs. As far as the youths in the higher quintiles, the drop in the rate of participation may have been caused basically by a strong expansion of the school population (3.5%), which went mostly uncontested by the need to seek income from work.

Lastly, each and every quintile reflected a sharp decrease in the number of idle youths who are off the school system, –15% in the richest quintiles. This feature shows that these youths chose either to join the school population or to go out actively hunting for employment.

Youth labour supply and school attendance. The analysis of this issue shows significant changes when the focus is placed only on 15 to 19 year old teenagers, whose behavior varies widely with respect to the 20-24 year old age group.

The 15 to 19 year old work force expanded comparatively less (1.1% a year) than the rate for the 20 to 24 year old age group (2.3%). This goes associated to some extent to a smaller demographic expansion of the 15 to 19 year old age group (1.6% per year), as compared to the 20 to 24 year old age group (1.8%), but most importantly by a sharp decline of the rate of participation of the youngest group from 48.5% in 1990 to 46.3 in 1999 (Annex, Table 1). This behavior is at odds with the findings related to the 20 to 24 year old age group, whose rate of participation rose from 68.9% to 71.7% between 1990 and 1999, respectively.

The reduction of the rate of participation among teenagers (15 to 19 years of age) is directly related to the significant expansion of the student population in this age group, which rose at an annual rate of 3.1% during the period (against an annual rate increase of 1.1% for the respective population). Therefore, the proportion of students in the total population of this age group climbed from 36.9% in 1990 to 42.1% in 1999. Another significant figure reinforcing the previous findings is that the proportion of teenagers in the 15 to 19 year old age group with over 5 years of school attendance jumped from 61% to 75% in the same period.

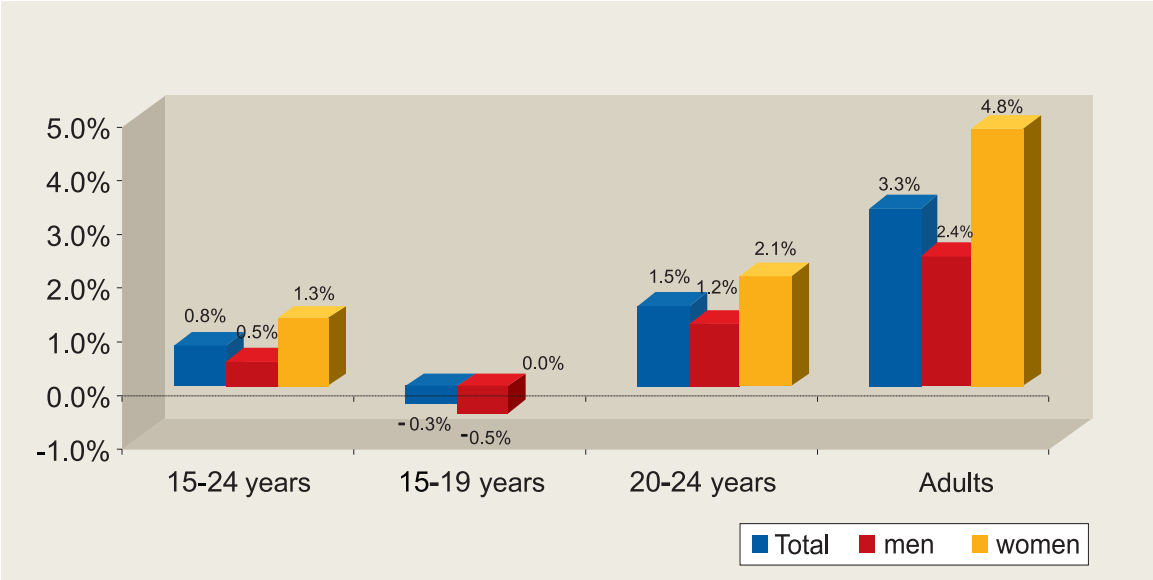
What distinguishes both age groups is the increasing number of individuals who are seeking employment. This trend is comparatively more important in the 20 to 24 year old age group than in the 15 to 19 year old age group, because the latter was displaced from the market (absolute reduction of employment) while the level of occupation in the former was on the rise.

Fast incorporation of young women into the work force. One of the most important features of the period under review is the growth of the young female EAP, reaching an annual rate of 2.8%, while the demographic expansion of this group showed a 1.8%. This meant that seven out of each ten young women entered the work force and three remained idle during the period. Along with a 1.2% rate of expansion of the work force of young male (substantially lower than the groups' rate of demographic growth), the proportion of women in the youth EAP grew slightly over 40% in the period.

Yet the expansion of the adult female work force (5.3% per year) was significantly larger than the growth of the youth work force, albeit starting from a smaller proportion (young women represented 37% of the total youth EAP, while adult women represented 34.8% of the EAP in 1990) leading in the late 1990s to a similar participation in the respective work forces (40%) by young and adult women.

FIGURE 6a

LATIN AMERICA: SELECTED COUNTRIES
EXPANSION OF THE OCCUPIED BY AGE. 1990-1999
(annual average rate)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

This analysis may be enriched by incorporating age and socioeconomic dimensions pertaining to young women. Firstly, the expansion of the female EAP in the 15 to 19 age group is very moderate (1.9% per year; i.e. just slightly over a 1.6% annual rate of demographic expansion), against the 20 to 24 year old age group, with a 3.3% annual rate (and a 1.8% annual rate of demographic expansion). Secondly, the data show that the rate of growth of the young female EAP is high among the poorest quintiles, where the youth EAP expands at a 3.2% annual rate and the two richest quintiles experience virtual stagnation (0.1% per year). Thus, by the end of the decade the participation of young women in the two richest quintiles rose from 34.3% in 1990 to 40.7%.

Although the demographic expansion helps to explain to some extent the above mentioned changes, most of the expansion of the young female EAP is due to the evolution of the rate of participation, which increases from 42.8% in 1990 to 46.6% in 1999. The change in question is very significant in the 20 to 24 year old age group, where the rate of participation climbs from 50.8% to 58% in the period. Conversely, in the 15 to 19 year old age group, a 0.9% increase registered in the same period is not relevant (Annex, Table 1). This phenomenon seems to be strongly related to the probability of finding employment, which is poor for the 15 to 19 year old age group. Conversely, the employment of women in the 20 to 24 year old age group showed a more favorable evolution.

Changes to the rate of participation by socioeconomic level add to the effects of the demographic expansion previously discussed: young women in the two poorest quintiles increase their rate of participation from 34.3% to 40.7%, while the rate of those in the richest quintiles stagnate, showing a meager 0.4% increase (from 51.1% to 51.5%) between 1990 and 1999. This behavior appears to indicate that the effect of the added worker prevails in the poorest segments of the female population, since the poorest households tend to send more women out to seek for employment.

3. Difficult access of youths to employment: A declining occupation rate

Youth employment grows slowly. Total employment in the region expanded at a 2.6% average annual rate during the period under review. However, employment generation displays a clear adult bias. Youth employment grew at a tiny annual rate of 0.8%, while adult employment achieved 3.3% (Figure 6a). This trend meant that 7 out of each 100 new hirings between 1990 and 1999 were for young people and 93 were for adults, confirming the

deepening of the existing adult bias in the labour market. As a result, young men and women represented 22.3% of total employment by the end of the decade (almost three percentage points less than in 1990).

From a different point of view, youth employment-product elasticity reaches a tiny 0.25, considering that the annual regional rate of GDP growth was 3.2% between 1990 and 1999. It should be noted that adult employment-product elasticity increased to 1.03 and that the average for the period was 0.81. According to this approach and assuming that youth employment-product elasticity (0.25) had been maintained throughout the period, the 1990 youth rate of unemployment would have remained at that level (7.9%) provided that the annual rate of GDP expansion had reached 7.2% (i.e. more than doubling the rate of growth effectively attained in the decade). An examination of the main reasons for the slow growth of youth employment in the 1990s follows.

Differentiated access to employment opportunities. Access of youths to employment was most difficult for the 15 to 19 group of teenagers, where employment contracted 2.9% throughout the decade. In this same group, men showed the most conspicuous decline (4.4%).

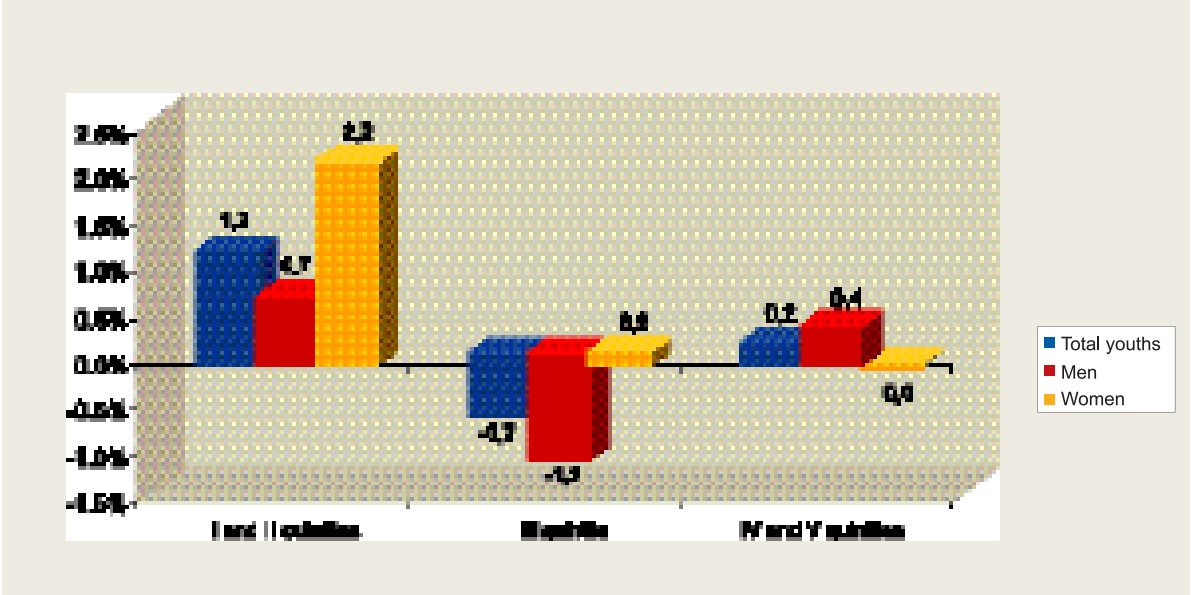
Besides, access to employment was differentiated by socioeconomic level. Employment expanded in the two lower quintiles at a 1.2% annual rate, while higher quintiles grew 0.2% (Figure 7a).

This development relates to the fact that the quest for employment was much more massive in the poorest quintiles. Yet the figures also suggest that poorest youngsters were comparatively more successful finding jobs than those who had just entered the EAP: employment expansion in the poorest quintiles represents 40% of the increase of the EAP in these quintiles, against less than 20% in the richest quintiles for the period.

Besides, access to employment was comparatively more favorable to young women, whose level of occupation grew at an annual rate of 1.3% against a tiny 0.5% among men. A significant aspect of this trend is that female employment expanded almost exclusively in the two poorest quintiles, while growth in the two higher quintiles was negligible.

FIGURE 7a

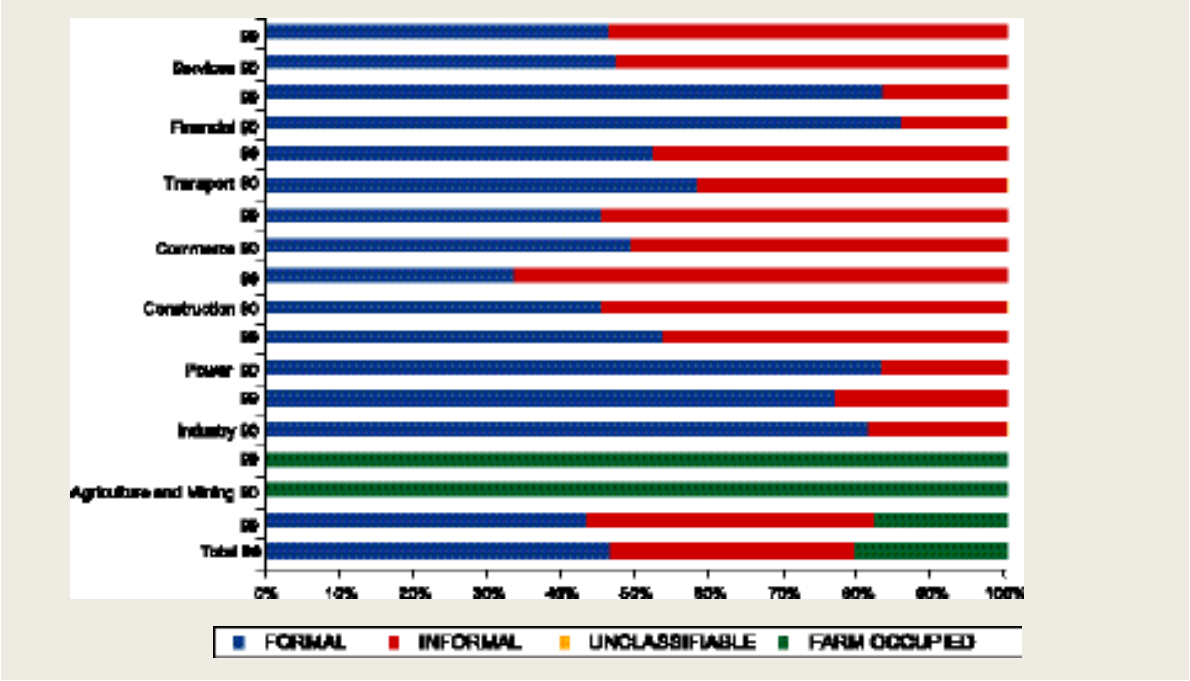
LATIN AMERICA: SELECTED COUNTRIES
EMPLOYMENT CREATION BY QUINTILE AND SEX. 1990-1999
(annual average percentage)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

FIGURE 8a

LATIN AMERICA: SELECTED COUNTRIES
EVOLUTION OF THE INFORMALITY BY BRANCH OF ACTIVITY. 1990-1999
(percentages)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

Yet the rate of occupation (the ratio between occupied workers and the working age population) continues to be substantially lower among the poorest groups and among women, which are precisely the brackets that experienced a more positive evolution. The rate of occupation reaches 61% among men and 37% among women. By the end of the decade, it reaches 43% in the two poorest quintiles and 53% in the two richest quintiles.

B. Declining employment quality

1. Informality of employment

The expansion of informal employment among youths reached an annual rate of 2.5%, while formal employment remained virtually constant during the period (total employment among youths grew 0.8% per year during the decade). In other words, all new youth employment was created in the informal sector, which represented 47% of non farm youth employment in 1999 (against 42% at the beginning of the decade). Adult workers concentrated 100% of the growth of formal employment and informal employment also expanded fast among adults.

Increasing informality was stronger than average in the 15 to 19 year old age group, where the loss of formal employment (-1.4%) was almost compensated to the last job by greater access to informal employment during the period (14.1%). This developments meant that 57% of occupied non farm youths in the 15 to 19 year old age group were employed in the informal sector by the end of the decade.

Increasing informality in the area of youth employment takes place at an aggregated level but also in every branch of activity (Figure 8a). This increase is reflected specially in the construction industry, where 54.6% of occupied youths in 1990 belong to the informal sector, while this proportion climbs to approximately 70% at the end of the period. In most cases, youth had access to the construction industry as independent workers and, in a smaller proportion, as waged workers occupied in microenterprises.

Creation of youth formal employment was led by the services and commerce sectors. This development indicates that increasing youth employment in tertiary activities goes across formality and informality. Indeed the proportion of youths occupied in the tertiary sector

increased from 54% in 1990 to 59% in 1999; i.e. three out of five youths work in some kind of service activity by the end of the decade. Yet the expansion of employment in tertiary activities was even stronger among adults; thus, youth participation in the total employment in this sector dropped from 25% to 21% at the end of the period.

Youth employment participation also diminished in the public sector (1.7% per year), while the occupied adult population expanded 3.3% per year. Although this was a predictable outcome, in the sense that youths have a harder time to meet public sector requirements (school attendance, previous experience), declining youth participation in this sector also indicates that higher levels of schooling failed to provide access to public service. These conditions suggest the possibility of implementing youth employment programs at the municipal level, to provide, for example, community services, among other sources of employment.

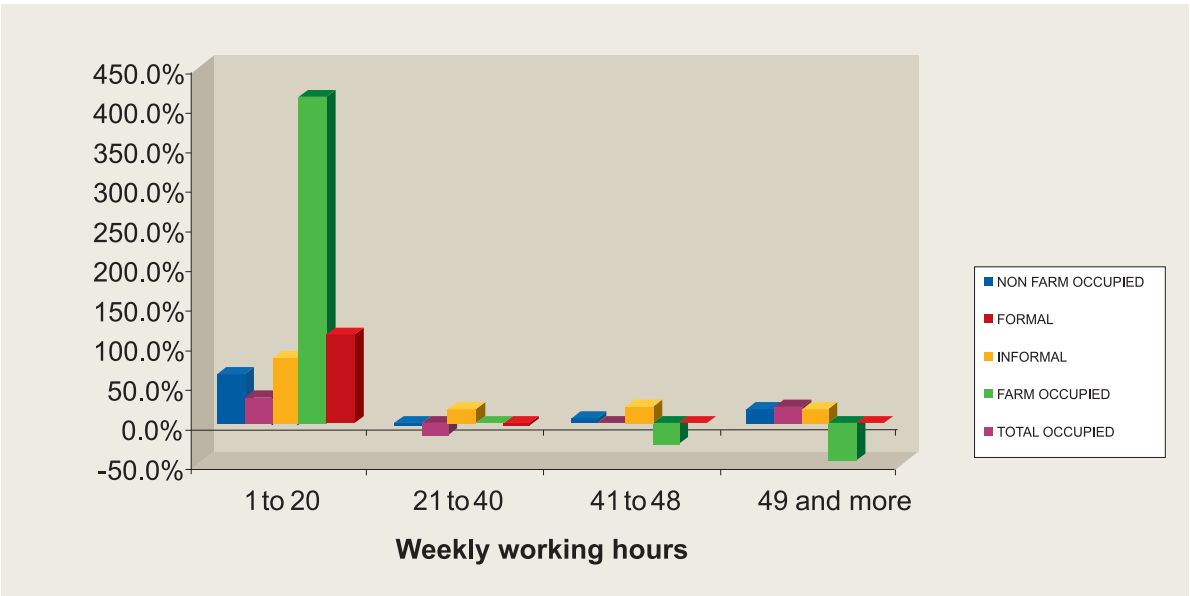
On the other hand, a review of the quintiles belonging to the households of occupied youths shows that informal occupations grow in all of them, except for the highest one. In the two poorest quintiles, informal employment increased at an annual rate of 3.5% which is at odds with the poor evolution of formal employment. Proportionally, the highest increases in the poorest quintiles involved own-account workers and basically family workers, although an increase over 4.6% per year among young workers hired by microenterprises was also apparent. Besides, own-account workers are the most frequent occupational category among youths belonging to the first quintile (12.5%), closely followed by formal sector waged workers (11.1%) and wage earners occupied in microenterprises (10.6%).

2.Declining social security coverage

The number of occupied youths who contribute to any given social security or health system dropped 7.2% during the period, driving the affiliation rate in these schemes from 44% in 1990 to 8% in 1999 (Annex, Table 3).

FIGURE 9a

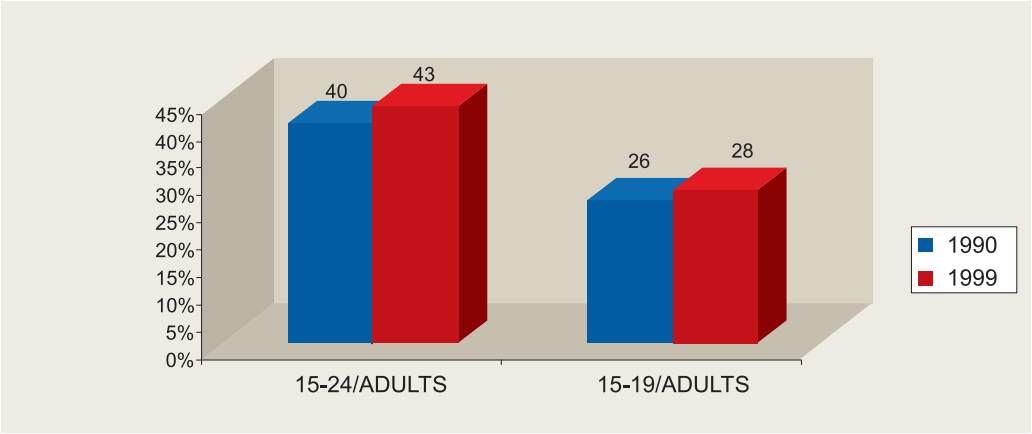
LATIN AMERICA : SELECTED COUNTRIES
EVOLUTION OF OCCUPATION BY WORKING DAY. 1990-1999
(variation percentage for the period)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

FIGURE 10a

LATIN AMERICA: SELECTED COUNTRIES
YOUTH WAGES/ADULTS WAGES. 1990-1999
(percentages)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

On the other hand, the number of occupied youths lacking social protection grew 15.6% during the period, causing the proportion of unprotected youths to go over 60%. The situation is even more critical in the 15 to 19 year old age group, where only one out of four youths enjoys protection from any given social security or health system.

Social security coverage varies in direct relation to employment formality: two out of each six youth occupied in the formal sector are covered, while coverage in the informal sector reaches just one out of six. However, the number of covered youths in the formal sector decreased 12.6% for the period, calling attention to a process of growing job precariousness in the formal sector that may join the ongoing process of increasing informality during the decade.

The rate of participation in social protection systems decreased in the formal sector too, although at a more moderate pace than in the informal sector. Yet the proportion of informal young workers lacking social protection grew from 77.3% in 1990 to 79.7% in 1999.

3. Hours of work: Growing part-time work and longer working hours

The absolute number of new jobs occupied by youths virtually matches the number of new jobs featuring a 20 hour working week. In average, this would mean that all new youth employment generated throughout the decade consisted in part-time jobs. Thus, the number of youths who work less than 20 hours per week increased 114%, while total stagnation prevails in the remainder layers during the period (Figure 9a). Hence, the proportion of youths who work less than 20 hours per week has doubled: from 6.2% in 1990 to 12.4% by the end of the decade.

Occupational categories of the informal sector such as own-account and farm workers, where one out of each four youths works less than 20 hours per week, are those where part-time work is more frequent. (Annex, Table 4). At the beginning of the decade, the proportion among own-account workers was one out of each five workers. However, the major shift involving part-time labour took place in the category of farm workers, which in the early 1990s represented less than 5% of the total.

Part-time hiring increased in the formal sector too. The growing number of youths in this category who work less than 20 hours (3.6% per year) is significant, taking account that youth unemployment stagnated to some extent. These figures are tantamount to say that youth employment lost in the formal sector may be compensated with additional part-time employment in the same sector. This increase was mainly due to a

strong expansion of own-account part-time workers in the formal sector (professional people and technicians).

Besides, the same figures show that labour market adjustment is taking place by means of increasing the number of working hours per week over accepted standards: in the private formal sector, the number of youths who work 49 or more hours increased at an annual rate of 2.4% during the period. This trend was strongly influenced by the expansion of the number of youths toiling as own-account workers in the formal sector and, to a lesser extent, the increasing number of youths wage earners in this sector.

The proportion of youths who work 49 hours or more increases from 13.3% in 1990 to 16.2% in 1999, while the proportion for the public sector climbs from 10.1% to 15.3% in the same period (Annex, Table 4).

4. Wages: Narrowing the gap between youths and adults

The wage gap between youngsters and adults is still very large regardless of a slight narrowing recorded in the period under review.

A young worker's wage represents 43% of an adult's wage; by the end of the decade, this proportion drops to 28% for workers under 20 years of age (Figure 10a). Both percentages reveal a small increase with respect to 1990 (40% and 26%, respectively).

The wage gap between young workers in the formal and informal sectors also increased significantly in the period under review. Currently, workers occupied in the informal sector earn 44% less than those in the formal sector; i.e. 5 percentage points over the existing gap at the beginning of the decade. The importance of this figure grows substantially following the decline of youth formal employment by a rate similar to that of the expansion of informal employment. Hence, economic inequality deepens among young occupied workers between a gradually shrinking sector of formal workers and an expansionary informal sector.

C. Improved educational levels and the occupational situation of youths

Education is an extraordinary tool to improve the occupational situation of youths. Yet the rate of youth unemployment doubled in the period, employment practically stagnated and the quality of youth employment deteriorated, in spite of higher levels of school attendance, which is one of the greatest achievements of the decade.

1. Youths attain a higher level of education by the end of the decade

Greater access to education helped to reduce the pressure of young new job seekers on the labour market, preventing a greater increase of the rate of youth unemployment. Nevertheless, better education did not lead to an expansion of employment capable of meeting the small increase of the youth labour supply. By the end of the decade, youngsters who have a better education than at the inception of the period under review, face major difficulties in their quest for employment.

A first comment in this respect points to the fact that the educational level of the unemployed has increased considerably. By the end of the decade, 30% of unemployed youths had less than 6 years of schooling. Ten years later, this proportion had decreased to 21%. Likewise, the number of youths with more than 10 years of school attendance grows from 30% to 36% between 1990 and 1999, respectively. (Annex, Table 2). While most important relative advances in this area took place among men, only 17% of unemployed women have less than 6 years of schooling and 41.8% have over 10 years of school attendance in 1999.

On average, occupied youths have lower levels of school attendance than the unemployed. Among the former, 28% has attained less than 6 years of schooling at the end of

Box 3

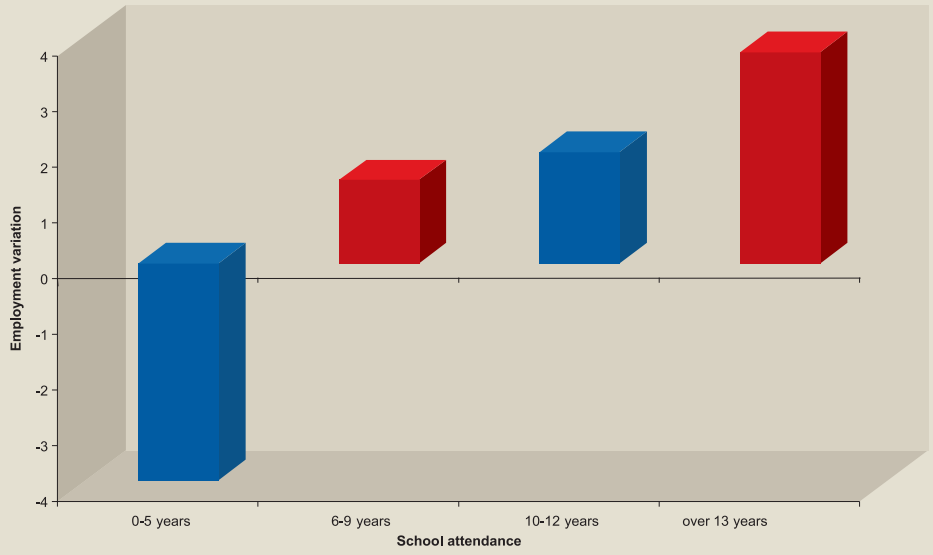
YOUTHS EDUCATIONAL LEVEL, EMPLOYMENT AND WAGES

Increasing employment failed to respond to the expansion of the EAP, but its growth remains positively tied to the educational level. School attendance figures for occupied youths show that the number of those who have over 10 years of schooling increased at an annual rate of 2.5% during the decade. Conversely, occupied youths with less than 6 years of schooling decreased by 3.8%. This trend is even stronger in the 20 to 24 year old age group, where the increase of occupied youths with over 10 years of school attendance reached an annual rate of growth of 2.9%, while those with less than 5 years of schooling decreased 1.9% per year during the decade. (Annex, Table 6).

The level and improvement of Improving youth wages are also positively related to the workers' school record. On one hand, the incidence of educational achievements on wage levels is reflected in the fact that the average income of occupied workers who have higher education (13 or more years of schooling) in 1999 is 4.6 times higher than the income of those who attended basic school (0 to 5 years). In this context, the so-called *educational prize* (i.e. the increased income earned by a worker on the basis of having attained a higher level of education) grows according to the scope of his/her school attendance. Thus, the completion of the basic school cycle (6 to 9 years of schooling) increases a worker's income by 42.1% with respect to those who have only 5 years of schooling. The educational prize continues to grow as workers attain secondary education with respect to those who completed basic education only (46.3%). Achieving higher education means that a young worker's income more than doubles with respect to those who completed secondary education.

Available information suggests that education is the source of a high rate of profitability for workers, since each additional school year raises their wages by 8.4% among those who complete the primary school cycle (compared to those who fail to complete it), 10.2% to those who complete high-school education (compare to those

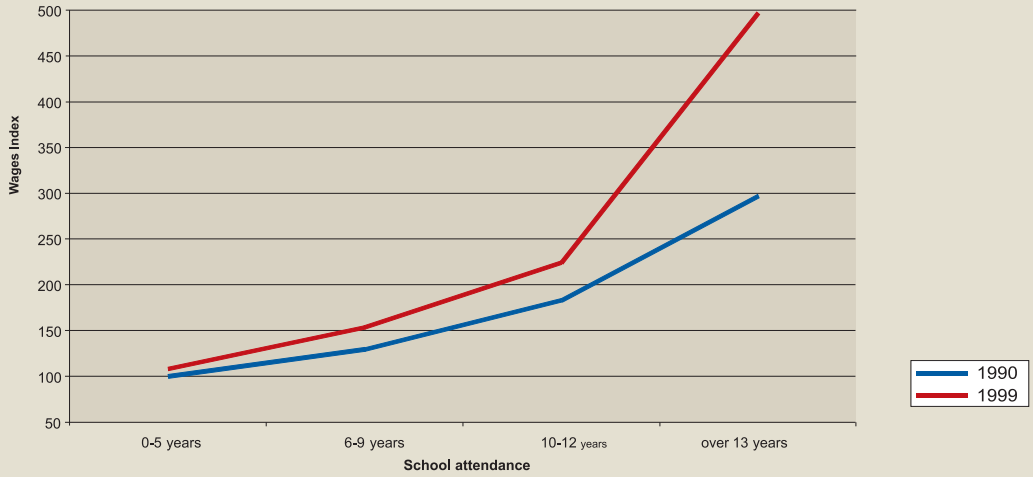
LATIN AMERICA: SELECTED COUNTRIES
EMPLOYMENT AND EDUCATIONAL LEVEL. 1990-1999
(rate of variation)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

(continued)

LATIN AMERICA: SELECTED COUNTRIES
WAGES AND SCHOOL ATTENDANCE. 1990-1999
(0-5 years of schooling segment - 1990=100)



Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

who completed basic school), and 15% to those attaining higher education (against those who completed high-school).

On the other hand, the data show that improving wages in real terms is directly proportional to the educational level during the decade. The rate of growth of the real annual income among occupied workers who failed to complete basic school (0 to 5 years of schooling) represents 0.9%; 1.9% to those who have completed basic school (6 to 9 years), and 2.3% to those who completed high-school (9 to 12 years). Lastly, the real wages of workers who attained higher education (13 or more years) increase by 5.9% per year during the decade, reflecting better employment opportunities available to young people who enjoy a high level of education.

the decade, against 21% among the unemployed. Similarly, among occupied youths, 33% has over 10 years of schooling, against 36% among the unemployed (Annex, Table 5).

The growth of youth employment and wages is directly related to their educational achievements (Box 3).

2. Diverse distribution of higher educational levels among the youths

The educational level increased mainly among youths occupied in the informal sector, where the number of youngsters with more than 10 years of school attendance grew at an annual rate of 6.5% (against 3.8% in the formal sector) while those with less than 6 years of schooling decreased 2.2%. Major progress in education is also apparent among young wage earners occupied in small enterprises, where the number of youths with more than 10 years of schooling increased 7%. This expansion was more significant in the 15 to 19 year old age group, doubling their number during the period. Besides, a generalized deepening of educational levels, these figures are also influenced by the shift of highly educated youths to the informal sector.

3. Youths longer school attendance failed to improve access to the labour market

This negative outcome may be blamed on an educational approach that fails to provide youths with the appropriate tools to perform successfully in the labour market. Formal sector enterprises prefer to hire adults, almost regardless of the educational level of young jobseekers. The young candidate appears to be caught in a vicious circle that he/she usually cannot evade from, unless the rest of society takes decisive action. The formal sector does not hire young people on the grounds that they lack previous labour experience, an approach that is bound to

further prevent them from acquiring experience. In this respect, youth oriented Labour Training Programmes implemented in Argentina, Chile and Uruguay have attained important results towards breaking down the vicious circle by providing the elusive experience by means of labour practices.

Besides, the educational system does not provide youths with the necessary management skills to embrace economic ventures with relative success. Young people approach these activities as a strategy to generate income in the short run, rather than an entrepreneurial strategy. Educational and training systems should be improved in this regard.

Nevertheless, quantitative progress in the educational area is likely to become a platform for the development of new strategies and tools to increase youth employability. Indeed the large educational reserve represented by microenterprises may provide the potential necessary to launch permanent training processes.

The educational system alone cannot guarantee greater access to employment and should not be made fully responsible for the low quality of available youth employment. It is evident that the productive structure fails to make full use of the knowledge and skills acquired by young students throughout their school years. Indeed, the educational gap between youths occupied in the formal and informal sector is still substantial. In the formal sector, half of the occupied youths have more than 10 years of schooling, while only one out of each four youths occupied in the informal sector has achieved the same level (Annex, Table 7). On the other hand, the public sector, where 60% of the youths have over 10 years of schooling, displays the higher level of school attendance. It would appear that the Latin American formal sector, in spite of its limited professional proficiency, poses more stringent educational demands upon their workers than the informal sector.

D. More and better employment opportunities for youths

The youths occupational situation may improve only through the implementation of substantial changes to the process of economic growth, employment opportunities and the orientation of the educational system.

1. Economic growth

According to current projections, the annual rate of GDP growth will hardly reach 7% or more in the present decade, as required to maintain the unemployment rate of the late 1990s (16%). This situation indicates that economic growth alone, while being indispensable, is not enough to improve the access of youths to the labour market.

2. New employment opportunities

To achieve that, new efforts to expand employment opportunities for this segment of the population would have to be made. Such efforts should basically focus on creating in microenterprises and the public sector, as well as through private and/or community services, new employment consistent with the higher educational levels achieved by youths during the decade.

3. The orientation of the educational system

Lastly, efforts to keep youths longer within the educational system should focus on improving their employability. This approach should encourage Latin American countries to double their efforts aimed at implementing and improving initiatives to provide youngsters with an education effectively focused on employment. In particular, to create machinery emphasizing the acquisition of on the job labour experience in private enterprises and the public sector, as a substantial component of training and labour placement programs.

Table 1

LATIN AMERICA: SELECTED COUNTRIES

RATE OF PARTICIPATION BY AGE GROUP AND SEX. 1990-1999

(percentages)

AGE GROUP	1990			1999		
	Total	Men	Women	Total	Men	Women
15-19 years	48.5	61.3	35.5	46.3	56.2	36.4
20-24 years	68.9	87.7	50.8	71.7	85.9	58.0
15-24 years	58.2	73.9	42.8	58.1	69.9	46.6
Adults	62.7	86.2	41.5	67.8	85.9	51.7
Total	**55.6**	**74.4**	**37.9**	**59.4**	**73.9**	**46.0**

Table 2

LATIN AMERICA: SELECTED COUNTRIES

YOUTHS BY STATUS OF ACTIVITY AND SCHOOL ATTENDANCE. 1990-1999

(percentages)

STATUS OF ACTIVITY	SCHOOL ATTENDANCE									
	TOTAL		0 to 5		6 to 9		Over 10		Does not say	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
Unemployed	100.0	100.0	29.7	21.0	37.3	42.0	29.5	35.8	2.9	1.7
Men	100.0	100.0	34.6	25.1	38.9	44.2	24.3	29.6	1.5	1.6
Wowen	100.0	100.0	22.3	17.0	34.9	39.9	37.2	41.8	5.0	1.7
First Time	100.0	100.0	17.0	17.4	37.6	44.3	40.5	37.2	3.7	1.6
Laid off	100.0	100.0	35.3	24.0	37.2	40.2	24.6	34.6	2.6	1.7

Table 3

LATIN AMERICA: SELECTED COUNTRIES

SOCIAL INSURANCE COVERAGE BY PRODUCTIVE BRANCH . 1990-1999 a/

(percentages)

PRODUCTIVE BRANCH	AFFILIATES TO SOME KIND OF SOCIAL SECURITY OR HEALTH SYSTEM					
	Yes		No		Does not say	
	1990	1999	1990	1999	1990	1999
NON FARM OCCUPIED	52.5	43.8	46.1	54.4	1.3	1.2
FORMAL	75.2	67.1	24.6	32.6	0.2	0.2
INFORMAL	19.7	16.6	77.3	79.7	3.0	2.4
UNCLASSIFIED	54.7	33.8	45.1	66.1	0.4	0.4
FARM OCCUPIED	*7.1*	*9.3*	*92.7*	*90.3*	*0.3*	*0.3*
TOTAL OCCUPIED	43.5	38.0	55.4	60.3	1.2	1.1

a/ 15 to 24 years of age

Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

Table 4

LATIN AMERICA: SELECTED COUNTRIES

DISTRIBUTION OF THE OCCUPIED BY PRODUCTIVE BRANCH AND WORKING HOURS. 1990-1999

(percentages)

	WORKING HOURS PER WEEK											
PRODUCTIVE	TOTAL		1 a 20		21 a 40		41 a 48		49 and over		Does not say	
BRANCH	**1990**	**1999**	**1990**	**1999**	**1990**	**1999**	**1990**	**1999**	**1990**	**1999**	**1990**	**1999**
NON FARM												
OCCUPIED	*100.0*	*100.0*	*6.7*	*9.8*	*36.6*	*32.9*	*36.7*	*35.9*	*18.9*	*20.5*	*1.1*	*0.9*
FORMAL	100.0	100.0	5.0	6.7	39.5	34.6	41.1	41.5	13.3	16.2	1.1	1.0
INFORMAL	100.0	100.0	9.0	13.3	32.5	30.9	30.6	29.6	26.9	25.4	1.1	0.8
FARM												
OCCUPIED	*100.0*	*100.0*	*4.6*	*24.2*	*33.6*	*35.1*	*29.6*	*22.6*	*31.0*	*17.6*	*1.1*	*0.6*
TOTAL												
OCCUPIED	100.0	100.0	6.2	12.4	36.0	33.3	35.3	33.5	21.4	20.0	1.1	0.8

Table 5

LATIN AMERICA: SELECTED COUNTRIES

DISTRIBUTION OF OCCUPIED YOUHTS 15 TO 24 YEARS OF AGE BY PRODUCTIVE BRANCH AND SHOOL ATTENDANCE. 1990-1999

(percentages)

	SCHOOL ATTENDANCE									
PRODUCTIVE BRANCH	TOTAL		0 to 5		6 to 9		Over 10		Does not say	
	1990	**1999**	**1990**	**1999**	**1990**	**1999**	**1990**	**1999**	**1990**	**1999**
NON FARM										
OCCUPIED	*100.0*	*100.0*	*29.3*	*18.6*	*36.8*	*40.6*	*31.0*	*38.0*	*2.9*	*2.8*
FORMAL	100.0	100.0	24.5	12.1	37.3	36.2	34.3	48.2	3.9	3.4
INFORMAL	100.0	100.0	41.5	25.9	37.9	45.4	18.9	26.7	1.7	2.0
FARM										
OCCUPIED	*100.0*	*100.0*	*78.6*	*66.0*	*16.1*	*25.4*	*3.9*	*6.9*	*1.4*	*1.7*
TOTAL										
OCCUPIED	100.0	100.0	38.5	27.2	32.9	37.8	26.0	32.4	2.6	2.6

Source: ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

Table 6

LATIN AMERICA: SELECTED COUNTRIES
EVOLUTION OF THE OCCUPIED BY PRODUCTIVE BRANCH,
AGE AND SCHOOL ATTENDANCE. 1990-1999
(*accumulated growth during the period)*

AGE	15 to 24 years			15 to 19 years			20 to 24 years		
SCHOOL ATTENDANCE	0 to 5	6 to 9	Over 10	0 to 5	6 to 9	Over 10	0 to 5	6 to 9	Over 10
PRODUCTIVE BRANCH									
NON FARM									
OCCUPIED	*-36.2*	*10.8*	*23.0*	*-47.6*	*6.0*	*8.7*	*-23.9*	*15.8*	*28.5*
FORMAL	-51.0	-3.4	39.5	-63.4	-9.8	62.8	-40.3	1.9	34.3
INFORMAL	-22.3	49.4	76.0	-35.8	46.5	105.6	-4.8	52.7	64.9
FARM									
OCCUPIED	*-18.5*	*52.9*	*73.0*	*-26.5*	*85.6*	*125.4*	*-7.0*	*19.4*	*54.5*
TOTAL OCCUPIED	-29.4	14.7	24.4	-38.9	13.2	11.7	-18.1	16.2	29.3

Table 7

LATIN AMERICA: SELECTED COUNTRIES
DISTRIBUTION OF OCCUPIED YOUTHS 15 TO 19 YEARS OF AGE
BY PRODUCTIVE BRANCH AND SCHOOL ATTENDANCE. 1990-1999
(percentages)

	SCHOOL ATTENDANCE									
PRODUCTIVE BRANCH	TOTAL		0 to 5		6 to 9		Over 10		Does not say	
	1990	1999	1990	1999	1990	1999	1990	1999	1990	1999
NON FARM										
OCCUPIED	*100*	*100*	*34.9*	*20.9*	*42.9*	*51.9*	*20.1*	*24.9*	*2.1*	*2.3*
FORMAL	100	100	31.8	13.5	47.9	50.3	17.5	33.1	2.8	3.1
INFORMAL	100	100	47.0	26.4	41.3	53.1	10.4	18.7	1.4	1.8
FARM										
OCCUPIED	*100*	*100*	*82.4*	*65.0*	*14.5*	*28.9*	*1.8*	*4.4*	*1.3*	*1.8*
TOTAL										
OCCUPIED	100	100	45.8	31.5	36.4	46.4	15.9	20.0	1.9	2.2

***Source*:** ILO, based on Household Surveys conducted in Brazil, Chile, Costa Rica, Ecuador, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay, whose combined EAP represents 78% of the regional total.

Labour costs of maternity protection and child care

The higher cost of hiring female labour with respect to male labour is frequently brought as one of the barriers women must face in order to have access to a job, although women's wages are lower than men's (36% regional average in 1998, *Labour Overview 6*). The ongoing argument in some circles is that the wage differential between women and men is caused by the need to compensate the higher labour costs employers incur by hiring women, in accordance with special laws to protect maternity and nursing care (maternity leave, special work schedules to allow for breast feeding, protection against dismissal, leave to look after a sick child). Leave related to family responsibilities which are assumed mostly by women are considered additional costs too.

The ILO has conducted some research in order to analyse labour costs associated with hiring men and women, paying special attention to any costs related to maternity protection and child care.

The study was carried out in Argentina, Brazil, Chile and Mexico in the year 2000, involving male and female wage earners only. For the purpose of this analysis, labour laws aimed at protecting maternity and child care, and safeguards related to certain male and female labour conditions were examined (Table 1b). Besides, estimates were developed on the basis of a variety of sources (demographic and occupational) and records on the number of maternity leaves were reviewed, whenever possible.

The results of the analysis are as follows:

- Direct costs in cash for employers derived from hiring women under current labour law are low: 0.2% of the female workers' gross monthly wages in Mexico, 1% in Argentina, 1.2% in Brazil and 1.8% in Chile.

- Such low costs are explained by a low annual incidence of pregnancies among wage earners. The study shows that the annual proportion of women who are granted maternity leave is 2.8% in Argentina, 3.0% in Brazil, 4.5% in Chile, and 7.5% in Mexico.

- The main reason for these low costs for employers is that cash benefits provided to female workers during maternity leave in the four countries under review are directly financed with public funds (Chile) or social security systems (Argentina, Brazil and Mexico). In these cases, employers' contributions to social security are unrelated to the number or age of their female employees. These financial systems seek to secure an essential principle: protecting women against possible labour discrimination associated with maternity.

- On the other hand, the costs of providing maternity protection through compensatory funds are not high. Cash benefits provided to female workers during maternity leave (the so-called maternity salary) directly by the government or through a social security scheme represent 0.70% in Argentina, 1.11% in Mexico, 1.68% in Chile and 1.73% in Brazil, as a percentage of total female wages for each country.

- On the other hand, expenditures generated by nursery care are the most important component of the amount of direct costs for employers hiring women in Chile and Argentina: 1.3% and 0.8% of gross monthly wages, respectively. In Mexico, this item does not constitute a direct cost for the employer, since it is covered by the same system of health and cash benefits related to maternity.

Table 1b

LATIN AMERICA: SELECTED COUNTRIES

MATERNITY PROTECTION AND CHILD CARE LEGISLATION

	Argentina	Brazil	Chile	Mexico	ILO Convention 183
Maternity leave (weeks)	12	16	18	12	14
Proportion of wages paid during maternity leave	100%	100%	100%	100%	2/3 minimum
Health benefits up to delivery	Yes	Yes	Yes	Yes	Yes
Prohibition of dismissal during pregnancy, maternity leave and an extra period after the return to work	Up to 7.5 months after delivery	Up to 5 months after delivery	Up until 12 months after the completion of the maternity leave	No legal regulation	*Except for reasons unrelated to the pregnancy, delivery and nursing; the burden of proof shall rest on the employer*
Health protection of the pregnant woman and her child	Yes	Yes	Yes	Yes	Yes
Breastfeeding (one hour per day); counted as working time and remunerated accordingly.	Up to the child's first birthday	Up until the child is 6 months old	Up until the child is 2 years old	Up until the child is 6 months old	According to national legislation
Right to day-care center	No legal regulation provision	In enterprises with 29 and more women	In enterprises with 20 and more women	Children of female workers who contribute to social security	Not included
Maternity and paternity leave to take care of sick child/children	No	No	Yes	No	Not included

Source: ILO, based on the labour legislation of the four countries under review.

Box 4

ILO CONVENTION NO. 183 CONCERNING MATERNITY PROTECTION

The preamble of the Maternity Protection Convention (revised) No.183, adopted by the International Labour Conference on June 15, 2000, states that protecting pregnancy is a shared responsibility of governments and society and a fundamental aspect of promoting equality of opportunities between men and women, according to various International Conventions adopted on this matter. It also mentions the need to recognize the diversity in social and economic development of the ILO Member States and the diversity of enterprises, and the development of the protection of maternity national law and practice.

The Convention includes the following provisions, among others:

- Maternity leave up to at least 14 weeks, 6 of which are mandatory after childbirth; each member shall examine periodically the appropriateness of extending the total period of leave.

- Cash benefits to women who are absent from work during the maternity leave, shall not be less than two-thirds of the woman's previous earnings.

- Right to one or more daily breaks or a daily reduction of hours of work to breastfeed.

- Protection against dismissal during pregnancy and maternity leave, as well as during an extra period of time following the

return of the employee to work, according to national labour laws except for reasons unrelated to pregnancy, child-birth and its consequences on nursing, breastfeeding, with the burden of proof on the employer.

• In order to protect women in the labour market, medical and cash benefits related to maternity should be provided through a compensatory social insurance or public funds or in a manner determined by national law and practice. An employer shall not be individually liable for the direct cost of any such cash benefit to a woman employed by him/her without that agreement, except where it is provided by the national law and practice in a Member State before the date of adoption of this Convention, or it is subsequently agreed at the national level by governments and the representative organizations of workers and employers.

• Any contribution due under compulsory social insurance providing maternity benefits and any tax based upon payrolls which is raised for the purpose of providing such benefits, whether paid by both the employer and the employees or by the employer, should be paid in respect of the total number of men and women employed, without distinction of sex.

• Health protection of pregnant or nursing women (ban on performing tasks that may be harmful to the health of the mother or the child).

• Mandatory adoption of measures to guarantee that maternity would not become grounds for labour discrimination, including access to employment (ban against pregnancy tests previous to hiring, among others).

1. Financing benefits related to maternity protection and child care

The purpose of the various systems established in Argentina, Brazil, Chile and Mexico to finance maternity leave is to secure a fundamental social principle: protecting women against possible labour discrimination because of maternity, according to the spirit of ILO conventions on Maternity Protection (Table 1b).

In Argentina, Brazil, Chile and Mexico, as well as in the great majority of the Latin American countries, the maternity leave is financed through a compensatory system that does not represent an additional cost to the employer at the time of hiring a woman. In Chile, the maternity leave is directly financed by the government by means of a public fund. In Argentina and Brazil, financing is provided by social insurance systems which collect employers' contributions. In Mexico, financing is provided on a tripartite basis: employers, insured workers (regardless of sex) and government. In all the three cases where maternity leave is financed by social insurance, employer's contributions are unrelated to the number or age of the women hired by each employer.

Moreover, benefits provided in Argentina to a worker on maternity leave are not considered wages but allowances, which means that the contribution of the employer and "the end-of-the year" bonus ("*aguinaldo*") go unaccounted for. Thus, an enterprise may hire a male or female replacement without the burden of these additional monetary costs.

In Argentina, Brazil and Mexico, medical benefits provided to a worker throughout her pregnancy and delivery are financed by social insurance, through the same system that guarantees maternity leave coverage. In these three cases, the contributions made by the employer are unrelated to the sex or age of the workers; therefore, they do not have a differentiated incidence on male and female labour costs. In Chile, these benefits do not represent a burden on the government or social security, because they are covered through a health insurance system directly financed by the contributions of affiliated female workers.

In Argentina, Brazil and Chile, day-care centers represent a direct cost to the employer, which is proportional to the number of women employed by him/her and the

Table 2b

LATIN AMERICA: SELECTED COUNTRIES

EMPLOYER LABOUR COSTS:

MATERNITY PROTECTION AND CHILD CARE. 2000

(gross monthly wages =100)

	Argentina	Brazil	Chile	Mexico
Gross wages a/	100.0	100.0	100.0	100.0
Maternity and child care costs	**0.95**	**1.15**	**1.83**	**0.18**
Day-care center	0.77	0.27	1.27	0.0
Nursing /feeding /a	0.12	0.79	0.48	0.09
Replacement costs b/	0.06	0.09	0.08	0.09
Employer's average cost	**100.95**	**101.15**	**101.83**	**100.18**

Source: ILO, based on:
Argentina. Household Permanent Survey, Social Development Survey conducted by the Sistema de Información, Monitoreo y Evaluación de Programas Sociales (SIEMPRO),vital statistics and statistics from the Administración Nacional de Seguridad Social (ANSES). The information generated by the Sistema Integrado de Jubilaciones y Pensiones (SIJyP) is not yet available.
Brazil. PNAD, RAIS and records on maternity leaves paid by the Ministerio de Previdencia y Asistencia Social in 1998.
Chile. Vital statistics and the Encuesta de caracterización socioeconómica (CASEN) in 1998.
Mexico. INEGI's National Education,Training and Employment Survey (1997) and records of the Instituto Mexicano de Seguridad Social (IMSS), 1999.
a/ Gross wages include legal allowances provided by employers; they are part of contributive wages.
b/ Correspond to additional costs the employer must pay to the replacement worker; proportional vacation time in all four countries, plus the "end-of-the-year" bonus in Brazil and Mexico, plus the Guarantee Fund for Time Served (Fondo de Garantía por Tiempo de Servicio, FGTS) and an additional vacation plus in Brazil.

duration of the benefit. Lastly, day-care centers are financed in Mexico by the Instituto Mexicano de Seguridad Social, along with medical services and maternity leave.

2. Composition and scope of labour costs to employers associated with maternity protection and child care

The scope of the study includes female waged workers, excluding domestic service. Only costs resulting from the enforcement of social and labour law in this area were taken into account, disregarding other possible components or additional amounts derived from processes of collective bargaining on human resource policies adopted by some enterprises.

On the basis of the number of maternity leaves granted in 1999 (according to available records or estimates based on more general demographic and occupational data), a list of the different components of labour costs directly related to maternity protection and child care was made; i.e. expenditures for day-care centers, nursing/feeding, replacement costs related to the worker on maternity leave.

Additional direct costs in cash for the employer associated with hiring women under current labour law are very low (0.2% of the women workers' gross wages in Mexico, 0.9% in Argentina, 1.2% in Brazil and 1.8% in Chile (Table 2b), because maternity leave benefits in cash are directly covered by government (Chile) or social insurance (Mexico, Argentina and Brazil).

Low costs are also related to a moderate annual incidence of pregnancies in line with a declining fertility rate in the countries under review, in particular among employed women. According to the study, the proportion of salaried female workers who go on maternity leave per year , is as follows: 2.8% in Argentina, 3.0% in Brazil, 4.5% in Chile and 7.5% in Mexico.

These percentages would increase by taking into account the segment of fertile salaried female workers (20 to 40 years of age), which represents 3.1% in Argentina, 3.4% in Brazil, 5.0% in Chile and 8.4% in Mexico. These figures

indicate that hiring fertile women in that age group would indeed result in higher labour costs. Yet, these would continue to be too low to become an obstacle in favor of young women and adult women over 40 years of age.

On the other hand, while cash benefits related to maternity leave do not represent a direct cost for employers that are willing to hire women, they represent a cost which is directly financed by the government or a social insurance scheme (either financed with tripartite resources or solely by employers). An estimate of these costs conducted in the countries under review provided the following results: 0.70% in Argentina, 1.73% in Brazil, 1.68% in Chile and 1.11% in Mexico as a proportion of the total wages of registered female workers. As a proportion of the total wages of female salaried workers (registered and unregistered), these costs represent 0.56% in Argentina, 1.5% in Chile and 1.02% in Mexico. Lastly, as a proportion of the total salaried of all registered salaried workers (men and women), they represent 0.22% in Argentina, 0.64% in Brazil, 0.43% in Chile and 0.33% in Mexico.

Expenditures for day-care facilities are the most important component of the direct costs to the employer associated with hiring a woman in Chile and Argentina: 1.3% and 0.8% of the female worker's gross wages, respectively. In Mexico, this item does not represent a direct cost to the employer, since it is a service provided by the social security system and financed through contributions of a tripartite nature, like the medical and cash benefits related to maternity, the employer's contributions are unrelated to the sex or age of employed workers. This explains why direct labour costs associated with maternity protection and child care are lower in Mexico than in the other three countries under review.

Unlike medical benefits related to pregnancy, delivery and nursing, expenditures linked to day-care services should not be associated only with working women. As much as in other cases (due to processes of collective bargaining or management policies seeking to conciliate work with family life) this benefit should be associated with both parents; i.e., male and female workers with family responsibilities, according to the spirit of the ILO Convention No. 156 (workers with family responsibilities).

Finally, direct costs in cash to replace women on maternity leave are under 0.1% of her gross wage: 0.06% in Argentina, 0.08% in Chile and 0.09% in Brazil and Mexico. In all four countries under review, such costs are related to proportional vacation time due to a male/female replacement; in Mexico and Brazil a proportion of the "end-of-the-year" bonus must be added, and lastly, but only in Brazil, a few other benefits such as a vacation plus and the Fondo de Garantía por Tiempo de Servicio (FGTS) must be taken into account too.

Maybe there is an indirect cost to replace a woman on maternity leave that shows up in certain issues of productivity and organization of the work process. However, like in the case of male and female absenteeism, no reliable evidence is available to estimate this aspect on an objective basis.

To summarize, direct monetary costs to the employer associated with hiring women under current labour law are small. This is both the outcome of a modest annual incidence of pregnancies among salaried workers and the fact that the costs in question are directly financed either by government or a social security system. As indicated, the contributions are unrelated to sex, age or the number of children belonging to the family of the wage-earner contributor. These features indicate that the effective costs associated to hiring women are higher than those registered by the enterprises, since employers cover just part of them, while the rest is financed by society at large to prevent the creation of an additional source of discrimination.

Working conditions: Labour risks coverage and working hours

Improved working conditions are beneficial to workers, entrepreneurs and society at large. Enterprises that ensure safe working conditions throughout adequate hours of work help to increase their productivity and competitiveness, as well as to enhance the well-being of workers and their families. The following section is devoted to examine the evolution of the labour situation with respect to risk prevention and the working day in selected Latin American countries, including some comparisons with current conditions in developed countries.

There are different types of labour safety and health protection systems. An assumption shared by all of them is that workers may suffer accidents and that the responsibility falls on the employer, who may delegate it in different ways.

Some systems are based on the individual responsibility of the employer and may or may not require mandatory insurance. Therefore, each enterprise chooses particular options, such as taking insurance with profit or non-profit public or private institutions. At the beginning of the industrial revolution, this approach created the need to provide protection.

Other systems are based on the notion of collective responsibility and operate as social security schemes, which is the prevailing trend in the different countries in the 1990s, including the Latin American nations. This kind of insurance may be restricted to covering specific labour hazards, or be part of a country's social security system. For example, employers may share the responsibility within a mutual benefit society.

In Latin America, where legislation in this field was enacted in many countries a very long time ago, important changes have been taking place in the last few years in order to: 1) turn an insurance system that in most cases used to be optional or individual, into mandatory insurance of a social nature; 2) incorporate risk prevention into the work place as a fundamental notion, and guarantee both medical treatment and monetary compensation by means of employment accident benefits; 3) expanding insurance coverage to new categories of workers beyond dependent industrial workers, as used to be at its inception.

Labour risk coverage is a critical problem in Latin America and the Caribbean, due to very low and highly heterogeneous levels of coverage region wide. In only three out of eleven comparable countries the proportion of the employed covered by risk insurance is over 50%: Panama (66%), Chile (64%) and Costa Rica (55%). In the Southern Cone, from the selected countries, coverage reaches 40% of the occupied population in Brazil, 35% in Argentina and a meager 9 % in Paraguay (Table 1c).

In Central America, the proportion of the work force contributing to social security schemes varies widely. In Costa Rica and Panama, is over 50%; in Guatemala is under a third and in El Salvador, Honduras and Nicaragua is slightly over a fifth of the total work force. Central American countries must improve current conditions in this area, taking into account that social security coverage in the developed countries reaches 86%.

Besides, labour risk coverage in Latin America go from minimum levels of protection, medical services and/or monetary benefits for the disabled, to high levels of protection, including risk prevention in the design of productive processes and active participation of workers and employers at the enterprise level. Due to the patchy quality of employment and of the social security systems region wide, protection covers a large number of situations. The highest levels of protection continue to be reserved to workers occupied in large modern enterprises.

Table 1c

LATIN AMERICA: SELECTED COUNTRIES
LABOUR RISK COVERAGE

COUNTRIES	coverage of occupied workers (%)	Coverage system
Argentina a/	35	Mandatory social insurance for dependent workers (1996), exclusive, private profit managed by Labour Risk Insurance Companies
Brazil b/	40	Social insurance incorporated into social security (1991), non exclusive, mandatory for workers under a general regime of social security, and optional for workers under a complementary regime of social security and provident fund
Chile c/	64	Mandatory social insurance for dependent workers (1968), exclusive, private non-profit management (through mutual benefit societies) or public management (provident fund)
Paraguay	9	Social insurance incorporated into the social security system
Colombia	31	Social insurance (1994), exclusive, mandatory for dependent workers, for profit private management through labour risk insurance companies or public management
Costa Rica d/	55	Social insurance incorporated into social security, exclusive, National Insurance Institute
El Salvador	22	Included in the social security system
Guatemala	30	Included in the social security system; does not distinguish labour from non-labour accidents
Honduras	22	Included in the social security system
Nicaragua	20	Included in the social security system
Panama	66	Included in the Social Insurance Institute; exclusive.

Source: ILO, based on official country information from reports filed by consultants.

a/ 1998 (Rodríguez, C; 2000)

b/ Number of workers insured by the social security system and covered by a Labour Accident Insurance system (SAT)

c/ 1998 (Rodríguez, C; 2000, Echeverría, M; 2000)

d/ Labour risk insurance only; 85% of the employed contribute to the National Insurance Institute.

As far as the *working hours* are concerned, recent ILO documents indicate that the number of working hours, while being an important indicator in terms of life quality, should be examined along with productivity and other factors such as compensation, unemployment, technological development, social benefits, labour security and even cultural attitudes towards work and leisure time. Besides, new work schedules arranged according with the evolution of both the economy and society are being introduced, as well as the notion that new ways to organize working hours represent a tool to promote employment and increase employment quality. However, this approach led to longer workdays in some countries.

The following is an analysis of working hours in a selected group of Latin American countries, on the basis of the legal number of working hours per week, against the number of actually worked hours, plus regional trends during the decade (Table 2c), and an analysis of actually worked hours per year against the ones worked in most of the developed industrial economies.

A 48-hours working week is the standard in most Latin American and Caribbean countries (Argentina, Bolivia, Colombia, Chile, Costa Rica and Panama, among others). A group of 6 countries, including Brazil, Venezuela, Guatemala and Honduras, has a 44-hours working week. The shortest working week (40 hours) is to be found in Ecuador and Jamaica (Table 2c).

A 40-hours working week prevails over most of Europe, with two significant exceptions: France' 35-hours working week and Italy' 48-hours working week. The United States and Japan also have a 40-hours working week.

The amount of actually worked hours in 1999 ranged from 41 to 43 hours in Brazil, Panama, Uruguay and Venezuela; 44 to 46 in Argentina, Chile, Costa Rica, El Salvador, Honduras and Mexico, and 47 to 51 in Colombia, Ecuador, Nicaragua and Peru.

Region wide, the working week experienced a reduction from an average of 44.9 hours in 1990 to 44.2 hours in 1997 and 42.8 in 1999. These figures show that the decline of actually worked hours was influenced by the labour market adjustment implemented during the Asian crisis: less employment and new hiring practices resulted in a smaller number of actual working hours.

A shrinking working week is a feature shared by all the countries, except for Panama and Peru. The number of actual working hours increased from 41.7 in 1990 to 42.3 in 1999 in Panama, and from 47.9 to 51 in Peru during the same period.

The average number of hours actually worked by the employed region wide decreased from 1,842 in 1990 to 1,758 in 1999 (Table 3c). The figures for some of the countries under review are as follows: Brazil, 1,568; Panama 1,610; Nicaragua 1,943 and Peru 2,091.

Comparison against the most developed industrial economies indicates that the average US worker puts the highest number of working hours per year: almost 2,000 per capita in 1997, followed by the Japanese with 1,898 in 1995. The number of working hours per year in the European Union has been remarkably smaller than in the US, Japan and Latin American and Caribbean countries throughout several decades, and continues to decline on a consistent basis. In Scandinavian countries such as Norway and Sweden, workers put 1,399 and 1,552 hours in 1997, respectively. In France, where the working week was reduced to 35 hours, workers put 1,656 hours per capita in 1997, while the annual average in Germany was below 1,560 hours per capita in the second half of the last decade.

Table 2c

LATIN AMERICA: SELECTED COUNTRIES

WORKING WEEK. 1990, 1997 AND 1999

(number of hours)

COUNTRY	Weekly working hours			Legal working week Number of hours		
	1990	1997	1999	40	44	48
Argentina	49.1	49.2	44.4			●
Brazil	43.8	42.9	41.2		●	
Chile	48.4	46.5	46.4			●
Colombia (1)	48.2	47.8	46.6			●
Costa Rica	45.4	45.5	45.6			●
Ecuador (2)	43.2	47.4	46.9	●		
El Salvador (3)	47.3	44.9	45.1		●	
Honduras	45.3	44.0	44.3		●	
Mexico	43.1	43.8	44.2			●
Nicaragua (4)	46.3	47.0	47.4		●	
Panama	41.7	42.7	42.3			●
Paraguay (5)	49.5		46.1			●
Peru (6)	47.9	48.9	51.0			●
Uruguay	43.6	42.5	42.0		●	●
Venezuela	42.5	40.8			●	
Arithmetic average	**-**	**42.5**	**40.8**			
Weighted average (7)	**44.9**	**44.2**	**42.8**			

***Source*:** ILO, based on data about regular working hours per week, derived from Household Surveys conducted in the countries under review

(1) 1991, 1995 and 1999.
(2) 1990, 1995 and 1998.
(3) 1990, 1997 and 1998.
(4) 1993, 1997 and 1999.
(5) 1990 and 1997-98.
(6) 1991, 1997 and 1998.
(7) Based on the EAP

Table 3c

LATIN AMERICA : SELECTED COUNTRIES

WORKING HOURS PER YEAR. 1990, 1997 AND 1999

(number of hours)

COUNTRY	Working Hours per year		
	1990	1997	1999
Argentina	2,013	2,017	1,820
Brazil	1,796	1,759	1,689
Chile	1,984	1,906	1,902
Colombia (1)	1,976	1,960	1,911
Costa Rica	1,861	1,866	1,870
Ecuador (2)	1,771	1,943	1,923
El Salvador (3)	1,939	1,841	1,849
Honduras	1,857	1,804	1,816
Mexico	1,767	1,796	1,812
Nicaragua (4)	1,788	1,927	1,943
Panama	1,710	1,751	1,734
Paraguay (5)	2,029	-	1,890
Peru (6)	1,964	2,005	2,091
Uruguay	1,788	1,743	1,722
Venezuela	-	1,743	1,673
Arithmetic average	**1,875**	**1,862**	**1,843**
Weighted average (7)	**1,842**	**1,815**	**1,758**

***Source*:** ILO, based on data derived from Household Surveys conducted in the countries under review.

(1) 1991, 1995 and 1999.
(2) 1990, 1995 and 1998.
(3) 1990, 1997 and 1998.
(4) 1993, 1997 and 1999.
(5) 1990, 1997 and 1998.
(6) 1991, 1997 and 1998.
(7) Based on the EAP

NOTE: To find out the number of working weeks per year, Sundays (52) and half-day Saturdays (26) (equivalent to 41 work weeks per year in each country, were not taken into account. The total number of work hours per year is achieved by multiplying that figure by the number of regular working hours per week (Table 2c)

Statistical Annex

TABLE 1-A

LATIN AMERICA AND THE CARIBBEAN: OPEN URBAN UNEMPLOYMENT. 1985-2000
(Average annual rates)

Country	1985	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	1999 Up to the third quarter m/	2000 Up to the third quarter m/
Argentina a/	6.1	7.5	6.5	7.0	9.6	11.5	17.5	17.3	14.9	12.9	14.3	14.5	15.4
Bolivia a/	5.7	7.2	5.9	5.5	5.9	3.1	3.6	4.0	4.3	4.1	7.5	…	…
Brazil b/	5.3	4.3	4.8	4.9	5.4	5.1	4.6	5.4	5.7	7.6	7.6	7.7	7.5
Chile c/	17.0	7.4	7.1	6.2	6.4	7.8	6.6	5.4	5.3	6.4	9.8	10.1	9.2
Colombia d/	13.8	10.5	10.2	10.2	8.6	8.9	8.8	11.2	12.4	15.2	19.4	19.8	20.4
Costa Rica a/	7.2	5.4	6.0	4.3	4.0	4.3	5.7	6.6	5.9	5.4	6.2	6.2	5.2 o/
Dominican Republic	…	…	19.6	20.3	19.9	16.0	15.8	16.5	15.9	14.3	13.8	13.8	…
Ecuador a/	10.4	6.1	8.5	8.9	8.9	7.8	7.7	10.4	9.3	11.5	15.1	15.0	14.9
El Salvador a/	...	10.0	7.5	6.8	...	7.0	7.0	5.8	7.5	7.6	8.0	8.0	7.0
Honduras a/	11.7	6.9	7.1	5.1	5.6	4.0	6.6	6.6	5.2	5.8	5.2	5.2	…
Mexico e/	4.4	2.8	2.7	2.8	3.4	3.7	6.2	5.5	3.7	3.2	2.5	2.6	2.3
Nicaragua a/	3.2	7.6	...	14.4	17.8	17.1	16.9	16.0	16.5	15.5	15.7	15.7	…
Panama f/	15.7	20.0	20.0	18.2	15.6	15.8	16.4	16.9	15.4	15.5	13.6	13.0	13.3 o/
Paraguay g/	5.1	6.6	5.1	5.3	5.1	4.4	5.3	8.2	7.1	6.6	9.4	8.8	…
Peru h/	10.1	8.3	5.9	9.4	9.9	8.8	7.9	7.9	8.4	8.2	8.3	8.7	10.3 n/
Uruguay i/	13.1	9.2	8.9	9.0	8.4	9.2	10.8	12.3	11.6	10.2	11.8	11.9	13.3
Venezuela a/	14.3	11.0	10.1	8.1	6.8	8.9	10.3	11.8	11.4	11.3	14.9	15.3	14.6 o/
Latin America j/	10.1	8.2	8.5	8.3	8.2	7.8	8.8	9.3	8.5	9.5	10.8	12.2	12.3
k/	8.3	5.7	5.6	5.7	6.1	6.3	7.2	7.7	7.2	8.2	8.8	9.0	8.9
The Caribbean l/													
Barbados	18.7	15.0	17.3	23.0	24.3	21.9	19.7	15.6	14.5	12.3	10.4	10.4	9.3 p/
Jamaica	25.0	15.3	15.7	15.4	16.3	15.4	16.2	16.0	16.5	15.5	15.9	15.7	15.8 p/
Trinidad and Tobago	15.7	20.0	18.5	19.6	19.8	18.4	17.2	16.2	15.0	14.2	13.1	13.1	12.8 n/

Source: ILO, based on country Household Surveys

a/ National urban.
b/ Six metropolitan regions. Average January-September 2000.
c/ Country total . Fourth quarter of each year. Third quarter of 2000.
d/ Seven metropolitan areas . Annual average from 1985 to 1999. 2000 January -September average.
e/ 39 urban areas .
f/ National urban.
g/ Asuncion.
h/ Metropolitan Lima . National urban since 1996.
i/ Montevideo.
j/ Arithmethic average.
k/ Weighted average.
l/ Caribbean countries use a different methodology to measure open unemployment.
m/ Average for the first three quarters.
n/ Metropolitan Lima First quarter.
o/ First semester.
p/ Second quarter.

TABLE 2-A

LATIN AMERICA AND THE CARIBBEAN: UNEMPLOYMENT BY SEX. 1990 - 2000
(Annual rates)

Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Latin America											
Argentina a/	7.3	5.8	6.7	10.1	12.1	18.8	18.4	15.7	12.9	15.1	16.0
Men	7.4	5.6	6.5	8.5	10.7	16.5	16.8	13.4	12.2	16.9	17.6
Women	7.3	6.2	7.1	12.7	14.5	22.3	20.9	19.2	15.2	13.8	14.8
Bolivia b/	7.2	5.9	5.5	5.9	3.1	3.6	4.2	4.4	…	…	…
Men	6.8	5.7	5.5	6.5	3.4	3.3	3.9	…	…	…	…
Women	7.8	6.3	5.6	5.3	2.9	4.0	4.5	…	…	…	…
Brazil c/	4.3	4.8	4.9	5.4	5.1	4.6	5.4	5.7	7.6	7.7	7.5
Men	…	4.8	5.6	5.2	4.8	4.5	5.0	5.3	7.1	7.1	6.8
Women	…	4.9	6.0	5.6	5.5	4.8	6.1	6.3	8.3	8.3	8.6
Chile d/	7.4	7.1	6.2	6.4	7.8	6.6	5.4	5.3	6.4	9.7	9.2
Men	6.6	6.1	5.0	5.3	6.5	5.5	4.8	4.7	5.7	9.3	8.7
Women	9.2	9.4	8.9	8.8	10.3	8.9	6.7	6.6	7.6	10.5	10.2
Colombia e/	11.0	10.8	11.2	9.1	9.9	9.0	11.6	13.4	15.9	19.9	20.4
Men	8.3	7.8	8.1	6.5	6.8	6.8	9.2	10.5	12.9	17.1	17.1
Women	14.7	14.8	15.0	12.7	14.0	12.1	14.8	16.9	19.5	23.2	24.2
Costa Rica b/	5.4	6.0	4.3	4.0	4.3	5.7	6.5	5.9	5.4	6.0	5.2
Men	4.9	1.8	1.2	0.9	3.8	5.4	6.0	5.4	4.6	4.9	4.4
Women	6.2	13.3	9.9	9.7	5.1	6.2	7.6	6.8	6.7	8.2	6.9
Dominican											
Republic b/	...	19.6	20.3	19.9	16.0	15.8	16.7	15.9	14.3	…	…
Men	...	12.5	11.7	11.4	10.0	10.2	10.2	…	…	…	…
Women	...	33.1	34.9	34.8	26.9	26.2	28.7	…	…	…	…
Ecuador b/	6.1	8.1	8.9	8.3	7.1	6.9	10.4	9.3	8.5	…	…
Men	4.3	5.4	6.0	6.2	5.8	5.5	…	7.4	…	…	…
Women	9.1	13.2	13.2	11.5	9.3	8.8	…	12.1	…	…	…
El Salvador b/	9.9	7.5	8.7	9.9	7.7	7.6	7.7	7.5	7.6	8.0	7.0
Men	10.1	8.3	9.0	11.8	8.4	8.7	8.4	9.0	9.6	9.9	8.5
Women	9.8	6.6	8.3	6.8	6.4	5.9	6.5	5.5	6.1	5.8	4.6
Honduras b/	6.9	7.1	5.1	5.6	4.0	6.6	6.6	5.2	5.8	3.7	…
Men	9.6	13.1	9.8	5.9	5.9	10.7	11.8	5.9	6.3	3.7	…
Women	5.2	4.1	3.0	5.1	3.1	4.1	4.4	4.3	5.1	3.8	…
Mexico f/	2.7	2.7	2.8	3.4	3.7	6.3	5.5	3.7	3.3	2.5	2.3
Men	2.6	2.5	2.7	3.2	3.6	6.1	5.3	3.5	3.0	2.4	2.2
Women	3.0	2.9	3.2	3.9	4.0	6.5	5.9	4.2	3.7	2.6	2.5
Panama g/	…	20.0	18.2	15.6	15.8	16.4	17.0	15.4	15.5	11.6	15.2
Men	...	12.8	10.8	9.7	10.7	10.8	11.0	13.3	12.4	8.8	13.0
Women	…	22.6	22.3	20.2	20.4	20.1	20.0	18.2	19.7	16.7	18.6

TABLE 2-A (Continued)

LATIN AMERICA AND THE CARIBBEAN: UNEMPLOYMENT BY SEX. 1990 - 1999
(Annual rates)

Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Paraguay h/	6.6	5.1	5.3	5.1	4.4	5.6	9.2	6.4	13.9	…	…
Men	6.6	5.4	6.4	5.5	4.9	5.5	9.1	4.7	11.1	…	…
Women	6.5	4.7	3.8	4.5	3.7	5.7	9.3	8.2	17.7	…	…
Peru i/	8.5	5.8	9.4	9.9	8.8	7.9	7.9	8.4	8.2	8.3	10.3
Men	6.5	4.8	7.5	8.4	7.0	6.0	7.2	7.1	6.4	7.6	10.0
Women	11.4	7.3	12.5	12.2	11.8	8.7	9.1	10.1	9.6	9.2	10.8
Uruguay j/	9.2	8.9	9.0	8.4	9.2	10.8	12.4	11.6	10.2	11.8	13.3
Men	7.3	7.1	6.7	6.3	6.9	8.4	10.5	9.2	8.1	9.8	10.7
Women	11.8	11.3	11.9	11.0	12.0	13.7	14.5	14.5	12.7	14.0	16.3
Venezuela b/	11.0	10.1	8.1	6.8	8.9	10.3	11.8	11.4	11.3	14.9	14.6
Men	11.4	9.5	8.1	7.1	8.2	8.9	10.3	10.3	9.9	13.6	14.0
Women	10.4	8.6	5.9	5.5	9.6	12.9	14.5	14.2	13.6	17.1	15.9
The Caribbean l/											
Barbados	15.0	17.3	23.0	24.3	21.9	19.7	15.6	14.5	12.3	10.4	9.3
Men	10.1	13.2	20.2	21.3	17.6	16.5	12.4	11.3	8.4	7.7	7.4
Women	20.3	21.4	26.1	27.7	26.4	23.0	18.9	17.8	16.4	13.3	11.5
Jamaica	15.3	15.4	15.7	16.3	15.4	16.2	16.0	16.5	15.5	…	…
Hombres	9.1	9.4	9.5	10.9	9.6	10.8	9.9	10.6	10.0	…	…
Mujeres	20.4	22.2	22.8	22.4	21.8	22.5	23.0	23.5	22.1	…	…
Trinidad and Tobago	20.0	18.5	19.6	19.8	18.4	17.2	16.2	15.0	14.2	…	…
Men	17.8	15.7	17.0	17.6	16.1	15.1	13.2	12.3	11.3	…	…
Women	24.2	23.4	23.9	23.4	22.3	20.6	21.0	19.4	18.9	…	…

Source: ILO, based on country Household Surveys.

a/ Greater Buenos Aires. May 2000 surveys.
b/ National urban.
c/ Six metropolitan areas. June 2000.
d/ National total. October-December of each year.
e/ Seven metropolitan areas . June of each year.
f/ 43 urban areas.Third quarter 2000.
g/ Metropolitan region. Data for September 2000.
h/ Asuncion.
i/ Metropolitan Lima. National urban since 1996.
j/ Montevideo. Average January-September 2000.
l/ Caribbean countries use a different methodology to measure open unemployment.

TABLE 3-A

LATIN AMERICA AND THE CARIBBEAN: YOUTH UNEMPLOYMENT. 1990 - 2000
(Annual rates)

Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Latin America											
Argentina a/											
15-19	21.7	16.3	16.4	26.8	32.3	46.6	44.3	39.7	35.0	35.9	45.0
15-24	15.2	12.3	13.0	...	21.2	30.1	31.1	27.2	24.4	26.4	...
Bolivia b/											
10-19	13.3	13.1	8.3	8.6	4.9	5.0	7.0	...	...	...	...
20-29	9.5	7.3	7.0	8.2	4.5	5.4	...	...	...	...	...
Brazil c/											
15-17	...	11.6	14.4	12.2	11.9	11.0	13.0	14.3	18.8	17.8	17.8
18-24	...	9.1	11.2	10.3	9.6	9.3	10.5	11.4	14.0	14.5	14.7
Chile d/											
15-19	15.9	13.7	12.6	13.0	16.8	15.8	15.0	19.9	20.8	27.6	26.0
20-24	12.0	12.4	10.3	10.2	11.9	10.1	12.2	13.6	15.1	19.8	20.1
Colombia e/											
12-17	...	25.9	22.5	26.6	25.7	23.3	26.1	32.8	35.4	37.9	41.3
18-24	...	20.8	21.4	17.4	18.9	18.2	22.0	26.1	29.5	35.7	35.8
Costa Rica f/											
12-24	10.4	14.1	9.3	10.2	9.8	13.5	13.9	13.1	12.8	...	...
Ecuador f/											
15-24	13.5	18.5	17.3	15.7	14.9	15.3	20.0	19.4	22.6	...	...
El Salvador f/											
15-24	18.6	14.6	14.3	14.4	13.5	13.3	13.1	14.6	15.0	...	...
Honduras f/											
10-24	10.7	12.3	6.6	9.7	6.7	10.2	9.7	8.7	10 .0	...	...
Mexico g/											
12-19	7.0	5.0	6.9	7.3	8.3	13.1	11.5	8.4	7.0	5.7	5.7
20-24	...	...	4.4	5.7	6.0	9.9	8.8	6.5	5.9	4.5	4.2
Panama h/											
15-24	...	38.8	37.0	31.6	31.1	31.9	34.8	31.5	31.7	29.5	...
Paraguay i/											
15-19	18.4	9.0	14.1	9.8	12.3	10.8	29.1	13.7	...	...	...
20-24	14.1	9.5	7.3	8.8	5.5	7.8	12.6	12.7	...	...	...
Peru j/											
14-24	15.4	11.2	15.8	16.1	13.7	11.2	14.9	14.5	14.1	14.2	18.2
Uruguay k/											
14-24	26.6	25.0	24.4	23.3	25.5	25.5	28.0	26.8	26.1	27.1	30.5
Venezuela l/											
15-24	18.0	15.8	13.4	13.0	15.9	19.9	25.4	23.1	21.9	26.6	28.0
The Caribbean m/											
Barbados											
15-24	...	33.8	36.4	43.2	41.7	37.8	27.5	28.9	27.4	21.8	18.4
Jamaica											
15-24	30.7	29.2	28.3	29.5	28.9	34.1	34.4	34.2	...	...	...
Trinidad and Tobago											
15-24	36.4	34.2	34.8	38.9	39.9	31.0	28.5	35.3	25.8	23.7	...

Source: ILO, based on country Household Surveys.

a/ Greater Buenos Aires. May 2000.
b/ National urban. 1996 (15-25 years of age).
c/ Six metropolitan areas.
d/ National total .
e/ Seven metropolitan areas , June of each year.
f/ National urban.
g/ 41 urban areas.
h/ Metropolitan region. March 1999.
i/ Asuncion.
j/ Metropolitan Lima. National urban since 1996 . First quarter 1999.
k/ Montevideo. Average January-September 2000.
l/ Urban national.
m/ Caribbean countries use a different methodology to measure open unemployment.

TABLE 4-A

LATIN AMERICA AND THE CARIBBEAN: URBAN PARTICIPATION RATES. 1990 - 2000 a/
(Percentages)

Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Latin America											
Argentina b/	40.6	40.9	41.6	43.8	43.3	45.1	44.2	42.2	42.2	42.6	42.4
Bolivia	51.2	51.5	50.6	52.6	53.7	55.0	56.5	52.5	…	…	…
Brazil c/	63.8	61.1	59.5	58.7	59.3	59.3	59.6	58.5	58.2	57.1	58.1
Chile d/	53.0	53.0	54.3	56.0	56.0	54.9	54.5	54.4	55.1	54.4	53.9
Colombia e/	58.4	59.5	60.8	60.1	60.0	59.9	59.7	59.9	62.2	63.1	64.2
Costa Rica	53.2	51.8	50.4	51.7	53.3	54.5	52.2	53.8	55.3	54.8	53.4
Dominican Republic f/	…	55.0	58.9	57.4	53.3	51.9	53.2	…	…	…	…
Ecuador g/	52.3	56.8	58.9	57.5	55.6	55.7	55.8	56.6	55.4	56.3	56.7
El Salvador f/	55.0	52.6	54.2	54.6	55.5	54.1	52.9	53.0	55.7	54.0	52.6
Honduras m/	50.1	48.9	50.7	49.7	50.1	51.5	54.7	55.6	54.8	56.5	…
Mexico h/	51.8	53.3	53.8	55.2	54.7	55.0	55.4	56.2	56.6	55.8	56.4
Nicaragua	…	…	…	48.8	48.3	48.7	46.9	52.2	40.8	…	…
Panama i/	56.7	58.7	61.9	61.8	62.7	63.1	61.7	63.1	63.9	61.2	61.1
Paraguay j/	60.9	62.2	61.0	62.9	63.9	70.5	66.0	63.7	60.6	…	…
Peru k/	59.6	55.9	57.1	60.1	59.7	62.4	60.4	63.3	65.4	…	…
Uruguay l/	59.6	59.5	59.5	59.0	60.5	62.1	61.6	60.2	61.4	61.4	61.4
Venezuela m/	59.4	59.8	59.3	57.9	59.0	61.6	62.2	63.8	65.1	66.8	65.6
The Caribbean											
Barbados	67.3	65.2	66.2	66.3	67.4	68.2	67.4	67.5	67.7	67.7	…
Jamaica	66.9	68.1	69.1	68.3	69.2	69.0	67.7	66.6	65.6	…	…
Trinidad and Tobago	55.9	58.5	60.0	59.5	59.4	60.2	60.5	60.3	61.2	…	…

Source: ILO, based on country Household Surveys.

a/ Figures for the 1990-1999 period are annual averages. The periods indicated in the country notes are considered for the year 2000.
b/ National urban, May 2000.
c/ Six metropolitan regions. January-September 2000 average.
d/ National total. January-September 2000 average.
e/ Seven metropolitan areas. September 2000.
f/ National urban.
g/ Three metropolitan regions. January-September 2000 average .
h/ 41 urban areas. January-September 2000 average .
i/ Metropolitan region.
j/ Asuncion.
k/ Metropolitan Lima. National urban since 1996.
l/ Montevideo. January-September 2000 average .
m/ National total. First quarter of 2000.

TABLE 5-A

LATIN AMERICA AND THE CARIBBEAN: URBAN EMPLOYMENT RATES. 1990 - 2000 a/
(Percentages)

Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Latin America											
Argentina b/	37.6	38.2	38.7	39.6	38.3	37.2	36.6	35.9	36.8	36.5	35.9
Bolivia	47.5	48.5	47.8	49.5	52.0	53.0	54.2	50.2	…	…	…
Brazil c/	61.1	58.1	56.6	55.6	56.3	56.6	56.4	55.2	53.8	52.8	53.7
Chile d/	49.1	49.3	50.9	52.4	51.6	51.2	51.6	51.5	51.6	49.1	48.9
Colombia e/	52.3	53.5	54.6	55.0	54.6	54.6	53.0	52.5	52.7	50.8	51.1
Costa Rica	50.3	48.7	48.2	49.6	51.0	51.4	48.8	50.6	52.3	51.4	50.6
Dominican Republic f/	…	44.2	46.9	46.0	44.8	43.7	44.4	…	…	…	…
Ecuador g/	49.1	52.0	53.7	52.4	51.3	51.4	50.0	51.3	49.0	47.8	48.3
El Salvador f/	49.5	48.7	50.5	…	51.6	50.3	49.8	49.0	51.5	49.7	48.9
Honduras m/	46.6	45.4	48.2	46.9	48.1	48.1	51.1	52.7	51.6	53.6	…
Mexico h/	50.3	51.8	52.3	53.3	52.7	51.6	52.4	54.1	54.7	54.4	55.1
Nicaragua	…	…	…	40.1	40.0	40.5	39.4	43.6	34.5	…	…
Panama i/	45.4	46.9	50.6	52.2	52.8	52.8	51.3	53.4	54.0	52.9	53.0
Paraguay j/	56.9	59.0	57.8	59.7	61.1	66.8	60.6	59.2	56.6	…	…
Peru k/	54.7	52.6	51.7	54.2	54.4	57.5	55.6	58.0	60.0	…	…
Uruguay l/	54.1	54.2	54.1	54.0	54.9	55.4	54.0	53.2	55.1	54.1	53.3
Venezuela m/	52.8	53.7	54.5	54.0	53.8	55.3	54.8	56.5	57.8	56.8	56.0
The Caribbean											
Barbados	54.7	55.4	54.7	51.1	51.0	53.3	54.1	57.0	57.9	60.7	…
Jamaica	50.2	57.7	58.3	57.8	57.9	58.4	56.7	55.9	54.8	…	…
Trinidad and Tobago	47.1	46.8	48.9	47.8	47.6	49.1	50.1	50.5	52.0	…	…

Source: ILO, based on country Household Survey.

a/ The figures for the year 2000 are annual averages. The periods indicated in the country notes are considered for the year 2000.
b/ National urban, May 2000.
c/ Six metropolitan regions. Average January-September 2000.
d/ National total. Average January-September 2000.
e/ Seven metropolitan areas. September 2000.
f/ National urban.
g/ Three metropolitan regions. Average January-September 2000.
h/ 41 urban areas. Average January - September 2000.
i/ Metropolitan region.
j/ Asuncion.
k/ Metropolitan Lima. National urban since 1996 .
l/ Montevideo. Average January-September 2000.
m/ National total, first quarter 2000.

TABLE 6-A

LATIN AMERICA: URBAN EMPLOYMENT STRUCTURE. 1990 - 2000

(Percentages)

Countries/Years		Informal sector				Formal sector		
		Total	Independent worker a/	Domestic service	Micro-enterprises b/	Total	Public sector	Small, medium and large private enterprises c/
Latin America								
1990	Total	42.8	22.2	5.8	14.7	57.2	15.5	41.7
	Men	39.4	21.6	0.5	17.3	60.6		
	Women	47.4	23.2	13.8	10.4	52.6		
1995	Total	46.1	24.0	7.4	14.8	53.9	13.5	40.4
	Men	42.7	23.9	0.8	18.0	57.3		
	Women	51.0	24.1	17.0	9.9	49.0		
1999	Total	46.4	23.9	6.7	15.8	53.6	13.0	40.6
	Men	43.9	24.3	0.8	18.8	56.1		
	Women	50.0	23.4	15.1	11.4	50.0		
Argentina								
1991	Total	52.0	27.5	5.7	18.8	48.0	19.3	28.7
	Men	49.8	28.2	0.5	21.2	50.2		
	Women	55.5	26.5	14.3	14.7	44.5		
1998	Total	49.3	22.7	6.4	20.3	50.7	12.7	38.0
	Men	48.0	24.1	0.3	23.6	52.0		
	Women	51.4	20.4	15.8	15.2	48.6		
Brazil								
1990	Total	40.6	20.3	6.9	13.5	59.4	11.0	48.4
	Men	36.1	19.6	0.5	16.0	63.9		
	Women	47.6	21.3	16.7	9.6	52.4		
1995	Total	46.5	23.8	9.5	13.2	53.5	15.1	38.4
	Men	42.1	25.1	0.9	16.0	57.9		
	Women	52.8	21.8	21.6	9.4	47.2		
1999	Total	47.1	24.0	9.4	13.7	52.9	14.2	38.8
	Men	43.8	26.4	0.9	16.4	56.2		
	Women	51.6	20.7	20.9	10.1	48.4		
Chile								
1990	Total	37.9	20.9	5.4	11.7	62.1	7.0	55.1
	Men	33.5	21.3	0.2	12.0	66.5		
	Women	45.9	20.1	14.7	11.1	54.1		
1996	Total	38.8	18.9	7.1	12.8	61.2	11.8	49.4
	Men	34.0	19.9	0.3	13.7	66.0		
	Women	46.3	17.4	17.7	11.2	53.7		
1998	Total	37.5	18.5	5.1	13.9	62.5	7.2	55.3
	Men	32.9	19.2	0.1	13.6	67.1		
	Women	44.8	17.4	13.1	14.3	55.2		
Colombia								
1990	Total	45.7	24.1	2.0	19.5	54.3	9.6	44.7
	Men	45.1	22.6	0.1	22.3	54.9		
	Women	46.6	26.3	5.0	15.2	53.4		
1998	Total	49.0	28.1	2.1	18.8	51.0	8.2	42.8
	Men	49.2	28.4	0.2	20.7	50.8		
	Women	48.8	27.7	4.7	16.4	51.2		
Costa Rica								
1990	Total	41.2	18.9	5.8	16.4	58.8	22.0	36.8
	Men	37.7	19.1	0.3	18.3	62.3		
	Women	47.5	18.6	15.8	13.1	52.5		
1995	Total	43.3	18.5	5.0	19.7	56.7	17.4	39.3
	Men	40.4	17.8	0.3	22.3	59.6		
	Women	48.3	19.9	13.3	15.1	51.7		
1999	Total	46.8	18.4	6.8	21.6	53.2	15.2	38.1
	Men	43.2	17.7	0.6	24.9	56.8		
	Women	52.6	19.6	16.6	16.3	47.4		

TABLE 6-A (Continued)

LATIN AMERICA: URBAN EMPLOYMENT STRUCTURE. 1990 - 2000
(Percentages)

Countries/Years		Informal sector				Formal sector		
		Total	Independent worker a/	Domestic service	Micro-enterprises b/	Total	Public sector	Small, medium and large private enterprises c/
Ecuador								
1990	Total	55.6	35.4	5.0	15.3	44.4	18.7	25.7
	Men	51.7	32.6	0.7	18.4	48.3		
	Women	62.1	39.9	12.1	10.1	37.9		
1995	Total	63.7	33.6	5.2	25.0	36.3	14.2	22.0
	Men	60.0	29.6	0.7	29.8	40.0		
	Women	69.2	39.4	11.8	17.9	30.8		
1998	Total	58.6	33.0	6.1	19.5	41.4	14.8	26.6
	Men	54.5	28.9	1.0	24.6	45.5		
	Women	64.1	46.7	9.4	8.0	35.9		
Honduras								
1990	Total	57.6	37.3	7.1	13.3	42.4	14.9	27.5
	Men	45.1	25.7	0.5	18.9	54.9		
	Women	72.0	50.5	14.6	6.9	28.0		
1995	Total	57.1	35.5	5.6	16.0	42.9	12.6	30.2
	Men	49.1	25.2	0.9	23.1	50.9		
	Women	66.3	47.4	11.1	7.8	33.7		
1999	Total	60.7	39.6	5.5	15.6	39.3	10.1	29.2
	Men	53.3	28.6	0.7	23.9	46.7		
	Women	67.6	49.8	9.9	7.9	32.4		
Mexico								
1990	Total	38.4	19.0	4.6	14.8	61.6	19.4	42.3
	Men	37.6	19.1	0.7	17.8	62.4		
	Women	39.9	18.7	12.0	9.2	60.1		
1995	Total	43.2	20.9	5.3	17.0	56.8	16.1	40.7
	Men	42.1	19.9	1.1	21.1	57.9		
	Women	45.1	22.6	12.6	9.9	54.9		
1999	Total	40.1	18.3	4.8	17.0	59.9	14.5	45.4
	Men	39.5	17.8	1.2	20.6	60.5		
	Women	41.1	19.2	11.4	10.6	58.9		
Panama								
1991	Total	36.0	19.8	7.9	8.3	64.0	32.0	32.0
	Men	34.6	23.8	1.0	9.7	65.4		
	Women	38.0	14.0	17.8	6.3	62.0		
1995	Total	37.1	20.5	7.6	9.0	62.9	25.9	37.0
	Men	35.2	23.4	1.5	10.3	64.8		
	Women	40.0	16.1	16.9	7.0	60.0		
1999	Total	38.9	22.6	6.6	9.7	61.1	20.7	40.4
	Men	36.7	24.4	1.2	11.1	63.3		
	Women	42.2	19.9	14.6	7.7	57.8		
Peru d/								
1991	Total	52.7	33.4	4.9	14.5	47.3	11.6	35.7
	Men	46.3	28.9	0.6	16.9	53.7		
	Women	62.9	40.4	11.6	10.8	37.1		
1995	Total	55.1	33.0	4.8	17.3	44.9	9.3	35.6
	Men	48.8	26.9	0.5	21.4	51.2		
	Women	64.1	41.8	11.0	11.4	35.9		
1998	Total	53.7	30.2	5.5	18.0	46.3	7.2	39.1
	Men	45.3	23.8	0.5	21.0	54.7		
	Women	64.6	38.7	11.9	14.0	35.4		

TABLE 6-A (Continued)

LATIN AMERICA: URBAN EMPLOYMENT STRUCTURE. 1990 - 2000
(Percentages)

Countries/Years		Informal sector				Formal sector		
		Total	Independent worker a/	Domestic service	Micro-enterprises b/	Total	Public sector	Small, medium and large private enterprises c/
Uruguay e/								
1990	Total	39.1	18.6	6.8	13.7	60.9	20.1	40.8
	Men	33.7	18.6	0.2	15.0	66.3		
	Women	46.6	18.5	16.2	11.8	53.4		
1995	Total	43.3	21.9	7.4	13.9	56.7	20.0	36.7
	Men	38.4	21.9	0.2	16.3	61.6		
	Women	49.7	21.9	17.0	10.8	50.3		
1999	Total	43.1	22.5	7.5	13.1	56.9	17.1	39.8
	Men	39.4	24.5	0.2	14.6	60.6		
	Women	47.9	19.8	7.0	11.1	52.1		
Venezuela								
1990	Total	38.6	22.3	3.9	12.4	61.4	22.3	39.1
	Men	38.3	22.0	0.4	15.9	61.7		
	Women	39.3	22.8	10.4	6.1	60.7		
1995	Total	44.5	28.1	2.4	14.0	55.5	19.9	35.7
	Men	45.3	28.1	0.1	17.1	54.7		
	Women	43.0	28.0	6.4	8.6	57.0		
1999	Total	49.1	32.4	2.5	14.3	50.9	16.9	34.0
	Men	47.5	29.6	0.2	17.8	52.5		
	Women	51.4	36.6	5.9	8.9	48.6		

Source: ILO estimations based on data from Household Surveys and other official sources (revised series).

a/ Including own-account workers (except clerks, professionales and technicians)and family workers.
b/ Occupied in businesses with a staff of up to 5 workers.
c/ Including enterprises with 6 or more workers.
d/ Metropolitan Lima .
e/ Montevideo.

TABLE 7-A

LATIN AMERICA AND THE CARIBBEAN: SELECTED COUNTRIES. NON AGRICULTURAL EMPLOYMENT BY ECONOMIC ACTIVITY AND SEX. 1990 - 1999 a/

(Percentages)

Country and period		Total	Goods Sector b/	Manufacturing industry, Construction, Mining, Power and Waterworks		Services Sector c/	Commerce	Transport d/	Financial enterprises e/	Services f/	Non specified Activities
Argentina											
1991	Total	100.0	26.4	18.2	8.2	72.1	21.7	5.6	6.9	37.9	1.6
	Men	100.0	34.2	21.4	12.8	63.6	22.3	8.1	7.2	26.0	2.1
	Women	100.0	13.4	13.0	0.4	86.1	20.8	1.4	6.3	57.6	0.6
1998	Total	100.0	23.8	14.7	9.1	74.9	21.2	6.9	8.6	38.2	1.3
	Men	100.0	33.2	18.5	14.7	65.0	20.7	10.1	8.8	25.4	1.8
	Women	100.0	9.3	8.8	0.5	90.3	22.2	2.0	8.2	57.9	0.4
Barbados											
1990		100.0	23.2	13.5	9.7	76.8	27.3	6.6	3.8	39.1	
1996		100.0	18.7	10.4	8.3	81.3	25.5	4.2	8.0	43.5	
Bolivia											
1990		100.0	23.9	17.1	6.8	76.1	26.4	7.9	3.1	38.6	
1997		100.0	30.4	21.1	9.3	69.6	30.7	8.9	4.9	25.1	
Brazil											
1990	Total	100.0	28.6	20.9	7.7	71.0	21.7	5.1	3.3	40.9	0.4
	Men	100.0	37.9	25.5	12.4	61.6	22.2	7.8	3.5	28.1	0.5
	Women	100.0	14.3	13.8	0.5	85.6	20.9	1.1	3.0	60.6	0.1
1995	Total	100.0	25.0	16.7	8.3	75.0	22.6	5.0	2.1	45.0	0.3
	Men	100.0	34.8	20.9	13.9	65.2	23.3	7.8	2.2	31.3	0.6
	Women	100.0	11.3	10.9	0.5	88.7	21.7	1.0	1.9	63.9	0.1
1999	Total	100.0	25.1	16.3	8.8	74.8	22.6	5.2	1.8	44.8	0.4
	Men	100.0	34.9	20.3	14.6	65.2	22.8	8.2	1.8	31.7	0.7
	Women	100.0	11.9	11.1	0.8	88.2	22.3	1.2	1.9	62.7	0.1
Chile											
1994	Total	100.0	31.3	20.9	10.4	67.6	21.7	8.4	6.6	30.9	1.2
	Men	100.0	40.7	24.8	15.8	58.2	19.3	11.9	6.3	20.7	1.1
	Women	100.0	15.2	14.1	1.0	83.6	25.7	2.6	7.1	48.3	1.3
1996	Total	100.0	28.0	17.7	10.3	72.0	22.6	8.5	7.5	32.9	0.5
	Men	100.0	36.9	20.8	16.1	63.1	20.3	12.1	7.3	22.8	0.5
	Women	100.0	13.9	12.8	1.1	86.1	26.3	2.8	7.8	48.7	0.6
1998	Total	100.0	28.0	18.6	9.4	71.0	22.2	8.8	7.9	32.0	1.0
	Men	100.0	37.7	23.0	14.7	61.3	19.4	12.7	8.1	21.1	1.0
	Women	100.0	13.1	11.9	1.2	86.0	26.5	2.9	7.7	48.9	0.9
Colombia											
1992	Total	100.0	31.3	25.0	6.3	68.6	28.4	6.2	7.3	26.7	0.1
	Men	100.0	34.6	24.8	9.8	65.4	26.1	9.2	7.6	22.4	0.1
	Women	100.0	26.2	25.3	0.9	73.7	32.0	1.4	6.9	33.4	0.1
1998	Total	100.0	28.0	21.8	6.2	71.9	26.5	7.6	8.6	29.2	0.2
	Men	100.0	32.3	22.4	9.9	67.5	23.6	11.6	8.9	23.5	0.2
	Women	100.0	22.2	20.9	1.3	77.7	30.3	2.3	8.1	37.0	0.2
Costa Rica											
1990	Total	100.0	34.9	26.1	8.8	64.2	21.2	5.3	4.5	33.2	1.0
	Men	100.0	39.8	26.4	13.4	59.2	20.5	7.8	5.6	25.3	1.2
	Women	100.0	26.0	25.5	0.5	73.3	22.4	0.9	2.6	47.4	0.7
1995	Total	100.0	29.1	21.1	8.0	70.9	24.7	6.8	5.5	32.8	1.1
	Men	100.0	33.3	21.0	12.3	66.7	23.5	9.5	6.5	25.9	1.3
	Women	100.0	21.7	21.3	0.4	78.3	27.0	2.1	3.5	45.1	0.6
1999	Total	100.0	27.5	19.6	7.9	72.5	25.8	7.2	6.3	32.6	0.7
	Men	100.0	33.5	20.8	12.7	66.5	24.4	10.4	7.0	23.9	0.8
	Women	100.0	17.9	17.6	0.3	82.1	28.0	1.9	5.2	46.5	0.5

TABLE 7-A (Continued)

LATIN AMERICA AND THE CARIBBEAN: SELECTED COUNTRIES. NON AGRICULTURAL EMPLOYMENT BY ECONOMIC ACTIVITY AND SEX. 1990 - 1999 a/

(Percentages)

Country and period		Total	Goods Sector b/	Manufacturing industry, Construction, Mining, Power and Waterworks		Services Sector c/	Commerce Transport d/		Financial enterprises e/	Services f/	Non specified Activities
Ecuador											
1990	Total	100.0	28.1	20.3	7.7	71.9	29.4	6.1	5.0	31.4	0.0
	Men	100.0	34.6	22.6	12.0	65.3	24.5	9.0	5.9	25.9	0.0
	Women	100.0	17.2	16.6	0.6	82.8	37.6	1.2	3.5	40.5	0.0
1995	Total	100.0	22.2	15.6	6.6	77.8	34.0	5.9	4.8	33.0	0.1
	Men	100.0	27.5	16.7	10.8	72.5	28.9	9.0	5.5	29.0	0.0
	Women	100.0	14.5	14.0	0.5	85.5	41.4	1.3	3.9	38.7	0.1
1998	Total	100.0	22.3	15.9	6.4	77.7	32.8	6.8	5.6	32.4	0.1
	Men	100.0	28.3	17.7	10.6	71.7	28.7	10.6	6.6	25.7	0.1
	Women	100.0	13.7	13.3	0.4	86.3	38.5	1.4	4.2	42.1	0.1
El Salvador											
1990		100.0	31.4	24.8	6.6	68.6	29.7	5.8	2.9	30.2	
1995	Total	100.0	33.6	26.3	7.3	66.4	28.0	6.0	2.2	30.2	0.0
	Men	100.0	39.4	25.9	13.5	60.6	24.9	10.6	2.1	23.0	0.0
	Women	100.0	27.4	26.8	0.6	72.6	31.3	0.9	2.4	38.0	0.0
1998	Total	100.0	30.9	24.8	6.1	69.1	34.0	5.7	5.6	23.6	0.2
	Men	100.0	35.9	24.5	11.8	64.1	28.7	10.5	6.2	18.5	0.2
	Women	100.0	25.5	25.0	0.5	74.5	39.5	0.8	5.0	29.0	0.2
Honduras											
1990	Total	100.0	33.8	25.1	8.7	66.2	29.4	4.3	2.3	30.2	0.1
	Men	100.0	42.0	26.0	16.0	57.8	24.0	7.4	2.9	23.5	0.1
	Women	100.0	24.2	23.9	0.3	75.7	35.4	0.7	1.6	38.0	0.1
1995	Total	100.0	35.6	28.0	7.6	64.4	28.7	3.9	3.0	28.8	0.0
	Men	100.0	41.6	27.6	14.0	58.4	22.8	6.4	3.9	25.3	0.1
	Women	100.0	28.8	28.5	0.3	71.2	35.4	0.9	2.0	32.9	0.0
1999	Total	100.0	33.1	25.9	7.1	66.9	32.2	3.7	3.2	27.8	0.0
	Men	100.0	38.8	25.2	14.6	60.2	24.3	6.9	4.3	24.7	0.0
	Women	100.0	26.8	26.6	0.2	73.2	39.4	0.8	2.3	30.7	0.0
Jamaica											
1991		100.0	25.0	16.0	8.9	75.0	26.1	5.5	6.2	37.3	
1996		100.0	25.6	14.6	11.0	74.4	27.0	6.6	7.4	33.4	
Mexico											
1990	Total	100.0	30.0	25.0	5.0	69.9	26.0	5.6	5.9	32.4	0.0
	Men	100.0	34.8	27.6	7.3	65.1	23.9	7.5	5.8	27.9	0.1
	Women	100.0	20.9	20.2	0.7	79.1	30.0	1.9	6.1	41.1	0.0
1995	Total	100.0	20.9	20.1	0.8	79.1	28.3	6.2	2.2	42.4	0.1
	Men	100.0	23.3	22.2	1.0	76.7	25.5	8.6	2.1	40.4	0.1
	Women	100.0	18.8	16.4	0.4	83.2	33.0	1.9	2.3	45.9	0.0
1999	Total	100.0	29.4	28.8	0.6	70.6	26.4	6.4	1.7	36.1	0.0
	Men	100.0	34.3	33.4	0.9	65.8	23.5	8.9	1.6	31.8	0.0
	Women	100.0	20.9	20.7	0.2	79.0	31.6	1.8	2.0	43.6	0.0
Panama											
1991	Total	100.0	19.2	14.8	4.4	80.6	27.1	9.4	5.7	38.4	0.1
	Men	100.0	25.2	17.8	7.4	74.8	29.5	13.9	5.7	25.7	2.1
	Women	100.0	10.9	10.7	0.2	89.1	23.8	3.1	5.7	56.5	0.1
1995	Total	100.0	21.3	13.5	7.8	78.7	26.2	9.3	6.9	36.3	0.0
	Men	100.0	28.4	15.6	12.7	71.6	26.6	13.2	6.6	25.2	0.0
	Women	100.0	10.6	10.2	0.3	89.4	25.6	3.2	7.3	53.4	0.0
1999	Total	100.0	21.0	11.8	9.2	79.0	28.0	9.2	8.0	33.8	0.0
	Men	100.0	28.2	13.5	14.8	71.8	27.8	13.1	0.5	23.4	0.0
	Women	100.0	10.2	9.4	0.8	89.8	28.4	3.4	8.6	49.4	0.0

TABLE 7-A (Continued)

LATIN AMERICA AND THE CARIBBEAN: SELECTED COUNTRIES. NON AGRICULTURAL EMPLOYMENT BY ECONOMIC ACTIVITY AND SEX. 1990 - 1999 a/

(Percentages)

Country and period		Total	Goods Sector b/	Manufacturing industry, Construction, Mining, Power and Waterworks		Services Sector c/	Commerce	Transport d/	Financial enterprises e/	Services f/	Non specified Activities
Peru											
1991	Total	100.0	24.4	19.7	4.7	75.6	33.2	6.5	5.8	30.1	0.0
	Men	100.0	30.1	22.3	7.7	69.9	27.1	9.9	7.4	25.6	0.0
	Women	100.0	15.5	15.5	0.0	84.5	42.7	1.3	3.3	37.2	0.0
1995	Total	100.0	25.4	20.2	5.3	74.6	32.2	7.6	7.8	26.9	0.0
	Men	100.0	31.7	23.0	8.7	68.3	24.9	11.9	10.2	21.4	0.0
	Women	100.0	16.3	16.0	0.3	83.7	42.9	1.4	4.4	35.0	0.0
1999	Total	100.0	20.7	15.3	5.5	79.3	33.0	9.8	8.0	28.4	0.0
	Men	100.0	28.0	18.5	9.5	72.0	23.4	15.0	9.4	24.2	0.0
	Women	100.0	11.2	11.0	0.2	88.8	45.6	3.1	6.2	33.9	0.0
Trinidad and Tobago											
1991	100.0	28.9	15.4	13.6	71.1	20.1	8.1	8.3	34.6		
1996	100.0	25.0	13.6	11.4	75.0	21.2	8.0	9.5	36.3		
Uruguay											
1991	Total	100.0	31.3	24.2	7.1	68.7	18.7	5.8	5.2	39.0	0.0
	Men	100.0	37.3	25.6	11.8	62.7	19.4	8.6	5.5	29.2	0.0
	Women	100.0	22.7	22.3	0.4	77.3	17.8	1.9	4.8	52.8	0.0
1995	Total	100.0	26.3	19.0	7.3	73.7	20.3	6.2	6.5	40.7	0.0
	Men	100.0	34.1	21.6	12.5	65.9	20.3	9.3	6.6	29.8	0.0
	Women	100.0	16.0	15.6	0.5	84.0	20.4	2.1	6.3	55.1	0.0
1999	Total	100.0	24.4	16.0	8.4	75.6	20.4	6.4	7.6	41.2	0.0
	Men	100.0	33.3	18.8	14.5	66.7	20.7	9.2	7.6	29.3	0.0
	Women	100.0	13.0	12.5	0.5	87.0	20.0	2.7	7.6	56.6	0.0
Venezuela											
1990	Total	100.0	29.1	20.2	8.9	70.8	24.3	7.0	6.6	32.9	0.1
	Men	100.0	36.4	23.2	13.2	63.5	24.0	9.9	6.2	23.5	0.1
	Women	100.0	15.8	14.8	1.0	84.1	24.8	1.6	7.4	50.2	0.1
1995	Total	100.0	24.9	15.6	9.3	75.1	26.6	7.2	6.6	34.4	0.2
	Men	100.0	31.6	17.5	14.1	68.4	25.7	10.3	6.5	25.8	0.2
	Women	100.0	13.4	12.3	1.1	86.6	28.3	1.8	6.9	49.3	0.4
1999	Total	100.0	24.2	15.4	8.8	75.8	27.9	8.2	6.2	33.4	0.1
	Men	100.0	33.1	18.9	14.2	66.8	26.1	11.9	5.9	22.8	0.1
	Women	100.0	12.1	11.2	0.9	87.9	33.8	1.6	6.0	46.4	0.1

Source: ILO, based on country Household surveys: Argentina (national urban), Barbados (national total), Brazil (urban areas), Bolivia (9 major cities), Chile (national total), Colombia (10 metropolitan areas), Costa Rica (national total), Ecuador (urban areas), El Salvador (national total), Honduras (national total), Jamaica (national total), Mexico (urban areas), Panama (national total), Peru (Metropolitan Lima), Trinidad and Tobago (national total), Uruguay (national total) and Venezuela (urban areas).

a/ Occupied, excluding agricultural sector .
b/ Including the manufacturing industry , mining, power,waterworks and construction.
c/ Including commerce, transport, financial enterprises and services.
d/ Transport, storage and communications.
e/ Financial enterprises, insurance, real estate and services rendered to enterprises; including the housing subsector .
f/ Including community and personal services.

TABLE 8-A

LATIN AMERICA: DISTRIBUTION OF WAGE-EARNING WORKERS CONTRIBUTING TO SOCIAL SECURITY. 1990 - 1999

(Percentages)

Countries/Years		Informal sector			Formal Sector	Total
		Total	Domestic service	Small enterprises a/		
Latin America						
1990	Total	29.2	17.6	34.7	80.6	66.6
	Men	32.5	35.5	32.5	79.1	68.4
	Women	27.0	16.6	39.5	82.8	65.1
1995	Total	24.2	19.1	28.3	79.3	65.2
	Men	25.4	32.0	24.8	78.2	66.6
	Women	24.0	18.0	37.5	81.1	65.7
1999	Total	26.9	20.4	29.9	79.0	65.9
	Men	26.6	33.8	26.0	77.7	66.2
	Women	27.3	19.4	38.2	81.0	66.5
Argentina						
1990	Total	24.9	7.8	38.1	86.2	61.9
	Men	34.8	25.5	35.0	83.0	70.0
	Women	24.9	6.8	34.3	86.2	61.9
1998	Total	20.2	5.8	32.3	81.3	57.5
	Men	29.7	15.2	29.9	76.9	63.3
	Women	20.2	5.6	29.2	81.3	57.5
Brazil						
1990	Total	38.7	24.9	45.8	86.1	74.0
	Men	43.9	44.0	43.9	85.4	76.9
	Women	33.8	24.1	50.6	87.5	69.5
1995	Total	27.7	20.5	34.3	82.9	66.5
	Men	30.8	39.5	30.0	81.6	70.9
	Women	25.6	19.1	44.6	85.0	61.0
1999	Total	32.3	27.1	36.8	82.0	67.0
	Men	32.5	44.0	31.4	80.2	69.8
	Women	32.0	25.8	48.6	84.7	63.7
Chile						
1990	Total	59.0	51.7	63.6	86.3	79.9
	Men	63.3	66.7	63.3	86.7	83.1
	Women	55.9	51.4	64.3	85.6	74.8
1996	Total	56.4	46.7	62.9	87.6	77.0
	Men	60.2	52.1	60.5	87.7	83.4
	Women	53.9	46.6	67.3	87.4	75.6
1998	Total	51.0	44.6	54.0	86.0	77.4
	Men	52.4	73.9	52.2	86.1	80.4
	Women	50.0	44.1	56.9	85.8	73.0
Colombia						
1990	Total	25.7	12.5	27.1	77.2	62.6
	Men	25.1	51.3	25.0	74.8	60.4
	Women	26.7	10.8	32.0	81.1	66.1
1998	Total	35.5	20.3	37.2	80.0	67.1
	Men	34.4	52.8	34.2	78.2	65.4
	Women	37.1	18.7	42.4	82.5	69.2
Costa Rica						
1990	Total	51.7	40.0	55.9	88.6	78.5
	Men	55.2	59.5	55.2	88.4	80.8
	Women	47.6	39.3	57.7	89.0	74.3
1995	Total	49.3	35.6	53.7	90.4	79.0
	Men	50.7	31.7	51.1	90.1	80.8
	Women	47.5	35.8	59.9	90.9	76.1
1999	Total	46.3	35.7	50.8	88.2	75.2
	Men	46.6	33.5	47.0	88.1	77.5
	Women	46.0	35.9	59.1	88.5	71.8

TABLE 8-A (Continued)

LATIN AMERICA: DISTRIBUTION OF WAGE-EARNING WORKERS CONTRIBUTING TO SOCIAL SECURITY. 1990 - 1999
(Percentages)

Countries/Years		Informal sector			Formal sector	Total
		Total	Domestic service	Small enterprises a/		
Ecuador						
1990	Total	17.7	17.8	23.6	72.1	55.1
	Men	16.3	20.8	16.1	71.1	55.5
	Women	19.7	17.5	32.8	74.4	54.2
1998	Total	16.2	20.2	15.1	65.5	46.6
	Men	13.4	32.7	12.6	62.6	44.9
	Women	20.0	18.9	16.5	70.8	49.5
Mexico						
1990	Total	12.7	4.2	15.3	72.9	58.5
	Men	12.9	20.7	12.6	70.7	57.6
	Women	12.3	2.5	25.0	77.2	60.3
1995	Total	12.2	16.1	16.3	80.7	69.1
	Men	14.0	23.6	13.4	79.3	64.5
	Women	19.3	15.0	25.6	83.0	78.1
1999	Total	13.1	10.7	14.0	82.1	69.9
	Men	11.4	16.1	11.0	82.0	66.8
	Women	15.7	9.7	23.3	82.1	75.8
Peru b/						
1990	Total	22.1	17.3	23.6	66.6	53.6
	Men	20.3	31.3	19.9	66.3	55.1
	Women	24.2	16.3	32.8	67.2	51.0
1995	Total	14.6	8.6	16.8	65.8	55.1
	Men	15.2	4.9	15.6	67.2	54.7
	Women	13.8	8.8	19.7	63.0	55.9
1998	Total	13.9	13.3	14.2	67.6	56.0
	Men	14.0	24.9	13.6	65.5	54.3
	Women	13.8	12.7	15.2	71.7	61.1
Uruguay c/						
1990	Total	63.6	44.8	73.0	88.9	82.6
	Men	70.0	42.1	70.2	88.5	85.0
	Women	58.8	44.8	77.8	89.7	79.1
1998	Total	57.9	39.6	68.0	87.2	79.4
	Men	63.8	25.9	64.3	86.9	82.4
	Women	53.8	39.8	74.3	87.6	75.8
Venezuela						
1995	Total	22.7	17.6	23.6	81.0	70.6
	Men	20.7	29.8	20.6	78.2	64.9
	Women	26.9	17.1	35.4	85.8	81.7
1999	Total	21.0	18.8	21.4	77.6	66.4
	Men	18.8	14.9	16.8	75.1	60.8
	Women	29.0	19.0	36.5	81.9	77.4

Source: ILO, estimations based on information from Household Surveys and other official sources (revised series).

a/ Occupied in enterprises with a maximum of 5 workers.
b/ Metropolitan Lima.
c/ Montevideo.

TABLE 9-A

LATIN AMERICA: REAL INDUSTRIAL WAGES. 1990 - 2000
(Index 1980 = 100)

Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Rate of growth 1990-99 e/	1999-2000 f/
Argentina	75.0	76.0	77.0	75.7	76.5	75.6	75.5	75.1	74.9	75.7	0.1	0.3
Barbados	99.0	92.0	89.0	90.0	88.0	87.0	98.7	101.2 c/	…	…	…	…
Bolivia	86.7	85.9	86.8	88.0	95.8	94.3	94.6	101.8	…	…	…	…
Brazil	96.7	90.9	98.3	108.7	113.4	124.2	128.4	132.9	135.7	130.8	3.4	-1.5
Chile	105.8	112.9	118.2	122.4	128.5	133.1	142.6	146.0	149.9	153.4	4.1	1.5
Colombia	114.8	114.1	115.6	120.9	122.0	123.6	125.2	128.8	129.1	131.1	1.5	4.1
Costa Rica	109.7	106.1	106.8	123.0	125.7	122.9	120.9	126.2	130.7	136.3	2.4	…
Honduras	73.4	71.9	82.7	105.4	79.9	73.9	68.9	70.8	73.2	…	0.0	…
Mexico	59.6	61.9	67.6	69.6	71.9	62.1	54.9	54.8	56.2	56.5	-1.2	5.3
Panama	…	97.8	106.6	105.0	104.4	99.7	110.4	107.2	114.0	…	2.2	…
Paraguay	102.4	97.7	93.8	93.6	95.4	98.8	100.3	100.8	98.9	98.7	-0.4	…
Peru	34.4	40.7	39.1	38.2	45.2	43.5	42.4	42.3	43.0	42.1	2.3	3.4 g/
Uruguay	110.8	115.8	117.5	123.8	122.9	115.5	114.2	113.8	116.7	118.5	0.7	-0.9
Venezuela	57.0	52.1	49.6	46.8	48.9	46.0	38.8	…	…	…	…	…
Average a/	86.6	86.8	89.2	93.6	94.2	92.9	94.0	100.1	102.0	104.8	1.4	1.7
b/	84.7	83.4	89.1	92.8	96.4	99.4	100.3	102.8	105.1	102.1	1.7	1.2

Source: *ILO*, based on official country figures.

a/ Arithmetic average. Excluding Honduras.
b/ Weighted average. Excluding Honduras.
c/ Estimated based on the tendency of the first semester of 1997.
d/ Preliminary figures.
e/ Annual variation. 1991-1998 period for Panama.
f/ Variation of the averages for the first semester of each year.
g/ Variation of the first quarter against the same period of the previous year.

TABLE 10-A

LATIN AMERICA: REAL URBAN MINIMUM WAGES. 1990 - 1999
(Index 1980 = 100)

Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Rate of growth 1990-99 d/	Rate of growth 1999-2000 e/
Argentina a/	40.2	52.9	45.3	70.0	81.1	78.5	78.4	77.9	77.3	77.8	7.6	1.2 f/
Bolivia a/	16.1	26.3	26.4	28.8	31.7	31.1	31.3	32.2	37.5	41.1	11.0	3.0
Brazil a/	55.4	64.8	56.5	63.9	60.8	67.1	68.9	73.2	75.7	76.8	3.7	1.0
Chile a/	73.3	79.9	83.4	87.5	90.8	94.8	98.8	102.3	108.3	113.3	4.9	8.9
Colombia a/	105.7	103.5	101.8	104.6	102.8	102.4	101.5	103.8	103.7	109.9	0.4	0.5
Costa Rica b/	127.2	123.3	125.4	130.6	134.6	129.9	130.3	135.0	139.4	143.0	1.3	-0.4
Dominican Republic a/	65.2	78.6	74.7	72.7	73.1	80.3	78.0	…	…	…	…	…
Ecuador a/	33.9	30.9	33.0	37.8	41.1	49.5	52.3	50.5	46.8	44.1	3.0	-30.1 i/
El Salvador b/	33.9	34.6	29.2	35.9	37.3	36.8	33.5	32.0	33.1	33.8	0.0	-1.4 f/
Guatemala b/	108.7	99.5	87.5	78.4	74.7	89.3	88.4	80.9	84.9	88.2	-2.3	3.8 g/
Haití	71.4	67.0	56.8	50.2	39.0	…	…	…	…	…	…	…
Honduras b/	81.9	83.5	100.1	100.9	82.8	80.2	79.5	78.3	79.0	76.7	-0.7	-4.1 f/
Mexico a/	42.0	39.6	38.3	37.8	37.7	33.3	30.5	30.1	30.1	29.8	-3.8	4.8
Panama b/	98.4	97.1	95.5	107.2	105.8	105.6	111.4	110.0	113.0	117.1	2.0	0.3 h/
Paraguay a/	132.1	125.7	114.7	110.2	113.2	112.8	103.6	107.0	105.2	101.8	-2.9	-1.1
Peru a/	21.4	14.9	15.6	12.1	14.4	14.7	15.2	26.7	29.6	28.9	3.4	9.9
Uruguay a/	68.8	62.9	60.0	51.5	46.0	42.9	41.7	40.8	42.8	42.9	-5.1	-1.2
Venezuela a/	55.2	61.5	70.2	50.8	52.7	53.7	45.9	39.9	42.9	45.4	-2.1	-4.3
Average c/	68.4	69.3	67.5	68.4	67.8	70.8	69.9	70.0	71.9	73.1	0.6	0.5

Source: ILO, based on official country statistics.

a/ National minimum wage .
b/ Lowest minimum industrial wage.
c/ Arithmethic average.
d/ Annual variation.
e/ Variation of the averages for the period January-September of each year.
f/ Variation of the January-October average.
g/ Variation of the January-May average.
h/ Average variation January-September.
i/ Variation of the January-May average. Wages were unified and dollarized starting in April.

Table 11-A

LATIN AMERICA AND THE CARIBBEAN: GROSS DOMESTIC PRODUCT, 1990-1999

(Annual variations)

Country	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999 a/	1990 - 1999
Latin America											
Argentina	-1.4	10.0	8.9	5.8	8.3	-3.1	4.4	8.0	3.9	-3.0	4.6
Bolivia	4.6	5.4	1.7	4.3	4.8	4.7	4.5	4.9	5.4	0.8	4.0
Brazil	-4.7	1.1	-0.3	4.5	6.2	4.2	2.5	3.5	-0.1	0.5	2.4
Chile	3.7	8.0	12.3	7.0	5.7	10.6	7.4	7.4	3.4	-1.1	6.7
Colombia	3.8	2.0	4.1	5.2	6.1	5.2	2.1	3.4	0.4	-4.5	2.6
Costa Rica	3.5	2.3	8.6	5.9	4.8	3.9	0.6	5.6	7.7	0.8	5.1
Dominican Republic	-4.9	0.8	6.4	2.0	4.3	4.5	6.8	7.1	6.0	7.6	4.9
Ecuador	3.2	5.0	3.0	2.2	4.4	3.0	2.3	3.9	1.0	-9.2	1.6
El Salvador	4.8	2.8	7.3	6.4	6.0	6.2	1.8	4.2	3.5	2.6	4.4
Guatemala	3.0	3.7	4.9	4.0	4.1	5.0	3.0	4.4	5.3	3.4	4.1
Haiti	-0.1	0.1	-13.8	-2.2	-8.3	5.0	2.8	1.5	3.2	2.4	-1.2
Honduras	0.8	2.7	5.8	7.1	-1.9	3.7	3.7	5.0	3.3	-2.0	3.0
Mexico	5.2	4.2	3.7	1.8	4.4	-6.1	5.4	6.8	5.0	3.6	3.1
Nicaragua	-0.1	-0.4	0.8	-0.4	4.0	4.4	5.1	5.4	4.1	6.9	3.2
Panama	7.7	9.0	8.2	5.3	3.1	1.9	2.7	4.7	4.4	3.5	4.6
Paraguay	3.0	2.5	1.7	4.0	3.0	4.5	1.1	2.4	-0.6	0.2	2.1
Peru	-5.4	2.5	-0.9	5.7	13.6	8.6	2.3	8.6	0.1	1.9	4.5
Uruguay	0.6	2.9	6.6	2.2	5.9	-1.9	4.4	4.5	4.3	-2.4	2.9
Venezuela	7.0	10.5	7.0	-0.4	-3.7	5.9	-0.4	7.4	0.4	-7.5	2.0
The Caribbean											
Barbados	-3.0	-3.6	-5.5	1.0	3.5	2.6	4.0	2.4	4.3	2.5	1.2
Belice	10.3	3.0	9.0	4.3	1.6	3.7	1.3	4.1	1.5	5.7	3.7
Dominica	6.3	2.1	2.3	1.9	1.9	1.2	2.9	2.2	3.6	0.4	2.0
Guyana	-5.0	9.4	9.4	11.8	9.6	3.2	8.5	9.1	-2.2	3.0	6.6
Jamaica	5.4	0.3	2.5	1.8	1.9	1.8	-0.3	-2.2	-1.0	0.7	0.6
Trinidad and Tobago	1.4	3.5	-1.0	-1.2	4.2	4.2	4.4	4.0	5.3	7.8	3.4
Latin America and The Caribbean	-0.3	3.8	3.3	3.9	5.3	1.1	3.6	5.4	2.1	0.4	3.1

Source: ILO, based on ECLAC and official country figures.

a/ Preliminary figures.

Table 12-A

LATIN AMERICA: SEMESTRAL RATES OF UNEMPLOYMENT 2000-2001 PROJECTIONS (*)
(Percentages)

	1998			1999			2000			2001
	I	II	Annual	I	II	Annual	I	II	Annual	Annual
LATIN AMERICA a/	**8.2**	**8.0**	**8.1**	**9.1**	**8.8**	**8.9**	**9.2**	8.7	9.0	8.1
Selected countries	**8.1**	**7.9**	**8.0**	**9.0**	**8.8**	**8.9**	**9.1**	8.7	8.9	8.0
Argentina	**13.2**	**12.8**	**13.0**	**14.5**	**14.2**	**14.3**	**15.4**	15.0	15.2	13.8
Brazil	**7.8**	**7.4**	**7.6**	**7.8**	**7.7**	**7.8**	**7.8**	7.1	7.5	6.6
Chile	**5.7**	**7.0**	**6.4**	**9.5**	**10.2**	**9.8**	**8.8**	9.7	9.3	8.3
Colombia	**15.2**	**15.4**	**15.3**	**19.7**	**19.1**	**19.4**	**20.3**	19.7	20.0	17.5
Ecuador	**9.0**	**10.9**	**9.9**	**14.3**	**16.0**	**15.1**	**15.8**	15.0	15.4	14.0
Mexico	**3.4**	**3.0**	**3.2**	**2.8**	**2.3**	**2.5**	**2.2**	2.4	2.3	2.7
Uruguay	**9.8**	**10.6**	**10.2**	**12.2**	**11.4**	**11.8**	**13.2**	13.7	13.5	12.5
Venezuela	**11.3**	**11.2**	**11.3**	**15.3**	**14.5**	**14.9**	**14.6**	14.0	14.3	13.0
Rest of the region b/	**8.7**	**8.5**	**8.6**	**9.6**	**8.6**	**9.1**	**10.2**	9.1	9.6	8.6

Source: ILO, based on the "Unemployment Projection Model".

a/ Weighted averages.
b/ Including Central American countries, Bolivia, the Dominican Republic, Paraguay and Peru; these countries represent 11% of the region's total urban EAP.

(*) Highlighted figures refer to recorded rates of growth; the rest of the figures refer to projections of the "moderate" scenario.
The combined EAP of selected countries represents 89% of the region's total urban EAP.

TABLE 13-A

LATIN AMERICA: GDP ANNUAL RATE OF GROWTH 2000-2001 PROJECTIONS (*)
(Annualized proportional variations)

	1998			1999			2000			2001
	I	II	Annual	I	II	Annual	I	II	Annual	Annual
LATIN AMERICA a/	**3.6**	**0.9**	**2.3**	**-0.8**	**0.8**	**0.0**	**4.4**	4.2	4.3	4.2
Selected countries	**3.5**	**0.8**	**2.1**	**-0.4**	**1.5**	**0.2**	**4.3**	4.2	4.3	4.1
Argentina	**7.3**	**1.4**	**4.3**	**-4.0**	**-2.0**	**-3.5**	**0.7**	1.7	1.2	2.5
Brazil	**1.3**	**-0.8**	**0.1**	**0.2**	**2.1**	**0.5**	**3.8**	4.2	4.0	4.2
Chile	**6.9**	**0.0**	**3.4**	**-2.9**	**0.9**	**-1.0**	**5.8**	5.8	5.8	5.5
Colombia	**3.3**	**-2.3**	**0.4**	**-6.2**	**-2.3**	**-5.0**	**1.5**	2.5	2.0	3.8
Ecuador	**0.9**	**0.0**	**0.4**	**-6.4**	**-8.2**	**-7.3**	**0.5**	0.5	0.5	3.5
Mexico	**5.9**	**3.9**	**4.9**	**2.5**	**4.8**	**3.5**	**7.8**	5.8	6.8	4.8
Peru	**0.2**	**-0.9**	**-0.3**	**0.7**	**2.7**	**1.4**	**6.0**	2.0	4.0	6.0
Uruguay	**4.1**	**2.8**	**4.5**	**-1.0**	**-5.6**	**-2.5**	**-1.0**	2.0	0.5	4.0
Venezuela	**5.7**	**-6.4**	**4.5**	**-8.2**	**-5.2**	**-2.5**	**1.5**	3.6	2.5	3.0
Rest of the region b/	**5.2**	**1.5**	**3.5**	**-3.4**	**-3.5**	**-1.2**	**4.8**	4.1	4.6	4.9

Source: ILO, base on official data and estimations, IMF, ECLAC, WB, IIF and JP Morgan.

a/ Weighted averages.
b/ The combined GDP of selected countries represents around 95% of the region's total.
c/ Including Central American countries, Bolivia, the Dominican Republic and Paraguay; the combined GDP of these countries represents around 5% of the region's total.

(*) Highlighted figures refer to recorded rates of growth. The rest of the figures refer to projections of the "moderate" scenario of GDP growth.

ILO OFFICES IN LATIN AMERICA AND THE CARIBBEAN

ARGENTINA
ILO Area Office for Argentina, Paraguay and Uruguay

Av. Cordoba 950, 13º y 14º pisos
Buenos Aires 1054
Argentina

Telephone: (00-5411) 4393-7076
Fax: (00-5411) 4393-7062
E-mail: **buenosaires@oit.org.ar**

BRAZIL
ILO Office

Sector de Embaixadas Norte, Lote 35
Brasilia, D.F. CEP 70800-400
Brazil

Telephone: (00-5561) 225-8015
Fax: (00-5561) 322-4352
E-mail: **brasilia@oitbrasil.org.br**

COSTA RICA
ILO Area Office for Central America, Panama and the Dominican Republic
ILO Multidisciplinary Team for Central America, Cuba, Haiti, Mexico, Panama and the Dominican Republic

Ofiplaza del Este, Edificio B, 3° Piso,
Barrio Betania
San Pedro de Montes de Oca
Apartado Postal 10.170-1000
San Jose
Costa Rica

Telephone: (00-506) 253-7667 / 207-8700 / 207-8701
Fax: (00-506) 224-2678
E-mail:**sanjose@oit.or.cr**

CHILE
ILO Multidisciplinary Team for Argentina, Brazil, Chile, Paraguay and Uruguay

Luis Carrera 1131
Comuna de Vitacura
Casilla 19034, Correo 19
Santiago
Chile

Telephone: (00-562) 201-2727
Fax: (00-562) 201-2031
E-mail: **santiago@oitchile.cl**

MEXICO
ILO Area Office for Cuba, Haiti and Mexico

Darwin N° 31
Colonia Anzures
CP11590
Apartado Postal 105-202,11581
Mexico D.F.
Mexico

Telephone: (00-525) 250-3224
Fax: (00-525) 250-8892 / 250-3267
E-mail: **mexico@oit.org.mx**

PERU
ILO Regional Office for Latin America and the Caribbean
ILO Multidisciplinary Team for the Andean Countries

Las Flores 295
San Isidro (Lima 27)
Apartado 14-124
Lima
Peru

Telephone: (00-511) 221-2565
Fax: (00-511) 421-5292
E-mail: **oit@oit.org.pe**

TRINIDAD AND TOBAGO
ILO Caribbean Office
ILO Multidisciplinary Team for the Caribbean Countries

11 St. Clair Avenue
P.O. Box 1201
Puerto España
Trinidad and Tobago

Telephone: (00-1809) 628-1453 - 1456
Fax: (00-1809) 628-2433
E-mail: **portofspain@ilocarib.org.tt**

URUGUAY
Inter-American Vocational Training Research and Documentation Centre
CINTERFOR

Av. Uruguay 1238
Casilla del Correo 1761
Montevideo 11.100
Uruguay

Telephone: (00-598-2) 902-0557 / 902-0063 / 902-9716
Fax: (00-598-2) 902-1305
E-mail: **dirmvd@cinterfor.org.uy**