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Highlights of Current Labor Market Conditions in Nicaragua

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Since the beginning of the 1990s, the labor market in Nicaragua has experienced sharp changes in salaries and regulations. Along with the economic and socio-political changes experienced at the beginning of the 1990s, Nicaragua saw the rise of a new occupational stratification that has undermined social mobility and the distribution of wealth.

Several factors led to the growth of precarious employment in the 1990s. The most important of these were the rise in informal (low-productivity) employment; changes in government structure that increased unemployment; and the continued growth in the supply of unskilled labor. Sixty-eight percent of the economically active population (PEA) under the age of 25, for example, lacks formal instruction or has only completed a portion of grade school.

This study analyzes the different factors related to the labor market in Nicaragua with a focus on employment and unemployment levels, salaries, cost of living, and distribution of wealth.

The study ends with a series of conclusions. In addition, we also present a number of pertinent facts and figures obtained from officials of the Central Bank of Nicaragua (BCN), national and international economic publications, development information from the UNDP (United Nations Development Program), ECLAC (Economic Commission on Latin America and the Caribbean), and others.

Evolution of the Nicaraguan economy

Between 1990 and 2000, the Nicaraguan economy experienced profound changes in various sectors of the country, including the opening of the economy; the implementation of structural adjustment programs; a civil war; and the institution of a democratic government.

In 1991 the Violeta Barrios Administration agreed to introduce the International Monetary Fund's (IMF) drastic stabilization plan, dubbed the "100 day plan." The plan was promised to combat hyper-inflation; guarantee Nicaragua's admission into the global economy; restructure and repay Nicaragua's external debt; and improve access to foreign resources.

In 1991 and 1992, Nicaragua obtained total donations and loans of U.S. \$600 and U.S. \$700 million per year, respectively, equaling about one-third of Nicaragua's gross domestic product (GNP) and about U.S. \$150 per capita. In 1992 the governmental objectives prioritized a reactivation of productivity via an increase in loans to management; the deepening of institutional reforms; the launching of an ambitious public works program designed to generate jobs; and the allocation of 10% of the external aid to the implementation of social safety-net programs.

By 1994 the economic recession had reached intolerable levels, with GDP falling almost 1% and GDP per capita falling four percentage points. Agricultural and industrial production was decimated, falling by 7% and 2%, respectively. In addition, foreign loans and aid declined, leading to a foreign exchange shortage that triggered a 12% decline in imports. External debt payments, which constituted 71% of exports, added to the burden.

This economic policy failed precisely because it depended entirely on a continuation of flexible external aid, the replacement of this aid via increased private investment, and a rapid recuperation of exports.

Starting in 1997, economic policy shifted towards the relief of external debt as a path to the reform and modernization of the state. In March 1998, the government reached a new agreement with the IMF to reinforce structural adjustment for the 1998-2000 period. The objective was to reach financial sustainability and to continue structural reform.

In 1998 the GDP increased only 3.6%, well below the 6% anticipated at the beginning of the year. The agricultural sector grew only 3.4%, down from 8.9% in the previous year, due in large part to the effects of Hurricane Mitch.

Nicaragua's economic situation in the year 2000 reflects a continued fragility. On the one hand, the government expected a \$33 million increase in net adjusted international reserves. In fact, these reserves fell by U.S. \$83 million, influenced in part by the financial scandal within the Intercontinental Bank, which necessitated that the Central Bank back the funds of those with deposits in the ICB.

Nevertheless, the government has signaled its intent to complete the execution of major structural reforms. These reforms entail the establishment of a National Center for Property Arbitration; a reformation of social security; and the implementation of new regulations in the reformed pension system.¹

¹Nestor Avendano. The Nicaraguan Economy 2000-2001.

Labor market behavior

The rapid growth in the economically active population is due, in part, to the overall population growth and, in part, to the increase in family labor supply in response to Nicaragua's deepening economic crisis.

Rates of employment

YEAR	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Labor force	31.8%	32.1%	32.4%	32.7%	33.0%	33.4%	33.8%	34.2%	34.6%	35%
Employment/labor force	92.4	88.5	85.6	82.2	82.9	83.1	84	85.7	86.8	89.3
Unemployment	7.6	11.5	14.4	17.8	17.1	16.9	15.9	14.3	13.2	10.7
Underemployment	15.5	14.9	13.8	13.1	12.2	11.8	11.6	12.2	11.6	12.3

Source: MITRAB, BCN Economic Indicators, April 2000.

In 1990, the unemployment rate was 7.6%. However, the underemployment rate reached 15.5%. The largest source of employment was the service sector, representing 44.6% of the total employment. Other employment came from agriculture (36.4%) and manufacturing (11.5%) sectors (see Appendix Table 10).

In 1993, unemployment rose 17.8% (from 11.5% in 1991 and 14.4% in 1992). The main force behind this trend was the structural adjustment policies implemented at the beginning of the decade under the administration of Violeta Barrios de Chamorro.

Distribution of workforce and employment levels in Nicaragua (in thousands)

YEAR	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total population	3823.7	3937.4	4054.4	4174.9	4298.9	4426.7	4548.8	4674.2	4803.1	4935.6
Labor force	1214.2	1262.7	1313.0	1365.2	1419.3	1478.1	1537.0	1598.0	1661.3	1728.9
Employed	1122.4	1117.0	1123.7	1121.7	1176.6	1228.2	1291.8	1369.9	1441.8	1544.2
Unemployed	91.8	145.7	189.3	243.5	242.7	249.9	244.9	228.1	219.5	184.7

Source: MITRAB, BCN Economic Indicators, April 2000.

In 1997, a series of measures and structural adjustments were implemented as a result of the ESAF agreement of June 1994. In 1997 the PEA reached a population of 1.6 million, or 34.2% of the total Nicaraguan population. The unemployment rate was 14.3%, down 1.6 percentage points from 1996; underemployment, however was up 0.6 percentage points relative to 1996, at 12.2%.

Between 1990 and 1999, the labor force grew by 514,700 people. The labor market, however, absorbed only 421,800 of these potential workers.

Total employment grew by 102,400 jobs in 1999. The agricultural, construction, and commercial sectors contributed most to the expansion, accounting for 82% of jobs generated. Noteworthy is the contribution of the construction sector, which registered an increase of 24,900 jobs in 1999, compared to rise of only 4,500 jobs in 1998. This growth was a consequence of an increased public investment in

infrastructure, such as bridges, highways, schools, health centers, and houses in the wake of Hurricane Mitch, which struck at the end of 1998.

Changes in the labor market

In the middle of the 1980s, in response both to the economic crisis that the country faced and the low wages in the formal sector, many Nicaraguans abandoned their formal employment to work in the informal sector.²

In the 1990s, economic policy implemented in accordance with structural adjustment programs sought to bring substantial reforms to the public sector, including a drastic reduction in government employment. Another important factor was the impact of commercial liberalization, which led to various undesirable repercussions in the manufacturing sector, including the closing of a considerable number of factories in the textile, agro-industrial, and other industries. At the same time, the slow recovery of the private sector failed to absorb the increased numbers of workers seeking to join the labor force.

Until 1985, the formal and informal sectors generated jobs at similar rates. After this date, though, the informal sector clearly surpassed the formal sector in both rural and urban areas. In the countryside, lack of productive resources, insecure land tenure, lack of credit, and a dearth of technical assistance have been factors behind the decline in agriculture. This has led to an increased migration out of rural areas and the availability of manual labor far above the absorptive capacity of the formal labor market.

Informal employment has constituted the primary manner in which the labor market has adjusted to the insufficient number of formal occupations. As such, the informal sector has served as a shock absorber for the drop in employment.

The development of the informal sector is not limited to urban areas. About 42% of all Nicaraguan households have some type of business or independent activity not related to agriculture or livestock. Two-thirds of these businesses are one person operations. Three-fourths are located in urban areas; the other fourth, in rural areas.³

Youth unemployment is a particular problem. A UNDP study conducted at the end of 1998 found that this constituted the primary concern of 70% of surveyed youth. According to household surveys by the Ministry of Labor, the unemployment rate among urban youth between the ages of 15 and 24 is as much as two times that of adults between the ages of 25 and 49.

When young people do find work, it is precarious and poorly paid. As a result, young people are especially vulnerable when it comes to underemployment.

²We define the informal sectors: the self-employed, unpaid family workers, owners and employers of businesses with less than 5 workers, and domestic workers.

³INEC-MECOVI, 1996, chapter 6.

In urban areas in 1999, the informal sector employed 56.4% of those with work; the formal sector, 43.6%.

Some 26% of the informal sector is composed of school-age children (under 15 years old). Youth comprise 19% of informal employment in urban areas and 30% in the countryside, where the early integration into rural labor and family employment is traditional. Some 47% of the informal sector is age 20 to 44, a group at the height of their productivity. About 22% are between the ages of 45 and 65. The rest (about 5%) are elderly workers unable to enjoy retirement.⁴

Minimum salaries vs. basic cost of living

This section contains an analysis of salaries and their buying power. We compare wages with cost of the goods and services needed to achieve a minimum standard of living.

The macroeconomic stabilization policies of the government have had a strong negative impact on the real value salary.

Inflation: The improvements in macroeconomic stability have helped to reinvigorate the Nicaraguan economy, but the agreements reached with international organization have also obliged the government to adopt policies that have had negative consequences for low-income groups.

The following table demonstrates that adjustment policies have contributed to a reduction in inflation.

Inflation (consumer price index)

Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Annual average	7485.24	2945.02	23.67	20.39	7.77	10.94	11.62	9.22	13.05	11.21	10.97

Source: BCN, MITRAB, and INEC.

The inflation rates reflect the annual percentage increase of the consumer price index from one year to another. Thus, in 1999 the price of goods and services increased 11.21% with respect to 1998, and by July 2000 the prices had risen 10.97% in relation to 1999, or 87.26% in relation to the base year of 1994.

Salaries: Minimum wage laws were reformed in 1991, 1997, and 1999 (see annex No. g1), and even though the average salary has shown some increase, the gap between the cost of living and minimum wage has grown.

Data from the Labor Ministry (MITRAB) and the Nicaraguan Institute of Social Security (INSS) showed that the national nominal average salary in May 2000 was 2,556.00 córdobas. In the same month of the previous year the average was

⁴Ibid.

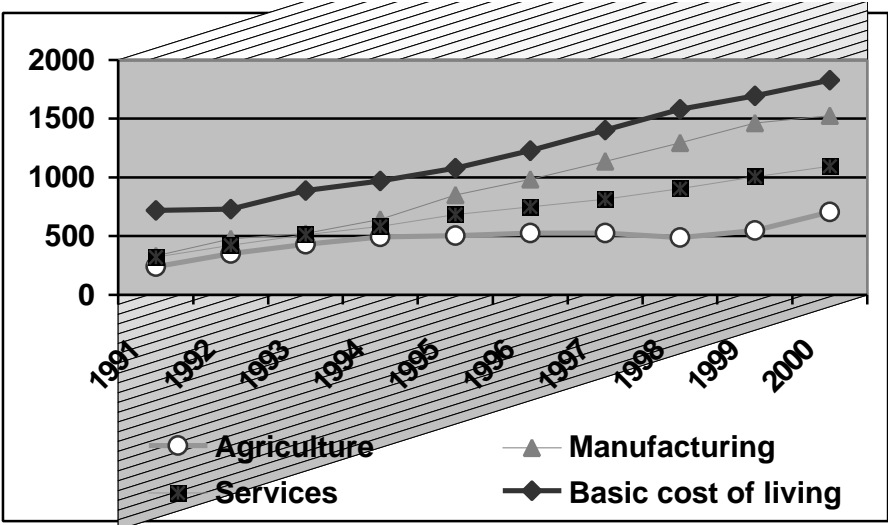
2,240.00 córdobas, increase of 14.11%. After adjusting for inflation, the real salary did not increase at all over the period (see annex No. 1).

Basic cost of living: In this section, we analyze the capacity of Nicaraguan workers to provide their families with a basic basket of goods. If anything, the graph understates the gap between sectoral minimum wages and the basic basket.

FIDEG⁵ has demonstrated that the cost of living in August 2000 in the city of Managua was 2,280.60 córdobas. The figures presented by the government and used in the graph above indicated that the same goods cost 1,827.22 córdobas, a difference of 453.38 córdobas.

The following graph presents the minimum official salaries for each activity and the cost of the official basic basket. In every year since 1991, the cost of the official basic basket was above the minimum wage paid in agriculture, manufacturing, and services.

Graphic No. 4.2 Relation of minimum wage vs. basic cost of living



Source: Elaboration of the base found in Annex No. 3 and 5.

The value of basic goods and services in the city of Managua⁶ during the last decade has remained higher than the minimum salary received by Nicaraguans. One can also confirm that, among the economic sector, the least payed is the primary sector, due in part to the lack of public and private investment that this

⁵FIDEG, El Observador Economico. September 2000.

⁶The cost of living in Managua is used under the assumption that it is the highest.

sector has suffered. This dynamic affects a great number of workers whose income depends on minimum wage work.

Distribution of Income in Nicaragua

Equaling the distribution of income is one of the key challenges facing Nicaragua. Current levels of economic growth are insufficient. The growth of the GDP per capita has managed a little better than 1% in the last six years, and the low income sector has benefited the least.

Almost half of the Nicaraguan population (2.3 million)⁷ lies under the poverty line, lacking the basic social services and productive employment necessary to improve their situation. Of those in poverty, some 17% (830,000 people) are in extreme poverty. In the last decade, the best-off of the poor and the middle class have experienced a sharp deterioration in their standard of living.

Persistent and pervasive poverty continues to be Nicaragua's Achilles heel. Poverty has been linked to unemployment, malnutrition, illiteracy, gender discrimination, environmental problems, and limited access to social, educational, and housing services. According to standards defined by the UNDP, the level of absolute deprivation (as seen in data from EMNV - 98) is 18.75%. The most important components of that figure are:

- 12.4% of the population will not reach the age of 40;
- 23.9% of the population above the age of 15 is illiterate;
- 34.7% of the population does not have access to potable water;
- 8.5% has no access to health services;
- 8.3% of children under five are underweight.

In the first half of 2000, 56% of the urban workforce received less than 1,000 córdobas in monthly income; 27% of the urban population made between 1,000 and 2,000 córdobas per month; and only 17% received more than 2,000 córdobas. Among women, only 12% had a monthly income exceeding 2,000 córdobas.

The GINI coefficient measures the equality or inequality of income distribution. It varies from 0 to 1, where zero indicates total equality and one indicates total inequality. In 1998, the coefficient in Nicaragua was 0.605, a very high rate that conveys the great inequality in the nation's income distribution. The Lorenz⁸ curve in this same year (1998) showed that the 10% of the population with the lowest income received only 0.8% of the total income, while the top 10% received almost half (44.7%). The richest 1% captured 15.6% of all income, more than the bottom 50% of the population, which only captured 14.5%.

UNDP. Study on Human Development in Nicaragua 2000. P.12

Curve that represents the true distribution of wealth over tenths of population. See Annex.

Gender inequality is also obvious. Women earn only 40% of what men earn. They are restricted to occupations with little autonomy and low social status.

This information makes it critical that a new strategy for fighting poverty be developed that takes into account the principle of equity, understood to be the equal distribution of access to social, political, and economic opportunities, especially for those most vulnerable sectors of society.

Conclusions

1. During the past decade, the economic, political, and social changes in Nicaragua led the country towards an abrupt process of liberalization and commercial opening. This had numerous negative social consequences, such as the deepening of inequality in income, employment, and savings. As a result, the Nicaraguan economy continues to be fragile and is not well structured for a full and broadly shared recovery.
2. Nicaragua has begun to insert itself in the world markets, despite its precarious economic position. The country's vulnerability can be seen in the increasing external debt; its trade deficit; the lack of diversity and small size of its exports; and the dependence upon imported technology and goods. All of these factors serve to limit Nicaragua's autonomy and decision-making capacity.
3. Throughout the 1990s, the cost of basic goods and services have risen faster than had the salary of Nicaraguan workers.
4. The distribution of income in Nicaragua has become more unequal. The political, economic, and social changes have not been egalitarian and the unemployment and underemployment of the population continues to grow.

Annex No. 1. Official minimum wage, in córdobas

Activity	1991 ⁴	1997 ⁴	1999 ⁵	<u>Change (%)</u> <u>1999/1997</u>
Agricultural and Livestock	150.00	300.00	450.00	50.00
Fishing	170.00	500.00	700.00	40.00
Mines and Quarries	245.00	600.00	850.00	41.70
Manufacturing Industry	250.00	500.00	600.00	20.00
Industry in duty-free zone			800.00	
Electricity and Gas ¹	300.00	600.00	900.00	50.00
Water	250.00	600.00		
Construction	190.00	480.00	1200.00	150.00
Restaurants and Hotels	250.00	550.00	900.00	63.00
Transport, Storage and Commercialization	225.00	450.00	900.00	100.00
Financial Establishments ²	300.00	700.00	1000.00	42.90
Savings	200.00	650.00		
Personal Services and etc.	250.00	470.00	700.00	48.90
Central Government ³	234.00	350.00	550.00	57.10
Average		512.20	795.80	53.30

1. in 1999 includes water

2. in 1999 includes saving

3. in 1999 the municipal sector was taken out and added to the central government.

4. as of November

5. as of August

Source: BCN, MITRAB, INEC.

Annex No. 2. Average nominal and real salaries, in córdobas

Month and Year	Average Nominal Salary ¹	Average Real Salary ¹
1991	642.0	1,032.7
1992	944.0	1,228.9
1993	1,056.5	1,141.2
1994	1,198.2	1,200.8
1995	1,357.5	1,223.8
1996	1,482.3	1,197.1
1997	1,617.3	1,195.9
1998	1,964.1	1,284.7
1999	2,282.3	1,342.3
January	2,130.0	1,275.8
February	2,134.0	1,282.3
March	2,140.0	1,311.7
April	2,160.0	1,318.4
May	2,240.0	1,348.7
June	2,245.0	1,341.9
July	2,285.0	1,357.5
August	2,336.0	1,365.6
September	2,424.0	1,397.2
October	2,429.0	1,375.3
November	2,341.0	1,365.4
December	2,434.0	1,359.1
2000	2,535.0	1,362.4
January	2,507.0	1,384.0
February	2,512.0	1,357.5
March	2,546.0	1,363.2
April	2,554.0	1,358.4
May	2,556.0	1,348.7

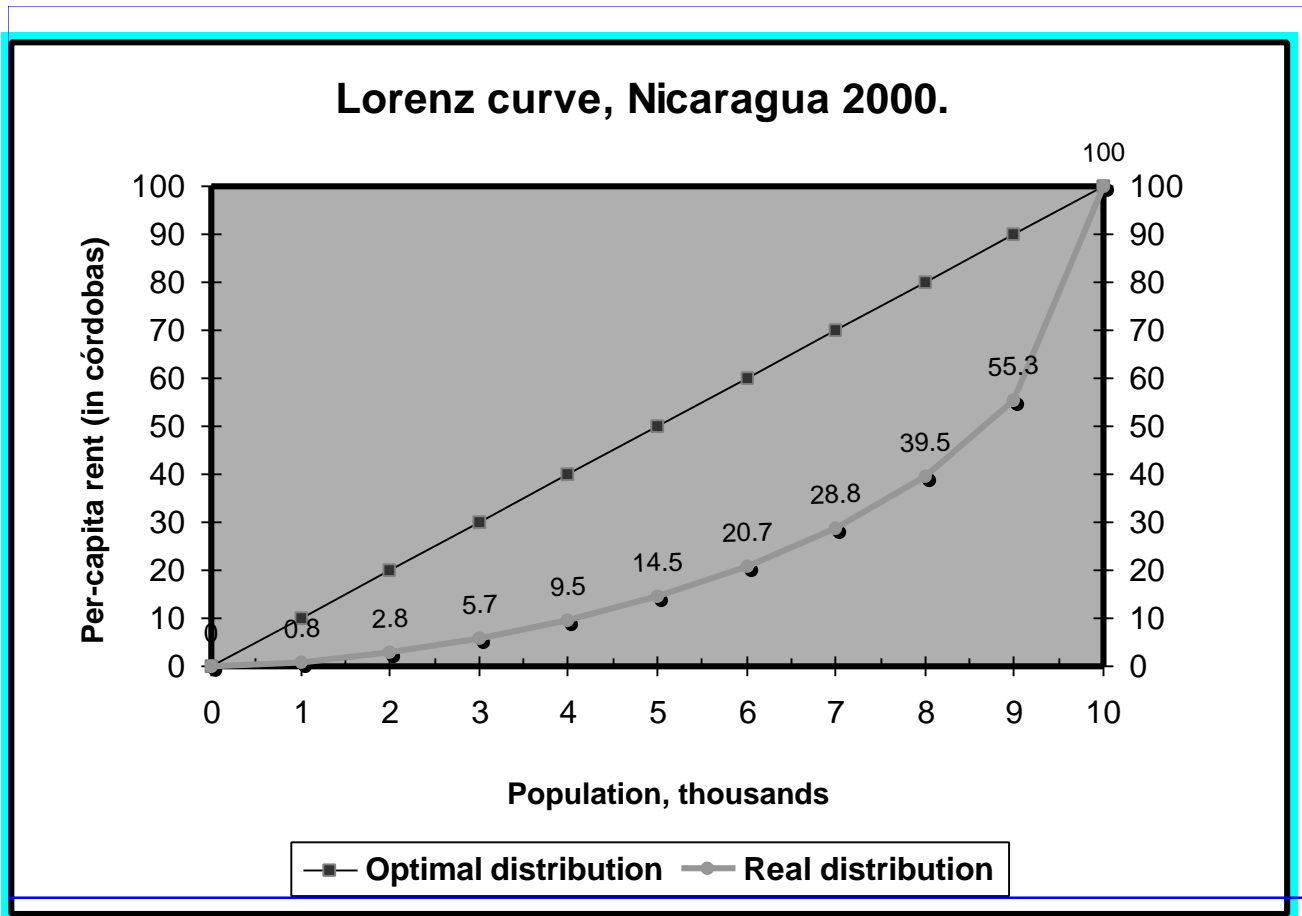
1. At a national level, according to MINTRAB investigation
Source: MITRAB, INSS

Annex No. 3. Cost of basic living for 53 products in the city of Managua, in córdobas.

Year	Basic Foods	Household Goods	Clothing	Total
1991	459.21	190.30	68.50	718.01
1992	477.70	179.33	72.99	730.02
1993	578.57	224.08	84.35	887.00
1994	635.67	248.96	85.99	970.61
1995	711.36	279.30	88.23	1,078.89
1996	809.74	330.73	85.12	1,225.59
1997	896.18	433.79	72.86	1,402.82
1998	1,004.18	496.55	77.26	1,578.24
1999	1,043.09	563.04	87.41	1,693.53
2000¹	1,063.24	672.47	91.51	1,827.22

1. Average to August
Source: INEC

Annex No. 4. Lorenz Curve Nicaragua 2000.



Source: Analysis of Human Development in Nicaragua (2000), UNDP.

Annex No.5. Minimum salary per month, by economic sector ¹

Sector and Economic Activity	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 ²
Agriculture ³	240.75	350.10	428.45	490.80	502.90	523.35	525.65	485.70	545.40	703.80
Agricultural and Livestock	195.10	269.70	321.90	327.60	351.80	392.70	397.30	485.70	545.40	703.80
Fishing	268.40	430.50	535.00	654.00	654.00	654.00	654.00	---	---	---
Manufacturing	330.30	476.30	521.80	640.83	848.43	982.33	1135.53	1292.77	1461.50	1523.87
Manufacturing Industry	375.40	516.40	547.90	678.70	836.40	874.10	898.50	964.20	1004.80	1014.40
Construction	196.70	318.60	359.90	501.40	828.50	878.60	1217.00	1403.80	1493.40	1594.40
Mining	418.80	593.90	657.60	742.40	880.40	1194.30	1291.10	1510.30	1886.30	1962.80
Services	318.38	420.55	511.65	582.61	683.62	748.00	814.95	903.55	1005.97	1094.97
Commercial	368.50	480.90	590.40	631.80	801.50	899.80	943.70	958.80	1121.70	1288.00
Central Government	196.70	286.00	311.60	311.60	331.60	331.90	375.70	534.00	536.70	550.00
Transportation and Communication	308.40	403.90	464.60	553.30	553.30	691.10	820.30	974.80	1166.30	1312.00
Banks and Securities	369.50	464.50	738.00	870.80	870.80	934.40	988.00	1052.20	1113.70	1170.80
Energy, Water, and Gas	405.40	515.60	515.70	557.30	557.30	928.30	1045.90	1099.00	1239.30	1304.00
Other Services	261.80	372.40	449.60	570.90	570.90	702.50	716.10	802.50	858.1	945.00

1. Un-official minimum salaries, including salaries plus incentives

2. Accumulated up to May

3. In the averages for 1998, 1999, and 2000, fishing is not included

Source: Analysis of MINTRAB data.

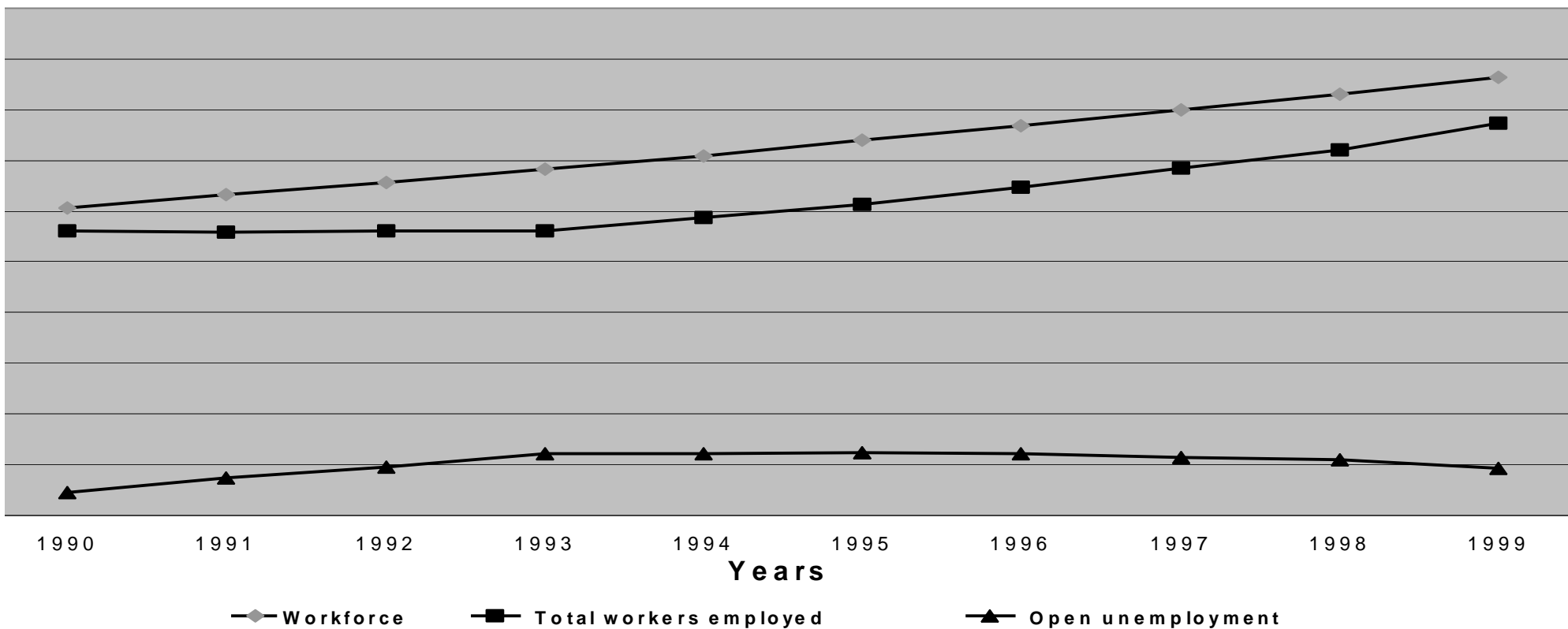
Annex No. 6. Macroeconomic indicators

Macroeconomic indicators	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
GDP	18,142.4	18,107.9	18,177.8	18,106.6	18,710.7	19,518.2	20,450.0	21,493.8	22,367.6	23,941.2
GDP rate of real growth (%).	(0.1)	(0.2)	0.4	(0.4)	3.3	4.3	4.8	5.1	4.1	7.0
Investment STET.	2,406.9	2,789.1	2,787.9	2,345.3	3,061.4	3,641.7	3,887.7	4,586.8	5,204.7	7,278.6
GDP per capita (Córdobas)	4,744.7	4,598.9	4,483.5	4,337.0	4,352.4	4,436.0	4,495.7	4,598.4	4,656.9	4,850.7
Inflation.	865.60	867.7	3.51	19.46	12.41	11.12	12.10	7.30	18.50	7.20
Trade deficit (in \$millions)	(236.8)	(396.4)	(547.8)	(402.7)	(434.5)	(405.4)	(455.5)	(703.4)	(810.4)	(1,139.4)
Unemployment rate (%)	7.60	11.5	14.4	17.88	17.1	16.9	16.0	14.3	13.2	10.7
Open unemployment (in thousands)	91.8	145.7	189.3	243.5	242.7	249.9	244.9	228.1	219.5	184.7
Under employment (in thousands)	442.4	527.8	467.2	421.5	474.7	520.7	536.9	195.0	192.1	213.3
External debt (in \$millions)	10,715.5	10,312.5	10,792.1	10,987.3	11,695.0	10,248.4	6,094.3	6,001.0	6,287.1	6,498.9
Service of external debt (in \$millions)	142.1	684.3	187.3	229.1	309.6	405.5	335.8	450.9	318.6	292.6
Net international reserves. (in \$millions)	112.5	123.5	128.6	49.4	105.1	85.0	210.1	442.1	379.4	360.1
Tax burden (% of GDP)	13.5	21.2	23.4	22.3	23.4	24.9	24.9	27.3	30.1	29.5

Source: Elaboration based upon statistics from the BCN.

Annex No. 7. Levels of employment for Nicaragua

Levels of employment for Nicaragua



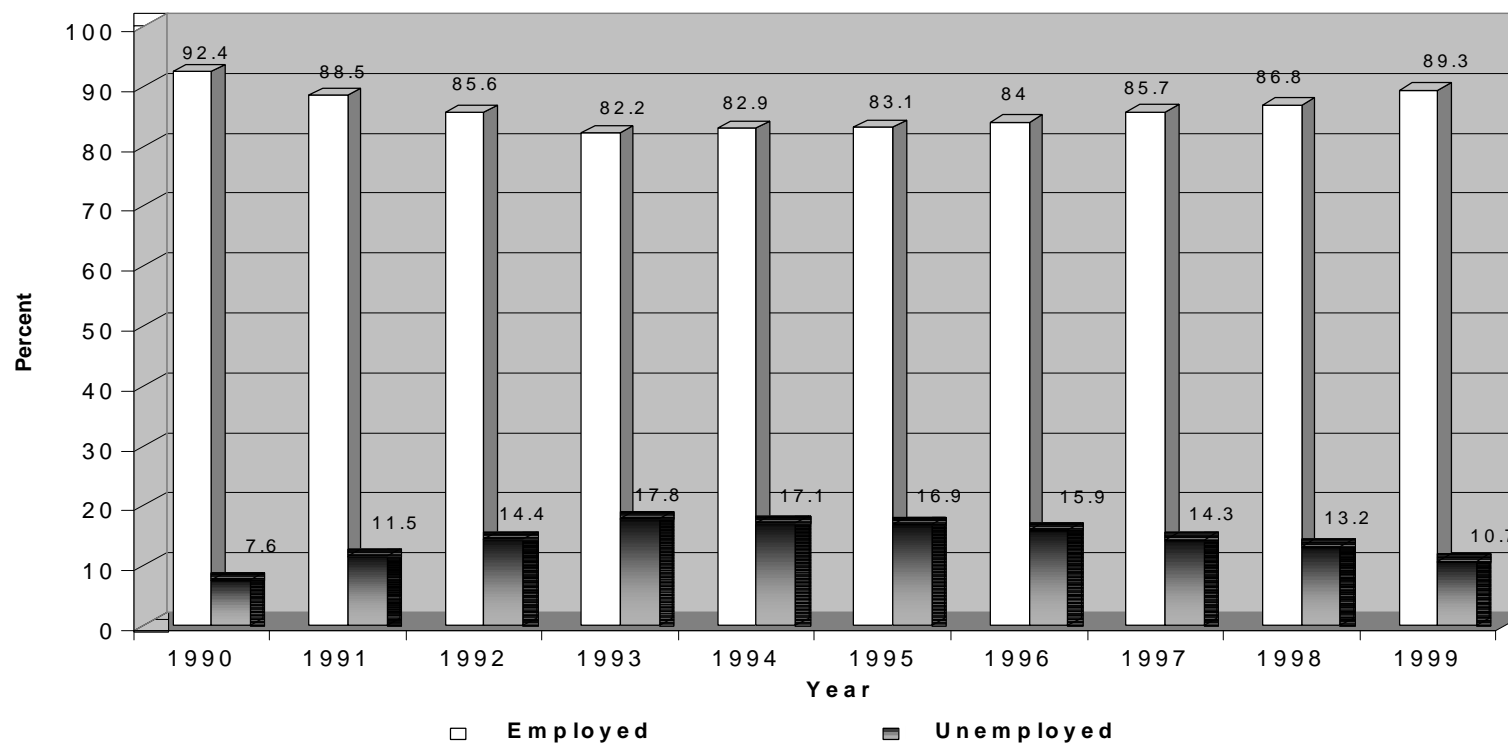
Distribution of the Nicaraguan workforce, in thousands

YEAR	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL POPULATION	3824	3937	4054	4175	4299	4427	4549	4674.2	4803	4936
LABOR FORCE	1214	1263	1313	1365	1419	1478	1537	1598	1661	1729
TOTAL EMPLOYED	1122	1117	1124	1122	1177	1228	1292	1369.9	1442	1544
OPEN UNEMPLOYMENT	91.8	145.7	189.3	243.5	242.7	249.9	244.9	228.1	219.5	184.7

Source: MITRAB, Economic Indicators April 2000.

Annex No. 8. Employment and unemployment rates

Employment and unemployment rates



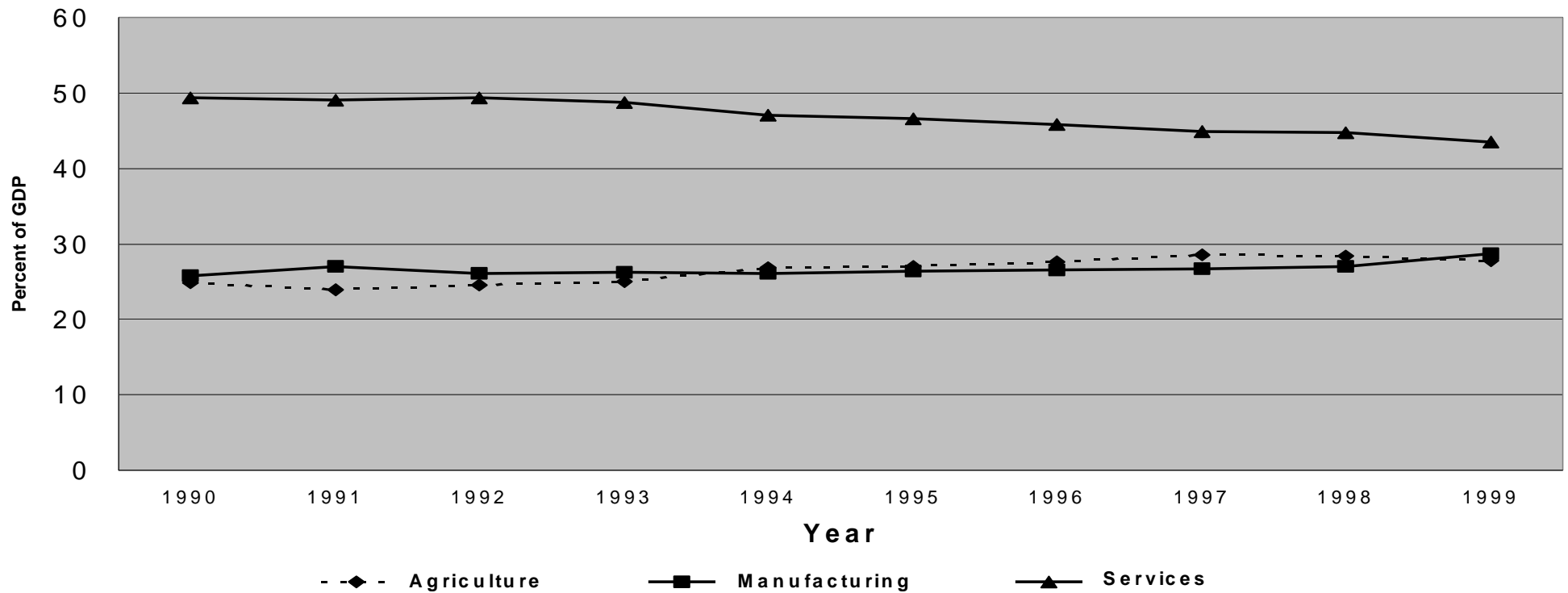
Relations of the PEA (%)

YEAR	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
LABOR FORCE/POPULATION	31.8	32.1	32.4	32.7	33	33.4	33.8	34.2	34.6	35
TOTAL EMPLOYED	92.4	88.5	85.6	82.2	82.9	83.1	84	85.7	86.8	89.3
UNEMPLOYED	7.6	11.5	14.4	17.8	17.1	16.9	15.9	14.3	13.2	10.7
RATE OF UNDER-EMPLOYMENT	15.5	14.9	13.8	13.1	12.2	11.8	11.6	12.2	11.6	12.3

Source: MITRAB, Economic Indicators of the BCN April 2000.

Annex No. 9. Economic Sectors

Share of GDP by economic sector



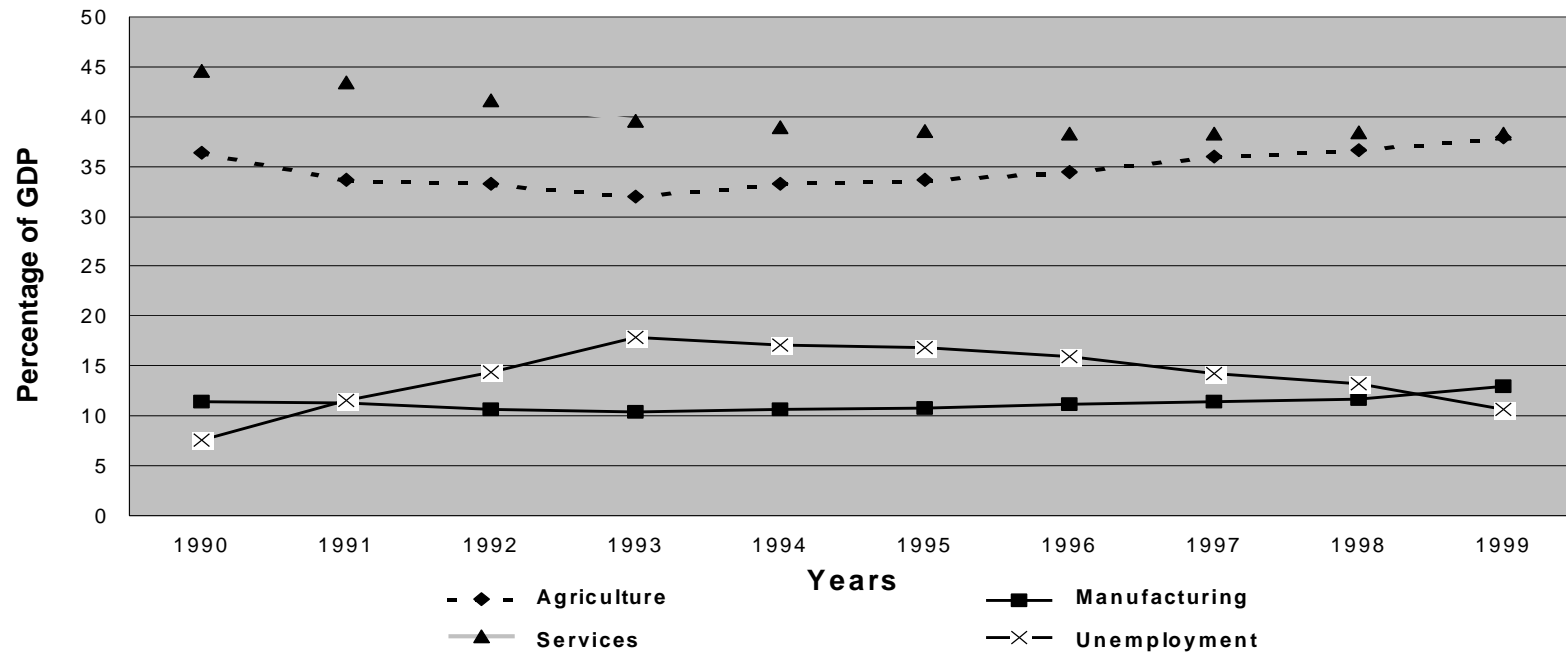
GDP (%)

YEAR	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL GDP	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
AGRICULTURAL	24.8	23.9	24.49	25	26.9	27.04	27.7	28.5	28.3	27.75
MANUFACTURING	25.8	27.1	26.07	26.3	26	26.32	26.5	26.7	27	28.75
SERVICES	49.4	49.1	49.43	48.7	47.1	46.63	45.8	44.9	44.7	43.49

Source: Elaborated upon facts from the BCD Economic Indicators April 2000.

Annex No. 10. Employment share by economic sector

Employment share by economic sector



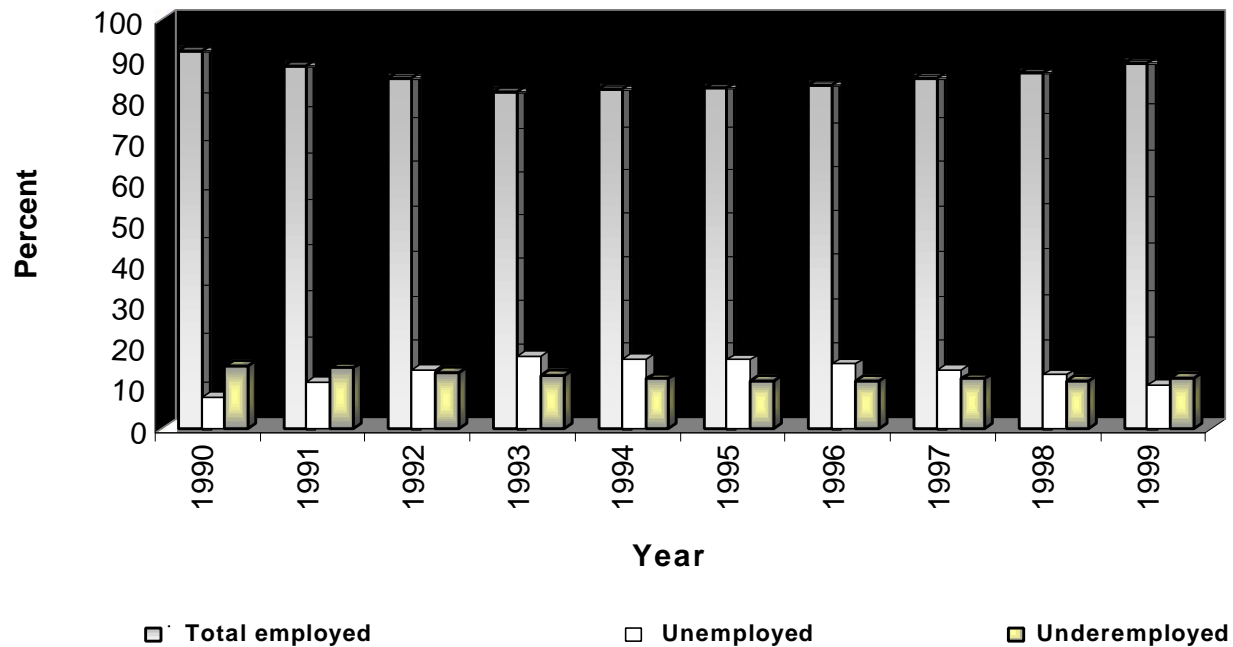
Levels of employment by economic sector (% total workforce)

YEAR	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
TOTAL LABOR FORCE	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
AGRICULTURE	36.4	33.7	33.25	32.1	33.3	33.63	34.5	36	36.7	37.9
MANUFACTURING	11.5	11.4	10.65	10.5	10.7	10.86	11.2	11.4	11.7	13.01
SERVICES	44.6	43.4	41.66	39.7	39	38.59	38.3	38.3	38.4	38.29
UNEMPLOYMENT	7.56	11.5	14.41	17.8	17.1	16.9	15.9	14.3	13.2	10.68

Source: Analysis of data from BNC Economic Indicators, April 2000.

Annex No. 11. Levels of employment, unemployment, and underemployment

Levels of employment, unemployment and underemployment



Proportional relationships

YEAR	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
LABOR FORCE/POPULATION	31.8	32.1	32.4	32.7	33	33.4	33.8	34.2	34.6	35
TOTAL EMPLOYED	92.4	88.5	85.6	82.2	82.9	83.1	84	85.7	86.8	89.3
UNEMPLOYED	7.6	11.5	14.4	17.8	17.1	16.9	15.9	14.3	13.2	10.7
UNDEREMPLOYMENT RATE	15.5	14.9	13.8	13.1	12.2	11.8	11.6	12.2	11.6	12.3

Source: Analysis of data from BNC Economic Indicators April 2000.