## **REPORTS AND INQUIRIES**

# A Survey of Employment, Unemployment and Underemployment in Ceylon

The following article summarises a report of a survey organised by the I.L.O. under the Expanded Programme of Technical Assistance. It is felt that the information on the methods used and the type of results obtained may be of interest outside Ceylon in view of the growing attention being paid to studies of underemployment and unemployment.

The survey of employment, unemployment and underemployment in Ceylon covered the period February 1959-March 1960, and was initiated to provide the Government with basic data needed for economic planning and, in particular, to throw light on the unemployment problem in the country.<sup>1</sup> Its essential purpose was to provide information about the characteristics of the labour force of Ceylon; that is, about persons in the population of the country who were working and those available for and wanting employment, as distinct from those not economically active.

### SAMPLING SYSTEM AND COLLECTION OF DATA

The geographical coverage of the survey was the whole of Ceylon. The rural sector was subdivided into three divisions, which were (i) wet hills; (ii) wet plains; (iii) dry plains. The urban sector was divided into two broad categories, namely: (i) greater Colombo; (ii) other urban areas. The survey was conducted through four quarterly periods of a year, so that estimates could be obtained for each of the quarters and thus reveal seasonal patterns.

The sampling was done in two stages after stratification and with provision for self-weighting so as to facilitate tabulation. The rural sample villages (or census blocks of bigger villages) were selected with probability proportional to population (census 1953) and the urban sample (census) blocks were selected with equal probability, with replacement. Equalisation of the load of field work was an important consideration in deciding the method of selection in the far-flung and remotely scattered rural sector. The selection of sample villages with probability proportional to population gave a self-weighting rural

<sup>&</sup>lt;sup>1</sup> At the request of the Government of Ceylon, the International Labour Office provided expert statistical assistance under the Expanded Programme of Technical Assistance during the period 1958-61. With the full co-operation of the Department of Labour, the statistical expert designed a sample survey covering the whole of Ceylon. Valuable assistance was given by the Department of Statistics, which also provided machine tabulation facilities. The field work began in February 1959 and continued until March 1960.

sample with a constant number of sample households in a village. The variation in population size was considered to be much lower for the urban blocks, where the limited extent and the easy communications made possible better control and supervision. Selection of the urban first-stage units (sample blocks) was therefore done with equal probability. A fixed number (eight) of sample households in the villages and a fixed proportion (one-tenth) of sample households in the urban blocks were selected by systematic sampling with random start.

One-third of the sample households selected in the rural sector and two-thirds of those in the urban sector in the first quarter of the survey were fixed for resurvey at intervals of three months. The higher proportion in the urban sector was considered necessary because of its greater diversity of economic activities.

The fixed sets of households were subdivided by random process into two independent subsamples. These, together with the sample formed by the remaining households, provided a scheme of three independent subsamples. In addition to these three interpenetrating subsamples, estimates would be available in the four separate quarters of the survey. The quarters' results would furnish four comparable subsamples for the estimation of characteristics which are not seriously affected within short intervals of time. The intensity of sampling, counting the resurveys, works out as one sample block per 7,000 and per 2,500 population respectively for the rural and the urban sectors. In terms of individuals this is roughly 1 in 130; for the rural sector 1 in 160 and for the urban sector 1 in 60.

The sample was large enough to provide detailed tabulations. Altogether, about 10,000 schedules were returned for rural households and about 5,000 for urban households (in both cases, including resurveys). The total number of households returning schedules was approximately 10,000.

There were four survey schedules in all: (i) the block list for the sample block as a whole, (ii) the household schedule for the sample households selected, (iii) the expenditure schedule for a subsample of half the number of selected households, and (iv) the individual schedule for each individual member of each sample household aged 12 or more (or for younger members if actually engaged in economic activity).

Field work was distributed among 68 statistical investigators. They were posted in the field, in each stratum, for a period of three months and then transferred to another area. Arrangements were made, within limits of administrative and other exigencies, to change the statistical investigators by rote between different strata at the end of each quarter, with a view to evening out the differences due to individual investigators' personal characteristics.

#### POPULATION

As the age and sex composition of the population is the prime determinant of the size of the labour force, in order to gain insight into the particular features of Ceylon's labour force it was necessary to examine the structure of the whole population.

The survey did not attempt to estimate the size of the population in 1959, which had been estimated by the Planning Secretariat to be about 10,250,000.<sup>1</sup> For purposes of this estimate the rate of growth of the

<sup>&</sup>lt;sup>1</sup> S. SELVARATNAM: Population Projections for Ceylon, 1956-81 (Colombo, Planning Secretariat, 1959).

population in the late 1950s was assumed to be 3 per cent. per annum. This was somewhat higher than the rate of 2.86 per cent. per annum shown by the statistics issued by the Registrar-General's Department, which were based on 1953 census data.

Ceylon has a "young" population. The survey results indicated that children under 15 years of age numbered about 4.5 million or nearly 44 per cent. of the 1959 population of 10.3 million. Nearly 80 per cent. of the children of school-going age, 5-14 years, were attending schools. Altogether there were some 2.8 million students in 1959.

The high proportion of children in the population, combined with a high rate of school attendance, explains in a certain measure why the proportion of Ceylon's population participating in the labour force is relatively low when compared with participation rates of other countries.

#### THE LABOUR FORCE

One measure of labour force participation was obtained by considering each person's main activity; that is, whether he devotes the major part of his time to economic or non-economic activities. According to the survey, persons economically active in 1959 by the main activity criterion constituted 32.34 per cent. of the population or 3,320,000 persons (2,550,000 males; 770,000 females). The respective participation rates for males and females were 44.4 and 13.4 per cent.

Among those who were not classified as economically active by this criterion were, however, a considerable number of persons who, although mainly engaged in domestic duties or studies or some other non-economic pursuit, were also working in a productive enterprise part-time as a secondary activity, or were also looking for work. According to the broader concept of labour force in use in most countries, such persons having a working activity or searching for employment are classified as in the labour force, either as part-time workers or as unemployed, and not as in a non-economic activity. According to the survey there were about 270,000 such persons <sup>1</sup>; they were predominantly women and mostly in rural areas; they included a substantial number who did not have a job but were looking for work. If these persons are counted as being in the labour force its strength is brought up to 3,590,000 or 35.03 per cent. of the total population, comprising 2,590,000 males and 1 million females. The participation rates were 44.8 and 16.2 per cent. respectively.

#### Growth of the Labour Force

The future size of the labour force depends on a number of factors, mainly the rate of population growth and the labour force participation rates for males and females in each age-group. The latter will be influenced by the course of economic development, the extension of educational facilities, the provision of social welfare measures in future and other factors affecting the propensity of persons to seek employment.

A satisfactory projection of the growth of the labour force would require a special study, but broad indications can be obtained by simple calculation. It may be assumed, for instance, that the proportion of the population in the labour force will remain about the same over the next few years. According to the Planning Secretariat the population in 1968 may be about 13,350,000 persons, an increase of 3,100,000

<sup>1</sup> See footnote 1, p. 252.

between 1959 and 1968. The population is assumed to be increasing by about 300,000 per annum at present and to rise by a somewhat larger number in subsequent years. If the proportion of the population whose main activity is an economic one remains the same as in 1959, then the labour force according to this criterion would reach 4,320,000 persons in 1968.<sup>1</sup> This would denote an increase of about 1 million persons during the period or an annual addition to the labour force of slightly less than 100,000 persons for the first few years and somewhat more than that number for the later years of the present decade. These figures are illustrative of the magnitudes involved but may be subject to a substantial percentage of error.

It has been observed on occasions where new opportunities for wage-earning employment occur in the countryside (for instance, the opening of a new factory) that a plentiful supply of labour force offers itself for engagement, although many of the applicants neither have other income-earning work nor could be considered as unemployed persons in the sense that they had been in the market for jobs for some time previously.

There is, therefore, a strong presumption that many potential workers, more particularly in the "mixed" and the "non-estate" areas of Ceylon, who are not currently in the labour force might be attracted to offer themselves in the labour market under certain conditions. The same kind of situation may also exist in certain regions of economically developed countries where an increase in employment opportunities or in the level of wages offered can result in an increase in the labour force currently available for employment. Consequently, it would not be wise to assume that unemployment would be automatically reduced if employment openings could be generated at a rate exceeding the rate of growth of the population. In addition, an expanded demand for labour might be largely satisfied by additional labour input by persons formerly underemployed.

#### Employment

The total number of persons whose main activity was employment in some economic pursuit was estimated to be 2,970,000 (males 2,300,000; females 680,000).<sup>2</sup> Inclusion of persons who were working only as a secondary activity added another 170,000 employed persons, of whom 140,000 were females, nearly all in rural areas. The total number of persons in some kind of employment was therefore 3,140,000; about 2,720,000 were in rural areas and 420,000 in urban areas.

The 2,970,000 persons whose main activity was employment in some economic pursuit were distributed as follows : about 1,750,000 or 58 per cent. were engaged in agriculture, forestry and fishing activities; industrial activity—mining, manufacturing, electricity and other utility services—accounted for 400,000 or 14 per cent.; 360,000 or 13 per cent. were engaged in services; trade and commerce (260,000 or 9 per cent.) was the next largest group, followed by transport and communication (130,000 or 4 per cent.) and construction (70,000 or 2 per cent.).

<sup>&</sup>lt;sup>1</sup> The projected number in the labour force would be somewhat larger (4,680,000) according to the broader concept of labour force (covering all persons with some economic activity including part-time work, or also looking for work although mainly occupied in a non-economic activity).

<sup>&</sup>lt;sup>2</sup> Discrepancies between figures are due to rounding.

All these categories except services employed more persons than the number recorded in the census of 1953. Employment in non-agricultural divisions appears to have expanded much more rapidly than in the agricultural sector, where there were only limited possibilities for absorption of additional labour. Although some of the apparent decline in employment in the services group may be explained by differences between the methods utilised in the survey and those used in the census, there appears to have been a pronounced drop in both male and female employment in this division.

About one-quarter of the total number of workers employed in agriculture, manufacturing and services in 1959-60 were females. In trade and commerce women constituted only about one-ninth of the total number employed, while in construction and transport and communication only negligible numbers were employed. Agriculture, forestry and fishing accounted for about 70 per cent. of all women in employment but for only about 56 per cent. of the men.

Despite the great dependence of the economy on agriculture, a relatively large proportion of workers in Ceylon are wage and salary earners (63 per cent. in 1959-60). This group numbered approximately 1,990,000 in 1959-60 out of a total of some 3,140,000 persons in employment. Even in rural areas as much as 61 per cent. of employed persons were wage and salary earners. The rural sector in Ceylon thus has features which distinguish its economic organisation from that in many other less developed countries. Particularly notable was the high proportion of wage and salary earners (68 per cent.) among employed women in rural areas—in contrast, a relatively low proportion (14 per cent.) of all working women were in the group " unpaid family workers ". Only a small proportion of male rural workers fall in this group (4 per cent.). Over 31 per cent. were self-employed workers or heads of household enterprises. On the other hand, there were only 10,000 male employers in other types of enterprises and females in this category were very rare.

In urban areas about 75 per cent. of all employed persons were wage and salary earners (74.3 per cent. of males; 75.3 per cent. of females). Approximately 20 per cent. were self-employed workers or heads of household enterprises. Employers in other types of enterprises, cosharers in household enterprises and unpaid family workers constituted only small proportions (1 to 2 per cent.) of all employed persons in urban areas.

#### THE UNEMPLOYED

Persons aged 12 years and over whose main activity status was either: (a) without work but available and willing to work, or (b) without any substantive work or duties though able to work or take duties whole time, were considered to be unemployed.<sup>1</sup> The proportion of the population reported as unemployed by this criterion was 3.4 per cent., or 10.5 per cent. of the labour force. The estimated number of persons unemployed was 340,000, of whom 80 per cent. were in rural areas and 20 per cent. in urban areas. The total comprised 250,000 males and 90,000 females. The proportion of the rural population unemployed, according to the main activity criterion, was 3.2 per cent. (9.8 per cent. of the rural labour force) compared with 4.2 per cent. in urban areas

<sup>&</sup>lt;sup>1</sup> Supplementary information was also obtained about these persons. In rural areas over 80 per cent. of the total ((a)+(b)) were reported actively looking for work; in urban areas, about 75 per cent.

(14.4 per cent. of the urban labour force). Unemployment was much higher among females (12.1 per cent. of female labour force) than among males (9.8 per cent.). Moreover, the unemployment rate for the urban female labour force (22.7 per cent.) was more than double that for the rural (11 per cent.).

When persons who were engaged mainly in non-economic activities (domestic, study, etc.) but who were also looking for work were taken into account, there were 450,000 unemployed persons in Ceylon during the survey period (rural areas 360,000; urban areas 90,000). The excess over the estimate based on the concept of main activity was therefore 110,000: 20,000 males (approximately equally divided between urban and rural areas) and 90,000 females who were predominantly rural residents (70,000) and most of whom were aged between 15 and 25 years.<sup>1</sup>

The adoption of the broader concept had very little effect on the estimate of male unemployment but approximately doubled the figure for unemployed females in both the rural and the urban areas. The rate of unemployment during the survey period measured by the economic activity criterion was 4.5 per cent. of the population or 12.8 per cent. of the labour force which, for the purpose of computing the rate, was taken to include not only the additional 110,000 unemployed persons but also 160,000 persons in part-time jobs whose main activity status was outside the labour force.

The proportion of the labour force unemployed among rural males was 9-10 per cent. Among rural females it was 11 or 16 per cent. (depending on which of the two above-mentioned criteria was used), being lowest in the "estate area", which accounts for roughly one-third of the female rural labour force (5 or 8 per cent. unemployed according to which criterion is used) and next lowest in the "mixed area" (10 or 16 per cent.), while in the "non-estate area" it was 16 or 20 per cent. It is in this last-mentioned sector that half the female rural labour force is found.

Persons aged 12 years and over who did not work during the week preceding the interview were asked first whether they were available for work (or seeking a change) and then whether they were actively looking for work. It appeared that less than 20 per cent. of those looking for work were registered with employment exchanges, although the total number of persons on the registers was much higher than 20 per cent. of the total number of unemployed revealed by the survey. Over half of the registrations were found to relate to persons who, according to the main activity criterion used in the survey, were either in employment (44 per cent.) or outside the labour force (14 per cent.). The employment exchange figures therefore cannot be regarded as a reliable indicator of unemployment levels in the island.

The employment problem in Ceylon is predominantly concentrated among youth and young adults. It was estimated from the survey results that unemployed persons under 15 years of age numbered 60,000, or 44 per cent. of all young workers in this age group.<sup>2</sup> Although unemployment was in general more serious in the urban areas of Ceylon, in the case of these very young workers the problem was worse in the rural districts, perhaps largely for the reason that school attendance is lower

<sup>&</sup>lt;sup>1</sup> The additions to the different items due to the substitution of the economic activity criterion for the main activity criterion were :

Labour force : 40,000 males + 230,000 females = 270,000 persons

Employed : 20,000 , + 140,000 , = 160,000 ,

<sup>&</sup>lt;sup>2</sup> If one includes young persons engaged mainly in studies, etc., but also looking for work, the figure becomes 70,000.

there, which means that a higher proportion of rural children are available for work. Extension of schooling will eventually reduce the seriousness of this problem.

More serious is the high proportion of unemployed among youths and girls in the labour force aged 15 to 19 years. Out of the 390,000 in the labour force on the main activity criterion there were 120,000 unemployed—over 30 per cent.—and in addition 40,000 persons engaged mainly in some non-economic activity were also looking for work. In this age group the unemployment problem was much worse in the urban areas, where one out of every two was out of work, than in the rural, although even there the rate was around 30 per cent. of the labour force. Urban unemployment was also higher than rural unemployment for all the age groups 20 years and over.

A grave aspect of the unemployment situation in Ceylon is that some 20 per cent. of young workers aged 20-24 are unemployed. The survey estimates revealed that about 90,000 or 110,000 such workers were unemployed (depending on the criterion used) out of a total of some 450,000-490,000 in the labour force. For the rural areas the unemployment rate in this group was around 20 per cent. and for the urban areas about 30 per cent.

Among older workers (25 years and over) the situation was much better; unemployment rates according to the two criteria were 3 and 4 per cent. respectively in rural areas and 7 and 9 per cent. respectively in urban areas. Among those over 54 years of age, however, the rate in urban areas rose to about 10 per cent.

To sum up : three-quarters of the unemployed of each sex are young persons aged under 25 years; this age group contains nearly 80 per cent. of the unemployed in rural areas and about 66 per cent. in urban areas. Even if males under 15 are excluded from the labour force for purposes of computing figures of unemployment, there were over 200,000 males out of work of whom almost half were between 15 and 20 years old.

Another measure of unemployment was obtained by considering each person's activity during the seven days preceding the interview.<sup>1</sup> A person whose usual main activity status was "working" was nevertheless classified as unemployed if he had no work in the reference week but was available for work (i.e. was not sick, taking leave, etc.) and was wanting to work; but those whose usual activity status was "unemployed" who actually worked during the reference week for 15 hours or more were classified as employed. Also counted as being in the labour force during the seven-day period (although not in the labour force according to their usual activity status) were persons such as seasonal and occasional workers who were working for 15 hours or more during the period. As a consequence, this method of classifying the population gave labour force participation rates and unemployment rates slightly higher than those obtained when only main activity status was taken into consideration. The difference in unemployment rates for rural areas—3.7 per cent. of population as against 3.2—gives some indication of the effect of thus including seasonal unemployment. For urban areas the difference was negligible.

To make the figures obtained from the seven-day reference basis comparable with labour force sample survey data obtained regularly in certain other countries, it would be necessary to take account also of

<sup>&</sup>lt;sup>1</sup> As interviews took place throughout a full year, the results do not refer to one particular week but give an average picture over the full year.

those persons who were outside the labour force according to their main activity status but who, nevertheless, did work for a few hours (14 or less) and of those who had only a non-economic main activity (such as household duties or studies, etc.) but nevertheless looked for work during the reference week. Information is not available about these groups of persons but, as regards the second, the necessary adjustment probably would be of the order of 100,000.<sup>1</sup> Some of the 160,000-170,000 persons, primarily women aged 25-54, whose jobs constituted for them only a secondary activity would certainly report less than 15 hours' work per week. However, even if their number were added to the results obtained for the number employed on a seven-day reference basis, the effect on the unemployment rate would be small. But the addition of 100,000 unemployed to the figures obtained would have an important effect : the rate would be raised to approximately a little over 13 per cent. This figure, however, is not much higher than that obtained by the economic activity or, as it was called during the survey, the "combined activity " (main plus secondary economic activity) approach. It is considered therefore that the unemployment estimates based on the economic activity approach are satisfactory for general policy purposes.

Finally it may be noted that if statistics for persons under 15 years of age are omitted from a comparison with figures for other countries, the unemployment rate for Ceylon during the survey year would average approximately 11 per cent. on the basis of labour force activity during a period of reference of one week.

#### THE UNDEREMPLOYED

The measurement of the degree or extent of visible underemployment presumes the adoption of a norm—persons whose employment falls below the norm and who are desirous of working more hours may then be classified as less than fully employed. One point of view, however, holds that the only criterion should be whether the person concerned wanted more work during the period considered : the fact that he may have already worked more than, say, 40 hours per week is regarded as irrelevant. Social policy, however, is conventionally assumed to be generally concerned primarily with satisfying the most urgent need, viz. the demand for more work on the part of persons currently having less than a reasonable amount.<sup>2</sup> The conventional work week applying in the country may be regarded as an upper limit. For purposes of the survey, information regarding availability for additional hours of work

254

<sup>&</sup>lt;sup>1</sup> As has been mentioned above, 110,000 persons not classified as in the labour force because of their main activity status were usually seeking work.

<sup>&</sup>lt;sup>2</sup> Underemployment was defined by the Ninth International Conference of Labour Statisticians (1957) as follows :

<sup>&</sup>quot;Underemployment exists when persons in employment who are not working full time would be able and willing to do more work than they are actually performing .... The following major categories of underemployment may be distinguished :

<sup>(</sup>a) visible underemployment which involves shorter than normal periods of work and which is characteristic of persons involuntarily working part time;

<sup>(</sup>b) invisible underemployment which is characteristic of persons whose working time is not abnormally reduced but whose earnings are abnormally low or whose jobs do not permit full use of their capacities or skills (sometimes called ' disguised ' underemployment), or who are employed in establishments or economic units whose productivity is abnormally low (sometimes called ' potential ' underemployment).

Underemployment, according to this definition, excludes persons who are unemployed or who are not in the labour force but who are willing to take employment though they do not seek it."

was requested from employed persons who reported that they had worked less than five days or 40 hours during the past seven days. Information was also obtained on days worked and extra days available for work during the past 30 days. Invisible underemployment may be equally serious in a country like Ceylon, where the supply of labour offering itself is high in relation to existing job opportunities. Competition among workers for the available work tends to result in sharing it among more workers than are really needed in a particular enterprise. Under such conditions output per person and workers' earnings are low, there is an inevitable tendency for the pace of work to be slow, and hours of work are relatively long. Investigation of these aspects of the situation in Ceylon was not possible during the survey.

#### Stability of Employment

Underemployment is generally concentrated among certain sections of the labour force. A question on the regularity of employment over the year was therefore included in the survey and revealed that 8.4 per cent. of persons working in rural areas had only irregular or casual work (males 9.7 per cent., females 5.3) and a further 4.9 per cent. had temporary jobs with no settled pattern (males 5.3 per cent., females 4.1). Nearly 15 per cent. of rural workers had a regular seasonal job and 5.5 had a stable job which provided only intermittent work. Among wage and salary earners these proportions were higher, especially for males, with the notable exception of the seasonal type of employment which was reported by only 3.7 per cent. As many as 71 per cent. of rural wage and salary earners had stable and continuous work. Seasonal jobs were primarily a characteristic of workers on their own account, co-sharers and unpaid worker members of their families. About 65 per cent. of all workers in rural areas reported themselves as having stable and continuous work.

In urban areas the corresponding proportion was nearly 80 per cent. for both male and female workers. About 6 per cent. of all urban workers and of urban wage and salary earners respectively were classified in each of the groups "casual/irregular" and "temporary/pattern not settled". Only 3.5 per cent. reported regular seasonal jobs and these latter were mostly employed in household enterprises. As for urban wage and salary earners, only 1.5 per cent. reported regular seasonal jobs.

#### Hours and Days Worked and Available

Although 45.4 per cent. of the rural labour force employed worked less than 40 hours, only 18.8 per cent. reported availability for extra hours of work. For urban areas the proportions were 29 and 11.2 per cent.; see the table below.

	Percentage of employed persons				
Region	Working		Available for		
	Less than 40 hours per week	Less than 21 days per month	Extra hours per week	Extra days per month	
Rural areas Urban areas	45.4 29.0	58.3 35.3	18.8 11.2	24.0 11.5	

The ratios between these two sets of figures imply that only about 40 per cent. of all persons working less than full time are actually available for extra work. This was roughly confirmed by the replies to the question as to the reason for not working longer, which was put to persons working less than 40 hours or five days during the past seven days.

In rural areas, 38 per cent. of those who worked 1-14 hours indicated that they were available for, but had not found, extra work or that they had not been requested to work extra hours; 47 per cent. of those who worked 15-39 hours gave a similar answer. Corresponding proportions in urban areas were 48 per cent. and 40 per cent. Of persons in employment but reporting zero hours worked, approximately one-third were available. The remaining persons who were working short hours but were not available gave various personal reasons—illness, holiday, festival—or were not wanting extra work because of age, domestic responsibilities or some other reason.

The underemployed amounted to about 500,000—nearly 20 per cent. of all persons working in rural areas and around 10 per cent. of those in urban areas. These figures were fairly similar to the proportions of all employed persons, in the rural and urban areas respectively, who declared that they had a certain number of days available for work in addition to any days of work they might have performed during the previous 30 days. In effect, 24 per cent. of all rural workers and 11.5 per cent. of all urban workers so reported. It should be noted, however, that these last-mentioned figures would include a certain proportion of workers who reported days available for extra work although they had worked more than 20 days out of the 30-day period,

An average of the results for the four quarters showed that the proportions of employed persons who experienced underemployment were 18.8 per cent. in the rural areas and 11.2 in the urban areas. By an application of these percentages to the estimated labour force the estimates in the table below are obtained.

Extra hours available	Employed persons available for extra hours (In thousands)			
(Per seven uays)	Rural areas	Urban areas	• Total	
1-14	120	10	130	
15-39	290	25	315	
40 and over	100	. 10	110	
Total	510	45	555	

#### UNDEREMPLOYMENT

As regards the proportion of the underemployed who may be considered as severely underemployed, the figures obtained as to the days available during a 30-day period and the hours available during a sevenday period do not appear to be consistent. A possible explanation is that a substantial number of persons have relatively short working days and thus a worker who has comparatively few days available nevertheless has a substantial number of hours available. Consequently, it would appear that the data on extra hours of work time available should be used in preference to those on extra days. Of persons with hours available for extra work, less than 25 per cent. of the urban workers and the same proportion of the rural workers had under 15 hours a week available for extra work ; over 50 per cent. had 15-39 hours available, and about 20 per cent. had 40 hours or more available. These data indicate that underemployment is severe for most of its victims. Even if allowance is made for some exaggeration, it appears that one-fifth of those reporting some hours available for extra work are rather close to complete unemployment, since they want at least an extra 40 hours of work per week. These persons account for approximately 4 per cent. of the rural labour force and 2 per cent. of the urban labour force.

It is also significant that about 68 per cent. of the underemployed reported having already worked 15-39 hours and that about 75 per cent. were available for 15 or more hours of extra work. The great majority obviously cannot be considered as merely marginal workers.

For purposes of the above analysis, annual averages have been used. During the seasonal cycle the extent and severity of underemployment varies but the results that were obtained for the present report show that the proportion of all employed persons in rural areas reporting extra hours available for work varied between 14 and 23.8 per cent. over the four quarterly periods of the survey. The lowest level was recorded in the third quarter (late August-late November), the busiest season in agriculture. Corresponding figures for urban areas were 7.2 and 10.8 per cent. Underemployment was at a minimum in urban areas in the fourth quarter (late November-early March).

#### URBAN-RURAL MIGRATION

The survey revealed that 2.4 per cent. of urban residents had been living in rural areas a year before and 0.33 per cent. of rural residents had come from towns during the past 12 months. These figures imply a net internal migration into urban areas of some 10,000 persons during 1960; a little less than 40,000 moved into urban areas and just under 30,000 went from urban to rural areas. Such estimates, however, being made on the basis of the relatively small number of migrants in the sample households, may be subject to a considerable margin of error. Furthermore, responses to questions referring to a period 12 months ago frequently reveal considerable inaccuracy.

Other information yielded by the question relating to place of residence 12 months previously was as follows: 98.1 per cent. of rural residents remained in the same village and 96.1 per cent. of urban residents in the same town; 1.5 per cent. moved between villages, or between towns. As might be expected, only a little over 1 per cent. of the rural unemployed had migrated from an urban area to the rural sector; however, only 2.5 per cent. of the urban unemployed had migrated from the rural sector to the towns during the previous 12 months and these migrants were greatly outnumbered by new arrivals in the towns who were reported as in employment.