

UNU-WIDER

30 YEARS OF RESEARCH  
FOR DEVELOPMENT

WIDER Working Paper 2015/077

## **The growth-employment-poverty nexus in Latin America in the 2000s**

El Salvador country study

Guillermo Cruces,<sup>1</sup> Gary S. Fields,<sup>2</sup> David Jaume,<sup>3</sup> and Mariana Viollaz<sup>4</sup>

September 2015

**Abstract:** During the 2000s, El Salvador experienced slow economic growth for Latin American standards. The country underwent a recession during the international crisis of 2008, but returned to pre-recession output level in 2011. Changes in labour market conditions were mixed. The unemployment rate fell, and the mix of employment by occupations, economic sector, and education improved slightly. However, the employment mix by occupational position deteriorated, and the share of registered workers and earnings decreased. Most labour indicators were affected adversely by the crisis, and some have yet to return to pre-crisis levels. Most poverty and inequality indicators fell over the period.

**Keywords:** El Salvador, Latin America, inclusive growth, labour market, poverty

**JEL classification:** O15, J01, J30

**Figures and tables:** Provided at the end of the paper.

---

<sup>1</sup>CEDLAS, Universidad Nacional de La Plata, CONICET, and IZA; <sup>2</sup>Cornell University, IZA; corresponding author: gsf2@cornell.edu; <sup>3</sup>Cornell University, CEDLAS, Universidad Nacional de La Plata; <sup>4</sup>CEDLAS, Universidad Nacional de La Plata.

This study has been prepared within the UNU-WIDER project ‘The Growth-Employment-Poverty Nexus in Latin America in the 2000s’, directed by Finn Tarp and Gary S. Fields.

Copyright © UNU-WIDER 2015

ISSN 1798-7237 ISBN 978-92-9230-966-4 <https://doi.org/10.35188/UNU-WIDER/2015/966-4>

Typescript prepared by Lesley Ellen for UNU-WIDER.

UNU-WIDER gratefully acknowledges the financial contributions to the research programme from the governments of Denmark, Finland, Sweden, and the United Kingdom.

The World Institute for Development Economics Research (WIDER) was established by the United Nations University (UNU) as its first research and training centre and started work in Helsinki, Finland in 1985. The Institute undertakes applied research and policy analysis on structural changes affecting the developing and transitional economies, provides a forum for the advocacy of policies leading to robust, equitable and environmentally sustainable growth, and promotes capacity strengthening and training in the field of economic and social policy-making. Work is carried out by staff researchers and visiting scholars in Helsinki and through networks of collaborating scholars and institutions around the world.

UNU-WIDER, Katajanokanlaituri 6 B, 00160 Helsinki, Finland, wider.unu.edu

The views expressed in this publication are those of the author(s). Publication does not imply endorsement by the Institute or the United Nations University, nor by the programme/project sponsors, of any of the views expressed.

## 1 Introduction

Latin America in the 2000s witnessed an unprecedented period of growth with poverty and inequality reduction. The region also suffered from the economic crises in Europe and the United States from 2007/08 onwards.

Economic development has been defined as a widespread improvement in the material standards of living of a country's people. Economic growth is defined as an increase in the total amount of goods and services produced in an economy.

This paper on labour markets and growth in El Salvador since 2000 is one of sixteen studies of Latin American countries, each of which aims to answer the following broad questions: Has economic growth resulted in economic development via improved labour market conditions in Latin America in the 2000s, and have these improvements halted or been reversed since the Great Recession? How do the rate and character of economic growth, changes in the various labour market indicators, and changes in poverty relate to each other?

More specifically:

- What was the country's economic growth experience?
  - Characteristics of economic growth: breakdown by sector (agriculture, industry, services).
- How have the following indicators of labour market conditions changed in the course of each country's economic growth?
  - 1. Employment and unemployment:
    - a. Unemployment rate, using International Labour Organization definition.
    - b. Employment-to-population ratio.
    - c. Labour force participation rate.
  - 2. Employment composition:
    - a. Occupational group—professional, managerial, and clerical, etc.
    - b. Occupational position—wage/salaried employee, self-employed, unpaid family worker, etc.
    - c. Sector of employment—agriculture, manufacturing, services, etc.
    - d. Education level—low, medium, high.

- e. Registered/unregistered with the nation's social security system.
- 3. Labour market earnings, real:
    - a. Overall.
    - b. Disaggregated by gender.
    - c. Disaggregated by age (youth/non-youth).
    - d. Disaggregated by occupational group.
    - e. Disaggregated by occupational position.
    - f. Disaggregated by sector (agriculture etc.).
    - g. Disaggregated by education level (low, middle, high).

The answers to the preceding questions are by no means obvious. Claims have been made that economic growth in Latin America has been jobless, that productivity has grown at the expense of employment, and that Latin America, having even greater economic inequality than the United States, may have been following the US's course of rising incomes for those at the very top of the income distribution and stagnating or even falling incomes for the great majority, especially the poor. It has also been claimed that Latin America is caught in a middle-income bind, squeezed between the advanced economies on the one hand and emerging economies, especially China, on the other.

Recent evidence has shown that economic growth generally leads to an improvement in labour market conditions and reductions in poverty within developing countries (Fields 2012). The relatively scarce evidence for Latin America, however, indicates some heterogeneity at the country level. In the case of Argentina, the strong growth that followed the economic meltdown of 2001–02 was accompanied by large employment gains and increases in labour earnings, with higher gains (in relative terms) for less skilled workers. This process led to a large reduction in poverty in the 2003–06 period (Gasparini and Cruces 2010). In Brazil, economic growth during the period 1996–2004 was relatively low. In this context, unemployment remained high and labour earnings low, while poverty increased (Fields and Raju 2007). Nicaragua also experienced economic growth during the period 2001–06, and although there were increases in employment levels, overall poverty did not fall significantly (Gutierrez et al. 2008). The 2000–06 period of economic growth in Mexico was accompanied by improvements in employment composition, rising real labour earnings, and falling poverty, although the country also experienced rising unemployment levels in those years (Rangel 2009). The relatively long period of economic growth in Costa Rica (1976–2000) took place with increases in labour income, a reduction of employment in agriculture, and improvements in education, with a reduction in poverty levels (Fields and Bagg 2003). Finally, the period of economic growth in Colombia between 2002 and 2011 led to a reduction in unemployment and poverty levels (Ham 2013). This mixed evidence indicates that the growth-employment-poverty nexus is fairly complex and the experiences of Latin American countries are far from homogeneous.

Limited evidence is available on the mechanisms underlying the growth-labour markets-poverty nexus in Latin America. For instance, a World Bank (2011) study finds that the increase in men's labour income was higher than that of women's in the 2000s, and that this was the most important factor in lifting households out of poverty, even though World Bank (2013) shows that the increase in the labour force over this period was mainly led by women. Inchauste (2012) reports that job-related events were the main escape route from poverty for Latin American households over the same period, and these events included household heads getting a new job, other family members starting to work, and those employed achieving higher labour earnings than before.

Overall, previous studies generally show a positive association between economic growth, improvement in labour market indicators, and reduction in poverty in Latin American countries. However, the tightness of these relationships is not always clear from these studies. Moreover, these regional aggregates mask the heterogeneity at the country level, which implies that little can be said about the underlying mechanisms at play. This paper on El Salvador is one of sixteen case studies which, taken together, will allow us to separate and identify country-specific from region-wide factors in the relationship between the economy's overall performance and labour market outcomes in the decade of 2000s.

## 2 Data and methodology

All the statistics in this paper are obtained using microdata from the Encuesta de Hogares de Propósitos Múltiples (EHPM) from 2000 to 2012. These nationwide surveys were incorporated into the SEDLAC—Socio Economic Database for Latin American and the Caribbean (CEDLAS and the World Bank 2014); three of the authors of this paper were involved in this project at CEDLAS (Center for Distributive, Labor, and Social Studies), Universidad Nacional de la Plata in Argentina. The EHPM's sample size has increased over time; it went from 16,046 households and 71,665 persons in 2000 to 21,710 households and 85,636 persons in 2012 (Table 1). The EHPM surveys have always been representative of the total population of the country.

For this study, we processed the microdata from El Salvador to construct time series of comparable data for a wide range of labour market and income distribution indicators. The resulting indicators are compiled into a large number of tables and figures, which form the basis for the text that follows.

Several definitions and classifications are used in order to assess whether the labour market has improved or deteriorated. Unemployment is defined as usual, i.e. the share of unemployed people over the economically active population. A person is unemployed if s/he is 15 years old or more and during the reference period (one month in surveys from El Salvador), s/he was without work, available for work, and seeking work. Youths are those between 15 and 24 years old, while adults are those between 25 and 65 years old.

Occupational groups are defined according to the following classification:<sup>1</sup> management; professionals; technicians and associate professionals; clerical; service and sales workers; agricultural,

---

<sup>1</sup> This is the International Standard Classification of Occupations of 2008 (ISCO-08) at one digit level.

forestry and fishery workers; craft and related trades workers; plant and machine operators and assemblers; elementary and armed forces. El Salvador has made use of the International Standard Classification of Occupations of 1988 (ISCO-88) whose primary categories correspond to the classification systems endorsed by the authors. An improvement in the labour market would be implied by a decrease in the share of low-earning occupations and an increase in the share of high-earning occupations.

The occupational position is classified into four categories: employer, wage/salaried employee, self-employed, and unpaid worker. Given the nature of labour markets in Latin America, the analysis of the employment structure according to occupational positions will identify a decrease of self-employment and an increase in wage/salaried employees as an improvement in the labour market.

The sector of employment was divided into: primary activities; low-tech industry; high-tech industry; construction; commerce; utilities and transportation; skilled services; public administration; education and health; and domestic workers. When looking at the sectoral distribution of employment, an improvement in the labour market is implied by an increase in the share of the sectors with higher earnings.

Turning now to the educational level of employed workers, we define three categories for the analysis: low (eight years of schooling or less); medium (from nine to thirteen years of schooling); and high (more than thirteen years of schooling). An increase in the education level of the employed population is considered as an improvement in the labour market as the share of workers that are expected to receive high levels of earnings increases and the share of workers with low levels of earnings decreases.

We also classify employed workers according to whether they are registered with the social security system or not. We assume that it is better for employed workers to be registered, so an increase in this indicator will be interpreted as an improvement in the labour market.

Labour earnings are expressed on a monthly basis in 2005 purchasing power parity (PPP) dollars, and higher earnings represent an improvement in the labour market. To compute poverty and inequality statistics, we use the per capita household income. Household income is the sum of labour income plus non-labour income; included in non-labour incomes are capital income, pensions, public and private transfers, and the imputed rent from own-housing. We could not construct income variables for 2003 due to the unavailability of income data from self-employment agricultural activities.

Poverty rates are estimated considering the 4 dollars-a-day and 2.5 dollars-a-day international lines. We compute the poverty headcount ratio for each.<sup>2</sup> We also calculate the share of working poor households (those with at least one member employed and a per capita family income below the 4 dollars-a-day poverty line). Income inequality is calculated using the Gini coefficient of per capita household income and labour earnings.

---

<sup>2</sup> In other country studies we also used national poverty lines to calculate the rate of moderate and extreme poverty. We could not obtain reliable information on these lines for El Salvador and only international lines are used in this paper.

### 3 Empirical results

*El Salvador experienced slow economic growth during the 2000s. The country underwent a recession as a consequence of the international crisis of 2008. The economy of El Salvador returned to its pre-recession GDP level in 2011 (Figures 1 and 2).*

During the period 2000 to 2012, El Salvador experienced slow economic growth by Latin American standards. GDP per capita increased by 18.8 per cent, while the average for the eighteen Latin American countries was 36.2 per cent during the same period. GDP (measured in PPP dollars of 2005) grew by 25.6 per cent, and GDP per employed person rose by 3.1 per cent. GDP per capita grew at an average annual rate of 1.5 per cent, with a minimum rate of -3.6 per cent in 2009 and a maximum rate of 3.5 per cent in 2006 (Table 2). The growth experience of El Salvador was sluggish at the beginning of the decade, from 2000 to 2004, when the average GDP growth rate was 2.1 per cent. Previous crises characterized by high inflation rates and income stagnation led to the dollarization of the economy in 2001 (IMF 2005; Castillo Ponce and Rodríguez Espinosa 2009). However, the country was affected by several negative shocks during these years: the decline in the international prices of its main agricultural products, such as coffee and sugar, the competition of Chinese manufacturing products, mainly textiles, the recession in the US, its main trade partner, and some natural disasters like hurricanes and earthquakes (Monge-Naranjo and Rodríguez-Clare 2009). From 2005 to 2007, the economy of El Salvador accelerated its growth based on the recovery of agricultural prices, the government support to agricultural producers, and private consumption funded by remittances (Osorio 2009; IMF 2015). The average GDP growth rate was 3.8 per cent during this period. The Salvadoran economy was negatively affected by the international crisis of 2008 due to its strong ties to the US economy (IMF 2010). Remittances, consumption, and exports fell sharply in 2009, leading to a reduction in GDP and GDP per capita of 3.1 and 3.6 per cent respectively. The government implemented some expansionary fiscal measures (*Plan Global Anti-Crisis*) such as cash and in-kind transfers and financial support to local producers (Ministerio de Hacienda 2011). The country began a recovery in 2010, reaching the pre-crisis GDP level in 2011 and the pre-recession level of GDP per capita in 2012.

The share of the agricultural and service sectors in the economy increased between 2000 and 2012, while the share of the industrial sector diminished. The share of the service sector—the country's largest economic sector—increased from 58.1 per cent in 2000 to 61.0 per cent in 2012 (Table 2). The share of the agricultural sector also grew during that period, climbing from 10.5 per cent to 11.8 per cent. Within the period, the share of the agricultural sector fell from 2000 to 2004 due to the decline in the international prices of the main agricultural products of the country. In the following years, the sector recovered, based on government support to producers and increases in international prices. The share of the industrial sector, on the other hand, diminished during the same period, dropping from 31.4 per cent in 2000 to 27.2 per cent in 2012. The industry sector was affected negatively by the competition from Chinese textile products which led to the decline of the *maquila* subsector in El Salvador (Monge-Naranjo and Rodríguez-Clare 2009). All three sectors were hit by the international crisis. In 2009, the value added of the industrial sector dropped by 3.3 per cent; the figures for the agricultural and service sectors were 2.9 and 3.1 per cent respectively. The industrial and service sectors returned to pre-recession value added levels in 2011. The agricultural sector recovered more quickly, reaching the pre-crisis value added level in 2010.

*The unemployment rate dropped slightly from 2000 to 2012. It decreased for youths, adults, and men, but increased for women. While the unemployment rate increased during the international crisis, it had returned to the pre-crisis level by 2012. Throughout the period analysed, the unemployment rate varied within a narrow band of 6.0 to 7.0 per cent (Figure 3).*

The unemployment rate (measured as the ratio of unemployment to labour force) decreased from 6.9 per cent in 2000 to 6.1 per cent in 2012. The number of unemployed people exhibited an increase over the period, from 124,314 in 2000 to 167,515 in 2012. The reduction in the unemployment rate was then explained by the more rapid increase in the number of people in the labour force. The evolution of the unemployment rate was erratic from 2000 to 2005 with an average level of 6.8 per cent; it decreased from 2006 to 2008 and rose by 0.8 percentage points during the international crisis. Both the number of persons in the labour force and the number of employed persons increased between 2008 and 2009 by 55,488 and 15,519 respectively. These figures suggest that the increase in the unemployment rate during the international crisis was explained by the new entrants into the labour market that could not find a job. In 2010, the unemployment rate began a downward trend and, by 2012, it had returned to its pre-recession level.

From 2000 to 2012, the unemployment rate decreased for youth, adults, and men, while it increased slightly for women. The unemployment rate for young workers fell from 13.1 to 12.0 per cent over the period; the decrease for adults was from 4.9 per cent in 2000 to 4.3 per cent in 2012. When broken down by gender, the unemployment rate fell from 8.9 per cent in 2000 to 7.3 per cent in 2012 for men and increased slightly for women, going from 3.7 to 4.3 per cent over the same period. The unemployment rate increased for all population groups during the international crisis. The rise between 2008 and 2009 was larger for young workers compared to adults (increases of 2.6 and 1.2 percentage points respectively), and for men compared to women (increases of 1.5 and 1.3 percentage points respectively). Adult workers and men had returned to their pre-recession unemployment rates by the end of the period studied, while young workers and women had yet to reach their pre-crisis unemployment levels.

*The composition of employment by occupational group improved slightly from 2000 to 2012, shifting overall from low-earning occupations such as agricultural, forestry and fishery, and craft and trade jobs to mid-earning occupations such as service and sales jobs. The employment composition by occupational group worsened for young workers and for men over the period, while it improved for adult workers and for women. The trend in employment composition by occupational group was not affected by the international crisis of 2008. This holds true on an aggregate level and when the figures are broken down by population groups (Figure 4).*

The occupational structure of employment improved slightly from 2000 to 2012. The share of workers in low-earning occupations (agricultural, forestry and fishery, elementary, and craft and trade occupations) decreased by 1.5 percentage points and the share of workers in high-earning occupations (management, professionals, and technicians) fell by 0.8 percentage points, which yielded an increase in the share of mid-earning occupations (clerical, services and sales jobs, plant and machine operators, and armed forces). Specifically, the share of services and sales jobs in total employment increased by 4.9 percentage points over the period (Tables 3 and 6).

From 2000 to 2012, the employment composition by occupational group worsened for young workers and for men, while it improved for adult workers and for women. The rate of employed



persons in low-earning occupations increased for young workers by 1.9 percentage points and fell for adult workers by 2.2 percentage points. The rate of workers in high-earning occupations declined for both age groups, by 1.3 percentage points for young workers and 0.9 percentage points for adults. There was, then, an increase in the share of mid-earning occupations for adult workers. The rate at which men were employed in low-earning occupations increased by 0.5 percentage points between 2000 and 2012, while the rate for women dropped by 4.1 percentage points. At the other end of the scale, the share of high-earning occupations in total employment decreased for men by 1.7 percentage points and increased for women by 0.5 percentage points.

The overall trend in the composition of employment by occupational group was not affected by the international crisis of 2008. This holds true when the analysis is broken down by population groups.

*The employment structure by occupational position deteriorated between 2000 and 2012 for the employed population as a whole, for young workers, and for men, while it improved for adult workers and remained unchanged for women. During the international crisis of 2008, the employment structure by occupational position worsened for adult workers and for women; the deterioration already underway for young workers and men at the onset of the crisis continued during the episode (Figure 5).*

Between 2000 and 2012, the share of paid employees in total employment—the largest category in El Salvador—was essentially unchanged, increasing slightly from 57.4 to 57.7 per cent. The share of unpaid workers increased from 6.5 to 8.7 per cent. The share of employers and of the self-employed, though, fell from 5.5 to 4.2 per cent and from 30.6 to 29.5 per cent respectively. These changes can be characterized as a deterioration of the employment structure by occupational position: the share of low-earning categories (self-employment and unpaid employment) increased by a total of 1.1 percentage points while the share of high-earning categories (paid employees and employers) decreased (Tables 4 and 6).

Between 2000 and 2012, the employment structure by occupational position deteriorated for young workers and for men, improved for adult workers, and remained unchanged for women. From 2000 to 2012, employment in low-earning categories increased for young workers by 8.7 percentage points. The percentage of youth employed in high-earning positions decreased, which means a worsening in employment structure by occupational position over time. The increase in the share of low-earning positions was driven by the rise in the share of unpaid family jobs (increase of 8.3 percentage points), indicating the precariousness of the insertion of young workers into the labour market. For men, the rate of workers in low-earning positions grew by 1.6 percentage points during the period studied, which means that the employment structure by occupational position worsened over the period for this population group. Among adults, though, the rate of workers in low-earning positions decreased by 1.4 percentage points, which means an improvement in the structure of employment by occupational position for adults. The shares of low- and high-earning positions in total employment remained largely unchanged for women workers (increase and drop of 0.2 percentage points respectively).

Among adult workers and women, a deterioration in their employment structure by occupational position set in with the international crisis of 2008. In the case of young workers and men, the crisis simply meant a continuation of pre-existing worsening trends. Between 2008 and 2009, the rates of workers in low-earning positions increased for adult workers and for women by 1.8 and 0.8

percentage points respectively. This increase can be understood in the context of increasing unemployment during the Great Recession. Economic necessity may have compelled adult workers and women to take up free-entry self-employment activities. The share of low-earning positions in total employment began a downward trend in 2010 and 2011 for adult and women workers respectively, and these low-earning shares reached their pre-crisis levels by 2012. Among young workers and men, the pre-existing worsening trend in employment structure by occupational position continued during the international crisis of 2008.

*The employment composition by economic sector improved slightly over the period studied overall and for adult workers and men, while there was a slight deterioration for young workers and an improvement for women. The international crisis of 2008 brought these trends to a standstill (Figure 6).*

From 2000 to 2012, the share of workers in low-earning sectors (primary activities, domestic service, and low-tech industries) dropped from 39.0 per cent to 36.3 per cent. This reduction was driven by the decline in the share of the low-tech industry sector (drop of 3.4 percentage points over the period), which was affected negatively by the competition from Chinese textiles. The primary activities sector exhibited a decline in its share of total employment from 2000 to 2003, when the international prices of Salvadoran agricultural products were falling. In the following years, the primary activities sectors recovered and ended the period with a slight increase in its share of total employment. The share of workers in high-earning sectors (public administration, skilled services, and utilities and transportation) also decreased, though only slightly during the period, from 14.6 per cent in 2000 to 14.4 per cent in 2012 (Tables 5 and 6). As a result, the share of workers in mid-earning sectors like education and health, and commerce grew between 2000 and 2012.

The composition of the employed population by economic sector improved over the period for women, improved slightly for adults and men, and suffered a slight deterioration for young workers. The shares of low- and high-earning sectors in total employment declined among young workers, by 1.9 and 2.5 percentage points respectively. These changes are characterized as a slight deterioration in the structure of employment by economic sector for young workers due to the larger reduction in the share of high-earning sectors compared to low-earning sectors. Adult workers exhibited a reduction in the share of low-earning sectors (drop of 2.4 percentage points), while the share of high-earning sectors was essentially unchanged. These changes are interpreted as a slight improvement for adult workers. Among male workers, the shares of low- and high-earning sectors fell by a similar magnitude (drop of 1.0 percentage point). Finally, women experienced an improvement in their composition of employment due to a reduction in the share of low-earning sectors (drop of 5.1 percentage points) and an increase in the share of high-earning sectors (rise of 1.2 percentage points).

During the international crisis of 2008 the trends described above stalled. Between 2008 and 2009, the share of low-earning sectors in total employment stopped decreasing in the aggregate, for young and adult workers and for men, while it continued with the downward trend for women. Construction and low-tech industry, mid- and low-earning sectors respectively, were the sectors that suffered the largest reductions in their shares of total employment during the international crisis. The increase in the share of the primary activities sector driven by the increase in international food prices kept the share of low-earning sectors in total employment unchanged. The share of high-earning sectors was largely unchanged for all population groups. Women resumed the improving

trend in their employment composition by economic sector in the post-crisis period. Young and adult workers and men had not recovered their pre-recession shares of low- and high-earning sectors by 2012.

*The educational level of the employed population improved over the period, overall and for all population groups, though the improvement was particularly dramatic among young workers. The educational levels of young workers and of men deteriorated during the international crisis (Figure 7).*

The share of employed workers with low educational levels (eight years of schooling or less) dropped from 60.9 per cent in 2000 to 51.7 per cent in 2012, while the share of employed workers with medium and high educational levels (nine to thirteen years of schooling and over thirteen years of schooling) grew from 28.6 per cent in 2000 to 36.4 per cent in 2012 and from 10.6 per cent to 12.0 per cent respectively.<sup>3</sup> We interpret this result as an improvement for the employed population as the level of education is an important predictor of labour earnings. Consequently, the changes in the employment structure by educational level implied an increase in the share of workers that tend to have high levels of earnings and a decline in the share of workers with low levels of earnings.<sup>4</sup>

While the educational level of the employed population improved for all population groups, that improvement was particularly dramatic among young workers. For the youth population, the share of employed workers with low educational levels decreased from 56.7 per cent in 2000 to 44.5 per cent in 2012. The share of young workers with medium or high educational levels grew from 38.4 to 50.1 per cent and from 4.9 to 5.5 per cent respectively. The share of adult employed workers with low educational levels fell from 59.8 to 50.6 per cent, while the share with medium and high educational levels increased from 27.1 per cent in 2000 to 34.8 per cent in 2012 and from 13.1 to 14.6 per cent respectively. Between 2000 and 2012, the share of employed men with low educational levels fell from 62.1 to 52.7 per cent, and the share with medium and high educational levels increased from 28.6 to 37.0 per cent and from 9.3 to 10.3 per cent respectively. Finally, the share of employed women with low educational levels fell from 59.1 to 50.3 per cent, while the share with medium and high educational levels grew between 2000 and 2012 from 28.5 per cent to 35.5 per cent and from 12.4 per cent to 14.3 per cent respectively.

The international crisis of 2008 had a negative effect on the educational levels of young and male employed workers, but no effect on the educational levels of adult or female workers. The shares of young and male employed workers with low educational levels increased between 2008 and 2009 by 2.3 and 1.2 percentage points respectively, while the shares with medium educational levels declined by 2.9 and 0.8 percentage points respectively and the shares with high levels of education remained essentially unchanged. A possible explanation for this worsening in the employment structure by educational level can be found in the previous evidence of increasing unemployment and worsening

---

<sup>3</sup> The most frequent value of years of education for employed workers in El Salvador was 12 over the entire period under study (around 16.5 per cent of employed workers had twelve years of education).

<sup>4</sup> The improvement in the employment structure by educational level is related to changes in the relative demand and supply of workers with high educational levels with corresponding implications for the wage gap by educational group and the unemployment rate of each educational level. We introduce a discussion about the role of these factors in El Salvador in the paragraph on labour earnings.

employment structure by occupational position during the international crisis. Better educated workers could afford to remain unemployed during the crisis, while the less educated workers were compelled by economic necessity to take up free-entry self-employment activities or unpaid family work. In 2010, both population groups returned to their pre-crisis levels of education. The international crisis did not have an adverse effect on the educational levels of adult or women employed workers.

*The overall share of workers registered with the social security system fell between 2000 and 2012. While this decline held for all population groups, it was particularly large among young workers and women. The bulk of the drop took place in the wake of the international crisis of 2008 (Figure 8).*

The social security system in El Salvador comprises both contributory and non-contributory schemes. Specifically, the pension system is organized under four regimes (Martínez Franzoni 2013). First, the Sistema Público de Pensiones is ruled by the Instituto Salvadoreño de Seguridad Social (ISSS). Currently, it only covers public workers who decided to remain in the public system after the reform that privatized the pension system in 1998 (Rubio and Valencia 2010). Second, the individual capitalization system is mandatory for wage/salaried employees and voluntary for self-employed workers. It is funded by employers' and employees' contributions. Third, the Bienestar Magisterial regime provides mandatory insurance to teachers of private and public schools and it is funded by the Ministry of Education and teachers' contributions. Fourth, the Instituto de Previsión Social de la Fuerza Armada is mandatory for members of the armed forces. A non-contributory pension scheme was introduced in 2008 with the Pensión Básica Universal that is granted to people aged 70 and above living in extreme poverty. This pension is also combined with the Programa de Atención Integral a la Persona Adulta Mayor that grants health care for elders living in poverty. The health system in El Salvador is organized in three systems: public health, social insurance, and private services. The benefits that each system provides are highly stratified. Social security provides better quality services than those run by the public health system, while private services is reserved to high income earners.

Social security records show a reduction in the percentage of employed workers registered with the contributory scheme of the system between 2000 and 2012, from 31.1 per cent in 2000 to 27.7 per cent in 2012. The bulk of the reduction took place during the international crisis of 2008. Between 2000 and 2008, the share of workers registered with the social security system was essentially unchanged. In 2009 alone, the share declined by 2.1 percentage points; this decreasing trend continued through the end of the period studied.

While the rate of registration with the social security system dropped for all population groups, the decline was greater for young workers and women. Among youth, the percentage of registered workers dropped from 26.9 per cent in 2000 to 18.4 per cent in 2012. Among adults, the reduction was from 34.2 per cent in 2000 and 31.8 per cent in 2012. For women, the drop was from 33.2 per cent in 2000 to 26.8 per cent in 2012 and, for men, from 29.7 to 28.3 per cent.

For all population groups, the downward trend in the share of workers registered with the social security system started during the international crisis of 2008. Between 2008 and 2009, the percentage of registered workers dropped by 4.6 percentage points for young workers, while from 2000 to 2008 that reduction had been on average 0.3 percentage points annually. Among adults, the

share of workers registered with the social security system dropped by 1.7 percentage points in the wake of the international crisis, whereas up to that point there had been no change in this indicator. Similarly, the share of men and women registered with the social security system decreased during the international crisis by 2.1 and 2.0 percentage points respectively; from 2000 to 2008, the average annual changes had been 0.2 and -0.4 percentage points respectively.

*Labour earnings decreased from 2000 to 2012. The decrease in earnings holds true overall and for all population groups and employment categories. The percentage drop in income earnings was in general larger in high-earning categories than in low-earning categories. The pre-existing decrease in labour incomes continued during the international crisis of 2008 for all population groups and for most employment categories (Figure 9).*

Average monthly earnings, expressed in dollars at 2005 purchasing power parity (PPP), decreased by 22.4 per cent, dropping from US\$549.5 in 2000 to US\$426.3 in 2012 (Table 6). The declining pattern occurred despite the positive growth rates in most of the years analysed and was more accentuated in the second half of the period under study. The reduction in labour earnings was -0.4 per cent annually between 2000 and 2007 and -2.6 per cent a year from 2008 to 2012. Hourly wages followed a similar declining pattern over the period (Table 7). The reduction in hourly wages can be explained by the low level of minimum wages in El Salvador and their slow adjustment in comparison with the inflation rate. In 2008, the cost of a basic basket of food could not be covered by two minimum wages (Rubio and Valencia 2010). Our previous evidence of increasing share of low-earning occupations in total employment, increasing share of unregistered workers, and decreasing shares of high-earning occupations and sectors provides a possible explanation for the pattern of declining average labour incomes over the period. As the employment categories that typically obtain low levels of earnings gain share in total employment, average labour income decreases. However, as explained below, labour incomes fell for each employment category.

Labour earnings of all population groups and employment categories decreased between 2000 and 2012, with greater percentage losses in labour earnings for high-earning than for low-earning categories. From 2000 to 2012, labour earnings dropped by 25.2 per cent for men and 28.2 per cent for women. The drop was 22.6 per cent for young workers and 24.5 per cent for adults. The loss of labour income for workers in low-earning occupational groups was 19.7 per cent from 2000 to 2012. The figure for workers in high-earning occupations was 30.0 per cent. The average reduction in labour income was similar between low- and high-earning occupational positions (drop of 24.0 per cent). The reduction in labour income between 2000 and 2012 for low-earning economic sectors was 10.5 per cent, while for high-earning economic sectors the drop during the same period was 26.6 per cent. When broken down by educational level, changes in labour income were larger for workers with high educational levels. The reduction was 22.5 per cent for workers with low levels of education, 33.4 per cent for workers with medium levels of education, and 35.6 per cent for workers with high levels of education.

The evidence of larger labour earnings reductions for workers with high educational levels compared to those with medium and low educational levels can be interpreted in light of previous findings of slight improvement in the employment structure by occupational group and economic sector over the period. In El Salvador, the slight improvement in the employment structure by occupational group and economic sector implied an increase in the share of occupations and sectors that can be expected to employ workers with medium educational levels, such as services and sales, armed

forces occupations, commerce, and education and health sectors, and a reduction in the share of occupations and sectors that employ workers with low educational levels, such as craft and related trades jobs, agricultural, forestry and fishery occupations, and low-tech industry sectors. This evidence indicates that the demand for workers with medium educational levels relative to those with low and high educational levels increased between 2000 and 2012. On the other hand, the educational level of people in the labour force improved over the same period, indicating an increase in the relative supply of workers with high and medium levels of education (Table 8). The prediction of a supply and demand analysis is that the relative wages of workers with medium educational levels relative to those with low and high educational levels will rise or fall depending on which effect dominates (increase in the relative demand versus increase in the relative supply). In the Salvadoran labour market the relative wages of workers with high and medium educational levels relative to those with low educational levels fell over the period, and the relative wages of workers with high educational levels relative to those with medium educational levels also decreased (Table 7). The adjustment process also led to an increase in the unemployment rate of all educational groups that was larger among workers with high levels of education (Table 9).

For all population groups and most employment categories, the pre-existing downward trend in labour earnings continued in the wake of the international crisis of 2008. Labour incomes fell by only 0.6 per cent in 2009. The drop was larger in subsequent years: 4.5 and 4.0 per cent in 2010 and 2011 respectively. The labour incomes of the following employment categories increased in 2009 and then dropped in subsequent years: paid employees (increase of 1.4 per cent in 2009 and drop of 5.1 per cent in 2010); professionals (increase of 5.1 per cent in 2009 and drop of 13.4 per cent in 2010); technicians and associated professionals (increase of 5.8 per cent in 2009 and drop of 7.3 per cent in 2010); agricultural, forestry and fishery workers (increase of 3.9 per cent in 2009 and drop of 9.8 per cent in 2010); craft and trade workers (increase of 6.7 per cent in 2009 and drop of 0.5 per cent in 2010); plant and machine operators (increase of 4.0 per cent in 2009 and drop of 0.6 per cent in 2010); and elementary occupations (increase of 0.7 per cent in 2009 and drop of 0.8 per cent in 2010). The labour incomes of workers in the following economic sectors increased in 2009 and then dropped in subsequent years: workers in the primary sector (increase of 6.3 per cent in 2009 and drop of 5.5 per cent in 2010); workers in high-tech industries (increase of 11.6 per cent in 2009 and drop of 11.5 per cent in 2010); workers in commerce (increase of 0.1 per cent in 2009 and drop of 4.2 per cent in 2010); public administration workers (increase of 2.3 per cent in 2009 and drop of 4.4 per cent in 2010); and domestic workers (increase of 4.2 per cent in 2009 and drop of 0.5 per cent in 2010).

*The poverty rate fell, albeit erratically, over the period studied for all poverty lines used. The rate of working poor households also decreased. Poverty rates increased in 2008, perhaps as an early effect of the crisis (Figure 10).*

The poverty rate measured by the 4 dollars-a-day international line fell from 41.4 per cent in 2000 to 34.8 per cent in 2012; the poverty rate based on the 2.5 dollars-a-day line dropped from 23.8 per cent to 14.7 per cent over the same period. The percentage of working poor households (defined as the proportion of persons in the population living in poor households, defined according to the 4 dollars-a-day international line, where at least one member works) also decreased from 29.7 per cent in 2000 to 25.1 per cent in 2012. These indicators increased during the period of sluggish economic growth (between 2000 and 2003), dropped between 2003 and 2007, increased again in 2008 (perhaps

as an early effect of the crisis), and then began a downward trend that continued through 2010. In 2011, all poverty indicators increased once again only to fall in 2012.

The poverty patterns reported in the last paragraph can be interpreted by examining incomes from various sources. The analysis of sources of household total income indicates that labour and capital income fell between 2000 and 2012 (Figure 11). Income from pensions exhibited small changes over the period. Finally, remittances increased from 2000 to 2003 when a steady downward trend began. A closer examination of the evolution of remittances indicates that the number of households receiving money from abroad grew between 2000 and 2006, fell in the following years, especially during the international crisis of 2008, and stabilized starting in 2009. Income from remittances is important in the Salvadoran economy. They represented 16.6 per cent of GDP in 2004 and are assigned to consumption, education and health mainly (Cáceres and Saca 2006). Rivera Campos and Lardé de Palomo (2002) have estimated that remittances helped to reduce the poverty rate by 4.2 per cent in 2000. Finally, government transfers from anti-poverty programmes (not available in the EHPM's surveys) have had a reducing impact on poverty (IFPRI-FUSADES 2010; Martínez et al. 2014).

*Household per capita income and labour earnings inequality decreased between 2000 and 2012. While the international crisis of 2008 led to an increase in labour earnings inequality, the country recovered in the following years (Figure 12).*

Between 2000 and 2012, the Gini coefficient of household per capita income fell from 0.513 to 0.418. The Gini coefficient of labour earnings among employed workers declined from 0.504 in 2000 to 0.470 in 2012. The reduction in labour earnings inequality is in keeping with the fact that earnings suffered a larger reduction for high-earning categories compared to low-earning employment categories. However, it is interesting to notice that earnings declined for all the categories. Consequently, the reduction in labour earning inequality occurred at the expense of income losses. A year-by-year analysis shows that the inequality of household per capita income had an almost steady declining trend over the period with the exception of 2008, when it rose perhaps as an early effect of the crisis, and after which the downward trend resumed. The Gini coefficient of labour earnings exhibited a similar trend, with an increase in 2009. After the international crisis, a declining trend began that was interrupted in 2012.

Changes in household per capita income inequality in El Salvador have been related mainly to changes in labour income. Azevedo et al. (2013b) decomposed the change in the Gini coefficient of household per capita income for the period 2000–10 and found that changes in labour incomes contributed the most to the inequality reduction over this period (the Gini coefficient of household per capita income decreased from 0.513 to 0.445 between 2000 and 2010). Changes in non-labour incomes, such as government transfers, and demographical changes, like the share of adults per household, were also inequality reducing. Other studies have analysed the factors behind the evolution of labour income inequality. Azevedo et al. (2013a) used a decomposition approach and found that changes in the education wage premium (or the 'price effect') were inequality reducing, while changes in the distribution of the stock of education (the 'quantity effect') were inequality increasing in El Salvador between 2000 and 2009. Gasparini et al. (2011) found large fluctuations in the gap between the wages of skilled workers (those with complete or incomplete college education) and unskilled workers (those who have completed secondary education or less) in El Salvador

between 2000 and 2007, with a similar level at the end of the period compared to the beginning. The authors claim that this pattern is consistent with a volatile but roughly constant relative demand for skilled labour over the period.

#### **4 Conclusions**

By Latin American standards, El Salvador experienced slow economic growth during the 2000s. The country suffered a recession as a consequence of the international crisis of 2008. The pre-recession output level was reached in 2011.

The evidence on changes in labour market indicators between 2000 and 2012 is mixed. Some improved, while others deteriorated. The unemployment rate fell from 2000 to 2012. The composition of the working population by occupational group improved slightly over the period, with an overall shift from low-earning occupations such as agricultural, forestry and fishery, and craft and trade jobs to mid-earning occupations such as service and sales jobs. The employment composition by economic sector also improved slightly between 2000 and 2012 as workers moved from low-earning sectors such as low-tech industries to mid-earning sectors like education and health, and commerce. The educational level of the employed population improved over the period. On the other hand, other labour market indicators deteriorated. The employment structure by occupational position worsened between 2000 and 2012 as the proportion of workers in high-earning categories (paid employees and employers) fell and the proportion of workers in low-earning categories (self-employed and unpaid workers) rose. The share of workers registered with the social security system dropped from 2000 to 2012. Finally, labour earnings decreased from 2000 to 2012. Poverty indicators fell over the period studied and household and labour income inequality also decreased.

The international crisis of 2008 had an adverse effect on most labour market indicators. The unemployment rate increased during the crisis and returned to pre-crisis levels in 2012. The employment structure by occupational position worsened during and after the crisis and pre-crisis levels had not been reached by the end of the period studied. The composition of employment by economic sector deteriorated during the international crisis, though the pre-crisis level had been reached in 2010. The bulk of the reduction in the percentage of workers registered with the social security system took place during and after the international crisis of 2008. Labour incomes continued the pre-existing downward trend during the Great Recession. Finally, while poverty and inequality indicators increased during the crisis, the subsequent downward trend set in almost immediately.

Young workers had worse labour market outcomes over the period compared to adults and were more vulnerable to the international crisis. Men experienced worse labour market outcomes



compared to women, and suffered more from the negative impacts of the international crisis. The unemployment rate was higher for young compared to adult workers, the shares of young employed workers in low-earning occupations and economic sectors were larger than the shares of adult workers, the percentage of young workers registered with the social security system was lower when compared to adults, and labour earnings of young workers were below those of adults. In addition to the generally inferior situation of young workers in the labour market compared to adults, youth labour market indicators were more adversely affected by the episodes of crises. The youth unemployment rate increased by more than the adult unemployment rate, the shares of workers in low-earning occupations and positions increased for young workers, while they decreased for adults, and the share of registered workers decreased more for young workers than for adults. Disaggregating by gender, we found that women had better labour market outcomes than men, with the only exceptions being the share of workers in low-earning positions that was larger among women and labour earnings that were higher for men. Moreover, men were hit hardest by the international crisis, as the unemployment rate and the shares of workers in low-earning occupations and positions increased more among men.

In summary, slow economic growth during the 2000s resulted in mixed changes in labour market conditions for Salvadoran workers.

## References

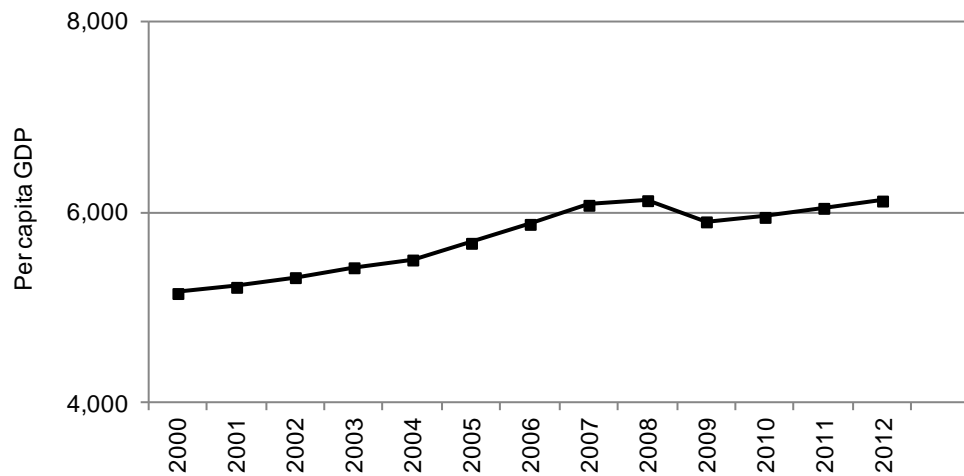
- Azevedo, J.P., M.E. Dávalos, C. Díaz-Bonilla, B. Atuesta, and R.A. Castañeda (2013a). ‘Fifteen Years of Inequality in Latin America. How Have Labor Markets Helped?’. Policy Research Working Paper 6384. Washington, DC: The World Bank.
- Azevedo, J.P., G. Inchauste, and V. Sanfelice (2013b). ‘Decomposing the Recent Inequality Decline in Latin America’. Policy Research Working Paper 6715. Washington, DC: The World Bank.
- Cáceres, L.R., and N.N. Saca (2006). ‘What Do Remittances Do? Analyzing the Private Remittance Transmission Mechanism in El Salvador’. Working paper 06/250. Washington, DC: International Monetary Fund.
- Castillo Ponce, R.A., and L. Rodríguez Espinosa (2009). ‘La Dolarización de El Salvador: ¿una Contribución Negativa al Crecimiento Económico?’. *Comercio Exterior*, 59(11): 898–909. Mexico, DF: Banco Nacional de Comercio Exterior.
- CEDLAS and the World Bank (2014). SEDLAC-Socio Economic Database for Latin American and the Caribbean. Available at: <http://sedlac.econo.unlp.edu.ar/eng/index.php>. Centro de Estudios Distributivos, Laborales y Sociales, Facultad de Ciencias Económicas, Universidad Nacional de La Plata, and World Bank Poverty Group LCR. Date of access: 2014.
- Fields, G. (2012). ‘Challenges and Policy Lessons for the Growth-Employment-Poverty Nexus in Developing Countries’. *IZA Journal of Labor Policy*, 1(6): 1–24.
- Fields, G.S., and W.S. Bagg (2003). ‘Long-Term Economic Mobility and the Private Sector in Developing Countries: New Evidence’. In G.S. Fields and G. Pfeffermann (eds), *Pathways out of Poverty: Private Firms and Economic Mobility in Developing Countries*. Norwell, MA: Kluwer Academic Publishers.

- Fields, G.S., and D. Raju (2007). 'Assessing Current and Changing Labor Market Conditions in Brazil'. Report prepared for the World Bank.
- Gasparini, L., and G. Cruces (2010). 'A Distribution in Motion: The Case of Argentina'. In L.F. López Calva and N. Lustig (eds), *Declining Inequality in Latin America: A Decade of Progress?*. Washington, DC: Brookings Institution Press.
- Gasparini, L., S. Galiani, G. Cruces, and P. Acosta (2011). 'Educational Upgrading and Returns to Skills in Latin America: Evidence from a Supply-Demand Framework, 1990–2010'. IZA Working Paper 6244. Bonn: Institute for the Study of Labor.
- Gutierrez, C., P. Paci, and M. Ranzani (2008). *Making Work Pay in Nicaragua*. Washington, DC: The World Bank.
- Ham, C. (2013). 'Did Workers in Colombia Benefit from Economic Growth in the 2000s?'. Unpublished. Masters thesis, Cornell University.
- IFPRI-FUSADES (2010). 'Evaluación Externa del Programa Red Solidaria, Informe de Sostenibilidad del Programa. Preparado para FISDL'. San Salvador: Fundación Salvadoreña para el Desarrollo Económico y Social.
- IMF (2005). 'El Salvador: 2005 Article IV Consultation'. IMF Country Report 05/271. Washington, DC: International Monetary Fund.
- IMF (2010). 'El Salvador: 2010 Article IV Consultation and First Review under the Stand-By Arrangement'. IMF Country Report 10/307. Washington, DC: International Monetary Fund.
- IMF (2015). 'El Salvador: 2014 Article IV Consultation'. IMF Country Report 15/13. Washington, DC: International Monetary Fund.
- Inchauste, G. (2012). 'Jobs and Transitions out of Poverty: A Literature Review'. Background paper for the World Development Report 2013.
- Martínez, S., M. Pérez, and L. Tejerina (2014). 'Impacto de la Pensión Básica Universal Programa Nuestros Mayores Derechos en El Salvador'. Unpublished manuscript.
- Martínez Franzoni, J. (2013). 'Social Protection Systems in Latin America and the Caribbean: El Salvador'. ECLAC, Project Documents collection. Santiago de Chile: United Nations.
- Ministerio de Hacienda (2011). 'Efectos de la Crisis y Medidas Implementadas para Enfrentarla'. Boletín Presupuestario 1. San Salvador: Ministerio de Hacienda.
- Monje-Naranjo, A., and A. Rodríguez-Clare (2009). 'Crecimiento Económico en El Salvador'. Pennsylvania: Pennsylvania State University.
- Osorio, J.A. (2009). 'Impacto de la Crisis Económica Internacional y Respuestas de Política en El Salvador'. Documento de Trabajo 2009–02. San Salvador: Banco Central de Reserva de El Salvador.
- Rangel, E. (2009). 'Have the Poor in Mexico Benefited from Economic Growth in Mexico from 2000 to 2006?'. Unpublished. Masters thesis, Cornell University.

- Rivera Campos, R., and A. Lardé de Palomo (2002). 'Invirtamos en Educación para Desafiar el Crecimiento Económico y la Pobreza'. San Salvador: Fundación Salvadoreña para el Desarrollo Económico y Social.
- Rubio, S., and A. Valencia (2010). 'Regulación y Políticas Activas del Mercado de Trabajo y Esquemas de Protección a Trabajadores y Desempleados en El Salvador'. In J. Weller (ed.), *Mercado Lboral y Diálogo Social en El Salvador*. United Nations Publications. Santiago de Chile: United Nations.
- World Bank (2011). *On the Edge of Uncertainty. Poverty Reduction in Latin America and the Caribbean during the Great Recession and Beyond*. Washington, DC: The World Bank.
- World Bank (2013). 'Jobs'. World Development Report 2013. Washington, DC: The World Bank.
- World Bank (2014). World Development Indicators. Available at: <http://data.worldbank.org/data-catalog/world-development-indicators>. Date of access: April 2014.

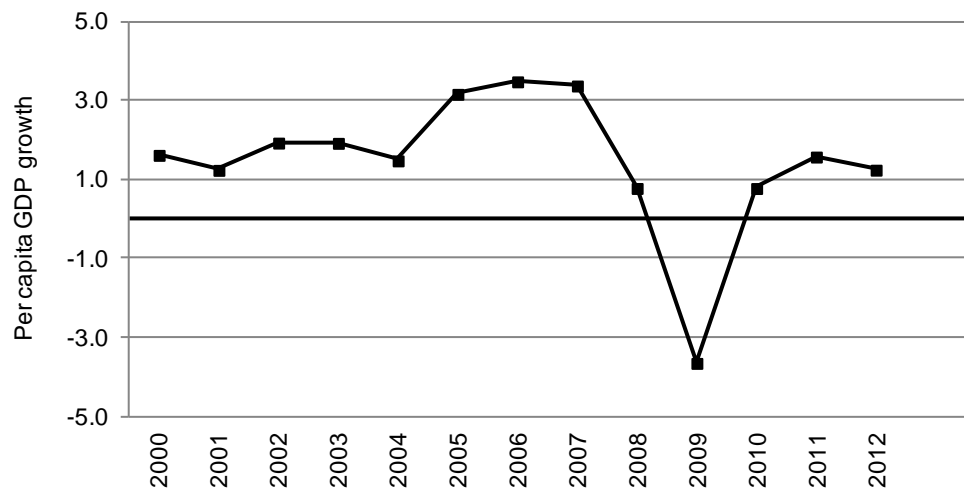
## Figures

Figure 1: Per capita GDP at PPP dollars of 2005, 2000–12



Source: World Development Indicators (the World Bank 2014).

Figure 2: Annual growth of GDP per capita at PPP dollars of 2005, 2000–12



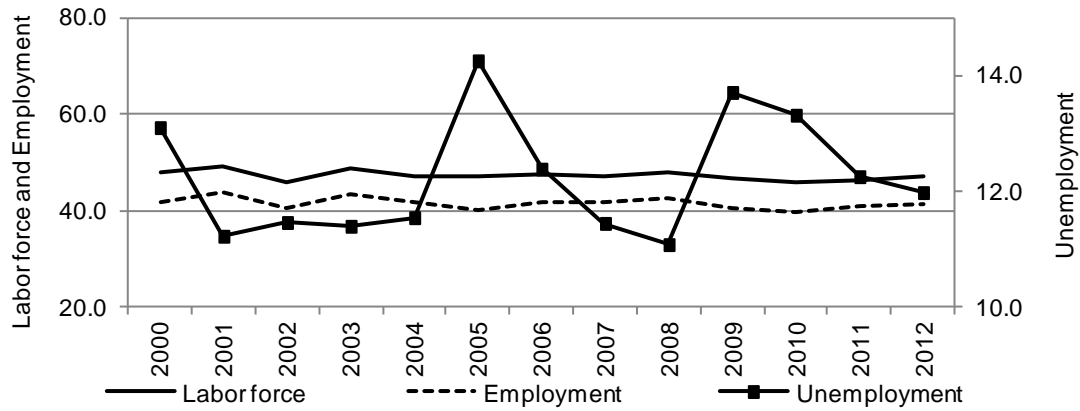
Source: World Development Indicators (the World Bank 2014).

Figure 3: Labour force rate, employment-to-population rate and unemployment rate: population 15 years old or more, 2000–12

(a) All



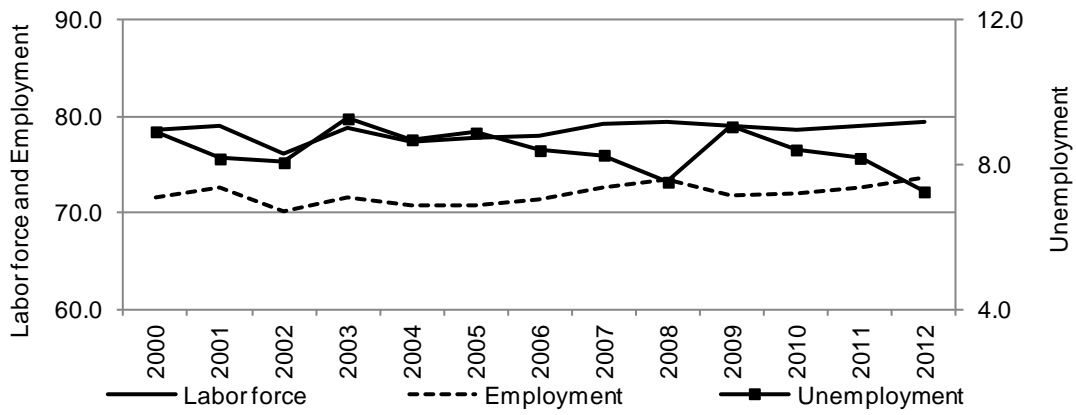
(b) Youth (15 to 24 years old)



(c) Adults (25 to 64 years old)



(d) Men

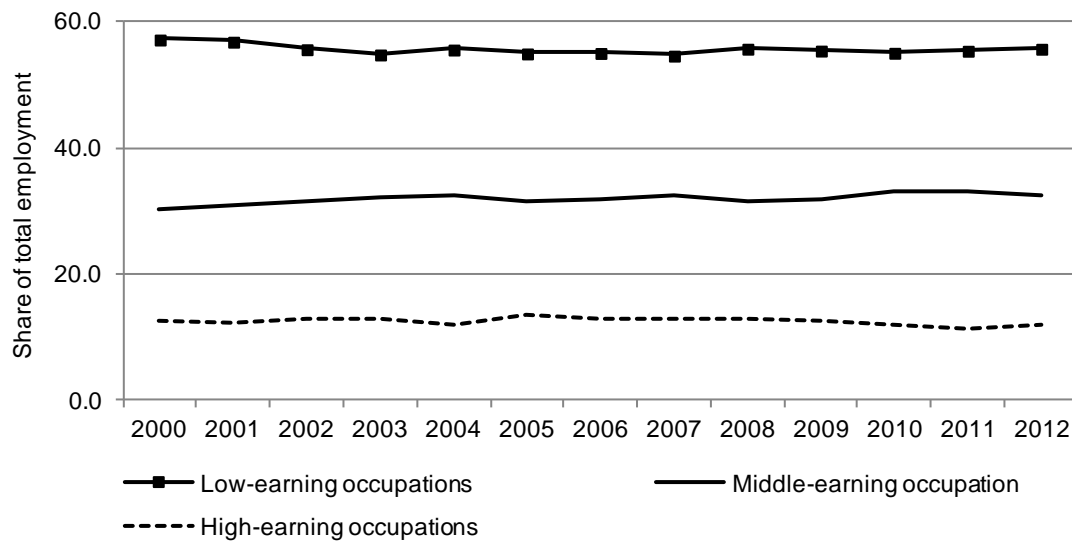


(e) Women



Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

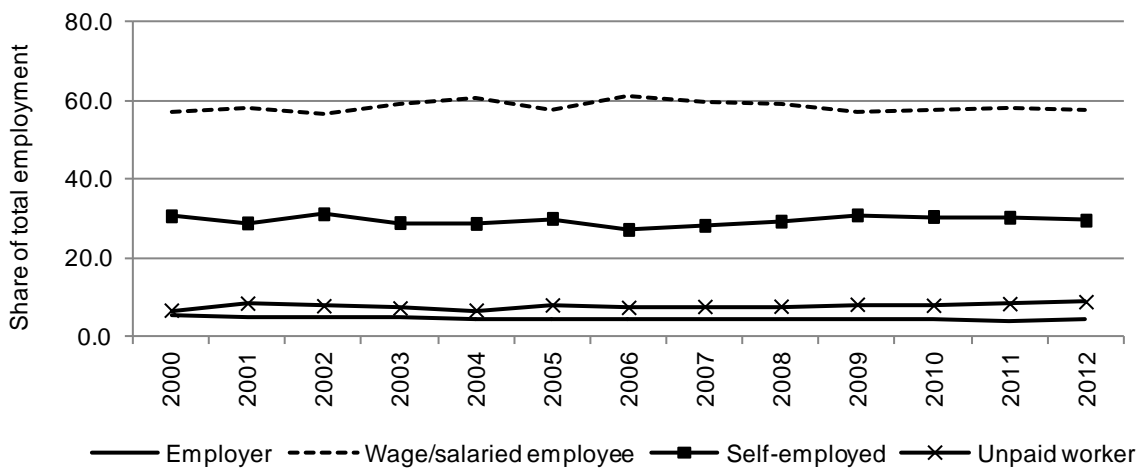
Figure 4: Share of employment by occupational group (categories grouped by earning levels): all employed workers, 15 years old or more, 2000–12



Note: Low-earning occupations: agricultural, forestry and fishery occupations, elementary, craft and trades jobs. Medium-earning occupations: services and sales jobs, plant and machine operators and assemblers, clerical, armed forces. High-earning occupations: management, professionals, technicians and associate professionals.

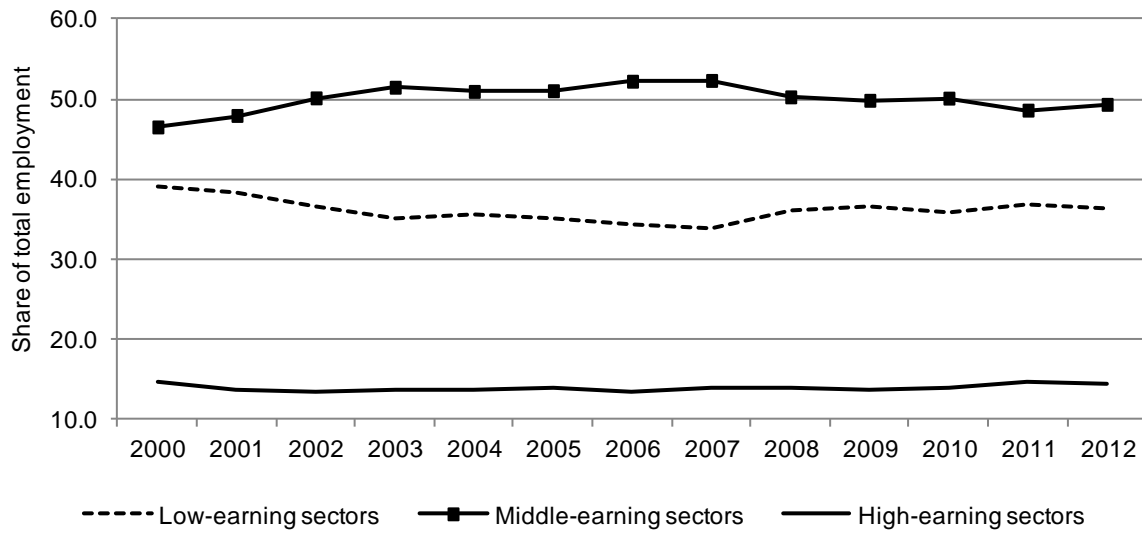
Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Figure 5: Share of employment by occupational position: all employed workers, 15 years old or more, 2000–12



Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Figure 6: Share of employment by economic sector (categories grouped by earning levels): all employed workers, 15 years old or more, 2000–12



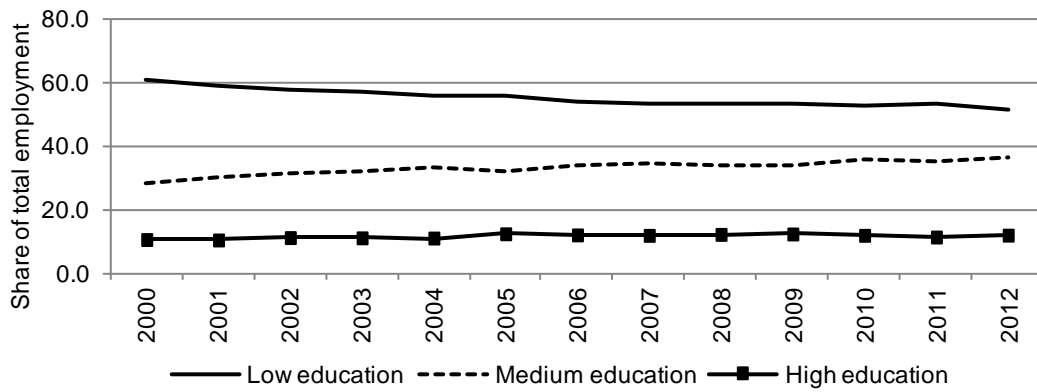
Note: Low-earning sectors: primary activities, domestic workers, low-tech industry. Middle-earning sectors: construction, commerce, high-tech industry, education and health. High-earning sectors: skilled services, public administration, utilities and transportation.

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014)..

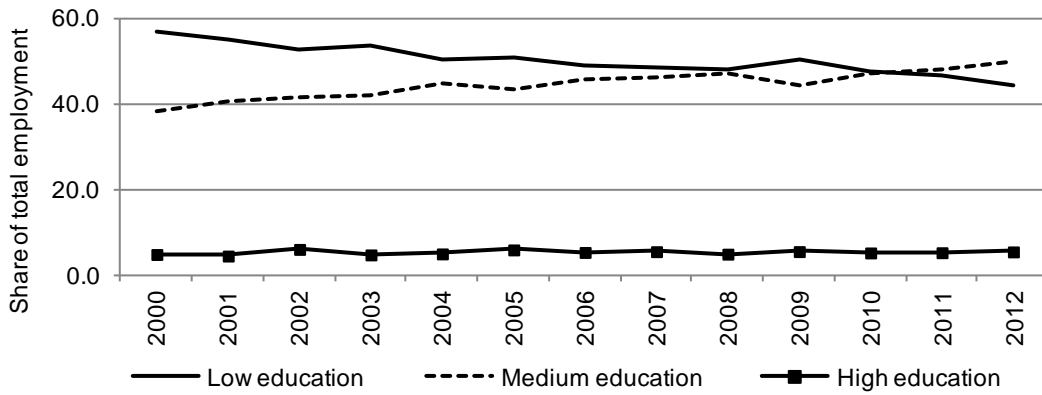


Figure 7: Share of employment by educational level: employed workers, 15 years old or more, 2000–12

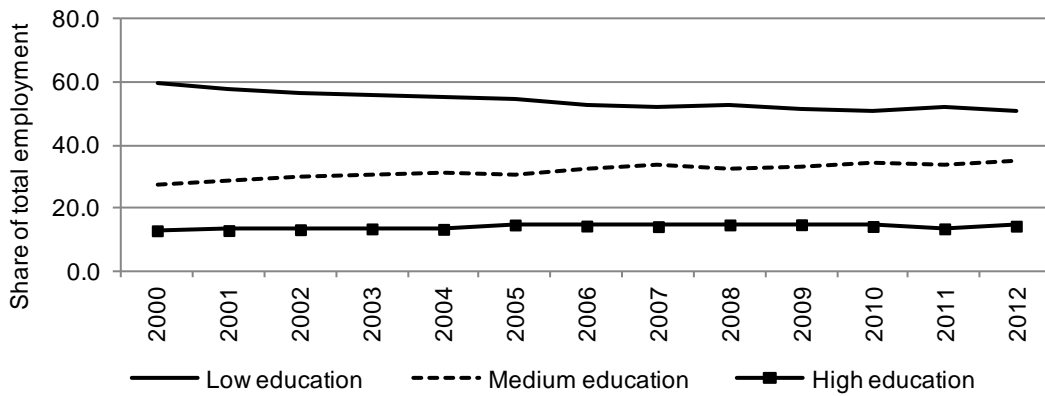
(a) All employed workers



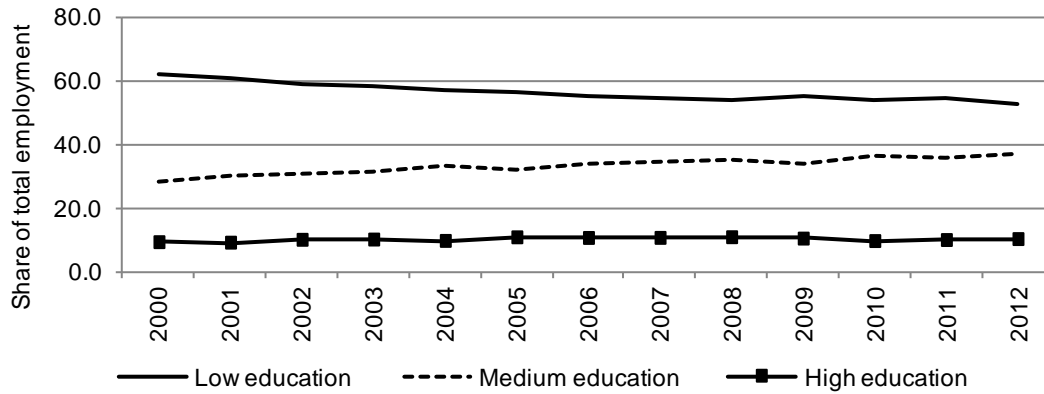
(b) Youth (15 to 24 years old)



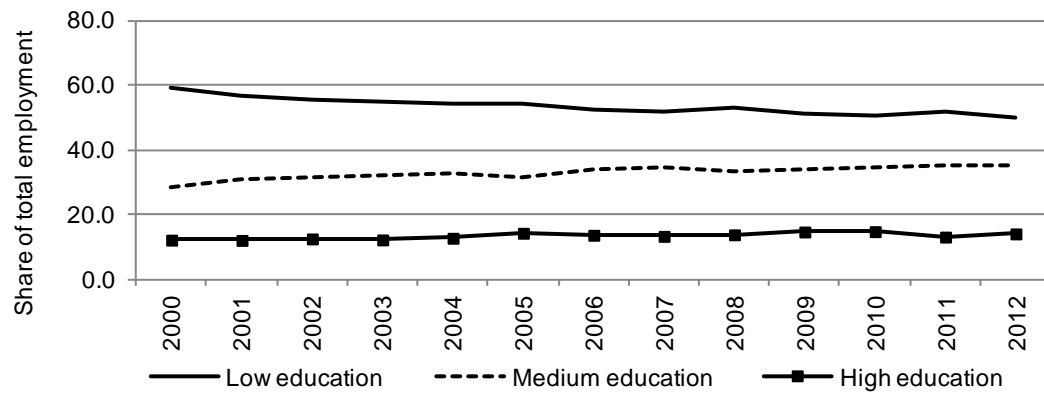
(c) Adults (25 to 64 years old)



(d) Men



(e) Women

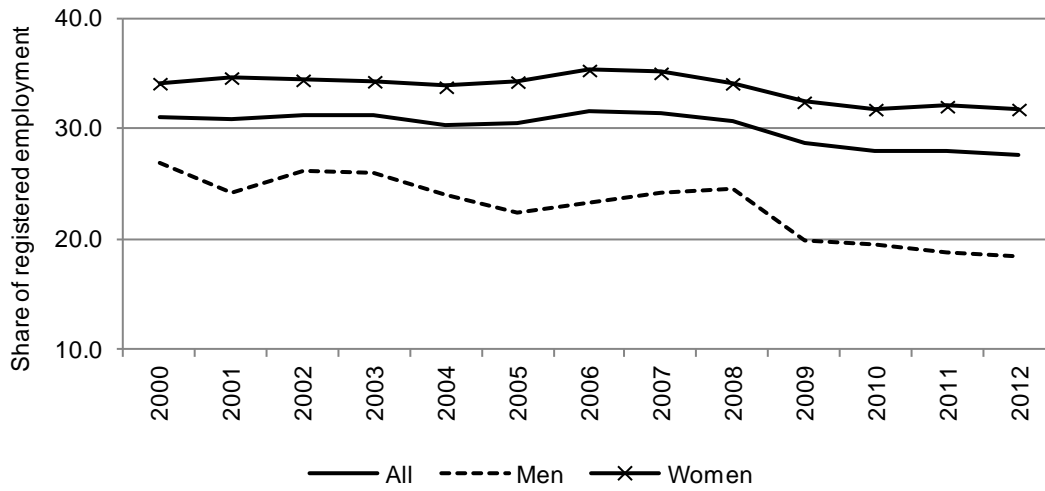


Note: Low: eight years of schooling or less. Medium: from nine to thirteen years of schooling. High: Over thirteen years of schooling.

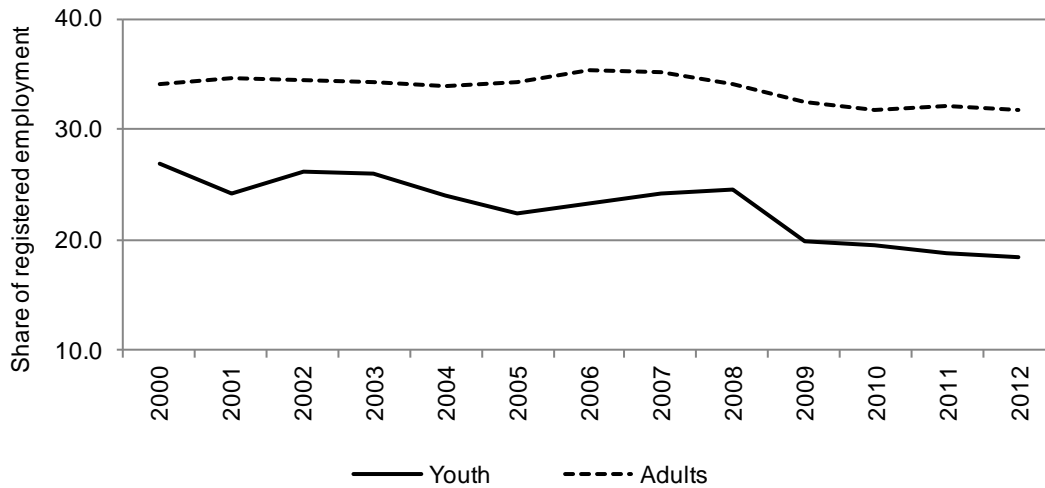
Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Figure 8: Share of employment registered with the national social security system: employed workers, 15 years old or more, 2000–12

(a) Overall and by gender



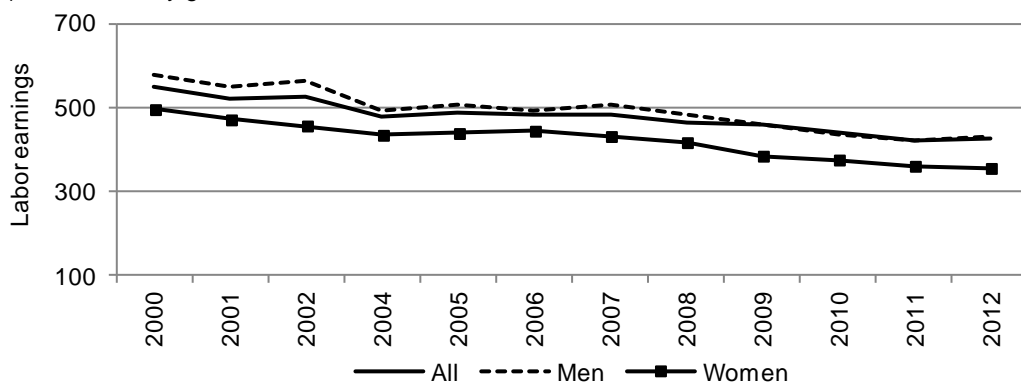
(b) By age group



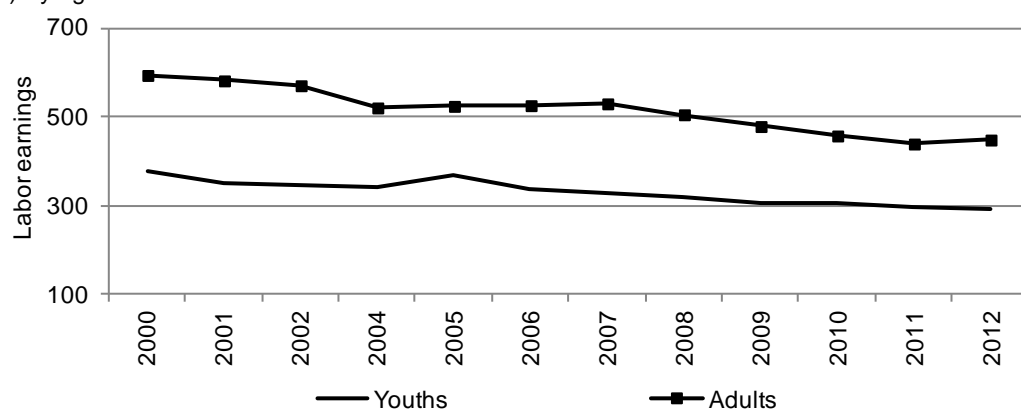
Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Figure 9: Monthly labour earnings at PPP dollars of 2005, 2000–02 and 2004–12

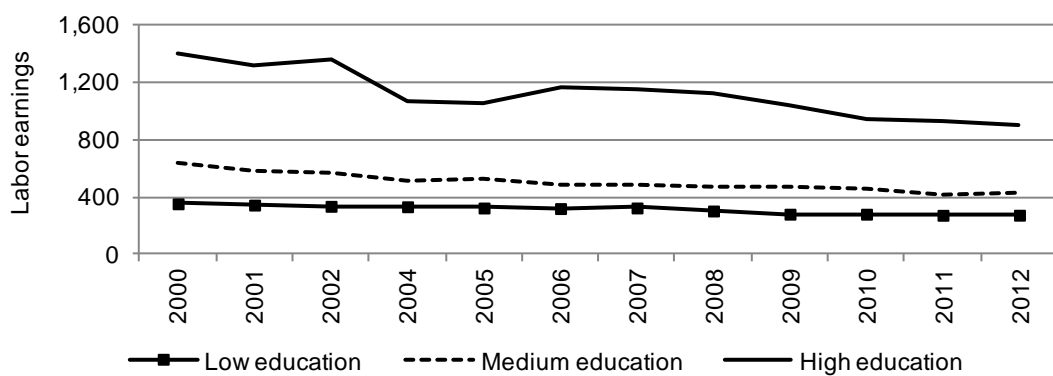
(a) Overall and by gender



(b) By age



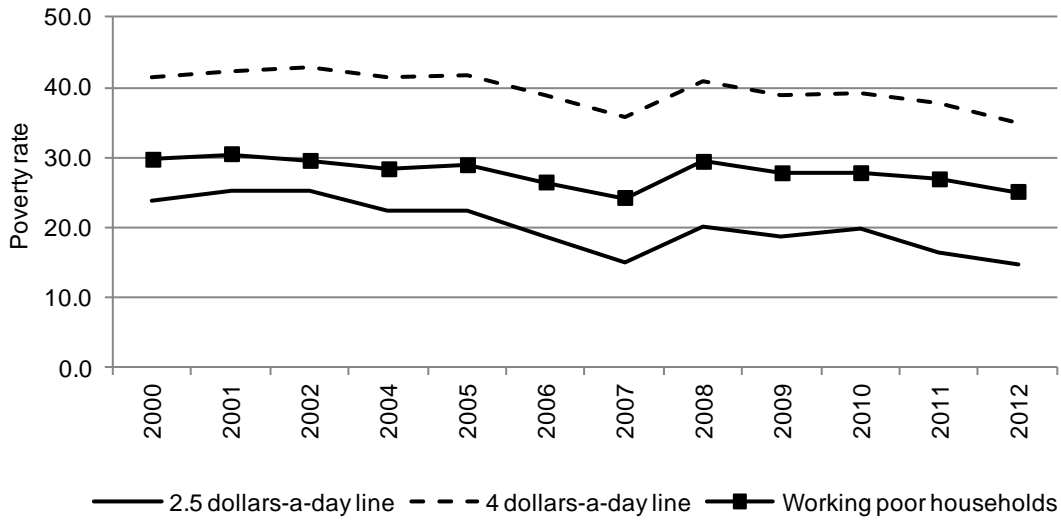
(c) By educational level



Note: Data on labour earnings not available for 2003.

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

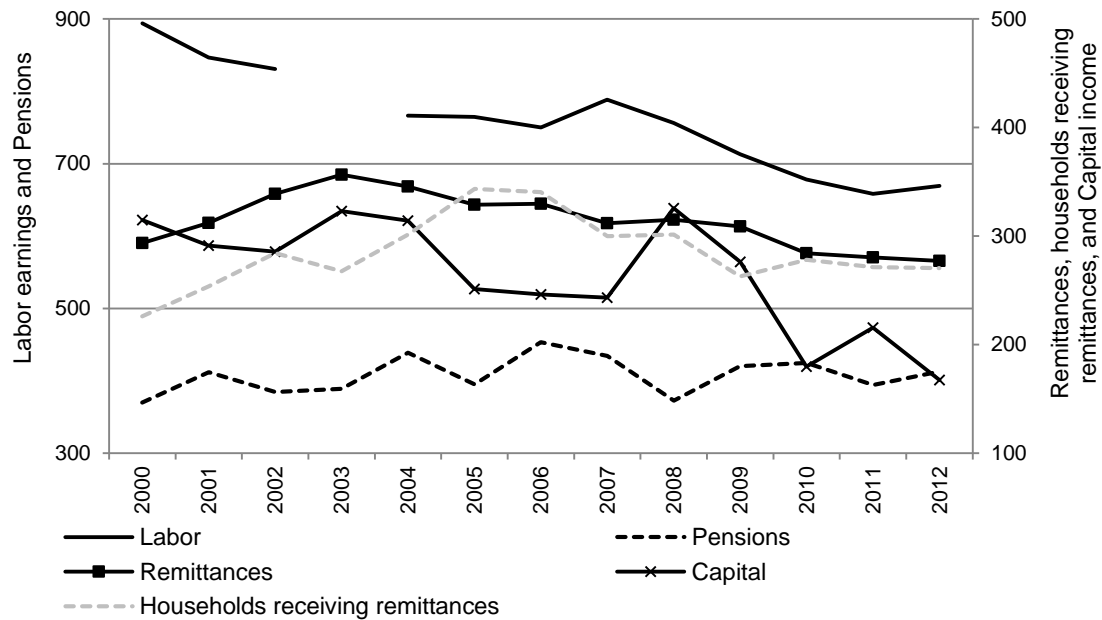
Figure 10: Poverty rates and working poor households, 2000–02 and 2004–12



Note: Data on household per capita income not available for 2003.

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

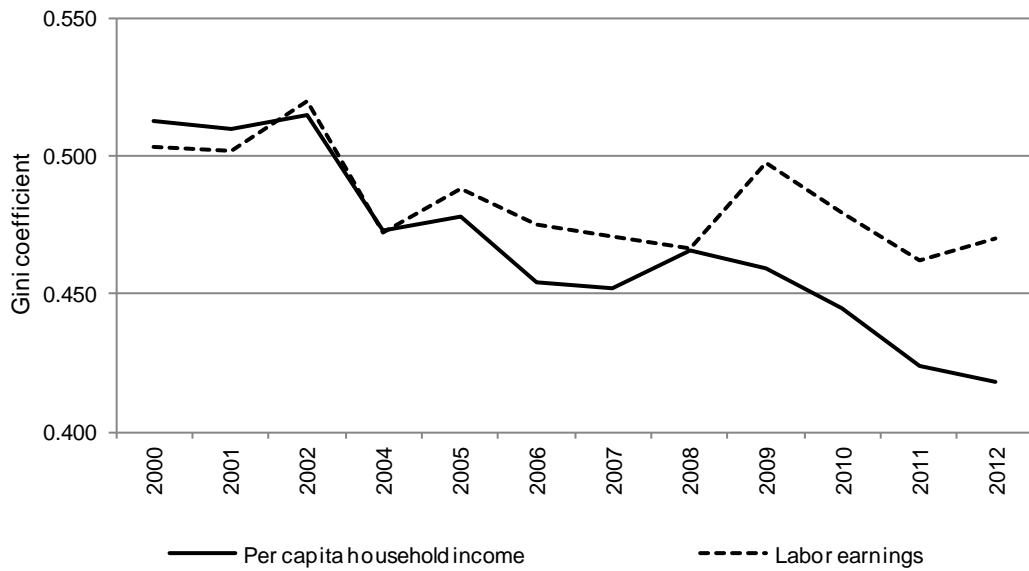
Figure 11: Sources of monthly household total income at PPP dollars of 2005, 2000–12



Note: Households receiving remittances in thousands.

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Figure 12: Gini coefficient of household per capita income and labour earnings, 2000–02 and 2004–12



Note: Gini coefficients of household per capita income and labour earnings are calculated among persons with positive household per capita income and positive labour earnings respectively. Data on household per capita income and labour earnings not available for 2003.

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

## Tables

Table 1: Household surveys' description

	Number of households	Number of persons
2000	16,046	71,665
2001	11,953	53,002
2002	16,479	72,119
2003	16,808	71,683
2004	16,490	70,558
2005	16,546	70,066
2006	16,350	68,312
2007	16,764	69,138
2008	16,674	68,457
2009	20,361	83,194
2010	21,166	85,159
2011	21,413	85,291
2012	21,710	85,636

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Table 2: Macroeconomic variables, 2000–12

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
GDP <sup>1,2</sup>	30,717	31,242	31,974	32,709	33,314	34,501	35,851	37,227	37,702	36,521	37,019	37,840	38,570
GDP per capita <sup>1</sup>	5,155	5,220	5,322	5,425	5,506	5,682	5,880	6,080	6,129	5,906	5,953	6,048	6,125
GDP per person employed	14,840	15,091	15,297	15,215	15,632	15,913	16,040	16,262	16,016	15,425	15,245	15,295	15,300
GDP growth	2.15	1.71	2.34	2.30	1.85	3.56	3.91	3.84	1.27	-3.13	1.36	2.22	1.93
GDP per capita growth	1.64	1.26	1.95	1.94	1.50	3.18	3.50	3.39	0.80	-3.63	0.80	1.60	1.26
Exports of goods and services <sup>1,2</sup>	3,787	3,779	4,006	4,193	4,344	4,383	4,641	4,969	5,311	4,463	4,981	5,443	5,594
Agriculture, value added (% of GDP)	10.48	10.12	9.14	8.96	9.54	10.61	10.73	11.87	12.54	12.37	12.56	12.51	11.83
Industry, value added (% of GDP)	31.41	31.95	32.17	31.81	30.41	29.67	29.12	28.25	27.74	27.02	26.74	26.88	27.17
Services, value added (% of GDP)	58.11	57.93	58.69	59.23	60.04	59.71	60.16	59.89	59.72	60.61	60.70	60.61	60.99
Agriculture, value added <sup>1,2</sup>	1,574	1,533	1,539	1,552	1,596	1,677	1,772	1,922	1,980	1,923	1,983	1,934	1,983
Industry, value added <sup>1,2</sup>	4,156	4,359	4,522	4,639	4,591	4,689	4,830	4,879	4,950	4,789	4,833	5,008	5,099
Services, etc., value added <sup>1,2</sup>	8,320	8,404	8,571	8,783	9,072	9,436	9,816	10,238	10,316	9,992	10,108	10,376	10,568
Total population <sup>2</sup>	5.96	5.99	6.01	6.03	6.05	6.07	6.10	6.12	6.15	6.18	6.22	6.26	6.30
Working age population (15-64) <sup>2</sup>	3.35	3.38	3.41	3.45	3.49	3.53	3.58	3.63	3.68	3.74	3.80	3.86	3.92

1: Purchasing power parity dollars of 2005.

2: In millions.

Source: World Development Indicators (the World Bank 2014).



Table 3: Share of employment by occupational group: all employed workers, 15 years old or more, 2000–12

(a) All employed workers

	Management	Professionals	Technicians & associate professionals	Clerical	Service & sales workers	Agricultural, forestry & fishery workers	Craft & related trades workers	Plant & machine operators, and assemblers	Elementary	Armed forces
2000	1.48	3.74	7.37	5.19	15.73	9.92	15.49	8.88	31.91	0.29
2001	1.32	3.12	7.75	5.77	16.67	9.16	15.65	8.15	32.16	0.24
2002	1.07	3.14	8.55	5.32	17.71	9.07	15.90	8.22	30.80	0.20
2003	1.34	3.12	8.38	5.01	18.27	7.66	16.11	8.70	31.17	0.24
2004	1.12	2.89	7.97	5.24	17.97	7.14	16.31	8.83	32.29	0.25
2005	1.63	2.94	8.83	4.80	18.91	8.17	16.04	7.58	30.90	0.21
2006	1.70	3.27	7.89	4.82	18.96	6.70	15.78	7.96	32.71	0.22
2007	1.60	3.44	7.87	5.43	18.99	7.36	17.06	7.65	30.33	0.25
2008	1.67	4.07	6.99	4.67	18.12	8.21	15.36	8.29	32.29	0.32
2009	1.47	4.00	7.16	4.54	19.80	8.99	13.07	7.15	33.50	0.32
2010	1.03	4.07	6.74	4.66	20.78	8.66	13.32	7.22	33.23	0.29
2011	1.16	3.99	6.18	4.71	20.40	9.60	13.18	7.68	32.76	0.35
2012	1.31	3.81	6.65	4.49	20.61	9.50	13.62	6.93	32.74	0.34

(b) Youth (15 to 24 years old)

	Management	Professionals	Technicians & associate professionals	Clerical	Service & sales workers	Agricultural, forestry & fishery workers	Craft & related trades workers	Plant & machine operators, and assemblers	Elementary	Armed forces
2000	0.13	0.81	5.30	6.01	15.41	4.20	14.82	10.10	42.57	0.65
2001	0.05	0.45	4.75	6.56	17.04	3.41	15.58	8.58	43.13	0.44
2002	0.04	0.69	6.45	5.90	17.41	3.71	15.06	8.72	41.76	0.27
2003	0.10	0.56	5.12	5.19	18.99	3.85	14.92	9.48	41.38	0.39
2004	0.23	0.47	5.40	5.97	19.79	2.98	14.84	8.59	41.40	0.34
2005	0.17	0.78	5.57	5.73	20.64	3.78	14.88	5.80	42.51	0.14
2006	0.27	0.27	4.56	5.66	20.32	2.73	13.96	7.77	44.04	0.44
2007	0.23	0.58	5.96	5.87	19.72	3.29	16.36	7.16	40.19	0.63
2008	0.26	0.71	5.31	6.08	19.03	3.80	14.06	7.05	42.98	0.71
2009	0.09	0.41	4.70	5.07	20.04	4.30	10.91	5.69	47.98	0.82
2010	0.07	0.95	4.29	5.22	20.19	4.65	11.60	5.78	46.53	0.73
2011	0.05	0.49	4.17	5.59	19.82	6.92	11.58	6.33	44.46	0.58
2012	0.26	0.60	4.05	4.33	21.56	6.53	12.13	5.17	44.81	0.55

## (c) Adults (25 to 64 years old)

	Management	Professionals	Technicians & associate professionals	Clerical	Service & sales workers	Agricultural, forestry & fishery workers	Craft & related trades workers	Plant & machine operators, and assemblers	Elementary	Armed forces
2000	1.80	4.94	8.45	5.29	15.51	10.15	15.80	9.02	28.84	0.20
2001	1.69	4.26	9.28	5.91	16.01	9.48	15.80	8.53	28.85	0.20
2002	1.42	4.07	9.68	5.49	17.28	9.15	16.33	8.52	27.85	0.20
2003	1.76	4.05	9.81	5.18	17.78	7.67	16.56	8.84	28.14	0.21
2004	1.41	3.78	9.20	5.35	17.36	7.21	16.94	9.31	29.22	0.24
2005	2.08	3.69	10.21	4.84	18.07	8.16	16.49	8.46	27.74	0.25
2006	2.17	4.35	9.21	4.87	18.30	6.82	16.36	8.27	29.49	0.17
2007	2.06	4.48	8.74	5.63	18.40	7.17	17.48	8.17	27.71	0.17
2008	2.13	5.23	7.83	4.59	17.96	7.77	15.89	9.03	29.34	0.23
2009	1.88	5.24	8.19	4.71	19.69	8.71	13.64	7.91	29.84	0.20
2010	1.33	5.15	7.79	4.84	20.72	8.27	13.94	7.98	29.78	0.19
2011	1.51	5.09	7.09	4.76	20.43	8.80	13.68	8.41	29.92	0.30
2012	1.64	4.89	7.79	4.78	20.22	8.77	14.29	7.73	29.57	0.31

## (d) Men

	Management	Professionals	Technicians & associate professionals	Clerical	Service & sales workers	Agricultural, forestry & fishery workers	Craft & related trades workers	Plant & machine operators, and assemblers	Elementary	Armed forces
2000	1.86	3.40	7.15	3.20	8.33	16.01	16.43	9.80	33.33	0.50
2001	1.67	3.05	7.25	3.90	9.19	14.68	16.32	9.11	34.43	0.41
2002	1.38	2.94	8.02	3.20	9.51	15.20	16.63	9.07	33.70	0.35
2003	1.57	3.32	7.89	3.44	9.82	12.46	17.97	9.41	33.70	0.42
2004	1.27	2.94	7.23	3.72	10.00	11.40	16.98	10.28	35.76	0.42
2005	2.04	2.72	7.62	3.29	10.91	13.32	16.88	8.83	34.02	0.36
2006	2.12	3.02	7.18	3.21	10.34	11.11	17.43	9.68	35.51	0.38
2007	2.10	3.43	7.18	3.65	10.91	12.03	17.84	9.24	33.16	0.44
2008	1.78	3.89	6.48	3.56	9.81	13.13	16.10	10.04	34.67	0.54
2009	1.59	3.47	6.27	3.48	9.52	14.51	15.08	8.99	36.54	0.55
2010	1.26	3.52	5.90	3.32	10.33	13.71	15.97	8.89	36.61	0.49
2011	1.28	3.58	5.57	3.52	10.18	14.82	15.82	9.40	35.24	0.59
2012	1.41	3.62	5.66	3.39	10.62	15.12	16.13	8.42	35.04	0.58

(e) Women

	Management	Professionals	Technicians & associate professionals	Clerical	Service & sales workers	Agricultural, forestry & fishery workers	Craft & related trades workers	Plant & machine operators, and assemblers	Elementary	Armed forces
2000	0.94	4.22	7.69	8.04	26.32	1.21	14.14	7.57	29.88	0.00
2001	0.82	3.22	8.47	8.48	27.49	1.18	14.68	6.76	28.89	0.00
2002	0.65	3.43	9.28	8.22	28.89	0.71	14.92	7.06	26.85	0.00
2003	1.02	2.85	9.04	7.16	29.87	1.08	13.56	7.72	27.69	0.00
2004	0.89	2.82	9.04	7.41	29.38	1.03	15.34	6.76	27.32	0.00
2005	1.06	3.24	10.49	6.87	29.89	1.11	14.88	5.85	26.61	0.02
2006	1.14	3.59	8.83	6.94	30.35	0.87	13.60	5.69	29.00	0.00
2007	0.93	3.46	8.79	7.83	29.87	1.08	16.01	5.50	26.53	0.00
2008	1.51	4.32	7.70	6.21	29.61	1.42	14.34	5.88	28.99	0.01
2009	1.32	4.72	8.37	5.99	33.83	1.46	10.34	4.63	29.35	0.00
2010	0.71	4.83	7.89	6.50	35.20	1.70	9.68	4.93	28.55	0.01
2011	1.01	4.56	7.05	6.37	34.82	2.24	9.44	5.24	29.26	0.01
2012	1.17	4.09	8.04	6.02	34.66	1.59	10.09	4.84	29.49	0.01

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Table 4: Share of employment by occupational position: all employed workers, 15 years old or more, 2000–12

(a) All employed workers

	Employer	Wage/salaried employee	Self-employed	Unpaid worker
2000	5.54	57.35	30.58	6.54
2001	4.76	58.15	28.78	8.32
2002	4.75	56.49	31.10	7.66
2003	4.78	59.26	28.86	7.10
2004	4.38	60.42	28.65	6.55
2005	4.53	57.67	29.93	7.87
2006	4.46	61.17	27.12	7.25
2007	4.49	59.88	28.15	7.48
2008	4.33	58.90	29.22	7.54
2009	4.27	56.88	30.82	8.04
2010	4.06	57.75	30.42	7.78
2011	3.70	57.88	30.22	8.20
2012	4.17	57.65	29.48	8.70

(b) Youth (15 to 24 years old)

	Employer	Wage/salaried employee	Self-employed	Unpaid worker
2000	1.16	71.32	10.60	16.92
2001	0.56	67.53	9.05	22.86
2002	0.62	67.18	11.81	20.39
2003	0.94	69.77	10.65	18.65
2004	0.91	70.75	11.12	17.22
2005	0.59	66.50	10.85	22.06
2006	0.81	70.78	8.67	19.73
2007	0.65	70.83	8.21	20.30
2008	0.66	67.82	10.41	21.11
2009	0.44	64.72	11.82	23.01
2010	0.73	65.10	12.30	21.87
2011	0.67	65.28	11.31	22.74
2012	0.64	63.12	11.01	25.23

(c) Adults (25 to 64 years old)

	Employer	Wage/salaried employee	Self-employed	Unpaid worker
2000	6.44	55.59	34.59	3.39
2001	5.79	57.68	32.89	3.64
2002	5.65	55.90	34.48	3.97
2003	5.78	58.01	32.63	3.58
2004	5.29	59.30	31.91	3.49
2005	5.32	57.54	33.08	4.06
2006	5.30	60.63	30.33	3.74
2007	5.22	59.24	31.41	4.12
2008	5.03	58.84	32.35	3.78
2009	4.88	57.20	33.85	4.07
2010	4.72	58.20	33.02	4.06
2011	4.26	58.39	33.08	4.27
2012	4.72	58.70	32.24	4.34

## (d) Men

	Employer	Wage/salaried employee	Self-employed	Unpaid worker
2000	7.18	61.40	24.74	6.68
2001	6.00	62.64	23.30	8.06
2002	6.32	60.72	25.10	7.86
2003	6.25	64.04	23.14	6.57
2004	5.49	66.15	22.00	6.36
2005	5.66	62.75	24.24	7.35
2006	5.70	66.62	21.29	6.38
2007	5.44	65.44	22.47	6.65
2008	5.57	63.91	23.19	7.33
2009	5.35	61.15	25.19	8.31
2010	4.90	62.69	24.82	7.59
2011	4.45	62.43	25.20	7.93
2012	4.93	62.04	24.18	8.86

## (e) Women

	Employer	Wage/salaried employee	Self-employed	Unpaid worker
2000	3.18	51.55	38.93	6.34
2001	2.97	51.67	36.67	8.70
2002	2.61	50.73	39.26	7.40
2003	2.77	52.71	36.69	7.83
2004	2.80	52.24	38.14	6.82
2005	2.97	50.71	37.74	8.58
2006	2.82	53.99	34.81	8.38
2007	3.21	52.43	35.78	8.58
2008	2.63	52.01	37.53	7.84
2009	2.80	51.04	38.50	7.66
2010	2.89	50.93	38.14	8.04
2011	2.63	51.47	37.31	8.59
2012	3.10	51.46	36.95	8.49

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Table 5: Share of employment by economic sector: all employed workers, 15 years old or more, 2000–12

(a) All

	Primary activities	Low-tech Industry	High-tech Industry	Construction	Commerce	Utilities & transportation	Skilled services	Public administration	Education & Health	Domestic workers
2000	20.82	13.85	4.87	5.22	26.45	5.18	3.87	5.52	9.91	4.31
2001	20.63	13.00	4.72	5.61	27.28	5.25	4.27	4.20	10.29	4.76
2002	18.93	13.33	4.90	5.79	28.71	4.86	4.18	4.34	10.67	4.28
2003	17.33	12.95	4.99	6.58	28.79	4.86	4.47	4.26	11.06	4.71
2004	18.49	12.25	4.62	6.56	29.29	5.48	4.17	3.98	10.42	4.73
2005	18.97	11.65	4.64	5.81	29.50	5.10	4.91	4.01	11.04	4.38
2006	17.85	11.36	4.53	6.91	29.86	5.01	4.42	4.07	10.87	5.11
2007	17.07	12.03	4.78	6.29	29.75	4.82	4.89	4.24	11.44	4.69
2008	19.26	12.09	4.88	5.72	28.78	4.69	4.92	4.19	10.83	4.64
2009	21.33	10.46	4.65	5.04	28.73	4.61	4.88	4.20	11.38	4.74
2010	21.28	10.48	4.89	5.35	28.78	4.79	5.04	4.19	11.03	4.16
2011	21.98	10.63	4.66	5.15	27.89	5.22	5.13	4.33	10.86	4.15
2012	21.46	10.45	4.89	5.05	28.20	4.83	5.11	4.49	11.14	4.37

(b) Youth (15 to 24 years old)

	Primary activities	Low-tech Industry	High-tech Industry	Construction	Commerce	Utilities & transportation	Skilled services	Public administration	Education & Health	Domestic workers
2000	24.59	16.85	5.92	5.57	22.60	5.89	3.97	2.67	5.56	6.38
2001	26.25	15.32	5.05	5.77	24.65	5.19	3.69	2.32	5.65	6.12
2002	23.37	15.18	5.94	6.17	26.50	4.67	4.18	2.14	5.75	6.09
2003	22.28	15.01	5.91	6.89	28.61	4.40	3.38	1.77	5.66	6.09
2004	23.04	13.38	5.25	7.29	29.61	5.49	3.43	1.90	5.61	4.99
2005	24.91	11.62	4.76	6.60	31.38	4.98	4.30	1.61	5.06	4.78
2006	24.23	11.86	4.80	7.42	30.88	4.18	3.57	1.68	4.81	6.57
2007	24.44	11.90	5.19	6.03	30.59	4.93	4.73	1.83	5.38	4.97
2008	25.88	12.26	5.42	5.91	29.10	4.11	4.03	2.48	5.31	5.50
2009	30.01	9.59	4.62	5.32	28.83	3.71	3.78	2.54	5.88	5.72
2010	30.16	10.32	5.43	4.98	28.70	3.69	3.49	2.08	6.40	4.74
2011	31.72	9.74	4.84	5.25	27.11	4.61	3.79	2.03	6.48	4.44
2012	31.24	10.03	5.05	4.79	28.58	4.42	3.44	2.16	5.59	4.69

(c) Adults (25 to 64 years old)

	Primary activities	Low-tech Industry	High-tech Industry	Construction	Commerce	Utilities & transportation	Skilled services	Public administration	Education & Health	Domestic workers
2000	17.95	13.14	4.72	5.24	27.39	5.21	4.01	6.81	11.78	3.76
2001	17.18	12.61	4.72	5.76	27.61	5.59	4.73	5.10	12.28	4.41
2002	15.98	13.20	4.69	5.98	28.95	5.17	4.46	5.29	12.45	3.82
2003	14.45	12.61	4.80	6.71	28.60	5.26	4.96	5.25	13.02	4.34
2004	15.59	12.33	4.58	6.45	29.02	5.74	4.52	4.79	12.23	4.75
2005	15.92	11.91	4.65	5.76	28.67	5.31	5.26	5.00	13.17	4.35
2006	14.74	11.40	4.56	6.96	29.33	5.46	4.87	5.00	12.87	4.83
2007	13.55	12.34	4.77	6.61	29.23	5.02	5.16	5.17	13.41	4.74
2008	15.54	12.32	4.90	5.80	28.82	5.06	5.48	4.87	12.69	4.53
2009	17.36	10.91	4.73	5.12	28.58	5.08	5.42	4.88	13.31	4.62
2010	17.31	10.77	4.93	5.67	28.48	5.30	5.71	4.98	12.68	4.17
2011	17.73	11.03	4.82	5.35	28.01	5.62	5.73	5.20	12.34	4.18
2012	17.20	10.85	5.01	5.32	27.97	5.18	5.68	5.36	13.03	4.39

## (d) Men

	Primary activities	Low-tech Industry	High-tech Industry	Construction	Commerce	Utilities & transportation	Skilled services	Public administration	Education & Health	Domestic workers
2000	32.87	8.38	6.62	8.74	18.07	8.14	4.47	6.56	5.66	0.49
2001	32.34	8.45	6.53	9.26	18.19	7.94	4.52	5.17	6.93	0.66
2002	30.95	8.07	6.73	9.67	19.31	7.64	4.63	5.36	7.00	0.65
2003	27.31	8.38	6.93	11.14	19.62	7.53	5.17	5.33	7.67	0.91
2004	29.11	7.61	6.38	10.80	20.33	8.32	5.16	5.05	6.54	0.72
2005	29.51	7.45	6.29	9.87	20.92	7.89	5.77	4.89	6.68	0.74
2006	27.92	7.59	6.39	11.73	20.37	8.08	4.97	5.20	6.89	0.86
2007	27.03	7.82	6.71	10.69	20.53	7.69	5.69	5.49	7.37	1.01
2008	29.67	8.04	6.69	9.59	19.98	7.55	5.70	5.33	6.68	0.77
2009	33.43	6.71	6.30	8.50	18.64	7.40	5.73	5.32	7.24	0.73
2010	32.68	7.01	6.60	8.92	19.19	7.30	5.72	5.09	7.02	0.47
2011	32.82	6.94	6.39	8.58	18.80	7.76	5.85	5.07	7.24	0.55
2012	33.04	7.08	6.42	8.47	18.72	7.17	5.71	5.29	7.43	0.66

## (e) Women

	Primary activities	Low-tech Industry	High-tech Industry	Construction	Commerce	Utilities & transportation	Skilled services	Public administration	Education & Health	Domestic workers
2000	3.56	21.67	2.38	0.18	38.43	0.94	3.00	4.04	16.01	9.77
2001	3.71	19.57	2.09	0.35	40.41	1.35	3.91	2.80	15.13	10.67
2002	2.53	20.51	2.41	0.51	41.55	1.06	3.58	2.93	15.69	9.23
2003	3.63	19.22	2.32	0.33	41.38	1.20	3.51	2.80	15.70	9.93
2004	3.29	18.89	2.11	0.48	42.13	1.43	2.74	2.47	15.98	10.48
2005	4.50	17.41	2.38	0.23	41.28	1.26	3.72	2.79	17.02	9.39
2006	4.54	16.35	2.08	0.52	42.41	0.96	3.70	2.58	16.13	10.73
2007	3.65	17.71	2.19	0.38	42.17	0.96	3.82	2.56	16.92	9.64
2008	4.87	17.68	2.39	0.38	40.95	0.73	3.85	2.61	16.55	9.98
2009	4.82	15.57	2.38	0.31	42.49	0.81	3.71	2.67	17.03	10.21
2010	5.53	15.26	2.52	0.43	42.02	1.34	4.11	2.95	16.58	9.26
2011	6.69	15.83	2.21	0.32	40.71	1.64	4.12	3.29	15.97	9.23
2012	5.16	15.19	2.74	0.24	41.54	1.54	4.28	3.36	16.37	9.60

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).



Table 6: Monthly labour earnings at PPP dollars of 2005, 2000–02 and 2004–12

(a) All employed workers, by gender, age group, occupational position, and educational level

	All	Gender		Age		Occupational position			Educational level		
		Men	Women	Youth	Adults	Employer	Wage/salaried employee	Self-employed	Low	Medium	High
2000	549.5	578.0	496.6	377.1	593.5	1254.0	576.2	378.9	354.2	634.7	1399.8
2001	523.6	550.7	472.2	350.9	581.3	1171.2	550.6	371.8	345.2	584.7	1320.9
2002	527.6	562.9	457.6	347.0	570.4	1341.4	564.5	347.1	336.6	567.6	1360.3
2004	476.9	491.3	435.5	342.6	520.3	1181.9	487.5	366.0	333.5	515.5	1071.4
2005	487.4	509.0	439.8	369.8	523.9	1102.8	540.2	305.6	324.8	526.6	1056.3
2006	482.7	493.2	445.2	334.8	525.5	1055.0	505.0	352.6	320.8	486.3	1167.0
2007	486.2	509.4	432.6	328.3	529.6	1268.6	505.2	326.3	325.1	478.4	1147.6
2008	464.0	483.0	418.0	317.1	505.0	1079.0	493.1	319.7	303.9	466.3	1125.8
2009	461.2	461.1	385.8	304.1	478.4	1059.7	500.1	313.6	281.7	465.9	1042.2
2010	440.5	436.9	376.6	305.3	457.2	954.2	474.8	313.7	281.6	450.4	937.0
2011	423.0	422.8	361.7	296.7	439.1	877.4	460.0	302.6	273.9	418.8	926.7
2012	426.3	432.5	356.6	292.0	448.1	894.2	467.4	288.0	274.6	422.6	901.7

(b) By economic sector

	Primary activities	Low-tech Industry	High-tech Industry	Construction	Commerce	Utilities & transportation	Skilled services	Public administration	Education & Health	Domestic workers
2000	269.2	421.9	680.5	548.9	576.3	854.3	834.0	967.5	674.9	333.6
2001	209.5	410.5	599.8	540.7	549.6	836.0	959.1	891.8	688.2	296.1
2002	258.2	405.7	625.8	522.5	547.9	720.1	804.8	865.4	739.7	304.4
2004	227.0	401.0	539.3	458.5	497.6	738.2	627.5	864.7	619.4	315.5
2005	251.0	413.8	588.0	456.7	487.0	679.8	713.4	847.2	624.3	340.8
2006	258.6	434.4	500.6	432.6	484.3	643.2	708.2	818.6	659.7	344.5
2007	243.8	387.1	553.7	486.4	493.1	664.0	728.6	801.4	608.6	321.5
2008	217.6	383.1	481.8	492.9	468.0	634.5	734.3	868.6	588.2	303.6
2009	231.3	369.7	537.5	465.8	468.3	630.7	675.6	888.2	588.1	316.3
2010	218.5	358.7	475.7	459.3	448.8	593.9	613.3	848.8	573.8	314.6
2011	222.1	374.4	446.9	421.4	416.2	597.0	602.7	783.9	530.3	329.7
2012	220.4	383.5	457.1	437.8	411.2	644.9	599.8	704.2	560.6	319.2

(c) By occupational group

	Management	Professionals	Technicians & associate professionals	Clerical	Service & sales workers	Agricultural, forestry & fishery workers	Craft & related trades	Plant & machine operators, and assemblers	Elementary	Armed forces
2000	2650.7	1628.8	864.8	703.0	558.6	297.0	427.8	576.6	335.5	761.9
2001	2587.9	1678.9	916.1	641.3	535.0	208.5	439.6	544.4	320.1	602.8
2002	2673.9	1853.1	844.5	621.3	557.9	284.6	428.8	511.3	319.2	942.7
2004	2472.7	1432.9	772.7	582.6	501.5	222.6	431.5	520.8	301.5	863.0
2005	1885.3	1288.8	808.4	616.4	493.5	267.5	412.1	509.2	298.5	775.9
2006	1843.2	1614.1	797.4	550.4	478.1	289.3	405.5	477.8	300.2	485.5
2007	2163.1	1435.3	711.4	586.1	493.7	244.0	387.6	472.6	303.7	471.6
2008	1989.0	1306.0	721.2	566.0	479.9	204.8	379.2	442.1	285.7	708.5
2009	1664.8	1372.3	762.8	537.0	467.8	212.9	404.5	460.0	287.6	504.4
2010	1572.5	1189.2	707.5	559.4	464.0	191.9	402.5	457.4	285.4	616.1
2011	1626.4	1110.9	689.2	518.5	429.1	204.8	390.7	445.4	277.3	571.5
2012	1554.5	1137.0	704.7	545.0	420.9	197.5	380.6	444.5	286.4	574.5

Note: Data on labour earnings not available for 2003.

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Table 7: Hourly wage in main occupation at PPP dollars, 2000–02 and 2004–12

(a) All employed workers, by gender, by age group, by occupational position, and educational level

	Gender		Age		Occupational position			Educational level			
	All	Men	Women	Youth	Adults	Employer	Wage/salaried employee	Self-employed	Low	Medium	High
2000	3.17	3.28	3.01	2.11	3.42	6.82	3.25	2.39	2.06	3.54	8.50
2001	3.04	3.17	2.86	2.04	3.39	6.17	3.15	2.33	2.05	3.30	7.86
2002	3.20	3.50	2.81	2.01	3.33	9.66	3.25	2.20	2.02	3.13	9.58
2004	2.78	2.84	2.70	2.02	3.06	6.83	2.73	2.36	2.05	2.88	6.36
2005	3.00	3.03	2.96	2.27	3.21	8.24	3.08	2.18	2.04	3.25	6.59
2006	2.84	2.81	2.87	2.05	3.10	5.47	2.89	2.35	1.99	2.74	7.07
2007	2.86	2.97	2.70	1.95	3.10	7.20	2.85	2.19	2.06	2.65	6.85
2008	2.76	2.86	2.62	1.88	3.03	5.73	2.81	2.24	1.81	2.63	7.29
2009	2.74	2.74	2.74	1.90	2.97	5.85	2.86	2.11	1.91	2.72	6.41
2010	2.64	2.63	2.66	1.93	2.86	5.13	2.74	2.14	1.92	2.61	5.90
2011	2.56	2.54	2.58	1.81	2.75	4.78	2.64	2.16	1.87	2.40	6.06
2012	2.59	2.61	2.56	1.86	2.79	4.95	2.72	2.03	1.91	2.50	5.63

(b) By economic sector

	Primary activities	Low-tech Industry	High-tech Industry	Construction	Commerce	Utilities & transportation	Skilled services	Public administration	Education & Health	Domestic workers
2000	1.74	2.44	3.83	2.96	3.13	4.50	4.70	5.61	4.65	1.47
2001	1.32	2.37	3.39	2.97	3.02	4.77	5.44	5.08	4.69	1.39
2002	2.38	2.37	3.87	2.80	2.96	4.11	4.52	4.88	5.07	1.40
2004	1.46	2.33	3.00	2.50	2.73	4.35	3.56	4.84	4.25	1.46
2005	1.85	2.51	3.26	2.54	2.84	3.91	4.76	4.72	4.47	1.55
2006	1.65	2.54	2.73	2.31	2.73	3.71	3.77	4.66	4.58	1.83
2007	1.80	2.32	2.90	2.66	2.63	3.61	4.15	4.70	4.29	1.55
2008	1.36	2.25	2.64	2.71	2.55	3.46	5.20	4.89	4.18	1.47
2009	1.46	2.19	2.90	2.56	2.65	3.52	3.96	5.19	4.10	1.60
2010	1.45	2.19	2.64	2.55	2.53	3.28	3.57	4.91	4.10	1.57
2011	1.45	2.21	2.49	2.32	2.37	3.37	3.86	4.46	3.88	1.60
2012	1.48	2.30	2.63	2.52	2.36	3.71	3.43	4.09	4.01	1.64

(c) By occupational group

	Management	Professionals	Technicians & associate professionals	Clerical	Service & sales workers	Agricultural, forestry & fishery workers	Craft & related trades	Plant & machine operators, and assemblers	Elementary	Armed forces
2000	14.76	9.68	5.49	3.95	2.81	1.96	2.52	3.03	2.01	3.37
2001	13.74	9.69	5.95	3.71	2.66	1.25	2.63	3.07	1.97	2.58
2002	16.81	11.35	5.30	3.59	2.69	3.12	2.51	2.83	1.99	4.44
2004	2.88	6.36	5.02	14.08	8.33	5.02	3.42	2.50	1.49	2.58
2005	3.25	6.59	5.30	12.99	7.48	5.30	3.51	2.61	2.13	2.56
2006	2.74	7.07	5.08	10.80	9.48	5.08	3.08	2.39	1.81	2.47
2007	2.65	6.85	4.73	11.67	8.47	4.73	3.31	2.42	2.02	2.32
2008	2.63	7.29	4.67	10.61	9.55	4.67	3.12	2.40	1.22	2.25
2009	2.72	6.41	4.96	9.22	8.11	4.96	3.19	2.51	1.33	2.40
2010	2.61	5.90	4.72	8.70	7.34	4.72	3.17	2.53	1.27	2.38
2011	2.40	6.06	4.71	8.78	7.46	4.71	2.94	2.36	1.33	2.28
2012	2.50	5.63	4.63	8.67	6.91	4.63	3.25	2.30	1.38	2.35

Note: Data on hourly wages not available for 2003.

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Table 8: Share of persons in the labour force by educational levels:  
population 15 years old or more, 2000–12

	Low	Medium	High
2000	60.31	29.21	10.48
2001	59.05	30.75	10.20
2002	56.95	31.84	11.21
2003	56.88	32.32	10.80
2004	55.80	33.28	10.92
2005	55.23	32.69	12.08
2006	53.82	34.42	11.76
2007	53.42	34.84	11.74
2008	53.69	34.34	11.97
2009	53.03	34.82	12.15
2010	52.06	36.09	11.85
2011	52.70	36.01	11.29
2012	50.99	37.05	11.95

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).

Table 9: Unemployment rate by educational levels:  
population 15 years old or more, 2000–12

	Low	Medium	High
2000	4.38	7.25	4.27
2001	5.30	6.71	3.37
2002	3.64	6.40	4.41
2003	6.88	7.94	4.33
2004	6.62	7.38	5.74
2005	6.48	9.23	4.93
2006	6.10	7.84	4.37
2007	6.25	6.99	5.23
2008	6.04	6.37	4.14
2009	6.38	9.25	6.03
2010	6.31	8.21	6.66
2011	5.64	8.29	6.06
2012	4.78	7.83	6.08

Source: Authors' calculations from SEDLAC (CEDLAS and the World Bank 2014).