

Expansion of the Service Sector

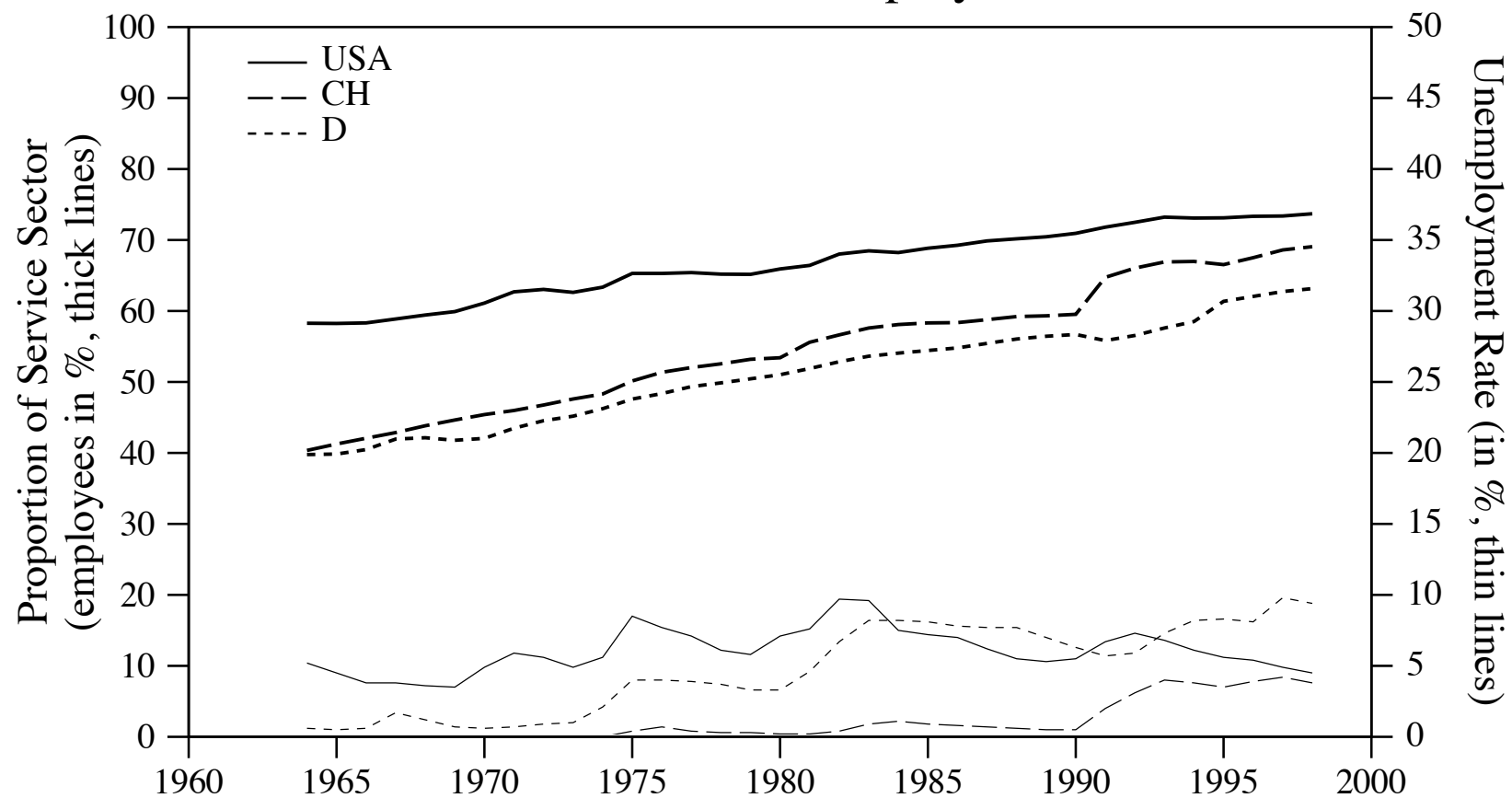
A Comparison of the Labor Markets in the USA, West Germany and Switzerland

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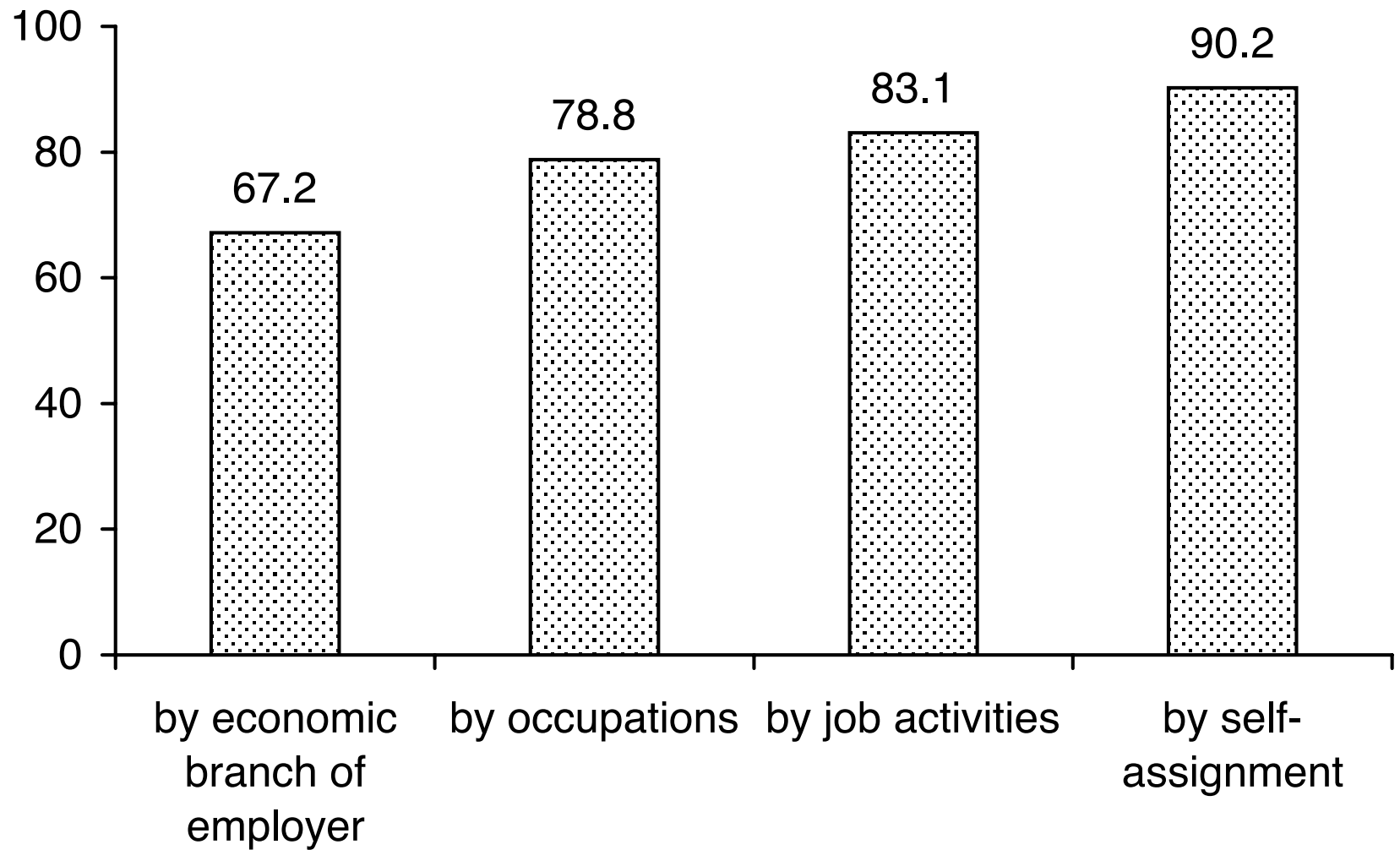
Two main questions:

- Does the assertion of the “gap in service sector” between the USA and European countries like Germany or Switzerland still hold true?
- Is there any evidence for an increase in earnings inequality due to a polarization into low-paying and high-paying service jobs in the 1990s?

Service Sector and Unemployment Rates

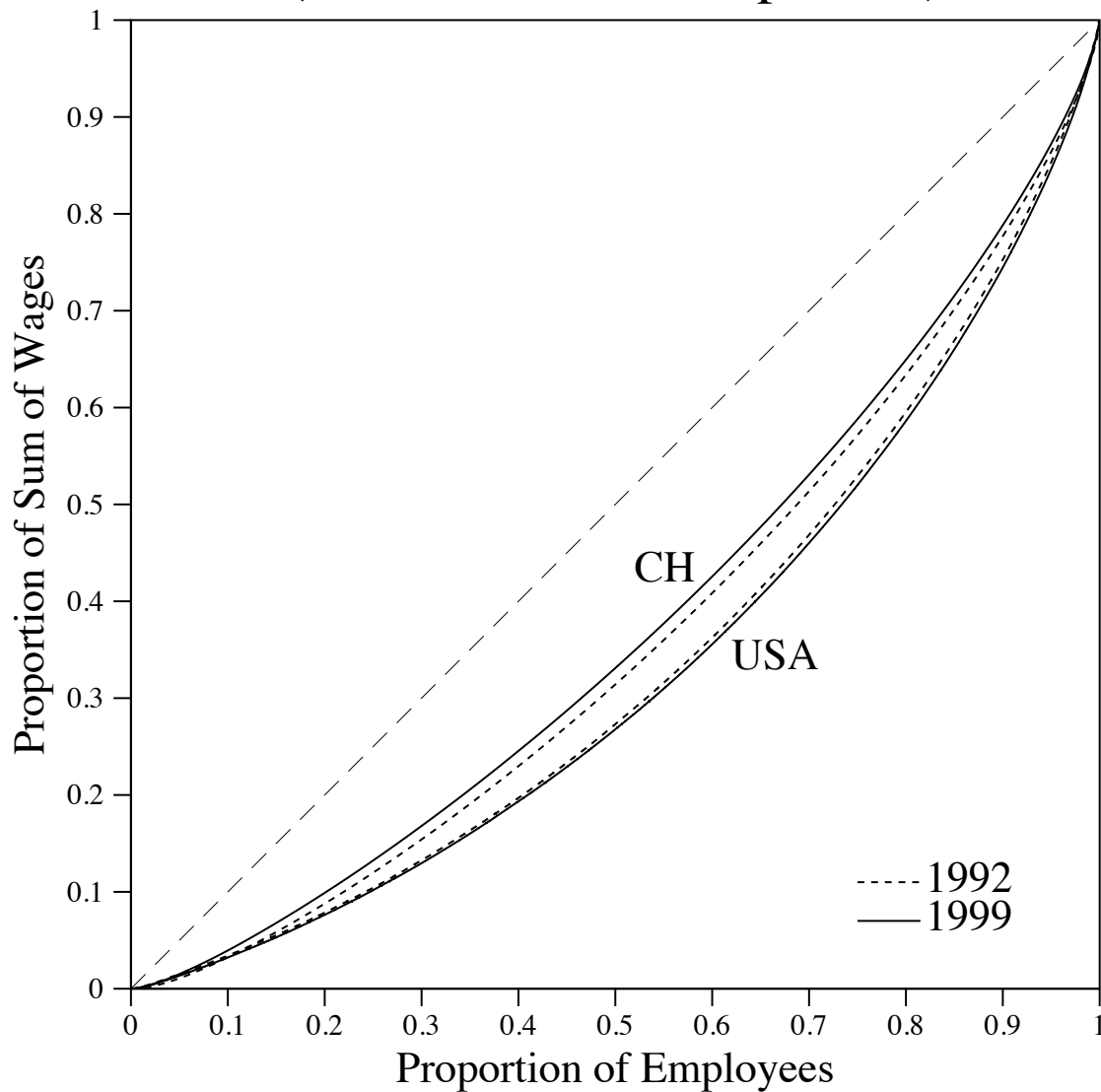


Proportion of the Service Sector in Switzerland (percentage of employees)



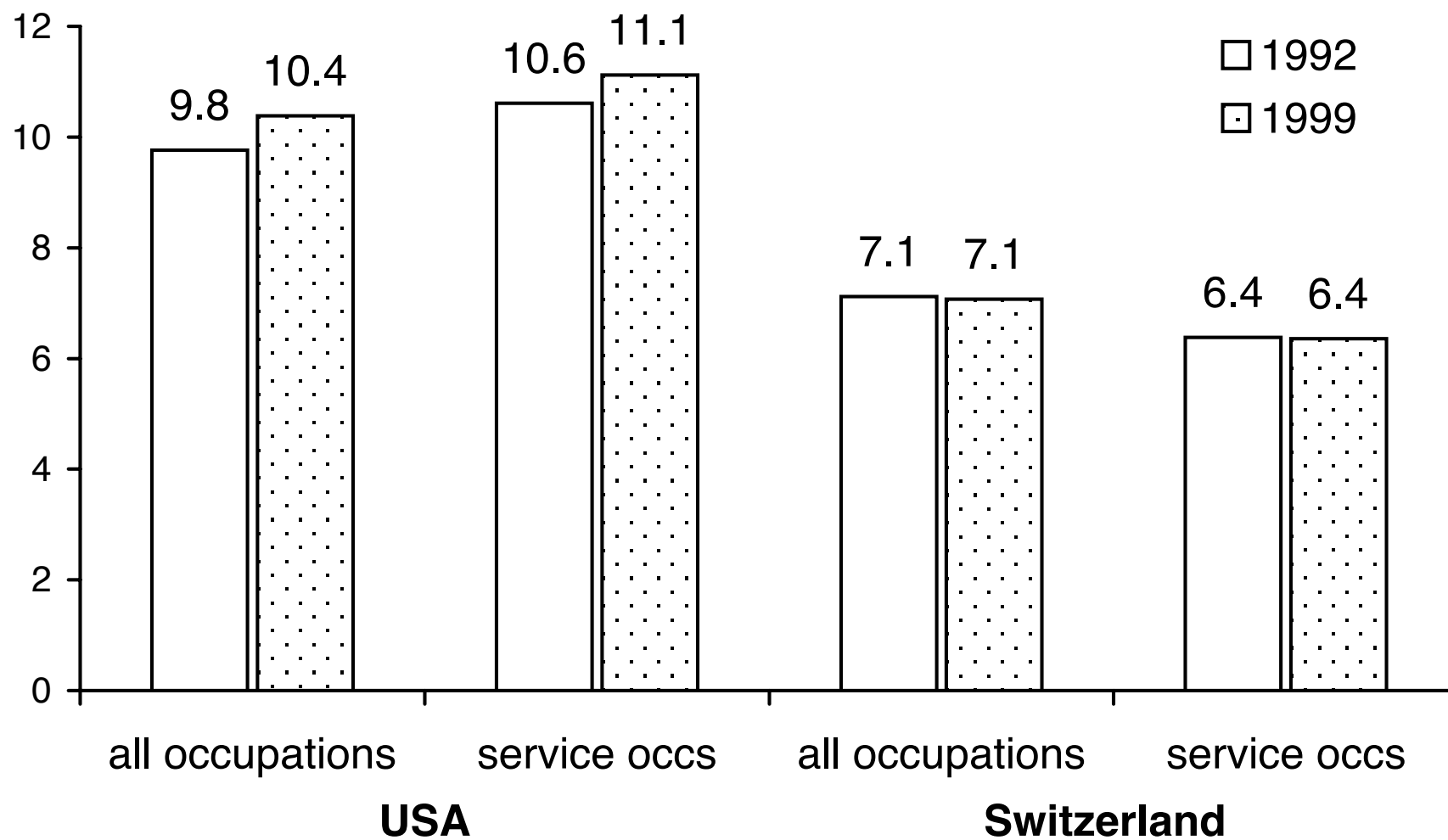
Proportion of Service Sector (1997)	USA	D	CH
By economic branch of employer	74.2	62.7	70.0
By occupations	76.5	75.0	74.8
Change 1992–1999 (D: 1993–1997)	+0.7	+2.0	+1.5
– administration services	11.6	17.7	16.7
– organizational services	10.8	4.7	4.0
– services close to production	10.0	9.6	13.0
– distribution services	16.5	16.0	13.0
– consumption related services	12.7	11.7	11.2
– social services	13.1	13.4	15.3
– public services	1.7	1.8	1.0
– services n.e.c.	–	–	0.6
Proportion of simple services	14.4	–	16.1

Lorenz Curves of Hourly Wages (within service occupations)



	USA		Switzerland	
	1992	1999	1992	1999
Gini ($\times 1000$)				
– agr./indust. occs	286	275	197	183
– service occs	327	337	276	250
– all occs	320	326	263	242

Rates of Return to Education in %
(male employees)



Economic Sectors by Occupational Domains (1993)

	Occupations			
	agricult.	industrial	services	total
USA				
I. Sector	83	3	14	100
II. Sector	0	58	42	100
III. Sector	0	11	89	100
D				
I. Sector	84	1	16	100
II. Sector	0	57	43	100
III. Sector	0	5	95	100
CH				
I. Sector	89	3	8	100
II. Sector	0	55	45	100
III. Sector	1	10	90	100

Occupational domains	USA		CH	
	1992	1999	1992	1999
Agricultural occupations	2.5	2.3	4.8	5.7
Industrial occupations	21.1	20.6	21.5	19.2
Service occupations	76.4	77.1	73.7	75.2
– administration services	13.7	11.3	18.8	15.8
– organizational services	9.4	11.0	3.8	4.4
– services close to production	9.8	10.4	13.3	13.6
– distribution services	16.4	16.4	11.7	12.5
– consumption related services	13.0	12.8	10.7	10.8
– social services	12.3	13.3	14.4	16.5
– public services	1.8	1.9	0.7	1.1
– services n.e.c.	–	–	0.3	0.5
Total	100.0	100.0	100.0	100.0