Unemployment and labor force participation in China: Long run trends and short run dynamics

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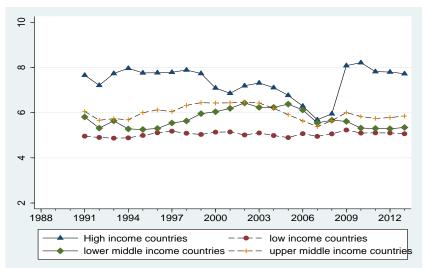
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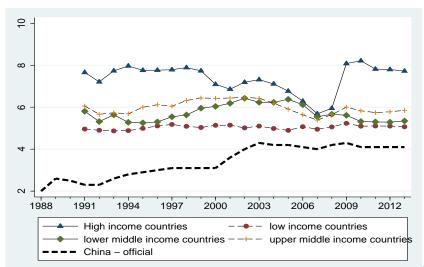
Labor market dynamics

Outline

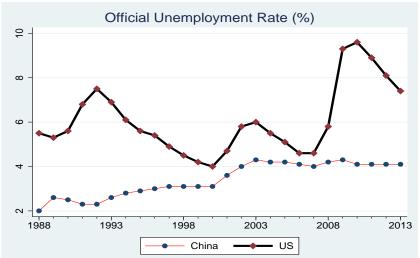
- Motivation
- 3 Long run trends
- 4 Labor market dynamics

Unemployment rates (by income level)





Unemployment rates: China vs. U.S.



Is China a true outlier?

- China could be a true outlier
- or: this could be just a statistical artifact

What could go wrong with the official U-rate?

- For reasons such as lacking local household registration (*Hukou*) status, many unemployed people are not qualified to register with local employment service agencies.
- Even qualified unemployed people may lack the incentive to register due to very low levels of unemployment benefits.
- Total number of registered unemployed people are aggregated bottom-up within the bureaucratic system, thus subject to aggregation errors and potential data manipulations.
- The total labor force which is the denominator in the calculation of unemployment rate, is also subject to error due to many reasons.

The Harsh reality

- No one believes the official unemployment rate.
- LFP rates not even reported in official statistics.
- No information by demographics.
- Difficult to find alternatives due to data limitations

Outline

- Motivation
- 2 Data and Measurement
 - How to measure unemployment
 - The Urban Household Survey data
 - Labor force status classifications in UHS
- 3 Long run trends
- 4 Labor market dynamics
- Conclusions



Labor force status: definition and measurement issues

- By definition, anyone should fall into three distinct categories: employed; unemployed; not-in-labor-force
- Employed: those with a job
- Unemployed: those without a job but want one
- Not-in-labor-force: those without a job and don't want one (not actively searching)
- Usually based on survey of activities in the previous week (month)

- all part-time and temporary work, as well as regular full-time, year-round employment. Persons also are counted as employed if they have a job at which they did not work during the survey week, whether they were paid or not, because they were:
- On vacation; ill; Experiencing child-care problems; Taking care
 of some other family or personal obligation; On maternity or
 paternity leave; Involved in an industrial dispute; Prevented
 from working by bad weather
- any person who worked without pay for 15 hours or more per week in a family-owned enterprise operated by someone in their household



- Contacting:
 - An employer directly or having a job interview
 - A public or private employment agency
 - Friends or relatives
 - A school or university employment center
- Sending out resumes or filling out applications
- Placing or answering advertisements
- Checking union or professional registers
- Some other means of active job search.



Who are not-in-labor-force?(CPS)

Those who have no job and are not looking for one—are counted as "not in the labor force." Many who are not in the labor force are going to school or are retired. Family responsibilities keep others out of the labor force.

- Marginally attached to the labor force: currently want a job, have looked for work in the last 12 months (or since they last worked if they worked within the last 12 months), and are available for work.
- Discouraged workers: are a subset of the marginally attached. Discouraged workers report they are not currently looking for work for one of four reasons:
 - They believe no job is available to them in their line of work or area.
 - They had previously been unable to find work.
 - They lack the necessary schooling, training, skills, or experience.
 - Employers think they are too young or too old, or they face some other type of discrimination.



Challenges in measurement of LFS

- LFS is actually a continuous variable, intrinsically difficult to classify into three distinct categories: e.g.: some employed (part time workers, unpaid work for family business) people are more like NILF; Some NILF (marginally attached and especially discourage workers) are more similar to unemployed people.
- Survey only rely on information in the past week (month) thus contains additional noise

- Provide a bunch of alternative measures with different definitions (BLS)
- The latent variable approach (Feng & Hu, 2013)

Data - Urban Household Survey

- Administered by the Urban Survey Division of the Statistical Bureau since 1980s, micro data available since 1988
- Probabilistic sample covers the whole country (representative at the province level)
- Mainly covers people with local hukou (include also non-hukou people since 2002, but may not be representative of the migrant population as a whole)

Data - Urban Household Survey

- Include quite extensive information at the household and individual level.
- Various parts of the data have been accessible to outside researchers (most popular version is one that include 6 provinces).
- The unique features of the data that we use for this study:
 - 1) 1988-2009 all-province samples
 - 2) monthly sample for the 2004-2006 period

Measurement of Labor force status in UHS

- Year-end information (December)
- No information about search behaviors (no labor market in early stages). Might be some ambiguities regarding unemployment and NILF.
- Fairly consistent over time

LFS questions in UHS - Employed

- 1 Staff and workers in state owned economic units
 - 国有经济单位员工。
- 2 Staff and workers in Urban collectively owned economic units
 - 城镇集体经济单位职工。
- 3 Staff and workers in units of other economic type
 - 其它各种经济类型单位职工。
- 4 Urban self-employed individuals or owners of private enterprises
 - 城镇个体经营者。

LFS guestions in UHS - Employed

- 5 Persons employed by Urban self-employed individuals or owners of private enterprises
 - 城镇个体被雇者。
- 6 Retired staff and veteran cadres who are reemployed
 - 离退休再就业人员。
- 7 Other employees
 - 其它就业者。

LFS questions in UHS - Unemployed

- 11 People waiting for employment
 - 待业人员
- 12 People waiting for assignment
 - 待分配者。
- 15 Other non-employed persons
 - 其它非就业者
 (refer to persons under 16 year-old who are not school students, and persons above 60 year-old for men or 55 year-old for women who are not reemployed after retirement)

LFS questions in UHS - NILF

- 8 Retired staff and veteran cadres
 - 离退休人员。
- 9 Persons who lose the ability to work
 - 丧失劳动能力者。
- 10 Persons who take care of the home (housewife)
 - 家务劳动者。
- 13 Students at school
 - 在校学生。
- 14 Persons waiting for entering higher levels of schools
 - 待升学者。



Labor market dynamics

- Caveats:
 - 1: lack of coverage for non-Hukou population
 - 2: LFS measures not strictly following international standards

Long run trends

 Despite these,
 If one wants to know something about the historical trends regarding Chinese labor market, this is the ONLY source of information available.

Outline

- Motivation
- Data and Measurement
- 3 Long run trends
 - National trends
 - Results by Demographics
 - Results by Region
 - Results by cohort
 - Robustness checks
- 4 Labor market dynamics



sample restriction

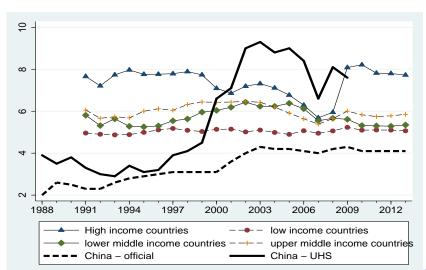
- Sample: 16-60 males, 16-55 females, only including people with local Hukou.
- Use annual sample of UHS
- Divide the sample into 8 demographic groups by sex(male female), age (<=40|>40) and education (college |noncollege).

Motivation

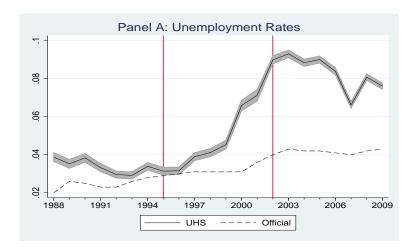
	Male	Male	Male	Male	Female	Female	Female	Female	
Year	Young	Young	Old	Old	Young	Young	Old	Old	Total
	Non-col	Col	Non-col	Col	Non-col	Col	Non-col	Col	
1988	8727	1079	5569	1290	10268	609	5291	352	33185
1989	8092	1172	5422	1260	9458	605	5129	377	31515
1990	8094	1255	5684	1441	9581	743	5370	459	32627
1991	7905	1495	5365	1450	9459	917	5064	403	32058
1992	8852	2131	6423	2048	10668	1364	6207	705	38398
1993	8313	2067	6524	2111	10008	1368	6414	712	37517
1994	7824	2358	6463	2117	9524	1532	6493	758	37069
1995	7549	2302	6721	2113	9137	1546	6691	787	36846
1996	7319	2365	7012	2173	8790	1641	6932	838	37070
1997	7060	2441	7099	2076	8617	1764	7028	781	36866
1998	6940	2574	7183	2147	8349	1956	7218	830	37197
1999	6751	2552	7239	2295	7885	2124	7449	923	37218
2000	6350	2852	7026	2121	7599	2368	7184	887	36387
2001	6285	2798	7230	2136	7392	2414	7357	917	36529
2002	14536	7530	18447	6395	16912	6930	18762	2825	92337
2003	15764	8125	20633	7539	18168	7678	20985	3459	102351
2004	15333	8553	21463	8346	17534	8426	21607	4049	105311
2005	16175	9924	22177	9199	18226	9867	21875	4639	112082
2006	15977	10209	22565	9970	17740	10331	22308	5160	114260
2007	15786	11508	23775	10901	17623	12021	23236	5829	120679
2008	17077	13588	25412	10656	18558	14032	24076	5719	129118
2009	15570	13058	25179	11423	16906	13664	23713	6317	125830

Conclusions

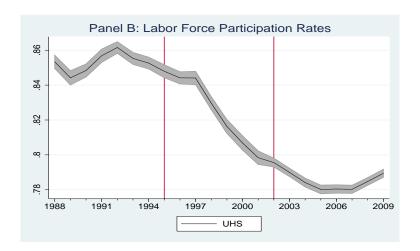
Unemployment rates (by income level), with China



National Unemployment Rates: 1988-2009.



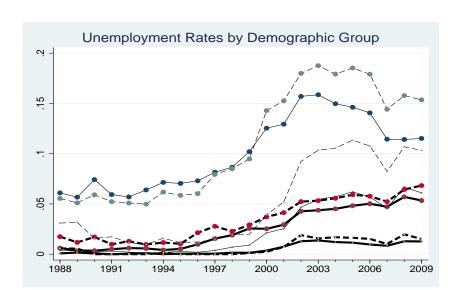
National Labor Force Participation Rates: 1988-2009.



- 1988-1995: low unemployment rate and high LFP, not much change.
 - Guaranteed employment by the state. no major labor market reform yet.
- 1995-2002: sharp rise in unemployment rate and decline in LFP, especially for some groups. mass layoff from SOE, rural-to-urban migration, enactment of labor law
- 2002-2009: high levels of u-rate and low levels of LFP, more sensitive to business cycles (2007 dip). WTO entry, college enrollment expansion

Unemployment rates by Demographic Groups(%)

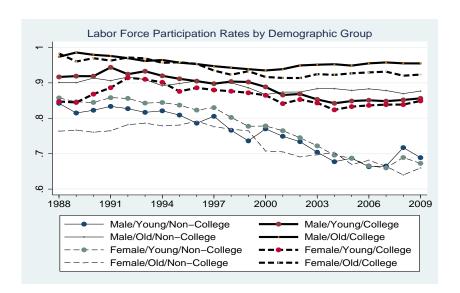
	subperiod 1 (1988-1995)		subperiod 2 (1995-2002)		subperiod 3 (2002-2009)	
	Average	Annual Chg.	Average	Annual Chg.	Average	Annual Chg.
		Unemplo	yment Rate			
Nation	3.4	-0.1	5.2	0.8	8.4	-0.2
-by subgroup						
Male/Young/Non-col	6.4	0.1	10.3	1.2	13.7	-0.6
Male/Young/Col	0.5	-0.0	2.2	0.5	4.8	0.2
Male/Old/Non-col	0.3	-0.0	1.5	0.6	5.6	0.2
Male/Old/Col	0.1	-0.0	0.4	0.2	1.2	-0.0
Female/Young/Non-col	5.5	0.0	10.7	1.7	17.1	-0.4
Female/Young/Col	1.3	-0.1	3.0	0.6	5.8	0.2
Female/Old/Non-col	1.8	-0.3	3.3	1.2	10.2	0.2
Female/Old/Col	0.2	-0.1	0.4	0.3	1.6	-0.1





Labor Force Participation rates by Demographic Groups(%)

	sub	period 1	subperiod 2		subperiod 3	
	(1988-1995)		(1995-2002)		(2002-2009)	
	Average	Annual Chg.	Average	Annual Chg.	Average	Annual Chg.
		Labor Force P	articipation F	Rate		
Nation	85.3	-0.1	82.3	-0.7	78.6	-0.1
-by subgroup						
Male/Young/Non-col	82.3	-0.5	77.0	-1.1	69.2	-0.6
Male/Young/Col	92.3	-0.1	89.3	-0.6	85.2	-0.2
Male/Old/Non-col	90.5	-0.0	88.8	-0.3	87.8	0.0
Male/Old/Col	97.1	-0.2	94.5	-0.1	95.3	0.1
Female/Young/Non-col	84.8	-0.3	79.5	-1.3	69.2	-1.0
Female/Young/Col	88.1	0.4	86.9	-0.3	83.9	-0.1
Female/Old/Non-col	77.3	0.2	74.8	-1.3	67.6	-0.4
Female/Old/Col	96.6	-0.4	93.1	-0.6	92.4	0.1



Unemployment rates by Region(%)

	subperiod 1 (1988-1995)		sub	subperiod 2		subperiod 3		
			(1995-2002)		(2002-2009)			
	Average	Annual Chg.	Average	Annual Chg.	Average	Annual Chg.		
		Une	mployment R	late				
Nation	3.4	-0.1	5.2	0.8	8.4	-0.2		
-by region								
North	2.8	-0.2	4.2	0.8	6.6	-0.2		
Northeast	3.0	0.2	6.8	1.1	10.3	-0.3		
East	2.4	-0.1	3.7	0.7	7.2	-0.1		
South Central	3.4	-0.1	5.6	1.0	9.3	-0.2		
Southwest	4.4	-0.1	5.9	0.9	10.7	-0.1		
Northwest	5.6	-0.4	6.4	0.7	8.4	-0.2		

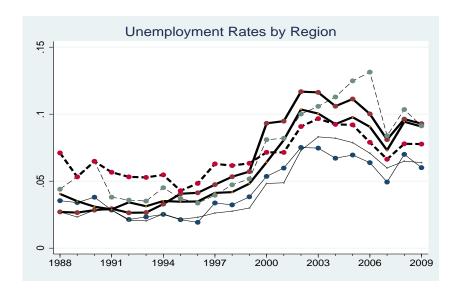
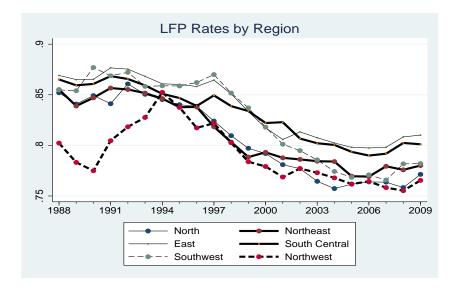


Table: Unemployment and SOE mass layoff

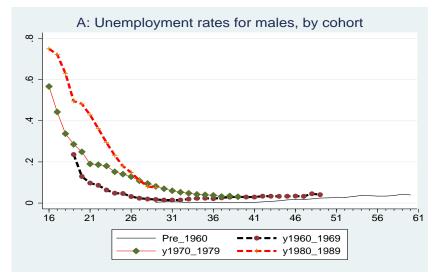
	Unemploy	ment Rate	SOE	Layoff
	Average	Annual Chg.	Total number of	% of total State
	(1995-2002)	(1995-2002)	laidoff workers (mn)	employment in 1995
North	4.2	0.8	3.965	22
Northeast	6.8	1.1	7.327	42
East	3.7	0.7	5.312	19
South Central	5.6	1.0	7.102	27
Southwest	5.9	0.9	2.856	23
Northwest	6.4	0.7	2.066	21

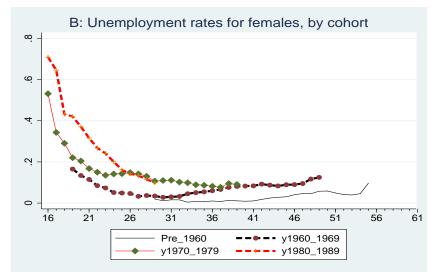
Labor Force Participation rates by Region(%)

	sub	period 1	sub	period 2	sub	period 3	
	(198	88-1995)	(19	95-2002)	(20)	02-2009)	
	Average	Annual Chg.	Average Annual Chg.		Average	Annual Chg.	
		Labor For	ce Participat	ion Rate			
Nation	85.3	-0.1	82.3	-0.7	78.6	-0.1	
-by region							
North	84.7	-0.2	80.7	-0.9	76.5	-0.1	
Northeast	84.9	-0.2	80.7	-0.7	77.9	-0.1	
East	86.8	-0.1	83.8	-0.7	80.4	-0.0	
South Central	86.0	-0.3	83.2	-0.6	79.9	-0.1	
Southwest	86.3	0.1	83.7	-0.9	77.8	-0.2	
Northwest	81.3	0.5	79.9	-0.9	76.5	-0.2	

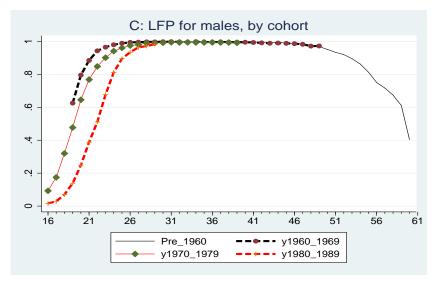


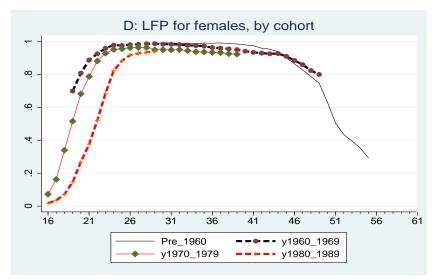
Unemployment rates by cohort, males





Labor Force Participation by Cohort, male





- Sample representativeness
- Alternative samples
- Measurement errors (misclassification)

Alternative Estimates by subperiod

	sub	period 1	sub	period 2	sub	period 3	
	(198	88-1995)	(19	95-2002)	(2002-2009)		
	Average	Annual Chg.	Average	Annual Chg.	Average	Annual Chg.	
		Ur	nemploymer	nt Rate			
Baseline	3.4	-0.1	5.2	8.0	8.4	-0.2	
A1	3.6	-0.0	6.0	0.9	9.3	-0.3	
A2	3.4	-0.1	5.2	0.8	8.4	-0.2	
A3	3.8	-0.1	5.6	0.8	8.8	-0.1	
A4	3.4	-0.1	5.2	0.8	8.4	-0.2	
A5	3.2	-0.1	5.1	0.9	8.4	-0.2	
A6	3.1	-0.0	5.0	0.8	8.0	-0.1	

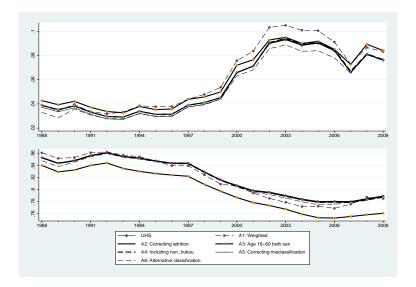
Note: A1: Weighted results. A2: Results with attrition corrected. A3: Results using sample including all people aged 16-60. A4: Results using sample including all non-local-urban-hukou people. A5: Corrected for misclassification. A6: "Other nonemployed" classified as NILF.

Alternative Estimates by subperiod

	sub	period 1	sub	period 2	sub	period 3	
	(198	38-1995)	(199	95-2002)	(2002-2009)		
•	Average	Annual Chg.	Average	Annual Chg.	Average	Annual Chg.	
		Labor F	orce Partici	pation Rate			
Baseline	85.3	-0.1	82.3	-0.7	78.6	-0.1	
A1	85.7	-0.2	81.8	-0.9	77.8	-0.0	
A2	85.2	-0.1	82.2	-0.8	78.5	-0.1	
A3	83.5	-0.2	80.2	-0.8	76.0	-0.2	
A4	85.3	-0.1	82.3	-0.8	78.4	-0.1	
A5	85.3	-0.1	82.3	-0.7	78.6	-0.1	
A6	85.0	-0.0	82.1	-0.8	78.3	-0.0	
A3 A4 A5	83.5 85.3 85.3	-0.2 -0.1 -0.1	80.2 82.3 82.3	-0.8 -0.8 -0.7	76.0 78.4 78.6	-0.2 -0.1 -0.1	

Note: A1: Weighted results. A2: Results with attrition corrected. A3: Results using sample including all people aged 16-60. A4: Results using sample including all non-local-urban-hukou people. A5: Corrected for misclassification. A6: "Other nonemployed" classified as NILF.

Alternative estimates



Estimated misclassification probabilities based on Feng & Hu (2013)

Group	P ₂₁	P ₃₁	P ₁₂	P ₃₂	P ₁₃	P ₂₃
Male/Young/Non-col	0.68	0.09	1.30	0.38	0.12	0.00
Male/Young/Col	0.05	0.02	7.80	3.02	0.00	0.00
Male/Old/Non-col	0.18	0.10	3.10	1.72	1.22	0.79
Male/Old/Col	0.11	0.04	7.20	0.00	1.02	1.51
${\sf Female/Young/Non\text{-}col}$	0.82	0.16	2.11	2.10	0.23	0.00
${\sf Female/Young/Col}$	0.37	0.04	5.63	6.74	0.68	6.28
Female/Old/Non-col	0.22	0.24	2.24	2.37	0.70	0.00
Female/Old/Col	0.06	0.05	4.29	0.00	2.49	0.04

Outline

- Motivation
- Data and Measurement
- 3 Long run trends
- 4 Labor market dynamics
 - Month-to-month labor force status transition probabilities
 - Unemployment spells
- Conclusions



Labor market dynamics

- Use monthly data from Jan 2004 to Dec 2006
- Examines month-to-month transition probabilities & unemployment spells
- Matching procedure: first drop (all) duplicates based on ID variables: region (city) code; household code within region; relationship to household head sex age. (would miss same sex twins)
- Then do the matching and calculate matching rate as % of the first month sample

Matching month i with month i+k based on all 2004-2006 monthly samples

k	duplicate ID (%)	Matching rate (%)	Matched sample size
1	.180	97	3633310
2	.180	94	3412878
3	.180	91	3195511
6	.180	80	2555468
12	.182	52	1325380

$\label{thm:month-to-Month Labor Force Transition Probabilities (\%), males$

K	E-U	E-O	U-E	U-O	O-E	O-U	E-U	E-O	U-E	U-O	O-E	O-U
	Male/Young/Non-col							1	Male/Your	ng/Col		
1	0.20	0.00	1.90	0.10	0.10	0.10	0.10	0.00	3.20	0.20	0.70	0.30
2	0.40	0.00	3.60	0.20	0.30	0.20	0.20	0.00	5.80	0.30	1.50	0.60
3	0.60	0.00	5.10	0.30	0.40	0.30	0.30	0.00	8.10	0.50	2.30	0.90
6	0.90	0.10	8.90	0.60	0.90	0.70	0.40	0.10	14.30	0.90	4.80	1.80
12	1.30	0.20	17.40	1.40	2.10	1.70	0.60	0.20	27.20	2.10	10.60	3.90
		Ma	le/Old/No	on-col					Male/Old	I/CoI		
1	0.20	0.20	2.60	0.30	0.50	0.00	0.00	0.10	3.60	0.30	0.70	0.00
2	0.30	0.40	4.60	0.60	0.90	0.10	0.10	0.20	6.20	0.40	1.30	0.00
3	0.40	0.50	6.40	0.90	1.30	0.10	0.10	0.30	8.50	0.60	1.80	0.10
6	0.60	1.00	10.90	1.70	2.40	0.20	0.20	0.50	15.30	1.10	3.40	0.10
12	1.00	2.00	18.30	3.50	5.20	0.50	0.30	1.00	28.70	2.60	7.40	0.20

Data and Measurement

													_
		Fema	le/Young/	Non-col			Female/Young/Col						
1	0.30	0.10	1.90	0.10	0.30	0.10	0.10	0.00	2.90	0.10	0.80	0.30	
2	0.60	0.10	3.50	0.20	0.50	0.20	0.20	0.10	5.40	0.30	1.50	0.50	
3	0.80	0.20	5.00	0.30	0.80	0.30	0.30	0.10	7.70	0.40	2.30	0.80	
6	1.40	0.30	8.90	0.60	1.60	0.50	0.60	0.10	13.30	0.80	4.90	1.50	
12	2.30	0.60	17.30	1.60	3.60	1.20	0.90	0.40	24.70	1.70	11.00	3.40	
		Fem	ale/Old/N	lon-col				ı	Female/O	ld/Col			Т
1	0.20	0.50	1.80	0.60	0.50	0.00	0.00	0.20	2.20	0.60	0.80	0.00	
2	0.40	0.90	3.30	1.20	0.90	0.10	0.10	0.30	4.20	1.10	1.50	0.10	
3	0.50	1.30	4.50	1.70	1.20	0.10	0.10	0.40	6.10	1.60	2.00	0.10	
6	0.90	2.50	7.70	3.50	2.20	0.20	0.20	0.70	11.60	3.10	3.40	0.20	
12	1.50	5.40	13.90	8.10	4.80	0.40	0.30	1.50	22.00	2.80	6.90	0.50	

Data and Measurement

Treating state and nonstate sector employments as two different statuses

		State	Nonstate	Unemployment	NILF
	State	99.7	0.1	0.1	0.1
K=1	Nonstate	0.1	99.4	0.3	0.2
	Unemployment	0.4	1.8	97.6	0.3
	NILF	0.1	0.3	0.1	99.5
		State	Nonstate	Unemployment	NILF
	State	99.4	0.2	0.1	0.2
K=6	Nonstate	0.7	97	1.3	1
	Unemployment	1.7	7.8	89	1.4
	NILF	0.6	1.6	0.6	97.2
		State	Nonstate	Unemployment	NILF
	State	95.9	2.1	0.5	1.4
K=12	Nonstate	1.8	94.1	2.1	2
	Unemployment	3.5	14.3	78.9	3.4
	NILF	1.4	3.5	1.3	93.8

Adjusting for state sector employment

k	China	China-adjusted	USA
Pan	el A: Probabilities of ι	inemployment in month	n i+k
	conditional on being	g employed in month i	
1	0.2	0.3	1.2
2	0.3	0.6	1.5
3	0.4	0.8	1.7
6	0.7	1.3	NA
12	1.1	2.1	1.9
Pa	nel B: Probabilities of	employment in month	i+k
	conditional on being	unemployed in month i	
1	2.1	4.5	27.4
2	3.9	8.1	36.6
3	5.5	11.6	42.3
6	9.6	19.5	NA
12	17.8	35.1	54.3

Distribution of all matched individuals based on number of months matched (%)

	Male	Male	Male	Male	Female	Female	Female	Female	
	Young	Young	Old	Old	Young	Young	Old	Old	Total
	Non-col	Col	Non-col	Col	Non-col	Col	Non-col	Col	
1-11	15.5	11.5	10.8	10.6	14.8	13.2	12.7	11.9	12.9
12	41.9	44.6	46.2	46.2	42.7	43.8	45.6	45.2	44.4
13-23	6.5	4.6	4.1	4.1	5.9	4.9	4.8	4.7	5.0
24	28.0	30.5	30.0	29.7	28.7	29.2	28.4	28.4	29.1
25-35	1.1	0.9	0.8	0.9	1.1	1.0	1.0	0.9	1.0
36	6.9	7.9	8.1	8.5	6.8	7.9	7.6	8.8	7.6
Sample size	34164	20198	42808	16711	38956	19504	43018	8220	22357

Distribution of unemployment spells up to month i

	Male	Male	Male	Male	Female	Female	Female	Female	
	Young	Young	Old	Old	Young	Young	Old	Old	Total
	Non-col	Col	Non-col	Col	Non-col	Col	Non-col	Col	
			Panel A: l	Jncensore	d spells only				
Spell≥3	96.7	92.2	95.9	94.3	96.7	93.6	96.6	95.9	96.1
Number of spells	16795	4386	11936	970	25381	5258	16012	703	81441
Spell≥6	92.6	83.1	90.8	86.4	92.6	85.6	92.6	91.3	91.3
Number of spells	15136	3914	10966	887	23180	4697	14621	633	74034
Spell≥12	85.8	70.8	82.4	74.8	85.9	73.6	85.1	87.1	83.6
Number of spells	12243	3049	9254	723	19080	3664	12037	505	60555

Distribution of unemployment spells up to month i

	Male	Male	Male	Male	Female	Female	Female	Female	
	Young	Young	Old	Old	Young	Young	Old	Old	Total
	Non-col	Col	Non-col	Col	Non-col	Col	Non-col	Col	
	Panel B: All spells								
Spell≥3									
LB(%)	90.4	85.9	90.7	88.5	91.2	87.0	90.9	90.2	90.3
UB(%)	96.8	92.7	96.0	94.6	96.9	93.9	96.7	96.1	96.3
Spell≥6									
LB(%)	78.0	69.1	78.9	74.1	79.7	71.1	79.6	77.4	78.0
UB(%)	93.3	85.0	91.4	87.8	93.2	87.1	93.2	91.3	92.0
Spell≥12									
LB(%)	58.4	45.8	60.5	52.3	60.9	47.7	60.2	58.9	58.4
UB(%)	88.2	76.3	84.6	79.5	88.0	78.6	87.8	85.5	86.1
Number of spells	17975	4710	12616	1034	26923	5659	17018	747.0	86682

International comparison

	Une	mployment Rate	Long-term		
	subperiod 1	subperiod 2	subperiod 3	Unemployment	
	(1988-1995)	(1995-2002)	(2002-2009)	(% of all unemployed)	
China	3.4	5.2	8.4	91	
Transitional Countries					
Estonia	4.3	11.0	8.5	62	
Slovak Republic	13.4	15.2	14.5	84	
Slovenia	n.a.	6.7	5.7	68	
Russian Federation	7.2	10.6	7.3	61	
Poland	12.3	14.5	14.4	69	
Czech Republic	3.5	6.6	6.9	75	
Developed Countries					
Australia	8.7	7.4	5.2	31	
Austria	3.6	3.9	4.5	44	
Belgium	10.9	10.0	7.9	65	
Canada	9.5	8.2	7.0	16	
France	8.8	9.0	7.9	60	
Germany	6.7	8.6	9.2	71	
Greece	8.5	10.6	9.0	72	
Italy	11.3	11.0	7.7	64	
Japan	2.5	4.2	4.6	48	
United Kingdom	8.7	6.4	5.4	40	
United States	6.2	4.9	5.8	18	

Labor market dynamics

Outline

- 3 Long run trends
- 4 Labor market dynamics
- Conclusions

Conclusions

- Rising unemployment and declining LFP. Trends in the three sub-periods consistent with the development of China's labor market.
- Labor market conditions deteriorated most for uneducated people, as well as for young people and females. Three groups deserves most attention (young non-college males and females, old non-college females).
- Very low dynamics partly due to state-sector employment.
 Very high level (nearly 90%) of long term unemployment (over 6 months).

Conclusions