

Country Course on Labour Accounts in Malaysia

14-18 October 2019, Malaysia

CONCEPT NOTE

Collaborating agencies: United Nations Statistical Institute for Asia and the Pacific (**SIAP**); International Labour Organization (**ILO**); United Nations Statistics Division (**UNSD**); Department of Statistics (**DOSM**) Malaysian Statistical Training Institute, Australian Bureau of Statistics (**ABS**).

I. Introduction and Objectives

Labour statistics have been compiled by most developed countries since the beginning of the twentieth century through population census, household surveys including labour force surveys, economic/establishment census and surveys, administrative records, national accounts, other sources and by using big data over the last few years.

Despite the availability of different sources, countries producing labour market statistics have confronted problems due to contradictory results between these data sources, lack of global overview of labour market data, difficulties and limitations describing labour market dynamics and lack of links between labour market data and other statistical systems.

In the early Eighties, an initial discussion got started to complement, present and improve existing labour statistics, and “Labour Accounts” was offered to create an integrated framework to combine various statistics from all kind of sources and to reach a consensus between the ILO and SNA concepts on the definition of employment.

Currently there is no international standard regarding the production of a labour accounts, however a four-step process has been documented by the ILO:

First step: Definition of the model and of the identity equation

Second step: Harmonization of definitions and classifications in source statistics, achievement of full coverage

Third step: Minimization of measurement errors

Fourth step: Balancing

The ILO describes two approaches for the compilation of national accounts: cross-sectional and longitudinal. Cross-sectional approach involves confrontation and reconciliation of key labour market measures. Longitudinal approach incorporates changes to population and labour force via births, deaths, and net migration, and includes measures such as duration of employment.

The main objective of this course is to develop the knowledge and skills of participants on the compilation of labour accounts. Australian labour accounts and issues that are encountered during compilation will be used as a case study. Malaysia's data will be used as an exercise on the compilation of labour accounts for one of the quadrants.

II. Target Participants

The course is designed for statisticians compiling national accounts and producing other economic statistics and labour statistics.

III. Course Content and Design

This 5-day course consists of five modules: The first four modules will cover main topics in Labour Accounts. On the first three days of the course, one-hour planning sessions will be allocated for the preparation of a project plan for each country.

In the final module which will start on the fourth day of the course, Malaysia's data will be used as an actual exercise on the compilation of labour accounts for one of the quadrants. At the end of the course, participants will have a project plan and practical experience to continue the work in the development of Labour Accounts in their country.

Main Topics

- Purpose and uses of Labour Accounts
- Concepts- SNA and ILO
- Data sources household survey, business survey, admin/taxation data
- Methods – four step integration process
- Two approaches used in compilation
- General aspects in Labour Accounts
- Labour accounts for the measurement of informal sector and compilation of decent work indicators
- Case Study: Australia

IV. Preparatory Activities

A- Participants to the course need to read the following reading list prior to the training programme.

https://www.ilo.org/wcmstp5/groups/public/---dgreports/---stat/documents/publication/wcms_087916.pdf

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/6150.0Main+Features1July%202017?OpenDocument>

- B- In the last module, Malaysia's data will be used to compile Labour accounts for one of the quadrants. In order to understand the data availability, the ILO will send a short spreadsheet template to Malaysia by mid-September, which will be expected to be completed by end of September.