

Component 1: National statistics: Sources and methods

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Overall questions

- **What concepts, definitions, measurement procedures and data sources are used in the two countries?**
- **To what extent are these compatible with the international (17th ICLS) framework?**
- **What are the best ways of moving towards an internationally comparable framework?**

Context

- **change in labour markets and also in official statistical systems in China and India**
- **opportunity to influence further change in statistical infrastructure eg Labor Force Survey and economic census, in order to**
- **collect better employment data, including all components of informal employment**
- **existing data collection instruments include building blocks enabling the compilation of some components of informal employment.**

INDIAN EXPERIENCE

- **Indian experience in capturing informal employment and possible lessons for China**
- **NSS Labor force surveys – 55th round (1999-2000) and 61st round(2004-2005)**
- **What was gained in the 55th round?**
- **What was retained, added and lost in 61st round?**

Process

- **Pilot studies (organized by Prof. Jeemol Unni) in urban and rural study areas outside the NSS setup, to inform design of the 55th round of NSS LFS (under Dr. Sastry)**
- **Innovative efforts to include questions in 55th round for non-agricultural activities on:**
 - the type of enterprise to which the worker belonged
 - place of work,
 - nature of contract and
 - mode of operation, etc.

Impact

For first time, identification of groups of workers

- in informal sector, and**
- some of those with informal employment outside informal sector**
- including more vulnerable groups such as home-based workers, home workers on sub-contract work and street vendors.**

Changes in 61st round

- **Questions retained:**
 - the type of enterprise and place of work
- **Questions added:**
 - existence of written contract, eligibility for paid leave and availability of social security benefits
 - Some agricultural activities included (eg livestock)
- **BUT questions dropped:**
 - nature of contract and mode of operation needed to identify homeworkers

Self-employment

- 55th round – enterprise module to capture self-employment**
- 61st round – enterprise module removed ; only two questions on remuneration from self-employment were added to indicate the quality of self-employment.**

Lessons

- **Highlights importance of pilot surveys involving users of statistics as input into design of large scale surveys**
- **Shows importance of collecting data on total informal employment, not just employment in the informal sector.**
- **Provide separate estimates for all vulnerable groups of informal workers including homeworkers**
- **Need for more appropriate questions on quality of self-employment.**

CHINA

Feasibility of capturing informal employment:

- **Labor force survey in China since 1996**
- **Includes question on type of unit to which a worker belongs, but**
- **Not possible to identify informal sector enterprises without ambiguity, and therefore employment in the informal sector.**
- **With modification of classification it would be possible to capture employment in the informal sector**

Employment status

- **LFS includes question on current employment status classified by:**
- **(1) employee, (2) employer, (3) self-employed; and (4) family worker.**
- **Ambiguity of classification**
- **Cannot be used to give clear estimate of informal employment and its component parts.**

ECONOMIC CENSUS

- **First economic census conducted in 2004, covering non-agricultural activities (every 5 years)**
- **Respondents - establishments and self-employed individual enterprises**
- **Collects information on units and employees, financial situation, the production and business operation situations, the production capacity etc.**
- **However, it doesn't capture all informal sector units**
- **Not possible to distinguish clearly formal and informal sector enterprises**
- **With some modification, a major proportion of informal sector units could be captured.**

Applications of informal employment definitions

Ministry of Labor and Social Security -

- large scale sample survey in December 2002 in 66 cities adopting the definition of informal employment proposed by ILO with a series of very detailed questions that allow us to capture informal employment
- Positive development

Proposed activities

- **technical consultation between Indian and Chinese experts to review instruments for collection of employment data**
- **design and implementation of pilot surveys in one urban and rural area in China, in order to formulate specific questions to capture various types of informal employment**