The impact of skill mismatch on unemployment, informality, and labour turnover

ECONOMIC AND LABOUR RELATIONS REVIEW
Número:
4
DOI:
https://doi.org/10.1017/elr.2024.48
Publicado:
Miércoles, 13 Noviembre 2024
Authors:
Luz A. Flórez[a],
Leidy Gómez[e]
Ver más
[a]Banco de la República, Colombia
[e]Externo
Clasificación JEL:
I25
Descargar documento

Lo más reciente

El desarrollo económico de Colombia desde finales de la Guerra de los Mil Días hasta la Gran Depresión
Juliana Jaramillo-Echeverri, María Teresa Ramírez-Giraldo
Experimentando con los LLM para el pronóstico de la inflación en Colombia
Aarón Levi Garavito-Acosta, Wilmer Martinez-Rivera, Juan J. Ospina-Tejeiro, Edgar Caicedo-García
Evaluando el seguro de desempleo en una economía en desarrollo: evidencia para Colombia
Leonardo Fabio Morales, Diego Astorga-Rojas, Nicolas Guida-Johnson
Otras Publicaciones

The objective of this paper is to analyse the impact of skill mismatch on labour turnover, unemployment, and informality, in the case of Colombia. We study Colombia because it is a developing country with one of the highest levels of unemployment and informality in Latin America, along with very restrictive institutions, such as the minimum wage. We found that skill
mismatch can explain the high turnover of workers in the Colombian labour market, evident in the
increase in hirings and also in separations. Additionally, we find a positive significant effect of skill
mismatch on the levels of informality, but no significant effect on unemployment. This

evidence
remains even once we consider the role of labour market institutions such as minimum wage and
non-wage labour costs.