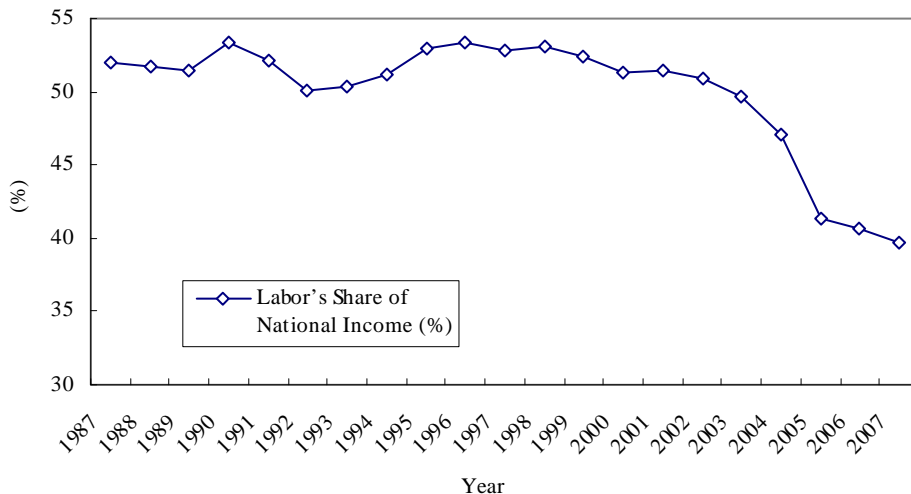


**Figure 15: Labor's Share of National Income  
(1987–2007)(%)**



**Notes:**

1. Income included in GDP consists of employee compensation, net taxes on production, depreciation of fixed assets, and operating surplus. We define labor's share of total income as the employee compensation in the GDP calculations. The national labor's share is a weighted average of each province's labor's share.

2. In PRC statistics, income from self-employment is included in labor income, but in most other countries it's partly calculated as capital income. The PRC adjust this according to international standards in 2004. So PRC's labor share of national income is over-estimated compared with international standards before 2003.

Sources: NBS, China Statistical Yearbook (1988-2008), and the authors' calculations.