



Introduction

Information for monitoring and assessing the current realities of the world at work is a requirement for any organization, institution or government that advocates labour-related strategies. In recognition of this, the International Labour Organization (ILO) has adopted an operational objective to ensure that constituents are better equipped to analyse trends in national and global employment and labour markets, so that effective “decent work” strategies may be designed and implemented.^[1] Article 10 (1) of the ILO Constitution affirms that “[t]he functions of the International Labour Office shall include the collection and distribution of information on all subjects relating to the international adjustments of conditions of industrial life and labour...”. In line with this mandate, the ILO Bureau of Statistics has since 1921 collected and disseminated labour statistics on the characteristics of the working population and its conditions of work and life throughout the world. Data are published annually in the *Yearbook of Labour Statistics* and recently also on the Internet.

In 1999 the ILO launched the Key Indicators of the Labour Market (KILM) programme to complement the regular data collection programmes and to improve dissemination of data on the key elements of the world’s labour markets. The KILM is designed with two objectives in mind: (a) to present a core set of labour market indicators; and (b) to improve the availability of the indicators to monitor new employment trends.

The selection of 20 KILM indicators is designed to respond to the ever-increasing demands of governments and the social partners (workers’ and employers’ organizations) for timely, accurate and accessible information on the world’s labour markets. The initial indicators were chosen in a collaborative effort involving the ILO Employment Sector and the Bureau of Statistics in consultation with experts from ILO field offices, the [Organisation for Economic Co-operation and Development](#) (OECD) and several national representatives from Ministries of Labour and [national Statistical Offices](#). The selection of the indicators was based on the following criteria: (a) conceptual relevance; (b) data availability; and (c) relative comparability across economies and regions. The design and presentation of the core indicators has evolved slightly since the first edition. Two new indicators were added in the second edition (2001-2002) – occupational wages and earning indices (KILM 16) and labour market flows (KILM 19). This third edition maintains the core 20 indicators of the previous edition.

Organization and coverage

The ILO currently lists approximately 250 countries, areas and territories.^[2] The [Statistics Division of the United Nations](#) compiles statistics for approximately 230.^[3] For each edition of KILM, the ILO has made an intensive effort to assemble data on the indicators for as many countries, areas and territories as possible. Where there is no information for an economy, it is usually because the economy involved was not in a position to

provide information for the indicator. Even when information for an indicator was available, it may not have been sufficiently current or may not have met another qualification established for inclusion in KILM. Geographical coverage in this edition varies by indicator, with over 200 economies covered in KILM 13 (Inactivity rate) and only 29 economies covered in KILM 17 (Hourly compensation costs). The years 1980 to 2001, occasionally even 2002, are fully covered in indicators for many developed (industrialized) economies, but time coverage remains relatively narrow for many developing economies. Appendix E identifies the availability of the indicators by economy.

The groupings of economies have remained the same since the first edition; there are six major groupings, based on a combination of level of development and geography. It is important to note that the groupings developed for KILM are intended exclusively for analytical convenience and are not intended to express judgement or appraisal as to a given economy's current stage in the development process. There are two developmental groupings - developed (industrialized) economies and transition economies - and four geographic groupings - Asia and the Pacific, Latin America and the Caribbean, sub-Saharan Africa, and the Middle East and North Africa. Each economy appears in only one major grouping; for example, Japan is included in the developed (industrialized) economies grouping and is therefore excluded from Asia and the Pacific. The inside front cover of this volume gives a graphical representation of the organization of the economies by major groupings. Each major grouping has been divided into smaller subgroups within the tables to facilitate analysis.

Owing to the limitations associated with presenting such a large volume of information in printed form, information in the book is restricted to the years 1980, 1990, 1995 and the latest available subsequent five years. However, in the KILM interactive software, indicators are available for all years after, and including, 1980. Because of the time needed for typesetting and printing, the printed version may not be as up to date in terms of yearly coverage as the electronic version. Users of the interactive software will also be notified of, and granted access to updates as soon as new information becomes available and can be assembled, analysed and posted.

If there was no available information for a given economy or year at the time this volume was produced, that economy or year is not shown in the relevant table. With few exceptions, the indicators are expressed as ratios or percentage changes (for example, labour force participation rates, proportions of part-time to total employment, unemployment rates, inactivity rates, and indices of manufacturing wages). Because of limitations of space, the actual numerators and denominators used to calculate the indicators are not always provided in the printed edition of KILM, but can be found in the software.

Finally, a note on translations: the International Labour Office makes every effort to provide the KILM in French and Spanish in addition to the original English. These other languages are provided in the KILM interactive software only. Users of the software are able to select their language – English, French or Spanish – from the file menu, and can switch between languages at any time.

Key issues in the labour market

This third edition of KILM introduces another new feature, a chapter on “Key issues in the labour market”. Here we attempt to highlight labour market issues that are addressed in ILO research and that can be quantified by analysis of various KILM indicators. The topics included in this edition are: employment, income and productivity; female labour force participation and fertility; and labour market trends for older workers in transition economies. It is our hope that this chapter will not only present important research being done within the **ILO Employment Sector**, but will also demonstrate the importance of data to labour market analysis in general.

KILM interactive software

The ILO hopes to reach a wider audience by presenting KILM in software as well as in printed form, each of which corresponds to specific users' needs. As for previous editions, the electronic version of KILM contains all the data sets for the indicators, together with interactive software through which users can select and query the indicators by economy, year, type of source and other user-defined functions according to specific needs. It includes everything that is in the printed publication plus information for all years after 1980, as well as all the basic statistics used to calculate the indicators. The third version of the KILM software also includes numerous exciting innovations. First, new functionality allows users to generate a “country report”, consolidating all indicators available for one country in one easy-to-view format, as a spreadsheet or printed report. Users will no longer have to gather a country's data on an indicator-by-indicator basis. Second, the third edition software

includes a mapping function for those who wish to visualize data geographically according to selected data characteristics.^[4] Mapping is an excellent way to reveal patterns and trends in data that may otherwise be impossible to see.

Another improved feature is the “update” capacity. Users who are connected to the Internet will be notified automatically when an upgrade to their version exists and will be able to download it instantly. Users who do not have Internet access will continue to be notified by email. The KILM software will be updated approximately every six months so that users of the electronic product can feel confident that they will have access to the latest available labour market information. Finally, users of the software will also be given access to an Internet-based application where they can perform simple queries of the indicators and generate html-based data tables.

^[1] Since the publication of the *ILO: Decent work*, Report of the Director-General, International Labour Conference, 87th Session, 1999 (Geneva, 1999), the goal of “decent work” has come to represent the central mandate of the ILO, bringing together standards and fundamental principles and rights at work, employment, social protection and social dialogue in the formulation of policies and programmes aimed at “securing decent work for women and men everywhere”.

^[2] The ILO has developed country and area designations and rules for their use in English, French and Spanish; see the ILO website at <http://www.ilo.org/public/english/standards/relm/ctry-ndx.htm>

^[3] International Standard ISO 3166-1, *Codes for the representation of names of countries and their subdivisions - Part 1: Country codes*, 1997 (Geneva, International Organization on Standardization, 1997); website: <http://www.un.org/Depts/unsd/methods/m49.htm>.

^[4] The mapping platform is Internet based, so users will need to be connected to the Internet in