Despite strong growth of labor compensation overall, the growth in labor compensation of unskilled sectors has been very slow. In the United States, the earnings gap between skilled and unskilled workers has widened by about 25 percent since 1980, while in Europe, employment in unskilled sectors has contracted.


1For analysis by skill level, advanced economies include Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Norway, Portugal, Sweden, the United Kingdom, and the United States; weighted using series on GDP in U.S. dollars from the World Economic Outlook database.

2For analysis by skill level, Anglo-Saxon economies include Canada and the United Kingdom.

3For analysis by skill level, Europe includes Austria, Belgium, Denmark, Finland, France, Germany, Italy, Norway, Portugal, and Sweden.