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LABOUR FORCE SAMPLE SURVEYS

CONCEPTS, DEFINITIONS AND

OTHER SPECIAL PROBLEMS

IN THE FIELD OF LABOUR FORCE

(Paper prepared by the
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LABOUR FORCE SAMPLE SURVEYS:
CONCEPTS, DEFINITIONS AND OTHER SPECIAL PROBLEMS
IN THE FIELD OF LABOUR FORCE

[Chapter VII, Employment in the Handbook of Household Surveys makes up the basic documentation on this item. The present working paper is intended to supplement it in some respects. The discussion is focussed here particularly on the scope and nature of labour force sample surveys as well as on the concepts, definitions and special problems in the field of labour force statistics. Topics such as items to be covered, classifications, questionnaire design, tabulation plans, as well as the internationally recommended standard definitions of employment, underemployment and labour force are covered in the basic document.]

OBJECT, SCOPE AND NATURE OF SURVEY

Basic Objectives

1. The primary purpose of a labour force sample survey (referred to for brevity as LFSS) in African countries should be to provide information on the size and characteristics of the labour force or the economically active population. Another major objective should be to provide indicators on the magnitude and nature of open unemployment and visible underemployment. It would also be desirable to obtain data on the seasonal employment pattern, especially in rural areas. LFSS may be used on occasion to obtain data throwing light on various aspects of employment such as job stability, attitudes to and desire for work of persons outside the labour force, etc. LFSS should be repeated at suitable intervals to provide data for studying trends in the employment situation. In drawing up plans regarding definitions, classifications and tabulations at various rounds of LFSS, due weight should be given to the objective of data comparability over time.

Relationship with Population Census

2. The population census is usually a source of basic and comprehensive data on the labour force. The census is, however, held at relatively long intervals such as ten years. LFSS can thus provide up-to-date labour force data during the inter-censal period. The desirability of comparability of data from the two sources should be borne in mind for studying trends and using the population data as benchmark for the results of LFSS. In particular, a country where a population census has been conducted recently, one basic objective of LFSS should be to obtain up-to-date summary data corresponding to the relevant census tables.

Coverage

3. In general, LFSS should relate to the entire population in a country or a given region. LFSS programme may, however, be phased to gain experience and spread statistical resources. Moreover, LFSS may be limited, as a first step, to urban areas or the principal cities where the unemployment problem is often particularly acute.

Periodicity

4. The value of LFSS is greatly enhanced if it is repeated at intervals since this permits a study in trends and the coverage of a wider range of items (in successive rounds). Consideration should be given to conducting LFSS once every two or three years if resources permit.

Survey Period

5. This term refers to the period covered by the survey field observations for the sample as a whole as distinct from the reference period for which information is elicited on various items from an individual household in the sample (paragraph 14). Seasonal variations in employment patterns are important, particularly in rural areas. The survey should therefore be preferably spread uniformly over a whole year by surveying a sub-sample in, say, each week of the year so that the resulting data would reflect the patterns of seasonal employment. An alternative procedure might be to conduct LFSS at several points of time in the year, with a brief reference period such as a week, for the observation of sample households on each occasion.

LABOUR FORCE CONCEPTS, DEFINITIONS AND SPECIAL CLASSIFICATION PROBLEMS

Basic Concept

6. The underlying notion is that the population may be divided into two meaningful categories: (1) persons who produce goods and services, usually for the market; and (2) others, such as housewives, students, etc., who do not contribute to the production of such goods and services. The products of the activities of the first group are valued by means of price weights to add up to the national product; the second group of activities, while they may, and in many cases do, undeniably increase the level of personal or community welfare, e.g. housewives' services, are considered to make no contribution to national product. Activities directed towards the production of "marketable" goods and services which do not actually pass through the market, e.g. repair or construction of own home in spare time, voluntary social work, etc., are not generally considered to constitute

"productive work" or to contribute to the national product in the developed countries. A scrupulous application of the market criterion, with perhaps a few exceptions, clearly delineates the labour force.

7. In the less developed countries the market has yet only partly eroded the customary economic and social organisation. There also exists usually a large subsistence sector. In contrast with developed countries, most jobs are not well defined and the relationship of many workers to their jobs is somewhat diffuse. Moreover, these features are in a state of transition, moving towards those of a more market-oriented economy with progress in development. It seems appropriate in the circumstances of the developing countries to include certain categories of "marketable" goods and services which are not actually marketed in the national product and the related activities as "productive work". The borderland between the two categories - the labour force and the rest of the population - is thus wide and the application of the procedures for the determination of labour force status presents a variety of problems.

Productive Work or Economic Activity

8. The term "working for pay or profit" in the standard definition should be interpreted liberally in African conditions. Activities relating to subsistence production, e.g. cereal cultivation, fruit and vegetable growing for family consumption, building or repairing own home, etc., should be considered as "productive work" or simply "work". In this connection productivity or usefulness of an operation in the production cycle should not be a relevant consideration. For example, minor maintenance jobs in a small field by the owner during seasonal slack, watching one or two cows graze for several hours each day, etc., should be regarded as work. The same would be true of the individual transport of vegetables and other produce by peasants' wives from the same village to the marketplace several kilometres away.

9. It may seem preferable, however, to eliminate the influence of such marginal activities in order to draw a truer picture of the labour force pattern. One possible approach may be to take account of work only above a given minimum duration, e.g. hours per day or week for certain worker categories such as the self-employed or family workers. The standard definition already provides a safeguard in that family workers should have worked at least one-third of the normal duration during the reference period in order that they may be classified as "employed" and thus included in the labour force.

10. The problem is particularly acute in regard to women's work. The line between work for the home and that for the household enterprise is often blurred. The social attitudes to women's work, particularly outside the home, vary according to cultural patterns

in the different countries. The reporting in LFSS may also be at variance with the actual facts of working. An effort should be made in LFSS to get at the actual facts of work performed by female members of the sample households, e.g. by enumeration of typical operations, etc. Their labour force status would then be determined in the light of any safeguards that may have been included for eliminating marginal work participation. Probing in LFSS in this regard is, however, delicate and requires discretion since it may offend cultural susceptibility and adversely affect the response to LFSS as a whole.

Current Activity or Usual Status

11. The standard definitions of the "employed" and the "unemployed" are geared to the "current activity" approach under which the labour force classification of an individual is made on the basis of his relationship to the labour market or work actually observed over a specified brief period. This approach is generally recommended for LFSS. It is indispensable for the measurement of unemployment and visible underemployment.

12. The principal alternative approach for the identification of the labour force is the "usual status" or "gainful worker" criterion, which is based on the permanent or stable (sometimes over a long reference period such as a year) relationship to work. In certain cases, such as non-recurring or special surveys aimed at the structure as at a given date rather than current changes, the "usual status" with a brief survey period may be adopted as the principal criterion. Its chief merit is that it yields data free from seasonal distortion of the survey period but even in such a case unemployment and visible underemployment should be measured on the "current activity" criterion.

13. When statistical resources permit, it may be an advantage to include questions relating to both "current activity" as well as to "usual status" even when the main classification is based on the former. Information elicited on the "usual status" which can be summary in character (one single question or entry might suffice) is often found valuable as an internal check on consistency in reporting current activity and an aid in correct classification in the processing of data. Secondly, a tabulation of persons cross-classified by the two criteria provides an insight into the categories on the fringes of the labour force. Moreover, in LFSS based on the current activity criterion and a short survey period, the seasonal distortion of the latter may be allowed for by showing separately persons with a usual gainful status within the category of persons "not in the labour force", e.g. cultivators or building workers for whom the survey period falls within the seasonal slack.

Reference Period

14. The question of a reference period is related to the "usual status" or "current activity" criterion since the former conceptually corresponds to a long reference period such as a year, while the latter

to a short period, such as a day or week. The increase in the reference period tends to raise the proportion of the population in the "employed" category, reduces that of the "unemployed" and generally raises the over-all labour force participation rate (due to the application of the priority scale, paragraph 16 below). The proportion of persons classified as visibly underemployed also rises as the reference period is lengthened. Another factor to be taken into account is the recall lapse on the part of the respondent which increases with the length of the reference period and thus diminishes the accuracy of observation. For LPSS, a reference period of one week for the basic labour force classification, i.e. the identification of the employed and the unemployed categories, which is consistent with the standard definition on the subject, is generally recommended.

Age Limits

15. In many African countries there are usually a large number of children at work, especially during the peak of the agricultural season. In many cases the work participation of such children is marginal, e.g. of a short duration, consisting of minor chores, etc. and their inclusion distorts the labour force. In particular, unemployment and underemployment of such child workers might not be considered as an employment problem. It is accordingly recommended, in conformity with the standard definition, that the LPSS be restricted to persons above a specified minimum age. While this minimum age should be determined in the light of national conditions, a limit of 14 years, which has been adopted in the national censuses of many African countries, is suggested for consideration. Very old workers, e.g. above age 65, are relatively few in African countries and so an upper age limit does not seem essential. It is preferable to have age limits common for both employment and unemployment in labour force statistics.

Priority Scale

16. In the standard definitions of the "employed" and the "unemployed" a priority scale for the labour force classification of persons is implicit. The status of being in the labour force takes precedence over that of being economically inactive, i.e. if during the reference period of say, one week, a person has non-economic activities, e.g. household duties or studies, but has done any work or has looked for work he is classified as either "employed" or "unemployed" and, therefore, "in the labour force". Similarly, the status of being "employed" takes precedence over that of being "unemployed", i.e. if a person who does work for some time and is jobless for the rest of the time and is looking for work during the reference period, he is classified as "employed". This is sometimes criticised on the grounds that the system is biased towards inflating the employed (and the labour force) category and towards understating the unemployed category. Alternative priority scales, such as that

in favour of the "unemployed" rather than the "employed" or that based on the "principal status" of the person during the reference period may be considered. But these raise problems of their own which are considered to be even more serious. The classification should, therefore, be made on the basis of the standard definitions.

Workers with a Job but not at Work

17. Special care is needed in identifying this category in African countries. Since there are a large number of household enterprises with a seasonal pattern of work, e.g. family farms, there may be a tendency for the workers to be reported in the category "with a job, but not at work" during seasonal slacks, thus overstating the "employed" and understating the "unemployed" or the "not in the labour force" categories. The remedy for this lies in the application of sound procedures to avoid the classification of such workers in the category "with a job but not at work". An individual with a job or enterprise who does not work during the reference period because there is actually no work for him should not be identified as "employed". He should be classified as "unemployed" if he is seeking work and as "not in the labour force" if he is not. As regards the family worker, this problem is explicitly resolved in the standard definition where such a worker is excluded from the "employed" category unless he actually worked at least one-third of the normal working time during the reference period on the family enterprise. Specifying the reasons in the questionnaire for not working, although having a job, is a further essential safeguard for properly identifying this category.

Definition of Unemployed

18. The concept of unemployment seems fully significant only in the context of a well developed labour market. It has a limited application, for example, with respect to rural areas, to unorganised activities in urban areas and to the self-employed and family workers. Unemployment assessment should, however, preferably cover the entire labour force or economy, although special consideration should be given to the conditions of various employment categories and particular caution is required in the interpretation of unemployment data for the categories just mentioned. Moreover, where necessary, LFSS confined to urban areas may be taken to estimate unemployment.

19. While the state of being employed can be determined objectively by reference to facts, that of being unemployed cannot be in the nature of things. But the aim in the LFSS should be to minimise the influence of subjective elements in unemployment measurement. The stipulation that a jobless person should not only be able and wanting work, but should be seeking it in order that he may be classified as unemployed is a powerful safeguard in this direction. The standard definition of unemployment prescribes this requirement for the principal types of unemployment situation encountered in practice. This subject is further discussed below in paragraph 21.

20. There is yet another type of problem. When a person is reported to be available or looking for work, the type of work and the terms of remuneration remain open. Economic, socio-cultural, as well as personal factors enter into this question. For example, a cultivator or a member of his family may not be prepared to accept wage employment, especially as an agricultural labourer in his local area. Certain operations, such as harvesting or picking beans or leaves (for example on plantations) may have become identified in a community as women's work, so that men workers may refuse to take on such jobs. Again, as the experience of recruitment on labour intensive rural works projects in certain African countries has recently revealed, agricultural workers may prefer leisure to work during slack seasons if they consider that the wages offered are not sufficiently attractive. In LFSS, it is not generally practicable to include questions on this subject and, among other things, the variety of responses according to different situations would be hard to classify in a meaningful way. A pragmatic approach is usually required at the interview and editing stages of the survey. The general guide line is that the jobs in question should be customary to the person or his milieu and he should be prepared to accept them at the going rates.

21. A degree of empiricism is inescapable in the determination of the employment status of persons who want work, but who do not seek it by taking any accepted concrete steps to this end or who may attach reservations as to the type of work or the terms on which they want or seek work. This task will be facilitated by the inclusion of a supplementary question to elicit the reason for not seeking work from jobless persons who report that they desire work but do not look for it. This reason may be checked against other personal data and general knowledge of the employment situation in the area or in the individual's occupation to guide in his classification. Moreover, in urban areas where conditions approaching to a labour market may often obtain in African countries, a satisfactory general measure of unemployment may be provided by the application of the criterion of "seeking work", but relaxing it only in exceptional cases where the respondent's belief that no suitable work is available may be considered acceptable as a valid excuse. In rural areas, however, the problem is generally much more acute with the limitations in labour mobility and employment opportunities. Much would depend upon the purpose of the survey, e.g. to provide a measure of economic hardship from unemployment or an indicator of labour availability. In any case a detailed explanation of the survey procedures should accompany the unemployment data so that the significance of the figures may be correctly understood and the dangers of false comparisons and resulting confusion might be minimised.

OTHER QUESTIONS

22. Other aspects of LFSS include the items of data to be sought, classifications, the questionnaires and interviews, tabulation and rates and indices to be computed. These items are discussed in adequate detail in the Handbook and do not call for special comments in this paper. It cannot, however, be overemphasised that a sound design of the questionnaire and a carefully trained interviewer force are crucial to the success of LFSS, especially in African countries.