The EU in the world - labour market

Statistics Explained

Data extracted in January and February 2020.
Planned article update: February 2023.

" For a small majority of G20 members, the lowest unemployment rates in 2018 were recorded for people with a tertiary level of education. "
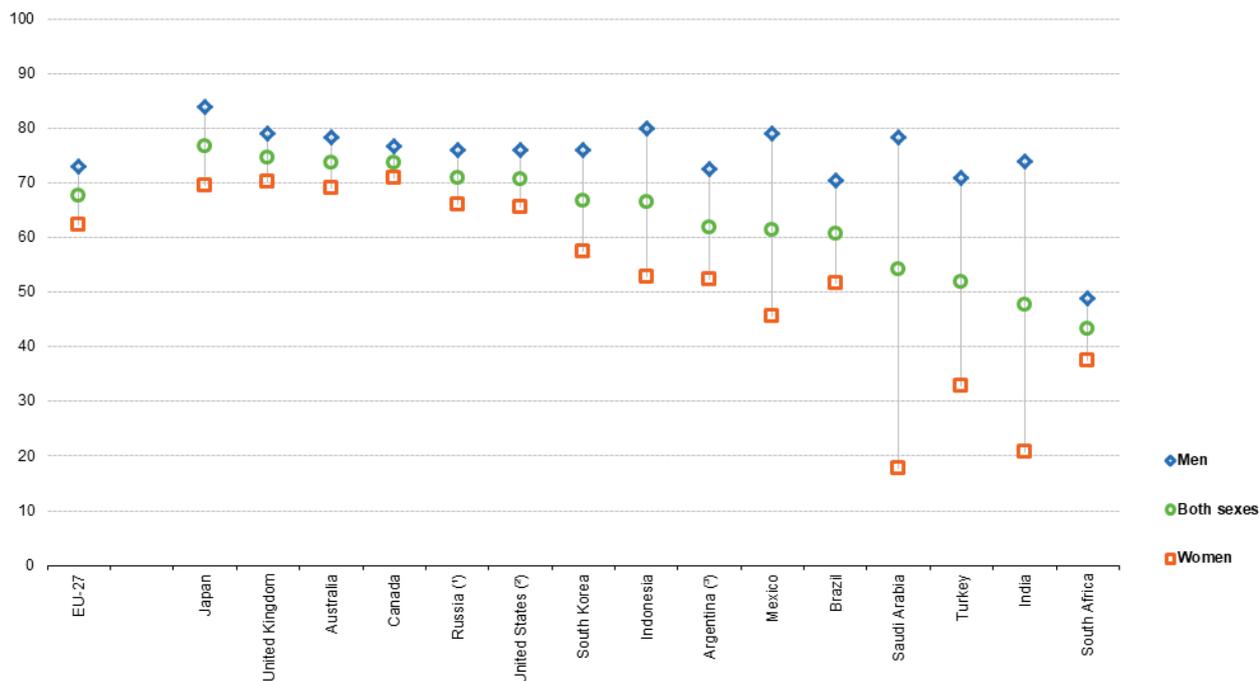
" Close to two thirds of the unemployed in South Africa in 2018 had been unemployed for a year or more. "

This article is part of a set of statistical articles based on Eurostat's publication *The EU in the world 2020* . It focuses on labour market statistics in the European Union (EU) and the 16 non-EU members of the Group of Twenty (G20) . The article covers key indicators on employment and unemployment and gives an insight into the EU's labour market in comparison with (most of) the major economies in the rest of the world, such as its counterparts in the so-called Triad — Japan and the United States — and the BRICS composed of Brazil, Russia, India, China and South Africa. Particular care should be taken when comparing labour market data between different countries, given that there are sometimes differences in the age criteria used to calculate employment and unemployment rates .

Employment rate

In 2018, the employment rate, calculated as the share of employed persons in the working-age population (defined here as persons aged 15-64 years), was 67.7 % in the EU-27 ; this rate was roughly in the middle of a ranking of the G20 members. South Africa and India were the only G20 members where less than half of the working-age population were in employment in 2018, with rates of 43.3 % and 47.7 % respectively. In the United States (persons aged 16-64 years), Russia, Canada, Australia and the United Kingdom the employment rate was between 70 % and 75 %, while the highest employment rate among G20 members was recorded in Japan, at 76.8 %.

Employment rate of persons aged 15-64 years, 2018
(%)

Note: ranked on the total rate for both sexes combined. China: not available.
(¹) Statistics of the Russian Federation include statistical data for the Autonomous Republic of Crimea and the city of Sevastopol, Ukraine, temporarily occupied by the Russian Federation. The EU does not recognise the illegal annexation of Crimea and Sevastopol to the Russian Federation.
(²) Persons aged 16-64 years.
(³) Main cities or metropolitan areas.
Source: Eurostat (online data code: lfsa_ergaed) and the International Labour Organisation (ILOSTAT)
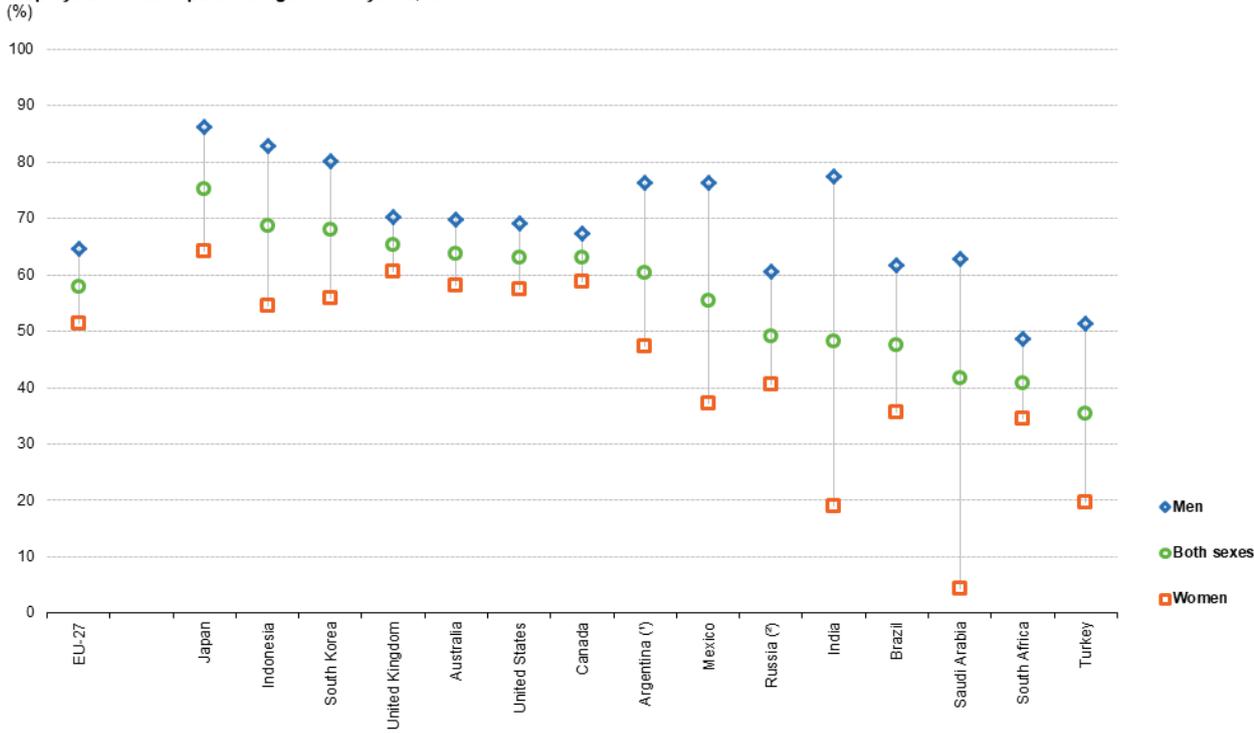
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Figure 1: Employment rate of persons aged 15-64 years, 2018 (%) Source: Eurostat (lfsa_ergaed) and the International Labour Organisation (ILOSTAT)

The most recent data (see Figure 1) show that the EU-27's employment rate for men (73.0 %) was lower than in most of the G20 members in 2018, although it was somewhat higher than in Turkey and Brazil and considerably higher than in South Africa. Elsewhere, employment rates for men ranged from 73.9 % in India to 80.1 % in Indonesia, with Japan (83.9 %) above this range. For women, the EU-27 employment rate of 62.3 % was higher than in a majority of the other G20 members, although a higher proportion of women were employed in the United States (16-64 years), Russia, Australia, Japan and the United Kingdom, with a peak of 71.0 % recorded in Canada. By contrast, employment rates for women were below 50 % in Mexico, South Africa, Turkey and India, and were lowest in Saudi Arabia at 17.9 %.

The gender gap for the employment rate was 10.7 percentage points in favour of men across the EU-27, with the United States (16-74 years), Russia, Australia, the United Kingdom and Canada reporting narrower gaps. By far the largest gender gaps were in India and Saudi Arabia, where the employment rates for men were 53.0 points higher than those for women in the former and 60.5 points higher in the latter.

Focusing on older workers, defined here as those aged 55-64 years, Figure 2 presents information for an age group that may have lower employment rates because of early retirement or because of difficulties finding employment after being unemployed. In the EU-27, the overall employment rate for persons aged 55-64 years was 57.8 % in 2018, some 9.9 percentage points lower than the employment rate for the whole of the working-age population. The gender gap in employment rates for older workers was 13.4 points in the EU-27, somewhat larger than the gap for recorded for the working-age population. These two characteristics — a lower employment rate for older workers and a larger gender gap for older workers — were common to most G20 members. Indonesia, South Korea and India were the only G20 members to report a higher em-
ployment rate for older workers, while only in Turkey and Saudi Arabia was the gender gap narrower for older workers.
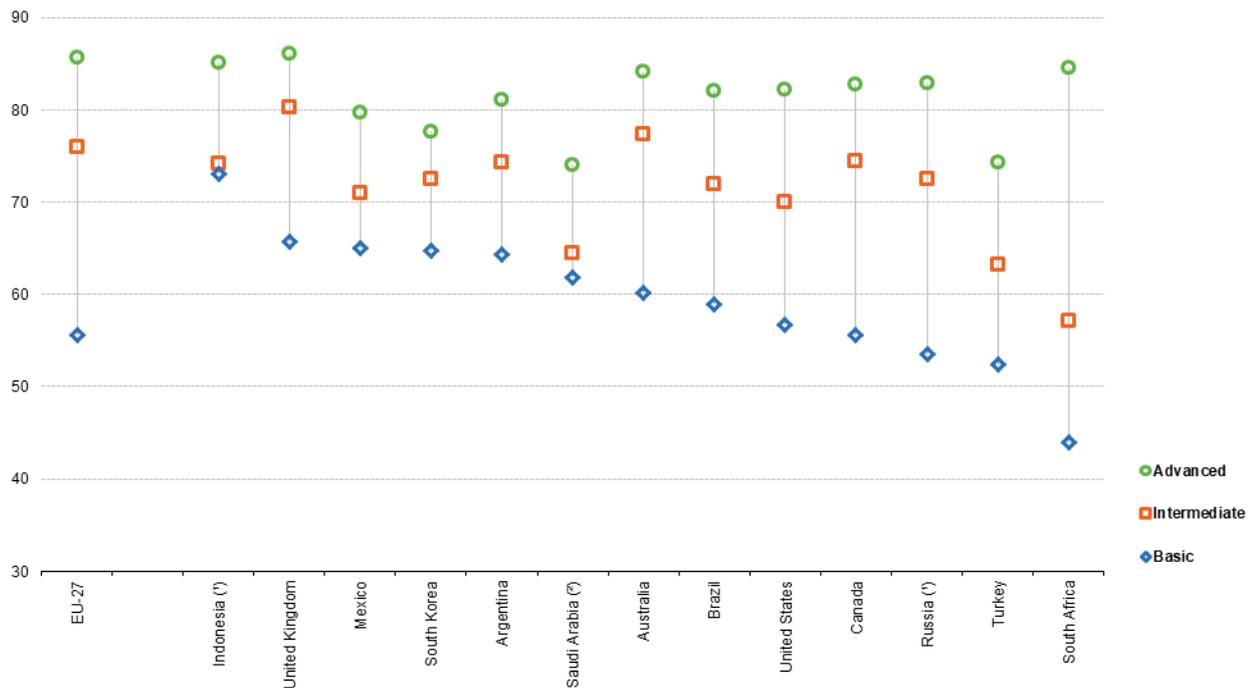
Employment rate of persons aged 55-64 years, 2018
(%)

Note: ranked on the total rate for both sexes combined. China: not available.
(¹) Main cities or metropolitan areas.
(²) Statistics of the Russian Federation include statistical data for the Autonomous Republic of Crimea and the city of Sevastopol, Ukraine, temporarily occupied by the Russian Federation. The EU does not recognise the illegal annexation of Crimea and Sevastopol to the Russian Federation.
Source: Eurostat (online data code: lfsa_ergaed) and the International Labour Organisation (ILOSTAT)

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Figure 2: Employment rate of persons aged 55-64 years, 2018 (%) Source: Eurostat (lfsa_ergaed) and the International Labour Organisation (ILOSTAT)

Employment rates according to the highest completed level of education are shown in Figure 3, though restricted to the age group 25-64 years in order to focus on the adult working-age population after the vast majority of people have completed their initial education. Among the G20 members, all recorded a lower adult employment rate for the group of persons having completed at a basic level of education (at most a lower secondary level of education); equally, each of the G20 members recorded a higher adult employment rate for the group of persons having completed an advanced level of education (tertiary education). The difference between the employment rates for these two different levels of education was 30.1 percentage points across the EU-27 in 2018; this gap was only higher in South Africa (40.7 points), whereas it was less than 15.0 points in Mexico, South Korea, Saudi Arabia (2016 data) and Indonesia (2017 data).

Employment rate of persons aged 25-64 years, by education level, 2018
(%)

Note: ranked on the employment rate for basic education. China, India and Japan: not available.
(¹) 2017.
(²) 2016.
Source: Eurostat (online data code: lfsa_ergaed) and the OECD (Education at a Glance)
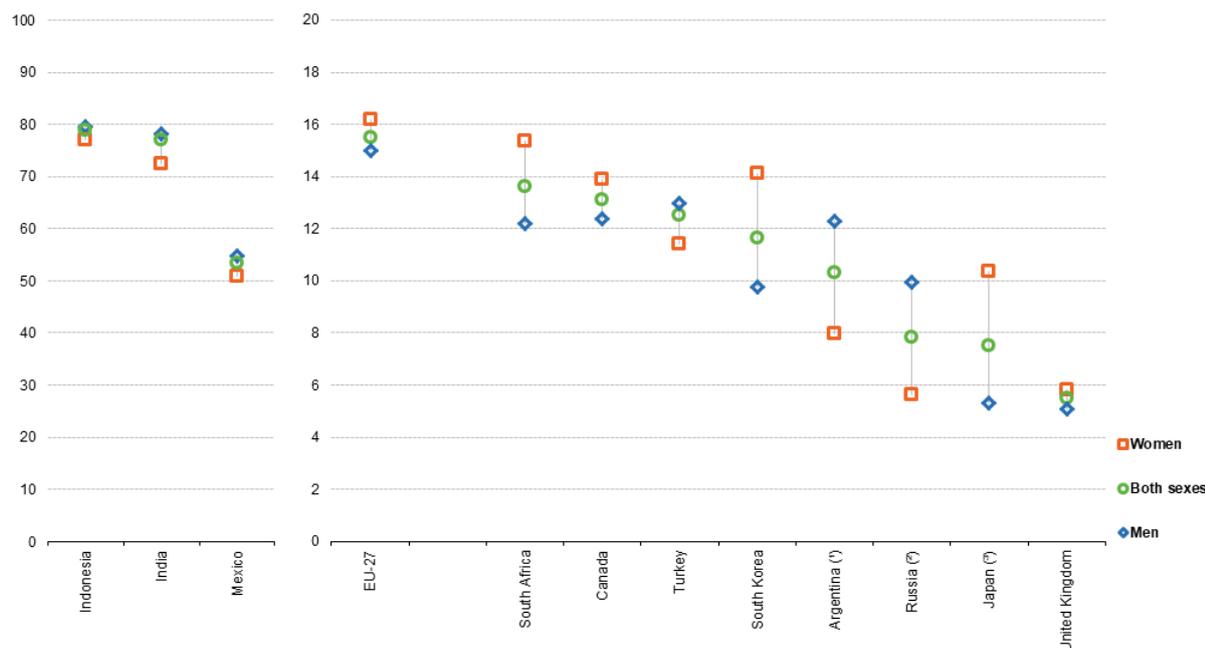
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Figure 3: Employment rate of persons aged 25-64 years, by education level, 2018 (%) Source: Eurostat (lfsa_ergaed) and the OECD (Education at a Glance)

In 2018, the share of employees (aged 15-64 years) in the EU-27 with a temporary contract was 15.5 %. The share of temporary employees varies greatly among other G20 members: the highest percentages of employees having a temporary contract were recorded in Indonesia (78.8 %) and India (77.0 %), followed by Mexico (53.3 %). Elsewhere the share was below 15 %. The lowest shares of temporary contracts — all below 10 % — were observed in Russia (7.8 %), Japan (7.5 %; 2015 data for employees aged 15 years and over) and the United Kingdom (5.5 %).

A comparison of the incidence of temporary employment between men and women shows that the gender gap was relatively small in the EU-27 in 2018, with the share for women 1.2 percentage points higher than for men. Among the non-EU G20 members only the United Kingdom recorded a narrower gap (0.7 points), also with a higher share for women. Equally, Canada, South Africa, South Korea and Japan (2015 data) recorded higher shares of temporary employment among women than among men, while the reverse was true for the remaining G20 members (see Figure 4). The largest gender differences were in India (where the share of temporary employment was
5.9 points higher among men than women) and Japan (where the gap was 5.0 points, with a higher share for women).

Temporary employment, 2018
(% share of employees aged 15-64 years)

Note: more recent data are available for some countries from the ILO. Different scales are used in the two parts of the figure. Australia, Brazil, China, Saudi Arabia and United States: not
(¹) Main cities or metropolitan areas.
(²) Statistics of the Russian Federation include statistical data for the Autonomous Republic of Crimea and the city of Sevastopol, Ukraine, temporarily occupied by the Russian Federation. The EU does not recognise the illegal annexation of Crimea and Sevastopol to the Russian Federation.
(³) 2015. Employees aged 15 years and over.
Source: Eurostat (online data code: lfsa_etpgan) and the International Labour Organisation (ILOSTAT)
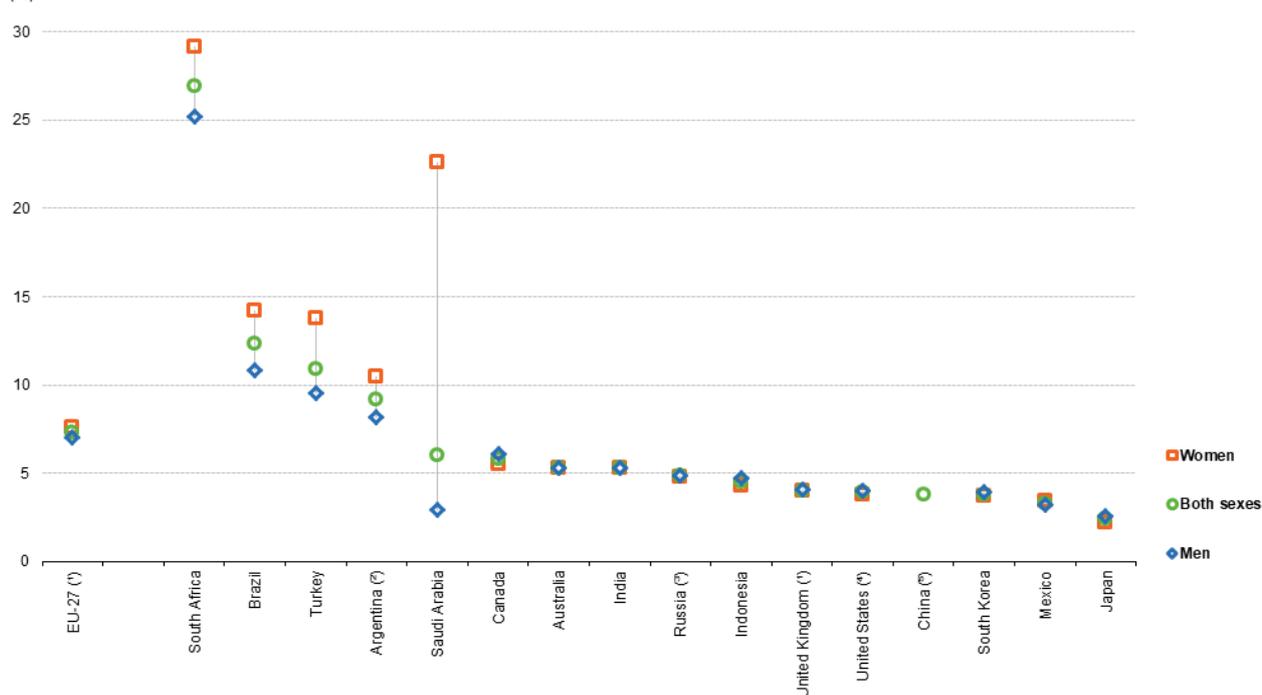
Figure 4: Temporary employment, 2018 (% share of employees aged 15-64 years) Source: Eurostat (lfsa_etpgan) and the International Labour Organisation (ILOSTAT)

Unemployment rates

The unemployment rate is calculated as the number of unemployed persons as a proportion of economically active persons (otherwise referred to as the labour force , comprising all employed and unemployed persons). In 2018, the unemployment rate for persons aged 15-74 years in the EU-27 was 7.3 %. Among the other G20 members, the unemployment rate for persons aged 15 years and over ranged in 2018 from 2.4 % in Japan to 6.0 % in Saudi Arabia, with Argentina (9.2 %; main cities and metropolitan areas only), Turkey (10.9 %), Brazil (12.3 %) and South Africa (26.9 %) above this range.

In the EU-27, unemployment rates for men and women were relatively similar, 7.6 % for women and 7.0 % for men in 2018 (see Figure 5). In most of the G20 members, the difference between the unemployment rates for men and women was also less than 1.0 percentage points in 2018, generally with a slightly higher rate for men than for women. By contrast, larger gender gaps, always with a higher unemployment rate for women, were observed in Argentina (2.3 points), Brazil (3.4 points), South Africa (3.9 points), Turkey (4.3 points) and Saudi Arabia (19.7 points). Saudi Arabia recorded the second lowest unemployment rate for men (2.9 %), higher only than that in Japan (2.6 %), combined with the second highest unemployment rate for women (22.6 %), lower only than the rate in South Africa (29.1 %).

Note: ranked on the total unemployment rate for both sexes combined.
(¹) Persons aged 15-74 years.
(²) Main cities or metropolitan areas.
(³) Statistics of the Russian Federation include statistical data for the Autonomous Republic of Crimea and the city of Sevastopol, Ukraine, temporarily occupied by the Russian Federation. The EU does not recognise the illegal annexation of Crimea and Sevastopol to the Russian Federation.
(⁴) Persons aged 16 years and over.
(⁵) Persons aged 16 years and over. Urban areas only. Registered unemployment. Data by sex: not available
Source: Eurostat (online data code: lfsa_urgan) and the International Labour Organisation (ILOSTAT)
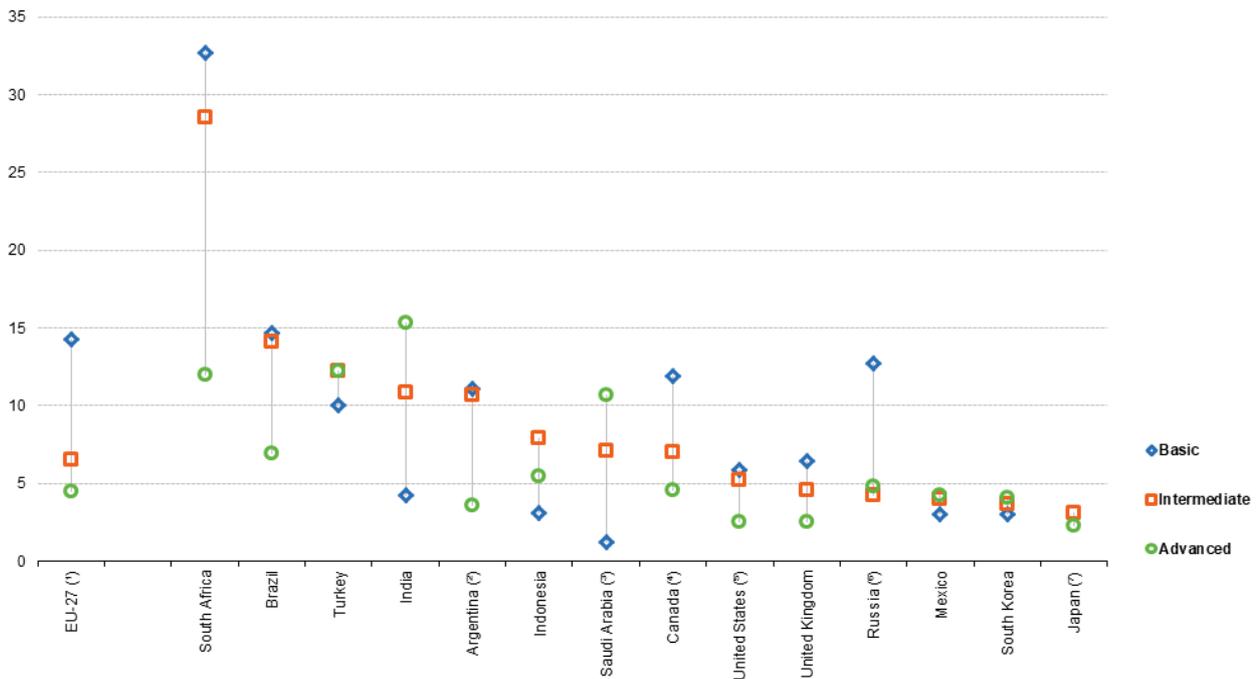
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Figure 5: Unemployment rate of persons aged 15 years and over, 2018 (%) Source: Eurostat (lfsa_urgan) and the International Labour Organisation (ILOSTAT)

In a majority of G20 members the highest unemployment rates in 2018 were recorded for persons having completed at most a basic level of education

In a small majority of G20 members, unemployment rates in 2018 were highest among persons (aged 15 years and over) who had completed at most a basic level of education. However, in Indonesia the highest unemployment rate was recorded among persons having completed at most an intermediate level of education, while in India, Mexico, Saudi Arabia (2014 data) and South Korea the highest unemployment rates were recorded among persons having completed an advanced level of education; in Turkey the unemployment rates were the same for people with intermediate and advanced levels of education and lower for those with a basic level (see Figure 6).

In 6 of the 13 G20 members for which a complete set of data are available, the lowest unemployment rates were observed among persons who had completed an advanced level of education. In another six, the lowest rate was recorded among persons having completed at most a basic level of education; Russia was the exception, as its lowest unemployment rate was observed for persons having completed at most an intermediate level of education.

Note: ranked on intermediate. Australia and China: not available.
(¹) Persons aged 15-74 years.
(²) Main cities or metropolitan areas.
(³) 2014.
(⁴) ISCED level 4 included in advanced rather than intermediate.
(⁵) Persons aged 16 years and over.
(⁶) Statistics of the Russian Federation include statistical data for the Autonomous Republic of Crimea and the city of Sevastopol, Ukraine, temporarily occupied by the Russian Federation. The EU does not recognise the illegal annexation of Crimea and Sevastopol to the Russian Federation.
(⁷) Intermediate includes also basic.
Source: Eurostat (online data code: lfsa_urgaed) and the International Labour Organisation (ILOSTAT)
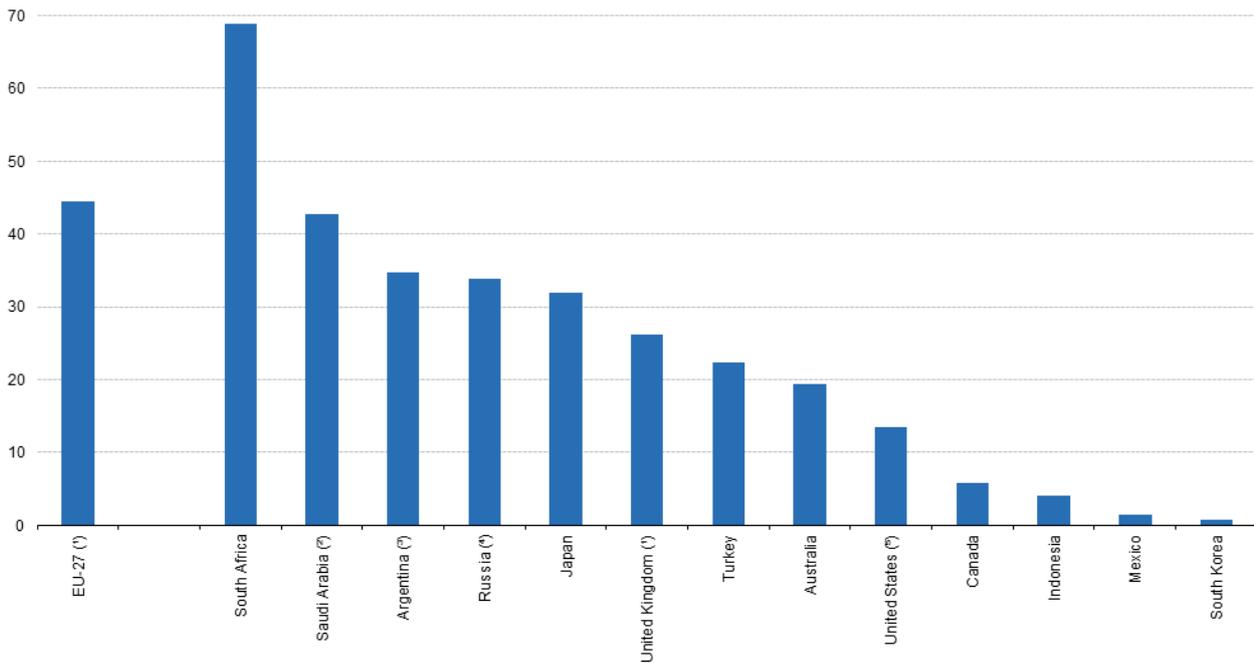
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Figure 6: Unemployment rate of persons aged 15 years and over, by education level, 2018 (%) Source: Eurostat (lfsa_urgaed) and the International Labour Organisation (ILOSTAT)

In 2018, close to 70 % of all unemployed people in South Africa had been unemployed for a year or more

Persons who have been unemployed for one year or more are considered as long-term unemployed . Prolonged periods of unemployment may be linked with reduced employability of the unemployed person, while lengthy periods of unemployment may have a sustained impact on an individual's income and social conditions. Among the G20 members, South Korea and Mexico reported that long-term unemployment accounted for less than 2.0 % of all unemployed persons in 2018, while in Indonesia and Canada this share was also below 6.0 % (see Figure 7). Elsewhere, the share of the long-term unemployed in total unemployment ranged from 13.4 % in the United States (persons aged 16 years and over) to
over 40 % in Saudi Arabia (2016 data) and the EU-27, while the highest share was recorded in South Africa at 68.9 %.

Long-term unemployment, persons aged 15 years and over, 2018
(% of all unemployment)

Note: Brazil, China and India, not available.
(¹) Persons aged 15-74 years.
(²) 2016.
(³) Main cities or metropolitan areas.
(⁴) Statistics of the Russian Federation include statistical data for the Autonomous Republic of Crimea and the city of Sevastopol, Ukraine, temporarily occupied by the Russian Federation. The EU does not recognise the illegal annexation of Crimea and Sevastopol to the Russian Federation.
(⁵) Persons aged 16 years and over.
Source: Eurostat (online data code: une_ltu_a), the OECD (Labour force statistics) and the International Labour Organisation (ILOSTAT)

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Figure 7: Long-term unemployment, persons aged 15 years and over, 2018 (% of all unemployment) Source: Eurostat (une_ltu_a), the OECD (Labour force statistics) and the International Labour Organisation (ILOSTAT)
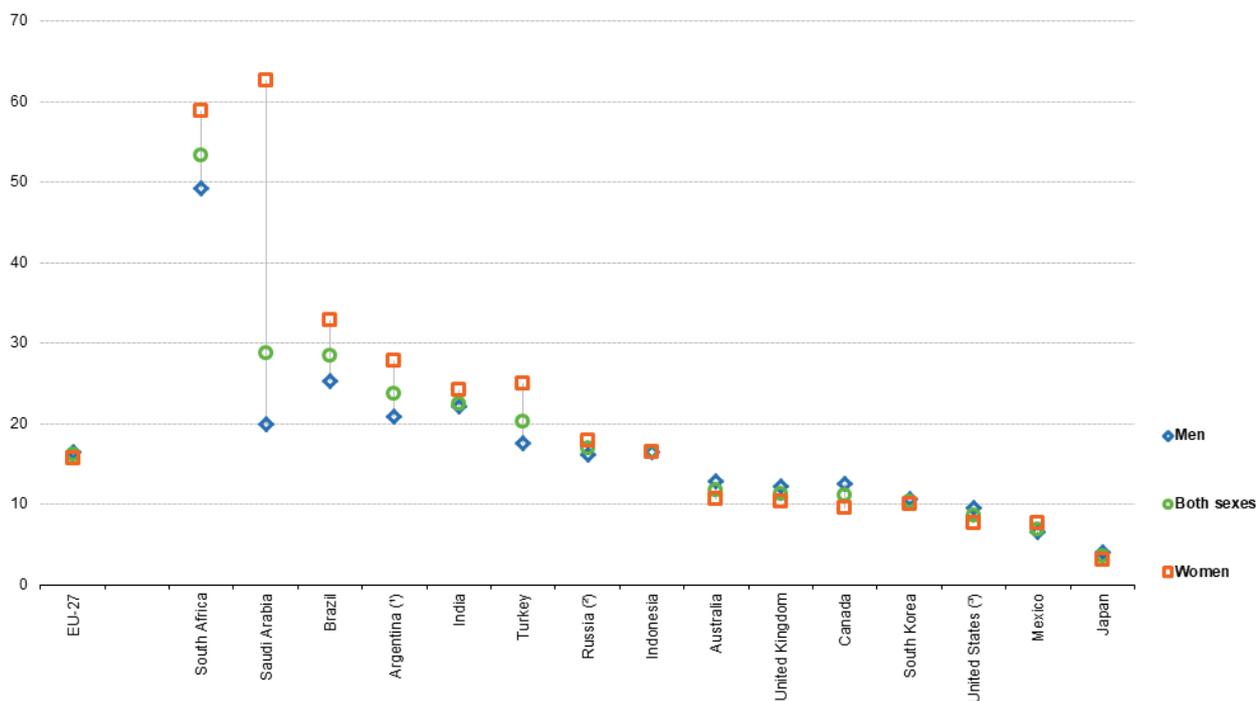
Among G20 members, the youth unemployment rate in 2018 ranged from 3.6 % in Japan to 53.4 % in South Africa

Figure 8 focuses on the youth unemployment rate, in other words the unemployment rate for persons aged 15-24 years. It should be remembered that a large share of persons in this age range are outside the labour market and are therefore not economically active. For example, young people are more likely to be studying full-time and therefore not available for work, while some may undertake other activities outside of the labour market, such as travel or voluntary work.

Among the G20 members, South Africa and Brazil had the highest unemployment rates for young men in 2018. In South Africa, almost half (49.2 %) of the male youth labour force was unemployed, while in Brazil the rate was just over one quarter (25.3 %). The EU-27's unemployment rate for young men (16.5 %) was close to the median for the G20 members shown in Figure 8 and this was also the case for the youth unemployment rate for women (15.7 %). Saudi Arabia (62.6 %) and South Africa (58.8 %) had the highest unemployment rates for young women among the G20 members. Three G20 members reported unemployment rates both for young men and for young women below 10.0 % in 2018: Japan, Mexico and the United States, with the rate for young women in Canada also below 10.0 %.

Within the EU-27, there was relatively little difference in youth unemployment rates when looking at figures by sex, with the rate for young men 0.8 percentage points higher than the rate for young women in 2018. Several G20 members reported much higher youth unemployment rates for women than for men: indeed, rates for young women were between 6.9 and 9.6 points higher than those for young men in Argentina (main cities and metropolitan areas only), Turkey, Brazil and South Africa, with this gap reaching 42.7 points in Saudi Arabia.

Youth (persons aged 15-24 years) unemployment rate, 2018
(%)

Note: ranked on the youth unemployment rate for both sexes combined. China: not available.
(¹) Main cities or metropolitan areas.
(²) Statistics of the Russian Federation include statistical data for the Autonomous Republic of Crimea and the city of Sevastopol, Ukraine, temporarily occupied by the Russian Federation. The EU does not recognise the illegal annexation of Crimea and Sevastopol to the Russian Federation.
(³) Persons aged 16-24 years.
Source: Eurostat (online data code: lfsa_urgan) and the International Labour Organisation (ILOSTAT)

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Figure 8: Youth (persons aged 15-24 years) unemployment rate, 2018 (%) Source: Eurostat (lfsa_urgan) and the International Labour Organisation (ILOSTAT)

Source data for tables and graphs

- Labour market: tables and figures

Data sources

The statistical data in this article were extracted during January and February 2020.

The indicators are often compiled according to international — sometimes worldwide — standards. Although most data are based on international concepts and definitions there may be certain discrepancies in the methods used to compile the data.

EU data

The indicators presented for the EU and the United Kingdom have been drawn from Eurobase, Eurostat's online database. Eurobase is updated regularly, so there may be differences between data appearing in this article and data that is subsequently downloaded.

G20 members from the rest of the world

For the non-EU G20 members other than the United Kingdom, the data presented have mainly been compiled by

the International Labour Organisation with some data compiled by the OECD . For some of the indicators shown a range of international statistical sources are available, each with their own policies and practices concerning data management (for example, concerning data validation, correction of errors, estimation of missing data, and frequency of updating). In general, attempts have been made to use only one source for each indicator in order to provide a comparable dataset for G20 members.

Context

Labour market statistics measure the involvement of individuals and businesses in the labour market, where the former generally offer their labour in return for remuneration, while the latter offer employment. Market outcomes — for example, employment, unemployment, wage levels and labour costs — of these relationships affect not only the economy, but directly the lives of practically every person.

The economically active population, also known as the labour force, is made up of employed persons and the unemployed. Employed persons include employees as well as employers, the self-employed and family workers (persons who help another member of the family to run a farm, shop or other form of business). Persons in employment are those who did any work for pay or profit or were not working but had a job from which they were temporarily absent. The amount of time spent working is not a criterion and so full-time and part-time workers are included as well as persons on temporary contracts (contracts of limited duration). Members of the population who are neither employed nor unemployed are considered to be economically inactive.
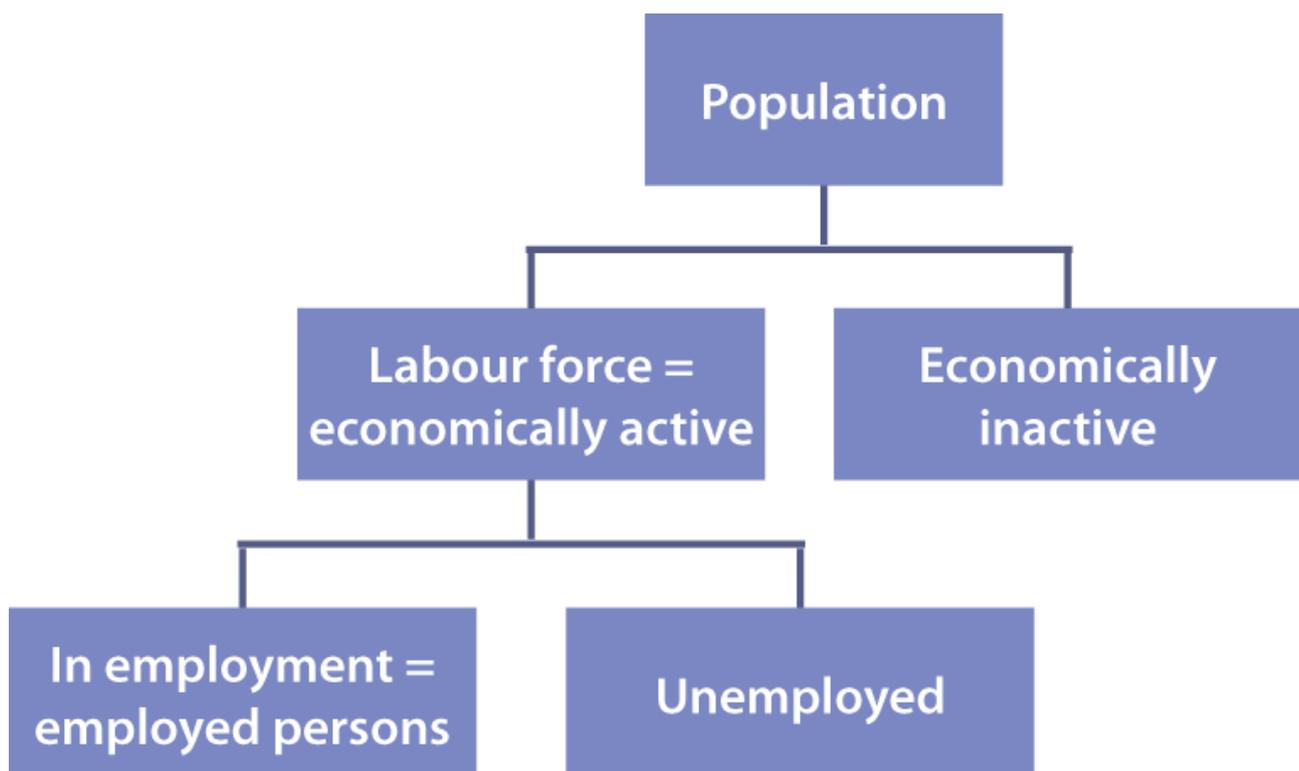

Diagram 1: Population and labour force concepts

Other articles

- All articles on the labour market

- All articles on the non-EU countries

- Other articles from *The EU in the world*

Publications

- The EU in the world 2020
- Statistics on European Neighbourhood Policy countries: South — 2020 edition
- The European Union and the African Union — A statistical portrait — 2019 edition ;
- Key figures on the enlargement countries — 2019 edition
- Smarter, greener, more inclusive? Indicators to support the Europe 2020 strategy — 2019 edition
- Sustainable Development in the European Union — Monitoring report on progress towards the SDGs in an EU context
- Ageing Europe — 2019 edition
- Culture statistics — 2019 edition
- Statistics on European Neighbourhood Policy countries: East — 2018 edition
- Globalisation patterns in EU trade and investment
- 40 years of EU-ASEAN cooperation — 2017 edition
- Asia-Europe Meeting (ASEM) — A statistical portrait — 2016 edition
- The European Union and the BRIC countries
- The European Union and the Republic of Korea — 2012

Database

- Employment and unemployment (Labour force survey) (employ) , see:

LFS main indicators (lfsi)

    Unemployment - LFS adjusted series (une)

        Long-term unemployment by sex - annual average, % (une_ltu_a)

LFS series - Detailed annual survey results (lfsa)

    Employment rates - LFS series (lfsa_emprt)

        Employment rates by sex, age and educational attainment level (%) (lfsa_ergaed)

    Temporary employment - LFS series (lfsa_emptemp)

        Temporary employees as percentage of the total number of employees, by sex, age and citizenship (%) (lfsa_etpgan)

    Total unemployment - LFS series (lfsa_unemp)

        Unemployment rates by sex, age and nationality (%) (lfsa_urgan)

        Unemployment rates by sex, age and educational attainment level (%) (lfsa_urgaed)

Dedicated section

- Labour market (including Labour Force Survey)

External links

International Labour Organisation (ILO)

- ILOSTAT

OECD:

- Education at a Glance
  - Labour statistics