# **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 (25-64) 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 Australia and Canada refer to a different regional grouping, labelled non official grids (NOG) comparable to the small regions. For Brazil, Chile, China, India, Russian Federation and South Africa only large regions have been defined so far.

While employment and unemployment rates are available for small regions (territorial level 3, TL3), female employment rates are usually available only for large regions (territorial level 2, TL2).

Data on employment growth refer to small (TL3) regions for all countries except Mexico. Data refer to 1999-2008 for all countries except Germany, Italy, Japan, Ireland and Portugal (1996-2007), Iceland (1999-2005) and Mexico (2000-2007). Data on the employment rate of women refer to 2008 for all countries except Australia (2007), Iceland (2005), Korea (2006) and Switzerland (2007).

## Overview

Differences in employment growth among regions within a country are often larger than across countries. During the period from 1999 to 2008, differences in employment growth across regions were above 7 percentage points in Poland, Denmark, Finland, Sweden and Mexico. Wide differences in employment growth across regions were experienced both in countries with high employment growth at the national level, such as Spain; and in countries where employment growth at the national level was low such as Poland.

Employment creation at the national level is largely due to a small number of dynamic regions. On average, the 10% of OECD regions with the stronger pace of job creation accounted for 46% of overall employment growth between 1999 and 2006. The regional contribution to national employment growth of the more dynamic regions was particularly high in Turkey, Greece, the United States and Sweden (where more than 60% of the employment growth at the national level was spurred by 10% of regions).

Even though the female employment rate has been rising in recent years, almost one-third of the OECD countries where regional data are available have a female employment rate at least 10 percentage points lower than the total employment rate. The largest regional differences in the female employment rates are observed in Turkey, the United States, Korea and Italy.

#### Sources

• OECD (2009), OECD Regions at a Glance 2009, OECD, Paris.

## **Further information**

#### **Analytical publications**

- OECD (2009), Regions Matter: Economic Recovery, Innovation and Sustainable Growth, OECD, Paris.
- OECD (2009), How Regions Grow: Trends and Analysis, OECD, Paris.
- OECD (2007), OECD Regions at a Glance: 2007 Edition, OECD, Paris.

#### **Online databases**

• OECD Regional Database.

#### Web sites

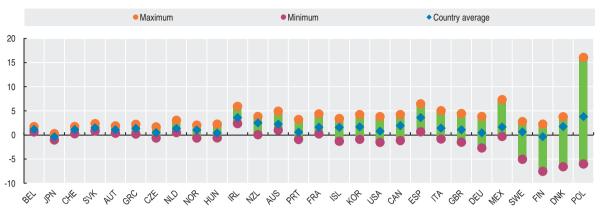
- OECD eXplorer, www.oecd.org/gov/regionaldevelopment.
- Territorial grids, www.oecd.org/gov/regional/statisticsindicators.

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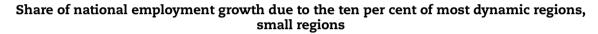
LABOUR • EMPLOYMENT AND HOURS WORKED

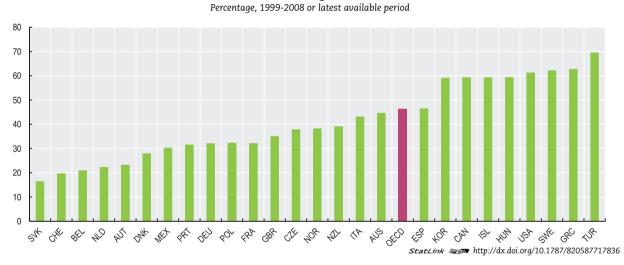
Differences in annual employment growth across regions, small regions

Percentage, 1999-2008 or latest available period

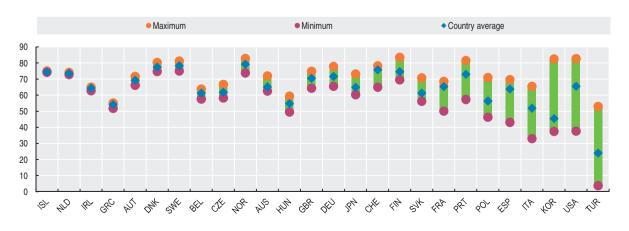


StatLink and http://dx.doi.org/10.1787/820503806202





Regional differences in the employment rate of women, large regions Percentage, 2008 or latest available year



StatLink and http://dx.doi.org/10.1787/820538020632



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