

Basic Definitions and Concepts Related to Economic Activity in Census

Regional Training on Using Population Census Data for Planning and Decision Making; *Thematic Analysis on Youth*



SIAP Statistical Institute for Asia and the Pacific

Outlines

I. Economic activity

II. Active population

I. Employed population

II. Unemployed population

III. Economically Inactive (Not in the labour force) population

Economic activity

- The *economically active population* comprises all persons of either sex who provide the supply of labour during a specified time reference period, *as employed or as unemployed*, for the production of economic goods and services.

Economic activity

Production of all goods retained by their producers for their own final use

Production of goods or services supplied, or intended to be supplied to units other than their producers, including intermediate consumption

Economic activities

Production of housing services by owner-occupiers

Production of domestic and personal services produced by paid domestic staff

Economic activity

Domestic or personal services provided by unpaid household members for final consumption within the same household are excluded from the economic production boundary and hence are not considered to be economic activities.



Economic activity

- The *activity status* of a person is determined over a short reference period such as *a week (preferred option)* or a day in terms of being economically active (*employed* or *unemployed* during the reference period) or economically *inactive*.
- The concept of *usually economically active population* is still used by some countries in their population, and refers to a reference period *the last 12 months* (it comprises then *the usually employed* and *usually unemployed* during the last 12 months).

Economic activity

- Information on activity status should in principle cover the entire population, but in practice it is collected for each person *at or above a minimum age (usually 10) set in accordance with the conditions in each country.*
- The minimum school-leaving age should not automatically be taken as the lower age-limit for the collection of information on activity status

Economic activity

- For comparability, tabulations of economic characteristics should at least *distinguish persons under 15 years of age and those 15 years of age and over.*
- A maximum age limit for measurement of the economically active population is not recommended. Countries may, however, wish to balance the cost and respondent burden on elderly population (*those aged 65 or 75 years or more*) against the significance and reliability of the information provided.

Active population; Employed

- The *employed population* comprises all persons above the minimum specified age, who, during a short reference period of either one week or one day,

According to the present international recommendations, the notion of some work should be interpreted as work for *at least one hour* during the reference period.

- (a) *performed some work* for pay, profit or family gain, in cash or in kind; or
- (b) were *temporarily absent* from a job in which they had already worked and to which they maintained a formal attachment or from a self-employment activity

Active population; Unemployed

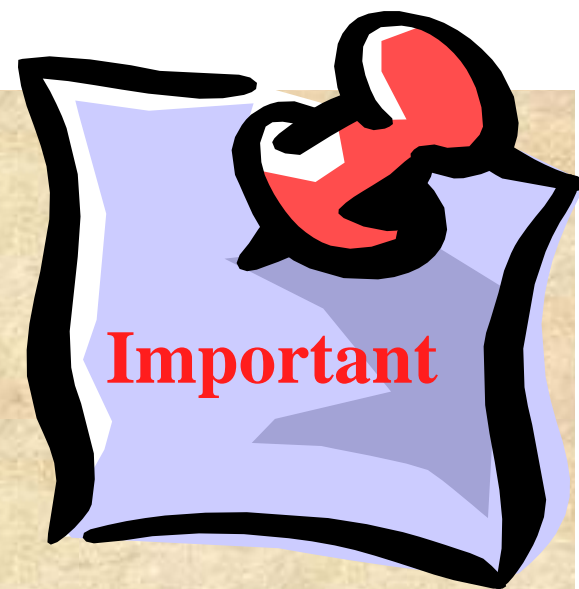
- The *unemployed population* comprises all persons above the specified minimum age, who during the reference period were
 - (a) Without work, in other words, were not in paid employment or self-employment,
 - (b) Available for work,
 - (c) Seeking work, in other words, had taken specific steps in a specified recent period to seek paid employment or self-employment.

Economically Inactive

The economically *inactive* or, preferably, persons *not in the labour force*, comprises all persons who were neither employed nor unemployed during the short reference period used to measure current activity, including persons below the minimum age specified for measurement of the economically active population.

Priority rule!

To ascribe a single, unique activity status to each person, priority is given to the status of being economically active over being economically inactive and to being employed over being unemployed.



Exercise:

A student who is seeking work and is available for work should be classified as(1)..... and(2).....



A person looking for work who also works for the minimum amount of time required by the census to count as being employed should be classified as(3)..... and not as(4).....

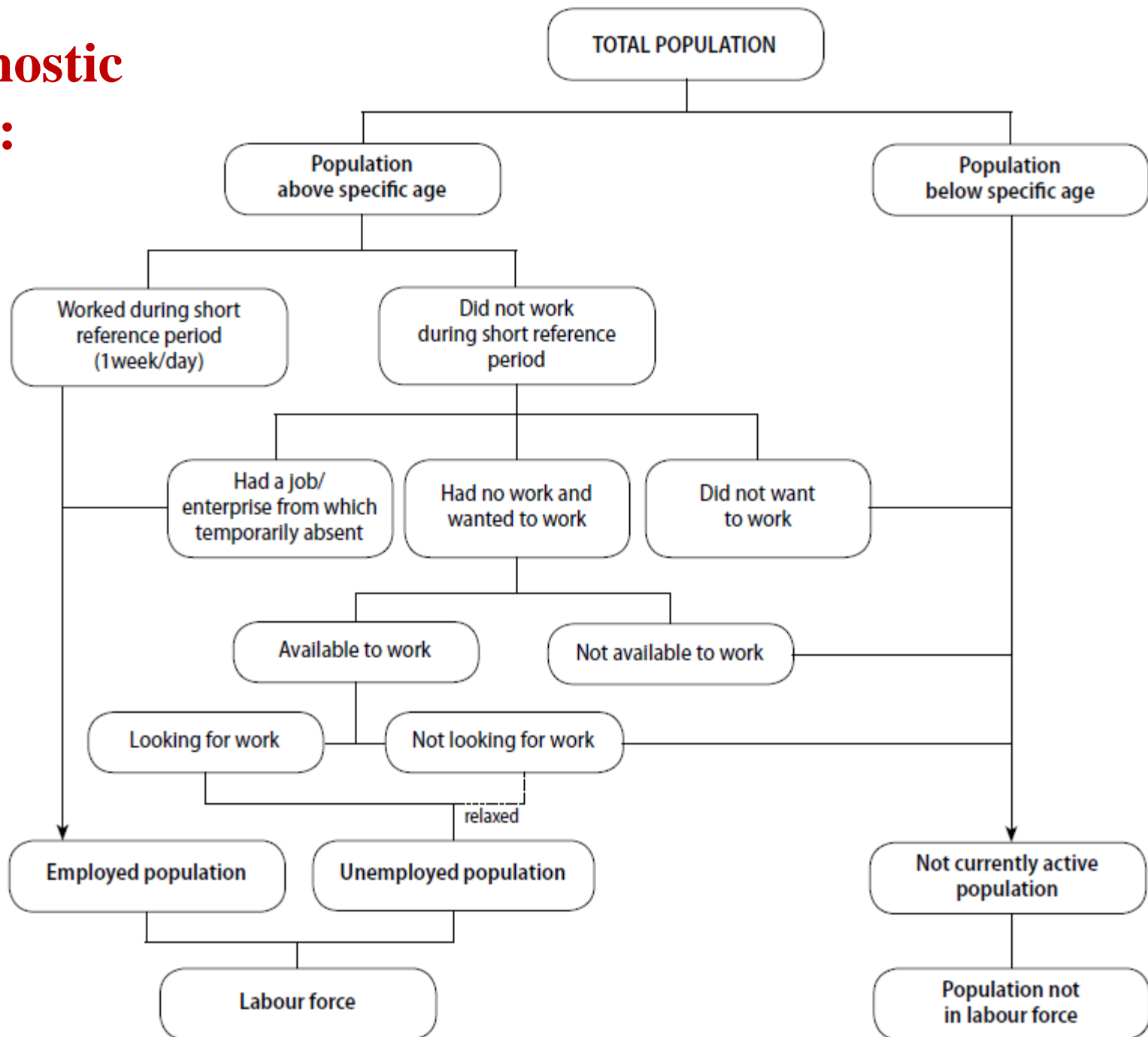
Answers:

A student who is seeking work and is available for work should be classified as **unemployed** and **economically active**



A person looking for work who also works for the minimum amount of time required by the census to count as being employed should be classified as **employed** and not as **unemployed**

Diagnostic chart:



Unemployment rate

$$\frac{\text{Unemployed population}}{\text{Labour force population}} \times 100$$

Refer to diagnostic chart

Employment-to-population ratio

$$\frac{\text{Employed population}}{\text{Working age population}} \times 100$$

Refer to diagnostic chart

Labour participation rate

$$\frac{\text{Labour force population (Employed + unemployed)}}{\text{Working age population}} \times 100$$

Typically "working-age population" is defined as people between the ages of 15-64, but it varies by country

Thank you