

# Issues



## in Labor Statistics

### Employment Growth Among Sectors in the United States, Japan, and Europe Based Upon Educational Attainment

Employment growth in the United States outpaced that of Japan and Europe between 1980 and 1996. The number of jobs in sectors requiring higher levels of education grew at roughly comparable rates in these economies. Thus, differences in job creation rates have often been driven by differences in sectors requiring lower levels of educational attainment.

In 1996, employment in the United States was more than 27 percent greater than in 1980. In Japan, employment grew about 15 percent over the period, while in the major economies of Europe, (France, West Germany, Italy, and the United Kingdom) there had been little net increase—about 3 percent. (See table.) Employment growth among these nations varied over time, however, and there were important compositional differences in terms of sectors.

In the United States, the period began far less auspiciously than it ended. From 1981 to 1982, employment actually dropped as a deep recession reached its trough. The economy recovered in 1983, and employment growth accelerated in 1984, then settled into a prolonged upward movement. In 1991, the economy again suffered job losses, followed this time by 2 years of sluggish growth before regaining a job growth rate that resembled the rates prevailing in the mid-1980s.

In Japan, there has been less variability of economic performance. There was no downturn of employment in the early 1980s and the period of moderate growth extended further into the 1990s before flattening into a prolonged period of sluggishness. In Europe, downturns in the early 1980s

and 1990s were less abrupt but more prolonged than those in the United States. As of 1996, there was little recovery in employment visible in the aggregate of the four major European economies.

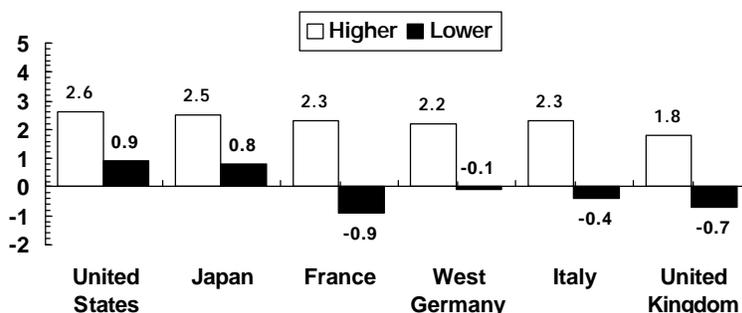
One interesting dimension underlying these comparative growth trends has been the level of educational attainment embodied in the jobs created. In the United States from 1980 through 1996, there was an annual rise of 2.6 percent in economic sectors with high educational attainment—those in which 30 percent or more workers have college degrees—and an annual rise of 0.9 percent in sectors with lower levels of educational attainment. In Japan there

was a similar pattern, although both growth rates were fractionally lower—2.5 percent for higher-attainment industries and 0.8 percent in lower-attainment sectors. (See chart.)

In Europe, there were somewhat different developments. Although rates of growth in sectors with higher educational attainment were somewhat lower in all four major economies than in the United States or Japan, the major difference was not found among such jobs. In all four of these nations, there was an absolute decline in employment in lower attainment sectors between 1980 and the mid-1990s. The number of lower attainment sectors in the United Kingdom, went down 0.7 percent per

**Employment growth by higher and lower educational attainment sectors, 1980-96**

Average annual percent change



NOTE: Data refer to 1980-93 for France and West Germany. Breaks in series for the United States are at 1990 and 1994. Higher educational attainment sectors comprise sectors where 30 percent or more of full-time workers have college degrees in the United States. Lower educational attainment sectors comprise sectors where less than 30 percent of full-time workers have college degrees in the United States.

SOURCE: Bureau of Labor Statistics and the Organization for Economic Cooperation and Development

year from 1980 to 1996, and declined 0.4 percent in Italy. In France and Germany, where comparable statistics are available for 1980 through 1993, employment in the lower-attainment sectors fell by 0.9 percent and 0.1 percent per year, respectively.

As a result, the composition of employment registered different patterns of change across these countries. In Europe (excluding West Germany), the tilt toward sectors with higher educational attainment was quite pronounced. The patterns of composition showed marked increases, from 1980 to 1993 or 1996, of about 10 percentage points in the share of the employed that worked in sectors having higher concentrations of college graduates.

	1980	1993 or 1996
France	36.6	46.7 (1993)
United Kingdom	35.6	45.1 (1996)
Italy	27.8	36.9 (1996)

In the United States, Japan, and West Germany, the tendency to increased share of employment in industries requiring higher educational attainment levels was relatively muted. In the United States, 40.6 percent of the employed worked in sectors with high educational attainment. By 1996, this share was 47.4 percent. In West Germany, high attainment sectors accounted for 31.7 percent of employment in 1980 and 38.2 percent in 1993, the most recent year for which data are available. In Japan, 28.2 percent of the

employed in 1980 were in high attainment sectors. By 1996, this share had edged up to 33.9 percent, but Japan had exchanged places with Italy at the bottom of the table, despite having a faster growth rate of jobs in high-attainment sectors.

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## Employment in the United States, Japan, and Europe<sup>1</sup>, 1980-96

(In thousands)

Year	United States	Japan	Europe	Year	United States	Japan	Europe
1980 .....	99,303	54,600	92,800	1989 .....	117,342	60,500	96,170
1981 .....	100,397	55,060	91,860	1990 .....	118,793	61,710	97,680
1982 .....	99,526	55,620	91,350	1991 .....	117,718	62,920	97,910
1983 .....	100,834	56,550	90,920	1992 .....	118,492	63,620	97,420
1984 .....	105,005	56,870	91,250	1993 .....	120,259	63,810	95,730
1985 .....	107,150	57,260	91,800	1994 .....	123,060	63,860	95,260
1986 .....	109,597	57,740	92,530	1995 .....	124,900	63,890	95,680
1987 .....	112,440	58,320	93,360	1996 .....	126,708	64,200	95,720
1988 .....	114,968	59,310	94,920				

<sup>1</sup> France, West Germany, Italy, and the United Kingdom.