

## SECTION-II

### CONCEPTS AND DEFINITIONS

In order to be able to interpret the results from Labour Force Survey, it is essential to be familiar with the concepts used. Here definition and explanation each of the key concepts are given.

1. **Reference Period:** It is a specified period which may be one day, one week, one month or one year preceding the date of interview. In this survey, a week (i.e. seven days before the date of enumeration) has been used as the reference period.

2. **Literate Persons:** All those persons ten years of age and above who could read and write in any language with understanding.

3. **Household:** A household is defined to be constituted of all those persons who usually live together and share their meals. A household may consist of one person or more than one person who may or may not be related to each other.

4. **Migration:** The migrant population means those who have moved from one administrative district to another administrative district. It excludes population moved within a district.

5. **Economically Active Population:** 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 a specific reference period. According to this definition, the production of goods and services includes:

- i) all production and processing of primary products whether for the market, for barter or for 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 for own consumption, and
- iv) own account construction

6. **Currently Active Population:** Labour force or currently active population comprises all persons ten years of age and above who fulfill the requirements for inclusion among employed or unemployed as defined below during the reference period i.e. one week preceding the date of interview.

7. **Employment:** The “employed” 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, who have not worked for any reason during the reference period are however, treated as employed.

8. **Occupation:** 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.

9. **Industry:** 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.

10. **Status in Employment:** Information was also collected on each persons's status in employment. 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 unpaid family worker is defined as follows:

- i) **Employer:** - 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.
- ii) **Own account worker:** - An own account worker is a person who operates his or her own economic enterprise or engages independently in a profession or trade, and hires no employees. However, he/she may get the assistance of unpaid family workers.
- iii) **Employee:** - A person who works for a public or private employer and receives remuneration in wages, salary, commission, tips, piece rates or pay in kind.
- iv) **Unpaid family worker:** - 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 is termed as unpaid family worker.

11. **Informal Sector:** According to the Resolution adopted by the 15th International Conference of Labour Statisticians (ICLS), the informal sector comprises units, such as households enterprises, engaged in the production of goods and services with the primary objective of generating employment and income to the persons concerned, not necessarily with the deliberate intention of evading the payment of taxes or other legislative or administrative provision. These units typically operate at a low level of organization, on a small scale, and with labour relations mostly based on casual employment. The assets used do not belong to the production units as such but to their owners. Expenditure for production is often indistinguishable from household expenditure. The units as such cannot engage in transactions or enter contracts with other units, nor incur liabilities. This concept of the informal sector is formulated into an operational definition based on three criterions, the first of which is essential (household enterprise), and the two others (size and registration), can be used optionally, alone or in combination. Given the ambiguity of the registration criterion in the circumstances of Pakistan, and the difficulty of obtaining reliable response on this item from household members, the definition of the informal

sector in Pakistan is formulated in terms of the first two criterion, namely, household enterprise and size of employment. In the language of the international standards, the informal sector in Pakistan is defined for statistical purpose as follows:

- All household enterprises owned and operated by own-account workers, irrespective of the size of the enterprise (informal own-account enterprises),
- Household enterprises owned and operated by employers with less than 10 persons engaged, and
- Excluded are all household enterprises engaged in agricultural activities or wholly engaged in non-market production.

Household enterprise: A 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 not 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) (It is not a quasi-corporation)

Number of persons engaged: Number of persons engaged refers to the total number of employed persons engaged in the enterprise during the reference period. It includes the owner or owners of the enterprise, the contributing family workers, the employees, whether employed on an occasional or a continuous basis, or as an apprentice. The size limit of 10 persons cited in the definition proposed here may be revised and determined on the basis of minimum size requirements as embodied in relevant national legislation, where they exist, and may vary between branches of economic activity.

Own-account worker: 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.

Employer: 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.

Self-employment job: A job where the remuneration is directly dependent upon the profits, or the potential profits, derived from the goods and services produced.

12. ***Underemployment:*** The “underemployed” comprises all employed persons who during the reference period satisfied simultaneously the following three criteria:

- i) Working less than normal duration (i.e. less than 35 hours per week),
- ii) Doing so on involuntary basis, and
- iii) Seeking or being available for additional work.

13. ***Unemployment:*** The “unemployed” comprises all persons ten years of age and above who during the reference period were:

- ii) **“Without work”** i.e. were not in paid-employment or self-employment;
- iii) **“Currently available for work”** i.e. were available for paid employment or self-employment; and
- iii) **“Seeking work”** i.e. had taken specific steps in a specified recent period to seek paid employment or self-employment

14. **Population not Currently Active:** The “population not currently active” or also called, “persons not in the labour force” comprises all persons who were not employed or unemployed during the reference period and hence not currently active on account of the following reasons:-

- a) Attending educational institutions,
- b) Engaged in household duties,
- c) Retired or old age,
- d) Too young to work,
- e) 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,
- f) Persons who derive their income solely from royalties, dividends, etc;
- g) Engaged in immoral pursuits such as prostitutes, beggars, thieves and smugglers etc;
- h) Voluntary social workers doing work outside the family enterprise,
- i) Living entirely on charity, and
- j) Other reasons such as infirmity or disability, which may be specified.

15. According to old methodology, person’s ten years of age and above engage in housekeeping and other related activities are considered out of labour force. However, as per improved methodology, they are identified as employed if they have spent time on the specified fourteen agricultural and non-agricultural activities (List of activities attached with questionnaire).

16. **Occupational Injuries/Diseases (All employed persons):** An occupational injury/disease is any personal injury or disease resulting from an occupational accident/disease i.e. an individual occurrence or event arising out of or in the course of work. Some occupational injuries are serious enough to need treatment, either at hospital, or by a doctor,

nurse or some other kind of medical professional, and may mean that the injured person is unable to work, or to work normally, for some time, i.e. they have to take time off work. Other injuries may be less serious or incapacitating, so that the injured person may be able to return to work quickly. All such occupational injuries are to be taken into consideration. An injury should only be considered as an occupational injury, if it was received at the person's work place or in the course of the person's work. Injuries received on the way to or from work are also considered to be occupational accidents. For the purpose of statistics of occupational injuries, the following terms and definitions are used:

- a) ***Occupational accident:*** An unexpected and unplanned occurrence, including acts of non-consensual violence arising out of or in connection with work which results in personal injury, disease or death;
- b) ***Commuting accident:*** An accident occurring on the habitual route between the place of work and:
  - i) the worker's principal or secondary residence; ii) the place where the worker usually takes his/her meal; iii) the place where he/she usually receive his/her remuneration; or iv) the place where he/she receives training,

which results in death or personal injury involving loss of time; travel, transport or road traffic accidents in which workers are injured and which arise out of or in the course of work, i.e. while engaged in an economic activity, or at work, or carrying on the business of the employer, are considered to be occupational accidents;

- c) ***Occupational injury:*** Any personal injury, disease or death resulting from an occupational accident;
- d) ***Case of occupational injury:*** The case of one person incurring an occupational injury as a result of one occupational accident;
- e) ***Occupational disease:*** A disease contracted as a result of an exposure to risk factors arising from work activity;
- f) ***Incapacity for work:*** Inability of the injured person to perform normal duties of work;
- g) ***Fatal occupational injury:*** An occupational injury leading to death within one year of the day of the occupational accident causing the injury;
- h) ***Loss of working time:*** Lost days counted from and including the day following the day of accident to the day prior to the day of return to work measured at calendar days, week days or working days in order to assess the severity of the injury. In the case of recurrent absences due to a single case of occupational injury, each period of absence should be

measured and the resulting number of days lost for each period summed to arrive at the total loss of working time for the case of injury. Temporary absence from work of less than one day for medical treatment should not be included in time lost.

17. The questionnaire adopted for the Survey is given at Annexure-II.