

SECTION-II

CONCEPTS AND DEFINITIONS

A brief explanation of the key concepts and definitions follows.

1. **Sex Ratio** is the average number of males per 100 females.
2. **Literacy rate** expresses all those persons ten years of age and above who can read and write in any language with understanding, as percentage of the population ten years and above.
3. **Level of education** is categorized as follows:
 - i) **Below Matric** comprises less than ten (10) years of schooling.
 - ii) **Matric but less than intermediate** encompasses ten (10) to eleven (11) years of education.
 - iii) **Intermediate but less than Degree** entails twelve (12) to thirteen (13) years of education.
 - iv) **Degree & above** comprises fourteen (14) or more years of education.
4. **Household** constitutes all those persons who usually live together and share their meals. A household may consist of one person or more who may or may not be related to each other.
5. **Economically Active Population** comprises all persons of either sex who provide labour services for the production of goods and services as defined by the United Nation System of National Accounts, during the reference period. The production of goods and services includes:
 - i) all production and processing of primary products whether for the market, barter or, own consumption,
 - ii) the production of all other goods and services for the market,
 - iii) the households which produce such goods and services for the market and own consumption, and
 - iv) own account construction.
6. **Currently Active Population** or labour force comprises all persons ten years of age and above who fulfill the requirements for including among employed or unemployed during the reference period i.e. one week preceding the date of interview.

7. **Crude activity rate** is the currently active population expressed as a percentage of the total population in AJ & K.
8. **Refined activity rate** is the currently active population expressed as a percentage of the population 10 years and above. This rate enables international comparison by factoring in the effect of age composition.
9. **Augmented activity rate** is based on probing questions from the persons not included in the conventional measure of labour force to net-in marginal economic activities viz subsistence agriculture, own construction of one's dwelling etc. Conventionally, persons 10+ aged reporting housekeeping and other related activities are considered out of labour force. However, from the perspective of time use, they are identified as employed if they have spent time on a specific set of marginal economic activities mentioned afore.
10. **Employment** comprises all persons ten years of age and above who worked at least one hour during the reference period and were either "paid employed" or "self employed". Persons employed on permanent/regular footings have not worked for any reason during the reference period are also treated as employed, regardless of the duration of the absence or whether workers continued to receive a salary during the absence. The survey obtains information on the duration of absence as well as on other formal job attachment characteristics of workers in paid and self employment. In line with augmented participation rates, a loose upper bound of employment can be drawn up by including the persons engaged in marginal economic activities.
11. **Occupation** means the type of work done during the reference period by the persons employed (or the kind of work done previously if unemployed), irrespective of the industry or the status in employment of the person. It provides description of a person's job. Occupation is classified according to Pakistan Standard Classification of Occupations (PSCO)-2015 based on the International Standard Classification of Occupations, (ISCO)-2008.
12. **Industry** means the activity of the firm, office, establishment or department in which a person is employed or the kind of business, which he/she operates. The activity is defined in terms of the kind of goods produced or services supplied by the unit in which the person works. Industry is classified according to Pakistan Standard Industrial Classification (PSIC) used for national accounts developed in 2010 (Rev-4) on the basis of the International Standard Industrial Classification (ISIC) Rev-4 released by United Nations in 2008.
13. **Self-employment job** is a job where the remuneration is directly dependent upon the profits, or the potential profits, derived from the goods and services produced.
14. **Status in Employment** refers to the type of explicit or implicit contract of employment of the person with other persons or organization. Status of an economically active individual with respect to his employment i.e. whether he/she is an employer, own account worker, employee or contributing family worker is defined as follows:-

15. **Employee** is a person who works for a public or private employer and receives remuneration in wages, salary, commission, tips, piece rates or pay in kind. Employees are divided into

- *Regular paid employees with fixed wage*
- *Casual paid employee*
- *Paid worker by piece rate or work performed*
- *Paid non-family apprentice*

16. **Employer** is a person working during the reference period, on own-account or with one or a few partners at a “self-employment job” with one or more employees engaged on a continuous basis.

17. **Own account worker** is a person working during the reference period, on own-account or with one or more partners at a “self-employment job”, without any employee engaged on a continuous basis; but, possibly, with one or more contributing family workers or employees engaged on an occasional basis. It includes owner cultivator, share cropper and contract cultivator.

18. **Contributing family worker** is a person who works without pay in cash or in kind on an enterprise operated by a member of his/her household or other related persons.

19. **Other** includes member of a producer’s cooperative, etc.

20. **Informal Sector** in Pakistan is formulated in terms of household enterprise and size of employment. For statistical purpose, the provenance of employment in informal sector is given as follows:

- All household enterprises owned and operated by own-account workers, irrespective of the size of the enterprise (informal own-account enterprises),
- Enterprises owned and operated by employers with less than 10 persons engaged. It includes the owner (s) of the enterprise, the contributing family workers, the employees, whether employed on an occasional or a continuous basis, or as an apprentice, and
- Excluded are all enterprises engaged in agricultural activities or wholly engaged in non-market production.

21. **Household Enterprise** or equivalently, an unincorporated enterprise, is a production unit that does not have a separate legal entity independent of the household(s) or household members that own it. It is neither a corporation nor has a complete set of accounts that would permit a clear distinction between the production activities of the enterprise from the other activities of the owner(s) i.e. it is not a quasi-corporation.

22. **Unemployment** in AJ & K comprises all persons ten years of age and above who during the reference period were:

- i) **“Without work”** i.e. were not in paid-employment or self-employment; and
- ii) **“Currently available for work”** i.e. were available for paid employment or self-employment:
or
- iii) **Not currently available** for the following reasons: illness, will take a job within a month, is temporarily laid off, is an apprentice and is not willing to work: or
- iv) **Seeking work** during last week.

23. **Unemployment rate** is the unemployed population expressed as a percentage of the currently active population.

24. **Multiple job holders** relates to persons who during the reference period carried out more than one economic activity. The survey obtains information about the occupation, industry, status in employment and informal sector characteristics of secondary jobs.

25. **Hours actually worked** relates to the number of hours worked in the main and secondary jobs during the reference period, including any overtime and excluding any absence from work.

26. **Population not currently active** or “persons not in the labour force” comprises all persons who were not employed or unemployed during the reference period and hence not currently active. They are classified into the following categories:-

- a) Attending educational institutions,
- b) Engaged in household duties,
- c) Retired or old age,
- d) Too young to work,
- e) Unable to work/handicapped,
- f) Agricultural landlord and/or property owner; nature of ownership includes land, commercial/residential buildings, cinemas, hotels, petrol pumps, power looms, etc. (given on rent or lease). They are owners but they do not work for their properties,
- g) Others (persons who derive their income solely from royalties, dividends, etc; engaged in immoral pursuits such as prostitutes, beggars, thieves and smugglers etc; voluntary social workers doing work outside the family enterprise, living entirely on charity, etc.)

27. The questionnaire adopted for the Survey is given at Annexure-I.