

Unemployment and Underemployment in India, Indonesia, Pakistan and the Philippines

One of the items on the agenda of the Fifth Asian Regional Conference, which is to be held at Melbourne in November this year, concerns employment promotion with special reference to rural areas and with due regard to I.L.O. social objectives and standards. Unemployment and underemployment are one of the chief problems facing the governments of most of the countries of Asia. But any attempt to improve matters as they are now must be based on a very careful examination of the facts. The purpose of the following article is to provide a short account of what statistics are available for four of the most important countries of the region.

Many Asian countries are faced with a problem of persistent unemployment and underemployment. What is the precise nature of this problem? How did it arise? How serious is it in different countries? These are questions that call for careful analysis.

Except in a few countries a beginning is only now being made in systematic field investigation into the causes and extent of unemployment and underemployment. It is hoped that the 1961 censuses will shed some new light on the problem, for at present there are serious gaps in knowledge of the actual amount of unemployment—full and partial, visible and disguised—in the majority of these countries. The present article does not attempt to deal with causes or remedies but is concerned to bring together the limited information so far available on the extent of unemployment and underemployment in four countries, India, Indonesia, Pakistan and the Philippines, in which sample surveys of the labour force have been carried out.¹

Before examining the results of these surveys, however, it should be recalled that unemployment and underemployment are defined differently, and thus measured differently, in the surveys of different countries. Great care is therefore needed in making comparisons between countries.

¹ GOVERNMENT OF INDIA, Cabinet Secretariat: *The National Sample Survey, Eleventh and Twelfth Rounds*, Aug. 1956-Aug. 1957, No. 52; Tables with Notes on Employment and Unemployment (Delhi, 1961); DEPARTEMEN PERBURUHAN R.I., Indonesia; *Report on Labour Force Sample Survey in Java and Madura* (1961, mimeographed); I.L.O. (Expanded Programme of Technical Assistance): *Report to the Government of Pakistan on a Manpower Survey* (I.L.O./T.A.P./Pakistan/R.10) (Geneva, 1956) (mimeographed); GOVERNMENT OF THE PHILIPPINES, Department of Commerce and Industry, Bureau of the Census and Statistics: *The Philippine Statistical Survey of Households Bulletin*, Series No. 5: *Labour Force*, May-Nov. 1958 (Manila, Jan. 1960).

DEFINITIONS

The criteria used in these surveys for defining the unemployed and the underemployed can be briefly summarised.

Unemployed

India

Persons without any gainful employment on the reference day or week who are either seeking, or (if not seeking) are at least available for, work on the reference day or on all the seven days of the reference week.

Underemployed

Persons working 28 hours or less during the reference week and available for additional work are considered as severely underemployed; persons working 29 to 42 hours during the week and available for additional work as moderately underemployed.

Indonesia

Urban areas: persons without work who are either seeking work during the reference period (one week) or wanting but not seeking work because they believe no suitable work to be available.

Rural areas: the reference period was the previous 12 months.¹

Persons working for less than 30 hours for economic reasons and desirous of working longer hours and seeking work.

Pakistan

Persons not working during the reference week but looking for work.²

Persons working less than half the average working week (i.e. 25 hours per week).

Philippines

Persons wanting and looking for work during the survey week, or wanting but not looking for work because they believe no work to be available or because of temporary illness, bad weather or other valid reasons.

Persons working less than 40 hours a week and wanting additional work are considered as visibly underemployed; persons working 40 hours or over and wanting additional work are considered as invisibly underemployed.

It will be seen that the emphasis placed on looking for work varied considerably; but persons not actively looking for work (for example, because they did not expect to find any) were generally regarded as unemployed. The concept of underemployment varied from the definition that workers should be seeking additional work before they can be considered underemployed (Indonesia and Philippines) to that which merely required that they should be available for more work (India). But there are other differences too. The Pakistan concept regards as underemployed those working less than 25 hours a week, apparently irrespective of whether or not they are seeking, or are available for, work: the Philippine concept, on the other hand, includes all persons who want

¹ The persons in rural areas classified as having had no employment but in the labour force consisted almost entirely of persons seeking their first job.

² The group "looking for work" implicitly includes all persons regarded as unemployed, that is, in the labour force but not classified either as at work during the reference week or as with a job but temporarily absent from work because of sickness, disputes, or other reasons. This implication is illustrated by the scope of the group "not in the labour force" which is made up as follows: children under 12 (unless in a job), persons over 12 studying full time, persons engaged solely in domestic duties, those unable to work because of old age or permanent illness, and others of mature age who have never been engaged in remunerative work (unless looking for work).

additional work even if they are already working more than 40 hours a week.

Such differences clearly make the figures for the respective countries not strictly comparable. They also raise the questions as to what are the most serviceable concepts of unemployment and underemployment and of the purposes for which unemployment and underemployment statistics are to be gathered. These questions, however, cannot be pursued in the present article.

INDIA

According to the estimates of the Third Five-Year Plan, India in 1961 (at the end of the second Plan) had about 9 million persons unemployed and about 15-18 million persons underemployed, in the sense that they had some work but were willing to take up additional work.¹ The unemployed represented about 5 per cent. of the total labour force, which one estimate put at 167 million persons in 1961², and the underemployed constituted about 10-11 per cent. of the employed. In 1956, at the commencement of the second Plan, unemployment was estimated at 5.3 million (2.8 million in rural and 2.5 million in urban areas); this did not include the underemployed, and amounted to about 3.5 per cent. of the labour force. The employment situation thus appears to have deteriorated significantly during recent years. However, these were all rough estimates and varied greatly according to the particular concepts used.

More detailed information on unemployment and underemployment in the rural and urban areas has been collected by various rounds of the National Sample Survey (N.S.S.), some of which served as a basis for the above estimates. The summary that follows is based on the major findings of the eleventh and twelfth rounds (August 1956-August 1957). On some aspects of unemployment comparisons are made with the findings of the ninth and tenth rounds (May-November 1955 and December 1955-May 1956).

Unemployment

Table I shows the percentage distribution of the rural and urban populations in India by activity status and classified under employed, unemployed, and not in the labour force. As will be noted, the percentage of unemployed was higher in the eleventh and twelfth rounds than in the tenth round, and higher in the tenth round than in the ninth round.

The differences between rounds may be attributed in part to the differences in the definition of unemployed and in the reference period adopted. Whereas in the ninth and tenth rounds the definition of unemployed was restricted to persons without any gainful employment but seeking work, in the eleventh and twelfth its scope was enlarged to cover also persons who, if not seeking work, were at least available for it. Moreover, the data on activity status presented in table I for the eleventh and twelfth rounds relate strictly to the reference period of one day, which means among other things that persons fulfilling the requirements of the definition of unemployed on that single reference day were treated as unemployed.

The tenth round had also used a reference period of one day, but had classified persons having work of a more or less continuous nature under

¹ GOVERNMENT OF INDIA, Planning Commission: *Third Five-Year Plan* (New Delhi, 1961), p. 156.

² N. A. KHAN: "Some Alternative Estimates of Unemployment in India", in *The Indian Journal of Labour Economics* (Department of Economics, University of Lucknow), Vol. III, No. 3, Oct. 1960, p. 138.

TABLE I. PERCENTAGE DISTRIBUTION OF POPULATION IN INDIA
BY ACTIVITY STATUS, 1956-57

Industrial status	Rural			Urban		
	9th ¹ round	10th ¹ round	11th ¹ and 12th rounds	9th ¹ round	10th ¹ round	11th ¹ and 12th rounds
1. Employees	12.86	9.60	10.59	17.44	17.01	16.15
2. Employers	0.96	0.71	0.72	0.66	0.48	0.45
3. Own-account workers	18.87	18.73	16.31	11.36	11.71	11.25
4. Unpaid family workers	11.19	10.28	9.71	3.09	3.41	3.42
5. Gainfully employed persons (items 1-4)	43.88	39.32	37.03	32.55	32.61	31.27
6. Unemployed persons	0.29	0.87	2.35	1.99	2.12	2.48
7. Persons in labour force (items 5-6)	44.17	40.19	39.38	34.54	34.73	33.75
8. With job or enterprise at a future date: not seeking and not available for work	²	²	1.09	²	²	0.45
9. Students	6.33	7.41	6.77	15.95	(16.15) ⁴	16.60
10. House workers	17.16	19.94	17.67 ³	22.81	(22.38) ⁴	20.82 ⁵
11. Rentiers and pensioners	0.51	0.45	0.20	1.16	(0.90) ⁴	0.63
12. Too young to work	31.00	30.63	29.22	24.19	(24.56) ⁴	22.51
13. Too old to work	²	²	2.88	²	²	2.56
14. Others not in labour force	0.77	1.33	2.60	1.30	(1.29) ⁴	1.94
15. Persons not in labour force (items 8-14)	55.77	59.76	60.43	65.41	65.19 (65.28) ⁴	65.51
16. Not recorded	0.06	0.05	0.19	0.05	0.08	0.74
17. Number of sample persons	40,412	49,229	170,341 ⁶	85,266	51,471	52,422

Source: *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., pp. 7, 32, 43.

¹ The 9th and 10th rounds were carried out during the period May 1955 to May 1956, the 11th and 12th rounds between Aug. 1956 and Aug. 1957. ² Separate figure not given. ³ Male: 0.8 per cent., female: 34.91 per cent.

⁴ Figures in brackets taken from GOVERNMENT OF INDIA, Cabinet Secretariat: *The National Sample Survey, Tenth Round*, Dec. 1955-May 1956, No. 34: "Tables with Notes on Employment and Unemployment" (Delhi, 1960), p. 8, the number of sample persons covered being 65,417. ⁵ Male: 0.36 per cent., female: 43.55 per cent. ⁶ Comprising 90,365 in agricultural labour households and 79,976 in non-agricultural labour households.

the gainfully employed even if they had not actually worked on that day. A day labourer who had not worked on the reference day, however, was considered unemployed. This flexibility in the reference period had resulted more persons being classified as employed and fewer persons as unemployed.

In the ninth round the data on activity status had been based on the concept of "usual" activity status: that is, the dominant pattern of activity of a person that had prevailed through a long period of time, generally a year. The unemployed in this round had thus been only those who had been out of employment for a long period.

These differences in the reference period explain in part why the percentage of persons in the labour force was significantly lower in the eleventh and twelfth rounds than in the ninth, especially among the rural population. These changes in the concepts adopted in the eleventh and twelfth rounds result in a higher rate of unemployment

(the number of unemployed as a percentage of the labour force) than in the previous rounds.

The main features of unemployment in India as shown in these sample surveys are briefly indicated below.

1. In the eleventh and twelfth rounds the rate of unemployment was 6 per cent. in the rural areas and 7.3 per cent. in the urban areas : in the ninth and tenth rounds the rates in rural areas had been, respectively, only 0.62 and 2.16 per cent. and in urban areas 5.76 and 6.1 per cent. The great difference in the rural unemployment rate is due to a large extent to the inclusion in the later rounds of persons who were not seeking but were available for work. As shown in table II, this group formed nearly 40 per cent. of the unemployed in rural areas as against about 9 per cent. in urban areas.

TABLE II. DISTRIBUTION OF UNEMPLOYED BY DETAILED CATEGORIES (INDIA) 1956-57
(Percentages)

Detailed category	Rural		Urban	
	Population	Unemployed	Population	Unemployed
With job or enterprise at a future date :				
1. Seeking work for the first time	0.06	2.55	0.30	12.10
2. Seeking work not for the first time	0.66	28.09	0.64	25.81
3. Not seeking but available for work	0.47	20.00	0.13	5.24
4. Sub-total (items 1-3) . .	1.19	50.64	1.07	43.15
Without job or enterprise at a future date :				
5. Seeking work for the first time	0.09	3.83	0.48	19.35
6. Seeking work not for the first time	0.63	26.81	0.83	33.47
7. Not seeking but available for work	0.44	18.72	0.10	4.03
8. Sub-total (items 5-7) . .	1.16	49.36	1.41	56.85
9. Total . . .	2.35	100.00	2.48	100.00
10. Number of sample persons	6,552		1,272	

Source : *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., p. 15.

2. In rural areas unemployment is far more serious among agricultural labour households than among non-agricultural labour households. The eleventh and twelfth rounds showed that nearly 63 per cent. of the rural unemployed were agricultural labourers¹, although according to

¹ See *The National Sample Survey*, op. cit., table 3 (18), p. 74.

TABLE III. DISTRIBUTION OF POPULATION OF INDIA IN AGRICULTURAL LABOUR AND NON-AGRICULTURAL LABOUR HOUSEHOLDS IN RURAL AREAS BY ACTIVITY STATUS ON THE REFERENCE DAY
(Percentages)

	Agricultural labour			Non-agricultural labour		
	Male	Female	Total	Male	Female	Total
Employed	49.22	24.38	36.82	53.52	20.20	37.09
Unemployed :						
Seeking work	4.55	4.38	4.47	0.92	0.28	0.60
Not seeking but available for work	1.51	2.49	1.99	0.58	0.63	0.61
Persons in labour force . .	55.28	31.25	43.28	55.02	21.11	38.30
Persons not in labour force	44.42	68.30	56.35	44.85	78.74	61.56
Not recorded	0.30	0.45	0.37	0.13	0.15	0.14

Source : *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., table 3 (5), p. 54.

the Second Agricultural Labour Enquiry conducted in 1956-59 agricultural labour households constituted only 24.5 per cent. of total rural households. As shown in table III, the rate of unemployment among agricultural labour households was as high as 15 per cent. as compared with about 3 per cent. among other rural households. The proportion of unemployed not seeking but available for work in the former group was slightly less than one-third of the number of unemployed, while in the latter group it was about half. Among agricultural labour households the labour force participation rate for females (31 per cent.) was considerably higher than among the non-agricultural labour households (21 per cent.) and the unemployment rate among the females was exceedingly high (22 per cent.).

TABLE IV. DISTRIBUTION OF PERSONS WITH USUAL OCCUPATION BY ACTIVITY STATUS ON REFERENCE DAY (INDIA)

Status on reference day	Rural	Urban
Employed	80.39	94.12
Unemployed	4.57	2.59
Without work and not available for work on day	14.88	3.20
Not recorded	0.16	0.09
Total	100.00	100.00
Number of sample persons	88,791	16,799

Source : *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., p. 10.

TABLE V. RATES OF UNEMPLOYMENT IN INDIA ACCORDING TO AGE GROUPS
(Reference period : one day)

Age group	Rate of unemployment	
	Rural	Urban
0-15	4.91	8.25
16-17	7.26	17.12
18-21	7.75	17.38
22-26	6.47	8.30
27-36	5.63	5.01
37-46	5.90	4.78
47-56	5.16	4.62
57-61	5.00	6.64
62 and above	5.33	2.83
All age groups	5.97	7.35

Source : *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., p. 16.

3. In rural areas nearly 15 per cent. of persons having a "usual" occupation were without work but reported that they were not available for it on the reference day (see table IV). The figure throws some light on the variability of the labour force in rural areas. In urban areas the corresponding figure was only about 3 per cent. On the reference day 94 per cent. of persons having a "usual" occupation in urban areas reported as employed and no more than 2.6 per cent. as unemployed.

4. The rates of unemployment according to age groups are presented in table V. It will be seen that in urban areas about 17 per cent. of the labour force in the age groups 16-17 and 18-21 were unemployed, while the corresponding figures in rural areas were between 7 and 8 per cent.

5. Table VI gives the estimates made by one writer of unemployment at the beginning of the Third Five-Year Plan (as on 1 April, 1961), based on the unemployed rates and the age-group distribution

TABLE VI. ESTIMATES OF RURAL AND URBAN UNEMPLOYMENT IN INDIA IN 1961
(In thousands of persons)

Age group	Rural			Urban			All-India		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
7-15	406	383	789	84	19	103	490	402	892
16-21	976	661	1,637	548	91	639	1,524	752	2,276
22-26	794	567	1,361	323	49	372	1,117	616	1,733
27-36	931	972	1,903	305	65	370	1,236	1,037	2,273
37-46	645	774	1,419	206	36	242	851	810	1,661
47-47	418	377	795	118	21	139	536	398	934
57-61	139	80	219	51	7	58	190	87	277
62 and above	130	57	187	16	4	20	146	61	207
Total	4,439	3,871	8,310	1,651	292	1,943	6,090	4,163	10,253

Source : Y. S. YEGNARAMAN : "Estimates of Unemployment at the Beginning of the Third Plan", in *Economic Review* (New Delhi), Vol. XIII, No. 22, 7 Apr. 1962, p. 18. The reference period was one day.

(with some adjustment) from the eleventh and twelfth rounds of the National Sample Survey and the population data of the 1961 census. Of an estimated total of 10 million unemployed in the country 8 million were in rural areas and 2 million in urban areas; females accounted for 47 per cent. of the unemployed in rural areas but for only 15 per cent. of the urban unemployed; and young persons (below 27 years of age) constituted 45.6 per cent. of the unemployed in rural areas and 57.3 per cent. in urban areas.

6. The rate of unemployment was considerably higher among persons who were matriculates and above than among others, particularly in the urban areas. The unemployment rate among illiterate persons was lowest in urban areas; in rural areas, however, it exceeded that among the "literate but below matriculation" group. It will be seen from table VII that in rural areas the illiterate group formed nearly 80 per cent. of the unemployed and that in urban areas over 53 per cent. were in the literate but below matriculation group. Numerically, the unemployed in the matriculation and above group were relatively few; about 2 and 14 per cent. respectively of the unemployed in the rural and the urban areas.

TABLE VII. DISTRIBUTION OF UNEMPLOYED, AND RATES OF UNEMPLOYMENT, ACCORDING TO EDUCATIONAL LEVEL (INDIA)
(Percentages)

Educational level	Rural		Urban	
	Unemployed persons	Unemployment rate	Unemployed persons	Unemployment rate
Illiterate	79.53	6.19	32.11	5.52
Literate but below matriculation	18.39	4.90	53.22	8.34
Matriculation and above	1.013	13.42	14.44	10.55
Not known	1.067	—	0.23	—
All groups . . .	100.00	5.97	100.00	7.35

Source: *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., pp. 17, 69 and 130.

7. The duration of unemployment tends on the average to be the longer the higher the educational level of the unemployed. It also tends to be longer among the unemployed in the urban than in the rural areas. These features are clearly shown in table VIII.

8. Among urban areas of varying sizes of population the rates of unemployment were highest in the big cities. This is shown in table IX, which is based on the combined results of the sixth (May 1953-August 1953) and seventh (October 1953-March 1954) rounds of the National Sample Survey. In the big cities about 8.5 per cent. of the estimated male labour force were unemployed and seeking employment, as compared with 2.3 per cent. in urban areas with less than 15,000 inhabitants.¹

¹ The sixth and seventh rounds classed as "unemployed but seeking employment" any person without a job for the whole reference period of 30 days but seeking one and in a position to accept one if offered.

TABLE VIII. DISTRIBUTION OF UNEMPLOYED PERSONS IN INDIA SEEKING WORK, BY DURATION OF UNEMPLOYMENT, AND EDUCATIONAL LEVEL
(Percentages)

Duration of unemployment	Illiterate		Literate but below matriculation		Matriculates and above		Total	
	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban
Up to 7 days	32.25	27.24	21.53	11.34	0.98	0.71	29.07	14.69
More than 7 days and up to 1 month	26.68	14.69	22.04	8.33	6.68	3.73	25.09	9.59
More than 1 month and up to 3 months	10.87	9.42	12.15	10.49	9.75	10.70	11.15	10.16
More than 3 months and up to 6 months	1.13	5.98	6.23	11.89	12.07	9.05	2.55	9.61
More than 6 months and up to 1 year	1.36	11.32	7.15	17.14	12.20	31.46	2.90	17.64
More than 1 year	3.04	11.89	14.18	28.39	34.16	32.75	6.28	23.87
Not recorded	24.67	19.46	16.72	12.42	24.16	11.60	22.96	14.44
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source : *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., pp. 82 and 143.

9. In the eleventh and twelfth rounds of the N.S.S. additional data were collected from non-agricultural labour households on the distribution of gainfully employed persons by days unemployed during the reference period of one week. For these data a person who was employed for at least one day during the reference week was treated as gainfully employed during the week, and days unemployed were days on which the gainfully employed person remained idle for want of work although available (i.e. excluding days on which he was not available for work). As will be seen from table X, in both rural and urban areas 95 to 96 per

TABLE IX. PERCENTAGE OF LABOUR FORCE UNEMPLOYED IN URBAN AREAS ACCORDING TO POPULATION (INDIA), 1953-54

Population of urban area	Male	Female
Below 15,000	2.3	0.9
15,000-50,000	4.1	1.7
50,000-100,000	5.9	1.2
100,000 and over, but excluding big cities	4.8	3.1
Big cities	8.5	3.7
All urban India	4.7	1.9

Source : *Report on Some Characteristics of the Economically Active Population* (Delhi, 1958-59), pp. 52-53.

cent. of the gainfully employed engaged in some productive work on all the seven days of the reference week ; no more than 2 to 3 per cent. of them remained unemployed for between three and six days during the reference week.

TABLE X. PERSONS IN NON-AGRICULTURAL LABOUR HOUSEHOLDS
GAINFULLY EMPLOYED, BY DAYS UNEMPLOYED DURING THE
REFERENCE WEEK (INDIA)
(Percentages)

Days unemployed	Rural	Urban
0	96.24	95.05
1	0.58	0.87
2	0.75	1.17
3	0.83	1.18
4	0.65	0.91
5	0.62	0.44
6	0.33	0.38
Total . . .	100.00	100.00

Source: *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., p. 13.

Underemployment

In the eleventh and twelfth rounds an attempt was also made, by investigating the number of hours actually worked, to ascertain the extent of underemployment prevailing in India. The method adopted

TABLE XI. DISTRIBUTION OF GAINFULLY EMPLOYED BY WEEKLY HOURS
AT WORK AND THE PROPORTIONS AVAILABLE FOR ADDITIONAL WORK IN
EACH " HOURS-AT-WORK " GROUP DURING THE REFERENCE WEEK (INDIA)

Weekly hours at work	Rural			Urban		
	Percentage of employed persons	Percentage within their category reporting available for additional work	Persons reporting available for additional work as percentage of employed persons	Percentage of employed persons	Percentage within their category reporting available for additional work	Persons reporting available for additional work as percentage of employed persons
0	4.77	5.43	0.26	3.83	5.83	0.22
1-7	1.33	37.25	0.50	1.21	35.87	0.43
8-14	4.27	39.83	1.70	2.53	32.53	0.82
15-28	12.34	37.02	4.57	8.34	36.21	3.02
29-42	18.37	27.83	5.10	18.38	20.85	3.84
43-56	32.09	7.79	2.50	38.62	5.47	2.11
57-70	24.14	2.66	0.64	21.06	2.76	0.58
above 70	2.69	0.81	0.02	6.03	1.30	0.08
Total	100.00	15.29	15.29	100.00	11.10	11.10

Source: *The National Sample Survey, Eleventh and Twelfth Rounds*, No. 52, op. cit., p. 11.

involved two steps: to find first the distribution of employed persons according to the number of hours at work in the reference week; and second the proportion of persons in each category who reported that they were available for additional work. Persons reporting themselves available for additional work and working less than 28 hours during the week were treated as severely underemployed and those working between 29 and 42 hours a week as moderately underemployed.

It may be observed from table XI that the majority of persons working short hours were not available for additional work and consequently were not regarded as underemployed. In rural areas about 24 per cent. of the employed persons worked less than 28 hours during the reference week and 7 per cent. of them were severely underemployed as above defined; in urban areas the corresponding proportions were approximately 16 per cent. and 4 per cent. respectively. The moderately underemployed formed about 5 per cent. of the employed in rural areas and 4 per cent. in urban areas. The figures of underemployment for urban areas are averages for all the urban areas, large and small. For purposes of employment policy, it would seem useful to distinguish between small towns, medium sized towns, and big cities as the N.S.S. did with respect to unemployment.

PAKISTAN

A substantial amount of information on unemployment and underemployment in Pakistan was collected by a manpower survey conducted in 1955 under the Expanded Programme of Technical Assistance. The survey used a reference period of one week.¹ Some of the major findings are summarised in table XII, which gives figures on employment and the labour force, and in table XIII, which is concerned with underemployment.

Unemployment

The main features of unemployment in Pakistan as revealed by this survey can be summed up in four points.

(1) The survey estimates revealed that in the country as a whole the unemployed formed only 3.2 per cent. of the labour force. The average percentage rate was, however, slightly higher in East than in West Pakistan (3.5 as against 2.8).

(2) Both in East and in West Pakistan the rate of unemployment was highest in large towns and lowest in villages, with smaller urban areas in between. In each of these three categories the unemployment rate in East Pakistan was higher than in West Pakistan. In large towns the rate was as high as 10.3 per cent. in East Pakistan as against 6.4 per cent. in West Pakistan. The smaller difference between the regional average unemployment rates is explicable by the fact that a far greater proportion of the labour force in East Pakistan resided in the villages.

(3) According to the survey, there was no serious problem of long-term unemployment in Pakistan at that time. In West Pakistan about a quarter of the unemployed had been out of work for less than four weeks, and two-thirds of them for less than six months, while only 6 per cent. had been without employment for over one year. The situation in East Pakistan was broadly similar.

¹ In West Pakistan interviewing was conducted during the period from the second half of August to mid-October and in East Pakistan during the period from mid-September to mid-November.

(4) A marked feature of the unemployed was the large number of first-job seekers. A special inquiry showed that on 31 January 1956 out of a total of about 78,000 persons on the live registers of the employment exchanges in West Pakistan 53 per cent. had no record of previous employment and of the 32,000 similar persons in East Pakistan the percentage was 61. Slightly over one-third of those on the registers in both West and East Pakistan were seeking employment in occupations requiring qualifications of matriculation level or above.

TABLE XII. LABOUR FORCE BY EMPLOYMENT STATUS IN PAKISTAN, 1955

(a) *Percentage Distribution of Labour Force in Large Towns, Smaller Urban Areas, and Villages*

Employment status	West Pakistan	East Pakistan
1. Large Towns		
Wage earners	54.4	53.4
Independent workers	27.3	26.2
Unpaid family workers	10.0	9.4
Looking for work	6.4	10.3
Employed not at work ¹	1.9	0.7
Total	100.0	100.0
2. Smaller Urban Areas		
Wage earners	43.0	36.7
Independent workers	35.8	36.7
Unpaid family workers	16.0	19.6
Looking for work	3.5	6.0
Employed not at work ¹	1.7	1.0
Total	100.0	100.0
3. Villages		
Wage earners	39.1	35.5
Independent workers	32.5	36.4
Unpaid family workers	25.1	23.3
Looking for work	2.2	3.1
Employed not at work ¹	1.1	1.7
Total	100.0	100.0

(b) *Estimated Total Labour Force (in thousands)*

Employment status	West Pakistan			East Pakistan		
	Males	Females	Total	Males	Females	Total
Wage earners	4,570	230	4,800	4,760	410	5,170
Independent workers	3,740	30	3,770	5,100	115	5,215
Unpaid family workers	2,420	240	2,660	3,170	100	3,270
Looking for work	320	3	323	500	5	505
Employed not at work ¹	140	7	147	190	50	240
Total	11,190	510	11,700	13,720	680	14,400

Source : *Report to the Government of Pakistan on a Manpower Survey*, op. cit., p. 83.

¹ Including those who were not working during the reference period because of temporary illness, unsuitable weather or seasonal conditions, holidays, labour disputes, other reasons of a temporary nature, or voluntary unemployment.

Underemployment

Table XIII reveals several significant features of underemployment in Pakistan at that time. However, it should be noted that the survey covered only about eight weeks of the year : hence these underemployment features may have been purely temporary. Furthermore, unpaid family workers working 15 hours or less during the reference week were not reckoned in the labour force. They consisted almost entirely of children and wives.

TABLE XIII. DISTRIBUTION OF EMPLOYED PERSONS BY WEEKLY HOURS AT WORK (PAKISTAN) 1955
(Percentages)

No. of hours worked in week before interview	West Pakistan			East Pakistan		
	Wage and salary earners	Independent workers	Unpaid family workers	Wage and salary earners	Independent workers	Unpaid family workers
15 or less . . .	1	1	— ¹	1	2	— ¹
16-25	1	2	8	4	18	29
26-30	2	2	5	5	13	11
31-35	9	3	2	6	9	7
36-40	11	5	8	9	4	5
41-45	11	6	7	11	8	7
46-50	31	27	26	16	10	11
51-55	5	8	4	5	3	5
56-60	14	20	19	21	16	14
61-70	9	15	13	17	13	9
71-80	2	5	4	2	2	1
81 and over	4	6	4	3	2	1
Total	100	100	100	100	100	100

Source : *Report to the Government of Pakistan on a Manpower Survey*, op. cit., p. 89.

¹ Unpaid family workers working less than 15 hours per week were not reckoned in the labour force

(1) In East Pakistan the proportion of persons reported as underemployed (in the sense that they worked less than 26 hours : i.e. half or less of the average working week of 50 hours) was about 17 per cent. of the total number at work in the reference period, or 2.5 million persons. The great majority of them were in the villages and the smaller urban areas. In West Pakistan the underemployed by the same criterion represented no more than 4.7 per cent. of the total number at work, or about 500,000 persons. Here again the majority were living in the villages.

(2) In both East and West Pakistan the bulk of the people working 25 hours or less per week were in the 16-25 hours category, the number working 15 hours or less being relatively very small (unpaid family workers who might have been in this category were not reckoned in the labour force).

(3) Within each employment status category the rate of underemployment was by far the highest among unpaid family workers, independent workers came next, and it was lowest among wage earners. In East Pakistan the rate among unpaid family workers was very high.

Seasonal Fluctuations in Employment

From the survey it appears that seasonal fluctuations in employment, which occur mainly in agriculture, are more pronounced in East than in West Pakistan. In East Pakistan about 48 per cent. of the labour force covered in the sample reported that they had a slack season, during which almost two-thirds of them worked less than 30 hours per week. It was also observed that the majority of casual labourers found it difficult to obtain work for more than 15 to 20 days per month during the slack season. In West Pakistan only about 13 per cent. of the labour force in the sample reported a slack season, during which about one-third of them worked less than 30 hours per week.

INDONESIA

Valuable data on unemployment and underemployment are available for Java and Madura in Indonesia as a result of a labour force sample survey conducted in the second half of 1958, also with I.L.O. technical assistance. The survey consisted of a sample of 10,700 rural and 1,300 urban households, rural being defined as in a locality with less than 50,000 inhabitants and urban as in one with more than 50,000.

Unemployment

For rural areas unemployed persons were considered to be persons who were not reported as having worked during the past 12 months and who (1) had previous work experience and were seeking work, or (2) wanted work but were not seeking it because they believed no suitable work to be available, or (3) had no previous work experience (i.e. new entrants into the labour force). As experienced workers had generally obtained some work during the previous 12 months, reported unemployment was exceedingly low, less than 1 per cent., as is shown in table XIV. The new entrants formed the bulk of this small group of the reported rural unemployed.

TABLE XIV. EMPLOYMENT AND UNEMPLOYMENT IN JAVA AND MADURA, 1958

Sex	Employed		Unemployed		Total labour force
	Thousand persons	Percentage	Thousand persons	Percentage	Thousand persons
Rural Areas					
Males	13,400	99.11	120	0.89	13,520
Females	10,550	99.25	80	0.75	10,630
Total . . .	23,950	99.17	200	0.83	24,150
Urban Areas					
Males	1,830	91.96	160	8.04	1,990
Females	790	95.18	40	4.82	830
Total . . .	2,620	92.91	200	7.09	2,820

Source : *Report on Labour Force Sample Survey in Java and Madura*, op. cit., pp. 21 and 33.

For urban areas the survey reference period was one week—all persons falling into any one of the above categories during the reference week were classified as unemployed. The urban unemployment rate was 7 per cent., which is fairly high. Further, the rate for males (8 per cent.) was considerably higher than for females (4.8 per cent.). It is also of interest to note that 75 per cent. of the urban unemployed were seeking work; the remaining 25 per cent. wanted work but were not seeking it because they believed no suitable work to be available. Urban unemployment in Indonesia, as in many other Asian countries, affects large numbers of young persons. The survey showed that half of the urban unemployed were in the age group 15 to 24. All the female unemployed in urban areas were in this age group, and 37.5 per cent. of the male.

Underemployment

The survey made separate investigations into underemployment in agriculture and in urban areas.

In agriculture, according to the estimates of the survey, there were 15.74 million persons aged 12 years and over at work in the peak season of the agricultural year, of whom 7.37 million worked for seven hours or more per day, 7.10 million for four to six hours and the remaining 1.27 million for one to three hours. In the slack season there were 13.31 million persons at work, of whom 0.47 million worked for seven or more hours per day, 4.72 million worked for four to six hours and the remaining 8.12 million for one to three hours. The estimated number of man-hours of work in both seasons worked out at 22,352.4 million. If, however, all the 15.74 million workers had had full employment for 305 days in the year (365 days, less 52 for weekly holidays and 8 for festival holidays) and if they had worked for seven hours a day, the total number of man-hours would have been 33,604.9 million. The maximum underemployment in agriculture would thus seem to be 11,252.5 million man-hours or 33 per cent. This rough figure, of course, takes no account of the fact that many of the 15.7 million persons engaged in agriculture in the peak season are not actually available for employment for seven hours per day all the year round.

TABLE XV. FREQUENCY DISTRIBUTION OF EMPLOYED PERSONS IN URBAN AREAS BY HOURS OF WORK IN JAVA AND MADURA, 1958

Hours of work	Number of persons (in thousands)			Percentages		
	Males	Females	Total	Males	Females	Total
Less than 14	90	50	140	4.92	6.33	5.34
15 to 29	70	110	180	3.82	13.92	6.87
30 to 34	50	30	80	2.73	3.80	3.05
35 to 39	290	80	370	15.85	10.13	14.12
40 to 47	560	130	690	30.60	16.45	26.34
48 and over	770	390	1,160	42.08	49.37	44.28
Total	1,830	790	2,620	100.00	100.00	100.00

Source: *Report on Labour Force Sample Survey in Java and Madura*, op. cit., p. 40.

The average number of hours worked per day during the slack season was about 53 per cent. of that in the peak season.

In urban areas about 12 per cent. of the total number of the employed worked less than 30 hours in the week and, as is shown in table XV, the percentage was markedly higher among females. Persons working for less than 30 hours a week for economic reasons, desirous of working longer hours and seeking work, were considered underemployed. By this criterion the total number of persons underemployed was 80,000 (40,000 males and 40,000 females), representing 2.8 per cent. of the labour force. For the male section of the labour force the rate of underemployment was 2 per cent. and for the female section 4.8 per cent. Of the total number of underemployed, 37 per cent. were in manufacturing, 33 per cent. in commerce, and 13 per cent. in services.

PHILIPPINES

Several rounds of a statistical sample survey of households have been conducted in the Philippines with the object of collecting comprehensive information on various aspects of the labour force. The last two rounds for which results are available relate to May and November 1958. Data concerning unemployment and underemployment are summarised below.

Unemployment

The concept of unemployment is somewhat similar to that adopted in the Indonesian survey.

The numbers of totally unemployed and of the underemployed are given in table XVI. The unemployment situation in November 1958 was briefly as follows.

The average unemployment rate was fairly high—7.2 per cent. of the total labour force. The rate for females (10.5 per cent.) was nearly twice that for males (5.5 per cent.). It is also significant that of the total number of the unemployed, 42 per cent. had never worked before and 56 per cent. were in the age group of 10-24 years.

As between major branches of economic activity, the rate of unemployment was lowest in agriculture: 3.3 per cent. for both sexes (6.6 per cent. for females and 1.9 per cent. for males, as shown in table XVII). For the males the highest unemployment rate (13.2 per cent.) was found in construction. Among the main occupation groups (not shown in the table) the unemployment rate was highest in the unskilled manual workers and labourers group (14.3 per cent.).

The survey provided no breakdown of the number of unemployed as between rural and urban areas and as between small towns and big cities. It seems, however, that the rate of unemployment was considerably higher in the big cities such as Manila, where manufacturing, construction, etc., are important industries.

Underemployment

The concept of underemployment used in this survey was very different from those adopted by other surveys mentioned above. It should be noted that unpaid family workers were included in the figures for the labour force and the employed if they had "worked formost of the week preceding the interview". Persons working less than 40 hours a week who wanted additional work were considered as visibly underemployed.

TABLE XVI. POPULATION TEN YEARS OLD AND OVER BY EMPLOYMENT STATUS, DESIRE OF EMPLOYED PERSONS FOR ADDITIONAL WORK AND WEEKLY HOURS WORKED BY THOSE WANTING ADDITIONAL WORK, BY SEX, MAY AND OCTOBER 1957 : MAY AND NOVEMBER 1958 (PHILIPPINES)
(In thousands)

Employment status, desire for additional work and weekly hours worked by the employed wanting additional work	Both sexes				Male				Female			
	May 1957	October 1957	May 1958	November 1958	May 1957	October 1957	May 1958	November 1958	May 1957	October 1957	May 1958	November 1958
1. Total persons, years old and over	15,327	15,518	15,787	16,022	7,540	7,588	7,696	7,887	7,787	7,930	8,091	8,135
2. In the labour force	8,922	8,829	9,659	8,976	6,012	5,682	6,191	5,824	2,910	3,147	3,468	3,152
3. Employed (full and partially)	8,149	8,199	8,782	8,329	5,609	5,352	5,776	5,506	2,540	2,847	3,006	2,823
4. Not wanting additional work ¹	6,713	4	6,925	6,546	4,530	4	4,487	4,240	2,183	4	2,437	2,306
5. Wanting additional work ² and working :												
under 20 hours	138	4	300	249	73	4	137	104	66	4	164	145
20 to 34 hours	609	4	615	586	425	4	398	374	183	4	218	214
35 to 39 hours	189	4	181	199	147	4	134	153	42	4	46	46
40 hours and over	498	4	760	746	433	4	619	635	66	4	141	111
6. Totally unemployed	773	630	878	647	404	331	416	319	369	300	462	329
7. Not in labour force	6,390	6,675	6,082	7,023	1,521	1,899	1,488	2,053	4,869	4,776	4,594	4,971
8. Labour force status not reported	15	13	46	23	3	3	17	10	3	3	29	12

Source : *The Philippine Statistical Survey of Households Bulletin*, op. cit., p. 14.

¹ Includes persons for whom there was no report as to whether or not they wanted additional work. ² Includes persons with a job but not at work during survey week, who usually worked these hours weekly. They numbered 87,000 in May 1957, 71,000 in May 1958 and 72,000 in Nov. 1958. ³ Negligible. ⁴ Not available.

Persons working 40 hours a week or more who wanted additional work were considered invisibly underemployed. By these criteria, in November 1958 the visibly underemployed constituted 12.5 per cent., and the invisibly underemployed 9 per cent., of all employed persons. It was observed that—

not all part-time workers want additional work and, on the other hand, that a sizeable fraction of full-time workers still desire additional work. In May 1957, 29.3 per cent. of persons with part-time employment (working less than 40 hours a week) wanted additional work. These persons represent visible underemployment in the country's labour force. The rest, comprising 70.7 per cent. of all part-time workers, were working on a voluntary part-time basis like students, housewives and young or elderly persons who cannot devote their full time to work activities. Voluntary part-time workers constituted roughly 65 per cent. of all part-time workers reported in 1958 May and November surveys. Voluntary part-time workers make up a greater percentage of female workers than male workers.

Nearly 14 per cent. of full-time workers wanted more work according to the 1958 May and November survey results. This gives an idea of the extent of invisible underemployment in the country.¹

TABLE XVII. PERCENTAGES OF UNEMPLOYED PERSONS IN THE EXPERIENCED LABOUR FORCE IN EACH MAJOR BRANCH OF ECONOMIC ACTIVITY IN NOVEMBER 1958 ¹ (PHILIPPINES)

Economic activity	Size of labour force (in thousands)			Percentage of unemployed		
	Male	Female	Total	Male	Female	Together
Agriculture	4,006	1,443	5,449	1.9	6.6	3.2
Construction	185	²	185	13.2	²	13.2
Manufacturing	393	594	987	5.7	6.4	6.1
Commerce	323	460	783	3.3	6.2	5.0
Transport and communication	232	10	242	5.0	20.8	5.7
Government, community, business, and recrea- tional services	335	148	483	6.6	5.2	6.2
Domestic services	49	236	285	5.3	4.7	4.8
Personal services other than domestic	96	105	201	8.5	8.1	8.3
Other industries	47	³	47	5.5	⁴	5.5
Industry not reported . .	23	22	45	9.3	21.2	15.1
Total ¹	5,689	3,018	8,707	3.2	6.5	4.4

Source : *The Philippine Statistical Survey of Households Bulletin*, op. cit., p. 16.

¹ The "Experienced Labour Force" consists of the employed workers, plus the unemployed who have worked previously for at least two consecutive weeks on a full-time basis. ² None reported in sample households. ³ Negligible. ⁴ Too small to show distribution.

According to the November 1958 survey, in agriculture about 33 per cent. of employed persons in the "under 40 hours" group were visibly and 16 per cent. in the "40 hours and over" group were invisibly underemployed. The percentage of underemployed among all persons working in agriculture was 22.4. In the non-agricultural sector the corresponding figures were, respectively, 41 per cent., 11 per cent. and about 20 per cent.

¹ *The Philippine Statistical Survey of Households Bulletin*, op. cit., p. 6.

As table XVI shows, the underemployed in the "under 20 hours" group, who could be considered as acutely underemployed, formed only 3 per cent. of the total labour force.

CONCLUDING REMARKS

Notwithstanding the diversity of definitions used, the surveys revealed certain common characteristic features of the employment situation in the countries surveyed. These are briefly as follows: the high rate of unemployment in urban areas, more especially in the big cities; the large number of young persons among the unemployed; the high rate of unemployment among educated persons; and the under-utilisation of rural manpower, particularly during the slack seasons. Specific measures would need to be devised to redress each of these features in a broadly based employment policy for these countries.

However, since the results of these surveys were influenced to some extent by the particular definitions adopted, great caution needs to be exercised in interpreting the results and more particularly in making inter-country comparisons. This points to the need for careful evaluation of the data obtained in the surveys, particularly as regards their usefulness for the planning of employment objectives. Further exploration is needed, both at the national and the international level, into the conceptual problems and methodological issues involved in the measurement of unemployment and underemployment in the economically less developed countries.
