



The quality of jobs in Costa Rica positions the country in fifth place on the Better Jobs Index

Despite slight setbacks in recent years, Costa Rica is the third country with the highest score in formality

Labor participation and employment place the country below the regional average in the quantity dimension

The gender gap in Costa Rica is the second widest in the index. The gap between adults and young people is one of the narrowest

Costa Rica (with 62.2 points) is ranked fifth on the Better Jobs Index, with a score well above the Latin American average (57.1). The country is benefited by its high score in the quality dimension, where it obtains the third position with 52 points, only surpassed by Chile and Uruguay. In the quantity dimension, however, Costa Rica remains in 13th position, with 72.4 points, below the regional average (74.1).

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.

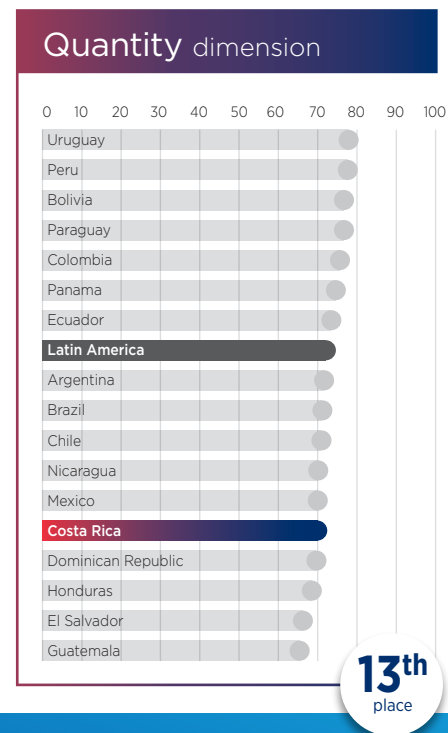
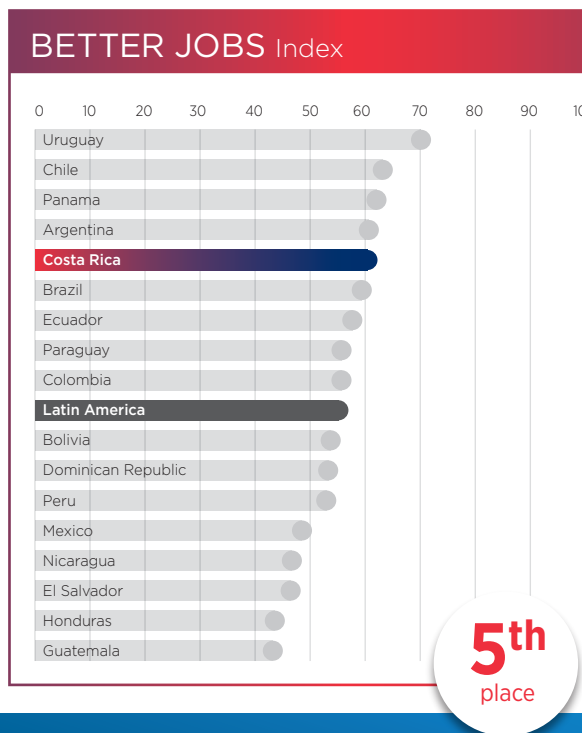
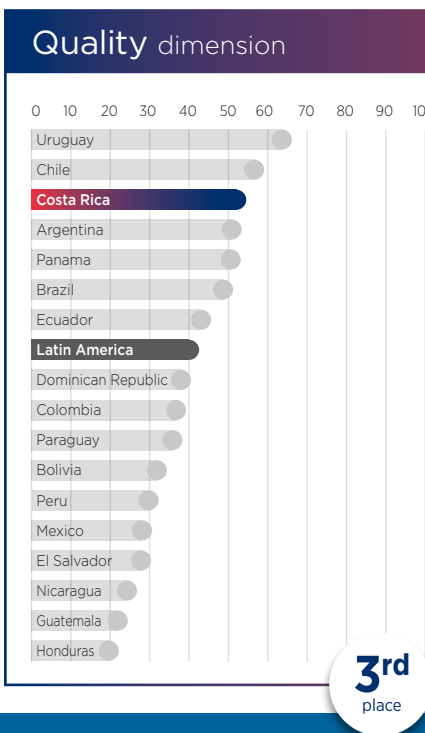
Better Jobs Index: 5th out of 17

Labor participation rate	11 th
Employment rate	14 th
Formality rate	3 rd
Living wage rate	5 th

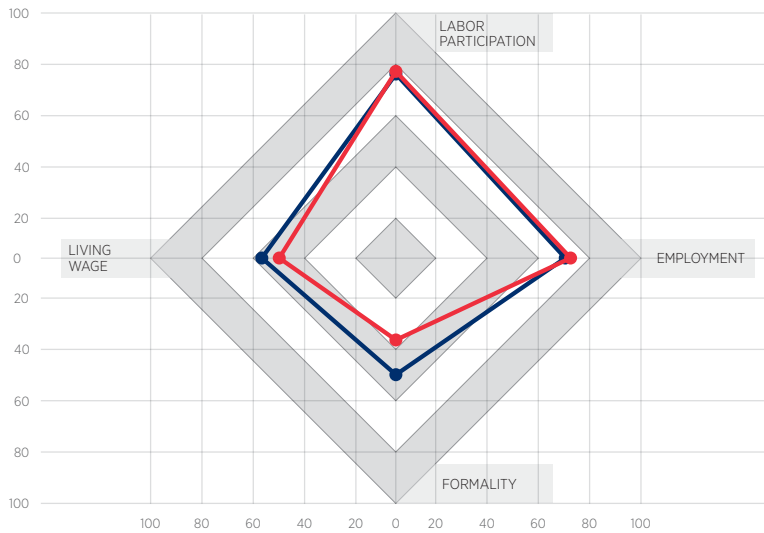
Country information¹

Working age population	3,329,000
Labor force	2,193,000
Employed population	2,002,000

¹Source: Labor Markets and Social Security Information System (SIMS), with data published by Instituto Nacional de Estadística y Censos. Last year available: 2015.



At a glance - Costa Rica and Latin America



Costa Rica's scores on the Better Jobs Index are better than the regional average in the two quality indicators: the country earns more points in both the formality rate (48.5 compared to 33.5) and for the living wage sufficient to overcome poverty indicator (55.4 against 46.7). In terms of quantity, Costa Rica is slightly behind the region's average, both in the labor force participation rate (75.7 vs. 77) and in the employment rate (69.1 vs 71.3).

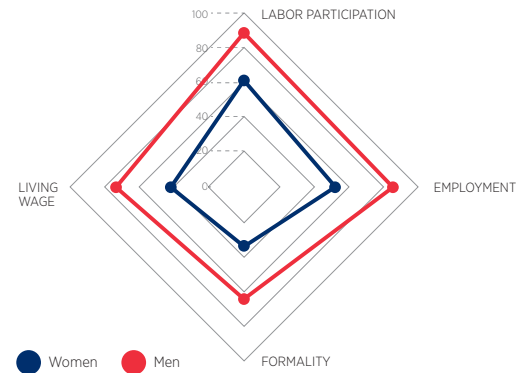
● Costa Rica ● Latin America

Is there a gender gap?

Indicators by gender

Costa Rica has the second widest gender gap on the Better Jobs Index, with a difference of 30 points. In the male index, the country gets 77.5 points (third highest score, only behind Uruguay and Chile) and in the female, 47.5 (seventh position). This difference is greater in Costa Rica compared to the average in Latin America (22.5 points).

The gender gap is wider in the quantity dimension (where the male score exceeds the female by 31.4 points, 88.4 vs 57) than the quality (the male score is 28.7 points higher; 66.6 versus 37.9).



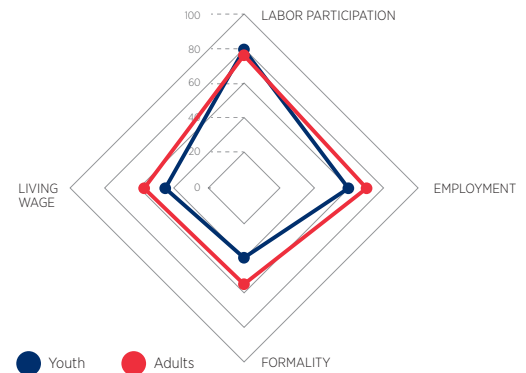
● Women ● Men

Does age make a difference?

Indicators by age

The gap between adults and young people on Costa Rica on the Better Jobs Index is one of the narrowest in the region. Only four countries (Guatemala, Paraguay, Mexico, and Honduras) have smaller differences between these two age groups.

Adults in Costa Rica score 8.2 points more than young people (63.5 vs. 55.3). This difference, in particular, is smaller in the quantity dimension (72.9 versus 69.6 points) than in quality, where it exceeds 13 points (54.1 versus 40.9).

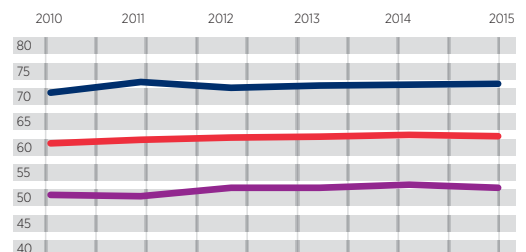


● Youth ● Adults

Performance over the years

Despite slight setbacks in the formality indicator, the evolution of Costa Rica's score on the Better Jobs Index has been positive in recent years, going from 60.8 points in 2010 to 62.2 points in 2015, the last year available. The largest increase occurred in the quantity dimension, where it improved by 1.6 points (from 70.8 to 72.4). In the quality dimension, the evolution was equally positive, going from 50.9 to 52 points between 2010 and 2015.

● 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.