Rural and urban labour markets:
Different challenges for promoting decent work

Key points

- The world is witnessing a pronounced urbanization trend, accompanied by shifts in employment from agriculture to the services sector.
- Higher labour force participation in rural areas in the developing world suggests that in richer regions, rural labour markets are less of a driver of employment creation than urban labour markets. However, in poorer economies, people in rural areas have a stronger tendency to participate in employment, possibly since the lack of social protection or financial support leads them to take up any job available regardless of its quality.
- In most of the world, gendered social norms are more deeply ingrained in rural areas, with a wider gender gap in labour force participation in rural areas than in urban ones in all regions except for Africa, and in all income groups except for low-income countries.
- Labour underutilization takes on different shapes in rural and urban areas. While unemployment is the prevalent form of labour underutilization in urban areas, time-related underemployment is the main concern in rural ones.
- With 94 per cent of the world's agricultural workers in informal employment in 2016, deficits in job quality are a major issue in rural labour markets.

Where we live has a great impact on how we live: it influences our living and working environment, our access to education, health, culture and the labour market, and our daily routines, with an overall effect on our quality of life. In particular, whether we live in a rural or an urban area will largely determine the characteristics of the local labour market. In fact, rural and urban labour markets tend to be very different in terms of the composition by sector and occupation, the prevalence of specific forms of work, the skills and educational level required for available employment opportunities, the working arrangements, and characteristics of workplaces, among others.

It is estimated that today, around 56 per cent of the world's population lives in urban areas and 44 per cent in rural areas, signifying that any comprehensive living conditions study and any thorough labour market analysis must take into account the specific circumstances in both rural and urban areas.

Socioeconomic development is usually associated with shifts in employment, which, in turn, are linked to migratory patterns, and more specifically, to movements from rural to urban areas. As economies develop, jobs tend to move from agriculture and other primary activities (which are typically very labour-intensive) to industrial activities and then to the services sector, with workers migrating from rural to urban areas in the process. Thus, socioeconomic development, urbanization and the configuration of labour markets are closely linked.

The challenges to sustainable development and decent work are very different in rural and urban areas. Having information on the main labour market indicators disaggregated by rural and urban areas is critical for assessing the effects of the type of geographical area on labour market composition and configuration, and to inform targeted labour market research and policy formulation.
This brief explores the rapid urbanization observed in the world and the accompanying shifts in employment from agriculture to non-agricultural activities. It sheds light on differences between rural and urban areas in labour force participation and labour underutilization (and especially unemployment). It also attempts to reveal differences in the quality of employment in rural and urban areas.

**Shift from agricultural to non-agricultural employment coinciding with rapid urbanization**

The world’s population is rapidly increasing and this trend is expected to continue. In fact, the number of people on the planet grew from 5.3 billion in 1990 to 7.7 billion in 2019, and is expected to reach 8.5 billion by 2030, according to UN estimates and projections. This translates into a projected global population growth of over 60 per cent between 1990 and 2030. However, this growth is far from evenly distributed across geographical areas. It is projected that by 2030, the world’s rural population will only be 11 per cent larger than in 1990, while the world’s urban population is projected to surge by 126 per cent over the same period.

In other words, it is expected that by 2030 the number of people living in urban areas will have more than doubled compared to 1990 (see figure on page 3). This uneven population growth in rural and urban areas is having a large impact on the distribution of the world’s population by geographical location. While in 1990 about 57 per cent of the world’s population lived in rural areas, only 44 per cent of the population remained rural in 2019, and this share is projected to decline to 40 per cent by 2030.

This global urbanization trend has naturally been accompanied by shifts in employment. As urban areas expand and attract more and more people, agricultural activities (typical of rural areas) become less prevalent in terms of persons employed. In line with this, in 1991, 44 per cent of the world’s workers were employed in agriculture, while 34 per cent of them worked in services and 22 per cent in the industrial sector. By 2019, the services sector accounted for half of global employment. While the industrial sector remained fairly stable in terms of the employment share, representing 23 per cent of global employment in 2019, the share of agricultural employment dropped considerably to 27 per cent in 2019. The trend of a rising share of employment in services and a declining share of employment in agricultural activities is projected to continue, at least in the near future (see figure on page 3).

**Defining rural and urban areas:**

**considerations for international comparability**

The production of reliable labour market statistics for rural and urban areas separately requires a clear and consistent definition of what constitutes a rural area and what constitutes an urban area. This is actually a rather complex issue, as the rural or urban nature of a given geographical area may be determined by various factors. Depending on the criteria used, the same location may be categorized as rural or urban. In fact, as countries use different criteria to define rural and urban areas, it is well possible that an area classified as rural in one country would have been classified as urban following another country’s criteria, thus hindering international comparability of labour statistics by rural/urban areas.

Country practices show that in general, urban areas are defined specifically (according to a variety of possible criteria) and rural areas are inferred as the residual category resulting from information on the total national territory and urban areas. The criteria used at the national level to define urban areas are very heterogeneous, and include: establishing a threshold for population size or density; referring to administrative areas and localities; assessing the share of non-agricultural activities or workers; and considering the availability of infrastructure or amenities such as paved roads, electricity, water supply, medical centres and educational centres. Most often, countries use a combination of various criteria to define urban areas.

The lifestyle implications of living in a rural or urban area vary considerably from country to country, as do the characteristics of rural areas compared to those of urban areas. Thus, it is only natural that countries define rural and urban areas differently, using the most appropriate criteria in each case given the national context.

Even though several international typologies and proposed definitions to distinguish rural areas from urban areas at the international level do exist (such as the ones put forward by the UN Statistics Division, the OECD, EUROSTAT and FAO), there is no internationally agreed standard classification for geographical areas. This lack of a standard definition of rural and urban areas at the international level implies that data broken down by rural and urban areas are not always strictly comparable across countries. It is important to take this into account when studying rural and urban labour markets worldwide.
It is important to note that, although agriculture is deeply associated with rural areas, not all rural employment is agricultural and not all agricultural activities are located in rural areas. In fact, recent ILO estimates show that 89 per cent of the world's agricultural employment is based in rural areas, meaning that 11 per cent of agricultural workers in the world live in urban areas. Perhaps more strikingly, only 49 per cent of all workers in the world who live in rural areas work in agriculture, while 10 per cent work in manufacturing and 8 per cent in construction.

**Evolution of the world's rural and urban population (1990-2030)**

The world's population is also unevenly distributed across regions, and there are major differences from one region to the next in terms of the distribution of the population among rural and urban areas. In fact, the world's population is heavily concentrated in Asia: in 2019, 56 per cent of the world's population lived in Asia and the Pacific, 17 per cent in Africa, 13 per cent in the Americas, 12 per cent in Europe and Central Asia and 2 per cent in the Arab States.

**Evolution of the composition of global employment by main sectors (1991-2024)**

When it comes to income groups, the majority of the world's population is concentrated in middle-income countries: in 2019, 40 per cent of the world's population lived in lower-middle income countries and 35 per cent in upper-middle income countries, while low-income countries represented 9 per cent of the world's population and high-income countries 16 per cent.

The most populated regions are also the most predominantly rural, with 57 per cent of the African population and 51 per cent of the Asian population residing in rural areas in 2019. All other regions in the world are highly urbanized, with most of their population concentrated in urban areas.

When doing labour market analysis, it makes sense to focus on the working-age population, since the rest of the population would not (or should not) be included in the labour force. Looking at the share of the working-age population and of the young population living in rural areas across regions and income groups, we realize that they are not too different, implying that there is not a noticeable rural exodus of youth, at least not on a large scale (see figure on page 4).

**Rural share of the working-age population and of the young population by region and income group (2015)**

Source: ILOSTAT, UN estimates and projections, July 2019.
Higher labour force participation in rural areas in the developing world

The labour force participation rate expresses the share of the working-age population that is in the labour force and therefore actively participating in the labour market, either by being in employment or by actively seeking employment.

In 2019, the world’s rural labour force participation rate was 62 per cent, compared to 60 per cent in urban areas. The labour force participation rate is larger in rural areas than in urban ones in Africa and Asia and the Pacific, while the opposite is true in the Americas, Europe and Central Asia and the Arab States. When it comes to countries’ level of income, people participate in the labour force at higher rates in rural areas in all income groups except for high-income countries (see figure on page 5).

The same pattern is observed for employment-to-population ratios: they are larger in rural areas than urban ones in Africa and Asia and the Pacific, and in all income groups except for high-income countries.

This seems to suggest that in more economically developed regions, rural labour markets are less of a driver of employment creation than urban labour markets. In contrast, in less developed economies (and especially in low-income countries), people living in rural areas have a stronger tendency to participate in the labour force, and particularly in employment, while inactivity appears to be more commonly urban. This may reflect a situation in which many individuals in rural areas are obliged to take up employment regardless of the characteristics of the job or the working conditions, while in urban areas the jobless may be more able to afford to look for a proper job for longer or to quit the labour force altogether. It is also important to note that inactive persons include (among others) retired persons, students focusing full-time on their education and homemakers. Where informality is more pervasive in rural areas, the corresponding lower social protection coverage and insufficient old-age pensions in rural areas may mean that older individuals are constrained to remain in employment rather than retire. Likewise, the socioeconomic context in rural areas may keep students from devoting themselves exclusively to their education.

Wider gender labour force participation gap in rural areas in most regions

Persistent stereotypical gender roles translate into higher labour force participation rates for men than for women in all regions and all income groups around the world.

What is more, the gender gap in labour force participation is wider in rural areas than in urban ones in all regions except for Africa, and in all income groups except for low-income countries (see figure on page 5). This suggests that in most of the world, gendered social norms are more deeply ingrained in rural areas. Thus, in order to be effective, policies aimed at promoting gender equality in labour markets must take into account the particular circumstances of rural areas.

It is important to note that labour force participation refers to the participation in one specific form of work: employment (paid work done for use by others). This excludes other forms of work, such as subsistence farming, unpaid care work and other types of own-use production work, most commonly done by women and typically prevalent in rural areas.

Labour underutilization takes different shapes in rural and urban areas, with unemployment typically being a urban challenge while time-related underemployment is more common among rural workers

The working-age population may be classified into three groups according to labour force status: employment (those who have a job), unemployment (jobless persons available and looking for a job), and persons outside the labour force (jobless persons not available and/or not looking for a job). By definition, unemployment is labour underutilization, since the unemployed are workers explicitly willing to work and whose labour is not being used. However, there can also be labour underutilization among employed (people in time-related underemployment, that is, working fewer hours than they are available for). In addition, there can be labour underutilization among those outside the labour force (the potential labour force, which includes jobless people available for a job although they are not looking for one and those looking for a job although they are not immediately available for it).

Unemployment is the prevalent form of labour underutilization in urban areas: 46 per cent of all people in labour underutilization in the world's urban areas were unemployed in 2019. In contrast, in rural areas labour underutilization most often takes the form of time-related underemployment, with 46 per cent of all people in labour underutilization in the world's rural areas being in time-related underemployment in 2019 (see figure below).
Global labour underutilization composition in rural and urban areas by sex (2019)

Furthermore, there is a gender pattern in the prevalence of different forms of labour underutilization: in rural and urban areas alike, the unemployed represent a larger share of people in labour underutilization among men than among women, while the potential labour force represents a larger share among women than among men. This could point once again to the persistence of stereotypical gendered roles underlying people’s economic and household decisions, such as the decision of which household members should join the labour force and the distribution of household chores and childcare activities. Gendered social norms may lead men to be more available to take up a job and explicitly look for one.

When it comes to the situation across different regions, unemployment is the main form of urban labour underutilization in all regions, while time-related underemployment is the main form of rural labour underutilization in Africa, the Americas and Asia and the Pacific. Conversely, the biggest component of rural labour underutilization is the potential labour force in the Arab States, and unemployment in Europe and Central Asia (see figure below).

Moreover, unemployment is the main form of urban labour underutilization in all income groups except for low-income countries (where time-related underemployment predominates), whereas time-related underemployment is the main form of rural labour underutilization in all income groups except for high-income countries (where unemployment predominates).

Labour underutilization composition in rural and urban areas by region and income group (2019)

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The prevalence of unemployment in urban areas and of time-related underemployment in rural areas is confirmed when analysing the share of people living in rural areas among those who are in each form of labour underutilization. Indeed, the rural share of time-related underemployment is larger than the rural shares of unemployment and the potential labour force in all regions and all income groups (see figure below).

Rural share of each form of labour underutilization (2019)

Various factors may explain why labour underutilization takes on different forms in rural and urban areas.

In a sense, unemployment (the act of being jobless but available and looking for a job) is a privilege. Unemployment is an obstacle to decent work and sustainable development, and unemployed people do face hardship. Nevertheless, in some contexts, the possibility of unemployment exists only for those who can afford to be without work, thanks to sufficient unemployment benefits, savings, family support or other means of economic relief.

The prevalence of poverty in rural areas, combined with a lack of appropriate unemployment benefits, social security, or sufficient savings or economic support may mean that rural workers cannot afford to remain unemployed for long, resorting to taking up any job available, even if the working conditions are less than desirable. In particular, they may turn to creating their own jobs as own-account workers or contributing family workers, often times in informality, rather than waiting to find an employer. They may also focus more on other forms of work as an alternative to employment (such as own-production work), spending more hours on unpaid work.

All this may contribute to explaining why time-related underemployment is a bigger form of labour underutilization in rural areas than unemployment.

Furthermore, in some rural contexts it may be difficult to actively look for a job if there are no public or private employment services nearby or no generalized access to centralized job advertisement platforms. In such contexts, people may give up the job search out of discouragement although they are still available for employment. Difficulties associated with job searching in rural areas may contribute to explaining why unemployment appears to be more frequent in urban areas. This is especially the case in low-income countries, where 55 per cent of the potential labour force is concentrated in rural areas.

Youth face a major labour underutilization challenge, which in rural areas adds to difficulties to access education and training

In 2019, young people (aged 15 to 24) living in rural areas around the globe had a labour force participation rate of 43 per cent, compared to 39 per cent for those living in urban areas. In contrast, the labour force participation rate of adults (aged 25 and over) living in rural areas was 68 per cent and 65 per cent for those living in urban areas.

Young people in rural areas have a higher labour force participation rate than those in urban areas in all regions and all income groups. The rural-urban gap in youth labour force participation is particularly striking in Africa, where the youth labour force participation rate is 17 percentage points higher in rural areas than in urban ones, and in low-income countries, where the youth labour force participation rate is 20 percentage points higher in rural areas than in urban ones.

Participation of the world’s young population in employment, education or training in rural and urban areas by sex (2019)

This may suggest that in rural areas, and especially poor rural areas, young people are constrained to joining the labour force earlier on than in urban areas, where they may be more able to devote themselves full-time to higher-level studies or to unpaid trainee work.

Indeed, this is what data on youth participation in employment, education or training in rural and urban areas convey. In 2019, 47 per cent of the world’s urban youth were exclusively in education or training, while that was the case for only 37 per cent of young people living in rural areas. Likewise, the share of young people employed was 38 per cent in rural areas compared to 33 per cent in urban ones. What is more, the share of youth not in employment, education or training was 25 per cent in rural areas compared to 20 per cent in urban ones (see figure above).

It is important to note that the share of young men not in employment, education or training is virtually the same in rural and urban areas. For young men, the pattern by geographic area seems to be that in urban areas they can participate exclusively in education or training in large numbers, while in rural areas many turn to employment. Conversely, for young women, it is their share in employment that differs the least in rural and urban areas. In urban areas, young women (just as young men) are able to participate exclusively in education or training in large numbers. However, in rural areas, rather than participating in employment at higher rates, they have a higher tendency to be neither in employment nor in education or training. This again suggests that gendered social norms remain deeply ingrained in rural areas, where young women may be more likely to participate in unpaid household and care work.

In line with the findings on youth labour force participation rates, the share of youth not in employment, education or training is larger in rural areas than in urban ones in all regions except for Africa and in all income groups except for low-income countries. Moreover, the share of youth in employment is bigger in rural areas than urban ones in all regions and all income groups (see figure on page 10).

This points to the need for targeted policies to ensure, on one hand, that youth in rural areas are able to participate in higher-level education, and on the other, that rural jobs held by young workers have decent working conditions.

### Youth participation in employment, education or training in rural and urban areas by region and income group (2019)

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The study of the shares of young people living in rural areas by their participation in employment, education or training confirms the aforementioned findings. In all regions and all income groups, young people living in rural areas are over-represented in employment, meaning that the rural share of youth employment is larger than the rural share of the youth population. Also, young people living in urban areas are over-represented in education or training, meaning that the rural share of youth in education or training is smaller than the rural share of the youth population (see figure on page 11).

Rural share of youth population by region and income group (2019)

Global youth unemployment rate and composite measure of labour underutilization by sex and rural/urban areas (2019)


Note: LU1 is the unemployment rate, which expresses unemployment as a share the labour force, and LU4 is the composite measure of labour underutilization, which expresses the sum of unemployment, time-related underemployment and the potential labour force as a share of the extended labour force.

Young people around the world face a major labour underutilization challenge. In 2019, their unemployment rate was well over twice the unemployment rate of adults, both for people living in rural areas and those living in urban areas. The composite measure of labour underutilization (which covers unemployment, time-related underemployment and the potential labour force) was also close to twice as large for youth compared to adults in both rural and urban areas (see figure above).

Although the share of youth not in employment, education or training is larger in rural than in urban areas, youth labour underutilization measures such as the unemployment rate are lower in rural areas.

Also, the urban-rural gap is wider for the unemployment rate than for the composite measure of labour underutilization both for young women and young men. This conveys once again how labour underutilization tends to extend beyond unemployment in rural areas (mainly time-related underemployment), while unemployment is more common in urban areas.

The difference between urban and rural unemployment rates is particularly striking for young women: their urban unemployment rate was over 8 percentage points higher than their rural unemployment rate in 2019. Additionally, although the urban-rural gap is wider for the unemployment rate than for the composite measure of labour underutilization across the board, the difference is much more pronounced for young women. This reinforces the previous finding that young women in rural areas may face additional barriers to join the labour force.

Quality of employment deficits: a predominantly rural concern

Achieving the goal of decent work for all implies not only combatting labour underutilization in rural and urban areas, but guaranteeing that existing rural and urban jobs have satisfactory working conditions as well. Working conditions determine to a great extent the living conditions of workers and their families, which is why it is crucial to ensure that they are adequate.
Share of informal employment by sex (2016)

Working conditions refer to the quality of employment, and cover a broad range of topics and issues, including working time and working time arrangements, remuneration, occupational safety and health, compliance with labour rights, prevalence of social dialogue and access to social protection.

The share of informal employment gives insight into deficits in decent work and quality of employment, since informality often has a negative impact on earnings, working time, occupational safety and health, and working conditions in general.

Workers in informal employment are, by the very nature of their jobs, most commonly not covered by social protection or labour legislation, making them more vulnerable in the event of unemployment, loss of income, or work injury, to name a few examples. Also, informal employment tends to be less well remunerated and less productive.

In 2016, an alarming 61 per cent of the world's workers were in informal employment. This includes both people working in informal sector enterprises or undertakings and workers holding informal jobs in the formal sector. Informality is especially widespread in agriculture: in 2016, an astonishing 94 per cent of the world's agricultural employment was informal. That is, nearly all agricultural workers in the world held informal jobs or jobs in the informal sector (see figure above).

Given that 89 per cent of the world's agricultural employment is based in rural areas, this alerts to the widespread deficits in decent work faced by rural workers. Effective strategies are needed to ensure that agricultural workers have access to quality jobs.

The status in employment is another key element of a worker's job. It refers to a set of specific characteristics of the job, namely the type of contract, the type of economic risk the worker faces in the job (including the attachment between the person and the job), and the type of authority over the work establishment and other workers. Thus, status in employment is closely linked to the quality of employment, as it determines to a great extent a job holder's working conditions. Many aspects of working life such as job security, basic remuneration, earnings security, working time, and whether the job is in the formal or informal sector are directly related to workers' status in employment.

Employees (that is, employed persons holding paid employment jobs) represent the category of status in employment usually associated with greater job security and better working conditions in general, whereas own-account workers and contributing family workers constitute two status in employment categories regarded as vulnerable employment. Although this is true in general terms, it is important to keep in mind that some employees do lack basic elements of decent work (such as not being covered by social security and/or social dialogue) while some own-account workers and contributing family workers are not in a precarious or vulnerable situation.

Since employees generally benefit from better working conditions, the share of employees in total employment (also known as the paid employment rate) provides a glimpse into the working conditions of the employed population. It is a proxy indicator of employment quality. Whether workers are located in a rural or an urban area seems to have a great impact on their chances of being in paid employment: in 2019, 70 per cent of the world's employed living in urban areas were employees, compared to only 32 per cent of those living in rural areas. Indeed, the share of employees in
employment was larger in urban areas than in rural ones in all regions and all income groups. At the same time, the share of own-account workers and the share of contributing family workers are larger in rural areas than in urban ones across the board, with the exception of female workers in low-income countries who have a higher likelihood of being own-account workers in urban areas (see figures on pages 14 and 15).

Share of employees in total employment by sex and rural/urban areas (2019)

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Share of own-account workers in total employment by sex and rural/urban areas (2019)


Share of contributing family members in total employment by sex and rural/urban areas (2019)

Interestingly, in all regions and all income groups, the difference between rural and urban areas in the share of own-account workers is larger for men than women, and the difference between rural and urban areas in the share of contributing family workers is bigger for women than men. This implies that both male and female workers in rural areas have a low chance of being employees, but men are more likely to occupy jobs as own-account workers while women are more likely to be contributing family workers.

Additionally, since paid employment is the norm in high-income countries in general, in that group of countries, the share of employees is high for all workers. Thus, in high-income countries, the urban-rural gap in the paid employment rate is smaller than elsewhere. This highlights the increased difficulties faced by rural workers in low-income and middle-income countries in terms of their working conditions and employment quality.

What is more, in 26 out of the 28 countries with data available in ILOSTAT, the average monthly earnings of prime-age employees are higher in urban areas than in rural areas. In six of those, workers in urban areas make on average per month twice what the workers in rural areas make, or more.

Deficits in the quality of employment exist in both rural and urban areas around the world, but data on informality, status in employment and average earnings reveal the increased hardship of rural workers.

### Differentiated impact of the COVID-19 pandemic and the ensuing socioeconomic crisis on rural and urban areas

Although agriculture is not amongst the sectors identified by the ILO in its COVID-19 and the world of work monitor as being the most vulnerable to a severe decline in economic output as a result of measures taken to contain the spread of the novel coronavirus, it will not come out of the pandemic unscathed.

The world’s agricultural workers, most of whom live in rural areas, have ensured the foundations of the food supply chain with their continued work throughout the pandemic. Given that the vast majority of them are in informal employment, they are in a highly vulnerable situation during the global health crisis. Despite efforts to follow social distancing and hygiene rules in agricultural undertakings, agricultural workers can still be exposed to increased health risks, while they rarely have access to sick leave, unemployment benefits or social protection in general.

Furthermore, the effects of the pandemic and the ensuing global lockdown are disproportionately affecting workers in informal employment. In the third edition of its COVID-19 and the world of work monitor, the ILO estimated that the first month of the crisis would result in a decline in earnings of informal workers of 60 per cent globally, and an alarming 82 per cent in lower-middle and low-income countries.

Moreover, in many countries around the world, agricultural activities rely on seasonal labour migration. Widespread restrictions to international movement are posing an important challenge in this regard, possibly leading to a shortage of labour in some contexts, and a rise in poverty in rural areas.

Mandatory or voluntary confinement has driven consumers in many countries to turn to non-perishables, decreasing the demand for fruit and vegetables, which in turn can have an impact on prices. This would further increase the economic strain of agricultural workers.

As the pandemic and the resulting crisis continue to unfold, we are yet to see what the scope of damage will be, in terms of both health and socioeconomic outcomes. In this context, it is crucial to closely monitor the evolution in rural and urban areas, emphasizing the differences across areas in speed of contagion, access to health care, health infrastructure, impact of lockdown measures on the economy, characteristics of the local labour market and access to relief packages, so that targeted policies can be effective.


### Concluding remarks

The goal of achieving decent work for all, committing to leaving no one behind, implies understanding the conditions of all workers, and especially, the increased difficulties they face due to their sex, age, sector of economic activity, occupation, type of job or the area they live in.

Detailed information on the differences between rural and urban labour markets is crucial to inform targeted policies and research aimed at improving workers’ conditions everywhere. In order to be effective, any strategy for the
promotion of employment creation or the development of human resources and skills must take into account the differences in rural and urban labour markets and the characteristics of individuals making up the labour force in rural and urban areas.

During the past few decades, the world underwent a rapid urbanization process, which coincided with shifts in employment from agriculture to non-agricultural activities, mainly in the services sector. However, a far from negligible 44 per cent of the world's population lived in rural areas in 2019, pointing to the need for both urban and rural labour market policies.

The higher labour force participation in rural areas observed in the developing world, combined with the widespread quality of employment deficits of rural jobs, highlight the need to ensure healthy rural labour markets.

Differences in labour market configuration, opportunities, and tradition lead labour underutilization to take on different shapes in rural and urban areas. Unemployment is the most common urban form of labour underutilization, while time-related underemployment is the biggest labour underutilization challenge faced by workers in rural areas. Combatting labour underutilization requires acknowledging and understanding these differences.

The situation of youth in rural labour markets deserves special attention. Although youth face a major labour underutilization challenge both in urban and rural areas, young people in rural areas have additional hurdles to access education and training on top of those to access the labour market.

Finally, although the coronavirus pandemic of 2020 and the ensuing socioeconomic crisis initially affected urban areas more, the pandemic has reached rural areas as well. As the crisis continues to unfold, we are yet to see what the full scope of damage will be. Monitoring the evolution in both rural and urban areas will allow for better policy responses to ensure an inclusive recovery.