## EMPLOYMENT BY REGION

Inequalities in economic performance across regions partly reflect the extent to which each region is able to utilise its available labour resources, and especially to increase job opportunities for under-represented groups.

#### **Definition**

Employed persons are all persons who during the reference week of the survey worked at least one hour for pay or profit, or were temporarily absent from such work. The employment rate is the number of employed persons as a percentage of the working age (15-64) population.

## Comparability

As for the other regional statistics, comparability is affected by differences in the meaning of the word "region". The word "region" can mean very different things both within and among countries, with significant differences in terms of area and population. To address this issue, the OECD has classified regions within each country based on two levels: territorial level 2 (TL2, large regions) and territorial level 3 (TL3, small regions). Labour market data for Canada refers to a different regional grouping, labelled non-official grids (NOG) comparable to the small regions. For Brazil, China, India, the Russian Federation and South Africa only large regions have been defined so far.

Data on employment growth refer to period 1999-2009 for all countries except for the Czech Republic (2003-09); Finland and Norway (1999-2008); Mexico (2000-09) and Switzerland (2001-09). Denmark and Turkey are excluded for lack of data on comparable years. Data on employment increase contributed by the top 10% of TL3 regions include only countries with average positive growth of employment over 1999-2009. Hungary and Japan are excluded.

Data on employment growth refer to small (TL3) regions for all countries except Portugal. Data on employment growth for women refer to large (TL2) regions.

### Overview

Differences in employment growth within countries are larger than across countries. During 1999-2009, international differences in annual employment growth rates across OECD countries were as large as 2.9 percentage points, ranging from -0.4% in Turkey to 2.5% in Spain.

Over the same period, differences in regional employment growth rates across regions were above three percentage points in almost half of the countries. The widest differences in regional employment growth rates are found in Sweden, Spain, the Russian Federation and Canada.

A small number of regions drives employment creation at the national level. On average, 54% of overall employment creation in OECD countries between 1999 and 2009 was accounted for by just 10% of regions. The regional contribution to national employment creation was particularly concentrated in certain countries. In Sweden, the United States and Greece as well as South Africa, more than 60% of employment growth was spurred by 10% of regions.

The last two years have seen an increase in the regional concentration of employment creation in 20 of the 31 countries, resulting in higher differences in employment among regions.

The employment rate for women steadily increased in OECD countries up to 2007, when it reached 57.2% and then declined to 56.7% in 2009 as a result of the job losses following the economic recession. However, in around 25% of OECD regions, less than one out of two women was employed in 2009. Regional differences in employment for women were the largest in Italy, Spain, the United States, France, Portugal, Mexico and the Slovak Republic.

## Sources

• OECD (2011), OECD Regions at a Glance, OECD Publishing.

# Further information Analytical publications

- OECD (2011), Regional Outlook 2011, OECD Publishing.
- OECD (2009), How Regions Grow: Trends and Analysis, OECD Publishing.
- OECD (2009), Regions Matter: Economic Recovery, Innovation and Sustainable Growth, OECD Publishing.

### Online databases

• OECD Regional Database.

### Websites

- Regional Development, www.oecd.org/gov/ regionaldevelopment.
- Regional Statistics and Indicators, www.oecd.org/gov/regional/statisticsindicators.

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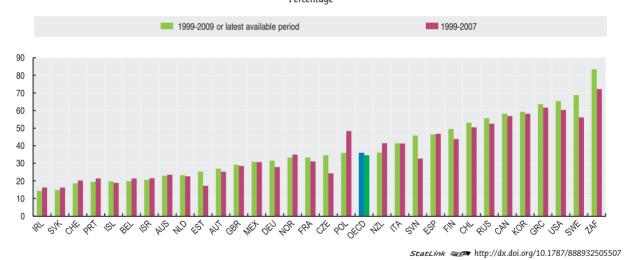
# Differences in annual employment growth across regions

Percentage, 1999-2009 or latest available period



### StatLink http://dx.doi.org/10.1787/888932505488

# Share of national employment growth due to the 10% of most dynamic regions Percentage



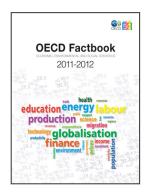
## Regional differences in the employment rate of women

Percentage, 2009 or latest available year



StatLink http://dx.doi.org/10.1787/888932505526

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