

## 1. SPECIAL FOCUS ON METROPOLITAN AREAS

### Labour productivity and employment in metropolitan areas

Metropolitan areas drive national employment creation in many countries. On average, half of overall employment creation in 22 OECD countries between 2000 and 2012 was accounted for by 232 metropolitan areas. The metropolitan contribution to national employment growth was particularly high in Korea and Canada (more than 70%), while metropolitan areas in the Slovak Republic and Italy contributed to less than 35% of national employment growth (Figure 1.16).

Differences in employment growth can be large even among metropolitan areas of the same country. In Mexico, Japan, the United States and Poland, the differences in employment growth among metropolitan areas in each country were as large as 3% in the period 2000-2012 (Figure 1.17).

Metropolitan areas tend to be more productive than other regions due to a larger pool of workers (particularly skilled workers), better infrastructure and connections among firms, factors usually referred as “agglomeration benefits”. Among the 20 best performers in productivity growth in the period 2000-10 there were relatively small metropolitan areas, such as Bratislava in the Slovak Republic; fast-growing areas, such as Prague in the Czech Republic; and

metropolitan areas that have gained the most in population, such as Centro in Mexico and Poznan in Poland (Figure 1.18).

While the metropolitan area of Centro in Mexico displays the highest productivity growth, many other Mexican metropolitan areas were among the cities with the largest decline in productivity, together with metropolitan areas in France and Italy (Figure 1.19).

#### Source

OECD (2013), “Metropolitan areas”, *OECD Regional Statistics* (database), <http://dx.doi.org/10.1787/data-00531-en>.

See Annexes A and B for data sources and country-related metadata.

See Annex C for details on definitions and data estimations.

#### Reference years and territorial level

2000-12; labour productivity 2000-10; metropolitan areas.

The functional urban areas have not been identified in Australia, Iceland, Israel, New Zealand and Turkey. The FUA of Luxembourg does not appear in the figures since it has a population below 500 000 inhabitants.

#### Further information

OECD (2012), *Redefining “Urban”: A New Way to Measure Metropolitan Areas*, OECD Publishing, <http://dx.doi.org/10.1787/9789264174108-en>.

Interactive graphs and maps <http://rag.oecd.org>.

#### Figure notes

1.16-1.19: Employment values in metropolitan areas are estimates based on employment data at TL2 level (Annex C).

Available years: Switzerland 2001-12; Finland 2000-11; Mexico 2000-11.

1.16: Only countries with average positive growth of employment over 2000-12 are included. For this reason Denmark, Greece, Japan and Portugal are excluded. Hungary and Slovenia are excluded because the employment creation in the metropolitan areas was on average higher than the respective country averages.

1.18-1.19: Denmark, Norway and Switzerland are excluded for lack of data on comparable years.

#### Definition

The metropolitan areas are defined as the functional urban areas (FUA) with population above 500 000.

The functional urban areas are defined as densely populated municipalities (urban cores) and adjacent municipalities with high levels of commuting towards the densely populated urban cores (hinterland). Functional urban areas can extend across administrative boundaries, reflecting the economic geography of where people actually live and work.

Employed persons are all persons who during the reference week worked at least one hour for pay or profit, or were temporarily absent from such work.

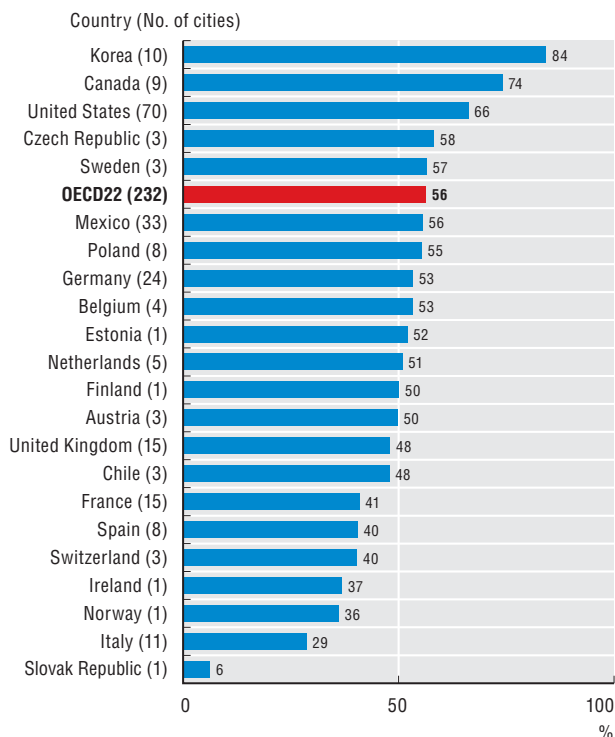
Values of employed and unemployed in the metropolitan areas are estimated by adjusting the corresponding values of TL2 regions (see Annex C).

Labour productivity is measured as the ratio between GDP and total employment in metropolitan areas.

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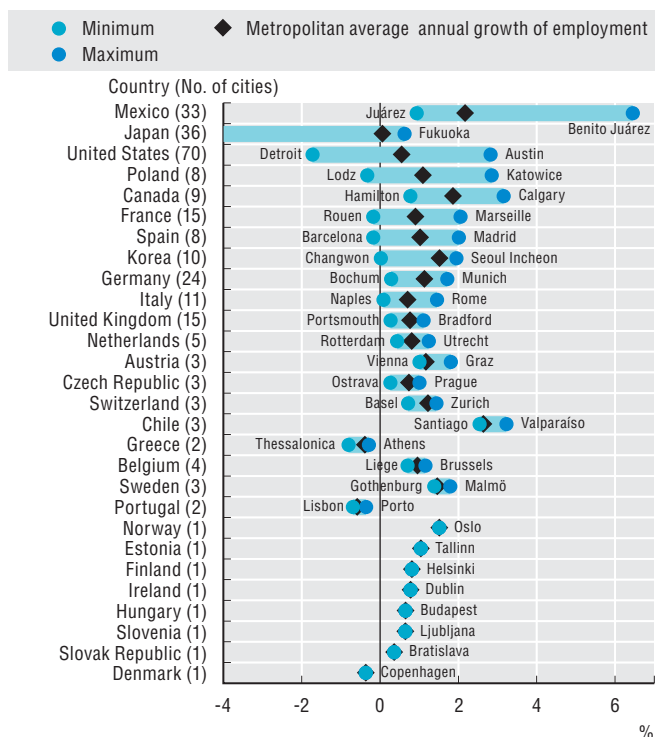
## Labour productivity and employment in metropolitan areas

**1.16. Per cent of national employment creation by metropolitan areas, 2000-12**



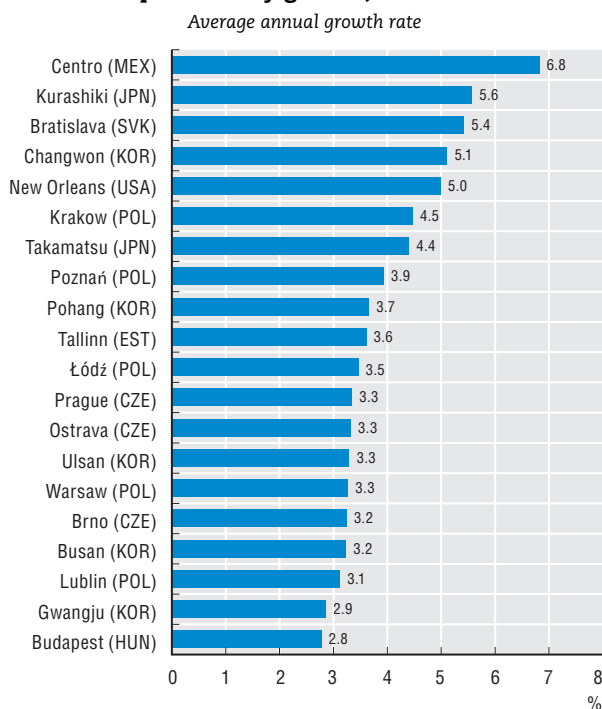
StatLink <http://dx.doi.org/10.1787/888932912905>

**1.17. Countries ranked by size of difference in metropolitan annual employment growth, 2000-12**



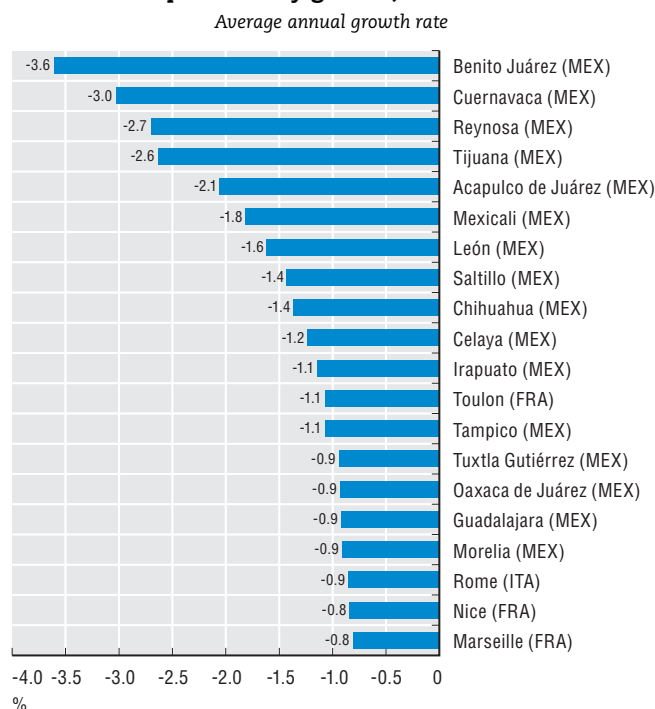
StatLink <http://dx.doi.org/10.1787/888932912924>

**1.18. Top 20 metropolitan areas for labour productivity growth, 2000-10**

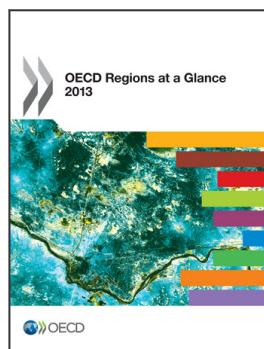


StatLink <http://dx.doi.org/10.1787/888932912943>

**1.19. Bottom 20 metropolitan areas for labour productivity growth, 2000-10**



StatLink <http://dx.doi.org/10.1787/888932912962>



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