

## 24. REGIONAL FACTORS: EMPLOYMENT, PARTICIPATION AND AGEING

Employment rates, participation rates and age activity rates influence regional performance. High growth in employment rates may be due to higher skill levels or to greater efficiency of the local labour market. Both can be regarded as resulting from regional assets: skills can be upgraded through training and education, and changes in employment regulations and active labour market programs can increase the regional labour market efficiency.

A relative rise in age activity rates may be the result of an increase in the working-age population or of an increase in participation rates across all age groups. As young and elderly individuals tend to have lower participation rates, the difference in activity rates due to the population age profile can be seen as resulting from natural endowments. In contrast, higher participation rates across all age groups are an indicator of regional assets.

Among the 20 fastest-growing regions in total OECD GDP share from 1999 to 2005 (Figure 24.1), the largest gains in employment rates (employment to labour force) occurred in Bratislav Kraj (Slovak Republic) and Attiki (Greece), while the contribution of participation rates (labour force to working age population) was most significant in Western Australia (Australia), Newfoundland and Labrador (Canada) and Quintana Roo (Mexico). The largest gains in activity rates (working age population to total population) occurred in Florida, Nevada and Wyoming (United States) and Border, Midlands and Western (Ireland).

During the same period among the 20 slowest-growing regions (Figure 24.1), the decreases in employment rates had the largest impact in P.A. Bolzano-Bozen and P.A. Trento (Italy) and in Berlin (Germany). The effect of

lower participation rates was greatest in Molise (Italy) and Berlin (Germany). Finally declines in the age activity rate were the largest in Liguria and Piemonte (Italy), Balıkesir (Turkey) and Voreia Ellada (Greece).

### Definition

Employment rate is defined as the per cent of labour force that is employed.

Participation rate is the ratio between the labour force and working age population (aged 15-64).

Age activity rate is the ratio between the working age population (aged 15-64) and the total population.

### Source

OECD Regional Database, <http://dotstat/wbos/>, theme: Regional Statistics.

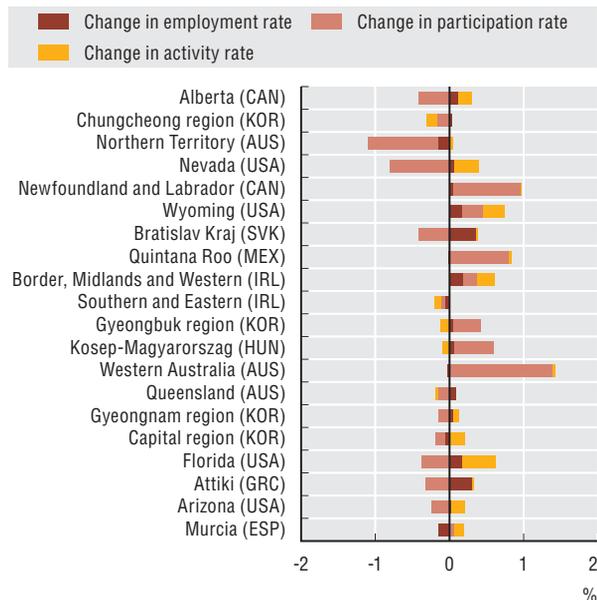
### Reference years and territorial level

The decomposition of a region's share of OECD GDP is run in this section on TL2 regions over the period 1999-2005, with the following exceptions: Australia, Canada, Germany, Greece and Korea 1995-2005; Japan, Norway and the United States 1997-2005; Mexico 1998-2004; Turkey 1995-2001.

Regional GDP not available for Iceland, New Zealand and Switzerland.

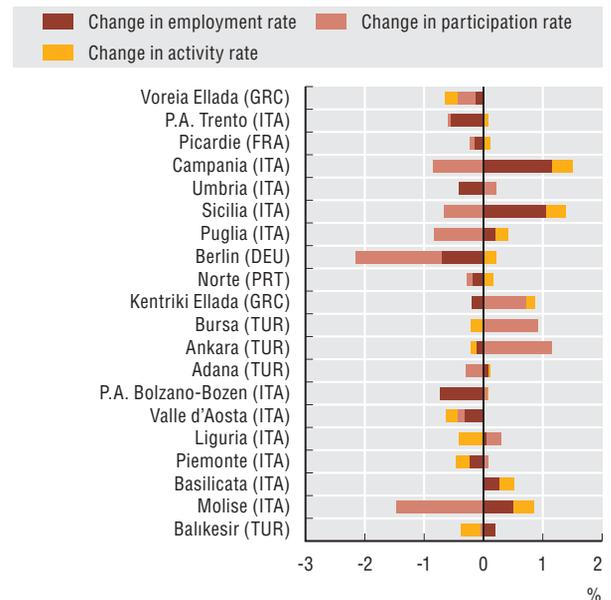
#### 24.1 Components of change in GDP per capita for the top 20 TL2 regions in terms of change in GDP per capita, 1999-2005

Among the fastest-growing regions, the contribution of participation rates was most significant in Western Australia.



#### 24.2 Components of change in GDP per capita for the lowest 20 TL2 regions in terms of change in GDP per capita, 1999-2005

Declines in employment rates had most impact in the Italian regions P.A. Bolzano-Bozen and P.A. Trento and Berlin, Germany.



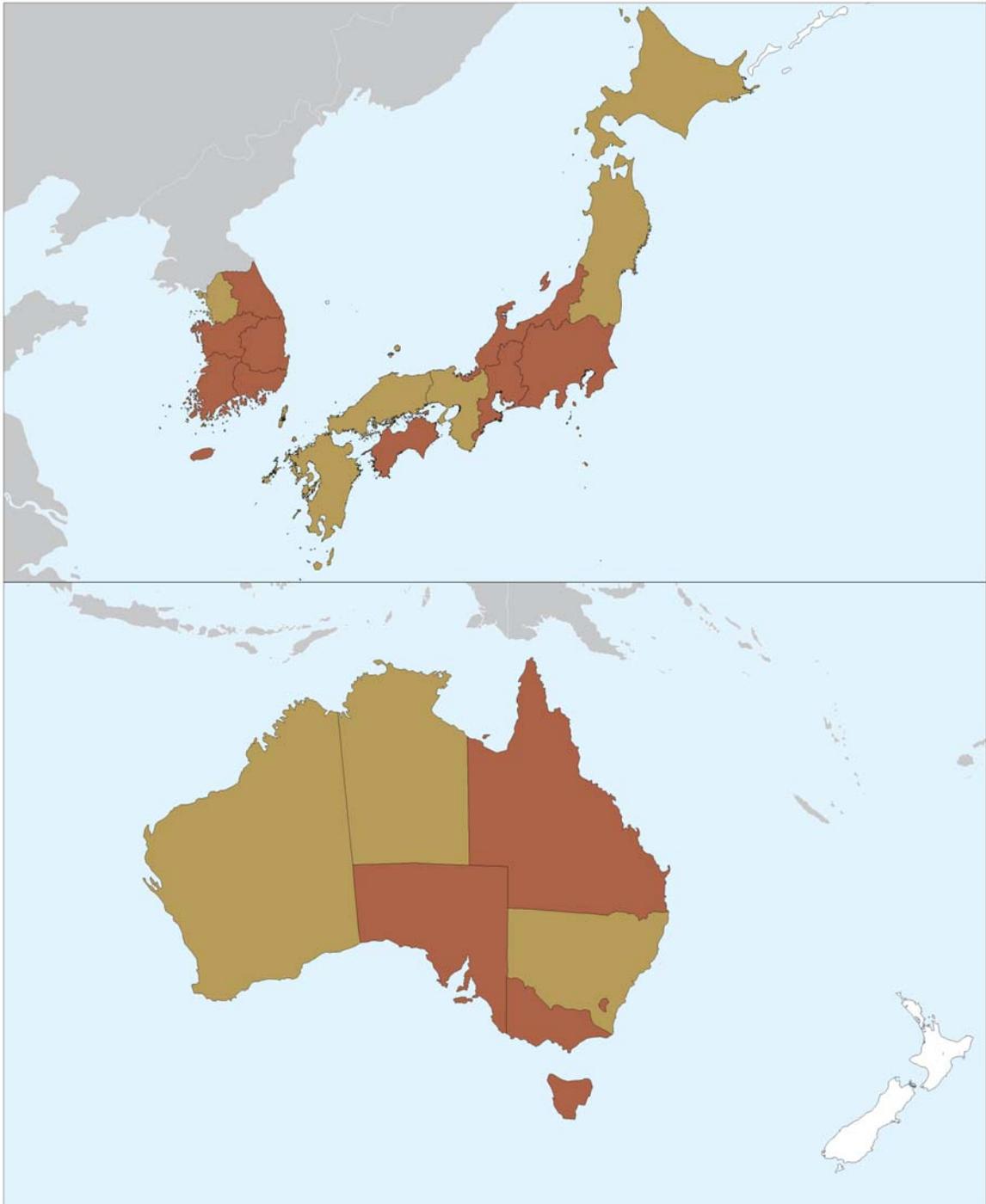
StatLink <http://dx.doi.org/10.1787/524167506814>

## 24. REGIONAL FACTORS: EMPLOYMENT, PARTICIPATION AND AGEING

### 24.3 Change in the GDP share of the OECD due to change in employment: Asia and Oceania

TL2 regions, annual change 1999-2005

- Higher than 0.5%
- Between 0.2% and 0.5%
- Between 0% and 0.2%
- Between -0.2% and 0%
- Between -0.5% and -0.2%
- Lower than -0.5%
- Data not available



Australia and Korea 1995-2005; Japan 1997-2005.

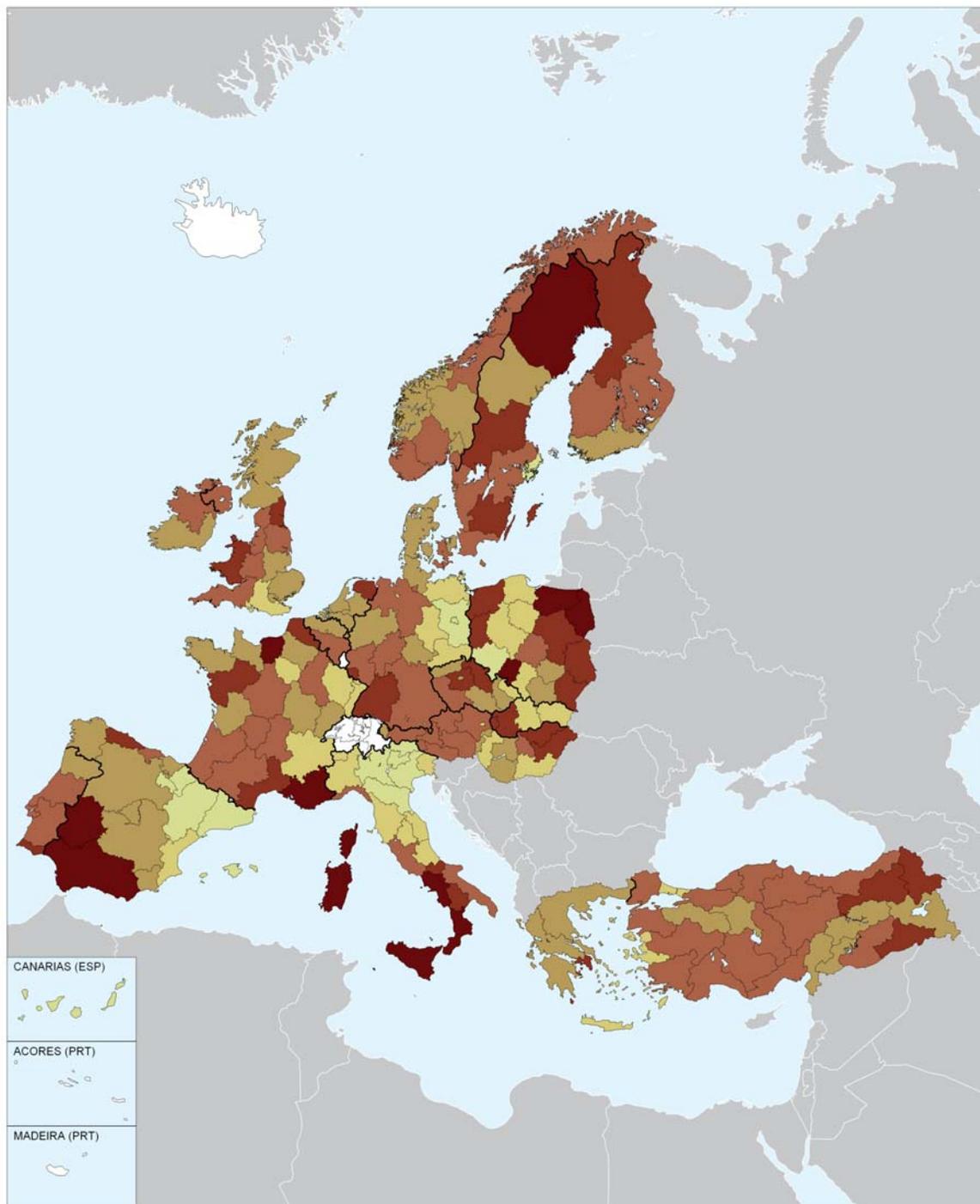
StatLink  <http://dx.doi.org/10.1787/525000783865>

## 24. REGIONAL FACTORS: EMPLOYMENT, PARTICIPATION AND AGEING

### 24.4 Change in the GDP share of the OECD due to change in employment: Europe

TL2 regions, annual change 1999-2005

- Higher than 0.5%
- Between 0.2% and 0.5%
- Between 0% and 0.2%
- Between -0.2% and 0%
- Between -0.5% and -0.2%
- Lower than -0.5%
- Data not available



Germany and Greece 1995-2005; Norway 1997-2005; Turkey 1995-2001.

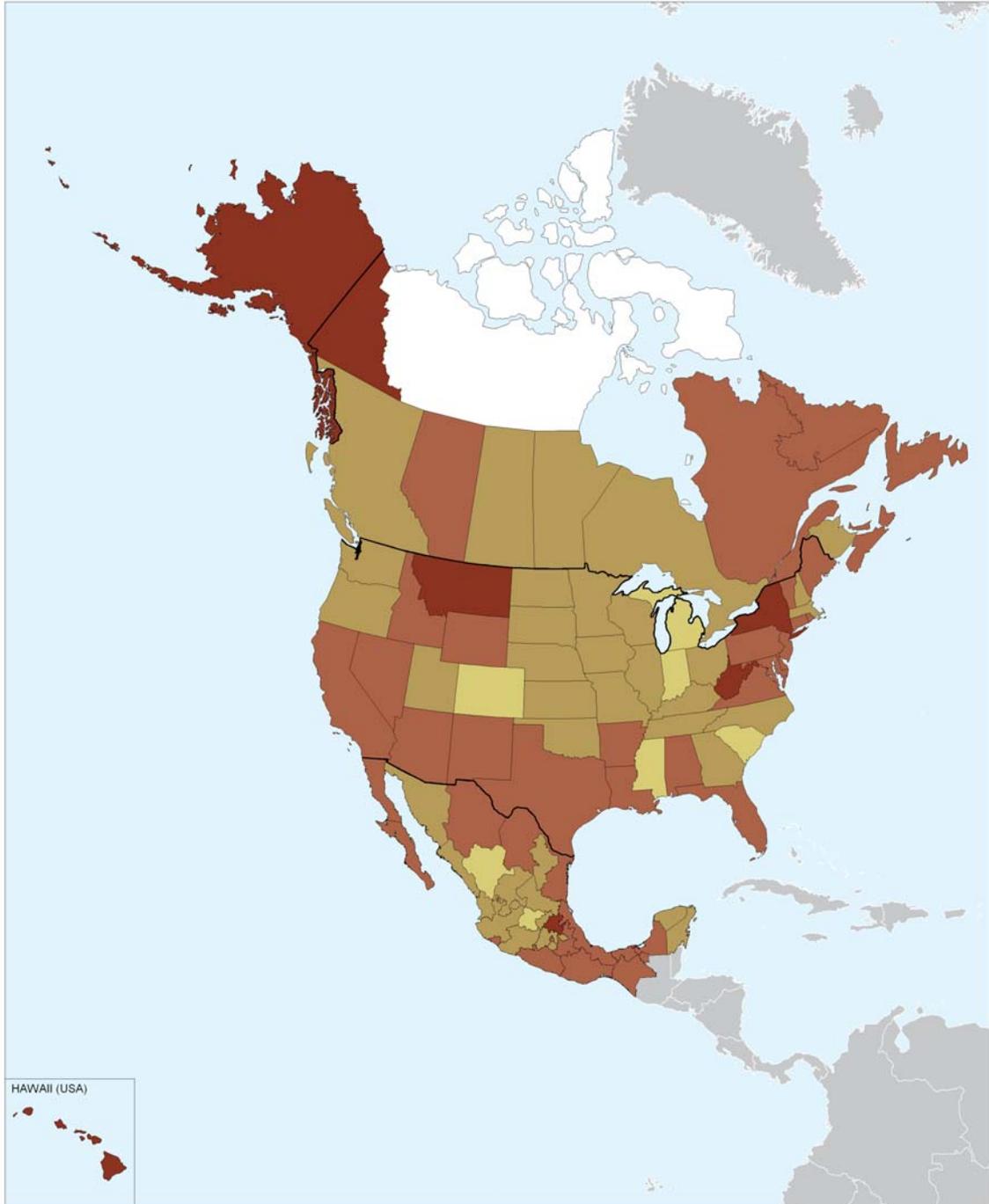
StatLink  <http://dx.doi.org/10.1787/525000783865>

## 24. REGIONAL FACTORS: EMPLOYMENT, PARTICIPATION AND AGEING

### 24.5 Change in the GDP share of the OECD due to change in employment: North America

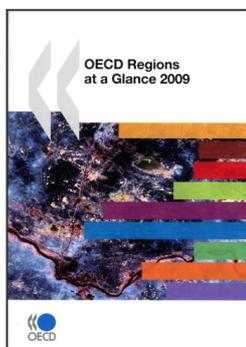
TL2 regions, annual change 1999-2005

- Higher than 0.5%
- Between 0.2% and 0.5%
- Between 0% and 0.2%
- Between -0.2% and 0%
- Between -0.5% and -0.2%
- Lower than -0.5%
- Data not available



Canada 1995-2005, Northwest Territories and Nunavut is excluded for lack of data for comparable years; the United States 1997-2005 and Mexico 1998-2004.

StatLink  <http://dx.doi.org/10.1787/525000783865>



**From:**  
**OECD Regions at a Glance 2009**

**Access the complete publication at:**  
[https://doi.org/10.1787/reg\\_glance-2009-en](https://doi.org/10.1787/reg_glance-2009-en)

**Please cite this chapter as:**

OECD (2009), "Regional factors: Employment, participation and ageing", in *OECD Regions at a Glance 2009*, OECD Publishing, Paris.

DOI: [https://doi.org/10.1787/reg\\_glance-2009-28-en](https://doi.org/10.1787/reg_glance-2009-28-en)

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).