



BOTSWANA LABOUR MARKET INFORMATION SYSTEM

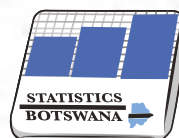
Metadata Handbook

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In partnership with



BOTSWANA LABOUR MARKET INFORMATION SYSTEM METADATA HANDBOOK

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ACRONYMS

DPSM	Directorate of Public Service Management
GDP	Gross Domestic Product
HRDC	Human Resource Development Council
ILO	International Labour Organisation
ISCED	International Standard Classification of Education
ISCO	International Standard Classification of Occupations
ISIC	International Standard Industrial Classification
LMIS	Labour Market Information System
LMO	Labour Market Observatory
MELSD	Ministry of Employment, Labour Productivity, and Skills Development
MLGRD	Ministry of Local Government and Rural Development
MoBE	Ministry of Basic Education
MoTE	Ministry of Tertiary Education Research, Science and Technology
NA	National Accounts
NEP	National Employment Policy
OECD	Organisation of Economic Co-operation and Development
QMTS	Quarterly Multi Topic Survey
SADC	Southern African Development Community
SDG	Sustainable Development Goals
SNA	System of National Accounts
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
WHO	World Health Organization

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The handbook was technically edited and endorsed by Statistics Botswana. Their time and support is as always, greatly appreciated.



PREFACE

This handbook is premised on the Decent Work Programme (DWP) which dictates that there be integrated strategies to promote fundamental principles and rights at work, productive employment, social protection and dialogue between the social partners, as well as to address the cross-cutting themes of gender and development. Botswana is not an exception, if the country is to attain the aspirations espoused in Vision 2036, that of having a competitive and productive workforce. This desirable labour market outcome calls for tailored and better targeted labour market interventions and macroeconomic policies; which in turn dependent on access to reliable and timely labour market information. It is equally important to know which data is required and which indicators are suitable to address any particular topic of interest in the context of decent work; may it be unemployment among the youth or other vulnerable groups like women and the disabled.


Botswana's development, especially attainment of economic growth and well-being depends on the inclusive and productive employment of its labour force. It is the role of the Botswana Labour Market Observatory (LMO) to provide guidance and evidence based policy advice and ensure better skills match between the education sector and the labour market. The Labour Market Information System (LMIS), provides an avenue for guiding students toward current and future skills in demand, occupations, and economic sectors and informing tertiary and vocational education institutions about the outcomes of their graduates in the labour market.

This information can be effectively used by government bodies financing education, training and workplace learning, notably the Human Resource Development Council (HRDC), the Department of Tertiary Education Financing (DTEF), Ministry of Employment, Labour Productivity, and Skills Development (MELSD) to hold education institutions accountable for the labour market outcomes of their graduates. The level of detail and reliability of the data in the observatory, contributes to its effectiveness towards informing policy interventions, career choice and business investments and ultimately reducing the skills mismatch.

An effective national Labour Market Observatory (LMO) calls for the collection, analysis and dissemination of up-to-date and reliable labour market information. As such, this Metadata Handbook is meant to facilitate a better understanding among collectors and users of labour market information of a number of key indicators used to measure decent work. It serves as a single comprehensive reference set of labour market indicators and definitions for LMIS stakeholders i.e., data providers, data producers and data users thereby ensuring consistency in methodologies and standardisation of reporting. Furthermore, it enables the LMO to effectively monitor trends in the labour market as well as the formulation and implementation of macro policies such as the National Employment Policy (NEP) and other labour market programs.

The release of this first version of the Metadata Handbook is a step in the right direction towards the development of the LMO/LMIS. While the current version contains mostly decent work and social indicators, the intention is to expand it and include those on education and the macro-economy in the next release in 2022 to enable a full diagnostic of the economy and the labour market. The handbook will be updated as and when there are new or emerging labour market information concepts and definitions in the Botswana economy, including those on newly discovered and enlivening industries and those promulgated by the implementation of the Botswana Government transformational agenda. The set of statistical indicators presented here should therefore not be considered as final, but rather serve a point of departure.

It is my hope that this LMIS Metadata Handbook will be a handy companion for policy makers and researchers alike who are keen to contribute to decent, inclusive and productive workforce for the benefit of the country.



Meshack Tafa
Acting Chief Executive Officer
Human Resource Development Council

EXECUTIVE SUMMARY

This Labour Market Information System (LMIS) Metadata Handbook is a set of comprehensive indicators covering ten substantive elements of the labour market corresponding to the four strategic pillars of the DWP; Rights at Work, Employment, Social Protection and Social Dialogue and within each category, by groups of indicators relating to the same labour market phenomenon. It has been developed to support the collection, processing and dissemination of labour market information by the Labour Market Observatory (LMO) and its stakeholders.



The metadata handbook is an effective tool that facilitates harmonisation, comparability and use of standard statistical concepts and definitions in the LMIS. It is the first of its kind for Botswana, and as such will help LMIS users to interpret, understand and analyse LMIS data. It will assist the LMIS users to identify, locate and retrieve statistical information of relevance with ease. The handbook was developed with partners such as the ILO and Statistics Botswana to minimise the discrepancy between the producer's and user's understanding of concept. The overall objective of this metadata handbook is to enhance the LMO's ability to diagnose Botswana's employment challenges, engage in technical dialogue with counterparts, and promote employment and decent work as part of the Government's national development efforts.

The handbook contains seventy-two (72) key indicators of the labour market, covering employment and other variables relating to employment; i.e. employment opportunities; adequate earnings and productive work; decent working hours; combining work with family and personal life; work that should be abolished; stability and security of work; equal opportunity and treatment in employment; safe work environment; social security; and social dialogue, workers' and employers' representation. An additional element, economic and social context of decent work, helps determine what constitute decency in society as well as the extent to which the achievement of decent work enhances national economic, social and labour market performance. Taken together, the indicators provide a strong basis for assessing and addressing key questions related to productive employment and decent work.

Employment Opportunities, a key element of decent work, is comprised of indicators that provide insights regarding the quantity of labour demand and supply in the economy. It thus targets an important aspect of the labour market conditions faced by workers and potential workers as well as employers. It includes indicators which permit the analysis of the quality of employment measured through the lens of informal employment and other key components of total employment. It further targets indicators related to labour slack and the underutilisation of labour among which the unemployment rate is used as a main indicator to signal changes in the labour market space. Employment opportunities cover indicators that are derived on the basis of the labour force measurement framework, relying in particular on the concepts of employment, unemployment, labour force and not in labour force which are measured in relation to a broader reference variable of the population. Many of the indicators are defined in terms of disaggregation of labour force concepts and will allow data users to understand key differences in employment opportunities experienced by the different segments of the population disaggregated by gender, age group, level of educational attainment or status in employment.

INTRODUCTION



The constant evolution of the labour market and the changes in the behaviour of the agents involved in it makes it necessary to create new tools for effective monitoring and analysis. In recent years, countries abroad and in the region have built up systems that facilitate the understanding of dynamics in the labour market and make information accessible to the interested population. These systems are known as “labour market observatories (LMOs)” and or “labour market information systems (LMISs)”.

The production of labour statistics is regulated by international conventions that identify good practice in this area. Botswana has ratified the ILOC 160 on labour statistics (1985), which requires regular collection, compilation and publication of basic labour statistics, in different areas of the labour market. Likewise, from ILOC 160, Recommendation 170 on labour statistics (1985) is derived, which gives guidelines on the basic labour statistics to be collected, as well as the statistical infrastructure to be built for the collection of this information. Within this framework, the main functions of the labour market information systems are established with the aim of presenting timely and updated information to various actors influencing decision-making, thus proving to be highly beneficial. The main functions of the LMIS include the following: (a) to facilitate labour market analysis; (b) to provide the basis for monitoring and reporting on labour market policies; and (c) to serve as a mechanism for exchanging information or coordinating the different agents and institutions that produce and use labour market information and analysis.

BACKGROUND

The implementation of LMIS is a fundamental instrument for designing and evaluating public policies, providing strategic information to users to reduce incomplete information and guiding decision making through the systematisation and dissemination of key labour market indicators and timely information on labour market dynamics.

In Botswana, the Human Resource Development Council (HRDC) has been mandated to lead the development of the labour market system. HRDC with the support of the ILO, identified the opportunity to work together on the development of indicators for the Botswana Labour Market Information System (LMIS). This initiative began with a diagnosis of data availability and institutional frameworks which were found to be in place such as Statistics Botswana who produce quarterly labour force statistics in the Continuous Household Multi-topic Surveys (CHMTS). A Labour Market Observatory Technical Committee comprising representatives from the public, private sectors and civil society operates to support the process.

This Handbook therefore presents the metadata of indicators developed on the basis of the decent work agenda and with the support of the International Labour Organization (ILO), to be used as a point of reference by the LMO as well as to facilitate content management for the Botswana LMIS.

PURPOSE

The purpose of this handbook is to provide a single comprehensive reference set of labour market indicators and definitions in Botswana for reporting and presenting of the market information and metadata, covering both economic and socio-demographic statistics. The Handbook is designed for use by all LMIS stakeholders including researchers and the general public.

The metadata handbook is an effective tool that facilitates harmonisation, comparability and use of standard statistical concepts and definitions in the LMIS. It is the first of its kind for Botswana, and as such will help LMIS users to interpret, understand, and analyse LMIS data. It will assist the LMIS users to identify, locate, and retrieve statistical information of relevance with ease. The Handbook is intended to minimise the disparity in understanding of concepts between the producer's and user's. The benefits of providing such international standards in a single reference source are, among other things, to assist in:

- Promoting the consistency of methodologies through the standardisation of format, terminology and dissemination of data and metadata used by all LMIS stakeholders;
- Promoting the comparability of statistical data and labour market information;
- Promoting the use of recommended practice in the presentation of statistics and improve the transparency of such practices to users;
- Minimising the reporting burden of providing data and metadata to international organisations by LMIS stakeholders; and
- Identifying areas where additional indicators for the reporting and presentation of data and metadata need to be prepared in the future.

While the current version contains mostly decent work and social indicators, the intention is to expand it and include those on education and the macro-economy in the next release in 2022 so that there can be a full diagnostic of the economy and the labour market. Furthermore, the Handbook will be updated as and when there are new and emerging key labour market information concepts and definitions on the Botswana economy, including those about newly discovered and enlivening industries and those promulgated by the implementation of the Botswana Government transformational agenda.

SOURCES OF DATA

Botswana compiles large number of indicators through its quarterly Multi Topic Household Survey (MTHS), which consists of a Labour Force Survey (LFS) module Quarterly Multitopic Survey (QMTS). Botswana is up to date with data production of labour market indicators for the following groups of indicators: 'Employment opportunities', 'Adequate income and productive work', 'Decent working hours', 'Stability and security at work', 'Equal opportunities and treatment at work', 'Social security', 'Economic and social context' and 'Skills' indicators. The ILO Social Security Inquiry Database provides data for the 'Social security' category, for the years 2016 and 2020. Botswana does not currently compile data for the indicators in the groups 'Safe working environment', 'Work that should be abolished' and 'Social dialogue and representation'. The quarterly surveys provide Botswana with the platform to alternate collection of data for different groups of indicators. Botswana has adhered to the 19th ICLS Resolution on Employment and labour underutilisation and is working towards adhering to the 20th ICLS Resolution on Work Relationships.



STRUCTURE AND GROUPING OF INDICATORS

The Handbook covers ten substantive elements corresponding to the four strategic pillars of the Decent Work Agenda being Rights at Work, Employment, Social Protection and Social Dialogue and within each category, by groups of indicators relating to the same labour market phenomenon.

Core Elements of Decent Work	
Employment opportunities	Stability and security at work
Adequate income and productive work	Equality of opportunity and treatment
Decent working hours	Safe working environment
Reconciliation of work and family life	Social security
Work that should be abolished	Social dialogue and representation
Economic and social context	

Group of Indicators	
Labour force participation rate (LMIS-1)	Unemployment rate (LMIS-6, SDG 8.5.2)
Rate of persons outside the LF (LMIS-9)	Youth unemployment rate (LMIS-7, SDG 8.5.2)
Employment rate /Employment-to-population ratio (LMIS-2)	Long-term unemployment rate
Employment by number of jobs	Rate of Youth Not in Employment Education or Training (LMIS-8, SDG 8.6.1)
Employment by economic activity (LMIS-5 and 16)	Unemployment by educational level (LMIS-10)
Employment in manufacturing industry	Indicators of Labour underutilisation
Employment by status in employment(LMIS-3)	Employment in the informal sector (LMIS-24)
Salaried employment rate	Non-agricultural informal employment rate (SDG 8.3.1)
Informal employment rate (LMIS-4)	Rate of people in managerial positions (LMIS-17)
Occupation by major occupational groups	Rate of paid domestic work (LMIS-40)
Proportion of own account workers and contributing family workers in total employment	Share of wage Employment in non-agricultural employment



Indicator: Labour Force Participation Rate (LFPR)

Method of computation:

$$\frac{\text{Number of persons employed} + \text{Number of persons unemployed}}{\text{Working age population}} \times 100$$

Description:

- LFPR provides information about the relative size of the supply of labour currently available for the production of goods and services in an economy.
- It is a key indicator of the potential for economic growth, since the level of GDP and its growth rate depends in large extent on the quantity and quality of the labour force, as well as on capital resources and their utilisation.
- For a given group of the working age population, the LFPR is the percentage of this group that is in the labour force. For example, the LFPR for women would be calculated as:

$$\frac{\text{Number of women employed} + \text{Number of women unemployed}}{\text{Population of working age women}} \times 100$$

Interpretation guideline:

- LFPR in general is relatively stable over the short term as compared with the unemployment rate.
- It may vary over the medium-to-long term reflecting the impact of employment and educational policy initiatives. For example, increases in the legal school leaving age could reduce the value of the LFPR, while rising educational attainment among women and an increasing acceptance of women's participation in the labour market often leads to a higher LFPR. Net increases in flows of migrant workers into the labour force yield upward pressure on the LFPR.
- When analysing LFPR disaggregated by age group, the data often presents an inverted U shape as the labour supply is relatively small among younger workers, then increases as successive age groups enter the labour market, and finally declines as older workers begin to exit the labour force for reasons of retirement, health or other reasons.
- The LFPR disaggregated by sex and age group presented on the same graph often reveals a "double inverted U" effect, with men's LFPR taking on higher values than women's for each respective age group. This reflects the fact that in many economies, men are still more likely than women to participate in the labour force.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age group, geographical areas, education level, retired or pensioner status, potential labour force.

Indicator: Rate of people outside the labour force

Method of computation:

$$\frac{\text{Persons outside the labour force}}{\text{Working age population}} \times 100$$

Description:

- Formerly known as inactivity rate
- It is the complement of the labour force in relation to people of working age.

Interpretation guideline:

- It gives an indication of the proportion of the population who are not economically active.
- The changing trends should be evaluated along with policies to see if there is a link between the figures and policies. For example, an increase in this indicator could reflect policies encouraging students to stay in school, or it could reflect the positive outcome of old age pension policies.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age group, urban and rural areas, education level, retired or pensioner status, potential labour force





Indicator: Employment-to-Population Ratio (EPR)

Method of computation:

$$\text{EPR (\%)} = \frac{\text{Number of employed persons in working age population}}{\text{Working age population}} \times 100$$

Description:

- The indicator is defined as the percentage of employed persons in the working age population.
- It is considered a yardstick for measuring the overall demand for labour in an economy, as it provides information on the capacity of an economy to generate employment.

Interpretation guideline:

- An increasing trend in the EPR usually indicates increasing employment opportunities within the economy in terms of the quantity of workers.
- A High EPR may not always be a positive result, as it may signal limited education options for young people, as well as minimal or non-existent unemployment assistance. Very high ratios often indicate an abundance of low quality jobs. Sharp increases could point to decreasing levels of labour productivity if not matched by increases in GDP.
- A low ratio means that a large share of the working-age population is unemployed and/or not attached to the labour force.
- Persons may not be in the labour force for reasons such as enrolment in an educational institution, retirement, carrying out domestic chores in their own household, illness or incapacity for work. Still others in this group may express a desire to work and be available to work but may not be seeking work for various reasons, both economic and non-economic. This kind of information is essential for interpreting the EPR of various demographic groups, including youth, women and older persons.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age, urban and rural areas, level of education, income quintile, country of birth

Indicator: Employed by number of Jobs (Multiple job-holding)

Description:

The indicator measures the distribution of the number of jobs per person employed.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, occupation, status in occupation, economic activity.

Indicator: Employment by Major Occupational Groups

Description:

- It is a classification of jobs according to duties/ activities/ tasks performed or carried out.
- A job is defined as “a set of tasks and duties performed, or meant to be performed, by one person, including for an employer or in self-employment”.
- Occupation refers to the kind of work performed in a job. The concept of occupation is defined as a “set of jobs whose main tasks and duties are characterised by a high degree of similarity”. Occupations are classified into groups having similar tasks and duties and requiring similar skills.
- ‘Skills’ is the ability to carry out tasks and duties corresponding to a specific job.
- The classification used in the QMTS, is the International Standard Classification of Occupations (ISCO), adopted in 2008:

ISCO-08 MAJOR GROUPS

1. Managers
2. Professionals
3. Technicians and Technicians and Associate Professionals
4. Clerical support workers
5. Services and sales workers
6. Skilled Agricultural, Forestry and Fishery Workers
7. Craft and Related Trades Workers
8. Plant and machine operators and assemblers
9. Elementary occupations
10. Armed forces

- The categories in the classifier are called occupations and group together jobs with similar characteristics.
- The occupation classifier makes it possible to classify employed persons according to their single or main job.

Interpretation guideline:

- The ‘classification’ is used by the government and companies in activities such as matching job-seekers with job vacancies, educational planning, reporting of industrial accidents, administration of workers’ compensation, and the management of employment-related migration.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, occupation, status in occupation, economic activity.

Indicator: Employment by economic activity

Description:

- The industry associated with a person in a job is determined by the economic activities (goods or services produced) in the establishment where the job is located. Based on the similarity between these economic activities, they are grouped into a classification structure.
- The classification used, is the International Standard Industrial Classification of all economic activities (ISIC revision 4).
- When a finer classification is desired, beyond the product, additional criteria are used: the type of inputs, the final destination of the production, the different production processes or, as in the case of transport, the object transported and the means of transport.
- The UN recommended classifier is a 4-level hierarchical classifier, which countries adopt for national purposes with one or two additional levels of disaggregation:

International Standard Industrial Classification of All Economic Activities (ISIC)-Revision 4			
A	Agriculture, forestry and fishing	L	Real estate activities
B	Mining and quarrying	M	Professional, scientific and technical activities
C	Manufacturing industries	N	Administrative and support services
D	Electricity, gas, steam and air condition supply	O	Public administration and defence; compulsory social security
E	Water supply and sanitation	P	Education
F	Construction	Q	Human health and social work activities
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	R	Arts, entertainment and recreation
H	Transportation and storage	S	Other services activities
I	Accommodation and food Service activities	T	Activities of households employers; undifferentiated goods- and services-producing activities of households for own use
J	Information and communication	U	Activities of extraterritorial organisations and bodies
K	Financial and insurance activities		Not elsewhere classified

Version, ISIC Rev.4, continues to use criteria such as input, output and use of the products produced, more emphasis has been given to the character of the production process in defining and delineating ISIC classes. The groups and divisions, the successively broader levels of classification, combine the activities of producing units according to: similarities in the character of the goods and services produced, the uses to which the goods and services are put, and the inputs, process and technology of production. Wide use has been made of ISIC, both nationally and internationally, in classifying data according to kind of economic activity in the fields of production, employment, gross domestic product and other statistical areas. ISIC is a basic tool for studying economic phenomena, fostering international comparability of data, providing guidance for the development of national classifications and for promoting the development of sound national statistical systems.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, Census district, disability status, citizenship, type of industry

Indicator: Manufacturing employment as a proportion of total employment-SDG 9.2.2

Method of computation:

$$\frac{\text{Persons employed in manufacturing industry}}{\text{Employed persons}} \times 100$$

Description:

- Persons employed in manufacturing industry as a share of total employment.
- Employed persons can be classified according to the type of goods and services produced by the establishments where they work.
- The ISIC Rev 4 international classifier has, at the first level of classification, 21 "sections", one of which is Manufacturing.
- The indicator provides a measure of the weight of Manufacturing Industry in the total economic activities of the country (it is an alternative measure of the share of Manufacturing Industry in GDP).

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, census districts, disability status, citizenship, type of industry


Indicator: Employment by status in employment (ESE)

Method of computation:

$$\frac{\text{Number of employed persons in a given status in employment category}}{\text{Employed persons}} \times 100$$

Description:

- ESE provides information on how jobs held by persons are classified based on the associated type of economic risk and the type of authority of job incumbents over establishments and other workers.
- This classification presents the former statistical standard (prior to the 20th ICLS Resolution on Work Relationships, but it is still most widely used by national statistical systems in the production of labour statistics.
- The groups in the ICSE-93 are defined with reference to the distinction between "paid employment" jobs and "self-employment" jobs:
 - › Paid employment jobs are those jobs where the incumbents hold explicit (written or oral) or implicit employment contracts which give them a basic remuneration which is not directly dependent upon the revenue of the unit for which they work.
 - › Self-employment jobs are those jobs where the remuneration is directly dependent upon the profits (or the potential for profits) derived from the goods and services produced (where own consumption is considered to be part of profits).
- Categories of 'Status in employment':
 - › Employees: All those workers who hold "paid employment jobs".

- 
- › Employers: Those workers who, working on their own account or with one or a few partners, hold a “self-employment job”, and, in this capacity, on a continuous basis have engaged one or more persons to work for them in their business as “employee(s)”.
 - › Own-account workers: Those workers who, working on their own account or with one or more partners, hold a ‘self-employment job’ and have not engaged on a continuous basis any ‘employees’ to work for them during the reference period.
 - › Members of producers’ cooperatives: workers who hold a “self-employment” job in a cooperative producing goods and services, in which each member takes part on an equal footing with other members in determining the organisation of production, sales and/or other work of the establishment, the investments and the distribution of the proceeds of the establishment amongst their members.
 - › Contributing family workers: Those workers who hold a ‘self-employment’ job in a market-oriented establishment operated by a related person living in the same household, who cannot be regarded as partners, because their degree of commitment to the operation of the establishment, in terms of working time or other key factors, is not at a comparable level to that of the head of the establishment.
 - › Workers not classifiable by status: Any other which cannot be classified as per the categories above.

Interpretation guideline:

- Since employment by status in employment reflects the structure of employment, changes in the indicator can be expected to occur slowly over time. Economic development is often accompanied by an increasing proportion of employees and a decline in self-employment jobs. Some self-employment groups, such as own-account workers or contributing family workers are often associated with small production units or even subsistence agriculture (in the case of own-account workers) in developing countries while employees can be found in production units of all sizes. Small-scale enterprises are at greater risk of lacking access to credit and experiencing low economies of scale and low productivity compared with large enterprises, but at the same time they may be in a better position to seize new business opportunities in niche markets and create more jobs. It is therefore useful to analyse the indicator jointly with the size of production units associated with employment by status in employment.
- Moreover, it is recommended that the indicator be analysed together with complementary indicators disaggregated by status in employment which may point to decent work deficits in key areas including informal employment, employment-related income (or earnings in the case of employees), and excessive hours of work. To the extent that certain status-in-employment categories (e.g., contributing family workers) are associated with notable decent work deficits, progress in the indicator would be achieved by a declining trend in that particular component (e.g., fewer CFW relative to total employment) and/or by progress made vis-à-vis the complementary indicators which establish decent work deficits in that worker category.
- The analysis of the indicator disaggregated by sex is recommended in order to understand the different experience of men and women as regards status in employment. For example, in countries where contributing family workers are prevalent, it is common for the majority to be comprised of women. This is because these female workers experience a higher degree of economic risk and lack of authority vis-à-vis other status in employment categories. The proportions and number of workers by sex should be evaluated in each status of employment category.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, economic activity

Indicator: Salaried Employment Rate

Method of computation:

$$\frac{\text{Number of salaried employees}}{\text{Employed persons}} \times 100$$

Description:

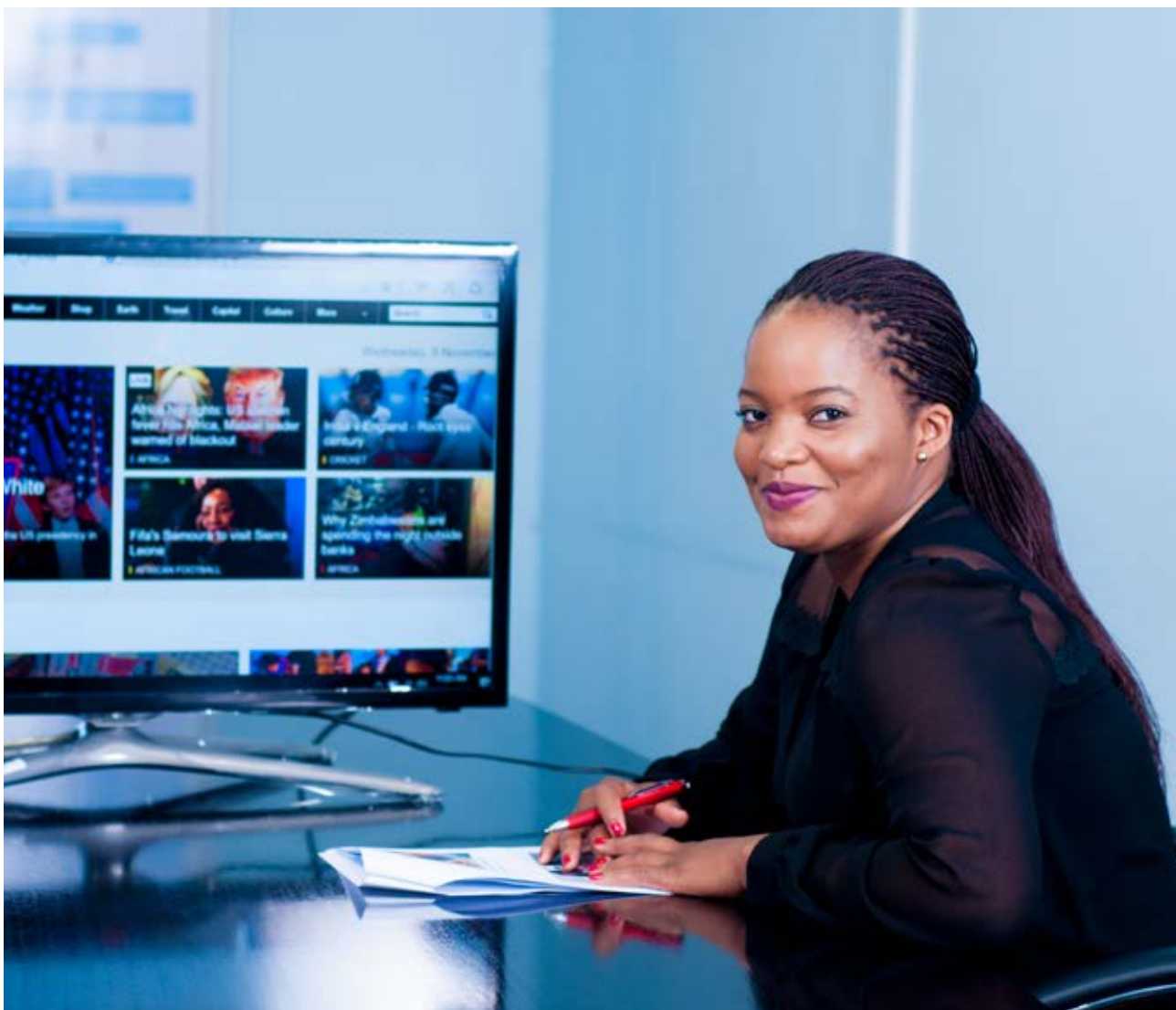
- It is a measure of employed people who are better off in the labour market, since employees are guaranteed certain rights at work and their incomes are often higher than those of many self-employed workers.
- Employees: All those workers who hold "paid employment jobs".

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts, disability status, citizenship, type of contract, institutional sector, economic activity





Indicator: Unemployment Rate (UR) - SDG 8.5.2

Method of computation:

$$\frac{\text{Number of unemployed persons}}{\text{Labour Force}} \times 100$$

- Definition of the unemployed population:
 - Not in Employment
 - Seeking work
 - Available to start working
- The UR is a measure of supply underutilisation.
- It reflects the inability of an economy to generate employment for those who are available and actively seeking work.
- It is therefore seen as an indicator of the efficiency and effectiveness of an economy and the performance of the labour market.

Interpretation guideline:

- In most developed countries, the unemployment rate is an important indicator of labour market performance, and specifically, as a key measure of labour underutilisation. In developing countries, the significance and meaning of the unemployment rate is much more limited. This is because in the absence of unemployment insurance, other unemployment relief schemes or social safety nets, the majority of persons of working age must engage in some form of economic activity, however insignificant or inadequate, often working in the informal economy and in self-employment characterised by poor working conditions and inadequate social protection.
- The indicator is often used to analyse sex differences in labour force behaviour and trends. The unemployment rate is often higher for women than for men, but it varies by country. While labour markets have unique characteristics reflecting their particular social, cultural and economic factors, this general result points to the fact that worldwide, women are more likely than men to exit and re- enter the labour force for family-related reasons. Moreover, there is a general “crowding” of women into fewer occupations of lower decision-making status as compared with men so that women often find a smaller number of opportunities for employment. Other gender inequalities, for example in access to education and training, also negatively affect how women fare in finding jobs.
- It is quite common in many developing countries for the UR in rural areas to be lower than that in urban areas given the higher incidence of poverty and weak or non-existent safety nets in rural regions. Such circumstances force many rural dwellers to work in poor quality jobs, as unemployment is not a feasible option.
- The UR is relatively volatile. To reflect the conjuncture, it is measured monthly or quarterly in most developed countries with an established statistical system but less frequently in others. In order to conduct sound short-term trend analysis, it is advisable to seasonally adjust the UR to filter out usual seasonal fluctuations and typical calendar effects within the movements of the time series under review.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, geographical location, disability status

Indicator: Long-Term Unemployment Rate (SDG 8.5.2)

Method of computation:

$$\frac{\text{Number of unemployed persons, unemployed for 12 months or more}}{\text{Labour Force}} \times 100$$

Definition:

- For a structural analysis of unemployment it may be useful to collect information on the duration of job search.
- Among the unemployed, the long-term unemployed are defined as those with a search duration of 12 months or more, including the reference period (19th ICLS).
- The long-term unemployed are the unemployed who are worst off by virtue of the length of time they have been out of work.
- Indicators are expected to show very low rates, even if the number of observed cases in a sample is insufficient to obtain statistics with acceptable accuracy.

Interpretation guideline:

- Different types of unemployment exist in an economy:
- Frictional: Always present as persons laid off from their jobs seek new ones and new entrants and re-entrants to the labour market begin their job search.
- Seasonal: If short-term (that is, monthly or quarterly) data are collected, seasonal unemployment trends may be observed in unadjusted data as unemployment levels vary predictably during the course of the year with changes in the seasons.
- Cyclical: periodic unemployment caused by fluctuations in the business cycle.
- Structural: characterised by long-term unemployment is also commonly present as industry-occupation staffing patterns shift over time.
- Progress is measured by achieving acceptably low UR levels as per national circumstances. Different types of unemployment exist in an economy such that the UR in the best of circumstances can be expected to remain above zero.
- Frictional unemployment is always present as persons laid off from their jobs seek new ones and new entrants and re-entrants to the labour market begin their job search. If short-term (that is, monthly or quarterly) data are collected, seasonal unemployment trends may be observed in unadjusted data as unemployment levels vary predictably during the course of the year with changes in the seasons and calendar effects. Cyclical unemployment is periodic unemployment caused by fluctuations in the business cycle.
- Moreover, structural unemployment which is characterised by long-term unemployment, is also commonly present as industry-occupation staffing patterns shift over time.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, strata, census districts, disability status



Indicator: Youth Unemployment Rate

Method of computation:

$$\frac{\text{Number of unemployed youths}}{\text{Youth Labour Force}} \times 100$$

Description:

- It is defined as the proportion of the youth labour force that is unemployed.
- Youth (United Nations definition) are those aged: 15-24 years. Youth in Botswana is defined as a person aged from 12 to 35 years.
- It reflects the extent to which young people are available for work and seeking employment.
- As young people often have little or no work experience, they generally suffer higher unemployment rates compared to adults.

Interpretation guideline:

- As in the case of the unemployment rate, progress in the YUR is measured by achieving acceptably low levels. Given that frictional unemployment is always present as new entrants and re-entrants begin their job search and structural unemployment is also commonly present as economic activity-occupation staffing patterns shift over time, the YUR can be expected to remain above zero.
- YUR is typically two to three times higher than the adult unemployment rates in economies throughout the world because:
 - Youth comprise the majority of first-time job seekers, who usually have difficulties finding employment due to lack of experience and inadequate access to job vacancy information.
 - Youth tend to have high job turnover rates and at each separation they risk a spell of unemployment.
 - There are gender differences in the unemployment experience of young persons. Female youth tend to have higher unemployment rates than their male counterparts, but this varies by country. Like the UR, the YUR is relatively volatile. Monthly or quarterly changes in the YUR should be evaluated using seasonally-adjusted data.
- As in the case of the UR, YUR trends should be analysed jointly with changes in measures of total youth labour supply, in particular the youth labour force participation rate, and youth labour demand, especially the youth employment-to-population ratio. Declining youth unemployment rates could in some cases signal not an increasing labour demand for young workers, but a falling labour supply among youth.
- It may also be useful to examine the YUR in relation to the following supplementary indicators: (a) ratio of the youth unemployment rate to the adult unemployment rate, (b) youth unemployment as a proportion of the total unemployment, and (c) youth unemployment as a proportion of the youth population.
- Information on the availability of existing job skills development training and/or apprenticeships and the number of youth benefitting from such training/apprenticeships (including separately the number of unemployed youth who benefit) should be collected and analysed jointly with the YUR. In order to monitor the effectiveness of such programmes, it is useful to monitor job placement of youth who have completed the training/apprenticeships.
- The severity of the youth unemployment rate shows the number of times that the youth unemployment rate exceeds the national unemployment rate. The scale can be analysed as follows:
 - (2) Normal
 - (> 2 3) Serious
 - (> 3) Severe

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, strata, census districts, disability status

Indicator: Youth Not in Employment Education or Training (NEET) (SDG 8.6.1)

Method of computation:

$$\frac{\text{Number of youth - (Number of youth in employment + number of youth not in employment who are in education or training)}}{\text{Number of youth}} \times 100$$

Description:

- It is defined as the proportion of the youth labour force that is unemployed.
- It includes discouraged worker youth as well as those who are economically inactive due to disability and engagement in household chores, among other reasons.
- NEET is also a better measure of the current universe of potential youth labour market entrants as compared with the youth inactivity rate, as the latter includes those youth who are not in the labour force and are in education, and thus cannot be considered currently available for work.

Interpretation guideline:

- A high NEET rate as compared with the youth unemployment rate could mean that a large number of youths are discouraged workers, or do not have access to education or training. Some of these youths may be unable to participate in education or in employment due to severe disabilities, lack of transportation among other factors, and it is important to evaluate such reasons for potential policy interventions.
- A high NEET rate among females as compared with males is often an indication that female youths are engaged in household chores such as washing clothes, cooking, cleaning and taking care of siblings. Such activities can be detected in the labour force survey questionnaire with appropriate probing of persons not in the labour force or through time-use surveys. When they involve excessive hours, such activities prevent female youth from going to school, thus placing young women at risk of not gaining the skills they need to succeed in the labour market. If high NEET rates exist for females, the number and adequacy of training/apprenticeship programmes which specifically target female youth should be evaluated.
- Geographic regions (rural or urban areas) with high NEET rates should be analysed for the existence or lack of training or apprenticeship opportunities and programmes. In order to monitor the effectiveness of such programmes, it is useful to monitor job placement of youth who have completed the training/apprenticeships.
- Complement NEET with skills indicators which can provide information for policy action related to enhancing the youth labour supply and employability, for example through the development of targeted skills training or apprenticeship programmes.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, strata, census districts, disability status



Indicator: Unemployment by education level

Method of computation:

$$\frac{\text{Persons unemployed with education level X}}{\text{Persons unemployed}} \times 100$$

Description:

- For each educational level (X), the indicator is the number of unemployed at that educational level over the total number of unemployed.
- The classification used for categorising education level is the International Standard Classification of Education (ISCED). The ISCED was designed by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in the early 1970s to serve as an instrument suitable for assembling, compiling and presenting comparable indicators and statistics of education, both within countries and internationally.

ISCED-11
X. No schooling
0. Early childhood education
1. Primary education
2. Lower secondary education
3. Upper secondary education
4. Post-secondary non-tertiary education
5. Short-cycle tertiary education
6. Bachelor's or equivalent level
7. Master's or equivalent level
8. Doctoral or equivalent level
9. Not elsewhere classified

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, strata, census districts

Indicator: Employment in the informal sector

Method of computation:

$$\frac{\text{Number of persons employed in informal sector}}{\text{Total Employment in non-agric}} \times 100$$

Description:

- The indicator is the percentage of persons employed in the informal sector in relation to the total number of persons employed.
- Employment in the informal sector is an enterprise-based concept and it is defined in terms of the characteristics of the place of work of the worker.
- According to the international standards adopted by the 15th International Conference of Labour Statisticians, the informal sector is a subset of unincorporated enterprises not constituted as separate legal entities independently of their owners (ILO, 1993). They are owned by individual household members, or several members of the same or different households. Typically, they are operating at a low level of organisation, on a small scale and with little or no division between labour and capital as factors of production. Criteria for categorisation within the informal sector is based on the following:
 - Destination of product (At least partially for the market)
 - No bookkeeping. The economic unit does not maintain the set of accounts required by law (e.g., balance sheets)
 - Non-registration (The economic unit is not registered under national legislation i.e. with social security authorities, sales or income tax authorities)
 - Location of workplace
 - No social conditions for employees
 - Small size (The number of workers engaged/employed on a continuous basis is below 6 OR according to national circumstances)
- The indicator can be restricted to the “non-agricultural” informal sector.
- The informal sector has the following two components:
 - i. Employees working in establishments that employ less than five employees, who do not deduct income tax from their salaries/wages; and
 - ii. Employers, own-account workers and persons helping unpaid in their household business who are not registered for either income tax or value-added tax.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts, educational level and status in occupation



Indicator: Informal Employment Rate (IER)

Method of computation:

$$\frac{\text{Number of employed persons in informal employment}}{\text{Persons employed}} \times 100$$

Description:

- Informal employment is a job-based concept and it is defined in terms of the employment relationship and protections associated to the job of the worker.
- Informal employment identifies persons who are in precarious employment situations irrespective of whether or not the entity for which they work is in the formal or informal sector.
- For employers, own-account workers and Cooperative producers, they are in informal employment if they are working in the informal sector. While all contributing family workers are considered as in informal employment, the informal employment can be found in informal sector, formal sector and in household.
- Persons in informal employment therefore consist of all:
 - i. persons in the informal sector;
 - ii. employees in the formal sector and persons working in private households who are not entitled to basic benefits such as pension or medical aid contributions from their employer, and who do not have a written contract of employment.

Interpretation guideline:

- A decreasing IER indicates progress as regards the proportion of persons employed that generally lack basic social or legal protections or employment benefits, whether they work in the formal sector, informal sector, or households.
- Countries with high concentrations of self-employed workers may wish to monitor the trends in component groups such as contributing family workers and workers producing goods for own final use.
- Employees in informal employment and its subcomponents (such as those in the formal sector, or paid domestic workers) may be of particular relevance to countries with a high proportion of employees in total employment where the informal sector is very small. Analysing the levels and trends of the component categories of informal employment will be critical to addressing policy needs.
- It is also recommended that data users analyse the trends of the proportion of total employment in the informal sector and evaluate this jointly with changes in the IER to analyse the interaction between the two indicators. Employment in the informal economy is defined as the sum of employment in the informal sector and informal employment which is outside the informal sector. It is also useful to track this aggregate indicator to understand the full dimensions of informality in an economy.
- The IER is an indicator which reflects the social, economic and legal framework context in an economy and may vary over the medium or long term depending on changes in this context. It may be helpful to analyse the IER jointly with other decent work indicators under Adequate Earnings and Productive Work, as informal employment does not by itself indicate poor employment-related income or earnings. Moreover, it may be helpful to analyse the IER with indicators such as those classified under Decent Hours and Stability and Security of Work.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts, educational level and status in occupation

Indicator: Informal employment as percentage of total (non-agricultural) employment (SDG-8.3.1)

Method of computation:

$$\frac{\text{Number of employed persons in informal employment in non-agricultural activities}}{\text{Total employment in non-agricultural sector}} \times 100$$

Description:

- Informal employment identifies persons who are in precarious employment situations irrespective of whether or not the entity for which they work is in the formal or informal sector.
- Persons in informal employment therefore consist of all:
 - i. persons in the informal sector;
 - ii. employees in the formal sector and persons working in private households who are not entitled to basic benefits such as pension or medical aid contributions from their employer, and who do not have a written contract of employment.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts, educational level and status in occupation.





Indicator: Proportion of own account workers and contributing family workers in total employment

Method of computation:

$$\frac{\text{Total number of ow own-account workers} + \text{Total number of contributing family workers}}{\text{Persons employed}} \times 100$$

Description:

- The indicator provides information regarding the proportion of workers whose status in employment may place them at higher degree of economic risk than employees and/or whose authority may be less than that of other status in employment groups.

Interpretation guideline:

- Contributing family workers (CFW) (workers who hold a self-employment' job in a market-oriented establishment operated by a related person living in the same household) are viewed as having the highest economic risk and least authority of all the status in employment groups, and are therefore at greatest risk of decent work deficits in this dimension. They are likely to hold jobs without clearly agreed working conditions or social protection. In many economies, contributing family workers tend to be women, warranting disaggregation and analysis of the indicator by sex.
- Some own-account workers (that is, workers holding self-employment jobs who may be working alone or with one or more partners and have not hired any employees on a continuous basis) may have inadequate employment conditions (for example, inadequate employment-related income and excessive hours) and jobs of short duration. This may be especially true in developing countries among many own-account informal sector enterprises and own-account subsistence agriculture production units.
- Thus, high levels of the indicator may point to inadequate employment conditions. However, in order to establish actual decent work deficits among own-account workers and CFW, the indicator should be analysed together with other indicators, including informal employment of own-account workers and CFW, employment-related income of such workers relative to cost of living, excessive hours and social protection coverage.
- To the extent that the indicator is associated with decent work deficits, progress in the indicator would be achieved by a declining trend over time and/or by progress made as regards the complementary indicators which establish decent work deficits in specific dimensions.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, region

Indicator: Rate of paid domestic work

Method of computation:

$$\frac{\text{Number of domestic workers}}{\text{Employed persons}} \times 100$$

Description:

- It is a measure of the relative importance of domestic work in total paid work.

Interpretation guideline:

- In some countries, these workers are in the worst situation in paid work because they have no social security rights, labour legislation does not include them in the regulation of working hours, holidays or weekly rest. It is therefore advantageous to have an estimate of the amount of workers in such conditions, for policy interventions.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, Age group, strata, census districts, citizenship.



Indicator: Share of wage employment in non-agricultural employment (SENEA)

Method of computation:

$$\frac{\text{Number of employees in non-agricultural employment sector}}{\text{Total employment in non-agricultural sector}} \times 100$$

Description:

- Provides information about the proportion of employees in the non-agricultural sector.
- Employees (Regular and with stable contracts) may be exposed to less economic risk than some categories of self-employed workers. However, irregular employees and those with unstable contracts are characterised by decent work deficits.
- If possible, the classification used should be ISIC-Rev 4.
- Non-agriculture sector comprises the Industry and Services sectors
- 'Industry' sector comprises the following categories: Mining and quarrying (including oil production), manufacturing, construction, electricity, gas, and water (categories B-F in ISIC Rev. 4).
- 'Services' sector comprises the following categories: Wholesale and retail trade and restaurants and hotels; transport, storage, and communications; financing, insurance, real estate and business services; and community, social and personal services (categories G-U in ISIC Rev. 4)
- The category of employees is a heterogeneous group that includes both formal and informal employees and employees in the formal and informal sectors, such that analysing the incidence of informality among this category of workers is recommended.

Interpretation guideline:

- Changes in the indicator can be expected to occur slowly over time.
- Economic development is often accompanied by an increasing proportion of employees and a decline in self-employment jobs. However, high/increasing SENEA: It is a measure of progress only in economies where employees are not associated with decent work deficits.
- In economies where there is notable decent work deficits for employees (because of a high proportion of unstable contracts and irregular employees and/or due to excessive hours, low earnings, and high rates of informal employees), a high/increasing SENEA will not indicate progress; progress should thus be measured vis-à-vis the indicators which establish the decent work deficits among the group (for example, by achieving higher proportions of stable and regular contracts among employees).
- Rural-Urban migration might decrease the value of this indicator-May lead to an increase in the number of employed persons engaged in self-employment. In recent years, with urbanization and rapid rural-urban migration, non-agricultural wage employment has not been able to keep pace with urban population growth. Many urban workers, unsuccessful in finding suitable wage employment, rely on self-employment to support themselves and their families.
- The analysis of the indicator disaggregated by sex is recommended in order to measure the degree to which women have equal access to paid employment in the industry and services sectors. It also provides information on the openness of labour markets to women in these sectors. In this case too, joint analysis with complementary indicators (e.g., earnings, excessive hours) and type of employees is recommended.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age group, educational attainment, economic activity group within the non-agricultural sector, working time, size of establishment

Table 1

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE - PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Employment opportunities	Labour Force Participation Rate (LFPR)	QMTS	Quarterly	Working Age Population	Sex, age group, urban and rural areas, education level, retired or pensioner status, potential labour force.
Employment opportunities	Rate of people outside the labour force	QMTS	Quarterly	Working Age Population	Sex, age group, urban and rural areas, education level, retired or pensioner status, potential labour force.
Employment opportunities	Employment-to-Population Ratio (EPR)	QMTS	Quarterly	Working Age Population	Sex, age, urban and rural areas, level of education, income quintile, citizenship.
Employment opportunities	Employed by number of Jobs (Multiple job-holding)	QMTS	Quarterly	Employed	Sex, occupation, status in occupation, economic activity.
Employment opportunities	Employment by Major Occupational Groups	QMTS	Quarterly	Employed	Sex, age groups, educational level, strata, census districts, disability status, nationality, type of industry.
Employment opportunities	Employment by economic activity	QMTS	Quarterly	Employed	Sex, age groups, educational level, strata, census districts, disability status, nationality, type of industry.
Employment opportunities	Manufacturing employment as a proportion of total employment-SDG 9.2.2	QMTS	Quarterly	Employed	Sex, age groups, educational level, strata, census districts, disability status, nationality, type of industry.
Employment opportunities	Employment by status in employment (ESE)	QMTS	Quarterly	Employed	Sex, age groups, economic activity.
Employment opportunities	Salaried Employment Rate	QMTS	Quarterly	Employed	Sex, age groups, strata, census districts, disability status, nationality, type of contract, institutional sector, economic activity.
Employment opportunities	Unemployment Rate (UR) - SDG 8.5.2	QMTS	Quarterly	Unemployed	Sex, strata, census districts, disability status
Employment opportunities	Long-Term Unemployment Rate (SDG 8.5.2)	QMTS	Quarterly	Unemployed	Sex, strata, census districts, disability status
Employment opportunities	Youth Unemployment Rate	QMTS	Quarterly	Youth	Sex, strata, census districts, disability status
Employment opportunities	Youth Not in Employment Education or Training (NEET) (SDG 8.6.1)	QMTS	Quarterly	Youth	Sex, strata, census districts, disability status
Employment opportunities	Unemployment by education level	QMTS	Quarterly	Unemployed	Sex, strata, census districts.
Employment opportunities	Employment in the informal sector	QMTS	Quarterly	Employed	Sex, age groups, strata, census districts, educational level and status in employment
Employment opportunities	Informal Employment Rate (IER)	QMTS	Quarterly	Employed	Sex, age groups, strata, census districts, educational level and status in occupation.

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE - PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Employment opportunities	Informal employment as percentage of total (non-agricultural) employment (SDG-8.3.1)	QMTS	Quarterly	Employed	Sex, age groups, strata, census districts, educational level, status in occupation and sector (formal, informal sector, households).
Employment opportunities	Proportion of own account workers and contributing family workers in total employment	QMTS	Quarterly	Employed	Sex, strata, census districts
Employment opportunities	Rate of paid domestic work	QMTS	Quarterly	Employed	Age group, strata, census districts, citizenship.
Employment opportunities	Share of wage employment in non-agricultural employment (SENEA)	QMTS	Quarterly	Employed	Sex, age group, educational attainment, economic activity group within the non-agricultural sector, working time, size of establishment

Adequate income and productive work

ADEQUATE INCOME AND PRODUCTIVE WORK
Employed with income below the poverty line (LMIS-22)
Working poverty rate
Low wage rate
Average Hourly Wage (LMIS-20, SDG 8.5.1)
Average domestic work wage (LMIS-19)
Average real wages (LMIS-28)
Minimum wage non-compliance rate (LMIS-23)
Minimum wage as % of median wage (LMIS-21)
Minimum wage as % of CBA (LMIS-12)
Labour income as % of GDP
Employees in training courses

Indicator: Employed persons with income below the poverty line

Method of computation:

$$\frac{\text{Number of employed persons with income below the poverty line}}{\text{Number of employed persons}} \times 100$$

Description:

It measures the proportion of the employed population (individuals) with incomes below a national poverty line.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts, educational level, economic activity and status in occupation

Indicator: Working poverty rate

Method of computation:

$$\frac{\text{Number of employed persons living in households with income below the poverty line}}{\text{Number of employed persons}} \times 100$$

Description:

- It measures the proportion of the employed population living in households that are classified as poor, i.e. have consumption or income levels below a given national or international poverty line.

Interpretation guideline:

- National poverty thresholds are recommended for this indicator, and data users should be aware of the poverty line measurement approach used and how a different approach could lead to different results.
- Note that poverty in the context of this indicator is a concept that is applied to households, and not to individuals, based on the assumption that households pool their income.
- The poverty status of a household is therefore a function of the wage and other employment-related income secured by those household members who work (plus any non-employment-related income such as transfer payments) and the number of household members. Whether a worker is counted as working poor therefore depends on his own income, the income of other household members and the number of household members for example, children who need to be supported.
- Women in sole-worker women-headed households with children tend to experience higher working poverty rates on average than men in sole-worker men-headed households with children (due to gender-pay gap). Analysing structures of households will help to understand changing working poverty rates.
- The working poor tend to have lower levels of educational attainment and often are younger on average than the non-working poor, although persons of all age categories may be found among the working poor. Such analysis may signal the types of educational policy and incentives needed to ensure that youth achieve an adequate level of educational attainment before entering the labour market.
- Analysing the industry groups, occupation groups and status in employment categories of the employed working poor may provide information on specific industry or occupation groups that could be targeted for occupational training.
- When high working poverty rates (as defined by national circumstances) are observed, it is recommended to analyse the indicator) with other decent work indicators, including social security indicators (to establish the adequacy of the social safety net), stability and security of work indicators (to determine the degree of employment instability and insecurity which is prevalent), and, where relevant, indicators on work that should be abolished, particularly child labour which is linked to poor households.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, household size, strata, census districts, educational level, economic activity and status in employment, demographic groups (households with children headed by women)



Indicator: Employee with low wage rate (ELWR)

Method of computation:

$$\frac{\text{Number of employees paid less than 2/3 of median earnings}}{\text{Number of employees}} \times 100$$

Description:

- ELWR aims to capture the percentage of employees that are working for low wages.
- It is defined as the percentage of employees whose hourly earnings in all jobs equal less than two-thirds of the median hourly earnings of all employees.
- Employees should include both full-time and part-time workers.
- Employee earnings from all jobs should be expressed in median real hourly earnings. However, if a time unit other than hourly is used, such as weekly or monthly, part-time employees should be converted into full-time equivalents to adjust for different working hours of part-time and full-time employees.

Interpretation guideline:

- The ELWR is based on a relative measure of earnings, and depends on the distribution of hourly earnings in a country. It is likely to decrease when low-paid employees at the low end of the earnings distribution increase their hourly earnings relative to other employees.
- If all employees increase (or decrease) their hourly earnings by relatively the same proportion, the rate would remain the same. It is therefore useful to analyse the indicator in conjunction with the indicator 'average real wages' that allows mapping trends in average real wages.
- The use of the median wage as a reference point to establish the low-pay threshold helps to limit the influence of outliers in the wage data.
- Differentiating between part-time and full-time employees (based on a count of total working time hours in all jobs) as defined by national circumstances, may be useful to understand the different low pay rates between these different groups of employees.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, educational level, strata, census districts, occupation, economic activity, nationality, formal/informal sector

Indicator: Average hourly earnings by occupation groups

Method of computation:

$$\frac{\text{Number of employed persons living in households with income below the poverty line}}{\text{Total hours worked by paid employees in occupation X}} \times 100$$

Description:

- The average hourly earnings (AHE) indicator refers to the arithmetic average of the hourly earnings of employees by occupation group. AHE provides information on the remuneration of employees in specific standardized occupation groups and hence may be very informative for targeted policy-making.
- The indicator can be calculated on the basis of real (i.e. inflation-adjusted) wage data.

Interpretation guideline:

- The analysis of this indicator is conducted separately for different occupation groups in order to be sufficiently informative for policy-making.
- Data users should bear in mind when analysing estimates for this indicator that worker coverage extends only to employees, that is, the employment-related income of self-employed workers in a given occupation group will not be included as the 'earnings' of that occupation group
- The indicator will not be useful to analyse trends in real weekly, monthly or annual average earnings by occupation since working time will vary and moreover because the indicator includes both full-time and part-time workers.
- Conducting a separate analysis of the real hourly earnings by occupation group of full-time versus part-time employees will be essential to understanding the different pay trends of the different employee groups.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups (youth/adult), full-time/part-time employees, educational level, strata, census districts, economic activity, occupation, formal/informal sector (with sufficient information)

Indicator: Average domestic work wage

Method of computation:

$$\frac{\text{Total earnings for domestic workers}}{\text{Total hours worked by domestic workers}} \times 100$$

Description:

- It measures the average income of persons employed in domestic work as wage earners.
- Comparisons with the average wage in other sectors of the economy should be adjusted for the number of working hours..

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts

Indicator: Average Real wages (ARW)

Method of computation:

Step 1 Average nominal earnings=	Step 2 Average real wages =
$\frac{\text{Total nominal earnings per month}}{\text{Total number of employees}} \times 100$	$\frac{\text{Total nominal earnings per month}}{\text{Total number of employees}} \times 100$

Description:

- ARW wages aims to capture the general evolution of real monthly earnings over time. Real wages have been defined in the Resolution concerning the international comparison of real wages adopted by the Eighth ICLS (1954) as the goods and services which can be purchased with wages or are provided as wages. They are calculated by dividing nominal monthly wages by the CPI in order to control for changes in consumer prices over time.
- The preferred sources of data are establishment surveys or labour force surveys that collect information on earnings which, if not based on a monthly reference period, can be converted into monthly earnings.
- In the absence of the above, other household surveys with employment and income data such as household budget surveys or household income surveys may be used as long as earnings estimates can be calculated as separate from income or expenditures. When the data source is an establishment survey or an administrative record, not all jobs will be taken into account and the coverage of the data source is likely to be limited to formal sector establishments. This may give a partial view of the situation, especially in developing countries where the informal sector is a major source of employment.

Interpretation guideline:

- Worker coverage extends only to employees and real wage statistics are usually based on gross earnings. This affects the explanatory power of the indicator with regards to the monetary aspects of purchasing power, for which net wages are relevant (i.e. wages after deduction of taxes and mandatory contributions to social security).
- Earnings data show fluctuations which reflect changes both in base pay (wages and salaries) and in any additional supplementary wage and non-wage payments. Weekly, daily and monthly earnings are also dependent on variations in hours of work.
- The fluctuations of average earnings obtained from global payrolls or responses to household surveys are also influenced by compositional changes among those in paid employment, i.e. the relative importance of male and female employees, young and older employees, unskilled and skilled employees, full-time and part-time employees etc. It may be valuable to analyse the indicator jointly with earnings distribution estimates to gain an understanding of how the average monthly earnings relate to the distribution of earnings, and whether there might be a large share of employees clustered at the high and/or low end of the earnings distribution which are masked in the average monthly earnings measure.
- It may be useful also to analyse changes in the indicator against changes in the CPI deflator (used to calculate the average real monthly earnings estimates) to evaluate to what extent real earnings growth is keeping pace with inflation growth.
- Moreover, it may also be valuable to analyse real labour productivity growth against average real earnings, but in this case the comparison should be made either on a quarterly or annual basis in line with the publication of national output measures. There frequently is not a one-to-one relationship in terms of percentage increase between the two indicators, as real labour productivity growth often far outpaces growth in real earnings, indicating unbalanced wage growth. In times of surplus labour when unemployment rates and/or other measures of labour slack (such as time-related underemployment and numbers of discouraged workers) are high or rising, even if labour productivity expands, real earnings may not increase or, if they do, at a much lower growth rate vis-à-vis that of labour productivity.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts, status in occupation, educational attainment, economic activity, formal/informal sector.

Indicator: Minimum wage non-compliance rate

Method of computation:

$$\frac{\text{Employees with wages below minimum wage}}{\text{Total number of employees}} \times 100$$

Description:

- The rate relates the number of wage earners with wages below the minimum wage (MW) to the total number of wage earners.
- The comparison can be made with the monthly wage or with the hourly wage.

Source:

MELSD Reports

Disaggregation:

Sex, age groups, strata, census districts, disability status, citizenship, occupation and economic activity

Indicator: Minimum wage as a percentage of median wage

Method of computation:

$$\frac{\text{Monthly minimum wage}}{\text{Median monthly earnings}} \times 100$$

Description:

- Statutory minimum wages protect low-paid workers against unduly low wages. To determine the level of minimum wages in relation to the overall wage structure, the indicator is expressed as a percentage of median wages.
- The indicator provides information on the relevance and potential effectiveness of the minimum wage in improving the relative position of low-paid workers. If a minimum wage is set at a very low level, it will not meet this objective.

Interpretation guideline:

- Provides information on the relevance and potential effectiveness of the minimum wage to serve as an adequate wage of low-paid employees in a given country using median earnings as a benchmark average value.
- If a minimum wage is set at a very low level, it will not meet this objective. On the other hand, if the minimum wage is too high relative to the median wage, this may have negative effects on compliance and/or employment generation.
- The minimum wage also serves as a signal for the so-called labour reserve of potential job seekers. As labour market conditions improve following an economic downturn, persons outside the labour force who want a job may take into consideration factors such as the minimum wage when deciding whether to test the labour market. If the minimum wage as percentage of median wage is relatively low, such persons may remain outside the labour force as they weigh costs of transportation, child care, etc. against potential earnings defined by the minimum wage.

Source:

MELSD Reports

Disaggregation:

Sex, strata, census districts



Indicator: Minimum wage as a percentage of the cost of Basic Needs

Method of computation:

$$\frac{\text{Monthly minimum wage}}{\text{Monthly per capita Cost of Basic Needs} * \text{Average household size}} \times 100$$

Description:

- The indicator relates the minimum wage to the cost of a food basket that meets household food needs.

Interpretation guideline:

- The indicator can be interpreted as follow: When a persons has the minimum wage as an income, the indicator shows how much does the person have left, to meet their needs, after they have bought basic needs.

Source:

MELSD Reports

Disaggregation:

Strata, census districts

Indicator: Labour income as percentage of GDP

Method of computation:

$$\frac{\text{Wage of employees + social security contributions paid by employer}}{\text{GDP}} \times 100$$

Description:

- This indicator provides information on the importance of wage labour income in relation to the output generated by the country.

Interpretation guideline:

- The indicator underestimates the share of gross value added generated by labour, as it only considers the remuneration of employees (and not that of the self-employed).

Source:

National Accounts (NA)

Disaggregation:

Economic activity

Indicator: Employee with recent job training (past year/past 4 weeks)

Method of computation:

$$\frac{\text{Number of employees who had training in the last 12 months or last 4 weeks}}{\text{Total number of employees}} \times 100$$

Description:

- It measures the proportion of employees who have received job training in the last 12 months or past 4 weeks and is a measure of employer-provided skills development.
- It does not provide information on the content, quality or duration of the training.

Interpretation guideline:

- The indicator provides information on the share of employees who have recently participated in job-related training.
- It does not provide information on the content, quality or duration of training. Training activities give employees an opportunity to improve job-related competencies, including soft skills and technical skills, yielding potential benefits for the employer in terms of productivity gains and also for the employee in terms of wage increases and greater job satisfaction.
- It may be thus interesting to complement the analysis of this indicator and related measures on the content, quality and duration of job training activities with selected indicators such as labour productivity and average wages, perhaps disaggregated by industry group.
- It may be useful to analyse this indicator jointly with a separate indicator on the number of self-employed workers who had job-related training in the last 12 months (or alternatively, in the last 4 weeks) as a percentage of total self-employed persons during the same time reference period.
- Training needs will differ greatly between employees and self-employed workers and, if combined with information on the content, quality and duration of training, such indicators may be quite useful to inform policy that targets enhanced productivity and competitiveness of key industries and occupations.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts, occupation and economic activity

Table 2

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE-PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Adequate income and productive work	Employed persons with income below the poverty line	BMTHS	Quarterly	Employed	Sex, age groups, strata, census districts, educational level, economic activity and status in employment.
Adequate income and productive work	Working poverty rate	BMTHS	Quarterly	Employed	Sex, age groups, household size, strata, census districts, educational level, economic activity and status in employment, demographic groups (households with children headed by women)
Adequate income and productive work	Indicator: Employee with low wage rate (ELWR)	QMTS	Quarterly	Employees	Sex, educational level, strata, census districts, occupation, economic activity, nationality, formal/informal sector.
Adequate income and productive work	Average hourly earnings by occupation groups	QMTS	Quarterly	Employees	Sex, age groups (youth/adult), full-time/parttime employees, educational level, strata, census districts, economic activity, occupation, formal/informal sector
Adequate income and productive work	Average domestic work wage	QMTS	Quarterly	Domestic workers	Sex, age groups, strata, census districts.
Adequate income and productive work	Average Real wages (ARW)	QMTS	Quarterly	Employees	Sex, age groups, strata, census districts, status in employment, educational attainment, economic activity, formal/informal sector.
Adequate income and productive work	Minimum wage non-compliance rate	MELSD Reports	Annually	Employees	Sex, age groups, strata, census districts, disability status, citizenship, occupation and economic activity.
Adequate income and productive work	Minimum wage as a percentage of median wage	MELSD Reports	Annually	Employees	Sex, strata, census districts.
Adequate income and productive work	Minimum wage as a percentage of the Cost of Basic Needs	MELSD Reports	Annually	Households	Strata, census districts.
Adequate income and productive work	Labour income as percentage of GDP	NA	Annually	Employees	Economic activity.
Adequate income and productive work	Employee with recent job training (past year/past 4 weeks)	QMTS	Quarterly	Employees	Sex, age groups, strata, census districts, occupation and economic activity.

Decent Working Hours

DECENT WORKING HOURS
Rate of excessive working hours
Employed by effective working hours
Average effective weekly working hours
Average number of effective annual working hours
Time-related underemployment(LMIS-42)
Paid annual leave
Part-time workers (SIMEL-43)

Indicator: Employment in excessive working time (more than 48 hours a week)

Method of computation:

$$\frac{\text{Number of employed persons whose hours actually worked is more than 48 hours per week}}{\text{Total number of employed persons}} \times 100$$

Description:

- The indicator provides information on the proportion of employed persons whose hours worked exceed 48 hours per week.
- It is an indicator of exposure to overwork, i.e. negative effects not only on workers' health, but also on their safety (e.g. increased injury risk rates) and on the work-well-being balance.

Interpretation guideline:

- Progress is achieved when acceptably low levels of employment in excessive working time (EWT) are achieved according to national circumstances.
- Progressive increases in the indicator point to a deterioration of decent work in this dimension.
- While average working time often declines during recessions, there may be economic sectors or 'status in employment' categories that experience increases in employment in excessive working time if layoffs of some workers (e.g. temporary hires) yield longer work hours for remaining workers; it is therefore recommended that the indicator be analysed by economic sector, 'status in employment' categories, and/or by stability and security of work (e.g., contract duration).
- To the extent that working time data are available for work activities in relation to the general production boundary (measured for example through time-use surveys), it is recommended that data users analyse employment in excessive working time jointly with information regarding the share of men's and women's responsibility for unpaid household service work, by age-group, household composition (presence of dependants), marital status, etc.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, strata, census districts, status in employment, institutional sector (public, private, domestic), economic activity



Indicator: Employment by weekly hours worked (hours in standardized hour bands)

Method of computation:

$$\frac{\text{Number of employed persons whose weekly hours actually worked fell within hour band X}}{\text{Total number of employed persons}} \times 100$$

Description:

- This indicator provides the percentage of the employed population whose weekly
- Hours actually worked in all jobs correspond to a selected number of weekly hours (X).
- This indicator is also an indirect measure of how much time employed people can dedicate to other activities, e.g. household work, family, leisure and recreation, and self-development.
- Weekly hours ranges (X) for international comparability in hours actually worked, are grouped as follow: 1-14 hours, 15-29 hours, 30-34 hours, 35-39 hours, 40-48 hours, 49 hours or more.

Interpretation guideline:

- The full distribution of working time in an economy can make an important contribution towards understanding the type of working time regime which exists.
- There is no ideal employment by weekly hours worked distribution, however, high concentrations of workers in the time band '49 hours or more' (excessive working time) points to a decent work deficit in this dimension. Thus, progress is achieved when acceptably low levels of employment in excessive working time are achieved.
- Workers classified in the lower weekly hours time bands (e.g., 1-14 hours, 15-29 hours, and 30-34 hours) may be voluntarily working short hours or may experience time-related underemployment (i.e. are working less than a specified threshold and are willing and available to work longer hours), the latter indicating a lack of decent work in this dimension.
- This indicator can thus be used as a screening indicator before studying in depth the phenomenon of inadequate employment.
- It is recommended that data users analyse this indicator jointly with information regarding the share of men's and women's responsibility for unpaid household service work, by age-group, household composition (presence of dependants), marital status, etc.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, strata, census districts, status in employment, economic activity





Indicator: Average annual working time per employed persons

Method of computation:

$$\frac{\text{Total annual hours actually worked}}{\text{Total average number of employed persons over the year}} \times 100$$

Description:

- The indicator provides a measure of the number of actual hours that employed persons work on average per year.
- Actual hours are the normal hours plus overtime actually worked in the year for each person employed in all their Jobs.

Interpretation guideline:

- The indicator is intended to measure aggregate average annual levels of labour utilisation per employed person through the working time concept of hours actually worked.
- This is a more refined measurement of labour utilisation than average annual employment since it reflects the labour input of workers across the working time distribution, i.e. those who work long, average and short hours, rather than count their labour input equally.
- It is recommended to complement the analysis of this indicator with that of the distribution of employment by working time (employment by weekly hours worked) to evaluate how the levels and changes in the distribution of employment by working time are affecting average annual aggregate working time per worker.
- Progress in the indicator is achieved when an acceptable level of average annual hours actually worked per employed person is observed. To help determine this, data users may wish to establish time band thresholds of low, average, and high annual working hours that are based on national circumstances.
- When disaggregated by sex, age group, status in employment group, economic activity or occupation group, the indicator provides information about the aggregate working time per worker in the various sub-groups of the employed population over a given year. Breakdowns by sex often reveal a gender gap in annual working time within the SNA production boundary (men working longer hours in employment than women, on average). It is recommended that the analysis by sex be complemented with an evaluation of the time spent by women and men in unpaid work activities in the general production boundary (e.g. unpaid housework, child rearing etc.)
- Breakdowns by economic activity, occupation group or status in employment allow data users to evaluate the effect of such variables on aggregate working time, for example due to differences in paid leave of employees (including public holidays) or related to the seasonality of employment of some economic activities or occupation groups (e.g. agricultural sector and occupations).

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, strata, census districts, economic activity status in employment (of main job), institutional sector of employees (public, private, domestic) and type of occupation (if sufficient information is available in the source)



Indicator: Average weekly working time per employed persons

Method of computation:

$$\frac{\text{Total number of employed persons over the week}}{\text{Total number of employed persons over the week}} \times 100$$

Description:

- The indicator provides a measure of the number of actual hours that employed persons work on average per week.
- Actual hours are the normal hours plus overtime actually worked by each person employed in all their jobs.
- The average can be calculated with all employed persons and also excluding absent employed persons.

Interpretation guideline:

- The full distribution of working time in an economy can make an important contribution towards understanding the type of working time regime which exists.
- There is no ideal employment by weekly hours worked distribution, however, high concentrations of workers in the time band '49 hours or more' (excessive working time) points to a decent work deficit in this dimension. Thus, progress is achieved when acceptably low levels of employment in excessive working time are achieved.
- Workers classified in the lower weekly hours time bands (e.g., 1-14 hours, 15-29 hours, and 30-34 hours) may be voluntarily working short hours or may experience time-related underemployment (i.e. are working less than a specified threshold and are willing and available to work longer hours), the latter indicating a lack of decent work in this dimension.
- This indicator can thus be used as a screening indicator before studying in depth the phenomenon of inadequate employment.
- It is recommended that data users analyse this indicator jointly with information regarding the share of men's and women's responsibility for unpaid household service work, by age-group, household composition (presence of dependants), marital status, etc.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, strata, census districts, economic activity, status in employment (of main job), institutional sector (public, private, domestic) and type of occupation (if the source has sufficient information)

Indicator: Time-Related Underemployment (TRU)

Method of computation:

$$\frac{\text{Number of persons who are in time-related under-employment}}{\text{Total number of employed persons}} \times 100$$

Description:

- It is a measure of the underutilisation of the labour force.
- It is defined as the percentage of employed persons who worked less than a specified threshold of hours during the reference period in all their jobs and who were available and willing to work more hours.

Interpretation guideline:

- TRU highlights a particular decent work deficit, namely labour underutilisation in the dimension of working time.
- As some degree of time-related underemployment is likely to exist even during periods of favourable employment conditions, progress is achieved when TRU reaches an acceptably low level according to national circumstances.
- TRU is often counter-cyclical, increasing during economic recessions and declining with economic expansion. The cyclical changes in the indicator are best monitored through short-term observations (e.g., quarterly or continuous LFS), and it is recommended that data be seasonally adjusted in order to capture underlying trends.
- The indicator may be analysed together with changes in total output (e.g. GDP growth) as well as other key indicators such as the employment-to-population ratio, the unemployment rate and employment-related income (or earnings where employees are an important component of total employment) in order to establish the key transmission mechanisms of economic changes to the labour market or new employment policies that may affect working time and related indicators.
- The volume (number of additional hours or days that can be worked) and duration of TRU (number of days, weeks, months, or years that employed persons have been continually in TRU) present the magnitude of underemployment in time units. Data users may wish to analyse the rate of volume of time-related underemployment, i.e. the volume of time-related underemployment as a share of potential time for work of the employed population. The potential time for work can be calculated by adding the volume of underemployment and the total hours actually worked by the employed. The latter provides one measure of the extent of labour underutilisation in a country.
- When the denominator used to calculate TRU is the labour force in lieu of total employed persons, it is possible to compare this with the unemployment rate as a distinct measure of labour underutilisation or even to add the two indicators together to yield a summary indicator of labour underutilisation.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational attainment, strata, census districts, economic activity and status in employment (of main job), citizenship, persons actively seeking additional work



Indicator: Rate of paid annual leave

Method of computation:

$$\frac{\text{Number of employees entitled to paid annual}}{\text{Total number of employees}} \times 100$$

Description:

- Paid annual leave refers to the period during which a worker is off work while continuing to:
 - i. receive an income and
 - ii. be entitled to social protection
- The indicator is calculated as the proportion of employees with access to paid annual leave.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, census districts, citizenship, economic activity

Indicator: Rate of part time workers

Method of computation:

$$\frac{\text{Number of employed persons working part-time}}{\text{Total number of employed persons}} \times 100$$

Description:

- “Part-time worker” refers to any employee whose normal hours of work are less than those of a full-time worker in a comparable situation. (ILO Convention No. 175)
- The Organisation for Economic Co-operation and Development (OECD) proposes to define part-time as people working less than 30 hours (threshold) [in a job].

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, census districts, status in employment and economic activity

Table 3

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE-PRODUCER	REFERENCE PERIOD	PERIODICITY	COVERAGE	DISAGGREGATIONS
Decent working hours	Employment in excessive working time (more than 48 hours a week)	QMTS	Quarterly		Employed	Sex, strata, census districts, status in occupation, institutional sector (public, private, domestic), economic activity.
Decent working hours	Employment by weekly hours worked (hours in standardized hour bands)	QMTS	Quarterly		Employed	Sex, strata, census districts, status in occupation, economic activity.
Decent working hours	Average annual working time per employed persons	QMTS	Quarterly		Employed	Sex, geographical location (urban/rural), economic activity status in occupation (of main job), institutional sector of employees (public, private, domestic) and type of occupation (if sufficient information is available in the source).
Decent working hours	Average weekly working time per employed persons	QMTS	Quarterly		Employed	Sex, strata, census districts, economic activity, status in occupation (of main job), institutional sector (public, private, domestic) and type of occupation (if the source has sufficient information).
Decent working hours	Time-Related Underemployment (TRU)	QMTS	Quarterly		Employed	Sex, age groups, educational attainment, strata, census districts, economic activity and status in employment (of main job), citizenship, persons actively seeking additional work.
Decent working hours	Rate of paid annual leave	QMTS	Quarterly		Employees	Sex, age groups, educational level, strata, census districts, citizenship, economic activity.
Decent working hours	Rate of part time workers	QMTS	Quarterly		Employed	Sex, age groups, educational level, strata, census districts, status in occupation and economic activity.

Stability and Security at Work

STABILITY AND SECURITY AT WORK
Precarious employment rate
Rate of workers with short-term contracts (LMIS-11)
Job Tenure
Average number of effective annual working hours
Time-related underemployment(LMIS-42)
Paid annual leave
Part-time workers (SIMEL-43)



Indicator: Precarious Employment Rate

Method of computation:

$$\frac{\text{Number of persons who are in precarious employment}}{\text{Total number of employed persons}} \times 100$$

Description:

- Workers in precarious employment can either:
 - a. be workers whose contract of employment leads to the classification of the incumbent as belonging to the groups of “casual workers”, “short-term workers” or “seasonal workers”; or
 - b. be workers whose contract of employment will allow the employing enterprise or person to terminate the contract at short notice and/or at will, the specific circumstances to be determined by national legislation and custom.
- In the case of workers falling under category (a) above, workers may be classified as “employees” or “own-account workers” according to the characteristics of the employment contract.
- The indicator measures the proportion of employees whose employment contract, verbal or written, is of relatively short duration or can be terminated at short notice.
- Workers under category (a) refer to the following:
 - Casual workers: contracts are not expected to continue for more than a very short period
 - Seasonal workers: contract duration is influenced by seasonal factors such as climate, public holidays, agriculture season, etc.
 - Short-term workers: contracts are expected to last for a short period, but longer than that of casual workers.
- The common element among the precarious employment categories is the precarious, short-term nature of the employment contracts (category a) or their instability, as employers may terminate them upon short notice (category b), whose contract can be terminated on short notice.

Interpretation guideline:

- Progress in the precarious employment rate is measured by achieving acceptably low levels according to national circumstances and/or a declining trend. An increasing trend in the indicator corresponds to a worsening of the decent work situation in this dimension, as it points to an increasing number of jobs becoming unstable and/or insecure.
- Some degree of overlap may exist between this indicator and informal employment, reflecting the fact that precarious employment jobs generally lack basic social or legal protections or employment benefits. Assessing the extent to which self-employment jobs are precarious could be done in terms of defining the stability of the enterprises in which they work; for example, an analysis of the average time in operation of self-employed enterprises (disaggregated by formal/informal sector) could be established.
- It is important to identify whether the engagement in this type of employment is voluntary or not given the possibility of an alternative employment situation that is not precarious.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, census districts, economic activity (agricultural and non-agricultural), status in employment (employee or own-account workers), and key occupation groups.

Indicator: Rate of workers with short-term contracts

Method of computation:

$$\frac{\text{Number of employees with short-term contracts}}{\text{Total number of employed persons}} \times 100$$

Description:

- This is the proportion of wage earners with short-term (no more than three months) or seasonal contracts.
- This is often the case in agricultural activities and also in tourism activities (when these are seasonal during the year).
- These workers are not guaranteed continuity of employment, even in the following season.
- In some countries, legislation does not provide these workers with certain labour rights such as paid holidays, severance pay, social security contributions and pension entitlements..

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, census districts, economic activity (agricultural and non-agricultural), status in employment (employee or own-account workers), and key occupation groups.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, census districts, economic activity (agricultural and non-agricultural), status in employment (employee or own-account workers), and key occupation groups, ethnicity. In particular, if reliability of estimates permits, disaggregation of ISCO-08 sub major group 63, "Subsistence farmers, fishers, hunters and gatherers" into 3-digit minor groups may help to better quantify the types of subsistence occupations which are prevalent.



Indicator: Job Tenure

Method of computation:

<i>Mean job tenure =</i>	$\frac{\text{Total number of years of job tenure among employed persons}}{\text{Total number of employed persons}} \times 100$
<i>Percent of employed persons with job tenure in length of time i =</i>	$\frac{\text{Total number of years of job tenure among employed persons}}{\text{Total number of employed persons}} \times 100$

Description:

- Job tenure measures the length of time workers have been in their current or main job or with their current employer and is valuable for analysing the degree of fluidity in the job market. There are two indicators for job tenure:
 - i. mean job tenure for all employed persons and
 - ii. percent distribution of employed persons by length of job tenure. .

Interpretation guideline:

- An increasing mean job tenure may be interpreted as increasing employment security and thus an improvement in decent work in this dimension.
- However, the indicator should be analysed cautiously with regard to the point in time of the business cycle and taking into account the key transmission mechanism of changes in total output to the labour market (i.e., whether employment, working time and/or employment-related income or earnings are most affected). For instance, during periods of economic recession or contraction, when a large number of workers risk losing their jobs, mean job tenure may tend to increase, as those laid off are often workers with shorter tenure. In this scenario, the share of employed persons with job tenure in the lower time band categories would likely decrease while the share in higher time band categories would increase.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, census districts, economic activity (agricultural and non-agricultural), status in employment (employee or own-account workers), and key occupation groups.

Table 4

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE-PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Stability and security at work	Precarious Employment Rate	QMTS	Quarterly	Employees	Sex, age groups, educational level, strata, census districts, economic activity (agricultural and non-agricultural), status in employment (employee or own-account workers), and key occupation groups.
Stability and security at work	Rate of workers with short-term contracts	QMTS	Quarterly	Employees	Sex, age groups, educational level, strata, census districts, economic activity (agricultural and non-agricultural), status in employment (employee or own-account workers), and key occupation groups.
Stability and security at work	Job Tenure	QMTS	Quarterly	Employed	Sex, age groups, educational level, strata, census districts, economic activity (agricultural and non-agricultural), status in employment (employee or own-account workers), and key occupation groups.

Equal Opportunities and Treatment at Work

EQUALITY OF OPPORTUNITY AND TREATMENT
Occupational segregation
Female participation in senior and middle management positions
Share of women in wage Employment in the non-agricultural sector

Indicator: Occupational segregation by sex

This indicator has got 3 measures.

- i. Female share in employment in each of the ISCO sub-major groups
- ii. Occupational distribution of employment by sex
- iii. Duncan index of dissimilarity (Duncan)

This indicator and its three measures provide information on the tendency for men and women to work in different occupations, where an occupation refers to a set of jobs whose main tasks and duties are characterised by a high degree of similarity. In this way, the indicator sheds light on the extent to which women and men benefit from different opportunities and treatment in work life.

Indicator: Occupational segregation by sex- 'Female share of Employment' in each of the ISCO sub-major groups

Method of computation:

$$\frac{\text{Total number of females employed in ISCO } i}{\text{Total employed persons in ISCO } i} \times 100$$

Description:

'Female share of Employment' indicates the extent to which there is a concentration of women (and men) in each sub-major group of occupations.

Interpretation guideline:

- The indicator is used to discuss the degree of feminisation of occupational groups. A group in which the female share of employment is high (for example, more than 80 per cent), may be considered as "female dominated". If the female share is low (for example, less than 20 per cent), it may be taken as "male dominated". Other occupations are considered as "integrated occupations". The share can vary depending on the overall share of women in employment.
- Increases in the female shares in Major Groups 1, 2 and 3 may be interpreted as progress with regards to the extent to which women are accessing managerial or high-skill jobs.
- Care should be exercised, however, in the interpretation of data with respect to specific high-skill groups such as teachers and nurses that have traditionally been female dominated. In these cases an increase in the share of female employment may reflect an increase in segregation.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Disability status, strata, census districts

Indicator: Occupational segregation by sex- 'Female occupation distribution'

Method of computation:

$$\frac{\text{Total number of females/males employed in ISCO } i}{\text{Total number of females/males employed}} \times 100$$

Description:

- Female occupational distribution' shows the number of females and the number of males employed in each occupational group, as a proportion of total female and male employment, respectively

Interpretation guideline:

- Differences between the female and male distributions of occupations may reflect gender differences in access to employment opportunities in each occupational group.
- It allows identification of the groups in which employed females (and males) tend to work. Taken together with the first measure, it allows an analysis not only of the access that females have to a particular occupational group, relative to males, but also of the proportion of females employed in the said occupational group.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Disability, strata, census districts

Indicator: Occupational segregation by sex- 'The Duncan Index of Dissimilarity'

Method of computation:

$$\text{Duncan (with ISCO clusters)} = \frac{1}{2} \times \sum |(W_i / W) - (M_i / M)|$$

W_i = Number of females employed in ISCO i W = Number of females employed

M_i = Number of males employed in ISCO i M = Number of males employed

Description:

'The Duncan Index of Dissimilarity' is the most popular summary indicator of segregation. It ranges from 0 to 1, with 0 meaning no occupational segregation and 1 being complete occupational segregation between the two sexes.

Interpretation guideline:

- An increase in the Index of Dissimilarity will mean a greater tendency of men or women to do different jobs.
- The index measures the tendency of labour markets to be segmented on the basis of sex, but it does not identify which occupational groups create these differences.
- As a single value, the index has the advantage that comparisons over time and between countries are easier to present.
- A disadvantage of using this index is that changes over time, as well as differences between countries are not only driven by the sex composition of occupations but also by the occupational structure of the labour market.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Disability, strata, census districts

Indicator: Female share of Employment in senior and middle management

Method of computation:

$$\frac{\text{Number of females employed in ISCO 11,12, 13}}{\text{Total Number of employed persons in ISCO 11,12, 13}} \times 100$$

Description:

- It refers to the proportion of women in managerial positions corresponding to ISCO-08 categories 11, 12 and 13 (or ISCO-88 categories 11 and 12) in the total number of persons employed. They are sub-major groups of ISCO 1-Managers.
- The indicator thus provides information on the proportion of women who are employed in decision-making and management positions in government, large companies and institutions.

Interpretation guideline:

- The female share of employment in ISCO-88 11 and 12 provides some insight into women’s power in decision-making and in the economy.
- The limitation is that it does not reflect differences in the levels of responsibility of women in these high and middle level positions or the importance of the enterprises and organisations in which they are employed.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Economic activity (If sample size permits)

Indicator: Share of women in wage Employment in the non-agricultural sector

Method of computation:

$$\frac{\text{Number of females in paid employment in non-agricultural sector}}{\text{Total Number of persons in paid employment in non-agriculture sector}} \times 100$$

Description:

This indicator presents the share of women in paid employment in the non-agricultural sector as a percentage of total paid employment in the non-agricultural sector.

Interpretation guideline:

- The indicator may vary from 0 (only men) to 100 per cent (only women). Equal numbers of women and men in the sectors would give an indicator value of 50 per cent.
- Progress is assessed by an increase in the value of the indicator (often aiding poverty reduction). Due to growing levels of development and related structural economic changes, production tends to move from the agricultural sector towards the non-agricultural sectors. At the same time, this causes a movement to paid employment jobs away from other types of jobs, with an accompanying emergence of monetized industrial and services sectors.
- The extent to which women have access to paid employment could thus reflect their integration into the monetary economy while benefiting from a more regular and largely monetary income. This in turn would be expected to have a positive impact on women's autonomy and decision-making powers.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Age groups, occupation, economic activity, strata, census districts

Table 5

CORE ELEMENT OF DECENT WORK	INDICATOR	DESCRIPTION	SOURCE - PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Equal opportunities and treatment at work	Occupational segregation by sex- 'Female share of Employment' in each of the ISCO sub-major groups		QMTS	Annually	Employed	Disability, strata, census districts
Equal opportunities and treatment at work	Occupational segregation by sex- 'Female occupation distribution'		QMTS	Annually	Employed	Disability, strata, census districts
Equal opportunities and treatment at work	Occupational segregation by sex- 'The Duncan Index of Dissimilarity'		QMTS	Annually	Employed	Disability, strata, census districts
Equal opportunities and treatment at work	Female share of Employment in senior and middle management		QMTS	Annually	Employed	Economic activity
Equal opportunities and treatment at work	Indicator Share of women in wage Employment in the non-agricultural sector		QMTS	Annually	Employees	Age groups, occupation, economic activity, strata, census districts

Safe Working Environment

Safe Working Environment
Fatal occupational injury rate (SDG 8.8.1)
Non-fatal occupational injury rate (SDG 8.8.1)
Labour inspection rate (LMIS-15)
Time lost due to occupational injuries

- Occupational injury: Any personal injury, disease or death resulting from an occupational accident.¹²⁰ An occupational injury is different from an occupational disease, which comes as a result of an exposure over a period of time to risk factors linked to the work activity. Diseases are included only in cases where the disease arose as a direct result of an accident.
- Occupational accident: An unexpected and unplanned occurrence, including acts of violence, arising out of or in connection with work which results in one or more workers incurring a personal injury, disease or death. Occupational accidents are to be considered travel, transport or road traffic accidents in which workers are injured and which arise out of or in the course of work; that is, while engaged in an economic activity, or at work, or carrying out the business of the employer.
- Workers in the reference group: Workers in the reference group refer to the average number of workers in the particular group under consideration and who are covered by the source of the statistics of occupational injuries (for example, those of a specific sex or in a specific economic activity, occupation, region, age group, or any combination of these, or those covered by a particular insurance scheme, accident notification systems, or household or establishment survey).

Indicator: Occupational injury frequency rate, fatal (SDG 8.8.1)

Method of computation:

$$\frac{\text{Number of new cases of occupational fatalities during the reference period}}{\text{Total Number of hours worked by workers in the reference group during the reference period}} \times 100\,000$$

Description:

- Fatal occupational injury: an occupational injury leading to death within one year of the day of the occupational accident.
- Case of fatal occupational injury: the case of a worker fatally injured as a result of one occupational accident, and where death occurred within one year of the day of the accident.
- The fatal occupational injury frequency rate provides information on the number of fatal occupational injury cases per hours worked by the concerned population during the reference period.
- It measures the risk of having a fatal occupational injury and this is based on the duration of exposure to adverse work-related factors.
- The fatal occupational injury frequency rate is calculated as the number of new cases of fatal injury during the reference year divided by the total number of hours worked by workers in the reference group during the reference year, multiplied by 100,000.
- If the data needed for calculating the frequency rate are not available, the incidence rate defined below may be calculated instead.



Indicator: Occupational injury incidence rate, fatal

Method of computation:

$$\frac{\text{Number of new cases of occupational fatalities during the reference period}}{\text{Total Number of workers in the reference group during the reference period}} \times 100\,000$$

Description:

- If the data needed for calculating the frequency rate are not available, the incidence rate may be calculated instead.
- The fatal occupational injury incidence rate is calculated as the number of new cases of fatal injury during the reference year divided by the average number of workers in the reference group during the reference year, multiplied by 100,000.
- In calculating the average number of workers, the number of part-time workers should be converted to full-time equivalents. For the calculation of rates, the numerator and the denominator should have the same coverage. For example, if self-employed persons are covered in the statistics of fatal occupational injuries they should also be covered in the denominator.

Interpretation guideline: Occupational injury frequency rate, fatal (SDG 8.8.1)

- The role of the indicators is to identify important areas to which attention should be paid. In order to be able to design more targeted prevention mechanisms and related policies it is recommended to disaggregate and analyse this indicator by sex, occupation, economic activity, or any combination of these. For instance, workers in occupations and activities of highest risk can be targeted more effectively for inspection visits, development of regulations and procedures, and also for safety campaigns.
- There may be problems of under reporting of fatal occupational injuries, and proper systems should be put in place to ensure the best reporting and data quality. Under reporting is thought to be present in countries at all levels of development, but may be particularly problematic in some developing countries. Data users should be aware of this issue when analysing the data.
- Due to the fact that data quality issues may be present, it may be more relevant to analyse indicator trends rather than levels. When measured over a period of time, the data can reveal progress or deterioration in occupational safety and health, and thus point to the effectiveness of prevention measures.
- This indicator is volatile and strong annual fluctuations may occur due to unexpected but significant accidents or national calamities. The underlying trend should therefore be analysed.

Source:

MELSD Reports

Disaggregation:

Sex, occupation, economic activity, or any combination of these.

Indicator: Occupational injury frequency rate, non-fatal (SDG 8.8.1)

Method of computation:

$$\frac{\text{Number of new cases of non-fatal occupational injury during the reference period}}{\text{Total Number of hours worked by workers in the reference group during the reference period}} \times 100\,000$$

Description:

- The non-fatal occupational injury frequency rate provides information on the number of new cases of non-fatal occupational injury per hours worked by the concerned population during the reference period. It is a measure of the risk of having a non-fatal occupational injury based on the duration of exposure to adverse work-related factors.
- If the data needed for calculating the frequency rate are not available, the incidence rate and/or severity rate defined below may be calculated instead.
- Cases of permanent incapacity for work are cases of occupational injury where the persons injured were unable to work from the day of the accident, and were never able to perform again the normal duties of work in the job or post occupied at the time of the occupational accident causing the injury.
- Cases of temporary incapacity are cases of occupational injury where the workers injured were unable to work from the day after the day of the accident, but were later able to perform again the normal duties of work in the job or post occupied at the time of the occupational accident causing the injury within a period of one year from the day of the accident.





Indicator: Occupational injury incidence rate, fatal (SDG 8.8.1)

Method of computation:

$$\frac{\text{Number of new cases of fatal occupational injury during the reference period}}{\text{Total Number of workers in the reference group during the reference period}} \times 100\,000$$

Description:

- If the data needed for calculating the frequency rate are not available, the incidence rate and/or severity rate defined below may be calculated instead.
- The non-fatal occupational injury incidence rate is calculated as the number of new cases of non-fatal injury during the reference year, divided by the number of workers in the reference group during the reference year, multiplied by 100,000.
- In calculating the average number of workers, the number of part-time workers should be converted to full-time equivalents. For the calculation of rates, the numerator and the denominator should have the same coverage. For example, if self-employed persons are covered in the statistics of fatal occupational injuries they should also be covered in the denominator.

Interpretation guideline:

- The role of the indicators is to identify important areas to which attention should be paid. In order to be able to design more targeted prevention mechanisms and related policies it is recommended to disaggregate and analyse this indicator by sex, occupation, economic activity, or any combination of these. For instance, workers in occupations and activities of highest risk can be targeted more effectively for inspection visits, development of regulations and procedures, and also for safety campaigns.
- There may be problems of under reporting of non-fatal occupational injuries, and proper systems should be put in place to ensure the best reporting and data quality. Under reporting is thought to be present in countries at all levels of development, but may be particularly problematic in some developing countries. Data users should be aware of this issue when analysing the data.
- Because data quality issues may be present, it may be more relevant to analyse indicator trends rather than levels. When measured over a period of time, the data can reveal progress or deterioration in occupational safety and health, and thus point to the effectiveness of prevention measures.
- This indicator is volatile and strong annual fluctuations may occur due to unexpected but significant accidents or national calamities. The underlying trend should therefore be analysed.

Source:

MELSD Reports

Disaggregation:

Sex, occupation, economic activity, or any combination of these

Indicator: Labour inspection rate per 10,000 employed

Method of computation:

$$\frac{\text{Number of labour inspectors}}{\text{Number of employed persons}} \times 10\,000$$

Description:

- The rate of inspectors per 10,000 employed persons is a crude proxy measure of the resources for monitoring and enforcing work conditions and standards.
- The system of labour inspection is in charge of:
 - i. securing “the enforcement of the legal provisions relating to conditions of work and the protection of workers while engaged in their work;”
 - ii. supplying “technical information and advice to employers and workers concerning the most effective means of complying with legal provisions;”
 - iii. bringing “to the notice of the competent authority defects or abuses not specifically covered by existing laws”.
- It is important to synchronize the reference periods used for computing the number of labour inspectors and the number of employed persons.

Interpretation guideline:

- Labour inspectors are in charge of monitoring and evaluating many labour-related practices of which safety and health at the workplace is one.
- The indicator at hand may not give a complete picture of whether health- and safety-related practices at the workplace are monitored to a sufficient extent.
- In addition, it does not provide information on the number of inspections conducted or the quality of the work conducted by the labour inspectorate.
- In order to be able to evaluate the results, a benchmark of an acceptable or a desired number of labour inspectors per 10,000 employed persons is necessary.

Source:

MELSD Reports

Indicator: Time lost due to occupational injuries

Method of computation:

$$\frac{\text{Number of days lost due to new cases of occupational injuries during the reference}}{\text{Number of occupational injuries during the reference period}} \times 10\,000$$

Description:

- Time lost due to occupational injuries is an indicator that measures the consequences of occupational injuries in terms of lost days.
- It may be used to design targeted prevention mechanisms and to estimate the cost of occupational injuries. Hence, it gives a quantifiable measure of the impact of the injuries which is comparable across cases.
- Time lost per occupational injury is defined as the median or mean number of calendar days lost per new cases of non-fatal occupational injury resulting in temporary incapacity.
- Both the numerator and the denominator should have the same coverage.
- Incapacity for work: inability of the victim, due to an occupational injury, to perform the normal duties of work in the job or the post occupied at the time of the occupational accident.
- Cases of non-fatal injury with lost work time (permanent and temporary incapacity):
 - i. Cases of permanent incapacity for work are cases of occupational injury where the persons injured were unable to work from the day of the accident, and were never able to perform again the normal duties of work in the job or post occupied at the time of the occupational accident causing the injury.
 - ii. Cases of temporary incapacity are cases of occupational injury where the workers injured were unable to work from the day after the day of the accident, but were later able to perform again the normal duties of work in the job or post occupied at the time of the occupational accident causing the injury within a period of one year from the day of the accident.
- Days lost by cases of temporary incapacity: days lost due to temporary incapacity refer to the number of calendar days during which those persons temporarily incapacitated were unable to work, excluding the day of the accident, up to a maximum of one year. Time lost is counted inclusively from the day after the day of the accident until the day prior to the return to work. Recurrent absences due to an occupational injury should be counted as one case. Time lost excludes temporary absences from work for medical treatment of less than one day.

Interpretation guideline:

- Time lost should be measured in terms of the number of calendar days during which the injured person is temporarily incapacitated, in order to assess the severity of the injury. If time lost is measured in workdays, attempts should be made to assess the total number of calendar days lost.
- The average number of calendar days lost is useful for targeting accident prevention, while the average number of workdays lost is useful for measuring the economic impact of the absence from work caused by the injury for both the worker and the employer.
- There may be problems of under reporting of time lost due occupational injuries, and proper systems should be put in place to ensure the best reporting and data quality. Under reporting is thought to be present in countries at all levels of development, but may be particularly problematic in some developing countries. Data users should be aware of this issue when analysing the data.
- Due data quality issues may be present; it may be more relevant to analyse indicator trends rather than levels. It is recommended to analyse the trends of this indicator together with the frequency rates of new cases of occupational injuries and the severity of new cases of non-fatal occupational injuries.

Source:

MELSD Reports

Disaggregation:

Sex, occupation, economic activity

Table 6

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE - PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Safe working environment	Occupational injury frequency rate, fatal (SDG 8.8.1)	MELSD Reports	Annually	Employed	Sex, occupation, economic activity, or any combination of these.
Safe working environment	Occupational injury incidence rate, fatal	MELSD Reports	Annually	Employed	Sex, occupation, economic activity, or any combination of these.
Safe working environment	Occupational injury frequency rate, non-fatal (SDG 8.8.1)	MELSD Reports	Annually	Employed	Sex, occupation, economic activity, or any combination of these.
Safe working environment	Occupational injury incidence rate, fatal (SDG 8.8.1)	MELSD Reports	Annually	Employed	Sex, occupation, economic activity, or any combination of these.
Safe working environment	Labour inspection rate per 10,000 employed	MELSD Reports	Annually	Employees	None
Safe working environment	Time lost due to occupational injuries	MELSD Reports	Annually	Employed	Sex, occupation, economic activity

Work that should be abolished

WORK THAT SHOULD BE ABOLISHED
Child labour rate (LMIS-34)
Hazardous Child Labour Rate (LMIS-35)

Child labour

- Child labour can be measured in terms of children's participation in productive activities, either on the basis of the overall production frontier or on the basis of the SNA production frontier.
- Includes all persons aged 5 to 17 who, during a specified period of time, participated in one or more of the following categories of activities:
 - a. the worst forms of child labour; and
 - b. employment below the minimum age, including children under the age of 18.
- When considering the SNA production boundary, child labour includes all children in the 5-14 age group who work (to generate income) + those aged 15-17 in hazardous work.
- It excludes those aged 12-14 who work less than 14 hours per week in light work.
- According to the international statistical standards, children are considered to be in child labour if they are:
 - iii. below the age of 12 and working;
 - iv. aged 12 to 14 years and usually working more than 14 hours per week;
 - v. aged 12 to 14 years, usually working 14 hours or less per week (permitted light work), but stated s/he was working in a designated hazardous industry and/or occupation or worked under hazardous conditions;
 - vi. aged 15 to 17 years and usually working more than 42 hours per week; and
 - vii. aged 15 to 17 years and usually working less than or 42 hours per week (normal work), but stated s/he was working in a designated hazardous industry and/or occupation.



Hazardous child labour

- Children below the age of 18 years are considered to be engaged in hazardous work if:
 - i. they performed “tasks and duties of hazardous nature even for one hour during the reference period (designated hazardous occupations)” or
 - ii. “worked long hours (usually working more than 42 hours per week) or worked under hazardous conditions” regardless of the tasks and duties being of hazardous nature or not. The hazardous occupations are designated by national legislation.
- Hazardous work:
 - a. Exposure to physical, psychological or sexual abuse
 - b. Underground, underwater, at dangerous heights or in enclosed spaces
 - c. With dangerous machinery, equipment and tools, or the manual transport of heavy loads;
 - d. Unhealthy environment due to exposure to hazardous substances, agents or processes, or to temperatures, noise or vibration levels which are harmful to health.
 - e. Particularly difficult conditions, such as long hours or night work, or work that unreasonably detains the child on the employer’s premises
- Some countries may also designate hazardous industries, for example, mining and quarrying

Indicator: Child labour rate

Method of computation:

$$\frac{\text{Number of children in child labour aged 5-17}}{\text{Total number of children aged 5 to 17}} \times 100$$

Description:

- The indicator reflects children’s participation in prohibited work and, more generally, in types of work that should be eliminated as they are socially and morally undesirable according to national and international standards.
- Child labour may refer only to work in the ‘employment’ or, more broadly, to all forms of work.

Interpretation guideline:

- There are significant differences in the experiences of girls and boys with respect to child labour. This is particularly so when hazardous unpaid household services are included in the measurement of child labour (hazardous unpaid household services – not all unpaid household services are included in the estimate of child labour when child labour is measured on the basis of the general production boundary).
- Cultural norms, especially with respect to the age of marriage of girls, may impact on the value of the CLR (married girls would tend to be excluded when data is being collected on the grounds that they are no longer children).
- Several elements in the definition of child labour require national consensus and consistency with the national legislation. This includes the list of designated hazardous occupations and/or industries, a cut-off point in terms of weekly hours worked and legislated minimum age of employment.
- Child labour indicators should be analysed together with indicators such as Children not in school and other education and/or health-related indicators for the age group concerned.

Source:

Quarterly Multi Topic Survey with child labour module

Disaggregation:

Age groups (5-11, 12-17), strata, census districts, economic activity, school attendance

Indicator: Hazardous Child Labour Rate (HCLR)

Method of computation:

$$\frac{\text{Number of children in hazardous child labour aged 5-17}}{\text{Total number of children aged 5 to 17}} \times 100$$

Description:

- HCLR gives the prevalence of hazardous work among the population of children aged 5 to 17 years. In this way, the indicator reveals the extent of hazardous work within the category of child population aged 5 to 17 years.

Interpretation guideline:

- The list of designated hazardous occupations and/or industries require national consensus and consistency with national legislation.
- A cut-off point in terms of weekly hours worked and legislated minimum age of employment require national consensus and consistency with national legislation.
- Child labour indicators should be analysed together with indicators such as Children not in school and other education and/or health-related indicators for the age group concerned

Source:

Quarterly Multi Topic Survey with child labour module

Disaggregation:

Age groups (5-11, 12-17), strata, census districts, economic activity, school attendance

Table 7

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE - PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Work that should be abolished	Child labour rate	QMTS with child labour module	Annually	Children	Age groups (5-11, 12-17), strata, census districts, economic activity, school attendance.
Work that should be abolished	Hazardous Child Labour Rate (HCLR)	QMTS with child labour module	Annually	Children	Age groups (5-11, 12-17), strata, census districts, economic activity, school attendance.

Social Dialogue and Representation

SOCIAL DIALOGUE AND REPRESENTATION
Trade union membership rate
Collective bargaining coverage rate



Indicator: Trade union density rate

Method of computation:

$$\frac{\text{Trade union members in employment}}{\text{Total number of employed persons}} \times 100$$

Description:

- Trade unions are workers' organisations formed for the purpose of promoting and defending workers' interests.
- The union membership rate provides an indirect measure of worker representation and the influence of trade unions. It is a measure of the extent to which freedom of association is exercised

Interpretation guideline:

- A workers' organisation is independent is an independent organisation which is free from government or other third-party interference in its internal affairs, and is able to carry out its economic and social mission irrespective of political changes in the country.
- It "has the right to draw up its constitution and rules, to elect its representatives in full freedom, to organize its administration and activities and to formulate its programmes.
- While the trade union density rate gives some indication as to the extent of the exercise of freedom of association, it needs to be analysed within the national context (e.g. whether or not workers are free to organize strikes, etc.) and thus should be interpreted within the legal framework.
- The indicator should not be used as the sole indicator of the bargaining power of unions. Countries with low density rates may have a very high coverage of workers through collective agreements; countries with high density rates may have very poor social dialogue. However, high density rates do not necessarily reflect a situation where the majority of employed persons may exercise freedom of association, such as would allow them to potentially benefit from trade union membership.

Source:

Quarterly Multi Topic Survey and MELSD Register

Disaggregation:

Sex, institutional sector, type of organisation

Indicator: Collective bargaining coverage rate

Method of computation:

$$\frac{\text{Number of employees whose pay and conditions are determined by collective agreement}}{\text{Total number of employees}} \times 100$$

Description:

- Indicates the proportion of workers whose pay and/or working conditions are determined by one or more collective agreements. It may be limited to the case of employees.
- It therefore provides a measure of the scope of collective agreements and, as such, can help to assess and monitor the development of industrial relations.

Interpretation guideline:

- Collective bargaining agreement refers to “all agreements in writing regarding working conditions and terms of employment concluded between an employer, a group of employers or one or more employers’ organisations, on the one hand, and one or more representative workers’ organisations, on the other”.
- Collective bargaining refers to “all negotiations which take place between an employer, a group of employers or one or more employers’ organisations, on the one hand, and one or more workers’ organisations, on the other, for:
 - a. determining working conditions and terms of employment; and/or
 - b. regulating relations between employers and workers; and/or (c) regulating relations between employers or their organisations and a workers’ organisation or workers’ organisations”.
- While this indicator gives some indication as to the exercise of collective bargaining rights, it does not necessarily reflect the direct outcome of negotiations. It does, however, reflect the particularity of the industrial relations system and type of labour regulation to which a country subscribes. This includes the number of collective agreements reached, the bargaining structure, as well as the interaction between the collective bargaining process, administrative regulations and labour law.
- The collective bargaining coverage rate should be analysed within the national context and should be interpreted within the appropriate legal framework.

Table 8

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE - PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Social dialogue and representation	Trade union density rate	QMTS	Quarterly	Employees	Sex, institutional sector, type of organisation.
Social dialogue and representation	Collective bargaining coverage rate	QMTS	Quarterly	Employed	Sex, institutional sector (public, private), status in occupation, economic activity.

Reconciliation of Work and Family Life

RECONCILIATION OF WORK AND FAMILY LIFE
Travel time between home and workplace
Average hours of work in the household and paid work
Percentage of women on maternity leave
Percentage of men on paternity leave
Female participation rate of women of childbearing age

- The substantive element Combining Work, Family and Personal Life covers a small set of decent work indicators related to standards and fundamental principles and rights at work and social protection.
- The Tripartite Commission that defined the Decent Work Indicator System in 2008 did not reach consensus on defining the indicators for this dimension.
- Different countries have made proposals, which are listed in the ILO Decent Work Handbook.
- There are three types of indicators:
 - a. Time that cannot be made available to the worker or to the family because of work
 - b. Time off from work authorised by law for family obligations
 - c. Link to the women’s labour market
- Suggested indicators and countries that calculate them:
 - iv. Travel time between home and work (Brazil)

- v. Average hours of work at home and paid work (Brazil)
- vi. Percentage of women on maternity leave as a share of all employed women of childbearing age [15-49] (Ukraine)
- vii. Percentage of men on paternity leave as a share of all employed men aged 20-54 (adapted from Ukraine indicator)
- viii. Female childbearing age participation rate (Indonesia)

Social Security

SOCIAL SECURITY
Proportion of population aged 65 and over benefiting from a pension (SDG 1.3.1)
Paid sick leave rate
Public expenditure on social security
Percentage of population with basic health coverage (SDG 1.3.1)
Percentage of the labour force contributing to a pension scheme

Indicator: Share of population above the statutory pensionable age (or aged 65 or above) benefiting from an old - age pension

Method of computation:

$$\frac{\text{Number of old-age pension beneficiaries above statutory retirement age}}{\text{Total number of persons above statutory retirement age}} \times 100$$

Description:

- Measures the proportion of the population above the statutory retirement age receiving an old-age pension.
- It sheds light on the size of the population with social protection through a pension in old age.
- A beneficiary is "the person in respect of whom the social security benefit is provided, whether or not he or she is an entitled beneficiary".
- An old-age pension refers to periodic payments intended: (i) to maintain the income of the beneficiary after retirement from gainful employment at the statutory/standard age or (ii) to support the income of older persons (excluding support for a limited duration).
- A beneficiary is the person in respect of whom social security benefit is granted, irrespective of whether he is a titular beneficiary or not.
- The benefits covered are periodic cash retirement benefits. They can be means-tested or non means-tested and provided through contributory or non-contributory schemes.
- Means-tested social benefits are social benefits which are explicitly or implicitly conditional on the beneficiary's income and/or wealth falling below a specified level. Thus, Non means-tested benefits are those benefits that are established entirely independently of the beneficiary's income and/or wealth.
- Contributory schemes are social protection schemes that require the payment of contributions, by the protected persons or by other parties on their behalf, in order to secure individual entitlement to benefits. Conversely, non-contributory schemes normally do not require direct contribution from beneficiaries or their employers as a condition of entitlement to receive relevant benefits. Non-contributory schemes include a broad range of schemes including universal schemes for all residents and some categorical means-tested schemes. Non-contributory schemes are usually financed through tax or other state revenues.
- Beneficiaries who receive supplementary benefits that complement other basic old-age benefits (i.e. "second-pillar" schemes) are excluded to avoid double counting.

- The age limit can be set at the statutory pensionable age or, in cases where international comparison is desired, at 65 or above.
- To the extent possible, the numerator includes survivors' and disability benefits once the beneficiary reaches the statutory pensionable age (or the age of 65). In other words, the numerator should capture all beneficiaries of an old-age pension, whether they themselves were participants in a social security scheme (contributors) or not, for instance, family members of deceased contributors who receive a part of the latter's pension. Both in the case of survivors' and disability benefits, it is important to note that only those who fall within the age group will be counted.
- The denominator corresponds to the total size of the population defined as above the statutory pensionable age or aged 65 or above. The same age group should be used for the numerator.

Interpretation guideline:

- This indicator does not capture all beneficiaries of an old-age pension; for example, it would not capture those who receive an old-age pension before reaching the statutory pensionable age as a result of opting for early retirement or survivors' benefit below the age of statutory retirement.
- It is recommended that the results (levels and changes over time) be analysed in relation to contextual information, in particular regarding the type of schemes and combination of schemes existing in the country. These can include contributory schemes, provident funds, universal or targeted schemes; defined benefit versus defined contribution schemes; private versus public; and means tested or non means-tested benefits. For example, because of the ambiguous role of means-tested old-age pensions, two variants of coverage indicators can be calculated: one excluding and one including means-tested old-age pensions.
- In order to observe effective coverage, this indicator will preferably be analysed together with average old-age pension benefits per month per person who is above the statutory pensionable age (or aged 65 and above) benefiting from an old-age pension. When such information is not available, statutory information on the legal replacement rate can be considered in analysing this indicator.
- The fact that in most countries workers can postpone retirement and continue working after the statutory pensionable age should be taken into account when interpreting the results.

Source:

MELSD Reports

Disaggregation:

Age group, sex, type of social security scheme and benefits

Indicator: Paid sick leave rate

Method of computation:

$$\frac{\text{Number of employees with paid sick leave}}{\text{Number of employees}} \times 100$$

Description:

- Paid sick leave is a periodic cash benefit paid regularly as income replacement as a result of temporary inability to work due to illness and/or injury.
- The indicator measures the proportion of employees who have access (not just the right) to paid sick leave if they have to leave work due to illness or accident.

Source:

MLRGD Reports

Disaggregation:

Sex, age groups, economic activity



Indicator: Public expenditure on social security

Method of computation:

$$\frac{\text{Total annual public social security expenditure}}{\text{GDP}} \times 100$$

Description:

- It includes nine classes of benefits:
 - i. Medical assistance
 - ii. Sickness benefit
 - iii. Unemployment benefits
 - iv. Old-age benefit
 - v. Occupational injury benefit
 - vi. Household allowances
 - vii. Maternity benefit
 - viii. Disability allowance
 - ix. Other income support and assistance programmes, including conditional cash transfers
- The indicator measures total public expenditure on social security as a percentage of GDP (constant prices).
- It synthesises the overall public redistributive effort.
- It reflects the country's social spending effort in relation to the size of its economy.
- Both the numerator and the denominator should be in current prices and national currency.

Interpretation guideline:

- This indicator is useful for comparative analysis at the national level and also component (social security scheme) level, but there is a need to understand the composition of the national social security system or changes to the composition over time.
- Social protection expenditure in the longer run is positively correlated with overall coverage (its scope, extent and level). However, it may also change due to factors other than changes in coverage, such as:
 - Changes in social security expenditure are often countercyclical; a fall in total public social security expenditure as a percentage of GDP could result from higher employment rates (declining unemployment) or from a reduction in occupational injuries which could point towards progress. In other words, in specific branches/ functions of social security (e.g. employment injury insurance and unemployment, in particular) an increase or decrease in expenditure may be due to changes in the need or utilisation of those benefits (such as more or fewer accidents at work) and not to changes in coverage.
 - The demographic structure, and in particular the share of older persons, is another factor that can have a direct impact on old-age and health expenditure, as well as on the global public expenditure indicator.
 - The size of the formal and informal economy has direct implications on the coverage of social insurance and other contributory schemes.
 - Aggregate expenditure can be distributed in various ways among lower- and higher-income populations. Expenditure may be high (or increase) as a result of the expansion of a specific generous programme for a relatively narrow, better-off group of the population (such as civil servants, military personnel, etc.) In other words, an increase in the expenditure may not necessarily correspond to an increase in the number of people covered.

Source:

MELSD Reports and System of National Accounts

Disaggregation:

Health and non-health public social security expenditure

Indicator: Health expenditure not financed out of pocket by private households

Method of computation:

$$\frac{\text{Total healthcare expenditure-Out of Pocket Payments (OOP)}}{\text{Total expenditure on health}} \times 100$$


- *Total healthcare expenditure = public + private healthcare expenditure*
- *Public healthcare expenditure = Government expenditure on healthcare + social security schemes expenditure on healthcare*
- *Private healthcare expenditure = OOP + Private insurance*

Description:

- The indicator measures total public expenditure on social security as a percentage of GDP.
- It synthesises the overall public redistributive effort.
- It reflects the country's social spending effort in relation to the size of its economy.
- It is the proportion of costs not borne out of pocket at the point of service delivery. Levels of coverage become lower when out-of-pocket payments increase. High out-of-pocket payment rates thus indicate gaps in financial coverage, as well as insufficient financial protection provided by the existing social health protection mechanisms.
- Out-of-pocket spending by private households (OOPs) is the direct outlay of households, including gratuities and payments in kind made to health practitioners and suppliers of pharmaceuticals, therapeutic appliances and other goods and services, whose primary intent is to contribute to the restoration or to the enhancement of the health status of individuals or population groups.
- OOPs expenditure comprises expenditures on medications purchased without a prescription and not reimbursable. It also comprises other healthcare expenditures directly paid by private households, irrespective of whether contact with the healthcare system was established on referral or on the patient's own initiative, or whether it includes cost-sharing.
- Ideally, OOPs should be split into cost-sharing and OOPs excluding cost-sharing for the calculation of the indicator. Cost-sharing means that a health insurance or third party payers provide for beneficiaries to cover part of the medical cost via a fixed amount per service (co-payment) or a set share of the price tagged to services (co-insurance, also labelled in some countries 'ticket modérateur'), or a fixed amount to be borne before the third-party gets involved (deductible). OOPs without cost-sharing means that payments are borne directly by a patient without the benefit of insurance. These include informal payments to health care providers but exclude cost-sharing payments.
- In practice, however, it is difficult to separate the cost-sharing component of OOPs, especially in developing countries. In addition, cost-sharing often represents a negligible part of OOPs. As a consequence, total OOPs is used most of the time in computing the numerator of this indicator

Interpretation guideline:

- When interpreting this indicator, limitations related to the measurement of out-of-pocket expenditure should be taken into account. These limitations are mostly due to the limited capacity to monitor and track meaningful change in out-of-pocket health spending, as well as catastrophic payments for healthcare over time. Difficulties also arise when separating cost-sharing from the rest of out-of-pocket expenditure.
- More importantly, the multiple dimensions of health should be considered when measuring health coverage. One has to look at a number of interlinked indicators of effective access to health coverage: (i) statutory coverage by social health protection measures, (ii) affordability of healthcare services to households and (iii) availability and quality of services in terms of qualified health workforce, infrastructure, etc. Partial indicators widely available both at the national and international levels (WHO, OECD, Eurostat, ILO) relate to these different dimensions of coverage, for example: the percentage of persons covered by law; out-of-pocket expenditure as a percentage of total health expenditure; density of medical personnel of different skills and some infrastructure



indicators; overall levels of healthcare spending; and, finally, information on the actual utilisation of selected healthcare services, such as percentage of births attended by skilled medical personnel and percentage of children vaccinated.

- Effective access to healthcare and levels of actual utilisation certainly depend on all the above factors, as well as the availability of services with the level of financial protection being determined both by statutory coverage and effective coverage. However, at the same time there are other factors that influence access, including cultural ones.
 - Finally, WHO definitions and metadata should be closely followed in interpreting this indicator.

Source:

National Accounts

Disaggregation:

Public and private health-care expenditure

Indicator: Percentage of the labour force contributing to a pension scheme

Method of computation:

$$\frac{\text{Number of persons in the labour force contributing to an old-age pension scheme}}{\text{Labour force}} \times 100$$

Description:

- The indicator captures the proportion of the labour force (15-64) protected through a contributory pension scheme (with benefits guaranteed but not currently received).
- It seeks to avoid double counting active contributors who contribute to more than one scheme.
- It thus provides information about the proportion of the economically active population that will receive an old age pension once reaching pensionable age.
- The age interval for this indicator should be the labour force population below the statutory age for retirement, for example, 15 to 64.
- The scope of the numerator for this indicator is contributory or partially contributory pension schemes. The indicator focuses on active contributors who are a sub-group of the affiliated or protected population.
- **Active contributors** are insured individuals who have made at least one contribution or on whose behalf at least one contribution has been made during the reporting period (i.e. the 12 month period).
- **Protected persons or affiliated persons** are persons who are insured by the social protection scheme. This includes persons who are active contributors, as well as persons who have not made any contributions or on whose behalf no contributions have been made during the reporting period but who are still protected by the scheme and would benefit should a contingency arise. For example, long-term unemployed persons who may no longer be contributing to the old-age pension scheme (and on whose behalf no contributions are being made) but who have the minimum number of contributions to qualify for an old-age benefit upon reaching the statutory age for retirement qualify as protected or affiliated persons.
- In **contributory schemes**, entitlement to a benefit is based on contributions from insured persons and/or their employer.
- **Basic schemes** are social protection schemes that guarantee a basic level of protection. (By means of comparison, supplementary schemes are social protection schemes that top up cash benefits granted by the basic scheme, or extend the coverage of the basic scheme.) According to this concept definition, “basic” scheme does not refer to the level of benefits. In particular, it is not to be understood as referring to a minimum level of benefits; it may well be that the benefits provided by a basic scheme are fairly generous. The distinction between basic schemes and supplementary schemes rather reflects the relationship between different types of benefits.

Interpretation guideline:

- The scope of this indicator is limited to contributory pension schemes which still represent a large majority of the existing pension schemes. However, some non-contributory schemes now exist, notably in developing countries, covering a larger part of the population than the contributory schemes which are limited to formal economy workers. Hence, the results (levels and changes over time) should be analysed in relation to the contextual information, in particular regarding the type of pension schemes and combination of schemes existing in the country: contributory schemes, provident funds, universal or targeted schemes; defined benefit versus defined contribution schemes; and, private versus public schemes.
- It is recommended that this indicator of effective coverage be analysed together with additional information on:
 - the proportion of older persons above retirement age receiving an old age pension. When measuring the extent of effective coverage, a distinction has to be made between coverage measured in terms of protected persons (objective of indicator 4.b1) and coverage measured in terms of actual beneficiaries which takes into account both contributory and non-contributory old age pension schemes
 - actual benefit levels for workers and the population (if not available, at least in relation to statutory information on the legal replacement rate);
 - information on the statutory provisions concerning eligibility for contributory benefits: the minimum contributory period required for being eligible for any periodic benefit (like a partial pension); the minimum contributory period required for a full periodic benefit or pension (possibly different for men and women).
 - an estimate of the extent of statutory coverage, i.e. a quantification of the groups covered, according to the law, by a contributory pension scheme. In estimating the extent of the statutory coverage, the information on the groups covered by statutory schemes for a given branch in national legislation is used, as well as available statistical information on the number of persons concerned at the national level.

Source:

MLRGD Reports

Disaggregation:

Sex, age groups (youth aged 15-24 and adults aged 25-64), labour force status, economic activity (for employed persons), nationality



Table 9

CORE ELEMENT OF DECENT WORK	INDICATOR	DESCRIPTION	SOURCE - PRODUCER	COVERAGE	DISAGGREGATIONS
Social security	Share of population above the statutory pensionable age (or aged 65 or above) benefiting from an old - age pension		MELSD Reports	Population above the statutory pensionable age or aged 65 +	Age-group, sex, type of social security scheme and benefits
Social security	Paid sick leave rate		MLRGD Reports	Employed	Sex, age groups, economic activity
Social security	Public expenditure on social security		MELSD Reports	N/A	Health and non-health public social security expenditure
Social security	Health expenditure not financed out of pocket by private households		National Accounts	Households	Public and private health-care expenditure
Social security	Percentage of the labour force contributing to a pension scheme		MLRGD Reports	Labour Force	Sex, age groups (youth aged 15-24 and adults aged 25-64), labour force status, economic activity (for employed persons), nationality.

Economic and Social Context

ECONOMIC AND SOCIAL CONTEXT
Labour productivity rate (LMIS -25, SDG 8.2.1)
Income inequality (LMIS -29)
Gini Index (LMIS -32)
Inflation rate (LMIS -26)
Employment by economic activity
Adult education (LMIS -33, SDG 4.3.1)
Educational level of employed persons (LMIS -31)
Average schooling of employed persons (LMIS -41)
Households in poverty (LMIS -38, SDG 1.2.1)

Indicator: Labour productivity rate

Method of computation:

$$\text{Labour productivity (employed)} = \frac{\text{GDP at constant prices}}{\text{Number of employed persons}} \times 100$$

$$\text{Labour productivity (hours)} = \frac{\text{GDP at constant prices}}{\text{Number of hours worked in all jobs}} \times 100$$

Description:

- Labour productivity represents the total volume of output (measured in terms of GDP at constant prices for a base year in US\$) achieved per unit of labour (measured in terms of persons employed). The purpose of this indicator is to assess the role of labour, as an input to the production process, in terms of GDP growth.
- The level of labour productivity is measured as GDP per person employed (SNA: per hours worked).
- It can be calculated in either of two ways:
 - i. For labour productivity (employed), the numerator and denominator refer to the same time reference period (e.g., the same year or quarter).
 - ii. For labour productivity (hours), the numerator and denominator refer to the same time reference period (e.g., the same year or quarter).
- It is recommended to use the ratio "GDP per person employed" (that is, formula 1) to measure labour productivity in those countries that do not collect data on hours worked. Moreover, for all countries, this measure is preferred for purposes of international comparisons, since some countries don't collect or publish statistics on hours worked.
- The System of National Accounts (SNA) 2008 recommends computing GDP per hours worked (that is, formula (2) as the most appropriate measure of labour productivity. If data on hours worked are available, this definition is preferable for purposes of national monitoring and policy since it is a more accurate measure that takes into account the wide range of hours worked per observation period by employed persons given different working time arrangements (e.g., part-time hours, full-time hours, overtime hours, etc.) This measure reflects changes in average working time and, if working time is measured through a household survey (such as a labour force survey) it can include the total hours of persons who are multiple job holders as well as the hours of self-employed persons.
- The variables used to construct labour productivity are subject to different factors of seasonality and volatility. Whenever short-term data (such as quarterly estimates) are used, it is recommended that they be seasonally adjusted to allow for an analysis of underlying trends.

Interpretation guideline:

- Labour productivity is one of the most important mechanisms for the transfer of economic growth to wellbeing given its relationship to wages and income and as such, it has major social implications. Cross-sectional data for a large set of countries has shown the negative relationship between the level of output per worker and poverty indices, suggesting that as labour productivity rises across different economies, poverty declines, although clearly labour productivity is not the only factor related to an economy's poverty level.
- Labour productivity estimates can serve to develop and monitor the effects of labour market policies. For example, high labour productivity in particular industries is often associated with high levels or particular types of human capital, indicating priorities for specific education and training policies. Labour productivity estimates, particularly at the industry group level, may allow data users to evaluate to what degree negotiated wage agreements compensate workers for their labour productivity gains.

- It is important to note that labour productivity depends on many factors and partially reflects the productivity of workers in terms of their skills and intensity of their effort. This is because labour productivity changes reflect the joint influence of changes in capital, intermediate inputs, as well as technical, organisational and efficiency change within and between firms, the influence of economies of scale, capacity utilisation, to name the key factors. The degree to which these other factors influence labour productivity growth versus the effect of “worker attributes” depends on the organisation of production at the establishment level.

Source:

Quarterly Multi Topic Survey and National Accounts

Disaggregation:

Economic activity

Indicator: Inflation rate

Method of computation:

$$\frac{\text{CPI (month t)}}{\text{CPI (month t-1)}} \times 100$$

Description:

- The indicator measures the periodic change in prices of a fixed basket of goods and services representative of the average consumption of a country’s households.
- The indicator is a proxy for changes in the cost of living of the population to the extent that the CPI basket is fixed and therefore does not reflect changes in consumer preferences or seasonal changes in consumption patterns.
- The CPI can be constructed as a fixed-basket price index where the change in the price of a basket of goods and services, representative of a household’s consumption pattern for a reference period, is monitored. The CPI can also take the form of a cost-of-living-index (COLI) where the “effects of price changes on the cost of achieving a constant standard of living (i.e. level of utility or welfare)” are measured.
- As the prices of different goods and services do not all change at the same rate, a price index is designed to reflect their average movements. A price index is typically assigned a value of 100 in a selected index base period, and the values of the index for other periods of time are intended to provide an estimate of the average percentage change in prices compared with the base period.

Interpretation guideline:

- The CPI reflects the development of the prices of the items that particular individuals or households buy during the same period, as it is designed to represent the average experience of all private households. Variations from one individual/household to another can be important relative to this average.
- The CPI measures price movements (i.e. relative changes) and not absolute price levels.
- The CPI is not a complete measure reflecting all price changes in an economy.
- It does not measure the “cost of living” as understood with reference to economic theory on consumers’ behaviour.
- Regional CPIs cannot be used to compare differences in price levels or living costs between one place and another, they measure only the changes that take place in each place over time.
- In addition to the standard sub-indices published alongside the all-items CPI, special indices can be computed to suit user requirements; for example, separate indices for goods and for services, all-items index excluding seasonal products or excluding energy and petrol, etc.

- An analysis of the contributions of various products or group of products to the overall change and an explanation of any unusual factors affecting the price changes of the major contributors to the overall change provide a powerful analytical tool for understanding movements in the CPI.

Source:

Price Statistics Report

Disaggregation:

Geographic area, consumption items (food, clothing, transport, etc.)

Indicator: Employment by economic activity

Method of computation:

$$\frac{\text{Number of employed persons in economic activity } i}{\text{Total number of employed}} \times 100$$

Description:

- It is a classification of economic units according to the goods and services produced by the economic unit.
- When a finer classification is desired, beyond the product, additional criteria are used: the type of inputs, the final destination of the production, the different production processes or, as in the case of transport, the object transported and the means of transport.
- The UN recommended classifier is a 4-level hierarchical classifier (ISIC Rev 4), which countries adopt for national purposes with one or two additional levels of disaggregation.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, educational level, strata, census districts, disability status, nationality, occupation



Indicator: Highest level of education attained

Description:

- The classification used for categorising education level is the International Standard Classification of Education (ISCED). The ISCED was designed by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in the early 1970s to serve as an instrument suitable for assembling, compiling and presenting comparable indicators and statistics of education, both within countries and internationally:

ISCED-II
X. No schooling
0. Early childhood education
1. Primary education
2. Lower secondary education
3. Upper secondary education
4. Post-secondary non-tertiary education
5. Short-cycle tertiary education
6. Bachelor's or equivalent level
7. Master's or equivalent level
8. Doctoral or equivalent level
9. Not elsewhere classified

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, strata, census districts, household income quintile

Indicator: Employed by highest level of education attained

Method of computation:

$$\frac{\text{Persons employed with education level X}}{\text{Persons employed}} \times 100$$

Description:

- The indicator provides the distribution of employed persons according to the highest level of formal education attained.
- For each educational level (X), the indicator is the number of employed at that educational level over the total number of employed.

Source:

Quarterly Multi Topic Survey

Disaggregation:

Sex, age groups, status in occupation, economic activity

Indicator: Children not in school

Method of computation:

$$\frac{\text{Number of children enrolled in a given level of education}}{\text{Total number of children of official age group for the level of education}} \times 100$$

Description:

- This indicator is designed to give information on school-age children who are not attending school. Provision of education at primary and secondary levels is an important foundation for building skills and providing a pathway to decent work.
- The Gross enrolment ratio (GER) shows total enrolment in a specific level of education, regardless of age, expressed as a percentage of the population in the official age group corresponding to this level of education.
- In order to reach the percentage of children not in school GER is subtracted from 100 for each level of education.
- The age bands for school education vary from country to country. However, the indicator covers three categories with usual age groups as defined by UNESCO:
 - i. Children in primary education usually from age 5 or 6 to 11 or 12
 - ii. Children in lower secondary education usually from age 11 or 12 to age 14 or 15
 - iii. Children in upper secondary education usually to 17 or 18

Interpretation guideline:

- Enrolment is not equivalent to attendance or completion rates. Hence, it would be informative to analyse this indicator together with data on completion of primary and secondary education, if available.
- Significant positive changes can be an indication that countries are taking seriously their commitment to ensure of children's access to education. This can have a highly significant influence on tackling the elimination of child labour and promoting development by increasing human capital. In order to assess the impact of changes in this indicator on child labour, it is important to analyse the trends together with those of child labour indicators.

Source:

Basic Education Statistics Report

Disaggregation:

Sex, geographical location, economic activity



Indicator: Average schooling of employed persons

Method of computation:

$$\frac{\text{Total years of education of employed person}}{\text{Number of employed persons}} \times 100$$

Description:

The indicator measures the average number of years passed in formal education in the employed population.

Source:

Quarterly Multi Topic Survey, HRDC annual report

Disaggregation:

Sex, age groups, strata, census districts, status in employment

Indicator: Income inequality

Method of computation:

$$\frac{\text{Total annual household disposable income in the top decile}}{\text{Total annual household disposable income in the bottom decile}} \times 100$$

Description:

- The P90th percentile / P10th percentile ratio compares the average income of households above the 90th percentile with those below the 10th percentile in the income distribution.
- The indicator provides an indication of the size of the gap between the richest and poorest households: the larger this ratio, the higher the level of inequality.
- Household income consists of all receipts whether monetary or in kind (goods and services) that are received by households and their individual members at annual or more frequent intervals. Household income arises from employment (both employee and self-employed), property income (interests, dividends, rents received, royalties), income from the production of household services for own consumption (owner-occupied housing), current transfers received from governments, non-profit institutions and other households.
- Disposable income, the concept which is recommended to be used to calculate the household income for defining income inequality, is defined as total income less direct taxes (net of refunds), compulsory fees and fines, social security contributions as well as compulsory and quasi-compulsory inter-household transfers paid.
- While household disposable income data are preferred, total household income data may also be used to calculate the indicator.
- Household disposable income deciles are calculated by sorting and listing households in the order of the amount of their total annual household disposable income. The list of households is then split into 10 equal groups. The sum of the total annual household disposable income in the top income group or decile is used in the numerator, while the sum of the total annual household disposable income in the bottom income group or decile is used in the denominator. Data on total annual household disposable income per decile should be provided in local currency.

Interpretation guideline:

- An income inequality ratio summarizes the relative distance between two points on the household income distribution and is a relative measure of inequality. The top of the distribution is the 90th percentile and the bottom is the 10th percentile. This gives an indication about the size of the income gap between the richest and the poorest households in each country: the higher this ratio, the greater the level of inequality.
- The main shortcoming is that it does not provide information on the distribution of income within the deciles or in the middle of the income distribution but this information can readily be obtained when producing the estimates to construct the indicator.
- As it will be valuable to understand the characteristics of the households in the bottom and top deciles particularly when high or growing inequality exists, it is recommended to analyse the household structure and composition (i.e., number of adults and children, employed persons, by sex) as well as geographic area related to the households in these groups.
- The indicator should be analysed jointly with earnings inequality of full-time employees where employees comprise a large share of the employed population to understand the correlation between the two indicators. It should also be analysed with GDP growth estimates, to analyse changes in the indicator throughout the business cycle.
- The decile dispersion ratio could remain the same if the incomes of the 90th and 10th percentile change by the same amount in the same direction. In other words, it satisfies the “mean independence” criterion of inequality measures. This indicator may not reflect changes in inequality when it is due to transfers between deciles other than the 90th and 10th percentile.

Source:

Botswana Multi-Topic Household Survey

Disaggregation:

Disaggregation: Sex of the head of household, household composition (number of children and adults) strata, census districts, full-time vs part time employees, age groups, education level, migrant status, sector (formal vs informal)



Indicator: Poverty measures: Poverty incidence and poverty gap

Method of computation:

Poverty
incidence/
headcount =

Number of persons living in households with incomes below the poverty line
Total population

x 100

$$\text{Poverty Gap Index} = \frac{1}{N} \sum \frac{G_i}{z}$$

Where N is the total population, G_i is the poverty gap (that is, poverty line minus the household income or $(z - y_i)$), where y_i is the income and z is the poverty line.

Description:

- Poverty is measured among the decent work context indicators using two indicators: The Poverty incidence (headcount ratio) and the Poverty Gap Index. The indicators give information on the well-being of the population by indicating the poverty status and the severity of poverty, respectively.
- The Poverty Gap Index, on the other hand, indicates the magnitude of poverty measured as the mean income (or expenditure) shortfall from the poverty line as a proportion of that line (with non-poor having zero shortfall).
- Note that while the poverty incidence is calculated as a percentage, the poverty gap index is given as a proportion whose value may be converted into a percentage by multiplying by 100.

Interpretation guideline:

- Poverty incidence (headcount ratio) provides information about the human size dimension of poverty in percentage terms. The advantage of using it as a poverty measure is that it is simple to construct and relatively straightforward to interpret.
- However, it does not take into account the intensity of poverty (how poor the poor are) or intra-household allocation (whether different members of a household enjoy different levels of well-being in terms of different member allocations of income or expenditures).
- The Poverty Gap Index, on the other hand, can be interpreted as the cost of eliminating poverty, expressed in relative terms to the poverty line. In an ideal world where 100 per cent targeted and efficient transfers are feasible, the Poverty Gap Index gives the sum of all transfers needed to bring every poor household to the poverty line where the Poverty Gap Index equals 0.
- The poverty gap measure is an important complement of the incidence of poverty. It is possible in a given economy that some groups have a high poverty incidence but a low poverty gap (when numerous members are just below the poverty line), while other groups have a low poverty incidence but a high poverty gap for those who are poor (when relatively few members are below the poverty line, but with extremely low levels of consumption or income).
- The poverty gap may be especially important for the evaluation of poverty reduction programmes and policies. Such a programme might be very effective at reducing the number of poor (and thus, lowering the incidence of poverty) but might do so only by lifting those who were closest to the poverty line out of poverty, and thus have a low impact on the poverty gap. Other policy interventions might be better at improving the situation of the very poor but be less effective in terms of the overall incidence of poverty (if it brings the very poor closer to the poverty line but not above it).
- It should be noted that these poverty measures are intended to provide information only on monetary well-being. However, poverty is associated not only to insufficient income (or consumption), but also to inadequate outcomes as regards other important aspects of well-being including health, nutrition, literacy, insecurity, and powerlessness. These indicators thus provide valuable yet limited information regarding poverty in a society.

Source:

Botswana Multi-Topic Household Survey

Disaggregation:

Sex, age groups, household size, strata, census districts, educational level, economic activity and status in employment, demographic groups (such as households with children headed by women)

Indicator: Gini Coefficient

Description:

- It is an indicator of income inequality (household income, labour income, wage income, per capita household income) in a population (households, individuals, workers).
- It requires the construction of the Lorenz Curve, which relates cumulative % of the unit of analysis (households, persons) to cumulative % of income.

Interpretation guideline:

- Graphical interpretation: The Gini Index is twice the area between the Lorenz Curve and the bisector of the quadrant (straight line at 45°). Therefore, the index can only take values between 0 and 1.
- It lies between 0 and 1, with values closer to 0 representing a higher degree of equality, and values closer to 1 representing greater inequality.

Source:

Botswana Multi-Topic Household Survey

Disaggregation:

Strata, census districts.

Table 10

CORE ELEMENT OF DECENT WORK	INDICATOR	SOURCE - PRODUCER	PERIODICITY	COVERAGE	DISAGGREGATIONS
Economic and social context	Labour productivity rate	QMTS and SNA	Annually	Employed	Economic activity.
Economic and social context	Inflation rate	Price Statistics Report	Annually	Household	Strata, census districts, consumption items (food, clothing, transport, etc.)
Economic and social context	Employment by economic activity	QMTS	Quarterly	Employed	Sex, age groups, educational level, strata, census districts, disability status, nationality, occupation
Economic and social context	Highest level of education attained	QMTS	Quarterly	Adult	Sex, age groups, strata, census districts, household income quintile.
Economic and social context	Employed by highest level of education attained	QMTS	Quarterly	Employed	Sex, age groups, status in employment, economic activity.
Economic and social context	Average schooling of employed persons	QMTS	Quarterly	Employed	Sex, age groups, strata, census districts, status in employment.
Economic and social context	Children not in school	Basic Education Statistics Reports	Annually	Children	Sex, geographical location, economic activity.
Economic and social context	Income inequality	BMTHS	5 yearly	Household	Sex of the head of household, household composition (number of children and adults) strata, census districts, full-time vs part time employees, age groups, education level, migrant status, sector (formal vs informal)
Economic and social context	Poverty incidence and poverty gap	BMTHS	6 yearly	Household	Sex, age groups, household size, strata, census districts, educational level, economic activity and status in employment, demographic groups (households with children headed by women)
Economic and social context	Gini Coefficient	BMTHS	7 yearly	Household	Strata, census districts.

Notes

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Notes

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