Labour Force Survey Training
@
Central Statistics Organisation
Islamic Republic of Afghanistan, Kabul
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Organised by:

Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC)

Day 2:

i) Malaysian Experience
ii) Concepts & Definition
iii) Labour Force measurements

Sharing The Malaysian Labour Force Survey Experience

Boundary representation is not necessarily authoritative. Names in Vietnam are shown without diacritical marks.
South China Sea
Gulf of Thailand
THAILAND
CAMBODIA
VIETNAM
Phnom Penh
Krŏng Kaôh Kŏng
Prey Vêng
Loc Ninh
Da Lat
Phan Thiet
Ho Chi Minh City
Kâmpóng Saôm
Mekong
Chumphon
Dao Phu Quoc (VIETNAM)
Rach Gia
Can Tho
Ca Mau
Con Dao
SPRATLY ISLANDS
Palawan
Puerto Princesa
PHILIPPINES
Sulu Sea
Pulau Banggi
Nakhon Si Thammarat
Phatthalung
Songkhla
Kantang
Hat Yai
Pattani
Yala
Narathiwat
Kota Baharu
Pasir Puteh
Kuala Krai
Kuala Terengganu
George Town
Butterworth
Pulau Pinang
Kampung Sepetang
Ipoh
Sungai Perak
Lumut
Bidur
Kuala Lipis
Teluk Intan
Kuala Kubu Baharu
Bentong
Kuantan
Pekan
Temerluh
Kelang
Kuala Lumpur
Seremban
Port Dickson
Mersing
Melaka
Muar
Keluang
Tebingtinggi
Strait of Malacca
Rantauprapat
Dumai
Johor Baharu
SINGAPORE
Singapore
Siak
Pekanbaru
Sungai Kampar
KEPULAUAN RIAU
KEPULAUAN ANAMBAS (INDONESIA)
KEPULAUAN NATUNA (INDONESIA)
Natuna Besar
KEPULAUAN LINGGA
Equator
Bukittinggi
Payakumbuh
Rengat
Pariaman
Solok
Padang
Batang Hari
INDONESIA
Kudat
Kota Belud
TURTLE ISLANDS
Sugut
Kota Kinabalu
Ranau
Sandakan
Papar
Beaufort
Melalap
Tenom
Lahad Datu
BRUNEI
Muara
Bandar Seri Begawan
Trusan
Labu
Kunak
Kuala Baram
Miri
Labi
Sempurna
Tawau
Pulau Sebatik
Batang Baram
Bintulu
Tarakan
Celebes Sea
Sungai Kayan
Sibu
Rajang
Batang Baleh
Borneo
Paloh
Sematan
Siluas
Kuching
Simanggang
Singkawang
Tebedu
Sungai Kapuas
Kalimantan
Pontianak
Sintang
Telukbatang
INDONESIA
Malaysia
International boundary
National capital
Railroad
Expressway
Road

Malaysia's Labour Force Survey Journey

* Started in 1974
* Improved the CONTENT in line with **Users**' needs & current Economic development

* Added questions eg.
* Field of education for degree holders
* Changed from 3 hrs to 1 hr
* Public vs Private sector
* Work experience
* Improved DP and sampling design

* Revised Classifications and codes
* Occupation
* Industry
* Education

Main Users:
- Economic Planning Unit
- Min. of Finance
- Min. of Human Resource
- Central Bank
- Parliment

These are among the uses of Labour Force Statistics

1. Monthly Labour Force Indicators

1. As input in determining minimum wage
2. Input in MDG as well as Education for All (EFA) on Literacy
3. To monitor Policy implementations
4. Indepth analysis of high unemployment
5. Analysis of women LFP
6. Analysis of unemployment among Graduates

Chart 2: Mean monthly salaries & wages (RM) by OCCUPATION, Malaysia, 2008 & 2010

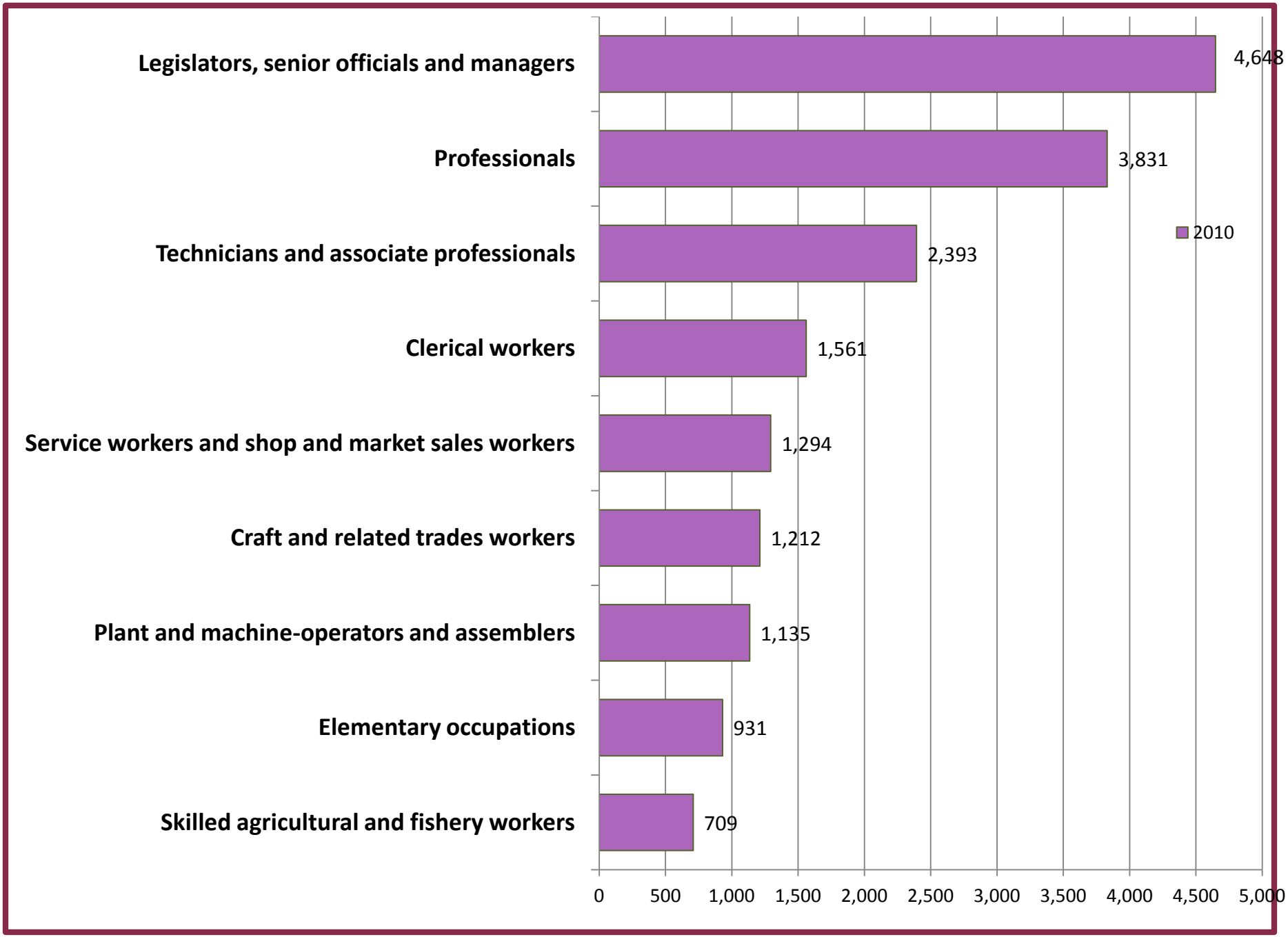
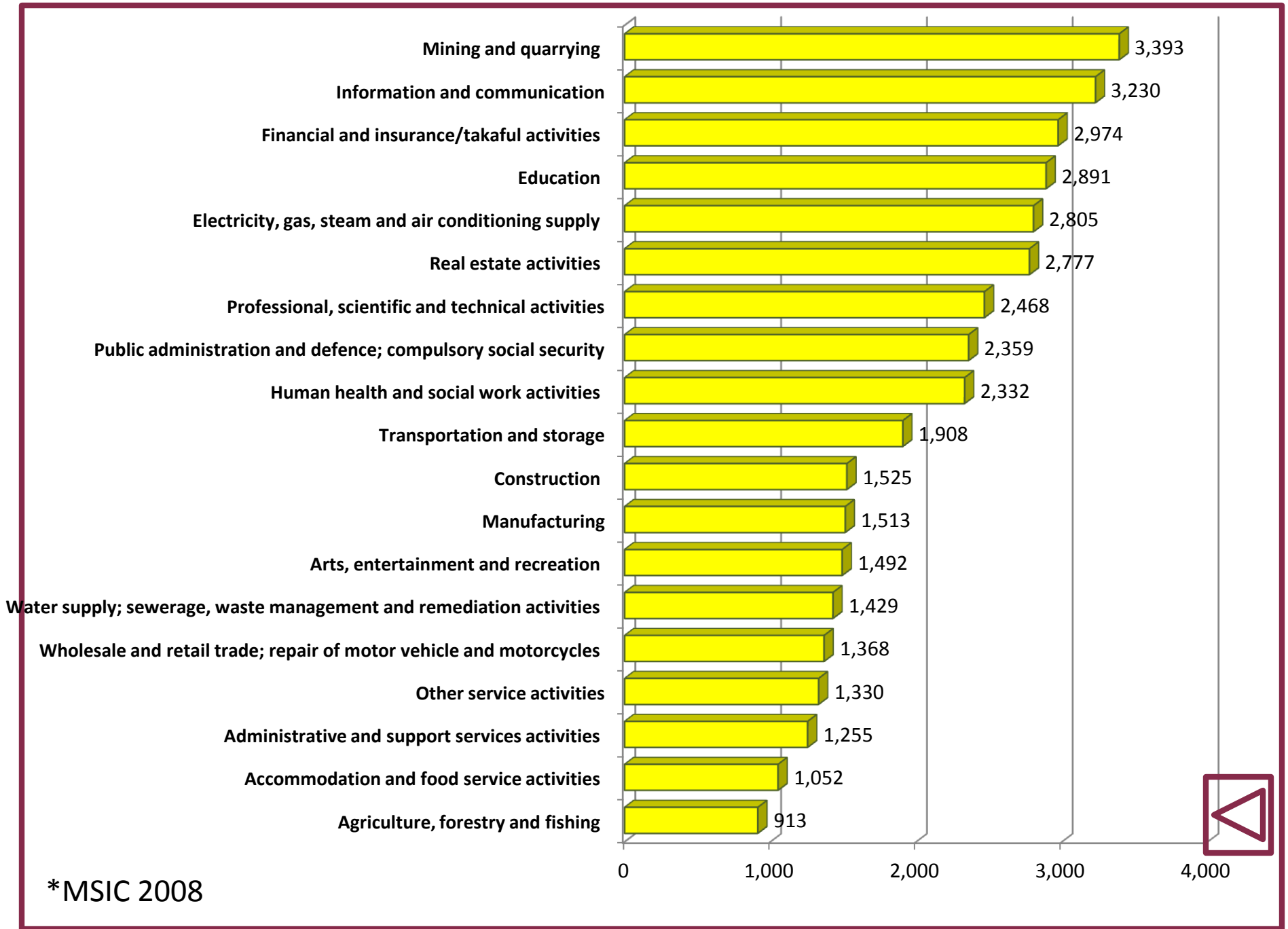
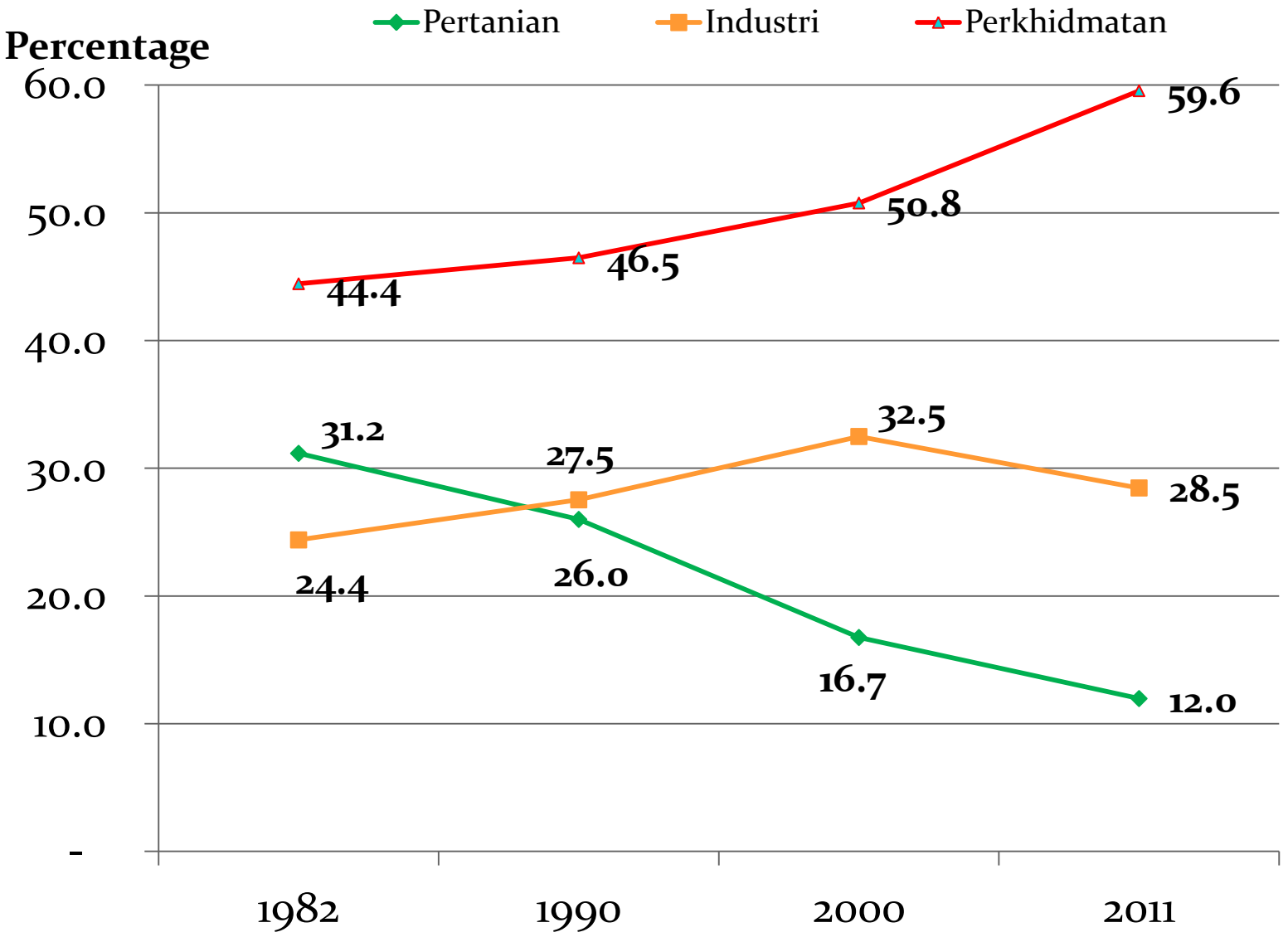


Chart 3: Mean monthly salaries & wages (RM) by INDUSTRY*, Malaysia, 2010

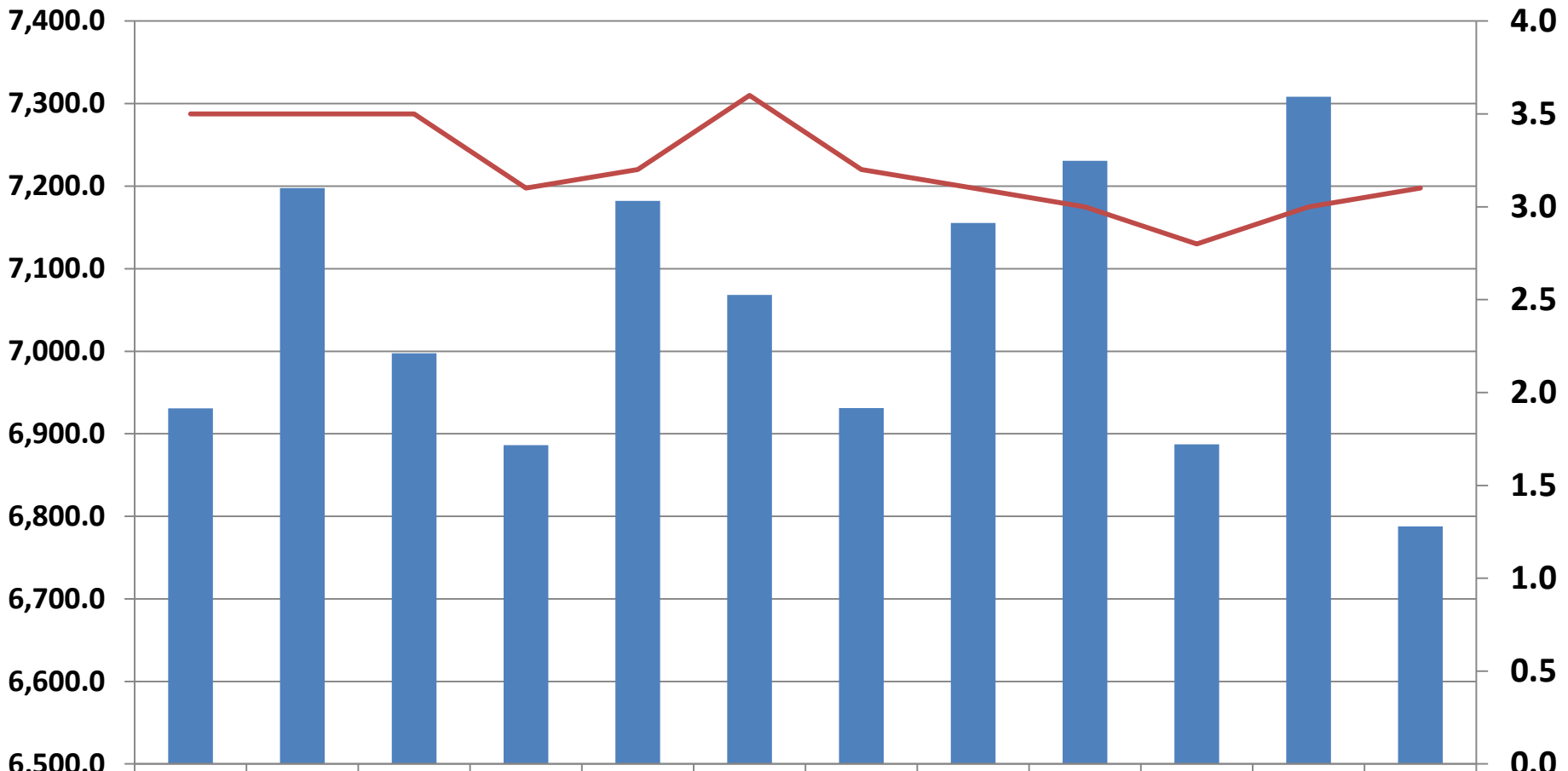


*MSIC 2008

To support the Hon. Minister's statement, the number of employed persons by Major Sectors showed the same trend:



Unemployment Rate (%) dan Outside Labour Force by Month, 2010



	Jan	Feb	Mac	April	Mei	Jun	Julai	Ogos	Sept.	Okt.	Nov.	Dis.
Series1	6,930.8	7,197.7	6,997.6	6,886.1	7,182.3	7,068.1	6,931.0	7,155.5	7,230.8	6,887.1	7,308.3	6,787.8
Series2	3.5	3.5	3.5	3.1	3.2	3.6	3.2	3.1	3.0	2.8	3.0	3.1

* Cuti sekolah
* Cuti semester

Key indicators by age group						
Age group	Labour Force('000)	Employed('000)	Unemployed('000)	Outside Labour Force('000)	Labour Force Participation rate(%)	Unemployment rate(%)
Total, 15-64	1,639.9	1,554.8	85.2	819.2	66.7	5.2
15 - 19	122.0	100.4	21.6	241.3	33.6	17.7
20 - 24	225.3	195.2	30.1	103.6	68.5	13.4
25 - 29	237.7	224.3	13.4	78.1	75.3	5.6
30 - 34	234.3	226.4	7.9	76.9	75.3	3.4
35 -39	217.1	213.9	3.2	66.7	76.5	1.5
40 - 44	198.9	196.1	2.8	59.0	77.1	1.4
45 - 49	169.7	167.5	2.2	54.2	75.8	1.3
50 - 54	123.3	121.8	1.5	46.8	72.5	1.2
55 - 59	75.4	74.4	1.0	48.5	60.9	1.4
60 - 64	36.0	34.7	1.3	44.1	45.0	3.7

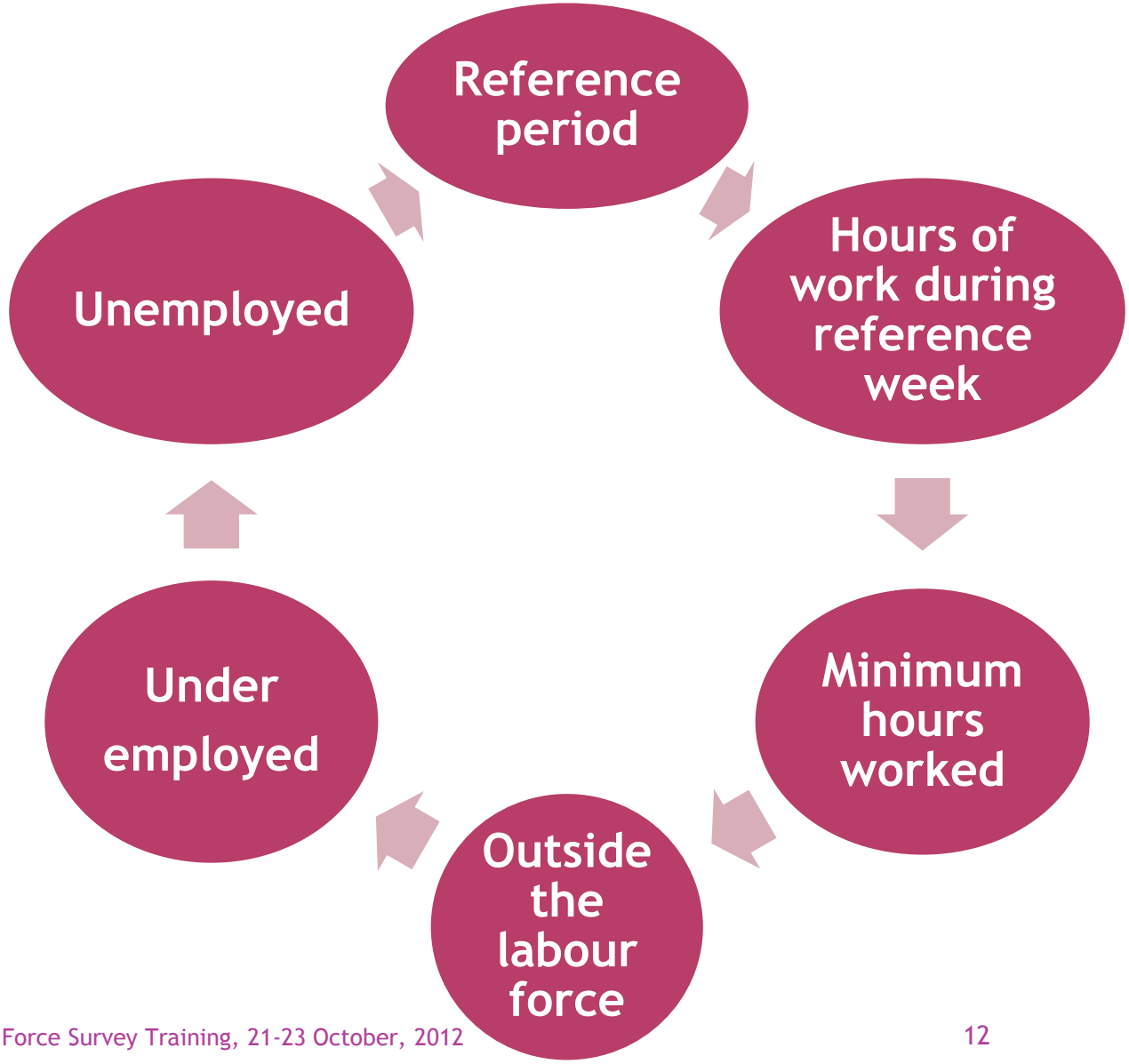
- National Unemployment is 3.0%
- Investigate Province with high unemployment, 5.2%
- If analysed by age-specific unemployment rate, found to be high in the young
- Especially in the 15-19 age

Surveys of the Economically Active Population Employment, unemployment and underemployment

An ILO manual
On concepts
And methods

- Based on the 13th International Conference of Labour Statisticians, 1982
- Basis concepts, definitions and methods in carrying out surveys on the Labour Force
- ILO currently preparing a revision of the manual, due out mid-2013

Concepts & definition of Terms & references in Labour Force Survey



Reference period

- The labour force framework is designed to **monitor current changes** in the employment and unemployment situation

- Thus, the concepts of employment and unemployment should relate to a relatively short time period

- Short recent reference period minimises recall and other memory-dependent response errors.

- It also lessens the statistical problems that may arise due to **population movements** and **changes in the activity status**, **occupation** and other **characteristics of the population**

- Hence, the nearest practical stretch of time to **reflect an instantaneous** situation is a **day** or a **week**.

The one hour criterion

- The one hour criterion in the definition of employment is to cover all types of employment that may exist in a given country
- Including short-time work, casual labour, stand-by work and other types of irregular employment.
- The measure of productivity takes into consideration number of persons employed and the hours worked.
- The one hour criterion in the definition of employment is also fundamental in defining unemployment as a situation of total lack of work.

Normal duration of work

- Thirteenth ICLS in 1982 - Defines normal duration of work for an activity should be determined "in the light of national circumstances as reflected in national legislation to the extent it is applicable, and usual practices in other cases, or in terms of a uniform conventional norm"
- Tenth ICLS in 1962, which states: "Normal hours of work are the hours of work fixed by or in pursuance of laws or regulations, collective agreements or arbitral awards"

  Example – per week:

  Sri Lanka – 35 hours

  Ecuador, Nigeria, Turkey – 40 hours

  El Salvador, Korea, USA – 35 hours

  Canada, Jamaica, Malaysia – 30 hours
- Particular categories of workers who work less than the number of weekly hours taken as the norm e.g. bus-drivers, airline personnel, entertainers can be considered full-time workers as long as their normal full-time work-week remains constant.

Outside the Labour Force

- Persons not in the labour force, or, equivalently, the“population not currently active”, comprises all persons not classified as employed or unemployed during the reference period and hence not currently active

- Including children, young people (aged 0-14) and aged persons (> 64 years)

- According to the Thirteenth ICLS 1982, classified by reasons for inactivity, which are listed as :
  (a) attendance at educational institutions;
  (b) engagement in household duties;
  (c) retirement or old age;
  (d) other reasons such as infirmity or disablement

Defining unemployment

The international standard definition of unemployment (ILO, 1983) is based on three criteria to be satisfied

(a) "without work", i.e. were not in paid employment or self-employment

(b) "currently available for work", i.e. were available for paid employment or self-employment during the reference period

(c) "seeking work", i.e. had taken specific steps in a specified recent period to seek paid employment or self-employment

Underemployment

Defined as a subcategory of employment and that there are three criteria for identifying, among persons in employment, those who are visibly underemployed:

(1) working less than normal duration;

(2) doing so on an involuntary basis; and

(3) seeking or being available for additional work during the reference period.

Refer to Questionnaire

Refer to Summary Box

Labour Force Measurements

1. Labour force is also referred to as 'currently active population'
2. Population = Labour force + Not in the labour force
3. Labour Force = employed + Unemployed

Labour Force Participation Rate , LFPR

$$= \frac{\text{(number of employed + number of unemployed)}}{\text{Population (15-64)}} \times 100$$

Unemployment rate

$$= \frac{\text{number of unemployed persons}}{\text{Total employed}} \times 100$$

Labour force from NRVA 2007/2008

Working age >= 16 years

12 million people

4 million inactive

8 million actively engaged in the labour market

Labour force participation rate

Male = 85.7 %

Female = 46.7 %

Total = 66.6 %

Unemployment rate

Male = 6.9

Female = 7.4

Total = 7.1

Percentage of children performing child labour Male = 16.9%

Female = 9.1%,

Total =13.2 %

Variables that require standard codes & classification (*from Dept. of Statistics,Malaysia website)*

12. Occupation
13. Industry

8.9
In what **sector** of the economy is the main job of <name>
For codes, see below

- For example, in NRVA, Sector is equivalent to Industry
- For International comparison, best to use the International Standard Industrial Classification, ISIC

Codes for 8.9 (Sector of economy)

1=Agriculture
2=Livestock
3=Manufacturing / processing (handicraft, food processing, tailoring, etc.)
4=Construction (e.g. roads, buildings)
5=Wholesale and retail trade
6=Transportation, communication
7=Health
8=Education
9=Other governement services
10=UN/NGOs
11=Other services

8.10
What **type of activity** did <name> do in the main job in the most recent week he/she was working?
For codes, see below

- Type of Activity is equivalent to Occupation
- For International comparison, best to use the classification by ILO, ie the International Standard Classification of Occupation, ISCO

Codes for 8.10 (Type of activity)

1=Farming
2=Shepherding
3=Sales and trade
4=Construction and mining
5=Food processing
6=Metal and wood work
7=Handicraft work
8=Plant and machine operating
9=Drivers (car, truck, bus, taxi)
10=Health workers
11=Teaching
12=Security work
13=Other service work
14=Other work