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HEADLINE: World unemployment reaches 180 million, U.N. agency says

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The number of **jobless worldwide** has risen by 20 million people over the past two years and hundreds of millions more are employed but make so little money they can barely survive, the United Nations labor agency said Friday.

"The world employment situation is alarming," said Claire Harasty, senior economist at the International Labor Organization, launching the 108-page Global Employment Trends report. "After two years of economic slowdown and delayed recovery we estimate that 180 million people are now unemployed worldwide." The figure represents 6.5 percent of a total global labor force of 2.8 billion people, the ILO said.

The last report, in 2001, said the number out of work was 160 million - or 5.9 percent of a then 2.7-billion labor force.

ILO said many jobs also disappeared following the Sept. 11, 2001, terror attacks. Some 10.5 million jobs were lost as the global travel and tourist industries slumped.

Harasty, who co-authored the ILO study, told reporters the sharpest rise in unemployment was in industrialized nations and Latin America.

The number of people unemployed in the European Union dipped in 2001 but rose again last year to 7.6 percent of the labor force, the report said. In the United States 5.6 percent were unemployed last year while in Canada the figure was 7.6 percent.

In Latin America average unemployment was 10 percent. In Argentina, hit hard by economic crisis, it reached a record 22 percent.

Harasty said the number unemployed in regions like Asia and the Middle East is harder to measure because official statistics often fail to reflect the reality of joblessness.

"In most developing countries people are not counted as unemployed because there is no unemployment benefit, so they just go into the informal economy, which usually absorbs people who lose their jobs," she said. "The informal sector plays a buffer role."

"But even if people are not openly unemployed, when there is a slowdown they get pushed even farther down below the poverty line."

The number of "working poor" - people, mainly in developing countries, who earn less than \$1 a day - rose drastically, Harasty said. By the end of 2002 the figure reached 550 million, a level last seen during Asia's economic meltdown in the late 1990s.

"That means we have around 730 million people worldwide who are unemployed, underemployed or working poor," she said.

In many countries young people were most affected by unemployment, the report said. It noted that in the Middle East and North Africa some 25 percent of young people were out of work and that university graduates often find it impossible to land a job.

The ILO estimates that because of population growth 500 million new workers will be added to the global labor force over the next decade.

"Added to the some 500 million working poor, that means we need to create 1 billion productive jobs in the next decade," she said.

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