

A proposal for Employment Indicators

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Primary objectives of the paper

- Propose a set of indicators to:
 - Provide deeper understanding of the quantity and quality of employment
 - Complement traditional indicators (that generally focus on the quantity of employment)
 - Identify questions from existing surveys that can be used to derive these indicators
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Traditional indicators

- Largely more relevant for the developed than developing economies
 - Where agricultural and/or informal sector activities are highly prevalent
 - Low levels of wage employment
 - More emphasis on quantity
 - Levels on employment and unemployment
 - Characteristics of the jobs
 - Not so advanced on the quality “what type of jobs” and therefore how adequate the jobs are relative to the individual or household needs
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Types of surveys drawn from

- ❑ Labour force surveys
 - ❑ Living Standards Measurement Surveys (LSMS)
 - ❑ Demographic and Health Surveys (DHS)
 - ❑ Multiple Indicators Cluster Survey (MICS)
 - ❑ Child Labour Surveys, etc.
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Existing efforts to assess quality of employment

- Many of the proposed indicators and survey questions are already in use, except that
 - They are not asked consistently across surveys
 - Labour force surveys (LFS) have more detailed questions about the labour force
 - Living standards and other surveys cover subsets of the relevant questions
 - Ideally, some details on household standards of living and characteristics are needed in combination with the quantity and quality questions from LFS
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Basic requirements

- Relate labour market conditions to household outcomes
 - Consumption
 - Health
 - Education
 - Dwelling
 - Wellbeing (other characteristics)
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Principles in the selection of indicators/questions

- A small set
 - Already tested
 - Complements traditional set
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Focus on quality of employment

- Protection:
 - Informality of employment
 - Income:
 - Income/earnings from employment
 - Safety:
 - Occupational hazards (accidents, illnesses, workplace exposures)
 - Time:
 - Under/over employed (with respect to hours worked)
 - Multiple activities
 - Quantity:
 - Discouraged unemployed
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(1) Informal employment

- Two elements
 - Employment in an informal establishment/unit
 - Size of the establishment (unit)
 - Registration of the establishment
 - Nature of the job
 - Whether temporary or permanent
 - Whether covered by contract
 - Entitlements, such as retirement pension, paid holidays, paid sick leave, subsidized health care, maternity leave,
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(2) Income from employment

- Major concern is whether people who work earn enough to get them out of poverty
 - Two questions proposed
 - Profit earned in a good month
 - Total value of equipment/stock
 - Income and earnings most difficult to measure (for both employees and self-employed).
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(3) Occupational safety and health

- Incidence/prevalence of accidental injury on the job
 - Illness from the job
 - Workplace exposures (health related environmental issues)
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(4) Time-related underemployment and multiple jobs

- Reason for working less than 40 hours in the week
 - Desire to work more
 - Desire to work less than 45 hours a week
 - Doing other jobs besides “main occupation” in the past 12 months.
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(5) Discouraged unemployment

- Main reason why individual did not look for work within the specified period
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Main highlights

- ❑ The paper focuses on the quality dimension of employment, which has direct implications for addressing poverty
 - ❑ Draws questions from existing national surveys (with few exceptions)
 - ❑ The proposal is for these set of questions to be adopted in national surveys (that have basic household characteristics and living standards questions)
 - ❑ How can this goal be achieved?
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