

An approach to the International Recommendations
concerning economically active population,
employment and unemployment statistics

An account of the Brazilian experience

**Seminar on “Employment and unemployment:
Revisiting de relevance and conceptual basis of the statistics**

**18th International Conference of Labour Statisticians
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The context

- **Basic concepts concerning the study of the economically active population and the measurement of employment, unemployment and underemployment;**
- **Taking into account the pacts, recommendations and resolutions generated in the scope of the International Labour Conferences and the International Conferences of Labour Statistician, together with some aspects of the recommendations for the 2010 Censuses of Population and Housing;**
- **The insights and evaluations presented here refer to an empirical approach associated with, above all, the household sample surveys and, in some cases, they consider our recent experience in designing the 2010 Brazilian Demographic Census.**

- **Nowadays, the Institute carries out two surveys about these topics:**
 - *a national survey, which has been carried out since 1967, providing annual data and the other one, (140 000 annually)*
 - *a monthly survey that covers the main metropolises and that was broadly revised in 2002. (40 000 monthly)*
- **The current project of revision of the household surveys aims to substitute the two surveys for the quarterly publication of data regarding the economically active population, employment, unemployment, underemployment and income, at a national level. (170 000 quarterly)**
- **The selected topics arise from discussions in that context (Census 2010,too).**

Selected Topics

- Definition of the economically active population in accordance with the concept of the 1993 System of National Accounts;
- Minimum age for the establishment of the economically active population;
- Criterion of minimum time to define “some work”, in order to, in a determined reference period, establish the operational limitation of the employed population;
- Concept of main job;
- Unemployment and job search;
- Periodicity aspects for the publication of the main indicators and for improving the surveys about labour force are discussed.

Economically Active Population and SNA

Economically Active Population and SNA

- In Brazil, in the context of official economic statistics, the orientation for the use of concepts coherent with the theoretical background of the construction of the System of National Accounts (United Nations publications) prevails, the 1993 framework being adopted in the most recent methodological review of the economic information sources. the definition of the economically active population in accordance with the concept of the 1993 System of National Accounts;
- This 18a. ICLS adopted the proposal for adjusting the XIII ICLS;
- The production boundary of SNA 1993 includes the production for own consumption.

Economically Active Population and SNA

- The 13a.ICLS, however, considers those activities inside the work concept, only if they are relevant in the total household consumption. This approach – operational difficulties for Labour Force Surveys.
 - Brazil includes these activities in work when is the only one.
 - New survey – should we follow SCN or the 13a. ICLS ?
 - Census UN Recommendations present advances.
 - Use of data – gender and child labour : yes.
 - Employment : not mix is important (employees, self-employed)

Economically Active Population and SNA

- The suggestion is that the importance of the good in the total consumption in the country should be made explicit in a new resolution, just like in the Population Censuses recommendations.
 - That procedure would be more consistent with the identification of the priority degree in this production area, and the background concept (SNA) .
- Consistent measurements of results of national policies for the generation of employment and income.
- Consistent with the need of measurement and analysis of the child or female labour contingent engaged in the production for own consumption.
- These factors altogether, also taking into account the national specifications, should define the way to collect and publish data about production for own consumption in the labour force surveys.
- *New!!! Child Labour and Time Working recommendations: 18a.ICLS.*

Minimum age to characterize the EAP

Minimum age - Economically Active Population

- 13a. ICLS - this population includes “people who are over a certain age”;
- countries have limited this minimum age according to their reality and taking into consideration the following parameters: the minimum age to finish the basic schooling years, or 15 years old.(Minimum age definition);
- Many countries adopt 15 as the minimum age of the economically active population;
- However, in Latin America, age 10 prevails;
- as it is in Brazil, not only in the sample surveys but also in the Population Censuses.

Minimum age - Economically Active Population

- The proposed text for the 2010 Censuses round is below:
 - “ The minimum school-leaving age should not automatically be taken as the lower age-limit for the collection of information on activity status. Countries in which many children participate in agriculture or other types of economic activity ... will need to select a lower minimum age than in countries where employment of young children is uncommon.”
- In addition, the resolutions about the measurement of Child Labour to be discussed and approved in the current XVIII ICLS cover this issue when it is established that people who are 17 and under are regarded as children, when they present the concept of working-age population and when they propose that the minimum age be in accordance with the legislation concerning child labour of each country.

Minimum age - Economically Active Population

- In Brazil, as mentioned above, the official statistics about employment and unemployment are about people aged 10 and over, as the observation of the labour market prevailed in the choice of the minimum age, because there is an expressive number of children and teenagers in this age group who work (mainly in agricultural activities).
- Therefore, the results of Brazilian labour market synthesis join two measurement items: child labour and the performance of the labour market in relation to the working-age population.
- As a consequence, saying that the number of employed people aged 10 and over has increased may mean either that more people aged 15 and under are employed, or that child labour increases. It is obvious that the results are published by age group what enables the analysis of the employment and unemployment rates separately.

Minimum age - Economically Active Population

- It should be taken into consideration that the establishment of new recommendations concerning child labour is a good opportunity to limit, **formally**, the economically active population in terms of minimum age.
- An adjustment of the recommendations about this topic would be relevant, making it clear what criteria were used to establish this limit and taking into account the aspects discussed above – separating child labour from employment of the working-age population.

1-hour criterion

1-hour criterion

- 13a. ICLS - for practical reasons, the notion of “some work” is associated with at least one hour of work in the reference period.
- Policies about programs to promote employment adopted by the 15a. ICLS (October-November 1987) indicate that the criterion guarantees the basic structure of the labour force landmark ...which assure that employed and unemployed contingents complement each other, that is, their sum corresponds to the economically active population.
- The limit of one hour comes from a priority rule to define labour force and guarantees that unemployment means a situation of total lack of work (zero hour of work).
- Besides, this criterion assures the consistency of the employment concept with the production data from the National Accounts.
- The one-hour-work criterion, on an operational basis, enables a better collection of no regular jobs that common sense might not regard as work. Thus, the use of this time landmark, besides the so-called balance between

1-hour criterion

- The one-hour-work criterion, on an operational basis, enables a better collection of no regular jobs that common sense might not regard as work. Thus, the use of this time landmark, besides the so-called balance between the employed and unemployed contingents in the formation of the economically active population supports the capture of all the jobs, including the no regular, as mentioned, and secondary ones.
- Perhaps, the text of international recommendations, which establish and justify this criterion, requires some additional explanation about their essential objectives.

Unemployment and job search

Unemployment and job search

- Concerning seeking work in the unemployment context, the XIII ICLS resolution establishes the following:

“The unemployed population comprises all persons above the minimum age specified for measurement of the economically active population who during the reference period were:

...

(c) Seeking work, in other words, had taken specific steps in a specified recent period to seek paid employment or self-employment.”

“Persons without work and currently available for work who had made arrangements to take up paid employment or undertake self-employment activity at a date subsequent to the reference period should be considered unemployed, irrespective of whether or not they recently sought work.”

Unemployment and job search

- A common situation in Brazil refers to the case of a person who is unemployed, available for work in the reference week, who sought work in a 30-day period, but that search results in a job that the person does not keep and after that, does not make any arrangements to take up another job.
- Two options:
 - 1) Regard this person as inactive because he/she did not seek work after quitting the job he/she had for some days.
 - 2) Regard this person as unemployed because he/she had taken specific steps to seek paid employment in the specified 30-day period for this action.
- The essential part of this discussion is: does the seeking-work concept that composes the unemployment characterization evaluate the general pressure on the market or does this concept exist to be associated with the success or failure of a job search? The related Brazilian example imposes that this point should be clarified in the international recommendations.

Main job

Main job

- In the labour surveys and also in the Censuses of Population, it is common to be interested in identifying the main job about which, when elected, a more detailed investigation is carried out as well as some studies about the status of employment are considered necessary.
- For the new Brazilian survey, following the 2010 Population Census recommendations, the indications of the above-mentioned document are being adopted.
 - We understand that the priority given to the larger number of hours normally dedicated to work is coherent with the conceptual structure established for the classification of employed and unemployed persons besides the production of the National Accounts System.
 - If the number of hours are equal, the second criterion will be adopted by the new Brazilian survey is the highest income and, at last, how long the person has been in that work.
- We suggest that this definition, during the revision of the general recommendations, be discussed and be placed in the context of basic recommendations about the economically active population.

Periodicity of indicators and conceptual changes

Periodicity of indicators and conceptual changes

- Regarding the recommendation updates of the labour statistics, we suggest a chapter indicating the maximum suitable periodicity for the publication of some basic selected indicators.
 - This topic can be found in several recommendations about different subjects, but the discussion and the consolidation of this approach would be useful.
- In relation to the commitment of the countries aiming periodic introduction of conceptual improvements, as seen in Labour Statistics Convention, 1985 (No.160), and Recommendation, 1985(No.170), it would be useful to propose a reference to the maximum time frame elapsed from two conceptual updates.
 - This reference would be positive because such methodological adjustments must be made in order to guarantee precision and loyalty to the statistics. Especially, when the update of the recommendations is proposed to represent new situations of the real world more appropriately, even if historic series must be broken

Final Remarks

- The Brazilian experience in the production of work indicators in IBGE points out, in the first place, the relevant role of the vast documentation from the International Labour Organization-ILO, originated from the ICLS discussions and decisions, from the several seminars, expert meetings and work groups structured with the leadership of ILO too.
- A new compilation and adjustments of the recommendations about basic subjects, such as the ones presented here, are urgently needed. Especially, the arrangement of the recommendations by subject would be more than welcome.

Thank you!

Muchas Gracias!

Merci!

Obrigada!

etc...

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