

# Paraguay surpasses the regional average for its high labor participation and employment



PARAGUAY

## What is the Better Jobs Index?

The Better Jobs Index measures jobs in countries based on two dimensions: quantity and quality. The quantity dimension is composed of two indicators: the **labor participation** rate and the **employment** rate. Quality, on the other hand, consists of the **formality** rate and **living wage sufficient to overcome poverty**. Thus, the index is the weighted average of these four indicators\*, and their scores range from 0 to 100. For a country to get 100 points, all people who participate in the labor force must be employed with a formal job that provides them with a living wage.

\* Indicators are calculated using the population aged 15-64, excluding those who are studying and who, therefore, are not working or looking for work. If you want to know more, consult the methodology document.

**Paraguay, the eighth country on the index, is above the Latin American average in all indicators except formality**

**Only Uruguay, Peru, Brazil and Colombia achieved lower differences in the gender gap score**

**The gap between Paraguayan adults and young people is the second narrowest on the Better Jobs Index**

Paraguay (57.4 points) is in the eighth position on the Better Jobs Index, above the Latin American average (57.1). The country obtains this position after being placed fourth and tenth for the dimensions of quantity (79.1) and quality (35.7).

### Better Jobs Index: 8<sup>th</sup> out of 17

Labor participation rate	3 <sup>rd</sup>
Employment rate	4 <sup>th</sup>
Formality rate	12 <sup>th</sup>
Living wage rate	6 <sup>th</sup>

### Country information<sup>1</sup>

Working age population	4,483,000
Labor force	3,260,000
Employed population	3,081,000

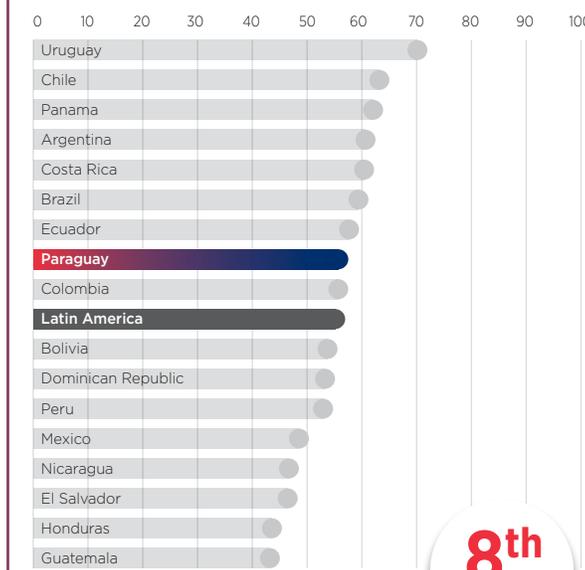
<sup>1</sup>Source: Labor Markets and Social Security Information System (SIMS), with data published by Dirección General de Estadística, Encuestas y Censos (DGEEC). Last year available: 2015.

### Quality dimension



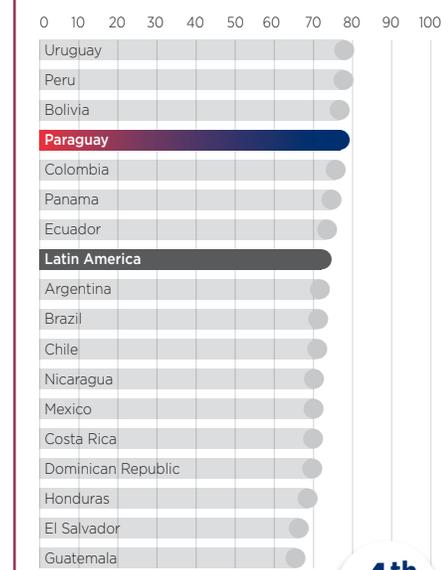
10<sup>th</sup>  
place

### BETTER JOBS Index



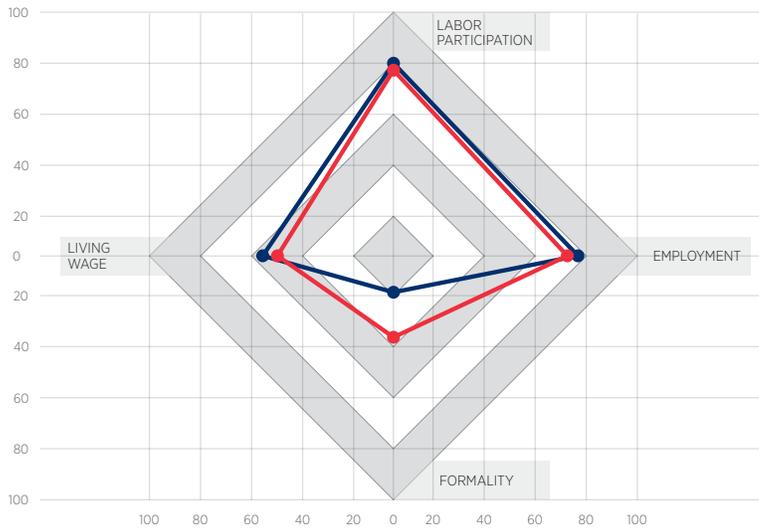
8<sup>th</sup>  
place

### Quantity dimension



4<sup>th</sup>  
place

# At a glance - Paraguay and Latin America



Paraguay's score on the Better Jobs Index is lower than the regional average for the quality dimension but higher for the quantity dimension. For the quantity dimension, the country obtains more points both for the participation rate (81.4 against 77) and for the employment rate (76.9 vs 71.3). For the quality dimension, Paraguay is ranked 12<sup>th</sup> in terms of the formality rate (17.8 compared to 33.5) and sixth for the indicator of living wages sufficient to overcome poverty (53.7 vs. 46.7).

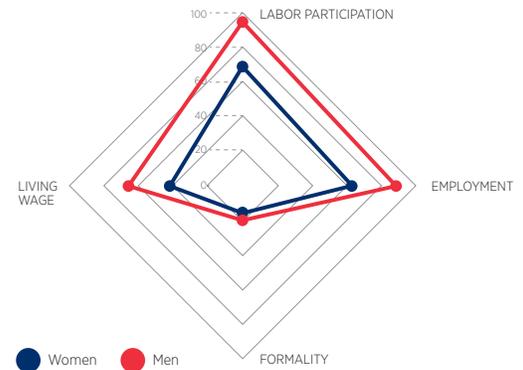
● Paraguay ● Latin America

## Is there a gender gap?

Indicators by gender

Paraguay is the fifth country with the narrowest gender gap on the Better Jobs Index. Specifically, the difference between genders is 20.3 points: the male index gets 67.6 points (ninth position) and the female gets 47.3 (eighth position). This difference is smaller in Paraguay compared to the Latin American average (22.5 points).

The gender gap is wider for the quantity dimension (where the male score exceeds the female score by 25.7 points, 92 vs. 66.3) than for the quality dimension (the male score is 14.9 points higher; 43.2 vs 28.3).



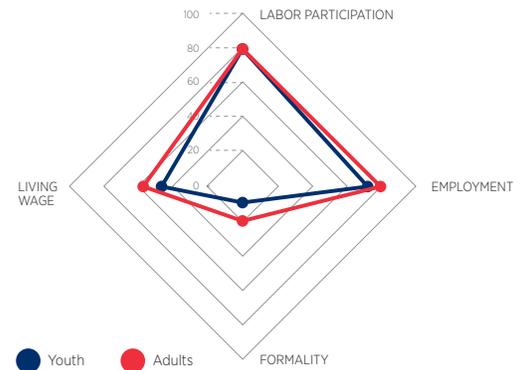
● Women ● Men

## Does age make a difference?

Indicators by age

The gap between adults and youth in Paraguay on the Better Jobs Index is the second narrowest in the region (7.9, 59.3 vs 51.4) and is, therefore, lower than the regional average (10.2). Only Guatemala achieves a smaller difference between both age groups.

In Paraguay, this difference is greater for the quality dimension, where it exceeds 10 points (38.5 vs. 26.6), while, for the quantity dimension, the difference is only 4 points (80.1 vs. 76.1 points).

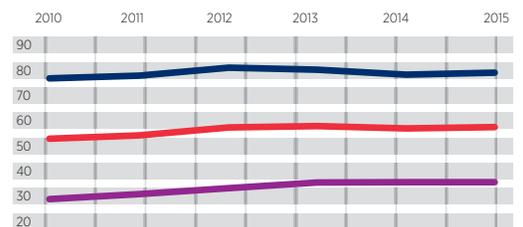


● Youth ● Adults

## Performance over the years

The evolution of Paraguay's score on the Better Jobs Index has been positive in recent years, going from 53.2 points in 2010 to 57.4 points in 2015, the last year available. The biggest increase occurred for the quality dimension, where it improved by 6.4 points (from 29.3 to 35.7). For the quantity dimension, the increase was 2 points (went from 77.1 to 79.1).

● Quantity ● Quality ● Better Jobs Index



Copyright © [2017] Inter-American Development Bank. This work is licensed under a Creative Commons IGO 3.0 Attribution-NonCommercial-NoDerivatives (CC-IGO BY-NC-ND 3.0 IGO) license (<http://creativecommons.org/licenses/by-nc-nd/3.0/igo/legalcode>) and may be reproduced with attribution to the IDB and for any non-commercial purpose. No derivative work is allowed.

Any dispute related to the use of the works of the IDB that cannot be settled amicably shall be submitted to arbitration pursuant to the UNCITRAL rules. The use of the IDB's name for any purpose other than for attribution, and the use of IDB's logo shall be subject to a separate written license agreement between the IDB and the user and is not authorized as part of this CC-IGO license.

Note that link provided above includes additional terms and conditions of the license.

The opinions expressed in this publication are those of the authors and do not necessarily reflect the views of the Inter-American Development Bank, its Board of Directors, or the countries they represent.