



OFICINA INTERNACIONAL DEL TRABAJO

Fifth Global Forum on Gender Statistics

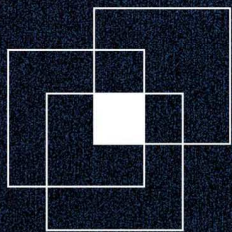
Quinto Foro Mundial sobre Estadísticas de Género

**RESOLUTION 19th ICLS
STATISTICS OF WORK
EMPLOYMENT AND
LABOR
UNDERUTILIZATION**

**RESOLUCIÓN 19ª CIET
ESTADÍSTICAS DEL
TRABAJO, LA
OCUPACIÓN Y LA
SUBUTILIZACIÓN DE LA
FUERZA DE TRABAJO**

David Glejberman

**Aguascalientes, México
November , 2014**





TOPICS

THE 19th. ICLS

WORK AND FORMS OF WORK

LABOUR FORCE FRAMEWORK

EMPLOYMENT

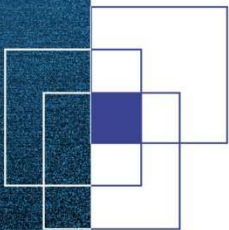
UNEMPLOYMENT

UNDEREMPLOYMENT

PERSONS OUTSIDE THE LABOUR FORCE

MEASURES OF LABOUR UNDERUTILIZATION

IMPLICATIONS FOR GENDER EQUALITY





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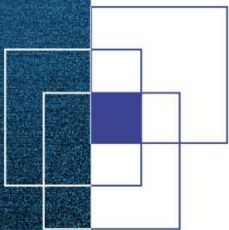
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THE 19th. ICLS

Why was it necessary to revise *Resolution (13th. ICLS, 1982)* concerning statistics of the economically active population, employment, unemployment and underemployment?

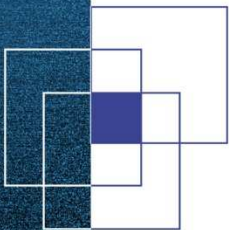
1. To review the *conceptual framework*
2. To improve *comparability* between countries
3. To revise and expand the *guidelines*
4. *To make consistent* conceptual framework of labor statistics with SNA standards
5. To respond to users demands for *complementary indicators*
6. To review the terminology used



THE 19th. ICLS

COMPARABILITY PROBLEMS (1)

- Definition of the *reference population*
- Framework activity: *usual vs. current*
- Working age population: *age limits*
- Unemployment: new search criteria
- Classification of *persons absent from work*
- Underemployment: defining the *threshold and type of hours*
- Definition of *long-term unemployment*

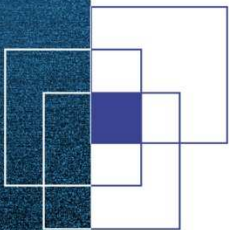




THE 19th. ICLS

COMPARABILITY PROBLEMS (2)

- Classification of persons in *own-use production work*
- Treatment of *family workers*
- Treatment of future "*initiators*"
- Classification of *volunteer work*
- Classification of *apprentices and trainees*
- Classification of *persons outside* the labour force
- *Flexible definition* of unemployment (traditional definition and extended definition)





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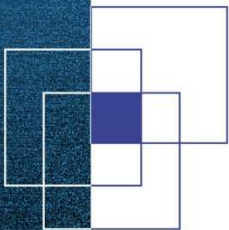
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WORK AND FORMS OF WORK

THE 19th. ICLS

Introduces a statistical definition of "work":

Work comprises any activity performed by *persons of any sex and age* to produce goods or to provide services for use by others or for own use.

- Illegal activities?
- Stealing and begging?
- Informal work ?
- Child labor?
- Volunteer work?

(paragraph 6 of Resolution)



WORK AND FORMS OF WORK

Statistical definition of "work"

Regardless of the legality of the activity

Independent of whether formal or informal

Excludes activities that do not produce goods or services (begging, theft)

Excludes self-care activities

The work can be done by adults and children

Work can be paid or unpaid

The work can be done in any type of economic unit: market and non-market units, and households producing goods or services for own consumption.

(paragraph 6 of Resolution)



WORK AND FORMS OF WORK

THE 19th. ICLS introduces a new classification called **FORMS OF WORK:**

- a) own-use production work
 - b) employment work
 - c) unpaid trainee work
 - d) volunteer work
 - e) other mandatory productive activities unpaid to third parties
- 

The **categories** are mutually exclusive, but **persons** can work simultaneously on more than one of them.

(paragraph 7 to 10 of Resolution)



WORK AND FORMS OF WORK

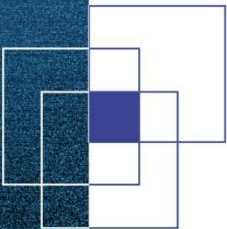
Since persons can work simultaneously on more than one form, another classification based on the ***main form of work*** is introduced:

- (a) mainly in own-use production work;
- (b) mainly in employment;
- (c) mainly in unpaid trainee work;
- (d) mainly in volunteer work;
- (e) mainly in other forms of work;
- (f) exclusively in non-productive activities

Criteria:

a-e) have priority over f).

(paragraphs 17-18 of Resolution)

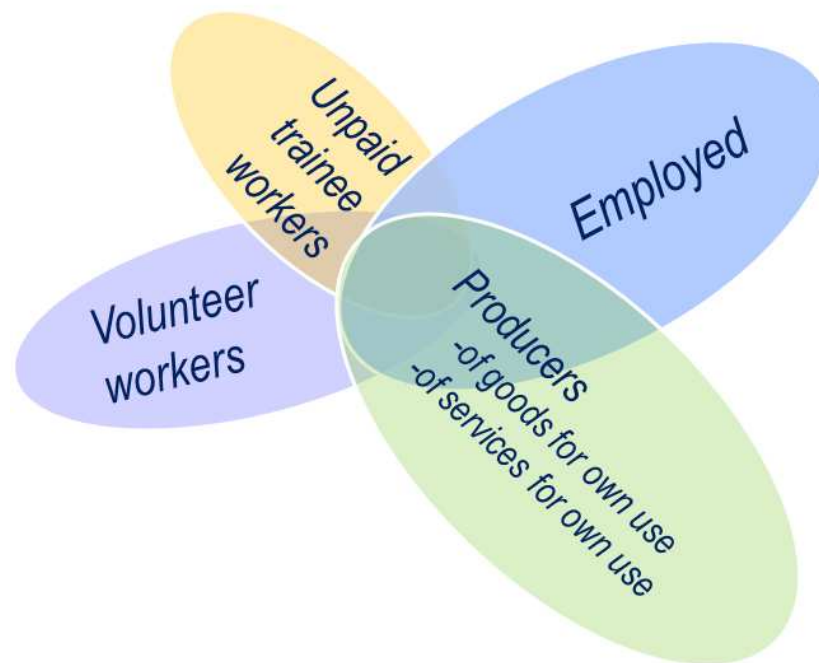




WORK AND FORMS OF WORK

This new classification allows:

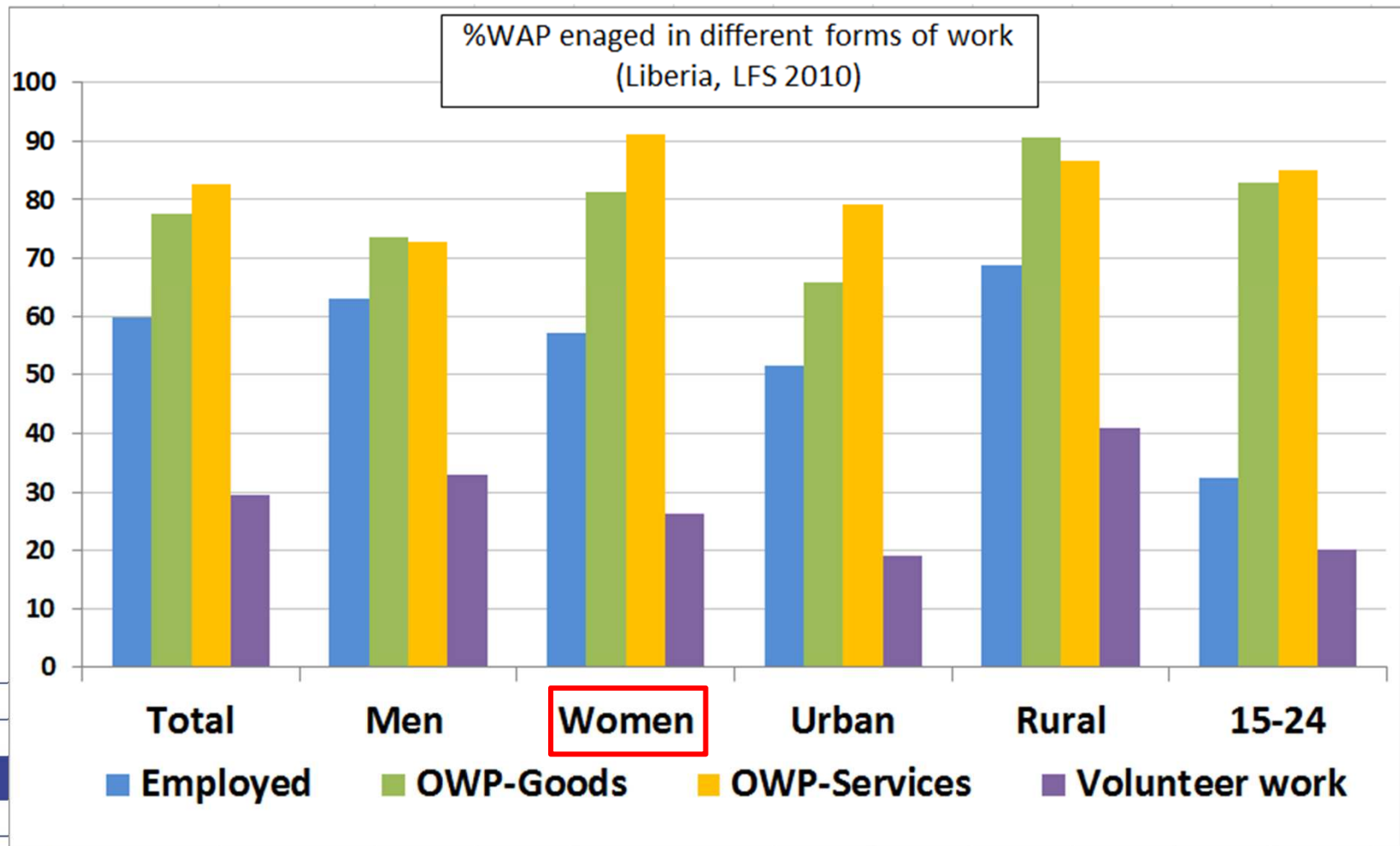
- Classify works
- Classify persons according to **main work**





WORK AND FORMS OF WORK

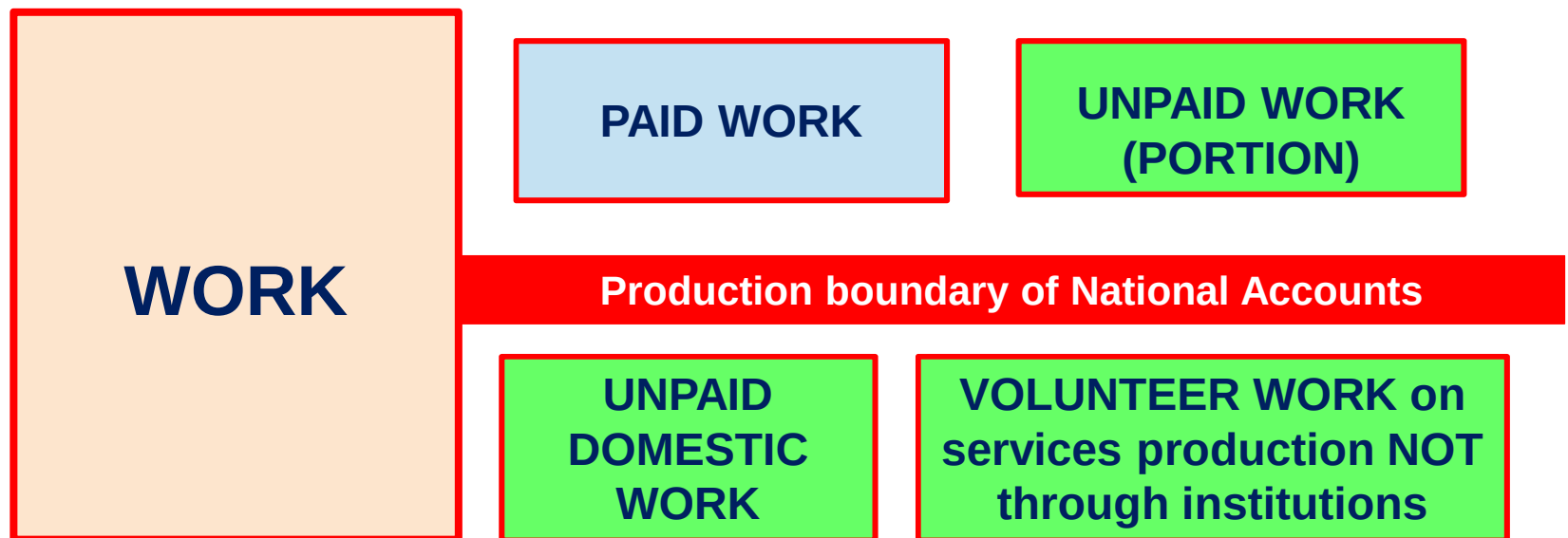
Participation in different forms of work as a percentage of the working-age population





WORK AND FORMS OF WORK

WORK **IN AND OUT** OF THE PRODUCTION BOUNDARY (SNA)

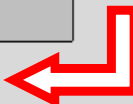




WORK AND FORMS OF WORK

WORK IN AND OUT OF THE PRODUCTION BOUNDARY (SNA)

Diagram 1. Forms of work and the System of National Accounts 2008

<i>Intended destination of production</i>	<i>for own final use</i>		<i>for use by others</i>						
<i>Forms of work</i>	Own-use production work		Employment (work for pay or profit)	Unpaid trainee work	Other work activities	Volunteer work			
	of services	of goods				in market and non-market units		in households producing	
						goods		services	
<i>Relation to 2008 SNA</i>			 <i>Activities within the SNA production boundary</i> <i>Activities inside the SNA General production boundary</i>						

(paragraph 10 of Resolution)



TOPICS

THE 19th. ICLS

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LABOUR FORCE FRAMEWORK

The 19th. ICLS PROPOSED
keep unchanged the labour
force framework in relation to
fundamental principles:

- Principle of activity
- Priority rules
- One-hour criterion

- Working-age persons are classified according to the activities performed in a short period (***principle of activity***).
- Employment has priority over unemployment, and this on inactivity (***priority rules***).
- Where employment is to work for pay or profit at least one (***one-hour criterion***) during a short reference period in the production of goods and services as specified in the latest version of SNA.

(13th. ICLS Resolution)



LABOUR FORCE FRAMEWORK

The 19th. ICLS recommended to focus in the current activity and ignore the usual activity approach **to international comparison.**

19th. ICLS

- Regular activity

Measurement in relation to a **long period** of reference as **one year**

NO

- Current activity

Measurement in relation to a **short period** of reference such as [**a week or a day** (13th. ICLS)]
seven days or one week (19th. ICLS)

YES



LABOUR FORCE FRAMEWORK

Reference populations (main)

Resident population

Usually resident population (demographic and social statistics)

Population in resident production units
(market units, non-market units and households, SNA 2008)

(paragraphs 60 to 63 of Resolution)

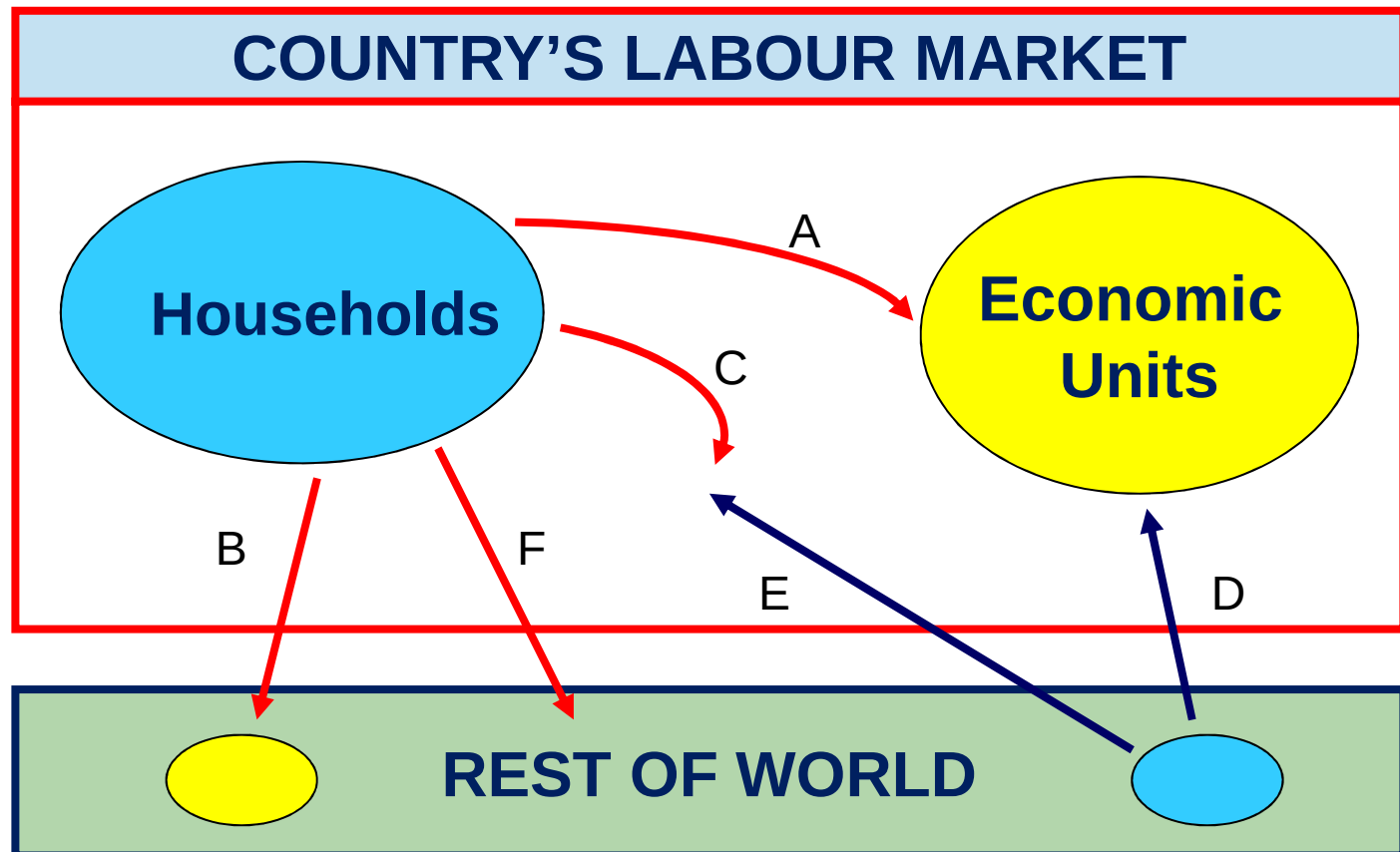


LABOUR FORCE FRAMEWORK

Reference populations

Resident population = $A + B + C + F$

Population in resident production units = $A + D$





LABOUR FORCE FRAMEWORK

Working age population Age Limits

a) Lower age limit

- Should be based on the minimum age for employment, under national law, **or**
- The age of completion of compulsory education.

b) Upper age limit

- Maximum age limit should not be set.

c) For international comparison

- 15 years and over

d) Independent program for child labor

(paragraphs 64 to 66 of Resolution)



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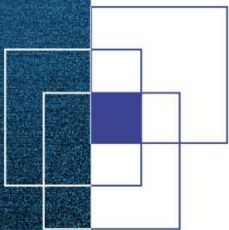
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EMPLOYMENT

Persons in employment are:

- all those of working age,
- who during a short reference period,
- Were engaged in any activity to produce goods or provide services,
- ***for pay or profit.***

(paragraph 27 of Resolution)



EMPLOYMENT

- The definition of **persons employed** in the 19th. ICLS is more restrictive than in the 13th. ICLS.
- The concept is restricted to **work for remuneration or benefits** (wages, profits, cash or in kind).
- It includes cases where the remuneration is paid indirectly to a household member for the work done by another (contributing family worker).

(paragraph 28 of Resolution)



EMPLOYMENT

Criteria for defining *the main job*

According to the 13th. ICLS there were three options:

- Auto perception
- Higher revenues
- Largest number of hours usually worked

The 19th. ICLS recommended hours criteria.

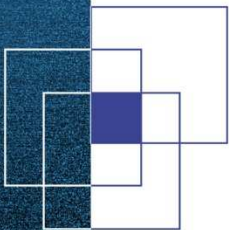


EMPLOYMENT

Persons "not at work" because of a temporary absence

Employed persons on “temporary absence” during the short reference period refers to those who, having already worked in their present job, were “not at work” for a short duration but maintained a ***job attachment*** during their absence.

(paragraph 27 of Resolution)





EMPLOYMENT

Persons "not at work" because of a temporary absence

"Job attachment" is established taking into account:

1º) the reason for the absence, and

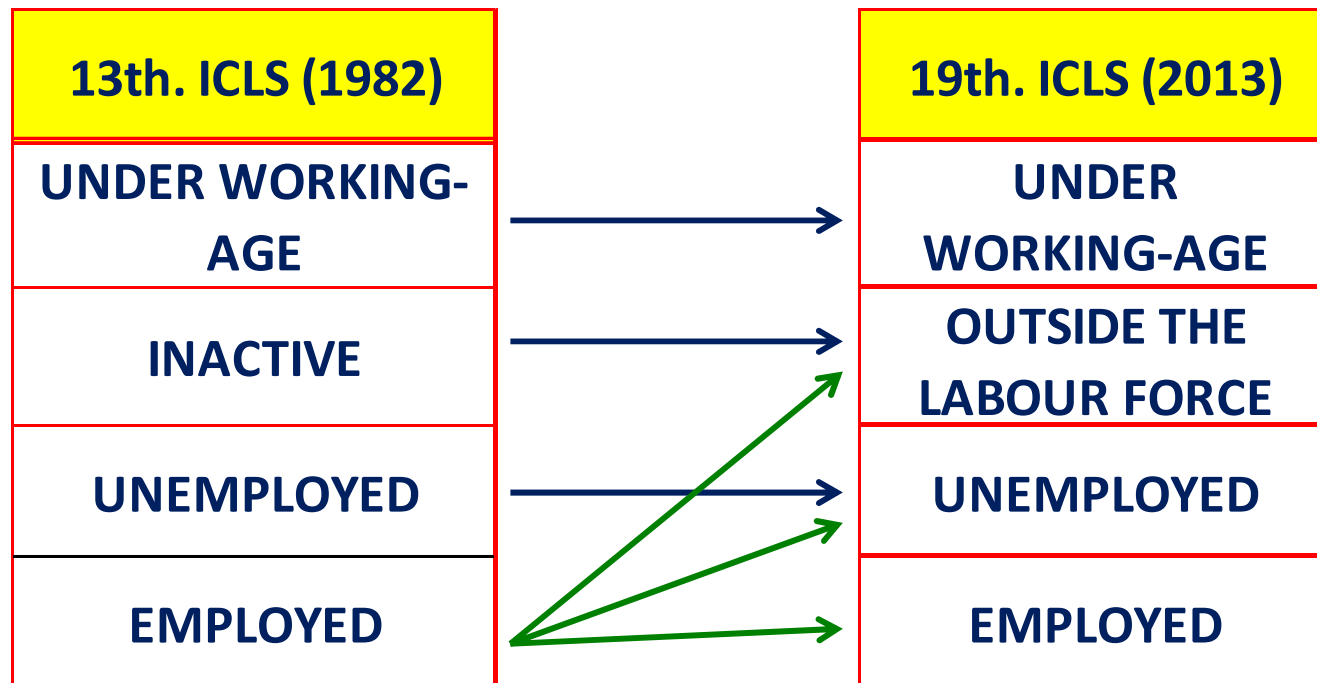
2º) for certain reasons:

- the continued receipt of remuneration,
and/or
- the total duration of the absence

(paragraph 29 of Resolution)

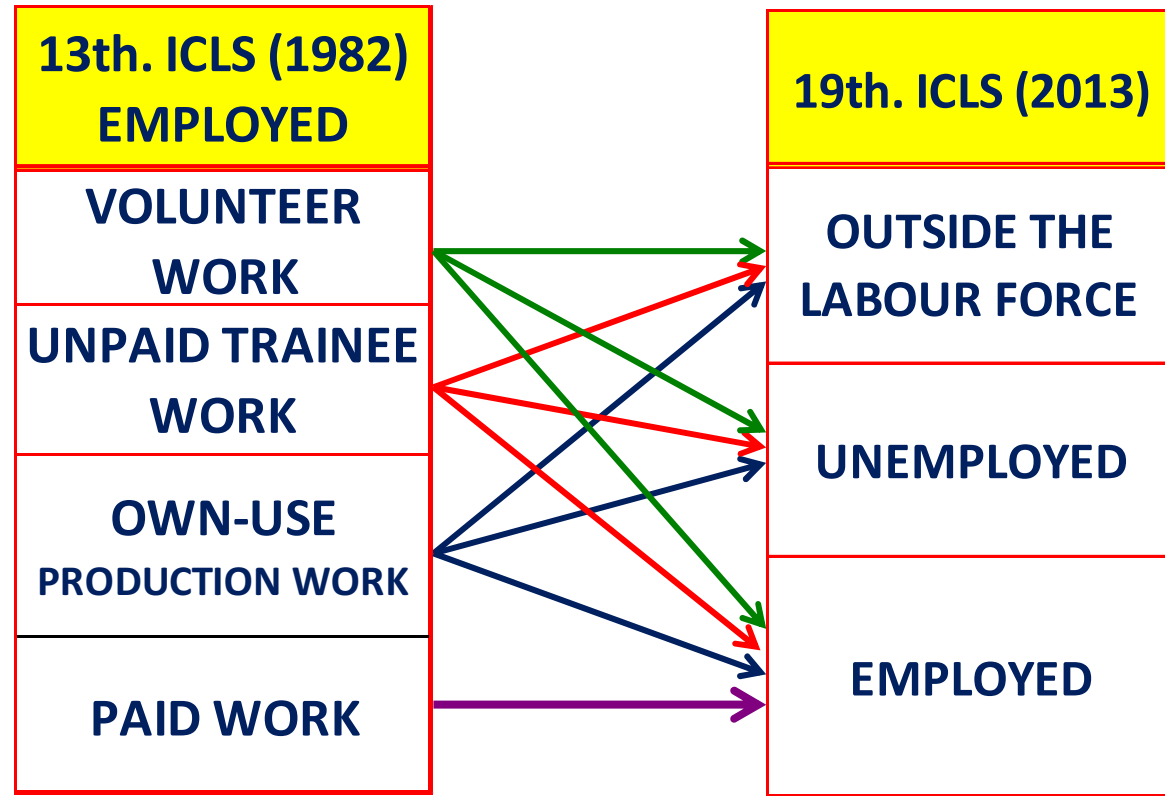


EMPLOYMENT





EMPLOYMENT





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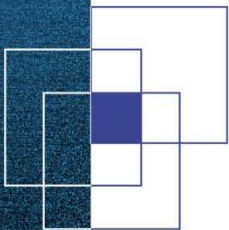
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UNEMPLOYMENT

Unemployment definition (19th. ICLS)

Persons in unemployment are:

- persons ***of working age***,
- ***not in employment***,
- carried out activities to ***seek employment*** during a specified recent period, ***and***
- were ***currently available*** to take up employment given a job opportunity.

(paragraph 47 of Resolution)



UNEMPLOYMENT

Unemployment definition (19th. ICLS)

- Of working age
- Not in employment
- Seek employment
- Available to work

Observation 1: the *flexibility option* in finding employment is eliminated (no more *extended unemployment*).

Observation 2: an unemployed person may have worked in the reference period?

Observation 3: as the definition of persons employed is restricted, some of them (in the 13th. CIET) are now classified as unemployed (and others outside the labor force).



UNEMPLOYMENT

Exceptions to the general rule

The 19th. ICLS considers as unemployed persons:

- a) **Initiators**: were available but not seek employment because they had already made arrangements to start a job within a short subsequent period (no more than 3 months)
- b) Persons not employed **participating in training and retraining courses**
- c) Persons not employed, who conducted activities to **migrate abroad for work**, still waiting for the opportunity to leave.

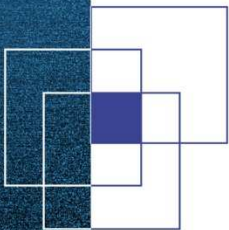


UNEMPLOYMENT

The 19th. ICLS added to the *activities of seeking work*:

- Post ads in online media and respond to job offers made in these media
- Response to job offers through specialized internet portals.

The 19th. ICLS introduced a definition of *long-term unemployment*.





LONG-TERM UNEMPLOYMENT

Persons in ***long-term unemployment*** are:

- persons in unemployment
- with a duration of search for employment lasting 12 months or more, including the reference period.

Duration of the search = measured from when unemployed persons began carrying out activities to “seek employment”, or from the end of their last job, whichever is shorter.

(paragraph 50 of Resolution)



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UNDEREMPLOYMENT

Persons in *time-related underemployment* are defined in 16th. ICLS as:

- a) persons *in employment* during a short reference period,
- b) who *wanted to work* additional hours,
- c) whose *working time* in all jobs was *less than a* specified hours *threshold*, and
- d) who *were available to work additional hours* given an opportunity for more work



UNDEREMPLOYMENT

In 19th. ICLS the four conditions in the definition of the 16th. ICLS are maintained:

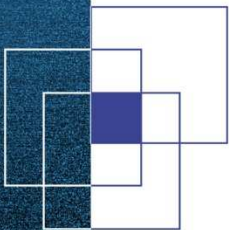
- *In employment*
- *Wanted to work additional hours*
- *Available to work additional hours*
- *Working time in all jobs < threshold*



UNDEREMPLOYMENT

According to the 19th. ICLS:

- Countries may choose to use *two types of hours*: actual or usual.
- A *unique threshold* of hours is recommended by country.
- If information is available about the two types of hours -actual and usual- then it is possible to develop indicators of underemployed in *prolonged* situation, *temporary* situation and *current economic* situation.





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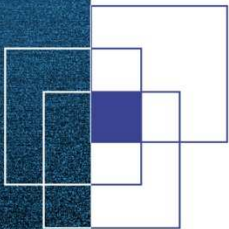


PERSONS OUTSIDE THE LABOUR FORCE

Definition

Persons outside the labor force are persons above a specified age who during the short reference period were ***not*** employed ***nor*** unemployed.

This group represents in the order of 40% of the working-age population and is quite heterogeneous, so the 19th. ICLS recommended a reclassification of these persons by ***the link to the labor market***, using as ***criteria*** the job search and availability for work.





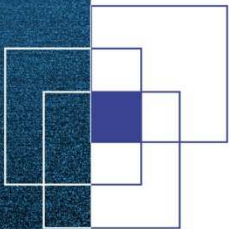
PERSONS OUTSIDE THE LABOUR FORCE

Definition

The *potential labor force* is defined as:

- a) a part of persons outside the labor force
- b) looking for a job but not available, **or** available but not seeking.

(paragraph 51 of Resolution)





PERSONS OUTSIDE THE LABOUR FORCE

Definition

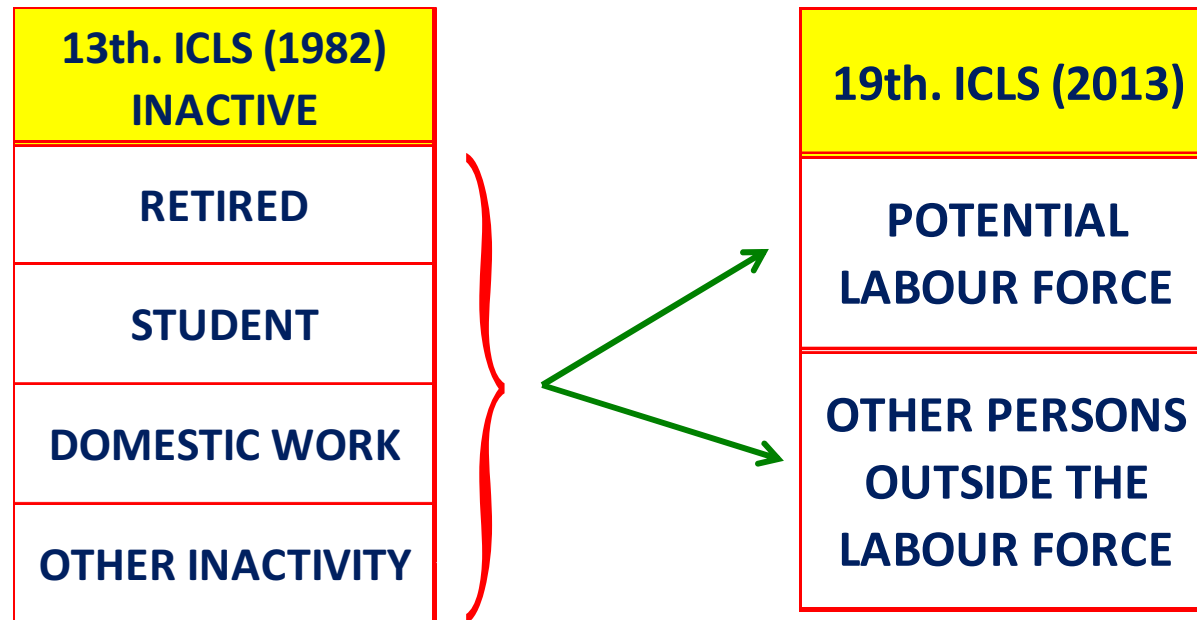
Discouraged jobseekers are some of the available not seekers who did not “seek employment” for labour market-related reasons as:

- past failure to find a suitable job
- lack of experience
- qualifications or jobs don't match with person's skills
- lack of jobs in the area
- considered too young or too old by prospective employers

(paragraph 52 of Resolution)



PERSONS OUTSIDE THE LABOUR FORCE





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MEASURES OF LABOUR UNDERUTILIZATION

Why *complementary indicators* are needed to measure underutilization?

- Because the unemployment rate does not fully reflect the labor market *deficiencies*.
- Unemployment reflects a situation of *complete lack of work*.
- *Complementary indicators* should reflect underutilization of those who are not unemployed: persons in employment (with some type of deficit) and persons outside the labor force (with a link to the labor market).

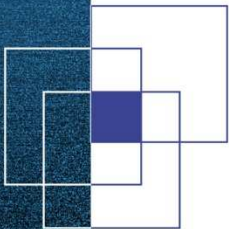


MEASURES OF LABOUR UNDERUTILIZATION

The measures proposed in the 19th. ICLS *include*:

- time-related underemployment,
- unemployment, and
- potential labour force

The Resolution *does not include* recommendations for the measurement of "*other forms of inadequate employment*" (inadequate skills, low incomes, excessive working hours).





MEASURES OF LABOUR UNDERUTILIZATION

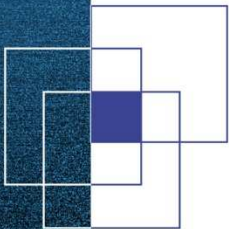
PROPOSED MEASURES

Three new complementary indicators of the *unemployment rate* (LU1) *are* recommended:

LU2: *combined rate* of unemployment and time-related underemployment

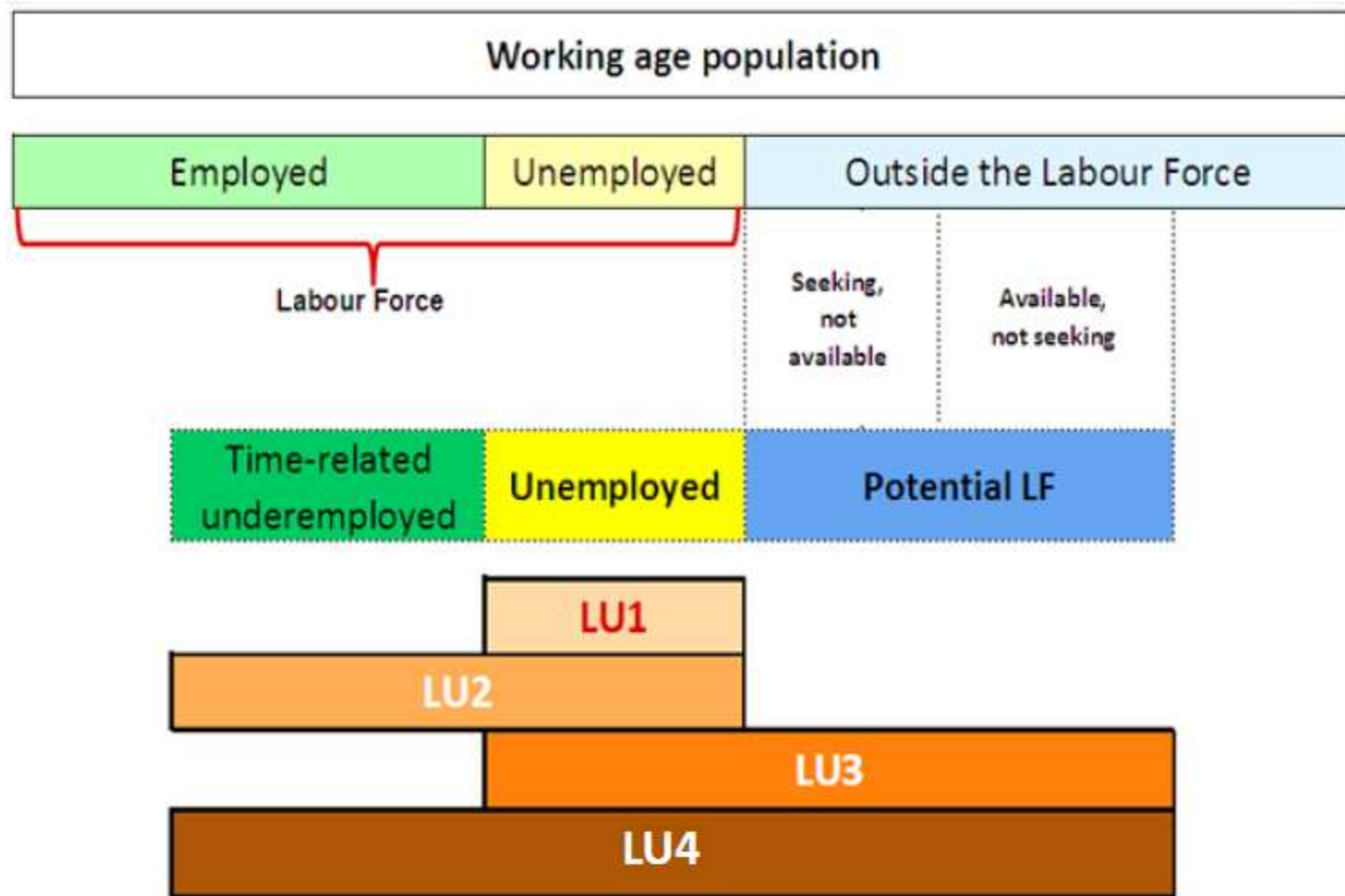
LU3: *combined rate* of unemployment and potential labour force

LU4: *composite measure* of underutilization, which considers: time-related underemployment + unemployment + potential labour force.





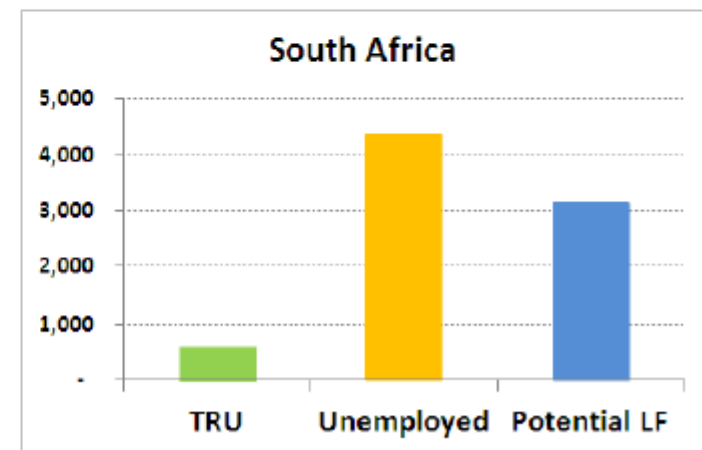
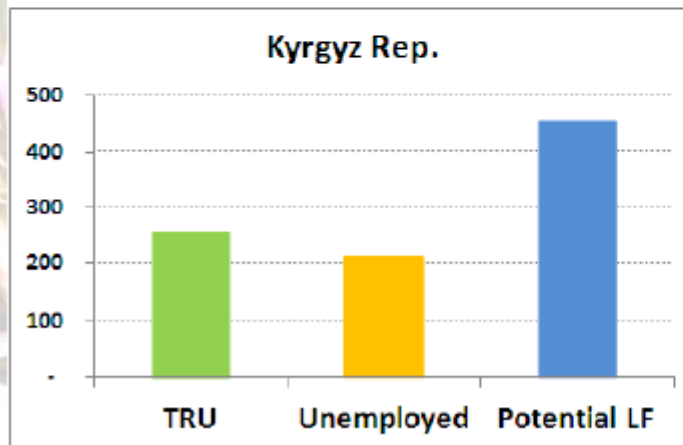
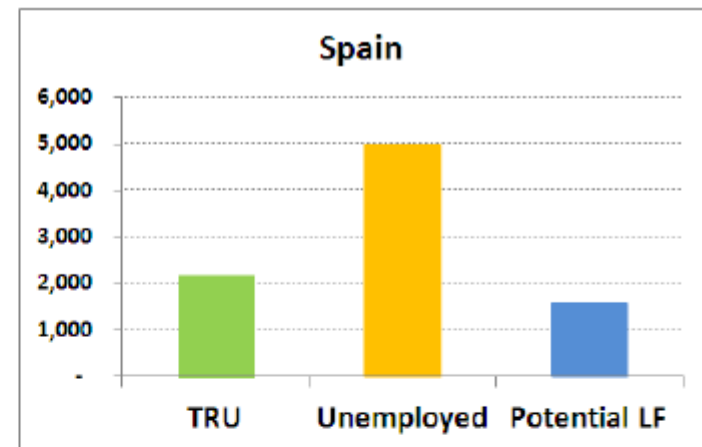
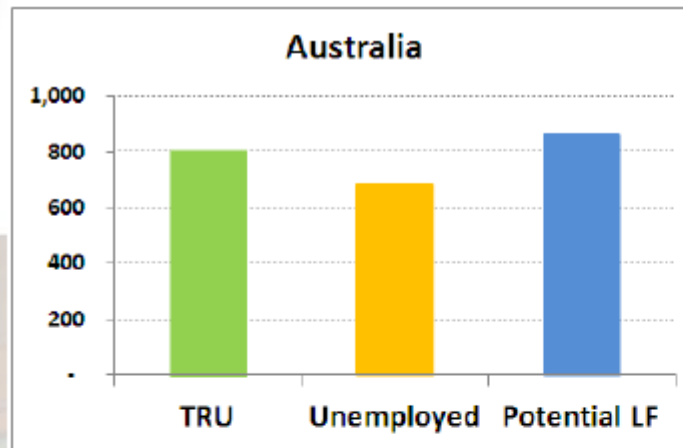
MEASURES OF LABOUR UNDERUTILIZATION





MEASURES OF LABOUR UNDERUTILIZATION

Thousands of persons



Source: ILO calculations based on national data (circa 2011)
Department of Statistics



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IMPLICATIONS FOR GENDER EQUALITY

Adopt Resolution of the 19th. ICLS involves:

a) Need to investigate *all forms of work*

- Identify all forms of work for all persons of working-age
- Measuring *working hours* in all forms

b) Review labour force surveys

- Questionnaires / Manuals / Training
- *New indicators*
- Calculations in parallel
- *Dissemination* of the changes and justification
- *Frequency* of collection: intra / year / 3-5 years

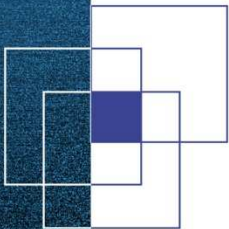


IMPLICATIONS FOR GENDER EQUALITY

EXPECTED IMPACT (1)

Extending the concept of work in all its forms

- ❑ Work that is outside the production boundary is made visible:
 - Production services for own-use (**95% female**)
 - Volunteer production services directly to households (**more than 50% female**)
- ❑ All people working are quantified
- ❑ All hours worked are quantified
- ❑ Value estimation of all forms of work is feasible





IMPLICATIONS FOR GENDER EQUALITY

EXPECTED IMPACT (2)

Restricting the concept of employment to paid work (remuneration or benefits)

Reduces level of the *labour force* and the participation rate in labour force

➔ *The reduction is **greater** in women*

Reduces level and rate of *employment*

➔ *The reduction is **greater** in women*

May increase level and rate of *unemployment*

➔ *The increase is **greater** in women*

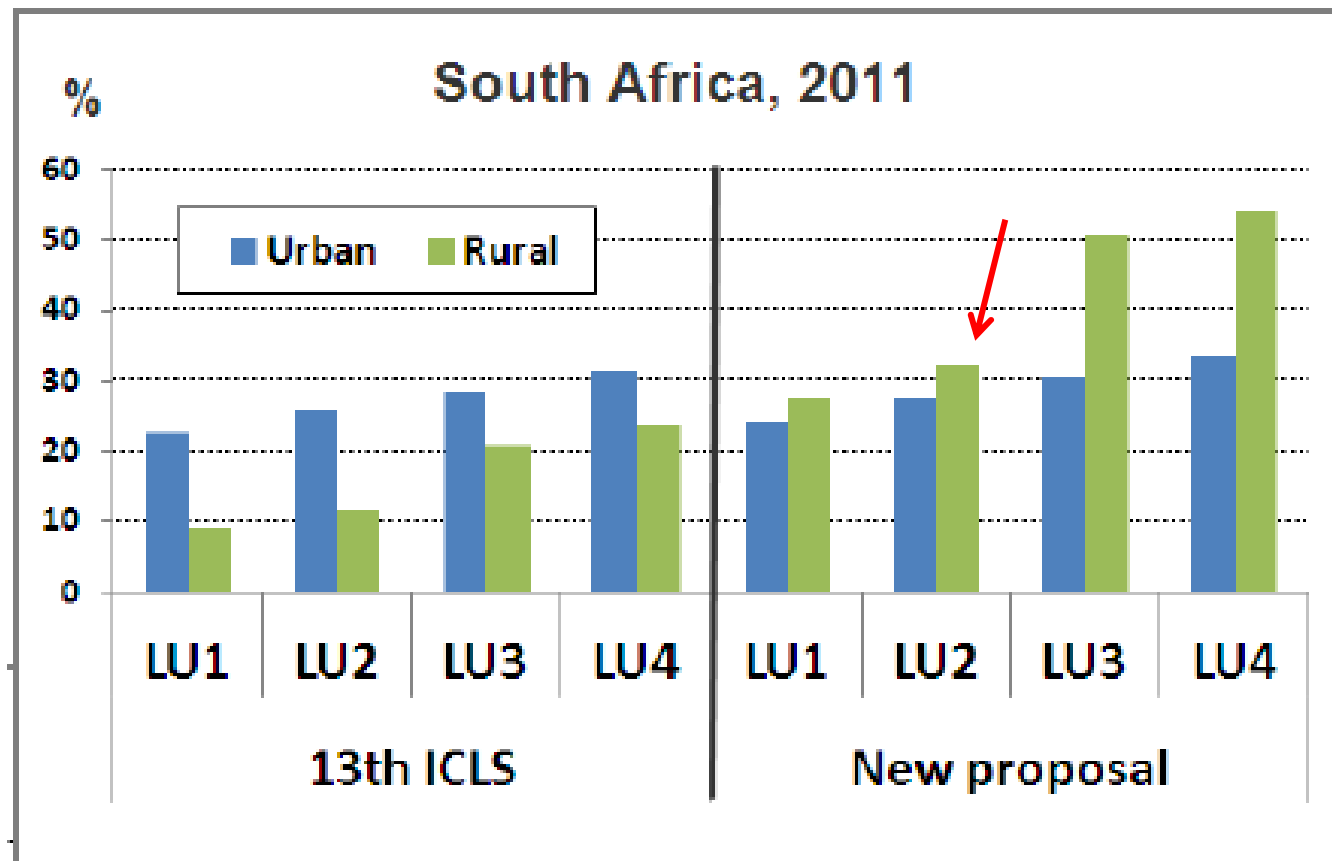
May reduce level and rate of *underemployment*

➔ *The reduction could be **higher** in women*



IMPLICATIONS FOR GENDER EQUALITY

Impact on indicators of rural areas





OFICINA INTERNACIONAL DEL TRABAJO

MUCHAS GRACIAS

