Labour force surveys

Overview

Requirements

Questionnaire design

   General considerations
   Type of questions
   Informal sector
   Informal employment
Labour force surveys
Questionnaire design: general considerations

Simplicity
Questions must be simple – take account of proxy-response
Avoid skip patterns when replies are “don’t know”
So not to lose information
These cases can be classified at the processing stage using other (contextual) variables

Special probes to target all employment activities
Activities likely to go unreported, e.g., unpaid work in small family enterprises, activities undertaken by women on own-account at or from home, undeclared activities

Important to pilot test questions
Labour force surveys
Questionnaire design: type of questions

Core questions *:
- Employment, unemployment, occupation, status in employment, industry, hours of work, etc.

Contextual questions * (to filter out-of-scope cases)
- Place of work (home-based, itinerant, fixed); employment contract (oral, written)

Key questions *:
- Registration; Legal organization/ownership; Type of accounts;
- Product destination (for sale, for own final use); Size of enterprise; Social security coverage; Deduction of income tax

Descriptive:
- To identify outsourcing, multi-establishment enterprises
Labour force surveys
Questionnaire design: Core questions

To capture all employed persons irrespective of their status in employment

- Special probes* for activities that might go unreported (e.g. unpaid work in small family enterprises, home-based work, undeclared work, casual jobs, informal activities done as secondary jobs, etc.)
- Importance of classifying persons correctly by status in employment (e.g. outworkers, subcontractors, free-lancers) whose activity is at the borderline between self-employment and paid employment – good interviewer training

Cover all jobs held by persons (main and secondary)
Labour force surveys

Questionnaire design: Special probes to capture all activities (South Africa)

In the last week....

(a) Did you work for a wage, salary, commission or any payment in kind (including paid domestic work), even if it was for only one hour?

Examples: a regular job, contract, casual or piece work for pay, work in exchange for food or housing, paid domestic work.

(b) Did you run or do any kind of business, big or small, for yourself or with one or more partners, even if it was for only one hour?

Examples: Commercial farming, selling things, making things for sale, construction, repairing things, guarding cars, brewing beer, collecting wood or water for sale, hairdressing, crèche businesses, taxi or other transport business, having a legal or medical practice, performing in public, having a public phone shop, etc.

(c) Did you help without being paid in any kind of business run by your household, even if it was for only one hour?

Examples: Commercial farming, help to sell things, make things for sale or exchange, doing the accounts, cleaning up for the business, etc.
Labour force surveys
Questionnaire design: informal sector - contextual questions

Place of work
Enterprises without fixed location, fixed on the street, fixed at home/someone else’s home, attached structure to home, independent establishment (separate from home), agricultural farm, construction site, etc.
Identifies persons working at home, in the streets, in open markets, etc.

Kind of activity (industry) identifies persons
Working in agriculture and related activities (if excluded from the informal sector)
Employed as domestic employees by households
Engaged exclusively in the production of goods for own final use by their household
Labour force surveys
Questionnaire design: informal sector - key questions

Legal organization (institutional sector)/ ownership
  Government, public enterprise, NPISH, privately owned enterprise
  If private: owned by one or more persons, incorporated enterprise

Registration of enterprise
  Under specific forms of national legislation (question needs to specify the registration type)
  Identifies unregistered enterprises

Bookkeeping
  Keeps complete accounts/does not keep complete accounts
  Can be considered a good proxy to registration

Tax/social security contributions deducted from pay
  As a proxy of registration of employees

Size of enterprise *

Number of persons working on a regular basis

For large enterprises, size in categories
For small enterprises, exact numbers
  Questions should be about the minimum and maximum workforce engaged in the unit
  Otherwise, the unit will be considered as informal during the low season, but formal during the high season

Can be considered a proxy criterion to registration/bookkeeping

Definition of informal sector should not depend solely on this criterion, except when other criteria are not applicable (e.g., agricultural units, secondary jobs)
Labour force surveys

Questionnaire design: informal sector - different questions to different workers

Because paid employees may not know characteristics of the economic unit

Questions for them should be about employee registration

- Income tax deducted from salary
- Social security coverage

To self employed persons (employees may not be able to respond)

- Bookkeeping
- Registration of the enterprise
- Legal organization and ownership

Questions that all workers can answer:

- Size of enterprise
- Place of work

When the informal sector is defined using different criteria for paid employees and self employed, it is known as the “two track approach”
Labour force surveys

Questionnaire design: informal sector - registration of enterprise

Q19. Was your business/farm (or the business/farm where you worked) registered at the Ministry of Justice?

- Yes
- Is in the process of being registered
- No
- Do not know

Recommendations for treatment of response options to Q19:

Q19=1 (registered, formal sector)
Q19=2 or 3 (not-registered, informal sector)
Q19=4 and self employed (informal sector)
Q19=4 and employee (formal sector)
Labour force surveys

Questionnaire design: informal sector - Size of enterprise

Q23. How many persons including yourself work at your place of work?

- 1-4
- 5-9
- 10-19
- 20-49
- 50-99
- 100 or more
- more than 9 persons
- Do not know

Q24. Please specify the exact number of workers

- Number of workers:
Labour force surveys

Questionnaire design: informal sector - Place of work

Q20. Where do you usually work?

- In your home
- Structure attached to your home
- At the client’s or employer’s home
- Enterprise, plant, factory, office, shop, workshop etc. (separate from the house)
- On a farm or agricultural plot
- Construction site
- Fixed stall in the market or on the street
- Without fixed location/mobile
- Other (specify):
Labour force surveys
Questionnaire design: informal sector - Legal organization and ownership

Q18. In which sector were you employed?

- Government
- State-owned enterprise (e.g. TVTL, EDTL)
- Privately-owned business or farm
- Non-governmental/non-profit organization
- Private household
- Embassies and bilateral institutions (e.g. USAID, CIDA)
- United Nations and other international org.
- Other (specify): ____________________________

Read

1. Government
2. State-owned enterprise (e.g. TVTL, EDTL)
3. Privately-owned business or farm
4. Non-governmental/non-profit organization
5. Private household
6. Embassies and bilateral institutions (e.g. USAID, CIDA)
8. Other (specify): ____________________________

1 ☐ Q20
2 ☐ Q20
3 ☐ Q20
4 ☐ Q20
5 ☐ Q20
6 ☐ Q20
7 ☐ Q20
8 ☐ Q20
Labour force surveys

Questionnaire design: informal sector - Payment of sales tax, income tax

<table>
<thead>
<tr>
<th>4.13</th>
<th>Is your business (or household business where you work) registered for VAT?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 = YES</td>
</tr>
<tr>
<td></td>
<td>2 = NO</td>
</tr>
<tr>
<td></td>
<td>3 = DON'T KNOW</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4.14</th>
<th>Is the business (or household business where you work) registered for income tax?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 = YES</td>
</tr>
<tr>
<td></td>
<td>2 = NO</td>
</tr>
<tr>
<td></td>
<td>3 = DON'T KNOW</td>
</tr>
</tbody>
</table>
**Labour force surveys**

**Questionnaire design: informal sector - Moldova LFS**

**Legal organization/ownership**

<table>
<thead>
<tr>
<th>Question</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>24. Was your main activity carried out at…?</td>
<td>An enterprise, organization, institution (as a legal entity)</td>
</tr>
<tr>
<td></td>
<td>Private agricultural enterprise (farm)</td>
</tr>
<tr>
<td></td>
<td>Private enterprise; private notaries’ or lawyers’ office, partnership (without the right of a legal entity)</td>
</tr>
<tr>
<td></td>
<td>Individual work activity</td>
</tr>
<tr>
<td></td>
<td>Paid domestic workers employed by households (activity 95)</td>
</tr>
<tr>
<td></td>
<td>Auxiliary household</td>
</tr>
<tr>
<td></td>
<td>I don’t know</td>
</tr>
</tbody>
</table>

**Registration**

<table>
<thead>
<tr>
<th>Question</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>25. Was the enterprise where you worked registered?</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>Is being registered</td>
</tr>
<tr>
<td></td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>I don’t know</td>
</tr>
</tbody>
</table>

**National definition:** Informal sector enterprises are defined as unincorporated enterprises (i.e. enterprises lacking the status of a legal person), which are not registered. Persons engaged in the production of agricultural goods exclusively for own consumption by their household, as well as households employing paid domestic employees, are excluded.

Q24=(3 or 4) & Q25=(2 or 3) & Q25=(4, if self-employed)
Labour force surveys

Questionnaire design: informal sector - two track approach (South Africa)

(a) All self-employed workers who work in units that are not registered for sales tax or income tax; and (b) All employees whose wages do not get deductions for income tax payments and work in units of less than 5 employees.
Labour force surveys
Questionnaire design: informal employment

• Questions to identify employment in the informal sector
• Questions to identify informal employment outside the informal sector
  • Informal employees, including paid domestic informal workers
  • Persons engaged in unpaid production of goods exclusively for own final use (if employed)
  • Volunteer workers (if employed)
  • Contributing family workers in the formal sector
  • If the informal sector excludes agriculture, informal jobs of own account workers, employers and members of producers’ cooperatives in agriculture
Labour force surveys

Questionnaire design: informal employment - core questions to identify informal employees

- Payment of social security (including pension fund) contributions for the employee by the employer
  - Insofar as it is related to employment (and not universal)
- Possibility to benefit from
  - Paid annual leave or compensation for it
  - Paid sick leave
  - Paid maternity leave
- Risk of arbitrary dismissal without advance notice by the employer
- Possibility to receive legal benefits and compensation in case of dismissal
Employees are considered to have informal jobs if the answer to any of the questions Q18, Q19 or Q20 is ‘no’.

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>Possibly</th>
<th>No</th>
<th>I don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>18. Does your employer pay contributions to the pension fund, health insurance and unemployment fund for you?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>19. Do you benefit from paid annual leave or compensation for unused leave?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>20. Would you benefit from paid sick leave in case of illness?</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>
Labour force surveys
Questionnaire design: informal employment - Model questionnaire

Employees, other

<table>
<thead>
<tr>
<th>Status in employment</th>
<th>Contributing family workers</th>
<th>Own account workers</th>
<th>Employers, members of producers’ cooperatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>yes</td>
<td>yes</td>
<td>yes</td>
<td>yes</td>
</tr>
</tbody>
</table>

- Job-related employer contributions to social security
  - yes
  - no

- Benefit from paid annual leave
  - yes
  - no

- Benefit from paid sick leave
  - yes
  - no

Informal employment

- For market
  - yes
  - no

- Informal sector enterprise or cooperative
  - yes
  - no

Formal employment