Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Target 9.2: Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

Indicator 9.2.2: Manufacturing employment as a proportion of total employment

## Institutional information

### Organization(s):

United Nations Industrial Development Organization (UNIDO)

## Concepts and definitions

#### **Definition:**

The indicator is represented by the share of manufacturing employment in total employment.

#### Rationale:

This indicator represents the contribution of manufacturing in job creation. In developing countries, it shows the ability of manufacturing to absorb surplus labour forces from agricultural and other traditional sectors towards production labour with higher wages. In industrialized countries, innovation and technology were the main drivers of product sophistication, especially in manufacturing, but in the meantime, emphasis has shifted to reduction in labour as part of cost-cutting measures. The structural changes promote capital-intensive industry and consequently, the share of manufacturing in total employment may decrease.

#### **Concepts:**

The employment is defined as comprising all persons of working age who, during a specified brief period, were in the following categories: a) paid employment (whether at work or with a job but not at work); or b) self-employment (whether at work or with an enterprise but not at work). No distinction is made between persons employed full time and those working less than full time

The sectors of economic activity are defined according to the International Standard Industrial Classification of All Economic Activities (ISIC), Revision 3 (1990) and Revision 4 (2008). Manufacturing refers to industries belonging to the sector D defined by ISIC Revision 3, or C defined by ISIC Revision 4.

#### **Comments and limitations:**

The data on employment are obtained from various sources including population censuses, labour force surveys, household surveys, population registers and official estimates. Surveys in some countries use a

cut-off point with the result that small manufacturing units which are not in the register are not included in the survey and consequently, employment data may be underestimated. Discrepancies can also be caused by differences in the definition of employment or working age. Moreover, in some countries informal employment is included in the figure for total employment. When assessing these data, special attention should be paid to the least developed countries (LDCs), since this group is not well represented.

## Methodology

## **Computation Method:**

Total employment in manufacturing activities

\* 100

### Disaggregation:

Data can be disaggregated by gender.

## Treatment of missing values:

At country level

No imputation available

• At regional and global levels

No imputation available

### Regional aggregates:

No regional aggregates compiled.

### **Sources of discrepancies:**

The difference may arise due to: a) discrepancies in data sources; b) ISIC Revision used by a country; c) informal employment; d) cut-off point in surveys; e) working age definition; f) geographical coverage.

## **Data Sources**

## Description:

Figures for updates are obtained from national data and estimates produced by International Labour Organization (ILO). Data can be found in ILOSTAT database on employment by economic activity.

UNIDO provides data on manufacturing employment in INDSTAT database.

### **Collection process:**

Information for this indicator has been assembled from a number of international repositories and is derived from a variety of sources, including household or labour force surveys, official estimates and censuses. In a very few cases and only where other types of sources are not available, information is derived from administrative records and establishment surveys.

The primary repositories used for the indicator are the ILOSTAT database, and EUROSTAT data, which are based on the European Labour Force Survey. These sources are augmented by various regional repositories, such as QUIPUSTAT, the ILO's Latin America and Caribbean Labour Information System, and by data gathered directly from publications or websites of national statistical offices.

UNIDO employment data are collected using General Industrial Statistics Questionnaire which is filled by NSOs and submitted to UNIDO annually. Data for OECD countries are obtained directly from OECD. Country data are also collected from official publications and official web-sites.

## **Data Availability**

### **Description:**

For around 100 economies

## Time series:

1990 onwards with 2-3 years lag to the current calendar year

## Calendar

## Data collection:

Data are collected electronically throughout the year.

## Data providers

ILO, UNIDO

### **Description:**

ILO from national statistical offices (NSOs), EUROSTAT, QUIPSTAT, ILO's Latin America and Caribbean Labour Information System

UNIDO from national statistical offices (NSOs) in non-OECD countries, and OECD countries by OECD

# Data compilers

United Nations Industrial Development Organization (UNIDO)

## References

## **URL**:

www.ilo.org/ilostat
http://www.ilo.org/ilostat-files/Documents/description ECO EN.pdf
www.unido.org/statistics
https://stat.unido.org/

## References:

Key Indicators of the Labour Market 2015 (KILM); ILO International Standard Industrial Classification of All Economic Activities 2008