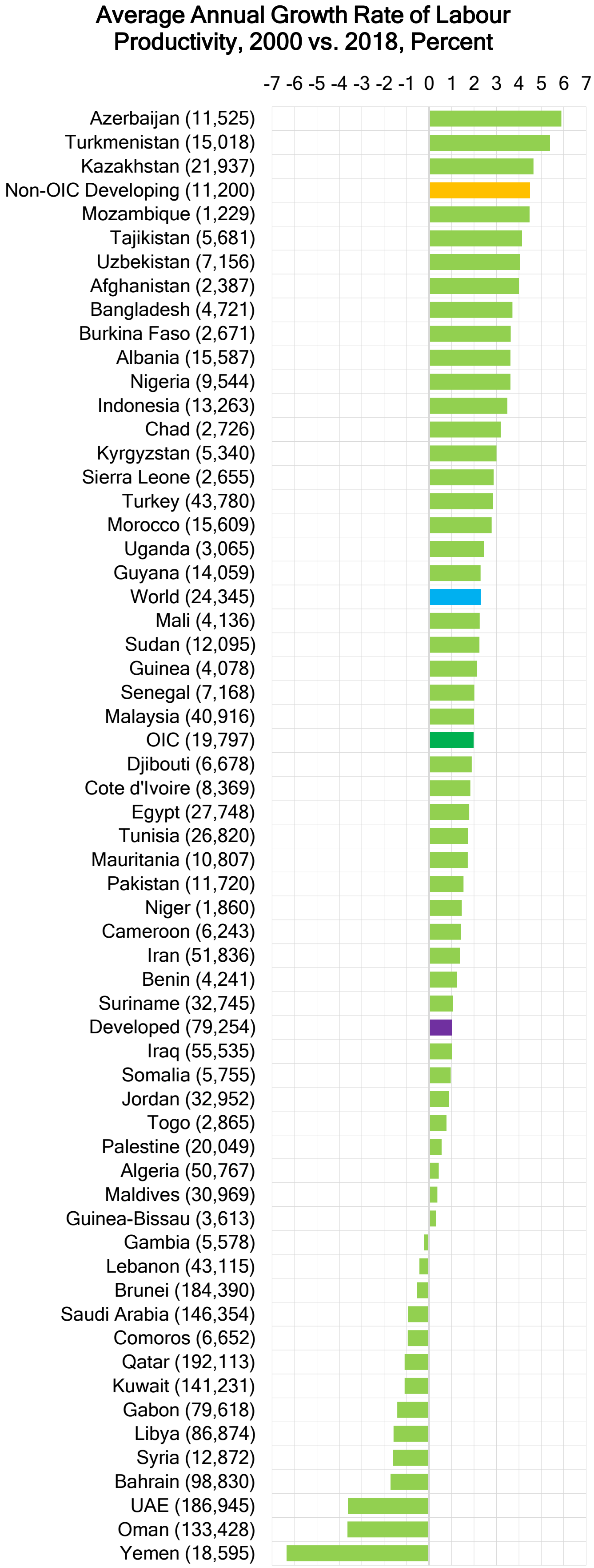
DID YOU KNOW?

2020-01



- **Labour productivity** is used to assess a country's economic ability to create and sustain decent employment opportunities.
- Productivity increases obtained through physical and human capital investment, technological progress, or changes in work organisation can increase social protection and reduce vulnerable employment.
- Productivity increases do not guarantee these improvements, but without them improvements are highly unlikely.
- GDP per person employed is a **key measure** to monitor whether a country is on track to achieve the Sustainable Development Goal of promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- In the period 2000-2018, the average annual exponential growth rate of **GDP per person employed (constant 2011 PPP $)** of the OIC countries as a group was estimated as 2% which was below that of the Non-OIC Developing (4.5%) and World (2.3%) but above that of the Developed countries group (1%).
- At the individual country level, the OIC countries showed considerable variation in average annual labour productivity growth rate.
- The average annual labour productivity growth rate difference between the strong and poor performing OIC countries was around 12 percentage points.
- Countries with lower levels of labour productivity converge towards more developed economies within OIC through higher productivity growth rates.
- Convergence in labour productivity was observed for 21 countries while 14 countries experienced divergence from the OIC average over the period 2000-2018.
- The **strong performing 6 OIC countries** in average annual labour productivity growth rate were Azerbaijan, Turkmenistan, Kazakhstan, Mozambique, Tajikistan, Uzbekistan, and Afghanistan (all over 4% in the period 2000-2018).
- However, 14 OIC countries recorded negative average annual labour productivity growth rates in the same period.

Note: The values in the parentheses indicate the GDP per person employed (constant 2011 PPP $) in 2000. The countries with lower GDP per person employed in 2000 compared to the OIC overall average but with higher rates of average annual growth rate over the 2000-2018 period are converging to the OIC average. The GDP (constant 2011 PPP $) values were estimated by SESRIC staff for Afghanistan (year 2000), for Iran (year 2018), and for Djibouti, Somalia, and Syria (both 2000 and 2018).

Source: SESRIC staff calculations based on data extracted on 17/02/2020 from World Bank World Development Indicators Database. Please visit **OIC Statistics (OICStat) Database** (http://bit.ly/2F7W8cv) for other Labour and Social Protection category indicators.