

Emerging Dynamics in Asian Labour Markets

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Abstract

We bring out the basic dynamics of Asian Labour markets with a simple demand and supply frame. While the supply side absorbs variables such as dependency ratio, labour force participation, participation in employment, educational attainment, unemployment and net migration rate, the demand side covers macroeconomic changes –structural transformation, share of service sector, capital formation rate and export-, share of service in employment, employment elasticity, type of employment, wage and social security. Moreover, we point out how the ongoing urbanization, in particular the process of agglomeration emerges as the potent source of complexity in Asian labour market.

Keywords: *Supply of Labour, Sources of demand for labour*

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1. Introduction

This article outlines fundamental aspects of emerging dynamics in Asian Labour Markets, covering three major themes -Supply of Labour, Demand for Labour, and Wage and Social Security.

First, our discussion on supply of labour is set in the context of a demographic structure in which the population consists of dependent and working population. This structure is disaggregated in terms of participation of labour force in the labour market; participation is dichotomous in nature –either employed or unemployed-. Moreover, we compare educational attainments across countries in the region. It is important to note that while the population is the primary source of labour supply, the education becomes crucial aspect in matching employment opportunities and persons who participate in labour market, thus, functions as the secondary source. Viewing that economies, across Asia, tend to open up, with permeable borders for capital and labour, we consider migration as a pivotal phenomenon which throws interesting cues about the emerging dynamics in supply of labour.

Second, we discuss basic aspects of demand for labour in Asia, primarily set in the context of structural changes in economy, in particular the centrality of service sector, trends in capital formation rate, trend in export's share in Gross Domestic Product (GDP), and the pattern of urban agglomeration in Asia. For assessing structural changes in economy, we take cues from change in sources of Gross Domestic Product; for instance, a change from secondary sector based economy to tertiary sector based may be construed as cue for tendency to change. Further, we explore whether these changes go along with employment generation. Another interesting dynamics is that jobs which are created in large transition economies like India tends to be informal in nature, without entitlements such as social security, while less number of formal jobs is created. In informal sector, a significant part of workforce become self employed; sometimes this segment exists as invisible entrepreneurs such as street vendors.

For discussing these themes, we use data from secondary sources like International Labour Organization (ILO), United Nations (UN) agencies, and literature. The paper is organized into four sections. Section 2 discusses supply of labour. Section 3 outlines basic aspects of demand for labour, and wage and social security. Section 4 concludes the paper.

2. Supply of Labour

We treat population as primary source of labour supply. It is important to note that age, being a principal demographic characteristic, provides vital cues about population's capacity to supply labour force for employment. Basically, population consists of three segments: too young to participate in labour market (persons who are below 15 years of age), the age group with greater potential to participate in labour market (persons whose age varies from 15 to 60) and relatively

aged population who are less likely to be engaged in labour market. As shown in Table 1, for the world during 2010-50, ratio of population less than 15 years to total population is going to decline from 27% to 20%, while ratio of population over 60 to total population is going to increase from 10% to 22%. Although magnitude of this change varies across regions, direction of change –first ratio declines while second increases- are same across regions. Interestingly, in Asia the second ratio which is 1/10th in 2010 is likely to be closer to 1/4th by 2050. For Europe, this change is 1/5th to 1/3rd. On the other hand, for Africa change is just 1/20th to 1/10th. Within Asia, this change is of greater magnitude in Eastern Asia, showing an increase from 14% to 32%.

We compare these ratios -ratio of population less than 15 years to total population and ratio of population over 60 to total population- across counties in Asia (Table 1, Appendix). For a meaningful comparison we choose three counties from each region based on their economic and demographic significance. From Eastern Asia, we pick China, Japan and Republic of Korea. From South-Central Asia, we choose India, Iran and Uzbekistan. From South-Eastern Asia, we draw Indonesia, Malaysia and Thailand. Finally, from Western Asia, we pick Iraq, Saudi Arabia and Yemen. In group from Eastern Asia, all three countries will see 31%-44% of population in the age group of 60 and above while proportion of 15 and above will settle around 11% to 15% by 2050. For the second group, representing South-Central Asia, the second ratio –persons in the age group of above 60 to total population- is likely to settle around 20% to 28% by 2050. During 2010-50, while India reports an increase from 8% to 20%, Iran shows an increase from 7% to 28%. For this group, change in first ratio is quite similar across countries. The pattern shown by the group from South-Eastern Asia is quite similar to the group from South-Central Asia. By 2050, for select three countries from Western Asia, second ratio is likely to settle around 10% to 19%. In this group, among three countries, Yemen is quite discernible; while its second ratio increases from 4% to 10%, the first ratio declines from 48% to 26%.

Further, we discuss another ratio which measures the magnitude of dependency in a population, called total dependency ratio. This ratio shows the number of dependents (aged 0-14 and over the age of 65) to the total working-age population (aged 15-64). As shown in Table 2, for Asia, this ratio is likely to increase from 49% to 54% during 2010-50. During this period, Europe may see an increase in Total Dependency Ratio from 46% to 74%, while in Africa this ratio is likely to decline from 78% to 53%. Within Asia during this period, while Eastern Asia and South-Eastern Asia may witness an increase in this ratio, other two regions may witness decline. We retain the same set of countries from Asia -three countries from each region within Asia based on these countries' economic and demographic significance- for comparing trend in total dependency ratio. The ratio within the group, for 2050, is likely to vary between 47% and 96 %; while Japan reports the highest ratio, India reports the lowest. Three countries forming the East Asian Group –China, Japan and Republic of Korea- may see increase in dependency ratio during 2010-50 (Table 2, Appendix). By 2050, this ratio will vary between 63% and 96%; China may see an increase from 39% to 63%, while Japan may witness an increase from 56% to 96% during 2010-50. For the group of countries from South-central Asia -India, Iran and Uzbekistan-, next four decades from 2010, India and Iran report opposite trends; while India is likely to witness fall in the ratio from 56% to 47%, for Iran, ratio is likely to increase from 40% to 58%. Interestingly, the ratio for Uzbekistan, for this period, may remain same. The group of three countries from South-Eastern Asia -Indonesia, Malaysia, and Thailand-, for next four decades

from 2010, report increase in total dependence ratio, albeit variation in the magnitude of change. While the ratio is likely to increase from 41% to 60% in Thailand, Malaysia may see slight increase from 52% to 53%. The Western Asia group which comprises of Iraq, Saudi Arabia and Yemen, may witness fall in total dependency ratio during this period, although there is variation in trend across countries. Interestingly, Yemen shows a decline of highest magnitude; the ratio is likely to drop from 84% to 48%.

Table 1 Demographic trends: Ageing

Major area, region or country	Population less than 15					Population over 60				
	(% of total population)					(% of total population)				
	2000	2005	2010	2030	2050	2000	2005	2010	2030	2050
World	30.3	28.4	26.9	22.7	19.6	9.9	10.2	11.0	16.5	21.9
Africa	42.4	41.2	40.3	34.0	27.3	5.1	5.2	5.4	6.9	10.6
Asia	30.8	28.2	26.2	21.1	17.9	8.5	9.1	9.9	16.7	23.6
Eastern Asia	24.6	21.2	19.2	16.3	14.9	11.2	12.3	13.9	24.6	32.1
South-Central Asia	35.8	33.6	31.3	23.9	19.3	6.5	6.8	7.2	11.8	19.0
South-Eastern Asia	31.8	29.4	27.2	21.5	18.3	7.5	8.0	8.7	15.8	23.3
Western Asia	35.5	33.3	31.5	25.2	20.5	6.7	6.7	7.0	11.6	18.6
Europe	17.6	15.9	15.4	14.7	15.0	20.3	20.6	22.0	29.3	34.2
Latin America and the Caribbean	31.8	29.8	27.7	20.5	17.0	8.3	9.0	10.0	17.1	25.5
North America	21.3	20.5	19.8	17.8	16.9	16.2	16.8	18.4	25.6	27.8
Oceania	25.8	25.0	24.2	21.4	19.1	13.4	14.0	15.4	21.0	23.9

Source: ILO (2010)

Against the backdrop of changes in demographic structure, it is important to assess what these changes imply for the labor market. Presumably, for a region, declining total dependency rates may spell cues on advantages like more population participating in the labor market. To capture the extent of population's participation in the labor market, we examine the ratio of labor force to population for the age group of 15-64, called Labor Force Participation Rate (LFPR at age 15-64). As given in Table 3, across regions and periods, male LFPR tends to be higher than that of female LFPR, with glaring disparity in regions like South-Central Asia and Western Asia. By 2020, Eastern Asia is likely to have the highest female LFPR i.e. 71%, while Western Asia reports the least i.e. 28%. Within Asia, South-Central Asia and Western Asia are two regions

with declining Total Dependency Ratios. However, this scenario may not be converted to advantages in labor market if female LFPR in these regions remains abysmally low. Among the panel of twelve countries drawn from four regions in Asia, during 2010-50, four countries –India, Iran, Iraq and Yemen- show exceptionally low female LFPRs, while China, Thailand, Japan and Uzbekistan report higher LFPRs (Table 3, Appendix).

Table 2: Total Dependency Ratio

Major area, region or country	Total dependency ratio (%)				
	2000	2005	2010	2030	2050
World	59.1	55.3	52.7	52.3	56
Africa	83.9	80.2	77.6	62.6	52.5
Asia	57.4	52.5	49.0	48.2	54.4
Eastern Asia	47.7	42.7	40.3	50.3	65.1
South-Central Asia	66.6	61.3	56.3	46.7	48.5
South-Eastern Asia	58.0	53.4	49.4	47.5	55.3
Western Asia	66.8	61.2	56.7	49.0	51.3
Europe	47.8	46.6	46.3	59.6	73.5
Latin America and the Caribbean	60.2	56.4	52.8	48.8	57.5
North America	50.9	49.2	49.1	60.9	63.6
Oceania	55.6	54.3	53.8	59.7	60.6

Source: ILO (2010)

As shown in Table 4, youth employment to population rate, defined as the ratio of employed persons in the age group of 15-24 to population in that age group, varies with respect to gender. Across regions with the notable exception of Eastern Asia, in 2008 the ratio was higher for male than for female. Interestingly, for China, Japan and Republic of Korea, all three countries from the group of Eastern Asia, female specific ratio is higher than that of male specific ratio. Disparity between gender specific ratios is quite glaring for Western Asia. For instance, in Saudi Arabia male specific ratio is five fold of female specific ratio. Unlike previous measures, the ILO dataset shows incomplete data for unemployment. Five countries -Israel, Kazakhstan, Philippines, Sri Lanka, and West Bank & Gaza Strip- report unemployment rates above 5% consistently during 2000-08 (Table 5, Appendix).

Table 3: Labor Force Participation Rates (Age group 15-64)

Major area, region or country	Labour force participation rates of population at ages 15-64 (%)											
	Total				Male				Female			
	2000	2005	2010	2012	2000	2005	2010	2012	2000	2005	2010	2012
World (total)	70.33	69.91	69.86	69.81	83.64	82.09	82.57	82.66	56.72	56.62	56.85	56.58
Africa	67.69	68.08	68.08	70.01	81.51	81.27	81.55	81.08	54.13	55.09	56.19	58.25
Asia	71.07	70.03	69.54	68.98	85.62	84.54	83.91	83.95	55.08	54.81	54.47	53.19
Eastern Asia	81.4	79.4	78.6	78.1	87.6	85.4	84.4	84.4	74.8	73.2	72.5	71.4
South-Central Asia	61.4	61.5	61.9	62.5	84.6	84.5	84.2	84.7	36.7	37.2	38.3	39.1
South-Eastern Asia	72.6	72.3	72.1	72.2	85.3	85.85	84.4	84.3	60.1	59.7	59.9	60.1
Western Asia	53.8	53.7	53.2	52.3	77.5	77.2	76.3	75.1	28.1	28.1	28.1	27.7
Europe	68.69	69.81	70.93	71.86	76.07	76.34	76.93	77.02	61.47	63.42	65.04	66.58
Latin America and the Caribbean	66.69	68.22	69.15	69.96	83.58	83.27	82.84	82.27	50.23	53.59	55.86	57.95
South America	68.14	70.09	70.95	71.46	83.28	83.27	82.85	82.02	53.32	57.02	59.31	61.01
North America	76.08	75.01	74.57	74.81	83.26	81.14	80.31	79.93	70.37	69.07	68.83	69.59
Oceania	73.01	74.34	75.26	75.09	80.84	80.98	81.16	81.13	65.31	67.65	69.32	70.06

Source: ILO (2010)

It is important to note that share of regular wage/ salaried employment varies across Asian countries. While developed countries like Japan and Singapore report more than 4/5th of workers are employed in the category 'regular wage/ salaried', the ratio for India is just 1/6th, clearly indicating the enormity of informal workforce in large South Asian labor markets like India (Table 6, Appendix).

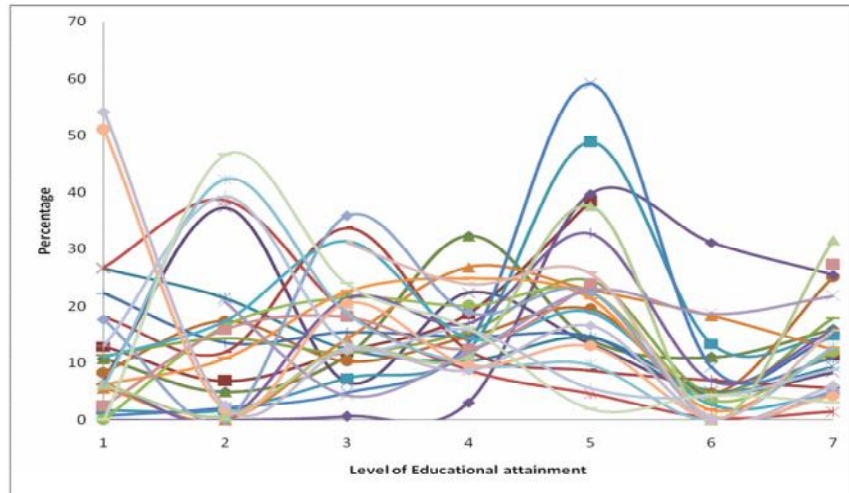
Table 4: Youth employment to population ratio (Age 15-24) %

Major area, region or country	Employment rates of population at ages 15-24 (%)								
	Total			Male			Female		
	2000	2005	2008	2000	2005	2008	2000	2005	2008
World	46.7	44.6	44.7	54.2	51.5	51.4	39.0	37.3	37.5
Africa	45.3	44.7	45.0	52.5	51.2	50.9	38.1	38.2	39.1
Asia	47.9	45.2	45.1	55.7	52.7	52.6	39.6	37.1	37.0
Eastern Asia	58.4	53.2	52.8	55.1	49.2	48.6	62.1	57.6	57.4
South-Central Asia	42.1	41.4	41.6	57.8	57.1	57.5	25.3	24.6	24.6
South-Eastern Asia	43.6	42.1	42.4	57.0	55.7	56.2	29.4	27.7	27.8
Western Asia	32.0	28.8	27.8	45.4	41.2	39.2	17.8	15.7	15.8
Europe	36.2	34.8	35.8	39.8	37.9	38.6	32.5	31.6	32.9
Latin America and the Caribbean	46.3	45.4	45.2	58.2	56.2	55.0	34.2	34.5	35.2
North America	58.6	52.9	51.6	60.6	53.8	52.4	56.4	52.0	50.8
Oceania	58.6	59.3	59.6	59.9	60.6	60.6	57.3	57.9	58.5

Source: ILO (2010)

From primary source of labour supply, we move to secondary sources, in particular education. Figure 1 gives percentage distribution of educational attainment of the population aged 25 years and older for latest year available in Select Asian Countries (N= 28). Basically, pattern in figure 1 can be classified into three categories: (a) L distribution with No schooling reporting highest percentage, (b) distribution with no discernible single peak, (c) distribution with single pike, either bell shaped or pike at secondary and tertiary levels of education. While South Asian countries like Pakistan, Bangladesh and India¹ belong to the category (a), East Asian Countries like Japan, Korean Republic and Singapore are in category (c). Most Asian countries across regions are in the category (b).

¹ UNESCO database does not contain data on India. National Sample Survey 66th Round (2010), by Government of India, shows L distribution for educational attainment.



Note: Level of educational attainment (Horizontal Axis); 1 = No Schooling, 2 = Incomplete Primary, 3 = Primary, 4 = Lower Secondary, 5 = Upper Secondary, 6= Post-secondary non-tertiary, 7 = Tertiary. This figure is based on data compiled from UNESCO Institute for Statistics http://www.uis.unesco.org/ev.php?ID=2867_201&ID2=DO_TOPIC (viewed on 31/12/2010)

Figure 1: Percentage Distribution of Educational Attainment of the population aged 25 years and older for latest year available in Select Asian Countries (N= 28)

Migration of labor force across countries brings the open economy dimension to labour supply, which is classified into two: immigration and emigration. Immigration or in-migration is flow of people to country 'i' from rest of the world, while emigration or out-migration is a reverse flow, residents of country 'i' moving to rest of the world. From these two flows, we get net migration by deducting immigration from emigration. Positive value means immigration is greater than emigration, implying that the supply of labour by rest of the world to country 'i' is greater than the supply of labour by this country to rest of the world, while a negative value implies the opposite. Net migration per 1000 persons is called net migration rate. As shown in figure 2, 3/5th of Asian countries show negative net migration rates, while the rest report positive rates. Interestingly, West Asian countries like Qatar (94%) and United Arab Emirates (16%) and City based economies like Singapore (22%) show higher positive values. Large labour markets like India and China report negative rates -0.3 and -0.2, respectively. It is important to note that for those countries with negative rates, percentage of remittances from emigrants to Gross Domestic Product (GDP) varies between 0.02% (Lao) to 46% (Tajikistan). Countries with negative rate which show higher remittance to GDP ratio include Kyrgyzstan (19%), Philippines (11%), Vietnam (8%), Bangladesh (10%), Nepal (17%), and Sri Lanka (8%). As shown in figure 3, emigration significantly contributes to the GDP of countries with negative net migration rates.

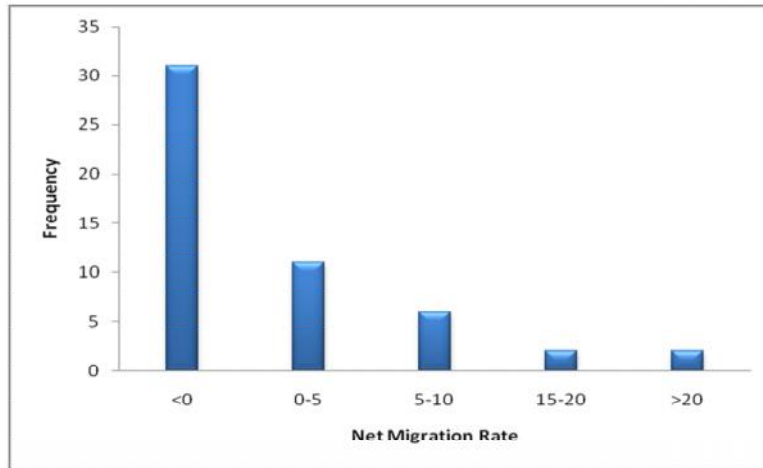
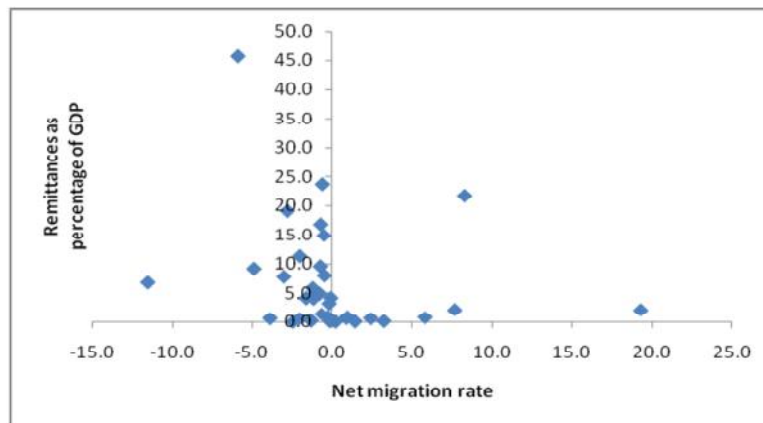


Figure 2: Average Annual Net migration rate per 1000 persons for Asian countries (N=52) (2005-10)



Figures 2 & 3 are based on data from United Nations, Department of Economic and Social Affairs, Population Division (2009). International Migration, 2009 Wallchart (United Nations publication, Sales No. E.09.XIII.8).

Figure 3: Average Annual Net migration rate per 1000 persons for Asian countries (2005-10) and Remittances as percentage of GDP (2007) (N=36).

3. Demand for Labour

In this section, we examine the baseline of demand for labour in Asia. Taking cues from micro economic theory, we posit structural change in economy as the principal source of demand for labour, which is manifest in five variables: share of service and construction in GDP, Gross Capital Formation (GCF) as percentage of GDP, Export as percentage of GDP, Urban Population as percentage of total population and urban agglomerations in Asia, based on secondary data compiled from UN database. For first three variables, we use time series data covering four decades (1970 to 2009), while the 2007 data is used for next two variables. Tracing the trend of four decades since 1970, as shown in figure 4, tertiary activities have become principal source of economic growth, though the contribution is varying across countries. Interestingly, the range of service and construction sector's contribution to GDP, measured by the absolute value of difference between highest and lowest values, declined during 1970-2009; the spread of values changed from 5%-76% to 38%-95%. Quite clearly, during this period, both minimum and maximum values have steadily increased, indicating the service led growth in the region. However, the service growth during this period shows varying pattern across large economies. For instance, while service and construction sector's share in GDP showed discernible increase in China and India, 28% to 47 % and 40% to 62% respectively, shares of manufacturing declined, 42% to 36 and 19 to 15% respectively (Appendix 2, figures 1-6). Another interesting pattern is that both these shares go up over time. For Japan, Korea and Indonesia, both shares increased concomitantly. On the other hand, for Iran and Thailand, share of manufacturing increased, while share of services and construction declined. Viewing the centrality of service sector in Asia's growth, in future service's impact over labour market, mainly in determining the direction of demand for labour, is likely to go up.

It is also important to note that the trend of Gross Capital Formation to GDP, called rate of capital formation, and export as percentage of GDP during this period varies across nations. For assessing this heterogeneity, we classify nations into four groups. The first group consists of nations with initial value varying between 0 to 10. The range of initial values for second group is 11 to 20. Those nations with initial values ranging between 21 and 30 form the group 3. The last range consists of value above 30 (Figure 5). In the group one all four nations –Bangladesh, Nepal, Cambodia and Laos- show consistent increase in rate of capital formation. For next two groups, varies across countries. While China, India and Vietnam show relatively consistent increase in rate of capital formation during 1970-2009, other countries in the group show relatively higher instability in the trend of rate of capital formation. Further, the fourth group shows a trend of decline. As shown in figure 6, the trend of export as percentage of GDP varies across countries in Asia. Interestingly, those countries with low initial values of this ratio, except Myanmar, show relatively consistent increase in the ratio. Noteworthy in this group is China and Cambodia; whose shares increased from 2.6 % to 39% and 2 to 49%, respectively during this period. In group 2 Thailand shows consistent increase in this ratio –from 16% to 70%-, while trends for other countries in the group portray instability of this ratio. Similar trend is valid for group 3, with the notable exception of Vietnam; for this country the ratio increased by a whopping margin, from 26% to 76%. For the last group -ratio greater than 30%-, consisting of six Middle East countries, Singapore and Hong Kong, the ratio fluctuated over time, with discernible consistent increase shown by Singapore and Hon Kong; figures for these countries in 2009 were 204% and 194%, respectively.

Combining these patterns portraying the dynamics during 1970-2009, covering share of construction and service in GDP, rate of capital formation, and export as percentage of GDP, it appears that economic growth in Asia, principally in large transition economies such as China and India, is relatively a service-led one. Further, this trajectory, for the high growth transition economies, directly co-varies with capital formation and export as a proportion of GDP. What do these patterns imply for demand for labour? An interesting measure which provides cues about the linkage between employment and growth is employment elasticity, which is defined as the average percentage point change in employment for a given employed population associated with a 1 percentage point change in output over a select period². Interestingly, a positive employment elasticity varying between 0 and 1, combined with positive GDP growth rate may be construed as growth employment and productivity. As shown in Table 5, East Asia and Middle East throw up a contrast; East Asia presents a combination of very low positive employment elasticity (0.1-0.2) and high GDP growth rates (7% to 10%) during 1992-2008, while the opposite is valid for Middle East. It is important to note, as shown previously, East Asian countries, while they grew, also have absorbed population into labour market, quite reflected in higher Labour Force Participation Rates (LFPR) and lower unemployment. Moreover, in East Asia, particularly in China, although service is emerging as a critical factor in economic growth, manufacturing continues to propel the direction of the growth trajectory. In contrast, in large transition economies like India, a service-led growth coexists with less dynamic manufacturing in terms of contribution to GDP and employment.

Interestingly, for 25 Asian countries, service sector's contribution to employment and GDP tend to co-vary in a positive direction, with a few points such as Kuwait off the trajectory. The pattern presents broadly three discernible categories of countries: (a) service sector's share in GDP is much higher than sector's share in employment, (b) both contributions show insignificant difference and (c) sector's share in GDP is much lesser than sector's share in employment. Prominent cases for these categories are India, Singapore and Kuwait, respectively.

² See <http://kilm.ilo.org/KILMnetBeta/pdf/kilm19EN-2009.pdf>

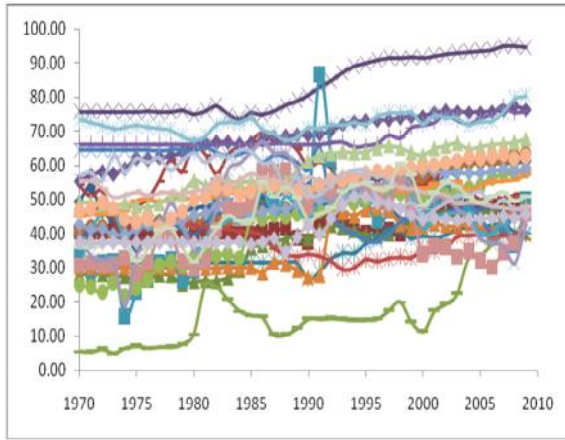
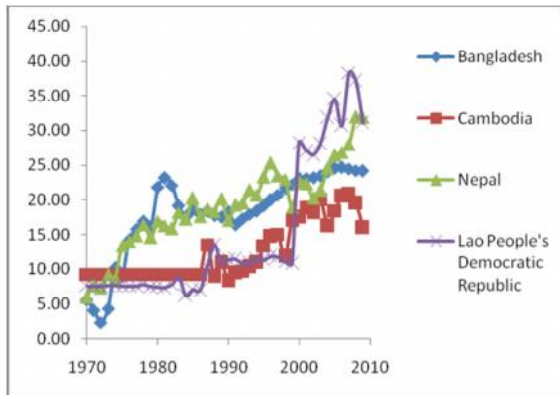
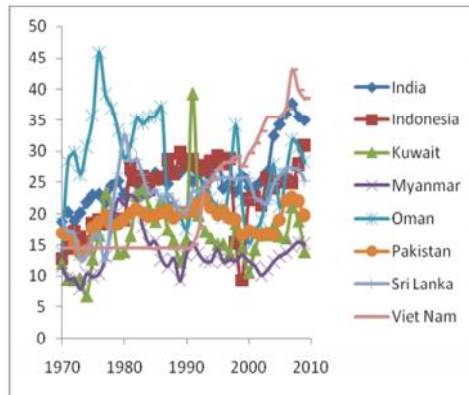


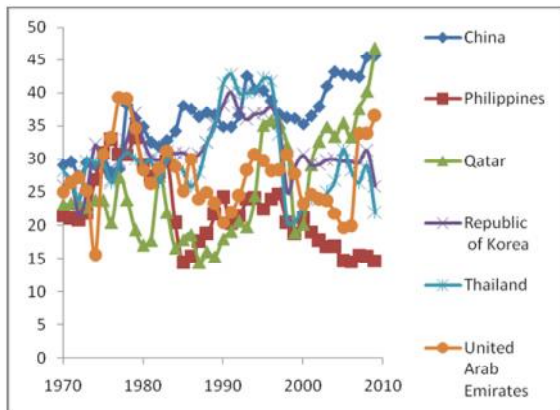
Figure 4: Percentage of Service and Construction in GDP (y Axis) during 1970-2010 (x Axis) in select Asian countries (N = 28) (Source see figure 6)



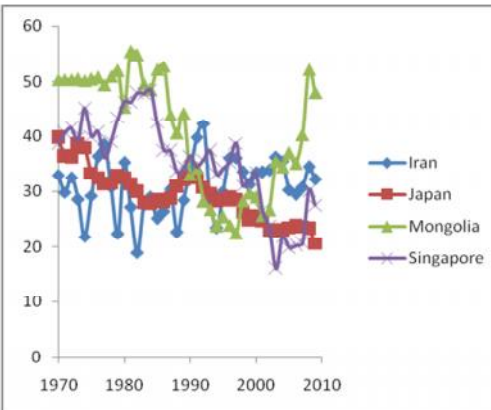
(a) 0-10%



(b) 11-20%

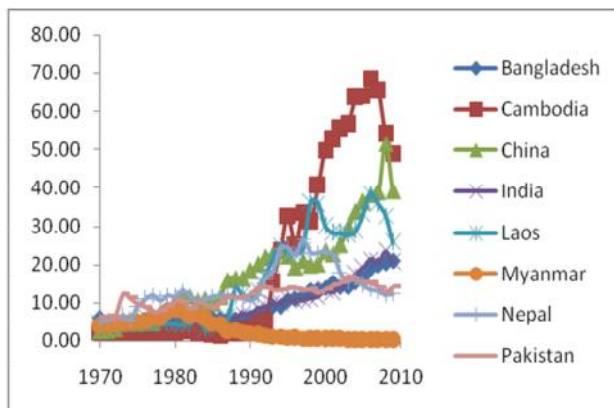


(c) 21-30 %

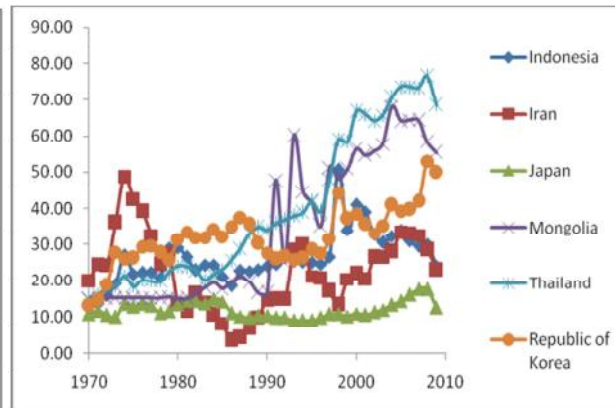


(d) Above 30 %

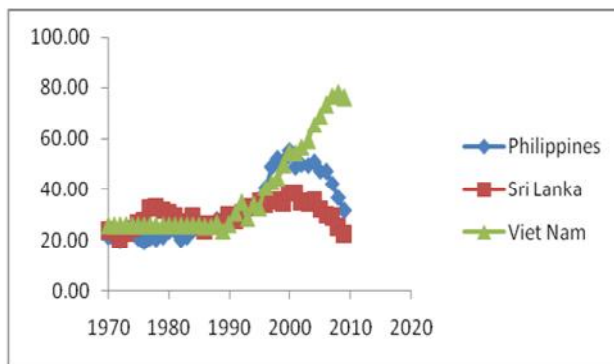
Figure 5: Gross Capital Formation (GCF) as percentage of GDP during 1970-2010 (Source see figure 6)



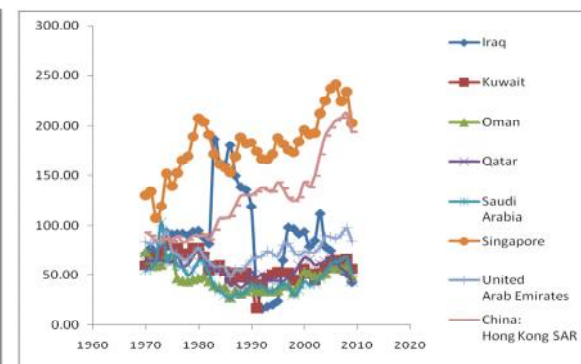
(a) 0-10%



(b) 11-20%



(c) 20-30%



(d) Above 30%

Source: Compiled from United Nations Statistics Division, National Accounts main Aggregate Database: <http://unstats.un.org/unsd/snaama/dnlList.asp> (Viewed on 30/12/2010)

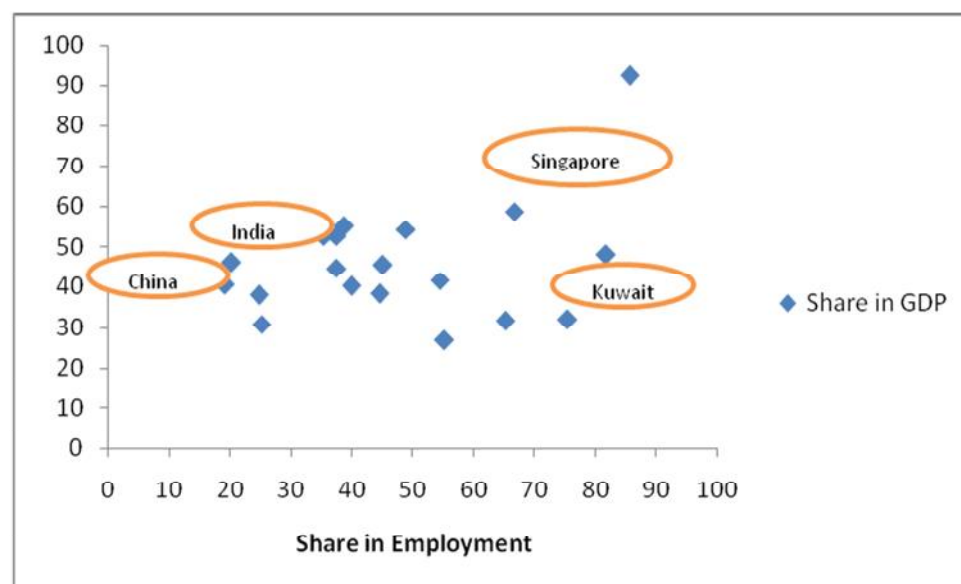
Figure 6: Export as percentage of GDP during 1970-2010

Table 5: Employment Elasticity and GDP growth

	Employment elasticities				Average annual GDP growth rates			
	1992-96	1996-00	2000-04	2004-08	1992-96	1996-00	2000-04	2004-08
World	0.3	0.4	0.3	0.3	3.1	3.7	3.3	4.4
Developed Economies & European Union	0.3	0.3	0.2	0.5	2.4	3.3	1.9	2.2
Central & South-Eastern Europe (non-EU)	0.2	0.2	0.2	0.2	-5.5	3.2	6	6.7
East Asia	0.1	0.2	0.1	0.1	10.2	7	7.8	9.3
South-East Asia & the Pacific	0.3	0.1	0.3	0.4	7.8	1.6	4.9	5.8
South Asia	0.3	0.4	0.4	0.3	6	5.4	5.5	8.4
Latin America & the Caribbean	0.6	0.9	0.8	0.5	3.3	3	2.3	5
Middle East	1.1	1.5	0.7	0.7	2.9	3.3	5.1	5.7
North Africa	0.8	0.6	0.8	0.7	2.3	4.3	4.3	5.6
Sub-Saharan Africa	0.7	0.7	0.5	0.5	2.9	3	6	6.1

Source: ILO Trends Econometric Models. See box 3 in “Guide to understanding the KILM” for more information on estimation

<http://kilm.ilo.org/KILMnetBeta/pdf/kilm19EN-2009.pdf>



Source: Share in Employment is compiled from <http://kilm.ilo.org/KILMnetBeta/default2.asp>

Figure 7: Service Sector's share in GDP (vertical axis) and share in Employment (horizontal Axis).

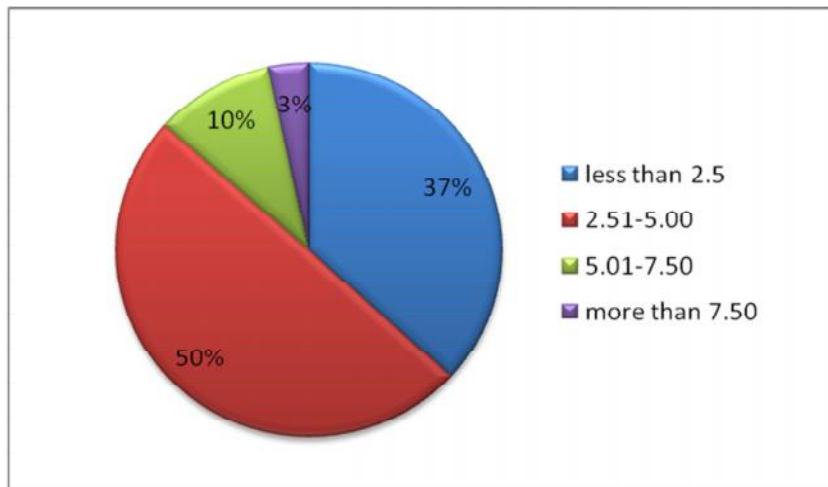
In the backdrop of service led growth, it is important to see the basic trend of urbanization in Asia, in particular the growth of urban agglomeration in the region. In 2007, there were 209 cities with one million and above population in Asia (Table 6). Of these, 2/3rd of cities are in

Table 6: Number of Cities with one million and above population in Asia

Country	No of Cities with one million and above population	Urban Population as Percentage of Total Population
China	100	42
India	41	29
Japan	8	66
Pakistan	8	36
Republic of Korea	8	81
Indonesia	6	50
Iran	5	68
Saudi Arabia	4	81
Bangladesh	3	27
Syrian Arab Republic	3	54
Viet Nam	3	27
Dem. People's Republic of Korea	2	62
Iraq	2	67
Israel	2	92
Philippines	2	64
Afghanistan	1	24
Cambodia	1	21
China, Hong Kong SAR	1	100
Georgia	1	53
Jordan	1	78
Kuwait	1	98
Lebanon	1	87
Malaysia	1	70
Myanmar	1	32
Singapore	1	100
United Arab Emirates	1	78
Yemen	1	30
Total	209	

Source: compiled from United Nations, Department of Economic and Social Affairs, Population Division (2008). World Urbanization Prospects: The 2007 Revision.

China and India, 100 and 41 respectively (Figure 8). While urban population in India is 29% of total population, 81 % of population in Korea lives in urban regions. Assessing this pattern it is interesting to posit if proportion of urban population in China and India is going to increase significantly by next two decades, the number of large cities in these countries is also likely to go up, resulting in complex agglomeration effects.



Note: N=209; Source: Computed from United Nations, Department of Economic and Social Affairs, Population Division (2008). World Urbanization Prospects: The 2007 Revision³.

Figure 8: Distribution of Compound Annual Growth Rate (CAGR) (between 1975 and 2007) of population cities with one million and above population in Asia

Sassen (2006) shows the primacy of cities in the emerging globalised economic system, pinpointing the significance of global cities in the management of global economy⁴. Some of these cities, in particular London, Amsterdam and Asian cities like Mumbai and Shanghai, have been centers of trade and banking for centuries, while others in this group are seeing sharp growth of specialized services for firms and finance. As argued by Sassen (p 7), these cities are “(1) command points in the organization of the world economy; (2) key locations and market places for the leading industries of the current period –finance and specialized services for firms; and (3) major sites of production, including the production of innovations, for these industries.” While unraveling the vitality of transformations which generate global cities and their centrality in the global economy, Sassen spots how contraction of some cities became fodder for the growth of global cities. This is a complex situation with two edges implying that growth in space means contraction of another space like illustrious cases of de-escalation of Detroit from a manufacturing hub to a space of lesser economic significance, leading to growth in

³ <http://www.unescap.org/stat/data/syb2009/17-Employment.asp>

⁴ Sassen (2006 p. 32) views “Global cities are strategic sites for the management of the global economy and the production of most advanced services and financial operations that have become key inputs for that work of managing global economic operations.”

demand for specialized corporate services in New York to manage a globally distributed manufacturing system. Similar process of contraction, due to territorial decentralization of manufacturing industries, took place in cities like Liverpool, Manchester, Marseilles, and the cities of the Ruhr, and now is going on in Nagoya and Osaka⁵. In fact, this tradeoff between growth and decay happens across countries whether more developed and less developed. This dynamics has clear implications for Asian labour market, viewing the recent growth in the number of urban agglomerates. An important scholarly view on Global cities, articulated by Sassen, sees that growth trajectories emanating from global cities tend to create inequalities in the labour market. While one extreme is the labour force with high pay and higher skills that constitutes the lowest proportion of the total, the other extreme is the category of workers who provide services to the former for considerably lower wages, manifest in emerging trend of part time and informal employment across the globe⁶.

Table 7: Category of Employment (% of total employment)

	Wage and Salaried Worker		Employers		Own-Account Worker		Contributing Family Workers	
	1996	2006	1996	2006	1996	2006	1996	2006
World	43.1	46.9	3.4	2.9	30.8	33	22.7	17.2
East Asia	32.4	42.6	2.8	1.2	33.4	38.2	31.4	18
South-East Asia and the Pacific	33	38.8	2.1	2.1	34.8	35.2	30.1	23.9
South Asia	17.1	20.8	1.5	1	45.6	47.4	35.8	30.8
Middle East	58.5	61.5	3.9	5.2	28.6	22.6	9	10.6

Source: ILO, key Indicators of the Labour Market (2008)⁷

The growth of informal workforce is clearly reflected in employment status. Broadly, employed workforce falls into two categories: wage and salaried employment and self employment⁸. The self employment, other than farming, consists of employers, own account workers and contributing family workers⁹. It is important to note that the group “self employed” are not necessarily entrepreneurs who engage in ventures for profits and wealth. Rather, most of

⁵ See Sassen (2006) p. 71

⁶ Perhaps this scenario would be different for an economy where manufacturing enjoys the centrality. Sassen observes (p.9) “Much earlier research on the impact of dynamic, high-growth manufacturing sectors in developed and developing countries shows that these sectors raised wages, reduced economic inequality, and contributed to the formation and expansion of a middle class.”

⁷ See <http://www.ilo.org/public/english/employment/strat/klim/index.htm>

⁸ In India, wage employment is classified into two: (1) regular wage and salaried and (2) casual. While employment of first category is relatively regular than the second, therefore duration of employment is more for the first category (NSS, 2010)

⁹ Self employment forms approximately 3/5th of non agricultural employment in Asia (ILO, 2002), p. 20

these workers, who are self-employed pursue livelihoods for generating income for sustaining the life in an urban space, are likely to have either migrated from remote villages or towns or be second generations who encounter the struggles of urban life such as human development deficits and unemployment. Across Asian regions, except Middle East, share of own account workers –e.g. street vendors-, principal constituent in this segment, increased during 1996-2006 (Table 7). In 2006, own account workers formed 47% of total employment in South Asia, while 38% of employment in East Asia comes from this category.

Although this segment of labour market is quite important for the sustenance of global cities, services of these segments are relatively undervalued by governing systems, thus, making contributions relatively invisible. As shown by Bhowmik (2005), describing cases of street vendors in eight Asian countries –Bangladesh, Sri Lanka, Thailand, Philippines, Vietnam, Cambodia, South Korea and India-, governments need to provide essential entitlements, such as security in public space and social security, for this segment^{10,11}. Interestingly, street vending is showing significant growth in principal urban centers in these eight countries. Primarily, this growth originates from two sources: (a) low skilled migrants in countries like India, Bangladesh, Nepal, Cambodia and Vietnam, (b) workers who were earlier in the formal sector in countries such as Philippines, South Korea, Thailand, Malaysia, Indonesia and India. Further, the correspondence between non wage segment of workforce and poverty is quite discernible from Table 8. Those countries with more 75% of population living on less than \$2 purchasing power parity (PPP) per day show majority of workers are engaged in non wage work in mainly south countries like India, Bangladesh and Nepal¹². On other hand, East Asian countries like Japan, South Korea, and Singapore show lower share of non wage employment and lower level of poverty. It is important to note that share of population above legal retire age in receipt of pension is not even 1/3rd in Asia, while the coverage is more than 3/4th in North America and Western Europe (Table 9). Similar contrast exists for proportion of Active contributors to a pension scheme in the working-age population, too.

It is important to note that, while informal-urban employment, in particular self employment, and part time work are growing in Asia, growth rate of real wage is either fluctuating between lower values or consistently falling, barring notable exceptions such as China (Table 10). Combining trends in share of wage in GDP and three key indicators of economic growth –annual

¹⁰ Bhowmik puts (p 2264) “though the Asian countries have witnessed an increase in street vendors, their governments are by and large indifferent to the specific needs of this sector. Street vendors perform an important role in providing services to the urban population, especially the poor. Their contributions are unfortunately hardly ever recognized by the governments.”

¹¹ Another growing segment of informal workforce in Asia, who are relatively invincible and vulnerable to low human development, is home based work by women in economic activities like weaving and apparel (see Chen et al., 1999). Also see Mehrotra and Mario (2007).

¹² Between 2000 and 1990, people living on \$1 a day declined from above 2/5th to slightly above 1/3rd, while the ratio for China fell from 1/3rd to 1/10th (ESCAP, 2008).

change in GDP, annual change in trade ratio, and annual change in Foreign Direct Investment (FDI) ratio-, ILO (2008) shows negative relation between wage share and economic growth¹³.

Table 8: Proportion of Non wage workers and poverty level (2009) in Asia

	Non wage workers as % of Total Employment	Proportion of population living on less than \$2 PPP per day
Japan	Less than 20%	Less than 2%
Singapore	Less than 20%	Less than 2%
Korea, Republic	20-40	Less than 2%
Kazakhstan	20-40	2.1-25
China	20-40	2.1-25
Malaysia	40-75	2.1-25
Iran, Islamic Republic	40-75	2.1-25
Thailand	40-75	2.1-25
Bhutan	40-75	25.1-50
Philippines	40-75	25.1-50
Mongolia	40-75	25.1-50
Sri Lanka	40-75	25.1-50
Vietnam	40-75	25.1-50
Indonesia	40-75	50.1-75
Pakistan	40-75	50.1-75
Cambodia	40-75	50.1-75
India	40-75	More than 75%
Bangladesh	More than 75%	More than 75%
Nepal	More than 75%	More than 75%

Source: ILO (2010)¹⁴

¹³ ILO (2008) reports that a 1% annual growth in GDP is associated with a 0.0047% decrease in the wage share. For pooled data, every 1% increase in the ratio of trade (imports + exports) to GDP is associated with a 0.05 % percent decline in the wage share.

¹⁴ Based on People living on less than US\$2 PPP per day: *World Development Indicators* (Washington, DC, World Bank, 2009); Non-wage workers as a percentage of total employment from ILO, LABORSTA, table 2+A7D: Total employment, by status in employment (thousands); *Key Indicators of the Labour Market* (KILM) (ILO 2009h), on KILMnet (September 2009), table 3: Status in employment (by sex)

Table 9: Coverage of Pension

Major area, region or country	Effective extent of coverage	
	Share of population above legal retirement age in receipt of a pension (%)	Active contributors to a pension scheme in the working-age population (%)
Regional estimates (weighted by population)		
World	40.2	26.4
Sub-Saharan Africa	15.6	5.4
Africa	17.6	10.4
Asia and the Pacific	30.9	18.0
Middle East	27.3	21.7
North Africa	28.4	28.5
Latin America and the Caribbean	50.3	36.6
CIS	94.0	39.6
Central and Eastern Europe	87.3	50.0
Western Europe	92.7	65.3
North America	75.6	72.4

Source: ILO (2010)

Table 10: Average Real Wage Growth Rate (%)

	1995-2000	2001-2007
China	9.43	12.93
India	1.09	1.58
Singapore	5.75	1.80
Sri Lanka	0.36	-0.73
Taiwan	1.71	0.16
Bahrain	-0.96	-3.20

Source: ILO (2008)

4. Conclusion

Our assessment of supply of labour in Asia, looking at primary source (population), shows the trend of dependency scenarios. While, ratio of dependent population to economically active population is likely to pose challenges for countries like Japan, the scenario may turn out to be source of dividend for South Asia and Middle East. However, conversion of this advantage to dividends depends on these region's human capital endowment. The L shaped distribution of educational attainment, prevalent in countries like India and Pakistan, unless transformed to an inverted U distribution with at least 12 years of schooling as the mode of distribution, the enormity of demographic mass may not be absorbed in employment opportunities emanating from principal sources of growth. This resembles the situation of 'water water everywhere, not a drop to drink', implying the basin of youth with no employable skill set¹⁵. Further, conversion of this advantage into growth entails progress of human development, in particular in Asia to the desirable levels¹⁶.

Another nagging issue is the low labour force participation of women in South Asia and Middle East. More importantly, low labour participation is not really lack of participation in work; rather it is absence of participation in the paid work. As in the case of India, NSSO (2010) reports that close to 72% of women are in not in labour force category; most of whom are engaged in unpaid domestic duties at home. In such situations, although women work, their contribution to the economy is invincible. Sometimes, they move from this invincible status to low paid work as casual workers or engaged in home based work or paid domestic or part time work. As shown by Mehrotra and Mario (2007), there are business value chains which take advantage of this segment of labour force by outsourcing work to home based women workers. Similarly, domestic workers, in particular in South Asia, are invincible, deprived of basic entitlements like social security (ILO, 2010a). Migration, the open economy component of labour supply, plays pivotal role in the dynamism of Asian labour market. While South Asian countries like India are principal supplies to rest of the world, Middle East is the major absorber of migrant workforce. In fact, cross boarder migration generates pay offs to countries of origin, called remittances. India, China and Bangladesh belong to top ten receivers of remittance in absolute amount from rest of the world (IOM, 2010). Interestingly, this component of labour supply assumes primacy in an economic order directed by cities and urban agglomeration¹⁷.

Demand for labour in Asia, for both of transition and developed economies, is primarily driven by growth of services, quite reflected in sector's share in employment and GDP. While the service led growth goes along with a vibrant manufacturing sector in large transition economies like China, the change in India shows a combination of fast growing service sector and a relatively slow growing manufacturing sector. Moreover, service sector shows higher employment elasticity than agriculture and industry for the period 1991-2003 (ESCAP, 2008). While elasticity

¹⁵ Lee Jong-waha and Ruth Francisco (2010) shows educational attainment forecast for Asia by 2030 will be 3.5 years lower than the level of advanced countries in 2010.

¹⁶ UNDP/PRCC & ILO (2010, p. 8) notes India's slow progress in poverty reduction.

¹⁷ World Bank (2009) explores the role of migration in economic growth, which is driven by urban agglomeration.

for services sector, across regions in Asia, varies between 0.36 and 1, for other two sectors, this measure varies between 0.06 and 0.71. In East Asia, interestingly, lower employment elasticity (0.06) coexists with extraordinary growth in value added by industry; seemingly this trend comes from reasons like increase in labour productivity and more capital intensity.

Across Asia, during last four decades since 1970, share of agriculture in GDP has been falling. This trend, however, needs to be interpreted carefully. For economies like India, there is a glaring disparity between shares of agriculture in GDP and employment; while the sector employs more than 1/2 of workforce, contribution to GDP is just 1/6th. This disparity is mainly emanating from sources like falling productivity and cumulative causation leading to collective distress¹⁸.

In Asia, mainly South and East Asia, rate of capital formation showed tremendous increase during 1970-2007. Moreover, the region has witnessed surge in Foreign Direct Investment (FDI) in the 2000s (World Investment Report (WIR), 2009)¹⁹. A notable feature of FDI inflow to Asian region in recent times is growing importance of China and India as host economies. While China was third largest recipient of FDI in 2008, India, ranked 10 places behind, is catching up. Although global recession slowed down inflows to China in 2009, the country continue to be the favoured destination for investment. However, countries such as Taiwan and Singapore experienced significant decline in inflows, due to recession. With service-led structural transformation, combined with rise in domestic investment and surge in FDI inflows, Asia is also witnessing more opening up of economy, manifest in increasing export to GDP ratio.

As shown by World Bank (2009), sourcing concepts from the core literature, economies of scale emanating from localization, urbanization and agglomeration make cities as the drivers of economic growth. Contrary to the view that information technologies are going to make cities irrelevant, fall in transportation and communication costs may generate concentration in business activities, making the global economy centered on urban agglomerations²⁰. This is primarily because of the effect of circular causation, as noted by Krugman²¹ (1991a, p 486) “production will tend to concentrate where there is a large market, but the market will be large where manufactures production is concentrated.” Basically this growth process, as viewed by Sassen (2006) is double edged, while one pole is represented by highly skilled workers who are into

¹⁸ ESCAP (2008, p 126) discusses growing farm debt and increasing distress in India agriculture. It is also important to note that agriculture labour production is declining across Asia, in particular in South Asia. After the phase of green revolution in the 1970s and 1980s in South Asia, the trend of falling productivity is catching up.

¹⁹ WIR (2009, p. 41) notes “Among developing regions, South, East, South- East Asia and Oceania, taken together as a region, remained the largest recipient, accounting for almost half of the total inflows of developing economies, while Africa recorded the greatest increase in inward FDI (by 27%).

²⁰ Krugman (1991), using a simple model of urban continuum, shows the direct relation between unit transportation cost and number of cities.

²¹ Citing Myrdal, Gunnar (1957), *Economic theory and under-developed regions*, London: Duckworth.

specialized services for governing the global business and organizations, the other end is a labour market segment who are relatively invisible but crucial for the sustenance of the system, presenting new sets of inequalities.

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Appendix 1: Demographic Features

Table 1: Demographic Trends in Select Asian Countries

	Population less than 15					Population over 60				
	(% of total population)					(% of total population)				
	2000	2005	2010	2030	2050	2000	2005	2010	2030	2050
China	25.7	22.0	19.9	16.9	15.3	10.0	10.8	12.3	23.4	31.1
Japan	14.6	13.8	13.2	10.8	11.2	23.3	26.5	30.5	37.9	44.2
Korea, Republic of	20.8	19.1	16.2	12.6	11.4	11.2	13.3	15.6	31.1	40.8
India	35.0	33.1	30.8	22.8	18.2	6.7	7.0	7.5	12.4	19.6
Iran, Islamic Rep. of	32.0	26.4	23.8	19.5	17.1	6.7	6.9	7.1	13.6	28.1
Uzbekistan	37.4	32.8	28.6	23.0	18.2	6.6	6.2	6.3	12.5	21.5
Indonesia	30.3	28.4	26.7	20.0	17.4	7.7	8.3	8.9	16.0	24.8
Malaysia	33.5	31.3	29.1	21.7	18.3	6.2	6.7	7.8	15.0	22.2
Thailand	25.1	22.9	21.5	18.6	17.3	9.6	10.2	11.5	21.6	26.4
Iraq	42.9	41.8	40.7	30.9	24.0	5.1	5.1	4.7	7.4	13.0
Saudi Arabia	38.0	34.5	31.9	24.6	19.0	4.0	4.2	4.6	10.8	18.6
Yemen	48.3	45.7	43.3	34.9	25.9	3.7	3.8	3.8	5.4	10.1

Source: ILO (2010)

Table 2: Total Dependency Ratios in Select Asian Countries

	Total dependency ratio (%)				
	2000	2005	2010	2030	2050
China	48.2	42.0	39.1	48.7	62.9
Japan	46.7	50.9	55.7	71.3	96.3
Korea, Republic of	39.2	39.6	37.4	55.7	83.8
India	64.7	60.5	55.6	45.3	47.0
Iran, Islamic Rep. of	57.8	45.8	40.2	39.9	58.1
Uzbekistan	71.4	60.1	49.3	46.2	49.2
Indonesia	54.3	51.3	48.7	44.3	56.3
Malaysia	59.6	55.5	51.3	47.5	52.9
Thailand	46.0	42.9	41.2	51.1	60.1
Iraq	86.4	82.6	78.3	55.0	49.0
Saudi Arabia	68.7	59.5	53.6	45.5	48.0
Yemen	102.6	92.4	84.2	62.2	47.7

Source: ILO (2010)

Table 3: Labour force to population ratios for the age group 15-64 in select Asian Countries

	Labour force to population ratios for the age group of 15-64 (%)											
	Total				Male				Female			
	2000	2005	2010	2020	2000	2005	2010	2020	2000	2005	2010	2020
China	83.3	80.8	79.7	79	88.5	85.9	84.9	84.8	77.8	75.4	74.3	72.6
Korea, Republic of	64.1	65.5	65.2	66.3	76	76.6	75.4	76	52.2	54.4	54.9	56.4
Japan	72.4	72.7	73.2	74.6	85.3	84.5	84.2	83.5	59.5	60.8	62.1	65.4
India	61.1	60.8	60.8	61.2	85.2	84.9	84.6	85.2	35.2	34.7	35.3	35.5
Iran, Islamic Rep. of	53	54.8	55.1	55.9	75.8	76.8	76.2	76.6	29.7	32.1	33.5	34.7
Uzbekistan	62.1	65.5	68.4	71	67.5	71.1	74.5	77.4	56.8	59.9	62.4	64.6
Indonesia	69.6	69.8	70.4	70.7	86.9	87.6	87.4	87.5	52.3	52	53.4	53.9
Malaysia	65.2	65	64.7	64	83.2	82.7	81.6	79.6	46.6	46.7	47.2	48
Thailand	77.6	77.8	77.4	77.5	84.9	84.9	84.7	84.4	70.5	71	70.4	70.9
Iraq	43.7	43.5	43.1	42.9	73.4	71.9	70.7	69.1	13.4	14.3	14.7	15.9
Saudi Arabia	55.5	56.5	56.1	54.7	81.5	82.2	81.4	79.4	18.5	20.8	22.5	24.3
Yemen	46.3	46.8	48	50.5	74.3	74	74.5	76.7	17.8	19.2	20.9	23.8

Source: ILO (2010)

Table 4: Youth employment to population ratios for the age group 15-24 in select Asian Countries

	Employment rates of population at ages 15-24 (%)								
	Total			Male			Female		
	2000	2005	2008	2000	2005	2008	2000	2005	2008
China	61.4	55.1	54.5	57.6	50.7	49.9	65.5	59.9	59.7
Japan	42.4	40.7	40.4	42.2	39.8	39.7	42.7	41.6	41.2
Korea, Republic of	31.0	31.0	27.7	28.3	27.0	24.4	33.9	35.4	31.4
India	41.9	40.2	39.6	58.3	57.0	56.4	24.1	22.1	21.4
Iran, Islamic Rep. of	32.3	33.4	36.2	43.3	44.5	47.3	20.9	22.2	24.9
Uzbekistan	34.4	36.4	38.9	38.2	40.2	42.5	30.5	32.6	35.1
Indonesia	45.1	36.7	40.8	54.5	45.8	49.7	35.5	27.3	31.6
Malaysia	44.6	44.0	44.5	52.2	51.1	51.3	36.9	36.7	37.4
Thailand	48.8	49.2	45.6	52.5	54.8	53.0	45.2	43.4	38.0
Iraq	24.7	23.8	23.2	42.4	40.3	39.0	6.3	6.4	6.7
Saudi Arabia	26.8	25.1	24.7	44.3	42.2	41.5	6.8	7.0	7.6
Yemen	21.6	21.8	21.9	29.3	27.8	27.4	13.4	15.5	16.1

Source: ILO (2010)

Table 5 Unemployment as a percentage of the labour force

	Total				Male				Female			
	1995	2000	2005	2008	1995	2000	2005	2008	1995	2000	2005	2008
Armenia	6.7	11.7	8.2	...	3.8	8.0	4.6	...	10.4	15.7	12.1	...
Georgia	...	10.8	13.8	...	...	11.1	14.8	...	...	10.5	12.6	...
India	2.2	4.3	...	...	2.4	4.3	...	...	1.7	4.3	...	...
Indonesia	4.0	6.1	11.2	8.4	3.3	5.7	9.3	7.6	5.1	6.7	14.7	9.7
Iran, Islamic Rep. of	...	...	11.5	10.4	...	...	10.0	9.1	...	...	17.0	16.7
Iraq	...	...	26.8	...	...	...	29.4	...	...	...	15.0	...
Israel	6.9	8.8	9.0	6.1	5.6	8.4	8.5	5.7	8.6	9.2	9.5	6.5
Japan	3.2	4.7	4.4	4.0	3.1	4.9	4.6	4.1	3.2	4.5	4.2	3.8
Kazakhstan	...	10.4	8.1	6.6	...	8.9	6.7	5.3	...	12.0	9.6	7.9
Korea, Republic of	2.0	4.4	3.7	3.2	2.3	5.0	4.0	3.6	1.7	3.6	3.4	2.6
Pakistan	5.4	7.8	7.7	...	4.1	6.1	6.6	...	13.7	17.3	12.8	...
Philippines	8.4	11.2	7.8	7.4	7.7	10.9	7.8	7.6	9.4	11.6	7.8	7.1
Qatar	...	3.9	...	...	...	2.3	...	...	...	12.6	...	...
Saudi Arabia	...	4.6	6.3	5.0	...	3.8	4.7	3.5	...	9.3	14.7	13.0
Singapore	2.7	3.8	4.5	4.0	2.7	3.7	4.1	3.6	2.8	3.9	4.9	4.4
Sri Lanka	12.3	7.6	7.7	5.2	9.0	5.8	5.5	3.6	18.7	11.0	11.9	8.0
Syrian Arab Republic	...	11.2	8.4	...	...	8.0	5.2	...	...	23.9	25.7	...
Tajikistan	2.0	2.7	2.0	...	1.9	...	...	...	2.1	...	...	...
West Bank and Gaza Strip	23.8	14.1	23.3	25.7	24.5	14.4	23.6	26.2	19.6	12.3	22.1	23.5
Yemen	...	11.5	...	...	...	12.5	...	...	...	8.2	...	...

Source: ILO (2010)

Table 6: Percentage of Wage and salaried Workers (%) in Employment

	Year	Total	Male	Female
Bangladesh	2005	13.9	14.5	11.7
Cambodia	2004	12.9	...	...
India*	2008	16	18	11
Indonesia	2008	32.6	...	...
Iran, Islamic Rep. of	2007	51.4	53.4	42.2
Israel	2008	83.3	87.3	92.0
Japan	2008	86.1	86.5	87.0
Kazakhstan	2008	67.5	66.2	64.8
Korea, Republic of	2008	68.1	68.7	69.6
Malaysia	2008	72.2	74.6	78.9
Mongolia	2003	39.3	37.1	41.8
Nepal	2001	24.6	33.7	12.8
Oman	2000	87.8	87.8	87.8
Pakistan	2007	37.4	40.6	24.6
Philippines	2008	52.9	52.4	51.4
Qatar	2004	98.8	98.7	99.9
Singapore	2008	81.0	84.9	90.1
Sri Lanka	2008	56.7	56.0	54.7
Thailand	2008	43.7	43.2	42.6
United Arab Emirates	2008	95.1	95.8	99.0
Viet Nam	2004	25.6	29.8	21.2
West Bank and Gaza Strip	2008	66.3	65.3	61.1
Yemen	1999	41.6	50.7	13.8

*For India, figures are from National Sample Survey 66th Round

Source: ILO (2010)

Appendix 2: Sector wise Share in GDP

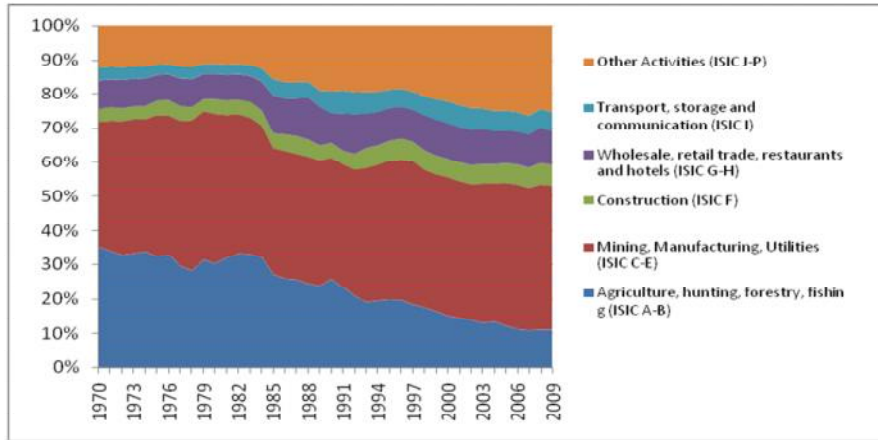


Figure 1: China (Source see figure 7)

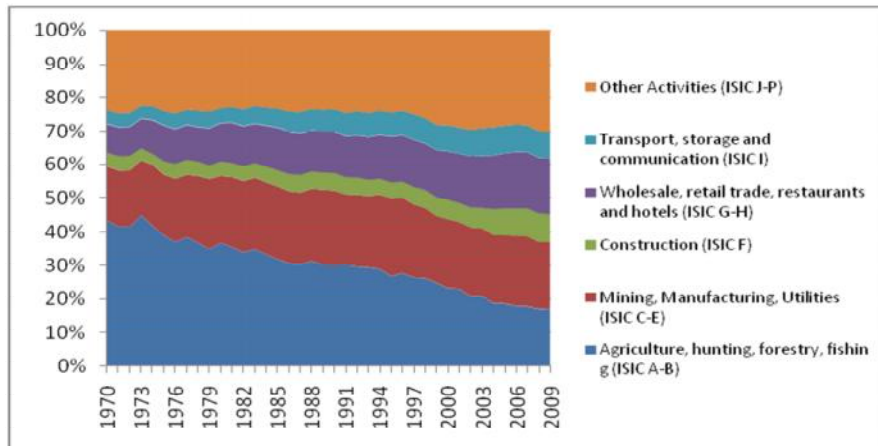


Figure 2: India (Source see figure 7)

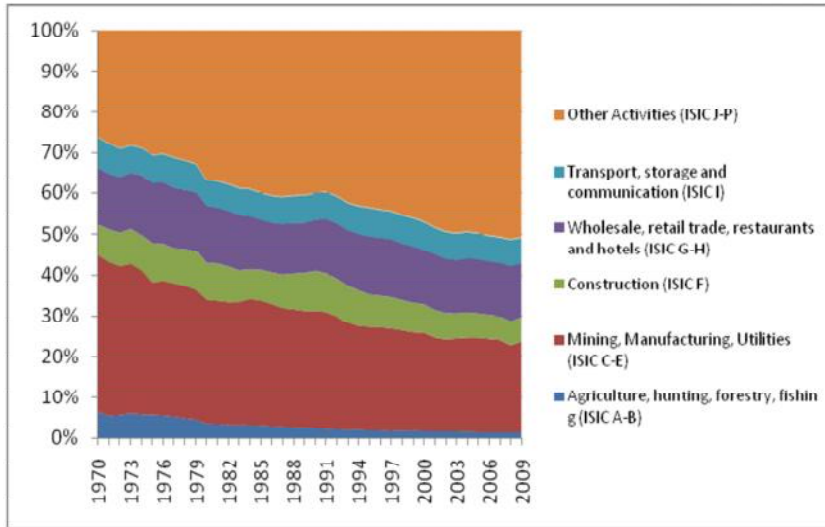


Figure 3: Japan (Source see figure 7)

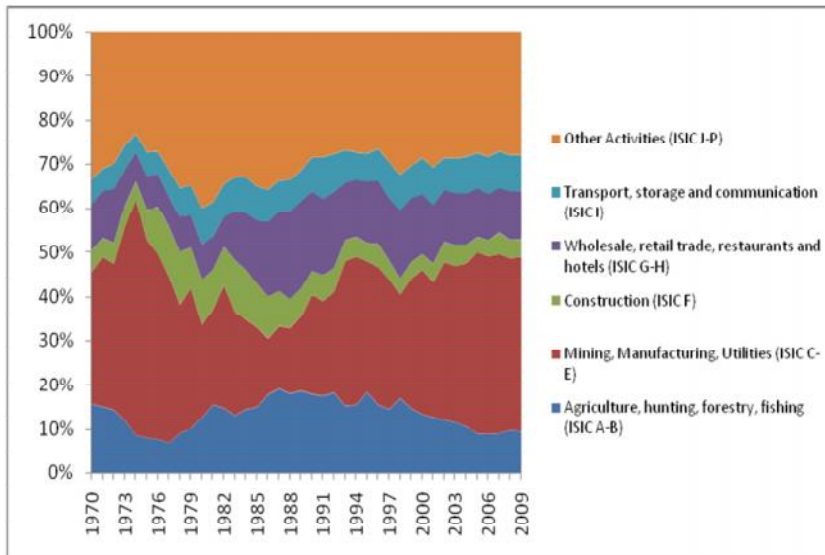


Figure 4: Islamic Republic of Iran (Source see figure 7)

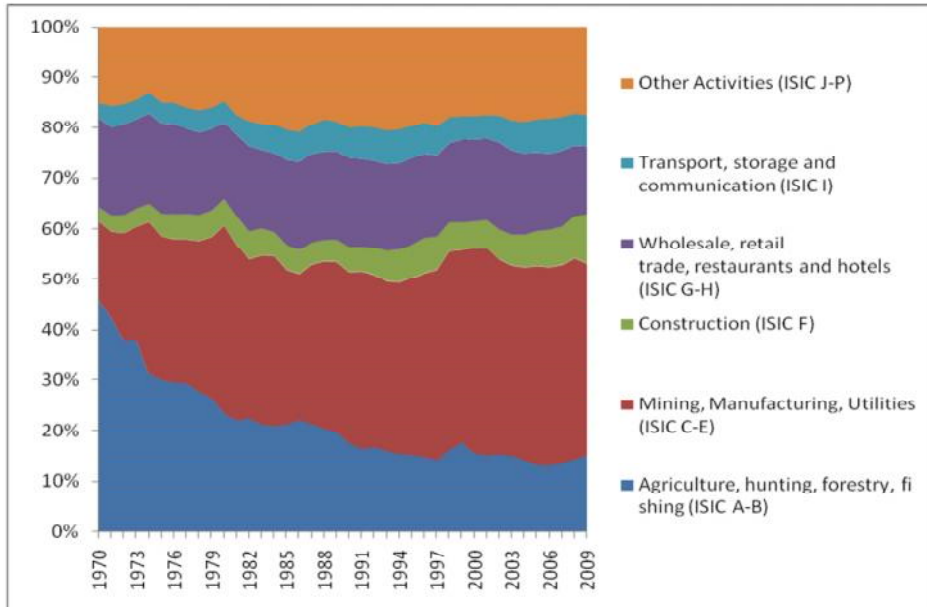


Figure 5: Indonesia (Source see figure 7)

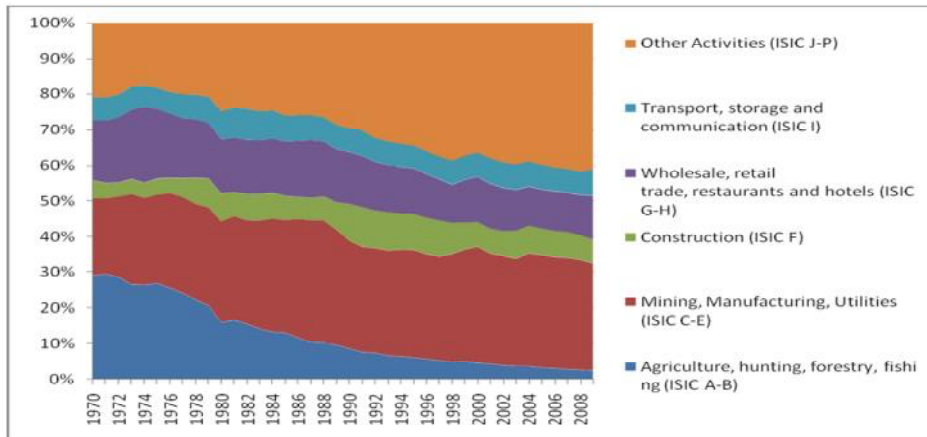


Figure 6: Republic of Korea (Source see figure 7)

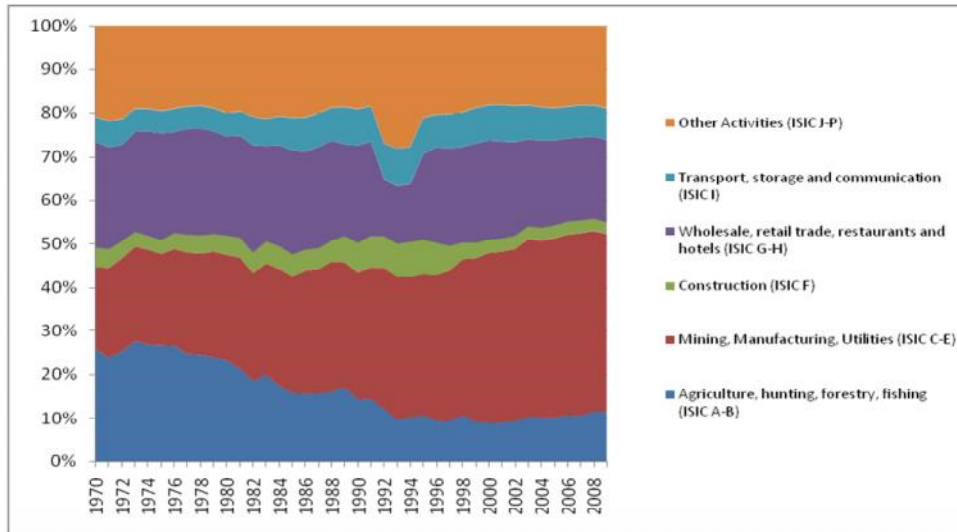


Figure 7: Thailand (Source see figure 7)

Source: Compiled from United Nations Statistics Division, National Accounts main Aggregate Database: <http://unstats.un.org/unsd/snaama/dnlList.asp>
 (Viewed on 30/12/2010)