RURAL-URBAN LABOUR STATISTICS:

- **General Report I, Section 3.1**
- **Room Document 3: Rural-urban labour statistics**

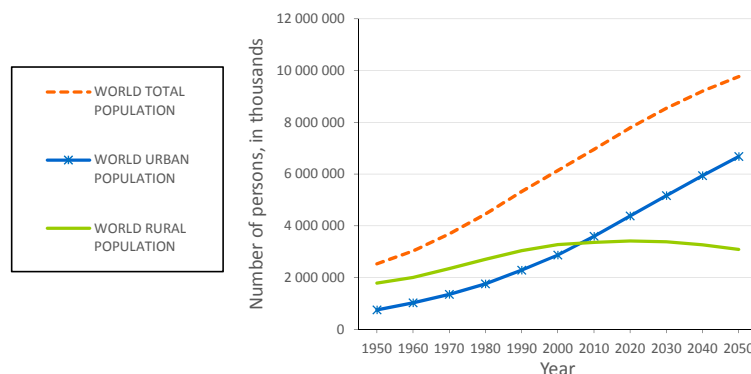**Monica Castillo**
Department of Statistics / International Labour Office
10 October 2018

World population projections and monitoring challenges by rural-urban area

- Growing divergence between **a rapidly increasing world urban population** and a **more stable world rural population**
- BUT **poverty remains higher** worldwide in **rural areas**
- Scarcity of labour statistics by rural-urban area and lack of international standards poses **challenges for monitoring progress on decent work by geographic area**

Projections of the world population residing in urban areas and rural areas, 1950-2050

Source: UN DESA (2018). *World Urbanization Prospects: The 2018 Revision*. Custom data acquired by ILO via website.

Rural and Urban Areas

- **In countries around the world, rural and urban areas are dynamic geographical zones**, characterized by:
  - Diverse and changing populations
  - Different concentrations of economic activities and work characteristics, e.g. agricultural production

- **Rural and urban areas can be uniquely captured over time through the development and analysis of statistical indicators**

- **Definition of rural and urban areas as used in labour statistics or other domains is a complex issue**
  - Countries use various criteria to define urban areas
  - Rural areas are defined as a residual category based on the total national territory

3

Lack of international statistical standards

- **Currently: No international statistical standards on defining urban or rural areas**
  - Heterogeneous definitions used at national level
  - Proposed definitions & typologies exist
    (e.g. UN Statistics Division, OECD, Eurostat, FAO)

- **Currently: No international standards on rural-urban labour statistics**
  - Impact on data comparability across sources at the national level and across countries
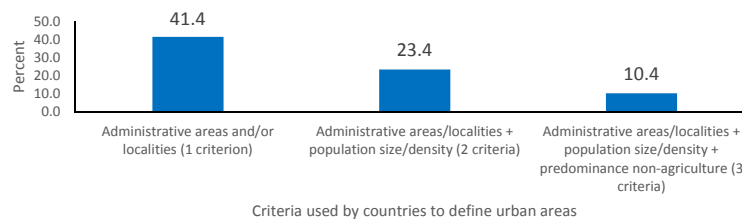
4

Criteria used to define urban areas

- **Most common types of criteria used by countries to define urban areas:**
  - Administrative areas and localities
  - Population size and/or density
  - Predominance of non-agricultural activities or workers
  - Infrastructure and amenities, (e.g. roads, electricity, water-supply and sewerage systems, medical centers, educational facilities).
- **A slight majority of countries use multiple criteria**

Percentage of countries and territories applying a single criterion or multiple criteria to define urban areas by the main types of summary criteria used, 2018

Bar chart — Percent (y-axis 0.0 to 50.0):
- Administrative areas and/or localities (1 criterion): 41.4
- Administrative areas/localities + population size/density (2 criteria): 23.4
- Administrative areas/localities + population size/density + predominance non-agriculture (3 criteria): 10.4

Criteria used by countries to define urban areas

5

Source: ILO analysis of criteria based on country and territorial definitions of urban areas published by UN DESA (2018)

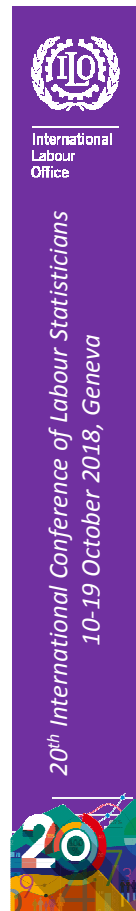# Importance of rural-urban labour statistics at national level

- **Decisions concerning programme implementation or resource allocation at the subnational level call for reliable geographically-disaggregated statistical indicators, e.g. by rural-urban area**

- **Importance at the national level for policy:**
  - Macro-economic monitoring and formulate/implement sustainable rural and urban development policies and programmes

  - Promotion of employment creation and human resource and skills development targeted to rural and urban regions

  - Analysis of poverty reduction, informing decisions about income support and social assistance programmes in rural-urban areas

  - Investment and employment promotion programmes information needs by rural-urban areas

  - Monitoring progress towards specific goals e.g., those outlined in decent work country programmes targeting rural and urban areas

6

Importance of rural-urban labour statistics: International indicator frameworks

- **There is increasing awareness at the global level of the importance of monitoring labour markets and decent work at the subnational level, including by rural and urban areas**

- **Different indicator frameworks suggest disaggregations by geographic areas, including rural-urban areas**

  - **The Decent Work Measurement Framework (DWMF)**
    - Concern for vulnerable groups including vulnerable workers in rural and urban areas
    - Includes a measure of discrimination against various demographic subgroups, including rural workers

  - **Decent work-related Sustainable Development Goal (SDG) Indicators**
    - "Leaving no one behind": Includes geographic breakdowns, recommended by rural and urban areas

---

ILO's work on rural-urban labour statistics (1)

- **Promotion of decent work in the rural economy is a priority outcome in the ILO's biannual Programme and Budget**
  - ILO labour statistics work programme falls under three broad areas:
    - Data collection, data processing and analysis
    - Methodological review and development
    - Capacity building supporting national partners
  - Collaboration with international agencies, e.g. FAO, Eurostat

  - **(1) Data collection, data processing and analysis by rural-urban area:**
    - Selected yearly indicators, short-term indicators, and processing of household survey microdata
    - Yearly indicator analysis: labour market analysis of basic indicators by rural-urban area
    - Microdata processing/analysis: regional studies of selected decent work indicators by rural-urban area (Asia-Pacific, SADC countries)

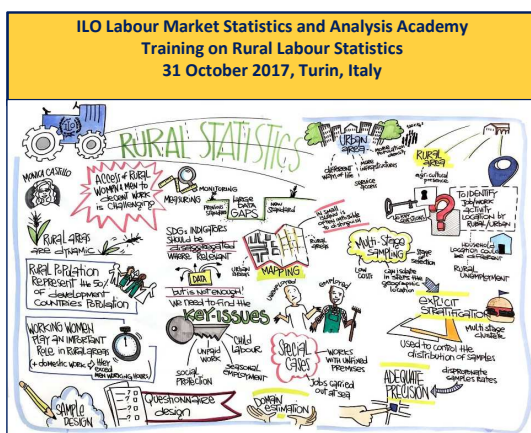# ILO's work on rural-urban labour statistics (2)

- **(2) Methodological work on labour statistics by rural-urban area:**
  - Review of national criteria used to define rural-urban areas
  - Review of household surveys to identify practices of implemention of rural-urban area definitions
    - LFS questionnaire review of criteria used to identify workplace location
    - LFS sample stratification/estimation domains by rural-urban area
  - Preparation of 20th ICLS Room Document 3

- **(3) Capacity building on rural labour statistics:**
  - ILO regional workshops, targeted training in the ILO Labour Market Statistics and Analysis Academy and ILO Rural Development Academy

9

ILO Regional Capacity Building Workshop on Rural Labour Statistics for the Promotion of Decent Work in Fragile States in Francophone West Africa
20 – 24 June 2016, Abidjan, Côte d'Ivoire

ILO Regional Capacity Building Workshop of Asia-Pacific Countries on Work Statistics in Rural Areas for the Promotion of Decent Work
11-15 September 2017, Bangkok, Thailand

ILO Labour Market Statistics and Analysis Academy Training on Rural Labour Statistics
31 October 2017, Turin, Italy

ILO Rural Development Academy Capacity building on Measuring and Monitoring Decent Work in Rural Areas
28 – 30 November 2017, Turin, Italy

Room Document on
Rural-Urban Labour Statistics

- **Serves as a point of departure for discussion about methods for developing rural-urban labour statistics**

- **Specific topics discussed in the presentation:**
  - Proposal for linking work statistics concepts and variables with rural or urban areas
  - Proposal for urban-rural classification used in labour statistics and for work statistics concepts by rural-urban area
  - Challenges identified
  - Issues for discussion

- **Focus in the presentation is on household surveys (especially labour force surveys),** but the room document also discusses additional data collection sources.

- **Note:** Country practices reviewed related to rural-urban labour statistics were very valuable for the analysis but not specifically covered in the presentation.

Linking work statistics concepts and variables with urban and rural areas (1)

Disaggregation of work statistics concepts by rural-urban area:

Work statistics concepts → Geographic region concepts: rural and urban area → Work statistics by rural and urban area

Source: ILO

Linking work statistics concepts and variables with urban and rural areas (2)

Combinations of geographic location of dwelling and geographic location of job or work activity, considering rural-urban areas

	Urban household	Rural household
Urban job or work activity	Urban household and urban job or work activity (1)	Rural household and urban job or work activity (2)
Rural job or work activity	Urban household and rural job or work activity (3)	Rural household and rural job or work activity (4)

Source: ILO

13

Dual approach in the proposed conceptual framework

Residence location approach: An approach used to produce labour statistics by rural and urban area in household-based surveys which identifies the rural or urban location of the usual place of residence within selected dwellings (or household premises) and links the geographic location with the corresponding survey estimates.

Workplace location approach: An approach used to produce labour statistics by rural and urban area in household-based surveys which identifies *both* the rural and urban location of (1) the usual place of residence within selected dwellings (or household premises) and (2) that of the workplace (i.e., location of the job or work activity) and links the geographic location with the corresponding survey estimates. In this approach, the rural or urban location of some estimates will correspond to that of the usual place of residence, while that of others will correspond to that of the workplace. (Which types of estimates use one or the other location is described on subsequent slides.)
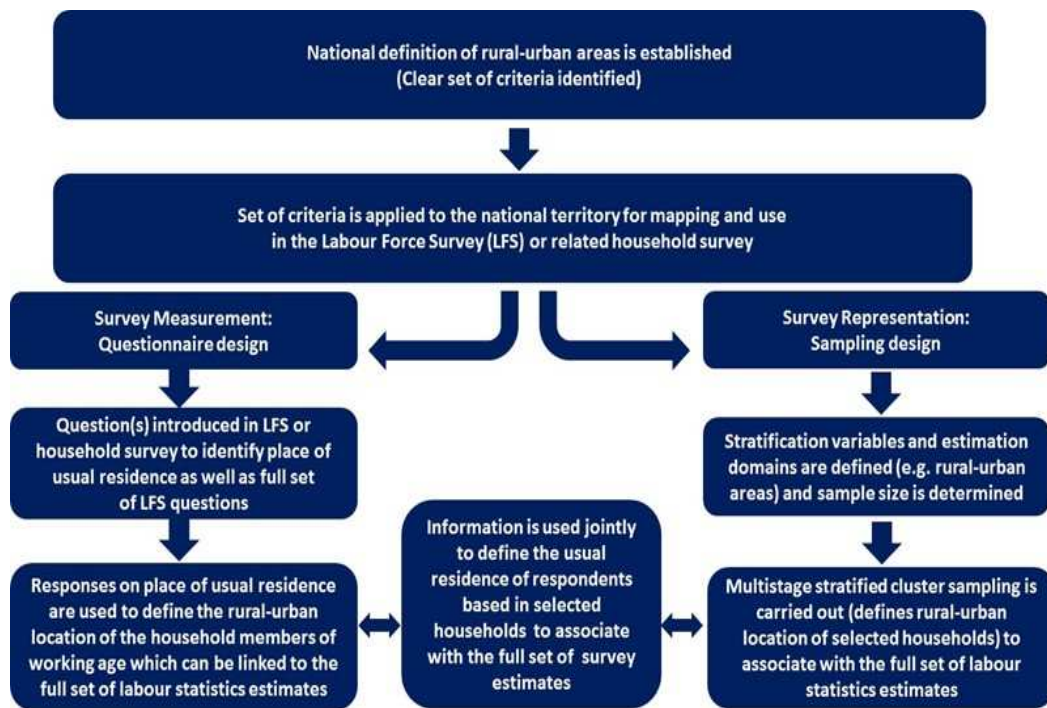
14

Residence location approach: Process of application of a national definition of rural-urban area in a labour force survey

15   **Source:** ILO
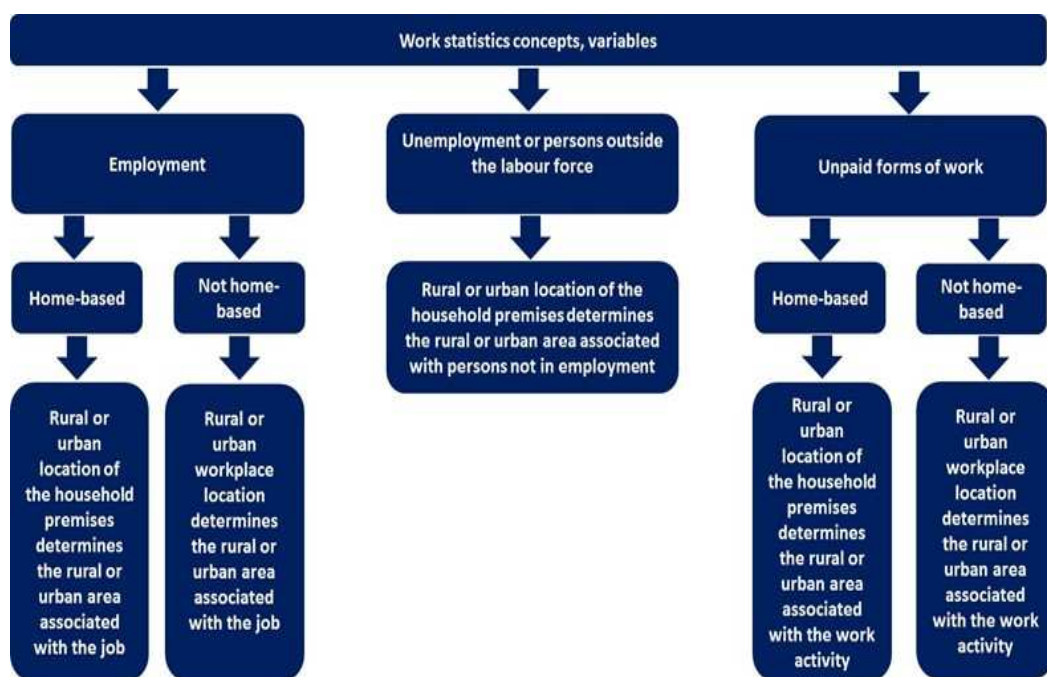
Workplace location approach: Linkages between key work statistics concepts, variables and rural-urban area

16   **Source:** ILO

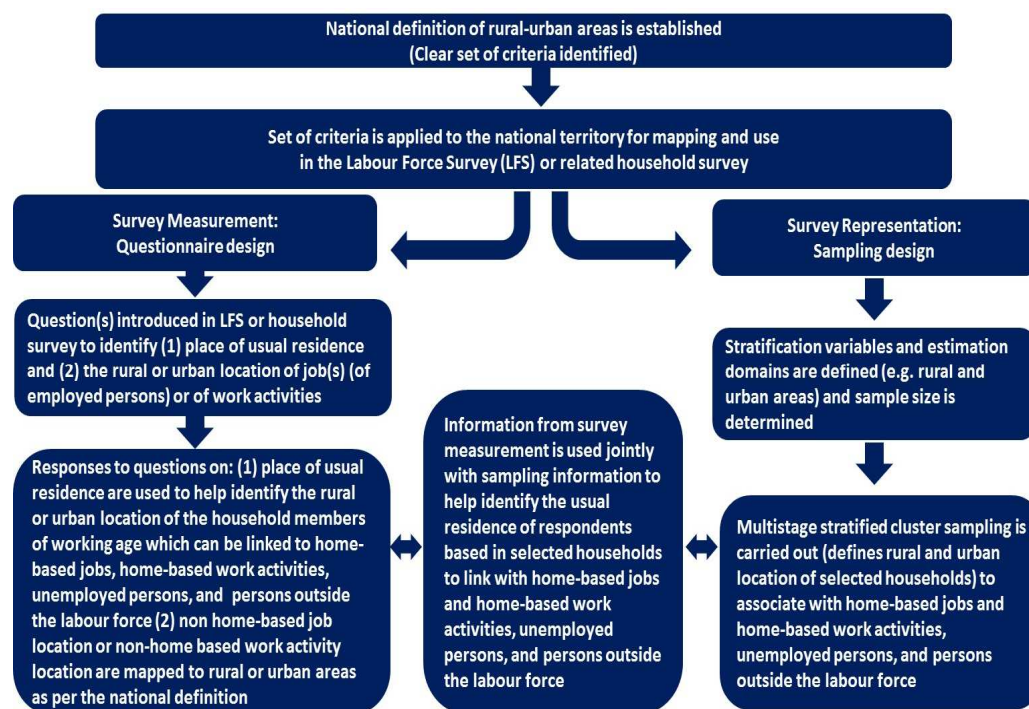## Workplace location approach: Process of application of a national definition of rural-urban area in a labour force survey

National definition of rural-urban areas is established
(Clear set of criteria identified)

Set of criteria is applied to the national territory for mapping and use in the Labour Force Survey (LFS) or related household survey

Survey Measurement:
Questionnaire design

Survey Representation:
Sampling design

Question(s) introduced in LFS or household survey to identify (1) place of usual residence and (2) the rural or urban location of job(s) (of employed persons) or of work activities

Stratification variables and estimation domains are defined (e.g. rural and urban areas) and sample size is determined

Responses to questions on: (1) place of usual residence are used to help identify the rural or urban location of the household members of working age which can be linked to home-based jobs, home-based work activities, unemployed persons, and persons outside the labour force (2) non home-based job location or non-home based work activity location are mapped to rural or urban areas as per the national definition

Information from survey measurement is used jointly with sampling information to help identify the usual residence of respondents based in selected households to link with home-based jobs and home-based work activities, unemployed persons, and persons outside the labour force

Multistage stratified cluster sampling is carried out (defines rural and urban location of selected households) to associate with home-based jobs and home-based work activities, unemployed persons, and persons outside the labour force

17   **Source:** ILO

Propose that countries start with the «Residence Location» approach in developing rural-urban labour statistics … BUT both approaches are valuable

- Both the residence location approach and the workplace location approach are recommended depending on national policy information needs and resource constraints.
  - BUT countries should begin by implementing the Residence Location approach.

- The national definition of rural-urban areas in both approaches should be applied to the national territory for mapping and used in the labour force survey (LFS) or related household-based survey.

- The proposed conceptual framework of work statistics by rural-urban area takes into account concepts and definitions in the 19th ICLS Resolution on work statistics and associates these with rural and urban areas.

- It has as its foundation the basic urban-rural classification used to disaggregate labour statistics and seven statistical concepts which are particularly relevant to work statistics by rural-urban area.

18

Proposed urban-rural classification to disaggregate labour statistics and seven key statistical concepts

- **Proposed urban-rural area classification:**
  - Urban area
  - Rural area
  - Not classifiable by urban or rural area

- **Seven key statistical concepts proposed for use in developing labour statistics by rural-urban area:**

  1. Usual place of residence by rural-urban area (or alternatively, "dwelling where present at time of data collection")

  2. Home-based jobs and work activities by rural-urban area

  3. Workplace location by rural-urban area

  4. Job or work activity by rural-urban area

  5. Employed persons by rural-urban area

  6. Unemployed persons by rural-urban area

  7. Persons outside the labour force by rural-urban area

Challenges identified (1)

- Various challenges and issues on methods for developing rural-urban labour statistics have been identified, including:

  1. Whether an international definition of urban-rural could be established that could be used in parallel with the national definitions for purposes of international reporting

  2. Whether a dual approach involving a residence location approach and a workplace location approach could be considered as a feasible way forward to produce rural-urban disaggregated labour statistics using labour force surveys or related household surveys.

  3. If the workplace location approach is considered an appropriate complementary approach to the recommended initial approach identifying the residence location, what types of criteria might be most appropriate to include in questionnaires to identify workplace location?

Challenges identified (2)

4. Is the dichotomous urban-rural classification the most appropriate one or could others also be considered for national purposes and perhaps international reporting (e.g. Eurostat typology)?

5. What recommendations should be put forward regarding whether to use the "usual place of residence" approach or the "dwelling where present at time of data collection" approach, given the possibility of undercounting seasonal workers who may live and work in places for short periods of time (possibly affecting in particular counts of rural dwellers and workers)?

6. How should classification of those jobs and work activities for which the rural or urban location is difficult to identify be addressed?

Challenges identified (3)

7. How can sampling design in labour force surveys be carried out to optimize the use of estimation domains for rural-urban areas based on the national definition of rural-urban areas?

8. How can issues related to composite measures that could potentially use both the residence location approach alone or in combination with the workplace location approach be addressed to ensure maximum coherence and quality of estimates?

9. How can the challenge of changing geographical area boundaries and its impact on the production of longer time series of labour statistics, be addressed?

Future world of work in rural and urban areas and statistical needs

- **The future world of work will bring opportunities and also challenges to subregions within countries**

  - Will be essential to have timely and reliable indicators to assess the wellbeing of workers and their families over time, particularly among the most vulnerable groups in rural and urban areas.

  - Issues identified in the Room Document suggest that more work should be done to support development of rural-urban labour statistics.

23

Issues for discussion

- **Given the information presented and the various challenges identified, participants in the Conference are invited to express their views as to:**

  (1) Whether the topic is of interest to their country;

  (2) Whether their country already produces rural-urban disaggregated labour statistics as part of the regular programmes; and

  (3) Whether they consider that this topic should be discussed in greater depth with a view to producing more comparable statistics and if so, what mechanisms should be put in place to facilitate the process.

24