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Employment Situation in Latin America and the Caribbean

Labour productivity in Latin America

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Employment Situation in Latin America and the Caribbean is a twice-yearly report prepared jointly by the Economic Development Division of the Economic Commission for Latin America and the Caribbean (ECLAC) and the Office for the Southern Cone of Latin America of the International Labour Organization (ILO), headed by Daniel Titelman and Fabio Bertranou, respectively.

Work on the document was coordinated by Gerhard Reinecke, Senior Specialist on Employment Policies of ILO, and Ramón Pineda, Chief of the Employment Studies Unit of the Economic Development Division of ECLAC.

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Contents

Foreword

The Latin American and Caribbean economies are facing complex macroeconomic, social and environmental conditions that make it necessary to rethink public policies with a view to fostering economic recovery and transforming the development models in the region.

The coronavirus disease (COVID-19) pandemic led to an unprecedented crisis in Latin American and Caribbean economies and labour markets. In 2020, the region recorded the steepest contraction in real GDP in the last seven decades (6.9%) and, despite the recovery in 2021 (6.5%), the Economic Commission for Latin America and the Caribbean (ECLAC) projects a sharp slowdown in GDP growth in 2022 and 2023, with rates of 3.2% and 1.4%, respectively. This would mean growth of 0.8% in the region in the 10 years between 2014 and 2023, less than half the figure seen in the "lost decade" of 1980–1989. In Latin America and the Caribbean, the pandemic also led to a record decrease in the number of employed persons (8.2%), larger than that seen in developed economies and other emerging economies (ILO, 2021; ECLAC, 2020).

Previous reports have emphasized that the recovery of the region's labour markets has been slow, partial and uneven. However, as noted in the first part of this report, there were favourable changes in the main indicators of these markets in the first half of 2022. First, in the second quarter of 2022, the employment rate returned to the level seen before the crisis and the unemployment rate fell by 2.8 percentage points compared to the year-earlier period to stand at 7.3%, lower than the pre-pandemic level. This decline in the unemployment rate was seen in all the countries analysed. The participation rate also improved, although it remains below the level seen prior to the health crisis. Another aspect underlined in the first part of the report is that these positive trends were strongest among women, who had been hardest hit by the pandemic and whose recovery was slower than that of men in 2021. Indeed, during the first half of 2022, although the unemployment rate fell for both men and women (by 2.3 and 3.4 percentage points, respectively), the decrease was much sharper for women, resulting in a narrowing of the unemployment gap from 1.5 to 1.4, between the first half of 2021 and the same period of 2022.

Moreover, the report highlights that since the first half of 2022, growth in wage employment has outpaced that of own-account work, and that the manufacturing sector has recorded the highest rates of job creation. The first part of the report also notes that average real wages have fallen as a result of the sharp increase in inflation in the first half of the year.

Beyond the difficulties posed by the current labour market situation, the region's economies face the challenge of reversing the weak growth in productivity and investment registered since the debt crisis. The second part of this report shows that labour productivity in Latin America has stagnated to the extent that it has not been able to regain the levels reached before 1980. As a result, the productivity gaps between the region's economies and developed economies have widened, while the gaps between Latin America and other emerging economies have increased even more. The stagnation of labour productivity in the region has been widespread and, unlike in other emerging

economies, such as those in Asia, productive development policies focused on the sectors that drive and stimulate growth have lacked the necessary force to guide structural change. This has contributed to the sluggishness of aggregate labour productivity in the region.

To reverse this situation and create more formal well-paid jobs, more ambitious productive development policies are needed, which take into account new policy approaches for achieving this along with the new realities shaped by the technological revolution and the new productive paradigms arising therefrom. Productive development policies must also be supported by a macroeconomic and financial framework that is fit for purpose.

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Economic Commission for Latin America and the Caribbean (ECLAC)

Claudia Coenjaerts
Regional Director a.i.
Regional Office for Latin America and the Caribbean of the International Labour Organization (ILO)

I. The employment situation in the first half of 2022

Introduction

Although the economic news is currently marked by the international context of high inflation and rising interest rates, Latin American and Caribbean economies performed well in the first half of 2022, and this is reflected in the labour markets. The first six months of the year saw a shift in several trends with respect to earlier periods in the region's labour markets. At the outset of the coronavirus disease (COVID-19) pandemic, the unemployment rate had risen in Latin America and the Caribbean to two-digit levels. In the first half of 2022, however, there was a reversal of this trend, with a significant fall in unemployment both regionally and across the board at the country level; in fact, the unemployment rate came down to pre-pandemic levels. This decline chiefly reflected a larger rise in the regional employment rate relative to the participation rate, which also marks a shift with respect to the first half of 2020. Notably, these trends were strongest among women.

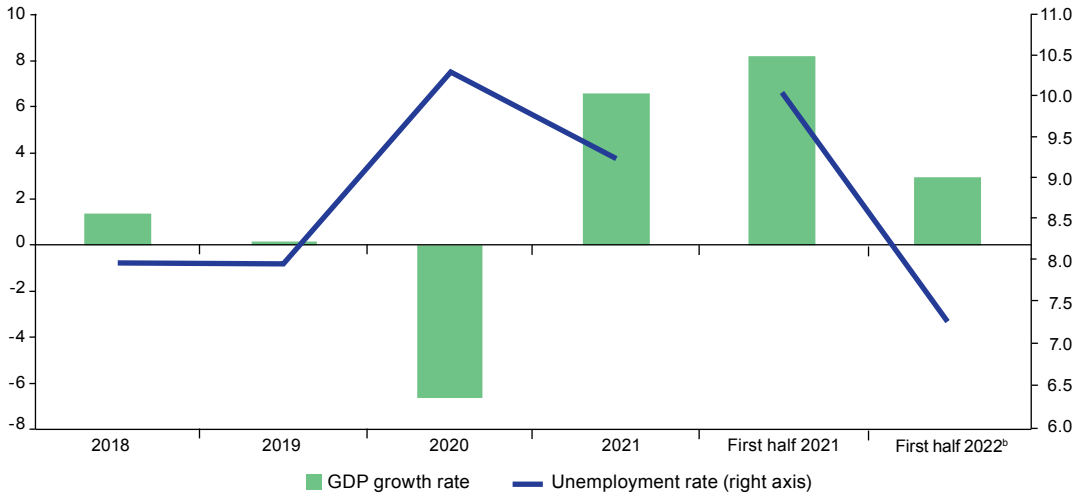
This section of the report analyses the main employment indicators in Latin America and the Caribbean in the first half of 2022. Although job creation in the region has continued the upward trend seen in 2021, in this period growth in wage employment outpaced that of own-account work. In turn, jobs were created especially in the services sector, although manufacturing also showed stronger job creation.

A. The regional unemployment rate has declined heavily

The unemployment rate fell sharply in the first half of 2022, by 2.8 percentage points with respect to the year-earlier period, to stand at 7.3%. As shown in figure I.1, in a context of still-expanding regional GDP, this meant that the unemployment rate fell below its pre-pandemic level. This change in labour market performance shows, for one, that the growth in the region's economies has been reflected mainly in an increase in the regional employment rate. As shown in figure I.2, while in the first half of 2021 the participation rate grew more than the employment rate, leading to a 0.5 percentage point rise in the regional unemployment rate, in the first half of 2022 employment was up 3.3 percentage points, almost twice as much as the participation rate (1.7 percentage points).

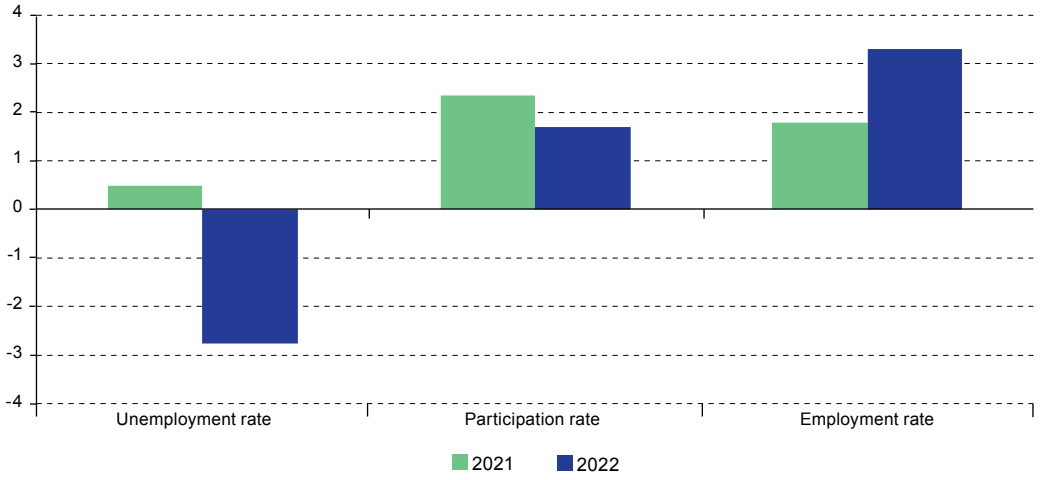
Notably, in the first half of 2022 the employment and unemployment rates were similar to or better than those recorded before the health crisis. As figure I.3 shows, the unemployment rate in the first half of 2022 was as much as 0.7 percentage points lower than in 2019, while the employment rate was almost at the same level as before the pandemic (just 0.3 percentage points lower). Conversely, the participation rate still shows a greater lag, 0.9 percentage points below the pre-pandemic level in the first half of 2022.

Figure I.1
Latin America and the Caribbean (16 countries):[a] unemployment rate and GDP growth rate, 2018–first half of 2022
(Percentages)



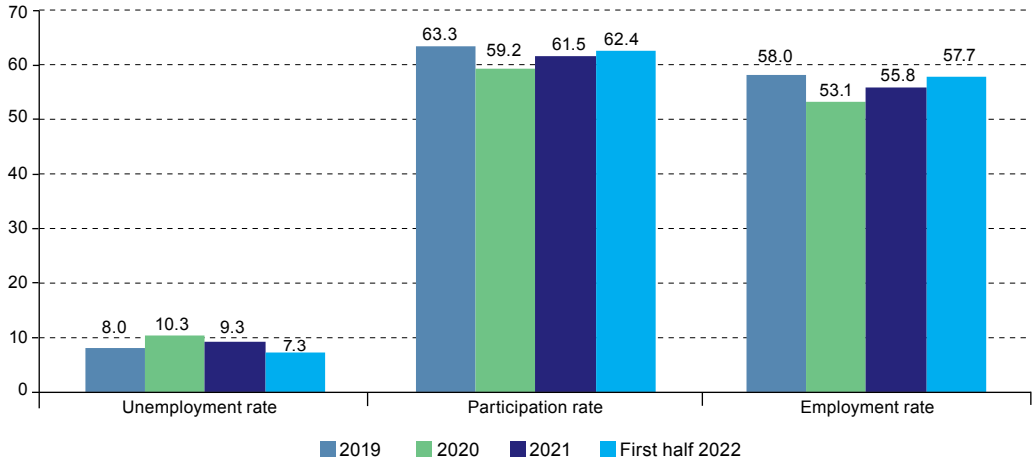
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.
[a] Argentina, Barbados, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Plurinational State of Bolivia, Trinidad and Tobago, and Uruguay.
[b] GDP growth rate refers to the first quarter of 2022.

Figure I.2
Latin America and the Caribbean (16 countries):[a] year-on-year variation in employment, participation and unemployment rates, first halves of 2021 and 2022
(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.
[a] Argentina, Barbados, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Plurinational State of Bolivia, Trinidad and Tobago, and Uruguay.

Figure I.3
Latin America and the Caribbean (16 countries):[a] employment, participation and unemployment rates, 2019, 2020, 2021 and first half of 2022
(Percentages)



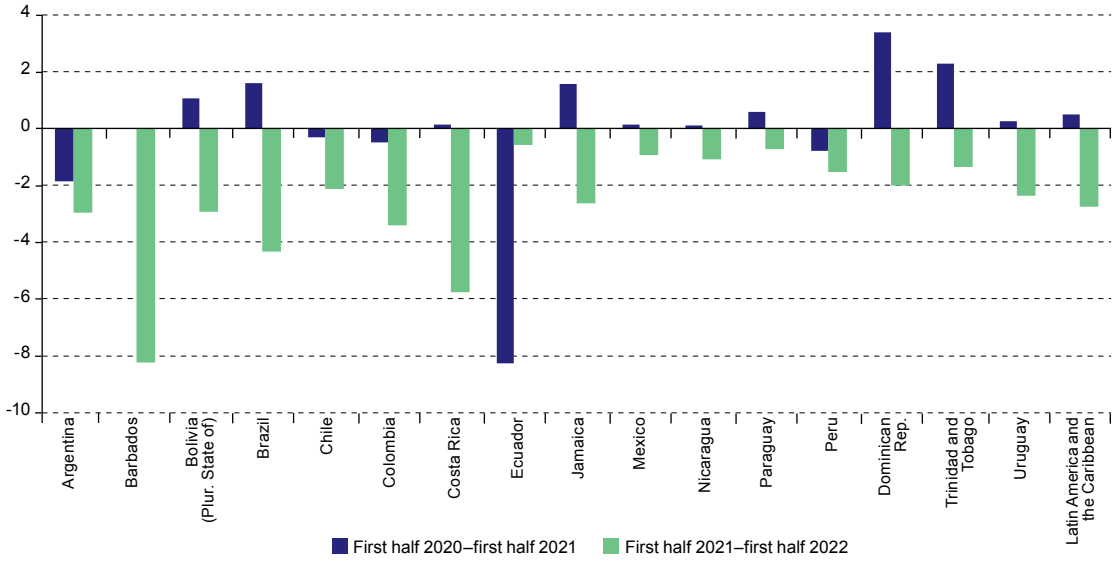
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.
[a] Argentina, Barbados, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Plurinational State of Bolivia, Trinidad and Tobago, and Uruguay.

Figure I.4 shows that the weighted average of the regional unemployment rate reflected the generalized fall in the indicator across the countries. While the urban unemployment rate declined in 5 countries between the first half of 2020 and the first half of 2021, it fell in the 16 countries for which data are available, between the first half of 2021 and the first half of 2022, with particularly significant reductions in Barbados, Costa Rica, Brazil and Colombia. This indicates that the decline in unemployment occurred across the board in Latin America and the Caribbean, notwithstanding subregional variations.

Patterns similar to those in unemployment rate variations are also seen in labour supply and demand at the country level. In figure I.5, where the 45-degree line depicts equal variation in supply and demand indicators, if a country is above that line it means that the employment rate performed better than the participation rate.[1] The 16 countries for which data are available are all located above the 45-degree line, albeit with nuanced trends. While in 12 countries the employment rate rose by more than the participation rate between the first half of 2021 and the first half of 2022, in Paraguay and Nicaragua the employment rate fell, but by less than the participation rate. In Costa Rica and Trinidad and Tobago, conversely, the employment rate rose while the participation rate fell.

[1] This occurs when employment rates rise more than participation rates, or when employment rates fall by less than participation rates.

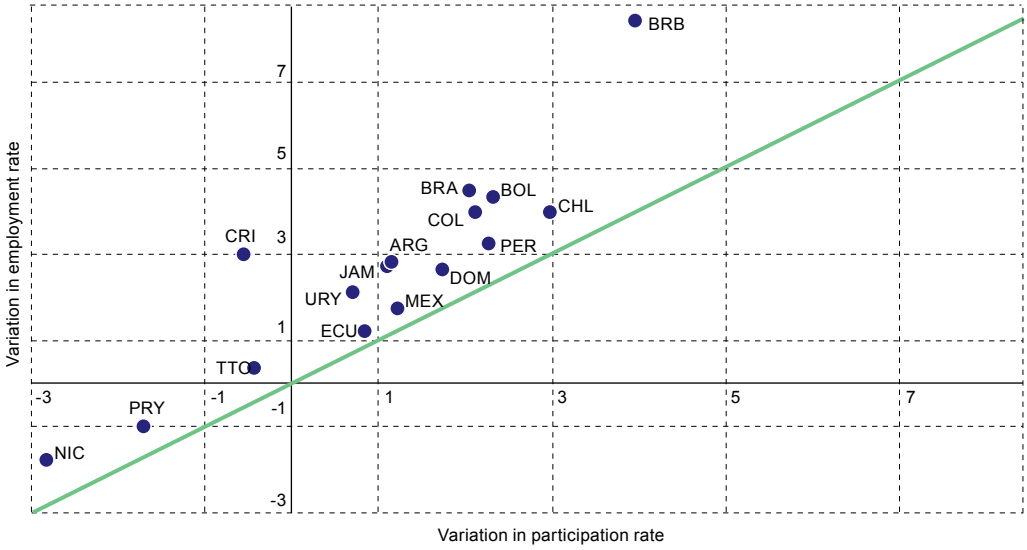
Figure I.4
Latin America and the Caribbean (16 countries): year-on-year variation in unemployment rates by country, first half 2020–first half 2021 and first half 2021–first half 2022
(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

Figure I.5

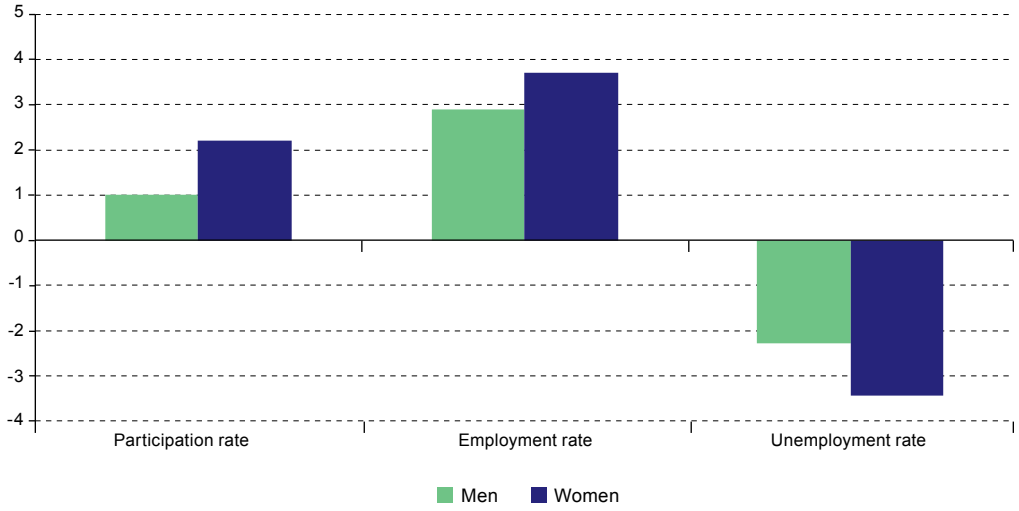
Latin America and the Caribbean (16 countries): year-on-year variation in participation and employment rates by country, first half of 2021 and first half of 2022
(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

The general trends in the main labour variables differ by sex. Figure I.6 shows the year-on-year variation in the participation, employment and unemployment rates for men and women. In the group of 16 countries for which information is available, the participation rate increased 1 percentage point for men and 2.2 percentage points for women. The employment rate also rose sharply, especially among women (3.7 percentage points compared to 2.9 points for men). The result was that the unemployment rate fell for both men and women (2.3 and 3.4 percentage points, respectively), but much more sharply for women. Consequently, the unemployment gap[2] narrowed, from 1.5 to 1.4, between the first half of 2021 and the same period of 2022.

Figure I.6
Latin America and the Caribbean (16 countries):[a] weighted average of the year-on-year variation in unemployment, participation and employment rates of men and women, first half of 2021 and first half of 2022
(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.
[a] Argentina, Barbados, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Plurinational State of Bolivia, Trinidad and Tobago, and Uruguay.

B. Employment creation continued in early 2022, especially in the categories worst hit during the pandemic

In addition to the improved performance in terms of the unemployment rate, job creation has also continued in Latin America and the Caribbean. In the first half of 2022, among the eight countries for which updated information is available, total employment expanded by 4.3% over the year-earlier period. Although this pattern was widespread, employment gains were particularly strong in Argentina, Brazil and Chile. As shown in figure I.7, wage employment showed similar growth in that period (5.5%). All the countries posted a rise in wage employment, although with some differences: Argentina, Brazil and Ecuador saw substantial increases, while in the other countries increases were lower than the regional average. Wage employment creation was stronger in the private sector than in the public sector, where it stagnated.

[2] The unemployment gap is expressed as the female unemployment rate with respect to the male unemployment rate.

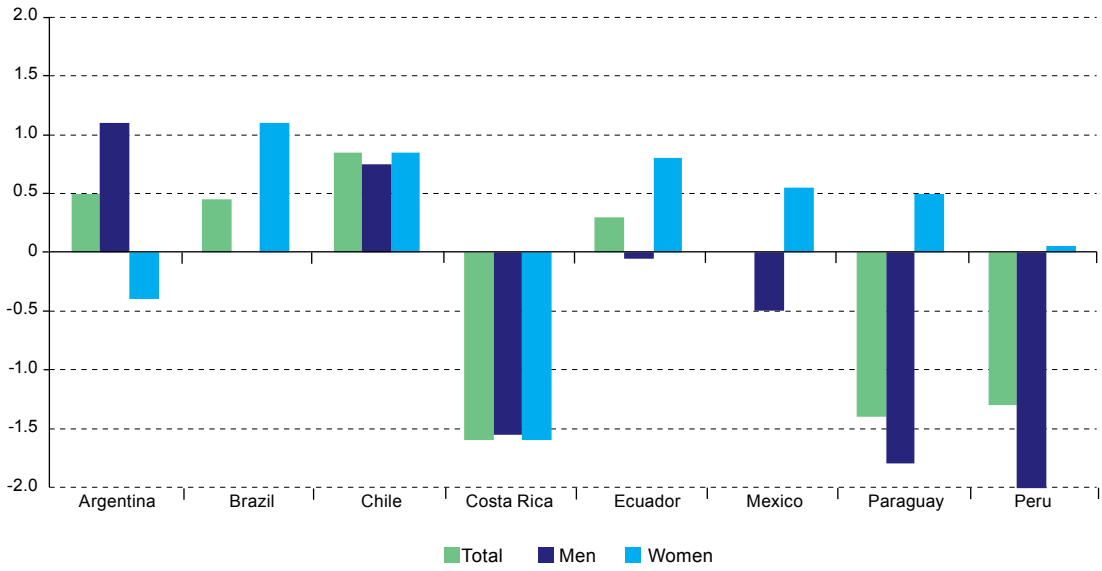
Figure I.7
Latin America and the Caribbean (8 countries):[a] year-on-year variation in total employment, wage employment and own-account employment, first half of 2021 and first half of 2022
(Percentages)

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.
[a] Argentina, Brazil, Chile, Costa Rica, Ecuador, Mexico, Paraguay and Peru.

Although the expansion of own-account work (2.7%) was lower than that of wage employment in the region, at the country level the variation in this category was much wider. In particular, the sharp rise in own-account work in Argentina, Chile and Peru contrasts with a fall in Ecuador and Paraguay. Despite the higher growth rate in wage employment, the increase in own-account work carries more significance, given its greater importance within total employment. Finally, there was a notable rebound effect —with growth of over 10%— in the employer category. A similar phenomenon occurred in domestic work, which grew in the first half of 2022 (6.5%), after contracting heavily (-10.5%) in the first half of 2021.

The regional labour market also reflects differences across countries in informal employment trends in the first half of 2022. As shown in figure I.8, while in Chile, Argentina, Brazil and Ecuador the informal employment rate was up by some 0.6 percentage points year-on-year, in Costa Rica, Paraguay and Peru it fell by around 1.5 percentage points. However, trends in the informality rate differ greatly when analysed by sex. While the informal employment rate for men increased in Argentina and Chile, it fell in Peru, Paraguay, Costa Rica and Mexico and, more marginally, in Ecuador. Among women, conversely, this rate rose in six countries (the exceptions being Argentina and Costa Rica), with marked increases in Brazil, Chile and Ecuador.

Figure I.8
Latin America and the Caribbean (8 countries): year-on-year variation in the employment informality rate, by sex, first half of 2022
(Percentage points)



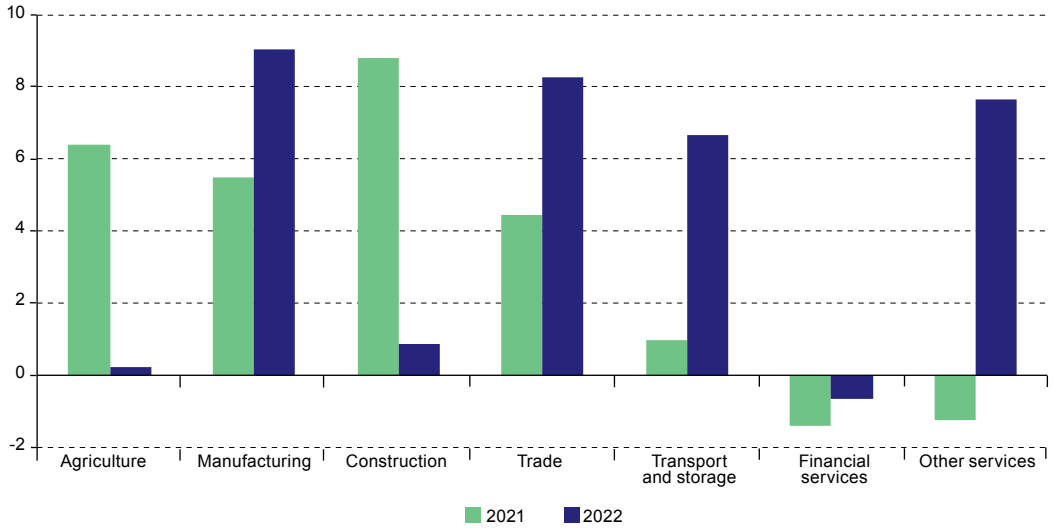
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

C. Employment creation in the region is concentrated in the tertiary sector

The expansion of employment in the tertiary sector continued in the first half of 2022. However, as in 2021, job creation in manufacturing also recovered. Analysis of the changes in employment composition by branch of activity in the eight countries for which data are available (see figure I.9) shows a steep contraction in agriculture. The average variation in employment in this sector in the first half of 2022 relative to the same period in 2021 was -0.4%, reflecting a major adjustment following growth of 6.4% in employment in that sector in the year-earlier period. The fall in agricultural employment stands out especially in Chile, Costa Rica and Peru. Employment growth also slowed in construction (by 2.7%) compared to 2021, although this was not uniform across the countries of the region. The first half of 2022 also saw a rise (7.3%) in employment in manufacturing, stronger than that posted in the same period of 2021 (5.5%). The year-on-year rise in manufacturing employment in the first half of 2022 has occurred across the board and has been driven in particular by the increases in Brazil, Chile and Peru.

Most countries also saw a rise in employment in the trade sector, which accounts for around 20% of total employment. The average variation in this sector was 6.0% between the first half of 2021 and the first half 2022, exceeding that observed between the first half of 2021 and the first half of 2021 (4.5%). Employment growth in this sector was particularly robust in Brazil, Costa Rica and Peru. The average year-on-year rise for the other branches of services activity (transport and storage, financial services, and other services) was 5.8%. These branches represent almost half of total employment and are characterized by a large share of informal employment and female employment. Employment in these services sectors expanded strongly in Brazil, Ecuador and Peru.

Figure I.9
Latin America and the Caribbean (8 countries):[a] median of the year-on-year variation in employment, by branch of activity, first halves of 2021 and 2022
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.
[a] Argentina, Brazil, Chile, Costa Rica, Ecuador, Mexico, Paraguay and Peru.

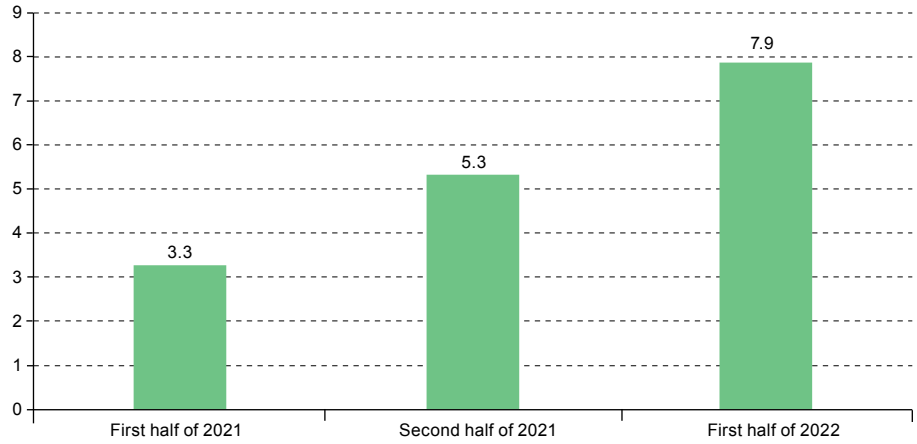
D. The purchasing power of real wages has declined as inflation has risen

Inflation has risen in most countries of the region between the first half of 2021 and the first half of 2022, reflecting various factors, both external (rising international food and fuel prices) and domestic (higher aggregate demand in 2021) (see figure I.10). The increase in inflation has been progressive (ECLAC/ILO, 2022): it began with a slight rise at the end of 2020 and accelerated in the second quarter of 2021 and, in particular, in the first half of 2022.

The progressive impact of inflation has been seen in particular in the recent variation in real wages (ECLAC/ILO, 2022). As figure I.11 shows, average real wages contracted in the first half of 2022 in 6 of the 10 countries for which data are available. The steepest falls were in Brazil (-6.5%), Paraguay (-4.7%) and Peru (-3.6%), while in Nicaragua, Uruguay and Chile, the decline was around 1.7%. Although real wages rose in four countries, they did so by less than 1% in Argentina, the Plurinational State of Bolivia and Mexico, and only Colombia posted a rise of over 3%.

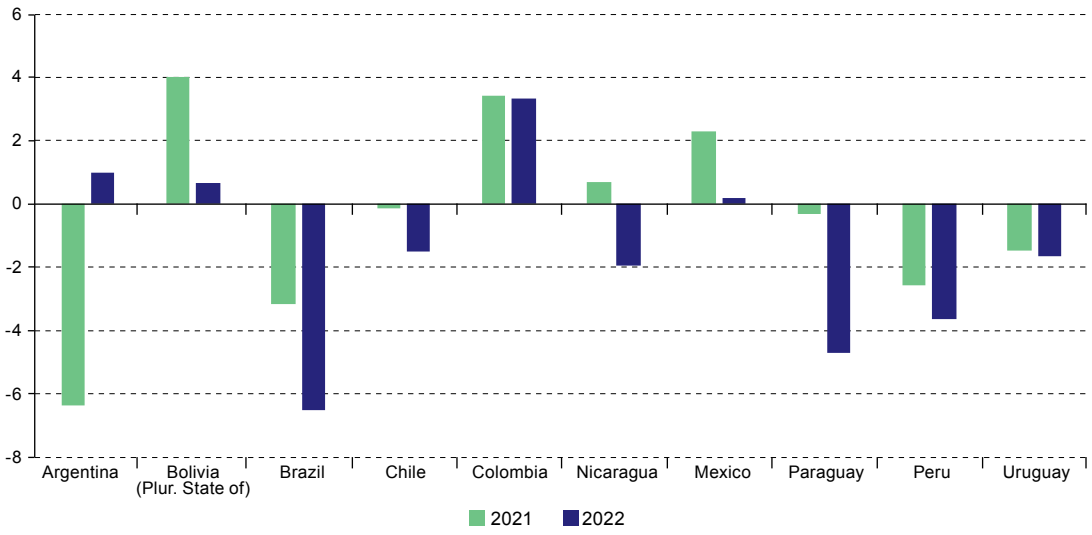
The performance was more uneven with respect to real minimum wages in the region. As discussed in ECLAC/ILO (2022), minimum wages are usually adjusted once a year and are based on past inflation. Accordingly, real minimum wages show a certain tendency to fall when inflation rises, and to increase when inflation declines. In addition, in recent years some countries, such as Mexico, have adopted a policy of active minimum wage adjustment (from an initially very low nominal value) above the rate of inflation. As a result, although there are general aspects (such as the inflationary context) that affect the trend outcome, there are also policy responses that can more than offset inflation to produce a rise in the real-term minimum wage.

Figure I.10
Latin America and the Caribbean (17 countries):[a] year-on-year variation in median regional inflation, first half of 2021–first half of 2022
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.
[a] Argentina, Barbados, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Plurinational State of Bolivia, Trinidad and Tobago, and Uruguay.

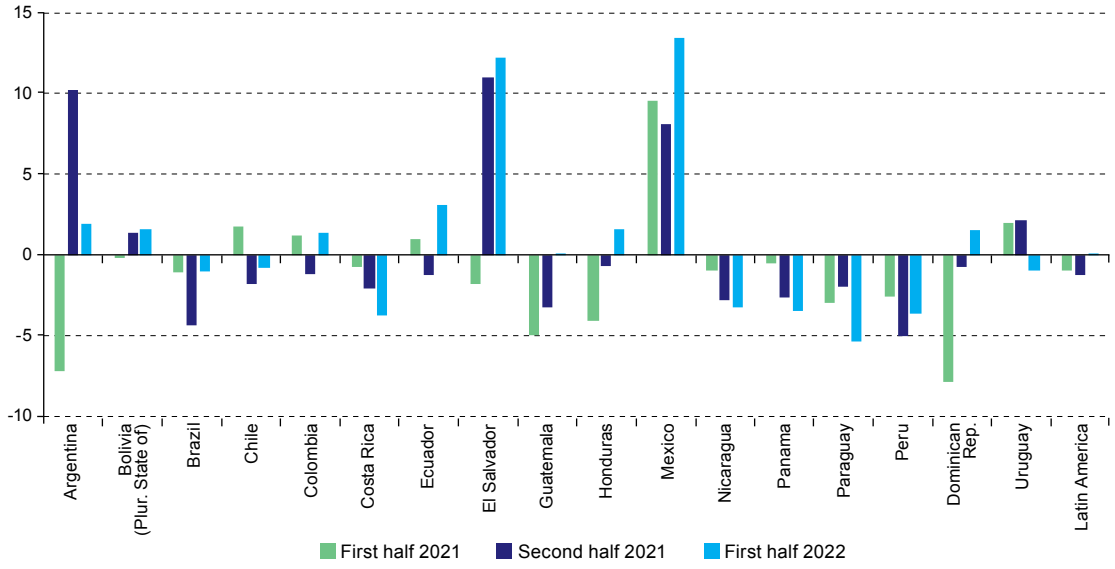
Figure I.11
Latin America and the Caribbean (10 countries): year-on-year variation in average real wages, first halves of 2021 and 2022
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

As shown in figure I.12, although in 2021 minimum wages fell across the board, in the first half of 2022 they rose in 8 of the 17 countries selected. In particular, Mexico (13.5%) and El Salvador (12.2%) posted the steepest positive adjustments, followed by Ecuador (3.1%) and another five countries with rises of under 2%. In eight countries, however, the real minimum wage fell, with a notable decline in Paraguay (-5.4%) and contractions of around 3.5% in Peru, Panama and Nicaragua. In the aggregate figures, the median of the real minimum wage showed no change, contrasting with the falls seen in 2021.

Figure I.12
Latin America and the Caribbean (17 countries): year-on-year variation in the real minimum wage, first half of 2021–first half of 2022
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

E. Outlook

As mentioned above, declining unemployment rates and higher growth in employment rates relative to participation rates were hallmarks of the first half of 2022, departing from the patterns observed since the onset of the COVID-19 pandemic. The trend for 2022 overall in Latin America and the Caribbean will be shaped, to a large extent, by the performance of the first half of the year, in a context of projected regional growth of around 3.2%, which is expected to decline even further (1.4%) in 2023 (ECLAC, 2022). In this regard, the unemployment rate is projected to fall in 2022, but changes in supply and demand indicators will become less marked in the second half of the year. No change is expected in the main trends seen thus far in the composition of employment.

Given that employment rates and, especially, participation rates, still have some way to go to fully return to pre-pandemic levels, and in view of the likelihood of a period of economic slowdown beginning in the second half of 2022, the policy challenge will be to strengthen job creation as well as the institutional mechanisms to facilitate the reintegration of those who have not yet been able to return to the labour market, especially the most vulnerable segments. It will also be necessary to strengthen policies and institutional responses to foster a shift away from labour informality and towards formality in the new jobs generated, especially those occupied by women. This is in addition to the challenges of wage policies amid rising inflation, which, in turn, require greater social dialogue in order to respond appropriately to both for workers and their families and for businesses.

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II. Labour productivity in Latin America

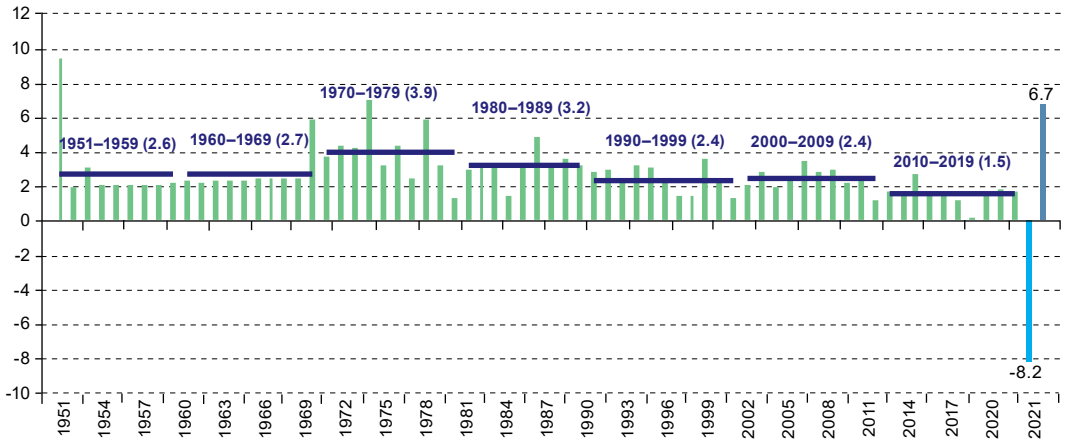
Introduction

The challenge faced by the Latin American and Caribbean economies as they strive to find their way onto a sustained growth path —referred to by Restuccia (2013) as "the Latin American development problem" and by Pagés (2010) as the "chronic slow growth syndrome"— has been documented in various studies. This challenge has become even more formidable as, with an average growth rate of just 2.0%, the region's economic performance in the 2010s was, together with the lost decade of the 1980s, its worst since 1950.

After weathering an entire decade of slow growth, the region then found itself overtaken by the coronavirus disease (COVID-19) pandemic, which triggered the worst health, economic and social crisis that the world has seen in modern times. As a result, the region posted the steepest contraction in real GDP to be recorded in the last seven decades (6.9%). It made a recovery in 2021 (6.5%), but the Economic Commission for Latin America and the Caribbean (ECLAC, 2022) projects another sharp slowdown in 2022 and 2023. In other words, the region will have grown by an estimated 0.8% between 2014 and 2023, or half as much as it grew during the lost decade of the 1980s and in the decade preceding the pandemic.

As also noted by ECLAC (2021), the more limited expansion of the economy in the past decade was coupled with a more limited increase in employment in the region (see figure II.1). In the wake of the debt crisis, job creation in the economies of Latin America and the Caribbean trended downward: after having climbed by 3.9% in the 1970s and by 3.2% in the lost decade of the 1980s, the number of employed persons rose by just 2.4% in the 1990s and 2000s and edged up by only 1.5% in the 2010s.

Figure II.1
Latin America (18 countries):[a] growth rate for the number of employed persons, 1951–2021
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

[a] Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

As in the case of GDP, the pandemic's impact was reflected in a record decrease in the number of employed persons in the region. This downturn was unparalleled not only because it was the first to occur in the region since 1950, but also because the Latin American and Caribbean region was one of the world regions that was hit the hardest by the pandemic (ILO, 2021; ECLAC, 2020).

Despite the fact that GDP did rebound by 6.7% in 2021 and in the first half of 2022, the recovery of employment in the region has been slow, partial and uneven (ECLAC, 2022; ILO, 2022a; ECLAC/ILO, 2022) (see chapter I of this document). Given the increase in the number of employed persons for 2022 estimated by ECLAC (3.2%), the average for 2013–2022 will come to 1.0%, which is even lower that it was in the 2010s.

The poor performance of Latin America and the Caribbean in recent years has not been limited to GDP and employment; the sluggish pace of investment in the region has become a structural problem that grew even worse during the pandemic.

ECLAC (2022) has underscored the fact that investment in the Latin American and Caribbean economies is lower than it is in other emerging and developing regions and that, rather than narrowing these gaps, the halting growth of investment in the region has widened them further. This trend was evident in the aftermath of the debt crisis, but it was particularly worrisome in the 2010s, when investment grew by an average of just 0.7%. As has also been true for GDP and employment, the region witnessed its lowest average growth rate for investment in the 2010s (except for the 1980s, when investment slumped by an average of 2.1%).

Against this backdrop of sluggish growth in GDP, employment and investment, this report (No. 27 in the series) explores what has happened in terms of labour productivity in the region's economies, particularly during the decade preceding the pandemic, and what has happened during the recovery. It also analyses how the reallocation of factors among the different sectors of production (a structural change) has influenced labour productivity in the Latin American economies.

The report contributes to a vast body of literature on productivity in the region that has also looked at how structural changes in Latin American economies have affected their productivity. The authors of these studies include Weller (2001), Pagés (2010), Duarte and Restuccia (2009, 2012), McMillan and Rodrik (2012), Timmer and de Vries (2009, 2012), Restuccia and Rogerson (2017), Herrendorf, Rogerson and Valentinyi (2022) and the International Labour Organization (ILO, 2022a).

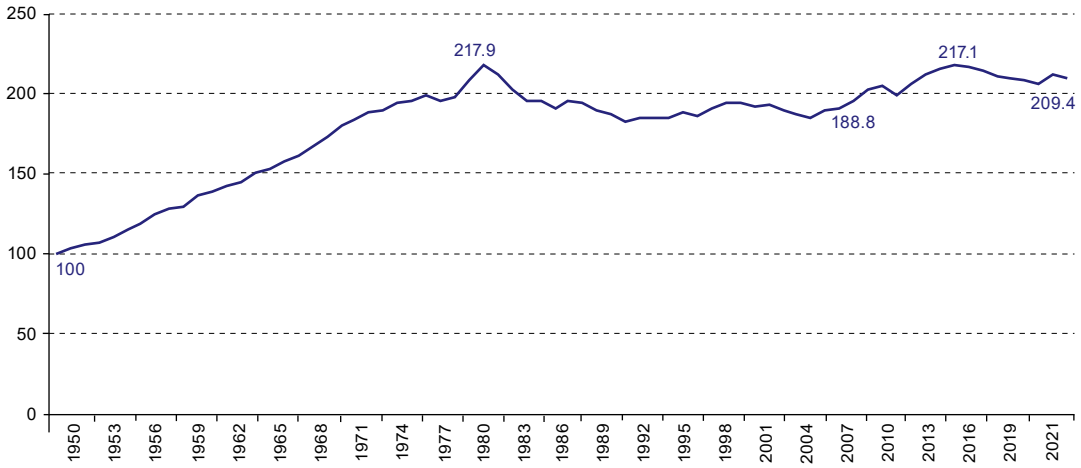
The rest of this chapter is structured as follows. Section A outlines how labour productivity has evolved in Latin America and compares it with labour productivity in other regions. As in other cases, the results of this analysis indicate that labour productivity in Latin America has stagnated and has contributed very little to the region's economic growth. The study also indicates that the productivity gap separating the region's economies from more developed ones has tended to widen in recent years, unlike what has been happening in other emerging economies. Section B shows that structural changes (the reallocation of factors across the different sectors of production) have not played a very influential role in determining productivity levels in the region and that, where productivity has risen, those increases have been driven by intrasectoral advances. Section C presents some concluding observations.

A. Labour productivity in Latin America

1. Labour productivity in Latin America has still not regained the levels it reached in 1980

Labour productivity[1] in the region has basically been flat since 1980. Between 1950 and 1979, it rose, on average, by 2.6% per year, thereby outpacing the average productivity growth of the United States economy during that period (2.0%). However, since 1980, when labour productivity reached its highest point since 1950, it slipped by an average rate, year on year, of 0.1% for the period 1980–2021 (see figure II.2). In other words, in the 41 years since the debt crisis, the region has been unable to regain the productivity levels it had attained before that crisis. Its performance in the years between 2004 and 2013 brought it much closer to its 1980 level, but when the commodity price boom came to an end, that growth trend did so as well and, since then, labour productivity has been on a downward course.

Figure II.2
Latin America (18 countries):[a] labour productivity, 1950–2021
(*Index: 1950 = 100*)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

[a] Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

[1] For the purposes of this report, labour productivity is defined as the ratio between GDP and the number of employed persons. Estimates for the region are based on weighted averages for 18 economies: Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

2. The labour productivity gaps between Latin America and developed economies have widened, but the gaps between Latin America and other emerging economies have increased even more

Table II.1 shows how the labour productivity of various economies has changed between 1991 and 2021 relative to labour productivity in the United States. As may be seen from the table, the United States has outperformed other advanced economies in terms of labour productivity gains. In Japan, for example, labour productivity has plunged by more than 11 percentage points relative to its level in the United States.

Table II.1
Latin American, developed and other emerging economies: labour productivity, 1991–2021
(*Percentages of United States labour productivity*)

	1991–2003	2004–2013	2014–2021
European Union	82.1	77.8	75.2
Japan	73.7	67.1	62.5
Organisation for Economic Co-operation and Development (OECD)	79.9	76.0	73.9
China	5.3	12.1	21.2
Republic of Korea	44.9	56.2	61.3
Singapore	104.3	116.8	126.3
Sub-Saharan Africa	7.5	9.6	13.7
Latin America	32.1	28.0	26.6

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries and Conference Board.

Another factor highlighted in table II.1 is that labour productivity levels in some emerging countries (especially those in Asia and most notably in Singapore) have outstripped the rate of increase in the United States throughout the period under review. This differential has also been increasing over time. In fact, a comparison of the indicators for 1991–2003 and for 2014–2021 shows that the differential has widened by 22 percentage points. The average labour productivity of the economies of Sub-Saharan Africa, for example, were roughly 14% of the labour productivity of the United States in 2014–2021 but had risen by 6.2 percentage points by 1991–2003.

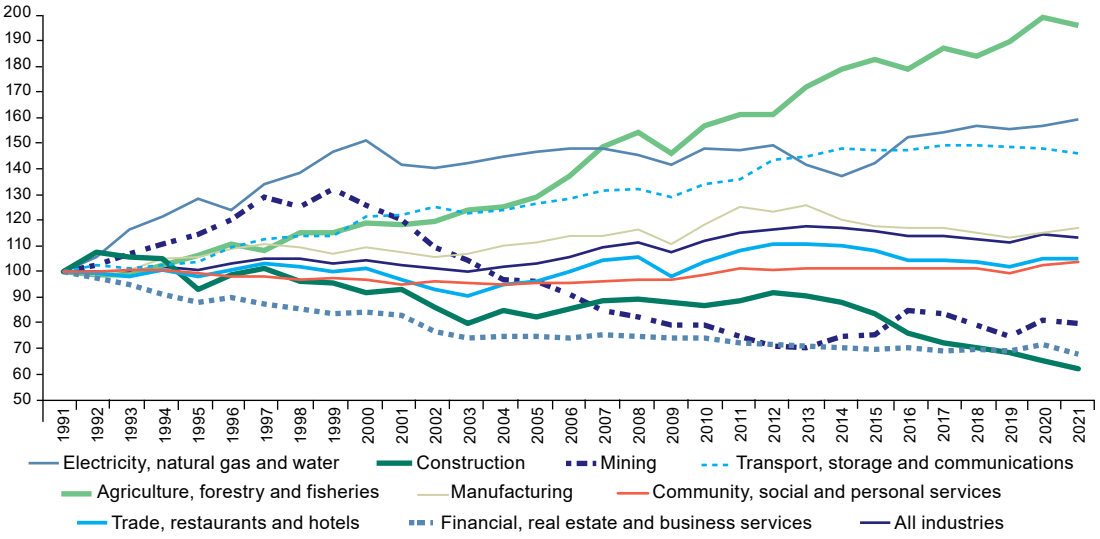
In contrast, in the case of Latin America, the gap between its economies' labour productivity and that of the United States has expanded: whereas this indicator for Latin America was 32.1% of that of the United States in 1991–2003, it was just 26.6% of the latter in 2014–2021.

This trend is even more pronounced when Latin American labour productivity is compared with the indicator for other emerging economies. In 1991–2003, Latin American labour productivity was 30.8% of Singapore's and 71.5% of that of the Republic of Korea. In 2014–2021, however, it had fallen to 21.1% and 43.45% of the indicators for those two economies, respectively.

3. The stagnation of the region's labour productivity is seen across most of the different sectors of the economy

Most of the sectors of activity in the region saw very modest increases in their level of output per employed person between 1990 and 2021. In this period as a whole, stronger increases in productivity have been registered in the service sectors of electricity, natural gas and water and of transport, storage and communications. Manufacturing achieved a significant increase in productivity up to 2013 but thereafter, as in most of the other sectors, productivity began to decline. The performance of the construction industry was similar but, in recent years, it has witnessed one of the steepest decreases in productivity of any sector. The productivity of community, social and personal services has not exhibited any major fluctuations owing to the fact that it is composed primarily of public sector services, which are largely unaffected by the business cycle. This indicator has been particularly weak in financial, real estate and business services, along with mining and construction (see figure II.3).

Figure II.3
Latin America (18 countries):[a] labour productivity, by sector of economic activity, 1991–2021
(Percentages)

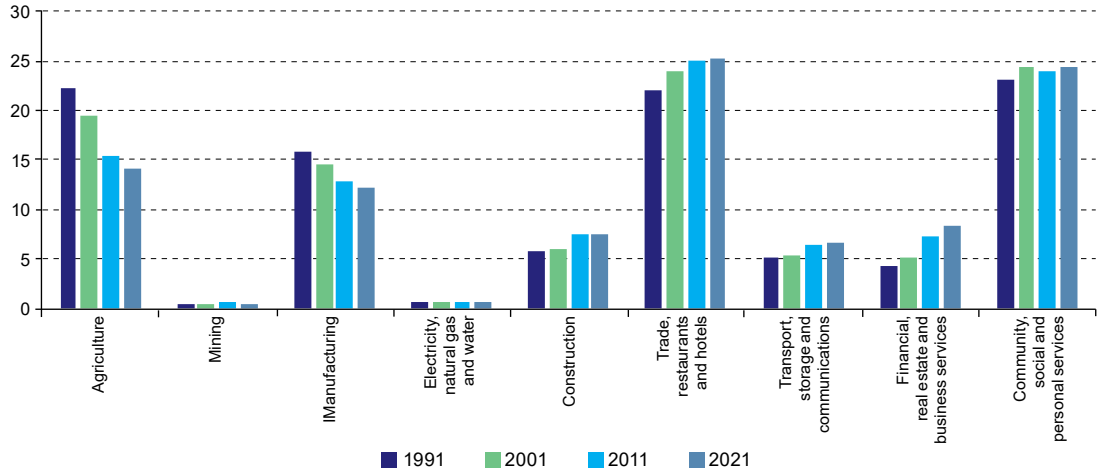


Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

[a] Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

At the regional level, one noteworthy aspect is the opposing trends seen in two major branches of activity. Agriculture has recorded the sharpest increases in output per employed person of any sector as its total number of employed persons shrinks. This trend is in line with the trend at the global level, as reported by Dieppe and Matsuoka (2021). In a number of countries in the region, major changes in agricultural processes have helped to boost production, especially in export-oriented subsectors, and, along with it, output per employed person. Resource constraints that prompt workers, especially young ones, to leave farming for other sectors of economic activity have also been a factor (see figure II.4).

Figure II.4
Latin America (18 countries):[a] structure of employment, by sector of economic activity, 1991, 2001, 2011 and 2021
(Percentages)



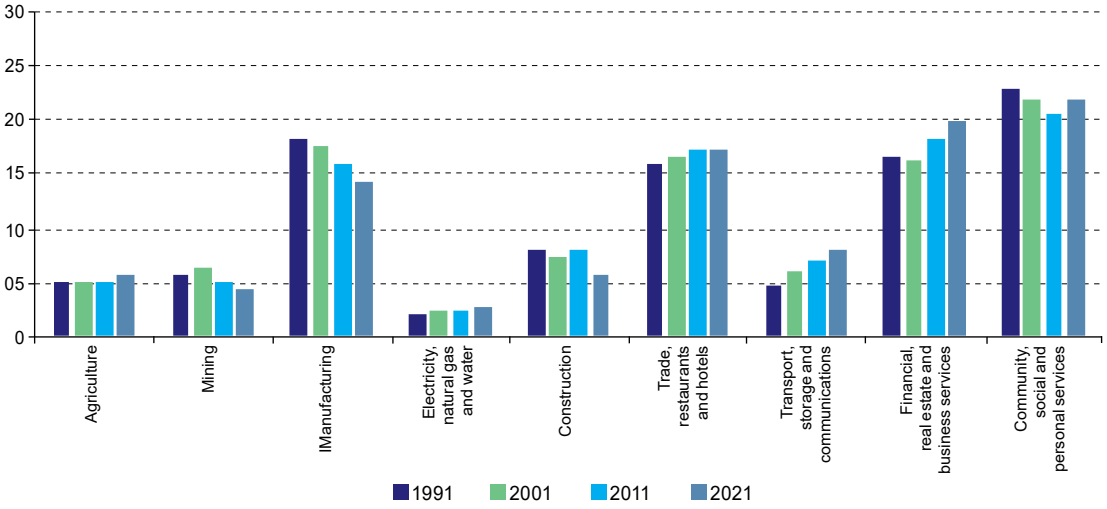
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

[a] Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

In contrast, output per employed person in mining has fallen steeply. As prices climb, lower-grade deposits have been brought into production, thereby depressing productivity.

In conclusion, a sector-by-sector analysis shows that labour productivity in sectors that represent more than 85% of value added (see figure II.5) has stagnated or deteriorated, whereas agriculture, along with electricity, natural gas and water, and transport, storage and communications —which represent a smaller share of total value added— are the only ones exhibiting substantial upswings in productivity.

Figure II.5
Latin America (18 countries):[a] structure of value added by economic sector of activity, 1991, 2001, 2011 and 2021
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

[a] Argentina, Plurinational State of Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Uruguay y Bolivarian Republic of Venezuela.

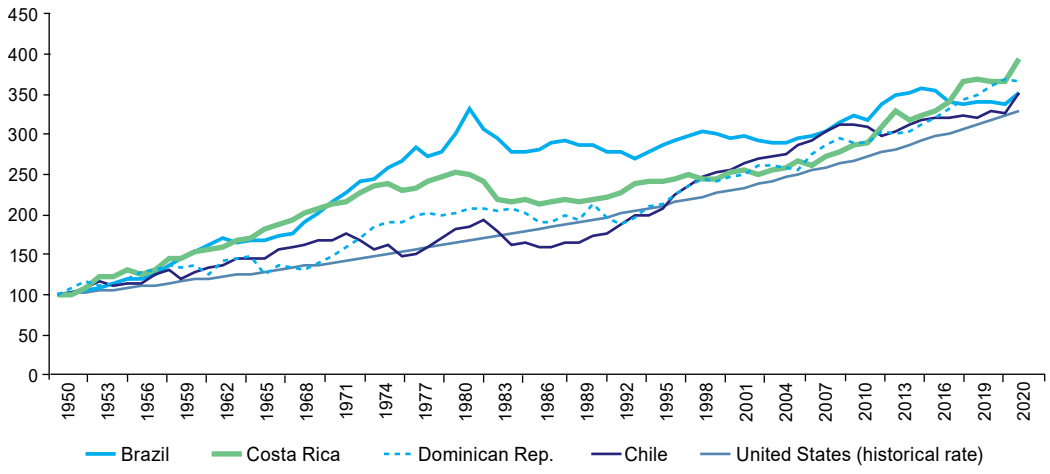
4. Since 1950, the labour productivity growth rate has topped the historical rate for the United States in only four countries of the region

If gains in labour productivity in the economies of the region are compared with the historical growth rate for labour productivity in the United States (1.7%),[2] it can be seen that, between 1950 and 1980, most of the region turned in a positive performance, marking up annual growth rates higher than 1.7%. the State-led, import-substitution-based industrialization process that was taking place at the time is at least part of the explanation for these results. In the 1980s, however, productivity was down sharply against a backdrop of difficulties in meeting external debt payments, high inflation, balance-of-payments disequilibria, and rapid and premature deindustrialization.

Trends in labour productivity in the region's economies varied in the years between 1990 and 2021. During that period, only four countries (Brazil, Chile, Costa Rica and the Dominican Republic) had higher labour productivity growth rates than the United States (see figure II.6.A). While labour productivity in Colombia, Peru and the Plurinational State of Bolivia rose by less than 1.7% per year after 1990, in recent years these countries' rates have been close to that level (see figure II.6.B). In most of the region's economies, however, labour productivity has grown by less than 1.7% per year, and the gap between the region and the United States has therefore widened since 1950. What is more, the region's rate of increase slowed even further after 1990 (see figure II.6.C).

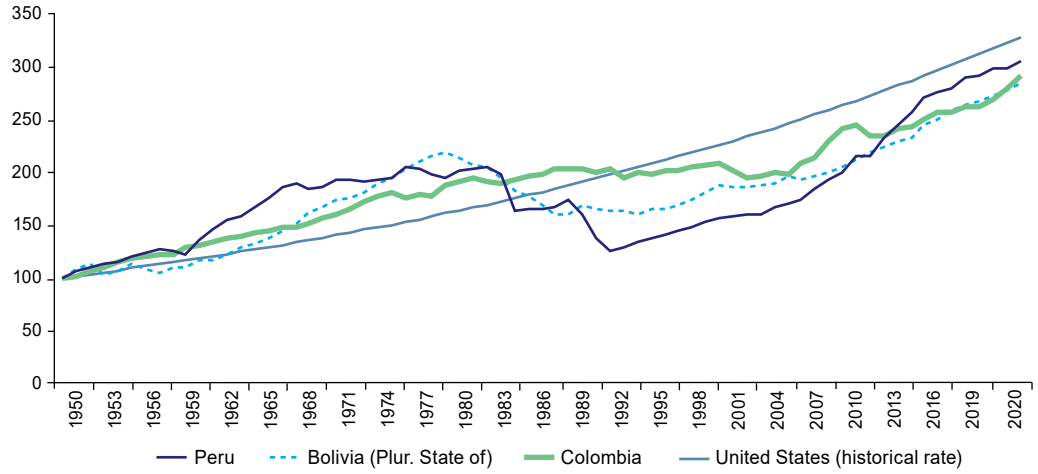
Figure II.6
Latin America (14 countries):[a] national labour productivity rates compared with average productivity growth in the United States, 1950–2020
(Index 1950 = 100)

A. Labour productivity growth above the average productivity growth rate in the United States (1.7%)

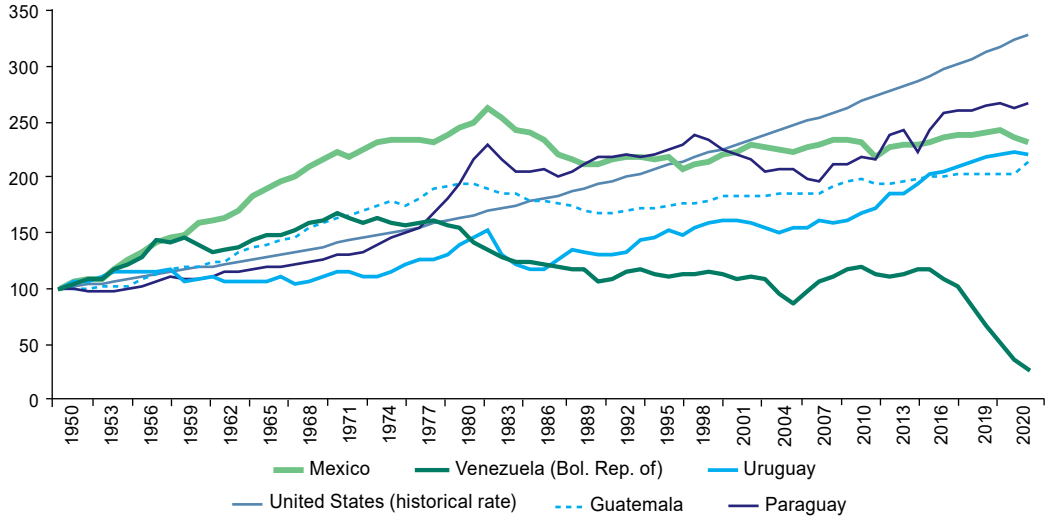


[2] Calculated in relation to the average annual labour productivity growth rate of the United States between 1950 and 2020.

B. Labour productivity growth below the average productivity growth rate in the United States (1.7%) but now narrowing the gap



C. Labour productivity growth below the average productivity growth rate in the United States (1.7%) and now widening the gap



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries and Conference Board.

B. Structural change and labour productivity in Latin America

Structural change has received a great deal of attention in the literature on productivity growth, and one of the most documented patterns of structural change in studies on the subject is the reallocation of labour and capital from primary production to manufacturing and then to services. Viewed from this perspective, productivity growth can be brought about by structural changes (the reallocation of resources from one sector to another) and by within-sector gains.[3]

Within the framework of this type of shift-share analysis, productivity gains can be induced by reallocating resources from low-productivity sectors —which generally create poor-quality jobs— to sectors where productivity is higher. This shift of resources will both boost total productivity (productivity gains driven by structural changes) and narrow intersectoral productivity differentials.

Productivity in a given sector of activity can be generated by increases in physical or human capital intensity, technological change or a more efficient use of the resources allocated to that sector, as well as by the closure of low-productivity enterprises and the founding of new ones that can attain higher levels of productivity (productivity gains driven by within-sector changes). Ideally, both of these processes will occur at the same time and work together to boost productivity levels.

1. The reallocation of factors of production has had a negative impact on productivity growth in the region

The disaggregation of labour productivity rates for the region as a whole shows that structural change has made virtually no contribution to productivity growth, with nearly all gains in productivity being driven by within-sector changes (see table II.2). An analysis of averages at the subregional level yields the same result, as labour productivity growth both in South America and in Mexico and Central America has been based on intrasectoral improvements. While structural change did exhibit a slight tendency to increase productivity growth during the earlier period, that trend came to an end in 2014 (see figure II.7).

[3] Using the methodology proposed by McMillan and Rodrick (2012), changes in labour productivity can be expressed as:

$$\frac{VA_t}{L_t} - \frac{VA_0}{L_0} = \sum_j \theta_{j0}\left(\frac{VA_{jt}}{L_{jt}} - \frac{VA_{j0}}{L_{j0}}\right) + \sum_j (\theta_{jt} - \theta_{j0})\frac{VA_{j0}}{L_{j0}} + \sum_j (\theta_{jt} - \theta_{j0})\left(\frac{VA_{jt}}{L_{jt}} - \frac{VA_{j0}}{L_{j0}}\right)$$

where VA_t and L_t represent value added and labour in period t, VA_{jt} and L_{jt} represent value added and labour in sector j in period t, and i_{jt} is employment in sector j as a proportion of total employment in year t. The 0 subindex refers to the initial year: 1995. $\sum_j \theta_{j0}\left(\frac{VA_{jt}}{L_{jt}} - \frac{VA_{j0}}{L_{j0}}\right)$ represents intrasectoral change, and $\sum_j (\theta_{jt} - \theta_{j0})\frac{VA_{j0}}{L_{j0}}$ represents structural change. As in McMillan and Rodrik (2012), here the "within" component (intrasectoral change) and the structural change component are shown, while leaving aside the dynamic component. When changes in the number of employed persons between different sectors of activity are positively correlated with productivity levels, the structural change term will be positive, which means that structural change is boosting productivity growth for the economy as a whole.

Table II.2
Latin America (18 countries): disaggregation of labour productivity, simple averages, 1991–2021

	Latin America	South America	Mexico and Central America
Within-sector effect	0.83	0.52	1.21
Structural change effect	0.05	0.06	0.04
Total effect	0.88	0.59	1.25

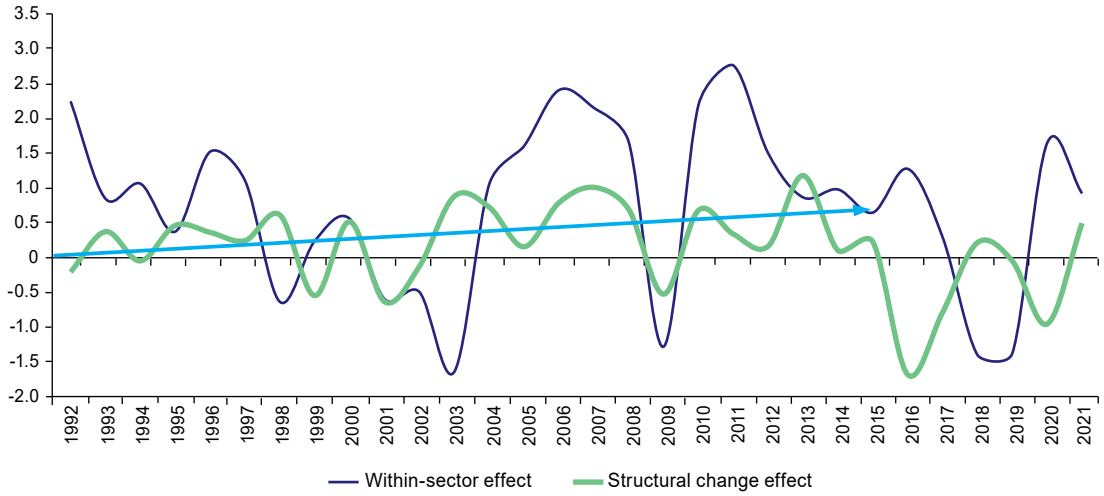
	Argentina	Bolivia (Plurinational State of)	Brazil	Chile	Colombia	Costa Rica
Within-sector effect	1.72	1.56	0.02	1.72	1.64	2.01
Structural change effect	-0.73	-0.23	0.44	0.62	0.46	0.04
Total effect	0.98	1.32	0.47	2.34	2.09	2.04

	Ecuador	El Salvador	Guatemala	Honduras	Mexico	Nicaragua
Within-sector effect	0.14	-0.16	0.82	0.50	1.29	0.49
Structural change effect	0.07	0.46	0.18	0.35	-1.55	0.25
Total effect	0.22	0.31	0.99	0.85	-0.26	0.74

	Panama	Paraguay	Peru	Dominican Republic	Uruguay	Venezuela (Bolivarian Republic of)
Within-sector effect	2.25	0.91	1.02	2.47	0.98	-4.47
Structural change effect	0.50	-0.31	0.50	0.14	0.06	-0.24
Total effect	2.75	0.59	1.52	2.61	1.04	-4.71

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

Figure II.7
Latin America (18 countries):[a] disaggregation of labour productivity, 1992–2021
(Percentage points)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.
[a] Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

Interesting differences emerge when the analysis turns to individual countries. Of the 18 countries covered in this study, structural change was more influential in determining labour productivity than within-sector changes were in only 2: Brazil and El Salvador. In another 5 —Argentina, the Bolivarian Republic of Venezuela, Mexico, Paraguay and the Plurinational State of Bolivia— structural change had a negative impact on productivity.

In countries where natural resources make up a relatively large percentage of exports, as is the case of many South American countries, structural change has generally led to a reduction in growth because, although these sectors have very high levels of productivity, they cannot absorb surplus labour from the agricultural or manufacturing sectors. Instead, these workers end up being absorbed by services sectors, where productivity tends to be lower or only slightly higher than it is in agriculture and lower than in manufacturing.

When the figures are analysed by subperiods, it can be seen that, in absolute terms, the structural change effect was greater in 2004–2013 than in 1991–2013 and was thus showing signs of beginning to exert a greater influence, but its actual contribution to the total effect shrank from 30% in the first of those periods to 26% in the next (see table II.3). The higher level is not necessarily attributable to improved conditions that allowed workers to move from less productive to more productive sectors, however; instead it is quite probable that it was due to the momentum generated by a specific sector of activity. This becomes clear from an examination of table II.4, which shows how the structure of employment by sector of activity has steadily been shifting in the same direction throughout the entire period under analysis. The shares of total employment accounted for by agriculture (a low-productivity sector) and by manufacturing (a high-productivity sector) have been shrinking, while the shares accounted for by construction and by all services have been on the rise. Thus, the structural change component is exerting pressure in both directions: agricultural workers migrate to higher-productivity service sectors, but industrial workers do not necessarily move into higher-productivity segments of those service sectors. Mining was the sector in which the influence of the structural change component was the greatest in 2004–2013 since, even though it is a small sector, its share of total employment climbed sharply; however, it then stagnated in the following subperiod and thus did not counterbalance the negative effect of the structural shift in employment from industry to services.

Table II.3
Latin America (18 countries):[a] disaggregation of labour productivity, simple averages, 1991–2021

	1991–2003	2004–2013	2014–2021
Within-sector effect	0.37	1.48	0.36
Structural change effect	0.16	0.52	-0.31
Total effect	0.53	2.01	0.06

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

[a] Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

Table II.4
Latin America (18 countries):[a] structure of employment, by sector of economic activity, simple averages, 2019–2021
(Percentages)

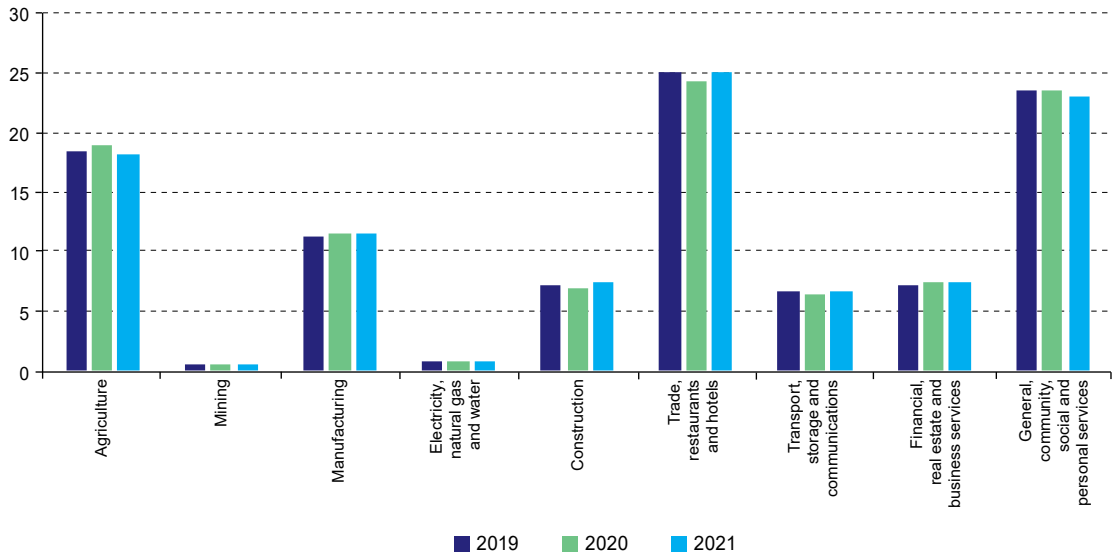
	1991–2003	2004–2013	2014–2021
Agriculture	24.7	21.1	18.7
Mining	0.48	0.61	0.60
Manufacturing	14.7	12.6	11.5
Electricity, natural gas and water	0.6	0.6	0.8
Construction	5.8	6.6	7.2
Trade, restaurants and hotels	22.6	24.3	24.7
Transport, storage and communications	5.2	6.1	6.5
Financial, real estate and business services	4.1	5.7	7.0
General, community, social and personal services	21.8	22.4	23.0

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

[a] Argentina, Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

In 2020, as a consequence of the crisis triggered by the COVID-19 pandemic, the level of employment in the region plummeted by 8.2%. Informal employment —which, according to ILO (2018), accounts for nearly 50% of total employment in Latin America and the Caribbean— was one of the hardest-hit sectors, with employment dropping by around 5 percentage points. With such a drastic decrease in employment in the informal sector, which is one of the least productive of all, the share of total employment accounted for by low-productivity sectors would necessarily have fallen and the relative share of employment in high-productivity sectors would inevitably have expanded, thereby shifting the structure of employment towards the economy's more productive sectors and heightening the positive effect of the structural change component. This did not, however, actually happen. Contrary to all expectations, the structural change had a negative impact. The negative fallout from the structural change that drove an upswing in labour participation in (low-productivity) agriculture and a decline in the share of employment in mining and in transport and communications overshadowed the effect of the decrease in employment in the low-productivity sectors where informal workers were concentrated (trade and construction). In 2021, on the other hand, the structural change effect was positive, thanks to the decline in the share of employment in agriculture and the increase in the shares of the higher-productivity sectors of construction, trade, and transport, storage and communications (see figure II.8). The crisis spurred intrasectoral productivity gains (as illustrated by the within-sector effect depicted in figure II.7), as producers had to find ways to cope with a more limited labour supply as a consequence of COVID-related lockdowns and mobility restrictions.

Figure II.8
Latin America (17 countries):[a] structure of employment, by sector of economic activity, simple averages, 2019–2021
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

[a] Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Plurinational State of Bolivia and Uruguay.

C. Concluding observations

Labour productivity in Latin America has been flat since 1980. Over the past 41 years, the region has not succeeded in regaining the productivity levels that it had before the debt crisis. The strong performance turned in by Latin America and the Caribbean between 2004 and 2013 brought the region near to its 1980 productivity levels, but the end of the commodity price boom marked the end of that trend and the start of a downswing that is still in evidence.

The sluggish growth of labour productivity in the region has translated into a widening gap between the region and developed economies in terms of this indicator. This trend is also quite widespread, as labour productivity has stagnated or is declining in sectors that together account for 85% of the region's value added.

For the region as a whole, the disaggregated figures for labour productivity indicate that structural change has made virtually no contribution to productivity gains; instead, those increases have been driven by within-sector shifts.

The productivity gaps between the region's various sectors of economic activity are also wide. This is a sign of inefficiencies in the allocation of factors of production that depress overall labour productivity. This situation can actually open up an opportunity, however, for using structural changes to convert those allocative inefficiencies into an engine of growth. When labour and other resources are shifted away from low-productivity sectors and into ones where productivity is higher, the economy will grow even in the absence of within-sector productivity gains. The absence of these shifts in the region is the main reason why labour productivity has stagnated.

The discussion in this chapter has focused on macroeconomic factors relating to productivity, but there are also other factors that play a role in determining the region's productivity, such as certain aspects of its institutional framework, labour policies, production structure and the composition of its labour markets.

A great deal has been written about the role of informal production sectors and informal segments of the labour market in the emergence of dual markets and about how they depress productivity, especially in small businesses (Infante, 2011; Bertranou and Astorga, 2017; Salazar and Chacaltana, 2018). The region's high levels of informal activity and the effects that this may have on the productivity of its economies bring to the fore the need to introduce policies for promoting the formalization of production units and employment. And, in point of fact, the years in which productivity did increase (during the late 2000s and early 2010s) were also years in which labour formality increased substantially in Latin America and the Caribbean.

Another consideration has to do with the fact that, since the 2010s, the progressive incorporation of new technologies into production processes at both the global and regional levels may give rise to productivity gains in some production sectors (ILO, 2022a). In order for this to happen, however, the institutional and regulatory frameworks will need to be modified so that innovative processes can engender the synergies that will pave the way for increases in labour productivity and, consequently, in workers' wages. In short, the institutional systems involved in the formulation of productivity-related policies and wage negotiations will need to be reinforced. The constructive experiences with the social dialogues fostered by the national and sectoral productivity councils established in the region point the way forward for efforts in this direction (ILO, 2022a and 2022b).

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Annex A1

Table A1.1
Latin America and the Caribbean: national unemployment rates, by year, country and sex, 2010–2022
(Average annual rates)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021 First half of the year[v]	2022 First half of the year[v]
Latin America														
Argentina[a]	…	…	…	…	…	…	8.5	8.4	9.2	9.8	11.5	8.7	9.9	6.9
Male	…	…	…	…	…	…	7.8	7.5	8.2	9.2	10.8	7.9	8.8	6.0
Female	…	…	…	…	…	…	9.4	9.5	10.5	10.7	12.4	9.9	11.3	8.1
Bolivia (Plurinational State of)[b]	…	27	2.3	2.9	2.3	3.5	3.5	3.6	3.5	5.0	8.3	6.9	8.1	5.2
Male	…	2.2	1.6	2.3	1.7	3.0	3.1	3.3	3.4	4.7	8.0	6.3	7.5	4.5
Female	…	3.2	3.1	3.5	3.1	4.2	4.0	4.0	3.6	5.4	8.8	7.7	8.9	6.1
Brazil[c]	…	6.7	7.4	7.2	6.9	8.6	11.6	12.8	12.4	12.0	13.8	13.2	14.6	10.2
Male	…	4.9	6.0	5.8	5.8	7.3	10.1	11.2	10.8	10.1	11.8	10.7	11.9	8.3
Female	…	9.1	9.4	9.1	8.5	10.4	13.7	14.9	14.5	14.4	16.3	16.5	18.1	12.7
Chile[d]	8.4	7.3	6.6	6.1	6.5	6.3	6.7	7.0	7.4	7.2	10.7	8.9	9.9	7.8
Male	7.3	6.2	5.6	5.4	6.1	5.8	6.3	6.5	6.7	6.7	10.5	8.6	9.6	7.3
Female	9.9	8.9	8.1	7.1	7.1	7.0	7.2	7.5	8.3	8.0	10.9	9.2	10.4	8.5
Colombia[e]	12.0	11.1	10.6	9.9	9.4	9.2	9.5	9.7	10.0	10.9	16.7	13.8	15.5	12.1
Male	9.2	8.4	8.1	7.6	7.3	7.0	7.4	7.5	7.7	8.5	13.5	11.3	12.9	9.6
Female	15.8	14.6	14.0	13.0	12.2	12.1	12.4	12.6	13.0	14.0	21.2	17.5	19.4	15.6
Costa Rica	8.9	10.3	10.2	9.4	9.6	9.6	9.5	9.1	10.3	11.8	19.5	16.4	18.4	12.6
Male	7.6	8.7	8.9	8.3	8.1	8.0	8.0	7.5	8.4	9.3	15.5	12.7	13.7	10.0
Female	11.0	13.0	12.2	11.1	11.9	12.2	12.1	11.6	13.2	15.3	25.4	22.0	25.4	16.5
Ecuador[f]	5.6	4.6	4.1	4.0	4.3	4.3	5.4	4.4	4.1	4.4	8.1	4.8	5.0	4.4
Male	4.5	3.8	3.6	3.5	3.7	3.5	4.3	3.5	3.4	3.7	6.8	3.8	3.9	4.0
Female	7.2	5.8	4.9	4.9	5.2	5.5	6.8	5.7	5.0	5.5	10.0	6.1	6.5	5.0
El Salvador	7.0	6.6	6.1	5.9	7.0	7.0	7.1	7.0	6.3	6.3	6.9	6.3	…	…
Male	8.4	8.2	7.3	6.8	8.6	8.4	8.1	8.3	7.3	7.0	7.1	6.3	…	…
Female	5.1	4.4	4.3	4.7	4.7	5.0	5.3	5.2	4.9	5.4	6.6	6.3	…	…
Guatemala[g]	3.7	4.1	2.9	3.1	2.9	2.6	2.7	2.5	2.4	2.2	…	2.2	…	…
Male	3.2	2.9	2.4	2.7	2.6	2.0	2.2	2.0	2.1	1.8	…	1.8	…	…
Female	4.0	6.6	3.6	3.7	3.5	3.6	3.5	3.5	2.9	3.0	…	2.9	…	…
Honduras[h]	3.9	4.3	3.6	3.9	5.3	7.3	7.4	6.7	5.7	5.7	10.9	8.6	…	…
Male	3.2	3.3	2.9	3.3	4.5	4.4	5.1	4.0	4.5	4.2	8.7	7.0	…	…
Female	5.2	6.1	5.0	4.9	6.7	11.8	10.7	10.8	7.4	8.1	13.7	10.7	…	…
Mexico[i]	5.3	5.2	4.9	4.9	4.8	4.3	3.9	3.4	3.3	3.5	4.5	4.1	4.3	3.3
Male	5.4	5.2	4.9	4.9	4.8	4.3	3.8	3.3	3.2	3.5	4.7	4.1	4.3	3.3
Female	5.2	5.2	4.9	5.0	4.9	4.5	3.9	3.6	3.4	3.5	4.1	4.2	4.2	3.3
Nicaragua	7.9	6.0	5.9	5.8	6.6	5.9	4.5	3.7	5.5	5.4	5.0	4.5	5.0	3.8
Male	7.3	5.5	5.4	5.6	6.2	5.6	4.2	3.5	5.4	5.4	5.2	4.6	5.2	4.2
Female	8.7	6.6	6.6	6.0	7.0	6.3	4.8	3.8	5.5	5.5	4.7	4.4	4.8	3.2
Panama[j]	6.5	4.5	4.0	4.1	4.8	5.1	5.5	6.1	6.0	7.1	18.5	11.3	…	…
Male	5.3	4.2	3.5	3.3	4.0	4.2	4.7	5.0	4.8	5.8	13.6	11.0	…	…
Female	8.5	4.9	4.9	5.3	6.0	6.2	6.7	7.7	7.6	8.8	24.7	11.8	…	…
Paraguay[k]	5.7	5.5	4.6	5.0	6.0	5.4	6.0	6.1	6.2	6.6	7.7	7.5	8.3	7.6
Male	4.6	4.3	3.7	4.5	4.6	4.9	5.0	5.0	5.4	5.5	5.9	5.9	6.6	6.7
Female	7.4	7.3	5.8	5.7	8.1	6.1	7.5	7.6	7.4	8.0	10.2	9.7	10.7	8.8
Peru[l]	4.1	4.0	3.7	4.0	3.7	3.5	4.2	4.1	3.9	4.1	7.9	5.7	6.5	5.0
Male	3.6	3.7	3.2	3.4	3.4	3.4	3.9	3.8	3.5	3.7	7.9	5.1	5.7	4.2
Female	4.7	4.4	4.4	4.7	4.0	3.6	4.6	4.4	4.4	4.6	7.7	6.4	7.5	6.0
Uruguay[m]	7.2	6.3	6.5	6.5	6.6	7.5	7.8	7.9	8.3	8.9	10.4	9.3	10.1	7.7
Male	5.3	4.8	4.9	5.0	5.1	6.4	6.5	6.6	6.9	7.4	8.6	7.9	8.5	6.6
Female	9.4	8.1	8.3	8.2	8.3	8.9	9.4	9.5	10.1	10.8	12.4	11.0	12.0	9.1
Venezuela (Bolivarian Republic of)[n]	8.7	8.3	8.1	7.8	7.2	7.1	7.3	7.3	7.3	6.8	8.8	…	…	…
Male	8.5	7.7	7.4	7.1	6.7	6.7	7.0	6.4	6.4	6.4	8.6	…	…	…
Female	9.0	9.2	9.0	8.8	8.1	7.8	7.7	8.6	8.6	7.5	9.1	…	…	..
Spanish-speaking Caribbean														
Cuba	2.5	3.2	3.5	3.3	2.7	2.5	2.0	1.7	1.7	1.2	1.4	…	…	…
Male	2.4	3.0	3.4	3.1	2.4	2.4	1.9	1.7	1.6	1.2	1.3	…	…	…
Female	2.7	3.5	3.6	3.5	3.1	2.6	2.2	1.6	1.8	1.2	1.6	…	…	..
Dominican Republic[o]	5.2	6.1	6.7	7.4	6.7	7.3	7.1	5.5	5.7	6.2	5.9	7.4	7.8	5.8
Male	4.1	4.7	5.1	5.3	4.8	5.2	4.8	4.0	3.5	3.9	3.9	3.9	4.3	3.6
Female	7.0	8.3	9.2	10.5	9.7	10.5	10.5	7.8	8.8	9.3	8.7	12.1	12.7	8.8

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021 First half of the year[v]	2022 First half of the year[v]
English- and Dutch-speaking Caribbean														
Bahamas	....	15.9	14.4	15.8	14.6	13.4	12.2	10.0	10.3	9.5	...	...	...	...
Male	....	....	15.0	15.6	13.5	11.8	10.3	9.0	10.1	9.2	...	...	...	...
Female	...	...	13.7	16.0	15.8	15.0	14.2	11.0	10.6	9.9	...	...	...	..
Barbados[p]	10.7	11.2	11.6	11.6	12.3	11.3	9.7	10.0	10.1	9.6	15.8	14.1	16.6	9.0
Male	10.9	9.8	10.9	11.7	11.8	12.3	9.3	9.8	9.9	11.0	15.7	13.7	15.5	8.3
Female	10.6	12.6	12.3	11.6	12.8	10.3	10.1	10.1	10.3	8.2	15.8	14.5	17.7	9.6
Belize[q]	12.5	...	15.3	14.3	11.6	10.1	9.5	9.3	9.4	9.0	13.7	10.2	11.2	...
Male	...	...	10.5	10.6	6.3	6.8	5.6	5.9	5.6	5.9	11.6	6.8	7.0	...
Female	...	...	22.3	20.0	19.9	15.4	15.6	14.6	14.9	13.5	17.0	15.2	17.4	..
Cayman Islands	6.2	6.3	6.2	6.3	4.6	4.2	4.2	4.9	2.8	3.5	5.2	...	...	...
Male	6.7	6.7	7.1	6.7	4.7	3.3	4.9	4.3	2.8	3.4	4.2	...	...	...
Female	5.8	5.8	5.3	5.8	4.6	5.2	3.5	5.5	2.8	3.5	6.2	...	...	..
Curaçao	...	9.8	...	13.0	...	11.7	...	14.1	13.4	17.4	19.1	...	...	...
Male	...	8.4	...	10.5	...	10.5	...	12.9	11.3	16.0	17.6	...	...	...
Female	...	11.0	...	15.4	...	12.8	...	15.2	15.4	18.7	20.3	...	...	..
Grenada[r]	...	26.2	...	32.2	29.3	29.0	28.2	23.6	19.0	15.4	24.9	17.6	17.6	...
Male	...	24.8	...	27.0	28.0	26.0	25.6	20.6	15.8	13.6	20.4	14.7	14.7	...
Female	...	27.9	...	38.1	30.9	32.3	31.2	26.8	22.5	17.5	29.8	21.0	21.0	..
Jamaica[s]	12.4	12.7	13.9	15.2	13.7	13.5	13.2	11.7	9.1	7.7	10.2	8.4	8.9	6.2
Male	9.2	9.3	10.5	11.2	10.1	9.9	9.6	8.4	6.7	5.8	8.7	6.7	7.5	4.8
Female	16.2	16.7	18.1	20.1	18.1	17.9	17.4	15.4	11.9	9.9	12.0	10.3	10.6	7.9
Saint Lucia	...	...	21.2	23.3	24.5	24.1	21.3	20.2	20.2	16.9	21.7	23.1	23.1	...
Male	...	...	19.1	21.3	21.1	21.3	19.4	18.1	18.5	14.9	18.6	21.3	21.3	...
Female	....	...	23.5	25.5	28.4	27.4	23.5	22.4	22.1	19.0	24.9	24.9	24.9	..
Trinidad and Tobago[t]	5.9	5.0	4.9	3.7	3.3	3.4	4.0	4.8	3.9	4.3	5.7	5.4	5.6	5.1
Male	5.2	3.9	4.1	3.0	2.8	2.9	3.9	4.2	3.2	3.7	5.4	4.8	5.1	4.4
Female	7.0	6.3	6.2	4.6	4.0	4.2	4.0	5.6	4.9	5.0	6.0	6.1	6.2	6.0
Latin America and the Caribbean[u]	6.9	6.4	6.5	6.3	6.2	6.7	7.9	8.2	8.0	8.0	10.3	9.3	10.1	7.3
Latin America and the Caribbean - Male[u]	5.7	5.3	5.5	5.4	5.4	5.7	6.9	7.0	6.9	6.8	9.1	7.8	8.4	6.1
Latin America and the Caribbean - Female[u]	8.5	8.0	7.9	7.7	7.3	8.0	9.4	9.8	9.6	9.5	12.0	11.4	12.3	8.9

Source: International Labour Organization (ILO), on the basis of national household surveys.

[a] Thirty-one metropolitan areas. In view of the statistical emergency situation declared in 2016, the National Institute of Statistics and Censuses (INDEC) recommends that the series for 2007–2015 not be used for comparisons or analyses dealing with the Argentine labour market. The annual rate shown for 2016 is the average of the second, third and fourth quarterly rates.

[b] Data from 2016 on are from the Continuous Employment Survey and are not comparable with data for earlier years. The annual rates shown for 2020 and subsequent years are for urban areas. For purposes of comparability, the quarterly data shown for 2019, 2020 and 2021 correspond to urban areas.

[c] The data for 2012 on are from the Continuous National Household Survey and are not comparable with the data for earlier years. New reweighted series published by the Brazilian Institute of Geography and Statistics (IBGE).

[d] Series based on 2017 census projections.

[e] Includes hidden unemployment. New series from 2021 on based on the 2018 census sample. The series on the working-age population changes from 10 or 12 years of age to 15 years of age and over.

[f] Includes hidden unemployment. No survey was conducted in the first quarter (March) of 2020. The average for the second quarter of 2020 corresponds to May and June.

[g] From 2011 on, the age bracket for the working-age population changes from 10 years and up to 15 years and up, which may interfere with data comparability. No survey was conducted in 2020.

[h] Data for 2020 are preliminary and were gathered via a telephone survey conducted in November and December.

[i] Data for the first quarter of 2020 correspond to the results of the National Occupation and Employment Survey (ENOE). Data for the second quarter of 2020 correspond to the results of the Telephone Survey of Occupation and Employment (ETOE). Data for the third quarter of 2020 and subsequent quarters correspond to the new edition of ENOE.

[j] Includes hidden unemployment. Data for 2020 correspond to the telephone survey conducted in September and October. Data from the 2021 survey correspond to the month of October.

[k] Data for 2017 and subsequent years correspond to the Continuous Permanent Household Survey (EPHC) and are not comparable with the data for earlier years.

[l] Data for 2020–2022 are preliminary.

[m] The annual data for 2020 are preliminary. Data for the first quarter of 2020 correspond to the results of the Continuous Household Survey conducted in January and February; data for March 2020 to June 2021 were gathered using telephone surveys. Data for July 2021 on were gathered using the new 2021 Continuous Household Survey model, which entails methodological changes and the use of a monthly rotating panel survey.

[n] The data for 2020 cover the first half of the year only.

[o] The 2011–2014 series is based on the reweighted National Labour Force Survey (ENFT). From 2015 on, the data gathered using the new metrics of the Continuous National Labour Force Survey (ENCFT) are not comparable with data for earlier years.

[p] Average figures for 2022 correspond to the first quarter. The survey was not conducted in the first or second quarters of 2020.

[q] Data for 2018 correspond to April; data for 2019 and 2021 correspond to the averages for April and September; data for 2020 correspond to the figures for September.

[r] No survey was conducted in the second quarter of 2020.

[s] Includes hidden unemployment. No survey was conducted in the second quarter (April) of 2020. The annual average for 2020 corresponds to data for the first, third and fourth quarters.

[t] The annual average for 2019 corresponds to the first, second and third quarters. No survey was conducted in the fourth quarter of 2019.

[u] Weighted average; does not include hidden unemployment in Colombia, Ecuador, Jamaica or Panama.

[v] The data for 2020 and 2021 may not be comparable with the 2019 data owing to adjustments in statistical procedures made by the corresponding statistical and census offices in response to the pandemic. Preliminary data.

[l] Years in which a country has made changes in survey methodologies or in significant variables in their surveys that may result in a lack of data comparability.

Table A1.2

Latin America and the Caribbean: national labour participation rates, by year, country and sex, 2010–2022
(Average annual rates)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021 First half of the year[v]	2022 First half of the year[v]
Latin America														
Argentina[a]	…	…	…	…	…	…	57.5	57.8	58.5	59.1	54.9	59.1	58.7	59.8
Male	…	…	…	…	…	…	69.4	69.7	69.6	69.9	64.9	69.4	69.4	69.4
Female	…	…	…	…	…	…	46.9	47.6	48.7	49.4	45.9	49.5	48.7	51.0
Bolivia (Plurinational State of)[b]	…	…	61.1	63.4	65.8	61.0	66.0	67.4	70.9	68.6	65.8	72.6	71.3	73.6
Male	…	…	70.4	72.6	75.0	72.1	76.4	76.8	79.1	76.8	74.4	79.7	78.7	80.2
Female	…	…	52.6	54.8	57.1	50.4	56.1	58.3	63.0	60.6	57.6	65.9	64.2	67.4
Brazil[c]	…	…	62.7	62.6	62.4	62.7	62.8	63.1	63.2	63.6	59.3	61.3	60.3	62.3
Male	…	…	74.5	74.4	74.0	74.0	73.8	73.6	73.4	73.5	69.8	71.6	70.8	72.4
Female	…	…	51.6	51.6	51.5	52.2	52.4	53.3	53.6	54.3	49.5	51.6	50.5	52.9
Chile[d]	60.2	61.5	61.5	61.6	61.9	62.0	62.1	62.7	63.0	62.8	56.1	57.2	56.6	59.6
Male	74.2	74.8	74.5	74.2	74.1	74.4	74.1	74.3	74.2	73.6	67.3	68.5	68.1	70.2
Female	46.8	48.8	49.1	49.6	50.2	50.3	50.7	51.6	52.3	52.5	45.3	46.4	45.6	49.4
Colombia[e]	67.7	68.1	68.6	67.8	67.4	67.5	66.9	66.4	65.7	64.8	60.4	61.5	61.4	63.5
Male	80.9	81.2	81.2	80.3	80.0	79.8	79.1	78.7	78.3	77.3	73.6	75.7	75.7	76.6
Female	55.5	56.0	56.9	56.1	55.8	56.0	55.5	55.1	54.0	53.2	48.2	48.4	48.2	51.5
Costa Rica	60.7	59.0	62.8	62.3	62.5	61.2	58.4	58.8	60.7	62.5	60.2	60.3	60.1	59.6
Male	75.4	73.6	75.9	75.1	75.9	74.3	72.4	73.0	74.3	74.4	72.2	71.8	71.7	70.9
Female	45.9	44.2	49.5	49.3	49.0	48.1	44.3	44.5	46.9	50.6	48.1	48.7	48.4	48.2
Ecuador[f]	63.7	62.5	63.0	62.9	63.1	66.2	68.2	68.6	67.0	66.6	63.0	65.9	64.8	65.7
Male	78.9	77.9	78.1	77.6	78.8	80.5	81.0	81.0	79.7	78.7	75.9	78.5	78.0	78.2
Female	49.4	48.1	48.8	48.9	48.5	52.7	56.2	56.9	55.0	55.0	50.6	54.0	52.2	53.7
El Salvador	62.5	62.7	63.2	63.6	62.8	62.1	62.2	61.9	61.3	62.2	61.4	61.7	…	…
Male	80.9	81.2	81.4	80.7	80.7	80.2	80.1	80.6	79.5	80.5	79.0	79.8	…	…
Female	47.3	47.0	47.9	49.3	47.8	46.7	47.3	46.3	46.1	46.8	46.6	46.9	…	…
Guatemala[g]	62.5	61.8	65.4	60.6	60.9	60.7	60.8	61.0	60.6	59.2	…	63.0	…	…
Male	84.7	84.6	87.6	83.4	83.8	84.7	84.0	85.3	85.0	83.7	…	85.6	…	…
Female	42.9	40.4	45.7	40.6	40.6	38.9	40.1	39.2	39.1	37.9	…	43.3	…	…
Honduras[h]	53.6	51.9	50.8	53.7	56.1	58.1	57.5	59.0	60.4	57.3	59.8	60.7	…	…
Male	71.0	70.4	69.2	72.1	73.6	74.0	74.0	76.0	76.3	75.1	73.9	74.3	…	…
Female	37.4	34.9	33.8	37.2	40.5	43.9	43.0	43.8	46.0	41.4	47.9	48.7	…	…
Mexico[i]	59.7	59.8	60.4	60.3	59.8	59.8	59.7	59.3	59.6	60.1	55.6	58.8	58.1	59.3
Male	78.7	78.5	78.8	78.5	78.3	78.0	77.7	77.6	77.4	77.2	71.7	75.7	75.0	76.1
Female	42.5	42.8	43.9	43.9	43.1	43.4	43.4	43.0	43.5	44.7	41.0	43.6	42.8	44.4
Nicaragua	71.3	75.6	76.8	75.8	74.0	72.4	73.6	73.5	71.6	71.1	69.1	67.4	68.0	66.6
Male	85.4	87.9	87.7	87.2	85.8	84.6	84.9	84.7	82.6	82.3	80.5	79.7	79.9	79.3
Female	58.1	64.0	66.6	65.1	63.0	60.9	63.1	63.2	61.6	61.0	58.7	56.4	57.2	55.3
Panama[j]	63.5	61.9	63.5	64.1	64.0	64.2	64.4	64.0	65.4	66.5	63.0	60.4	…	…
Male	80.4	79.2	80.1	79.7	79.4	78.4	78.6	77.6	78.8	78.8	74.0	74.4	…	…
Female	47.5	45.8	48.2	49.4	49.8	50.8	51.1	51.2	52.8	55.0	53.2	47.3	…	…
Paraguay[k]	60.8	61.1	64.4	62.4	62.3	62.1	62.6	71.0	71.9	72.4	70.2	72.1	72.4	70.7
Male	73.9	73.2	75.1	74.0	74.6	74.1	74.5	84.4	84.6	84.8	83.5	84.4	84.7	82.5
Female	47.4	49.0	53.7	52.7	50.1	50.2	50.8	57.8	59.4	60.2	57.4	60.1	60.5	59.3
Peru[l]	74.1	73.9	73.6	73.2	72.2	71.6	72.2	72.4	72.3	72.4	63.6	70.9	70.3	72.6
Male	82.7	82.7	82.4	82.0	81.3	81.0	81.2	81.0	80.7	80.6	73.2	79.5	79.1	80.5
Female	65.7	65.2	64.8	64.5	63.2	62.3	63.3	64.0	64.0	64.3	54.2	62.5	61.7	64.8
Uruguay[m]	62.9	64.8	64.0	63.6	64.7	63.8	63.4	62.9	62.4	62.1	60.5	61.4	61.2	61.9
Male	73.1	74.7	73.5	73.9	74.3	73.0	72.2	71.6	70.7	70.1	67.9	68.5	68.2	69.8
Female	54.0	55.8	55.6	54.4	55.9	55.4	55.4	55.0	54.9	54.9	53.8	55.0	54.8	54.6
Venezuela (Bolivarian Republic of)[n]	64.5	64.4	63.9	64.3	65.1	63.7	63.9	66.2	66.8	65.1	63.6	…	…	…
Male	79.0	78.6	77.8	78.1	79.1	77.8	77.9	79.9	80.1	79.4	77.2	…	…	…
Female	50.1	50.3	50.1	50.6	51.3	49.9	50.2	52.7	53.7	50.9	50.1	…	…	..
Spanish-speaking Caribbean														
Cuba	74.9	76.1	74.2	72.9	71.9	67.1	65.2	63.4	63.8	65.2	66.4	…	…	…
Male	87.7	90.0	89.5	87.1	86.2	80.4	78.2	76.2	76.9	76.0	76.8	…	…	…
Female	60.5	60.5	57.4	57.3	56.3	52.6	50.9	49.4	49.5	53.3	54.9	…	…	…
Dominican Republic[o]	56.7	58.2	59.4	59.3	59.5	61.8	62.3	62.2	63.6	65.1	60.2	63.0	62.3	63.5
Male	72.1	73.1	74.1	73.9	74.2	76.3	76.6	76.1	77.8	78.4	74.0	75.7	75.3	76.9
Female	41.7	43.7	45.3	45.1	45.4	48.1	48.9	49.0	50.4	52.6	47.6	51.2	50.2	51.3

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021 First half of the year[v]	2022 First half of the year[v]
English- and Dutch-speaking Caribbean														
Bahamas	…	72.1	72.5	73.2	73.7	74.3	77.1	80.5	82.8	…	…	…	…	…
Male	….	….	75.8	76.9	77.8	79.5	81.7	83.6	85.5	…	…	…	…	…
Female	…	…	69.5	70.1	70.1	71.7	73.1	75.1	76.7	…	…	…	…	…
Barbados[p]	66.6	67.6	66.2	66.7	63.9	65.1	66.5	65.4	64.8	63.8	60.6	61.2	60.7	63.5
Male	71.8	72.7	71.9	72.0	67.7	68.7	70.4	69.7	69.4	68.1	64.8	65.3	64.8	67.2
Female	62.0	63.0	61.0	62.0	60.4	61.7	62.8	61.5	60.6	59.9	56.7	57.6	56.9	60.2
Belize[q]	….	….	65.8	64.2	63.6	63.2	64.0	64.1	65.5	68.2	55.1	60.8	59.7	….
Male	….	….	79.2	78.4	78.2	77.8	78.0	78.2	78.3	80.6	68.7	74.5	72.9	….
Female	….	….	52.6	50.1	49.2	48.8	50.2	50.2	52.9	56.0	42.4	47.6	47.0	...
Cayman Islands	82.8	82.8	83.7	83.0	82.4	82.8	83.4	81.4	85.3	82.8	80.4	…	…	…
Male	86.3	86.3	86.6	85.6	85.0	84.6	86.1	84.1	88.0	85.9	83.4	…	…	…
Female	79.4	79.3	81.0	80.6	80.1	81.0	80.8	78.6	82.7	79.8	77.4	…	…	…
Curaçao	….	57.9	…	59.9	…	55.7	…	57.1	55.6	59.7	56.4	…	…	…
Male	….	62.2	…	65.2	…	60.3	…	60.5	60.3	62.2	59.4	…	…	…
Female	….	54.5	…	55.8	…	52.1	…	54.4	51.7	57.7	54.0	…	…	…
Grenada[r]	….	69.5	…	66.7	67.8	68.8	68.2	65.8	67.6	68.4	65.0	67.4	67.4	….
Male	….	75.0	…	70.9	71.5	74.5	73.3	71.3	73.1	74.6	71.7	71.6	71.6	….
Female	….	63.9	…	62.6	64.1	63.4	63.1	60.6	62.5	62.7	58.9	63.1	63.1	...
Jamaica[s]	…	62.1	61.9	63.0	62.8	63.1	64.8	65.1	64.0	64.6	63.0	63.2	63.1	64.2
Male	…	70.1	69.2	70.0	70.0	70.3	71.2	71.3	70.4	71.0	69.5	69.7	69.5	70.3
Female	…	55.0	54.9	56.3	55.9	56.3	58.6	59.1	57.9	58.5	56.7	57.0	56.9	58.3
Saint Lucia	…	…	70.6	71.0	72.2	72.2	72.8	71.4	71.4	71.0	68.8	69.9	69.9	….
Male	…	…	75.3	76.2	77.1	78.3	78.3	76.5	77.8	74.5	73.7	75.0	75.0	….
Female	…	…	66.1	66.0	67.4	66.0	67.4	66.8	65.2	68.4	64.4	65.5	65.5	...
Trinidad and Tobago[l]	62.1	61.3	61.9	61.4	61.9	60.6	59.7	59.2	59.1	57.4	55.9	54.8	55.9	55.1
Male	73.5	72.3	72.1	71.6	72.2	71.2	69.5	68.9	68.4	66.4	64.8	63.1	64.3	63.2
Female	50.9	49.4	51.7	51.1	51.8	50.0	50.1	49.5	49.9	48.4	47.2	46.8	47.8	47.3
Latin America and the Caribbean[u]	62.3	62.1	63.2	63.0	62.8	62.7	62.8	63.0	63.3	63.3	59.2	61.5	60.8	62.4
Latin America and the Caribbean - Male[u]	75.8	75.7	77.0	76.6	76.5	76.2	76.0	76.1	76.0	75.9	71.5	74.1	73.2	74.2
Latin America and the Caribbean - Female[u]	49.7	49.4	50.4	50.2	50.0	50.1	50.4	51.0	51.4	51.7	47.7	49.8	49.2	51.4

Source: International Labour Organization (ILO), on the basis of national household surveys.

[a] Thirty-one metropolitan areas. In view of the statistical emergency situation declared in 2016, the National Institute of Statistics and Censuses (INDEC) recommends that the series for 2007–2015 not be used for comparisons or analyses dealing with the Argentine labour market. The annual rate shown for 2016 is the average of the second, third and fourth quarterly rates.

[b] Data from 2016 on are from the Continuous Employment Survey and are not comparable with data for earlier years. The annual rates shown for 2020 and subsequent years are for urban areasa. For purposes of comparability, the quarterly data shown for 2019, 2020 and 2021 correspond to urban areas.

[c] The data for 2012 on are from the Continuous National Household Survey and are not comparable with the data for earlier years. New reweighted series published by the Brazilian Institute of Geography and Statistics (IBGE).

[d] Series based on 2017 census projections.

[e] Includes hidden unemployment. New series from 2021 on based on the 2018 census sample. The series on the working-age population changes from 10 or 12 years of age to 15 years of age and over.

[f] Includes hidden unemployment. No survey was conducted in the first quarter (March) of 2020. The average for the second quarter of 2020 corresponds to May and June.

[g] From 2011 on, the age bracket for the working-age population changes from 10 years and up to 15 years and up, which may interfere with data comparability. No survey was conducted in 2020.

[h] Data for 2020 are preliminary and were gathered via a telephone survey conducted in November and December.

[i] Data for the first quarter of 2020 correspond to the results of the National Occupation and Employment Survey (ENOE). Data for the second quarter of 2020 correspond to the results of the Telephone Survey of Occupation and Employment (ETOE). Data for the third quarter of 2020 and subsequent quarters correspond to the new edition of ENOE.

[j] Includes hidden unemployment. Data for 2020 correspond to the telephone survey conducted in September and October. Data from the 2021 survey correspond to the month of October.

[k] Data for 2017 and subsequent years correspond to the Continuous Permanent Household Survey (EPHC) and are not comparable with the data for earlier years.

[l] Data for 2020–2022 are preliminary.

[m] The annual data for 2020 are preliminary. Data for the first quarter of 2020 correspond to the results of the Continuous Household Survey conducted in January and February; data for March 2020 to June 2021 were gathered using telephone surveys. Data for July 2021 on were gathered using the new 2021 Continuous Household Survey model, which entails methodological changes and the use of a monthly rotating panel survey.

[n] The data for 2020 cover the first half of the year only.

[o] The 2011–2014 series is based on the reweighted National Labour Force Survey (ENFT). From 2015 on, the data gathered using the new metrics of the Continuous National Labour Force Survey (ENCFT) are not comparable with data for earlier years.

[p] Average figures for 2022 correspond to the first quarter. The survey was not conducted in the first or second quarters of 2020.

[q] Data for 2018 correspond to April; data for 2019 and 2021 correspond to the averages for April and September; data for 2020 correspond to the figures for September.

[r] No survey was conducted in the second quarter of 2020.

[s] Includes hidden unemployment. No survey was conducted in the second quarter (April) of 2020. The annual average for 2020 corresponds to data for the first, third and fourth quarters.

[t] The annual average for 2019 corresponds to the first, second and third quarters. No survey was conducted in the fourth quarter of 2019.

[u] Weighted average; does not include hidden unemployment in Colombia, Ecuador, Jamaica or Panama.

[v] The data for 2020 and 2021 may not be comparable with the 2019 data owing to adjustments in statistical procedures made by the corresponding statistical and census offices in response to the pandemic. Preliminary data.

[|] Years in which a country has made changes in survey methodologies or in significant variables in their surveys that may result in a lack of data comparability.

Table A1.3

Latin America and the Caribbean: national labour participation rates, by year, country and sex, 2010–2022
(Average annual rates)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021 First half of the year[v]	2022 First half of the year[v]
Latin America														
Argentina[a]	…	…	…	…	…	…	52.6	52.9	53.1	53.3	48.6	53.9	52.9	55.7
Male	…	…	…	…	…	…	64.0	64.4	63.9	63.5	57.9	63.9	63.3	65.2
Female	…	…	…	…	…	…	42.5	42.7	43.6	44.1	40.2	44.7	43.2	46.9
Bolivia (Plurinational State of)[b]	…	63.7	59.7	61.5	64.3	58.9	63.8	64.9	68.4	65.1	60.4	67.6	65.5	69.8
Male	…	73.1	69.2	71.0	73.7	70.0	74.0	74.3	76.4	73.2	68.5	74.7	72.8	76.6
Female	…	55.7	50.9	52.8	55.3	48.2	53.9	56.0	60.8	57.4	52.6	60.9	58.5	63.3
Brazil[c]	…	56.0	58.0	58.1	58.0	57.3	55.5	55.0	55.3	56.0	51.1	53.2	51.5	56.0
Male	…	67.3	70.1	70.0	69.7	68.5	66.4	65.3	65.5	66.1	61.5	64.0	62.4	66.4
Female	…	45.5	46.7	46.9	47.1	46.7	45.3	45.3	45.8	46.5	41.4	43.1	41.3	46.2
Chile[d]	55.2	57.0	57.4	57.8	57.9	58.1	58.0	58.3	58.3	58.3	50.1	52.1	51.0	54.9
Male	68.8	70.2	70.3	70.2	69.6	70.0	69.4	69.4	69.2	68.7	60.3	62.6	61.5	65.1
Female	42.2	44.5	45.1	46.1	46.7	46.7	47.0	47.7	48.0	48.4	40.4	42.1	40.9	45.2
Colombia[e]	59.6	60.6	61.3	61.0	61.1	61.3	60.5	60.0	59.1	54.6	50.4	53.1	51.9	55.8
Male	73.4	74.3	74.6	74.2	74.2	74.2	73.3	72.8	72.2	67.9	63.8	67.2	65.9	69.2
Female	46.8	47.8	48.9	48.9	48.9	49.3	48.6	48.1	47.0	42.3	38.1	40.0	38.9	43.5
Costa Rica	55.3	52.9	56.2	56.4	56.5	55.4	52.8	53.5	54.4	55.2	48.5	50.4	49.1	52.1
Male	69.6	67.2	69.2	68.9	69.7	68.3	66.6	67.5	68.0	67.4	61.0	62.7	61.9	63.8
Female	40.8	38.5	43.5	43.8	43.2	42.2	38.9	39.4	40.7	42.8	35.9	38.0	36.2	40.3
Ecuador[f]	60.1	59.6	60.4	60.3	60.4	63.3	64.6	65.5	64.3	63.7	57.9	62.8	61.6	62.8
Male	75.3	75.0	75.3	74.9	75.9	77.6	77.5	78.2	77.0	75.8	70.8	75.5	74.9	75.1
Female	45.9	45.3	46.5	46.6	46.0	49.8	52.4	53.6	52.2	52.0	45.6	50.7	48.8	51.0
El Salvador	58.1	58.6	59.4	59.9	58.4	57.8	57.9	57.6	57.4	58.2	57.2	57.8	…	…
Male	74.1	74.6	75.4	75.1	73.7	73.5	73.6	73.9	73.6	74.9	73.4	74.7	…	…
Female	44.8	45.0	45.8	47.0	45.5	44.4	44.7	43.9	43.8	44.3	43.5	43.9	…	…
Guatemala[g]	60.2	59.2	63.5	58.7	59.1	59.2	59.2	59.4	59.1	57.9	…	61.6	…	…
Male	81.7	82.2	85.5	81.1	81.6	83.0	82.2	83.6	83.2	82.1	…	84.0	…	…
Female	41.1	37.7	44.1	39.1	39.2	37.5	38.7	37.8	38.0	36.7	…	42.0	…	…
Honduras[h]	51.5	49.7	48.9	51.6	53.1	53.8	53.2	55.1	57.0	54.1	53.3	55.5	…	…
Male	68.7	68.1	67.2	69.7	70.3	70.8	70.2	73.0	72.8	71.9	67.5	69.1	…	…
Female	35.4	32.8	32.2	35.3	37.8	38.8	38.4	39.1	42.6	38.0	41.4	43.5	…	…
Mexico[i]	56.5	56.7	57.5	57.3	56.9	57.2	57.4	57.3	57.6	58.0	53.1	56.4	55.6	57.3
Male	74.5	74.4	74.9	74.6	74.4	74.7	74.7	75.0	74.9	74.5	68.3	72.6	71.8	73.6
Female	40.3	40.6	41.7	41.7	41.0	41.4	41.7	41.4	42.0	43.1	39.3	41.8	41.0	42.9
Nicaragua	65.7	71.1	72.3	71.4	69.1	68.1	70.2	70.8	67.7	67.2	65.6	64.4	64.6	64.3
Male	79.2	83.1	83.0	82.3	80.5	79.9	81.3	81.7	78.1	77.8	76.4	76.0	75.7	76.4
Female	53.0	59.8	62.2	61.2	58.5	57.1	60.1	60.8	58.2	57.7	55.9	53.9	54.5	53.6
Panama[j]	59.4	59.1	61.0	61.5	60.9	60.9	60.8	60.1	61.5	61.8	51.3	53.5	…	…
Male	76.1	75.8	77.4	77.1	76.2	75.0	74.9	73.7	75.0	74.2	64.0	66.2	…	…
Female	43.5	43.5	45.8	46.8	46.8	47.6	47.7	47.2	48.8	50.2	40.1	41.8	…	…
Paraguay[k]	57.3	57.7	61.5	59.3	58.6	58.7	58.9	66.7	67.4	67.6	64.8	66.7	66.4	65.4
Male	70.6	70.0	72.4	70.7	71.1	70.5	70.8	80.1	80.0	80.2	78.6	79.4	79.1	77.0
Female	43.9	45.4	50.6	49.7	46.0	47.2	47.0	53.4	55.0	55.3	51.6	54.2	54.0	54.0
Peru[l]	71.1	70.9	70.8	70.3	69.6	69.1	69.2	69.5	69.4	69.4	58.8	66.9	65.8	69.0
Male	79.7	79.6	79.8	79.2	78.5	78.2	78.1	77.8	77.7	77.6	67.5	75.4	74.6	77.1
Female	62.6	62.4	61.9	61.5	60.7	60.1	60.4	61.1	61.1	61.3	50.1	58.5	57.0	61.0
Uruguay[m]	58.4	60.7	59.9	59.5	60.4	59.0	58.4	57.9	57.2	56.6	54.3	56.0	55.0	57.1
Male	69.3	71.0	69.8	70.2	70.5	68.4	67.5	66.9	65.8	64.9	62.1	63.7	62.4	65.2
Female	48.9	51.3	51.1	50.0	51.3	50.5	50.1	49.8	49.4	49.0	47.1	49.0	48.2	49.7
Venezuela (Bolivarian Republic of)[n]	58.9	59.0	58.8	59.3	60.4	59.2	59.3	61.5	63.3	60.6	58.0	…	…	…
Male	72.3	72.6	72.1	72.6	73.8	72.7	72.4	75.0	76.2	74.4	70.6	…	…	…
Female	45.6	45.6	45.7	46.1	47.1	46.0	46.3	48.3	50.5	47.1	45.6	…	…	…
Spanish-speaking Caribbean														
Cuba	73.0	73.6	71.6	70.5	70.0	65.4	63.8	62.4	62.7	64.4	65.4	…	…	…
Male	85.6	87.3	86.4	84.4	84.2	78.5	76.7	75.0	75.7	75.1	75.8	…	…	…
Female	58.9	58.4	55.3	55.3	54.6	51.2	49.8	48.6	48.6	52.7	54.0	…	…	…
Dominican Republic[o]	53.8	54.6	55.4	54.9	55.5	57.3	57.9	58.7	60.0	61.0	56.7	58.3	57.4	59.4
Male	69.2	69.7	70.3	69.9	70.6	72.3	72.9	73.1	75.1	75.3	71.1	72.7	72.1	73.7
Female	38.8	40.1	41.1	40.4	41.0	43.1	43.8	45.2	45.9	47.8	43.5	45.0	43.8	46.4

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021 First half of the year[v]	2022 First half of the year[v]
English- and Dutch-speaking Caribbean														
Bahamas	…	60.6	62.0	61.6	62.9	64.4	67.7	72.5	74.2	…	…	…	…	…
Male	…	…	64.4	64.9	67.2	70.1	73.3	76.0	76.9	…	…	…	…	…
Female	…	…	59.9	58.8	59.0	61.0	62.7	66.8	68.5	…	…	…	…	…
Barbados[p]	59.5	60.1	58.5	58.9	56.0	57.7	60.0	58.9	58.3	57.6	51.1	52.6	50.6	57.7
Male	64.0	65.6	64.1	63.6	59.7	60.2	63.9	62.9	62.5	60.6	54.7	56.3	54.8	61.5
Female	55.4	55.1	53.5	54.8	52.6	55.3	56.5	55.2	54.4	54.9	47.8	49.3	46.8	54.3
Belize[q]	…	…	55.7	56.7	56.3	56.8	57.9	58.1	59.4	62.0	47.6	54.6	53.0	…
Male	…	…	70.9	72.3	73.3	72.5	73.6	73.6	73.9	75.8	60.7	69.4	67.8	…
Female	…	…	40.9	39.6	39.4	41.2	42.4	42.9	45.1	48.4	35.2	40.4	38.8	…
Cayman Islands	77.6	77.6	78.5	77.8	78.6	79.3	79.8	77.4	82.9	80.0	76.2	…	…	…
Male	80.6	80.5	80.4	79.9	81.0	81.8	81.9	80.5	85.5	83.0	79.9	…	…	…
Female	74.8	74.8	76.7	75.9	76.4	76.8	77.9	74.3	80.5	77.0	72.6	…	…	…
Curaçao	…	52.2	…	52.1	…	49.2	…	49.1	48.1	49.3	45.6	…	…	…
Male	…	57.0	…	58.3	…	53.9	…	52.8	53.5	52.2	48.9	…	…	…
Female	…	48.5	…	47.2	…	45.5	…	46.2	43.8	47.0	43.0	…	…	…
Grenada[r]	…	51.3	48.3	45.3	47.9	48.9	49.0	50.3	54.8	57.9	50.4	55.6	55.6	…
Male	…	56.4	54.1	51.8	51.5	55.2	54.5	56.6	61.6	64.4	58.4	61.0	61.0	…
Female	…	46.1	42.4	38.7	44.3	42.9	43.4	44.3	48.4	54.0	43.0	49.9	49.9	…
Jamaica[s]	54.7	54.3	53.3	53.4	54.2	54.6	56.2	57.5	58.2	59.7	56.6	57.9	57.4	60.3
Male	63.9	63.6	61.9	62.1	62.9	63.3	64.3	65.2	65.6	66.9	63.5	65.0	64.2	67.0
Female	45.9	45.8	45.0	45.0	45.8	46.2	48.4	50.0	51.0	52.7	49.9	51.1	50.9	53.8
Saint Lucia	…	…	55.6	54.4	54.5	54.8	57.4	57.0	57.0	59.0	53.9	53.7	53.7	…
Male	…	…	60.9	60.0	60.9	61.6	63.1	62.9	63.4	63.4	60.0	59.0	59.0	…
Female	…	…	50.6	49.1	48.3	47.9	51.6	51.4	50.8	55.6	48.4	49.4	49.4	…
Trinidad and Tobago[t]	58.4	58.2	58.8	59.1	59.9	58.5	57.4	56.3	56.8	54.9	52.8	51.9	52.7	52.5
Male	69.7	69.5	69.2	69.5	70.1	69.2	66.8	66.0	66.2	64.0	61.3	60.1	61.0	60.6
Female	47.3	46.3	48.5	48.8	49.7	47.9	48.0	46.7	47.4	46.0	44.4	43.9	44.8	44.6
Latin America and the Caribbean[u]	58.0	58.1	59.1	59.0	58.9	58.5	57.9	58.0	58.2	58.0	53.1	55.8	54.4	57.7
Latin America and the Caribbean - Male[u]	71.5	71.7	72.8	72.5	72.4	71.8	70.8	70.8	70.8	70.5	65.0	68.4	66.7	69.6
Latin America and the Caribbean - Female[u]	45.5	45.5	46.4	46.4	46.3	46.1	45.8	46.0	46.5	46.4	42.0	44.2	42.9	46.6

Source: International Labour Organization (ILO), on the basis of national household surveys.

[a] Thirty-one metropolitan areas. In view of the statistical emergency situation declared in 2016, the National Institute of Statistics and Censuses (INDEC) recommends that the series for 2007–2015 not be used for comparisons or analyses dealing with the Argentine labour market. The annual rate shown for 2016 is the average of the second, third and fourth quarterly rates.

[b] Data from 2016 on are from the Continuous Employment Survey and are not comparable with data for earlier years. The annual rates shown for 2020 and subsequent years are for urban areas. For purposes of comparability, the quarterly data shown for 2019, 2020 and 2021 correspond to urban areas.

[c] The data for 2012 on are from the Continuous National Household Survey and are not comparable with the data for earlier years. New reweighted series published by the Brazilian Institute of Geography and Statistics (IBGE).

[d] Series based on 2017 census projections.

[e] New series from 2021 on based on the 2018 census sample. The series on the working-age population changes from 10 or 12 years of age to 15 years of age and over.

[f] No survey was conducted in the first quarter (March) of 2020. The average for the second quarter of 2020 corresponds to May and June.

[g] From 2011 on, the age bracket for the working-age population changes from 10 years and up to 15 years and up, which may interfere with data comparability. No survey was conducted in 2020.

[h] Data for 2020 are preliminary and were gathered via a telephone survey conducted in November and December.

[i] Data for the first quarter of 2020 correspond to the results of the National Occupation and Employment Survey (ENOE). Data for the second quarter of 2020 correspond to the results of the Telephone Survey of Occupation and Employment (ETOE). Data for the third quarter of 2020 and subsequent quarters correspond to the new edition of ENOE.

[j] Includes hidden unemployment. Data for 2020 correspond to the telephone survey conducted in September and October. Data from the 2021 survey correspond to the month of October.

[k] Data for 2017 and subsequent years correspond to the Continuous Permanent Household Survey (EPHC) and are not comparable with the data for earlier years.

[l] Data for 2020–2022 are preliminary.

[m] The annual data for 2020 are preliminary. Data for the first quarter of 2020 correspond to the results of the Continuous Household Survey conducted in January and February; data for March 2020 to June 2021 were gathered using telephone surveys. Data for July 2021 on were gathered using the new 2021 Continuous Household Survey model, which entails methodological changes and the use of a monthly rotating panel survey.

[n] The data for 2020 cover the first half of the year only.

[o] The 2011–2014 series is based on the reweighted National Labour Force Survey (ENFT). From 2015 on, the data gathered using the new metrics of the Continuous National Labour Force Survey (ENCFT) are not comparable with data for earlier years.

[p] Average figures for 2022 correspond to the first quarter. The survey was not conducted in the first or second quarters of 2020.

[q] Data for 2018 correspond to April; data for 2019 and 2021 correspond to the averages for April and September; data for 2020 correspond to the figures for September.

[r] No survey was conducted in the second quarter of 2020.

[s] Includes hidden unemployment. No survey was conducted in the second quarter (April) of 2020. The annual average for 2020 corresponds to data for the first, third and fourth quarters.

[t] The annual average for 2019 corresponds to the first, second and third quarters. No survey was conducted in the fourth quarter of 2019.

[u] Weighted average.

[v] The data for 2020 and 2021 may not be comparable with the 2019 data owing to adjustments in statistical procedures made by the corresponding statistical and census offices in response to the pandemic. Preliminary data.

[l] Years in which a country has made changes in survey methodologies or in significant variables in their surveys that may result in a lack of data comparability.

The coronavirus disease (COVID-19) pandemic led to an unprecedented crisis in the region's economies and in its labour markets, where the recovery has been slow, partial and uneven. However, as noted in the first part of this report, there were favourable changes in the main indicators of these markets in the first half of 2022. First, in the second quarter of 2022, the employment rate returned to the level seen before the crisis and the unemployment rate fell 2.8 percentage points compared to the year-earlier period to 7.3%, lower than the pre-pandemic level. Similarly, the participation rate improved, although it is still below the level seen prior to the health crisis.

Beyond the difficulties posed by the current labour market situation, the region's economies face the challenge of reversing the weak growth in productivity and investment registered since the debt crisis. The stagnation of labour productivity in the region has been widespread and, unlike in other emerging economies, such as those in Asia, productive development policies focused on the sectors that drive and stimulate growth have lacked the necessary force to guide structural change.

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