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MEASURING UNEMPLOYMENT AND THE POTENTIAL LABOUR FORCE IN LABOUR FORCE SURVEYS:

Main findings from the ILO LFS pilot studies
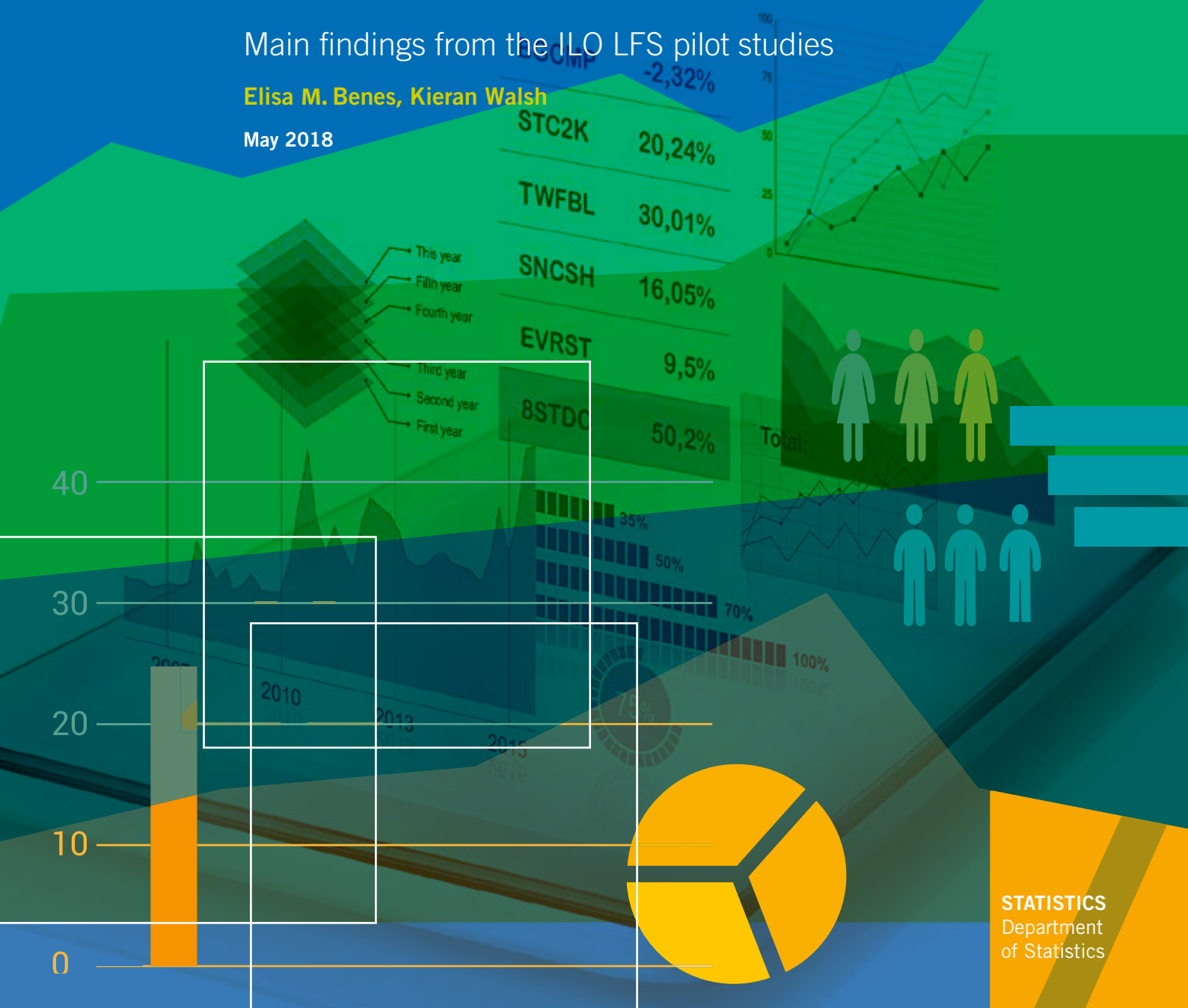
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Department
of Statistics

Measuring Unemployment and the Potential Labour Force in Labour Force Surveys:

Main findings from the ILO LFS pilot studies[1]

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ACRONYMS

ICLS	International Conference of Labour Statisticians
LFS	Labour Force Surveys
CI	Cognitive interviewing
CMR	Cameroon
ECU	Ecuador
CIV	Ivory Coast
KGZ	Kyrgyzstan
MDA	Moldova
NAM	Namibia
PER	Peru
PHL	Philippines
TUN	Tunisia
VNM	Vietnam

ACKNOWLEDGEMENT

I. BACKGROUND

1. The latest international recommendations on how to measure some of the key headline labour market indicators, including the unemployment rate, are contained in the *Resolution I concerning statistics of work, employment and labour underutilization* adopted in 2013 by the 19th International Conference of Labour Statisticians (ICLS). These standards introduced a number of important updates that will impact the way work and labour force statistics are collected and disseminated by countries around the world in the years to come. To support their wide implementation, the 19th ICLS called on the ILO to "*conduct further conceptual and methodological work including testing*" and develop "*technical manuals and model data collection instruments*" aligned with the latest standards (ILO, 2013a).

2. As follow-up, in 2015, the ILO launched a global project of labour force survey (LFS) pilot studies. The Project had as main aim to develop and test alternative survey questionnaires to collect statistics on high priority topics including employment, labour underutilization (comprising time-related underemployment, unemployment and the potential labour force), and own-use production work, in line with the 19th ICLS standards. The ultimate objective is to develop evidence-based guidance to support countries in adopting the new standards.

3. This report presents the main findings on the measurement of **unemployment and the potential labour force** drawn from the Project. The report is part of the ILO statistical methodology series that describe in detail the main findings of the Project. The full series is available in the website of the ILO Department of Statistics. (ILO, 2018)[2].

4. Section I provides a short overview of the latest international recommendations on the measurement of *unemployment* and the *potential labour force* included in the Resolution I adopted by the 19th ICLS and the ILO LFS pilot studies project. Section II outlines the testing approach used and introduces the overall structure and contents of the modules on job search tested. Sections III through VI discuss the key findings in light of the specific issues selected for testing. The final section VII provides a summary of the main findings and recommendations. It also discusses some of the issues for which further testing or evaluation is needed.

A. Unemployment and potential labour force in the international standards

5. *Resolution I concerning statistics of work, employment and labour underutilization* adopted by the 19th ICLS, updated the previous standards from 1982 that had played a critical role as reference for the development of national systems of labour force statistics, and the design of LFS (ILO, 1982). The new standards greatly expanded the scope of labour statistics by recognizing the need to produce statistics on different forms of work, paid and unpaid, on a regular basis. They also introduced a number of important changes to labour force statistics that includes a narrower definition of employment as "*work for pay or profit.*"

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[2] http://www.ilo.org/stat/Areasofwork/Standards/lfs/WCMS_484981/lang--en/index.htm

6. In the case of *unemployment*, while the underlying concept and operational criteria were not changed, the new standards have placed its measurement within a broader context of labour underutilization. This new development is very important because it recognizes that as a single measure, unemployment, does not fully capture the different reactions that labour markets may have to changing economic conditions in different contexts. Rather, the new standards underscore the need to see *unemployment* as part of a range of measures of labour underutilization that also include *time-related underemployment* and the newly introduced concept and measure of *potential labour force* (see Figure 1). Together these three measures are recommended to more broadly monitor insufficient labour absorption, or from a social perspective, unmet need for employment. A range of indicators, LU1-LU4, based on different combinations of these three measures are further recommended for regular dissemination.

Figure 1. Components of labour underutilization to monitor unmet need for employment
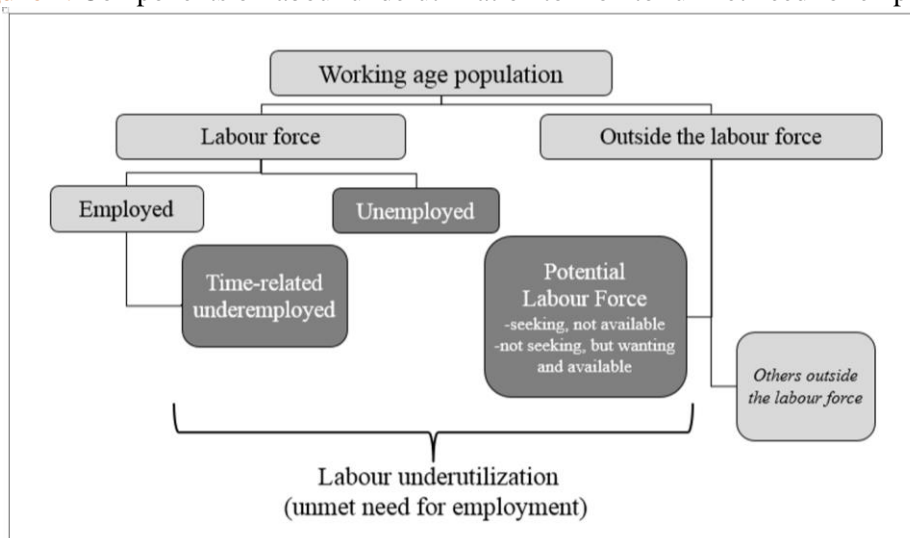
7. The new standards define the concept of *unemployment* as "*active job search by persons not in employment who are available to [work]*" and the *potential labour force* as referring to "*persons not in employment who express interest [in working] but for whom existing conditions limit their active job search or availability*" (ILO, 2013a)[3]. For measurement purposes, the standards provide operational guidance to facilitate their joint measurement through household surveys using a common sequence of questions. A separate report in this series discusses the updates to time-related underemployment introduced by the 19th ICS and the findings from the ILO LFS pilot studies on this topic.

8. In the case of unemployment, the operational guidance provided centres around the long-established three criteria, namely: (a) not employed, (b) active job search, and (c) availability, and introduces a number of refinements and clarifications based on accumulated country practice. The first criterion (a) "not employed" is now linked to the revised definition of employment as "work for pay or profit." An important implication is that persons not working for pay or profit (i.e. not employed), but engaged in other forms of work, such as own-use production work, volunteer work or unpaid trainee work, are now eligible to be asked the questions to ascertain their interest in working for pay or profit, and thus be counted among the unemployed or the potential labour force depending on their answers.

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[3] Paragraphs 40(b) and 40(c)

9. The *active job search* criterion (b), is now given stronger prominence as central to the definition of unemployment and thus its optional exclusion in certain contexts is no longer recognized nor recommended. This change is directly linked to the introduction of the new measure of *potential labour force* as explained below. The reference period for active job search is now established as referring to "the last 4 weeks or month" based on the observed convergence in country practice and to support current monitoring of labour markets conditions (ILO, 2013b)[4]. In addition, the activities considered to reflect an active job search have been updated to take account of technological change, such as the use of online job search tools and social networking sites; to highlight search methods relevant to self-employment; and to recognize that job search may take place within or across national borders.

10. The *availability* criterion (c) was retained but its aim was clarified as referring to time availability, to be used as a test of readiness to start a job in the present (ILO, 2013c)[5]. This clarification is in line with the intended use of the unemployment indicator as a current measure of labour market conditions. At the same time, the reference period was slightly extended to include either the reference week or a short subsequent period not exceeding two weeks, to address previously observed gender differences in reporting in some contexts.

11. Finally, a few special cases are recognized, including *Future starters* that is, persons who have already found a job but who, at the time of the interview, were still waiting to start their new job in the future. Recognizing the active engagement of future starters with the labour market the standards recommend to treat them as unemployed, but only when available and expected to start the new job within a short period not greater than 3 months. Again, this is so to maintain a measure of unemployment focused on current labour market conditions.

12. As per the guidance included in the new standards, the *potential labour force* is meant to be identified using the same sequence of questions as for the unemployed. Essentially, the *potential labour force* groups together persons who meet some but not all of the criteria to be classified as unemployed. The new standards promote the separate identification of the potential labour force to separately highlight groups of persons who express interest in employment, but either are not available to start working or have not sought employment within the specified short reference periods. For measurement purposes, beyond needing to assess availability and job search, the standards introduce the criterion of *desire to work* as a way to ascertain their interest in employment.

13. Overall, through the separate measurement of *unemployment* and the *potential labour force*, as part of the set of measures of labour underutilization, the new standards seek to expand the range of headline indicators available to countries for regular monitoring of labour market conditions. Their separate identification is meant to highlight different issues affecting labour market absorption in different contexts, for example, in urban and rural areas, or among different groups of the population and support the formulation of specific policy interventions to address them. At the same time, it is expected to improve the comparability of the indicators across countries, and thus, understanding of different labour market conditions across contexts.

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[4] The new standards furthermore provide a common definition of long-term unemployment, in reference to a job search lasting 12 months or more.

[5] Paragraph 164.

II. METHODOLOGY

A.   Testing strategy

14. The broader measurement objectives of the pilot studies and high-level methodology are described in a separate report in this series entitled *ILO LFS pilot studies in follow-up to the 19th ICLS: Background, objectives and methodology*. Separate reports have also been developed on the cognitive and field testing phases of the project.

15. The pilot studies selected a number of issues related to the measurement of *unemployment* and the *potential labour force* as priority for testing. These included issues linked to the operational implementation of the *active job search* and *availability to work* criteria to identify the unemployed, as well as the new criterion of *desire to work* introduced as part of the identification of the potential labour force. Additional tests were also introduced to explore the treatment of special cases such as "passive" methods of seeking work and *Future starters*.

16. Cognitive interviewing (CI) was used to evaluate the questions on "job search", "availability" and "desire" for potential problems of comprehension, recall, judgement or sensitivity that could lead to response errors. Taking into consideration the findings from the CI, two versions of the module on job search were developed for inclusion in the field tests. Version A was included in two model questionnaires (M3 and M5) and tested in 9 countries. Version B was included in the remaining three model questionnaires (M1, M2 and M4) and tested in 8 countries (see Table 1).

Table 1. Pilot countries by version of *Job search module* tested

Country	Version A	Version B
Cameroon	M5	M1
Ecuador	M3 and M5	—
Ivory Coast	M3	M1
Kyrgyz Republic	M3	M2
Moldova	M3 and M5	—
Namibia	—	M1 and M4
Peru	M3	M4
Philippines	M3	M2
Tunisia	M3	M2
Vietnam	M3	M4

B.   Modules on Job search tested

17. The two versions of the module on job search were designed to measure the same topics (unemployment and the potential labour force). Both used a similar overall structure that starts with a set of questions on "job search", continues with questions on "desire to work" and ends with questions on "availability to start working" (see Figure 2 and Figure 3). This general structure was chosen based on existing good practice in national LFSs' that start this section asking questions about a concrete behaviour (job search) taking place in a recent past (last 4 weeks/month/30 days) to facilitate reporting and provide context for the ensuing questions on more subjective constructs such as "availability" and "desire".

18. Aside from these similarities, the two versions differed in the approaches used to identify future starters and to capture the method(s) of job search used ("all that apply" in Version A versus "main only" in Version B). In addition, Version B included test questions on "job search" in a long reference period (last 12 months) and on "need to work".

Figure 2. Version A of the *Job search module* tested (included in M3 and M5)
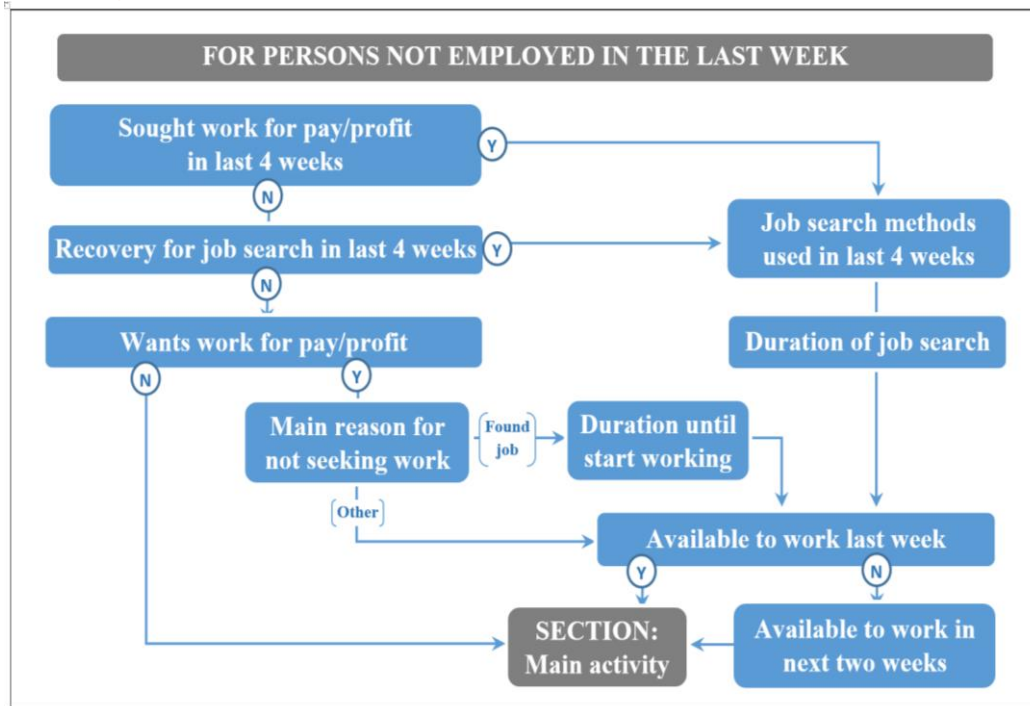
Figure 3. Version B of the *Job search module* tested (included in M1, M2 and M4)
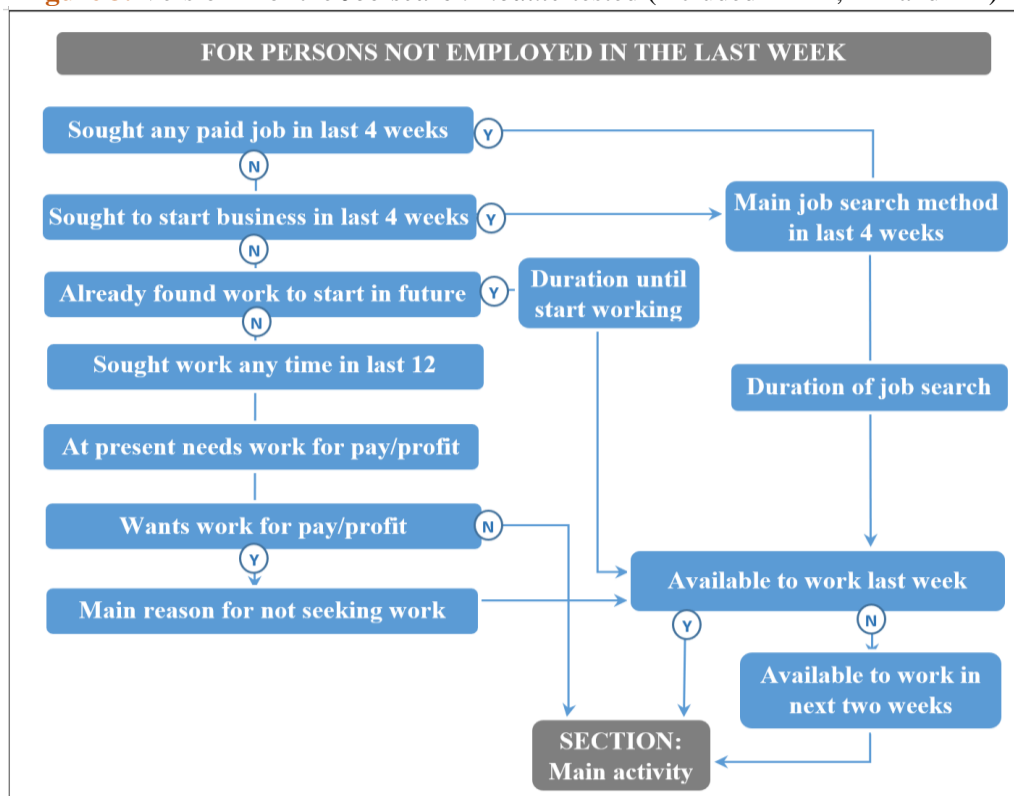
C.   Analysis strategy

19. The findings discussed in this report include results from the CI and from the field tests. The next sections describe the main issues selected for testing following the basic criteria to identify the unemployed and potential labour force; that is, starting with the questions on "active job search", then "desire to work" and lastly "availability to work." In each section, qualitative results from the CI are presented first followed by the quantitative results from the field tests. At the end, a section discussing the overall relevance of the module sequences to identify the unemployed and potential labour force is included.

20. In the case of the field tests, following the split sample design, the analysis focuses on comparisons between the two model questionnaires tested *within* a given country. In particular, we look for differences in how Versions A and B of the *Job search module* worked within each country. Given the experimental design of the field tests, the results are not generalizable to the larger population. Simple weights were computed to account for random differences in the sex, age group and area distribution of the split samples achieved within a given country. The weights were derived by creating a "pooled population" based on the average of the split samples within each country. More details on the weighting strategy are available in the report describing the field test methodology.

21. Comparisons between countries are made only to assess the extent to which the within-country patterns repeat themselves across countries. The cross-country comparisons serve to assess consistency in the findings across models and contexts. Any differences observed in the way the questions worked between women and men, respondents of different age groups (15-29, 30-54 and 55+ years), levels of education or place of residence (urban, rural) are highlighted.

Reference population

22. Table 2 shows the number and share of respondents of working age identified as not employed in the field tests by country and module. This is the group of respondents who were routed to answer the *Job search module.* The share of the non-employed ranges from 27% in Ivory Coast up to around 70% in Namibia and Kyrgyzstan. The differences between countries reflect expected variations across the test sites and timing in the agricultural cycle when the field tests were conducted, except for in the case of model M5 as explained below.

Table 2. Working age respondents not in employment by country and model version

Country	VERSION A			VERSION B		
	Model	Not Employed (n)	NE/WAP (%)	Model	Not Employed (n)	NE/WAP (%)
Cameroon	M5	402	39	M1	528	45
Ecuador	M3	483	40	-	-	-
Ecuador	M5	392	33	-	-	-
Ivory Coast	M3	284	27	M1	276	28
Kyrgyzstan	M3	759	65	M2	738	67
Moldova	M3	544	62	-	-	-
Moldova	M5	474	51	-	-	-
Namibia	-	-	-	M1	827	72
Namibia	-	-	-	M4	653	67
Peru	M3	359	32	M4	377	34
Philippines	M3	366	30	M2	457	34
Tunisia	M3	910	60	M2	1030	63
Vietnam	M3	384	33	M4	371	30

23. A comparison of the shares of non-employed respondents identified by the two models tested in each pilot country (see Figure 4) shows significant differences for countries that tested Model 5 questionnaire (Moldova, Cameroon and Ecuador). Analysis of the field tests results indicated that this was due to an over-identification of employed persons in Model 5 compared to other models. For more details see the ILO report on "*Measuring Employment in Labour Force Surveys*" as part of this series. For other models, the observed within-country differences are not statistically significant, and thus provide a useful common basis to assess potential differences in the way Version A and B of the *Job search module* worked to identify the unemployed and potential labour force.

Figure 4. Model differences in the share of non-employed respondents in working age population identified by country (pp)
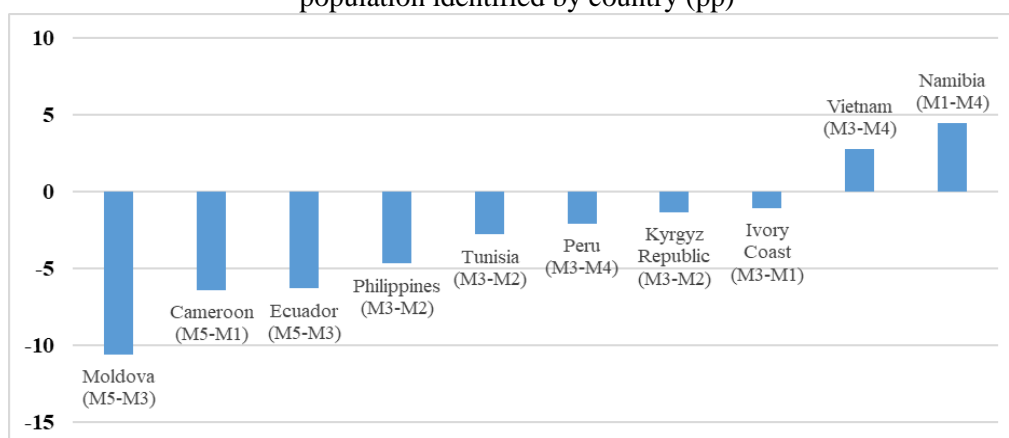
24. As expected, a higher share of women compared to men were consistently identified as not employed across models and contexts (see Figure 5). The only exception was in Namibia where similar shares of non-employed women and men were identified by the two models tested (M1 and M4). The sex differences observed in the share of non-employed respondents are generally consistent across the two models tested within a given country.

Figure 5. Sex differences in the share non-employed respondents by country and model (% of working age population)
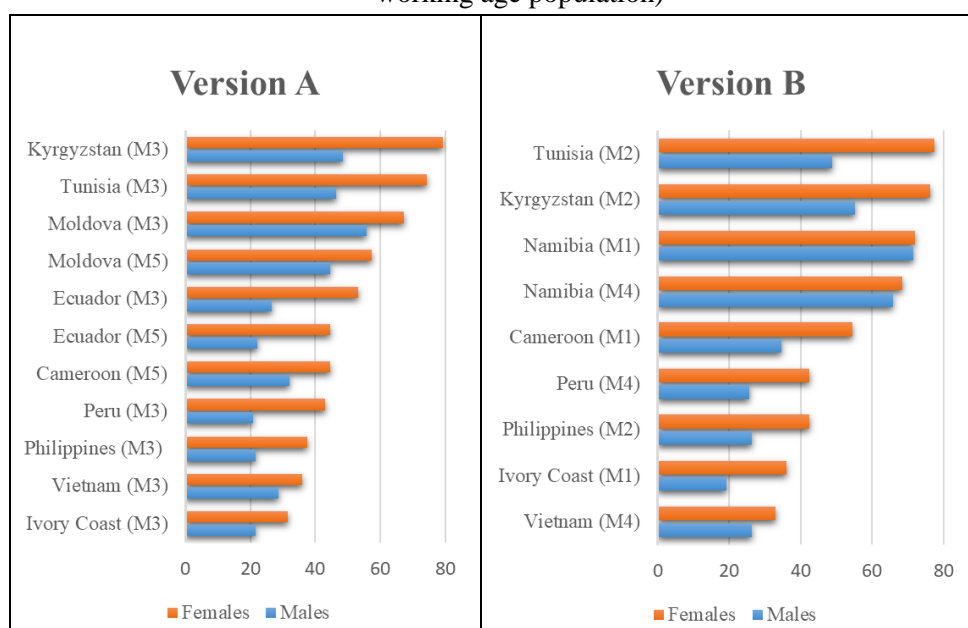
III. QUESTIONS ON ACTIVE JOB SEARCH

A. "Job search in the last [4 weeks/month/30 days]"

Issues selected for testing

25. Given that questions relating to "active job search" are a main defining element to identify the unemployed, the pilot tests placed a special emphasis on their evaluation. In particular, the CI focused on assessing respondents' understanding of the questions about seeking work (i.e. the types of work and job search methods they considered the questions referred to) and the reference period. For the latter, the cognitive tests made reference to the "the last 4 weeks/month/30 days" without including a specific reference to the start and end dates in question. The focus in this case was to assess interpretation of the reference period and its impact on recall.

26. Two alternative question sequences on "job search" were tested (Versions A and B). A main concern was to assess the need for a recovery question to improve reporting of search for work that respondents may not view as such, for example casual or small jobs and self-employment (see Figure 6).

27. **Version A** started with a general question on seeking work for pay or profit, as is common practice in LFS, and added a new recovery question to assess its usefulness in identifying additional persons who may have sought small or casual jobs but did not mention this in the first question.

28. **Version B** used a split-question approach where the first question targeted persons who sought a paid job, and the second persons seeking to start their own business. In this case, there is no recovery question per se, rather the split-question approach relies on separate targeted questions for seeking paid and self-employment. Although not widespread, this approach is currently used by some countries in their national LFS.

Figure 6. Questions on "Job search in the last 4 weeks" included in the field tests

Version A	Version B

QA1. During the last (month/4 weeks/30 days), that is from … up to …, did (NAME) do anything to find a paid job or to start a business?
    01. YES → QA3
    02. NO
	QB1. During the last (month/4 weeks/30 days), that is from … up to …, did (NAME) do anything to find a paid job?
	    01. YES → QB5
	    02. NO
	QB2. Or did (NAME) try to start a business?
	    01. YES → QB5
	    02. NO

QA2. Or did (NAME) do anything to find any kind of work to generate income, even [small or casual] jobs?
    01. YES
    02. NO → QA5	

Main findings

29. Across the 10 pilot countries, findings from the CI showed a clear and consistent understanding of the initial questions on "job search in the last [4 weeks/30 days/month*]"* as referring to doing something to find work to generate income, including self-employment and casual jobs. In Ivory Coast, for example, when asked to paraphrase the question (Version A) a participant replied

"*Whether I tried to find a paid job or trading business.*" In the case of the recovery question the same participant indicated "*it is what one can do to not go without money.*" Similarly, in Peru, when asked what type of work the question referred to (Version B) a participant indicated *"any type of business, it can be for half a day, for a few hours, two or three times a week."*

30. Regarding the reference period of "the last [4 weeks/month/30 days]," all pilot countries reported similar issues with inconsistent interpretations by respondents. Evidence from Tunisia, where the cognitive tests were held in the middle of September, showed that the "last (calendar) month" tended to be interpreted as from the "*1st to 30th of the current month [September]*", and in one case, as the period starting on the "*1st of the previous month [August] until the end of the current month [September]*". Likewise, problematic were the interpretations of the "last 4 weeks" and "last 30 days." Cameroon reported interpretations ranging from "*from today to the same day four weeks ago*" to "*in the last (calendar) month*." Yet in other cases, Namibia, for example, reported that several respondents did not find the reference period specific enough. Respondents nevertheless found the questions easy to answer although it is likely that reporting related to job search conducted in the recent past, and not necessarily taking place within the exact reference period indicated.

31. Based on the findings from the cognitive tests, the questions on "job search" were slightly revised prior to the start of the field tests to address the observed problem with inconsistent interpretation of the reference period. This was achieved by introducing a clarification immediately after mentioning the reference period (In the last (month/4 weeks/30 days, that is from [DATE] up to [DATE/Sunday last week/yesterday]), as shown in Figure 6 above. In addition, a few countries also introduced the use of printed calendars to be shown to respondents during the interview.

32. Analysis of the results from the field tests provide additional insights about how well the two versions tested performed in identifying persons seeking employment in the last 4 weeks (referred to here as job seekers). Figure 7 shows the percentage of non-employed respondents identified as job seekers in pilot counties that tested the two Versions of the module. For the most part, it shows that the split-question approach (Q1B+Q2B) used in Version B identifies a higher number of job seekers compared to the traditional general question (QA1 only) used in Version A. This suggests that using two targeted questions to identify persons seeking paid jobs and those seeking to start their own business (Version B) tends to work better than using a single question that combines both (Version A).

Figure 7. Percentage of non-employed respondents (15+years) identified as job seekers by approach (%)
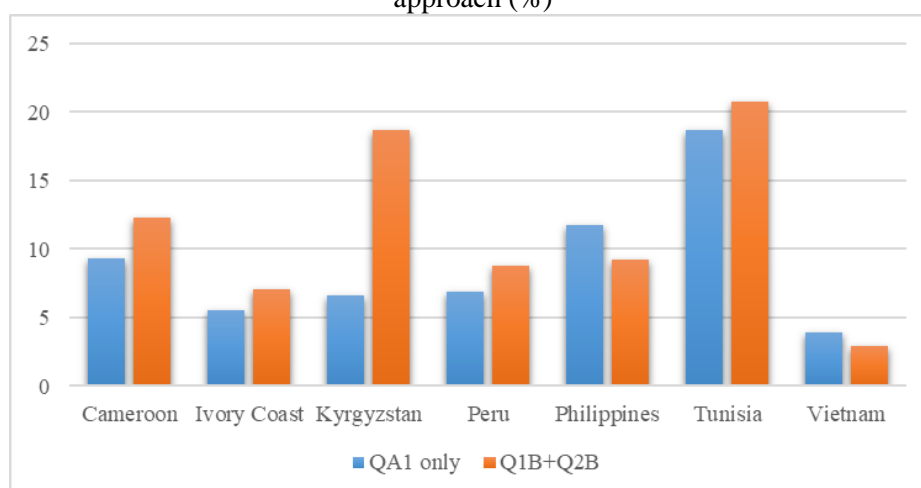
33. Further evaluation of the question sequence tested in Version A indicated that a recovery question for persons seeking short or casual jobs may be important in certain contexts to more comprehensively capture job search. Overall, the recovery question (QA2) on seeking small or casual jobs served to identify between 5 and 34% (Tunisia and Peru respectively) of all job seekers identified by Version A of the *Job search module* (see Figure 8).

Figure 8. Share of job seekers identified in Version A module by a recovery question on "seeking small or casual jobs (%)"
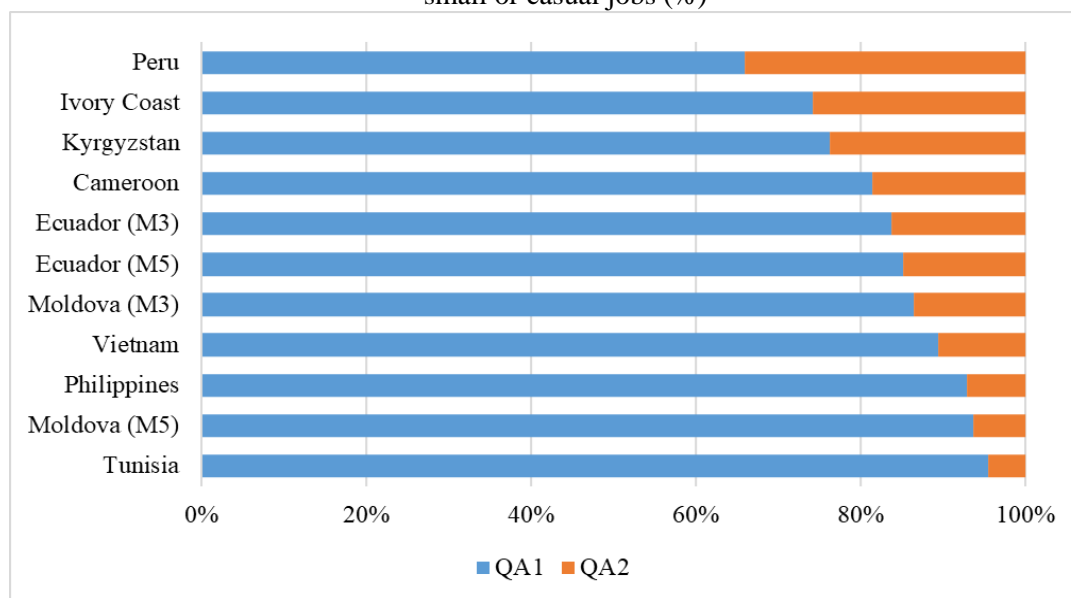
34. Overall, the inclusion of a recovery question in Version A serves to make the results more comparable to those obtained with the split question approach used in Version B (see Figure 9). This is particularly the case for Cameroon, Ivory Coast and Tunisia. Nevertheless, the recovery question is likely to increase the perception of burden for respondents compared to Version B approach, given its seemingly repetitive nature.

Figure 9. Contribution of recovery question QA2 to identification of job seekers (% of non-employed)
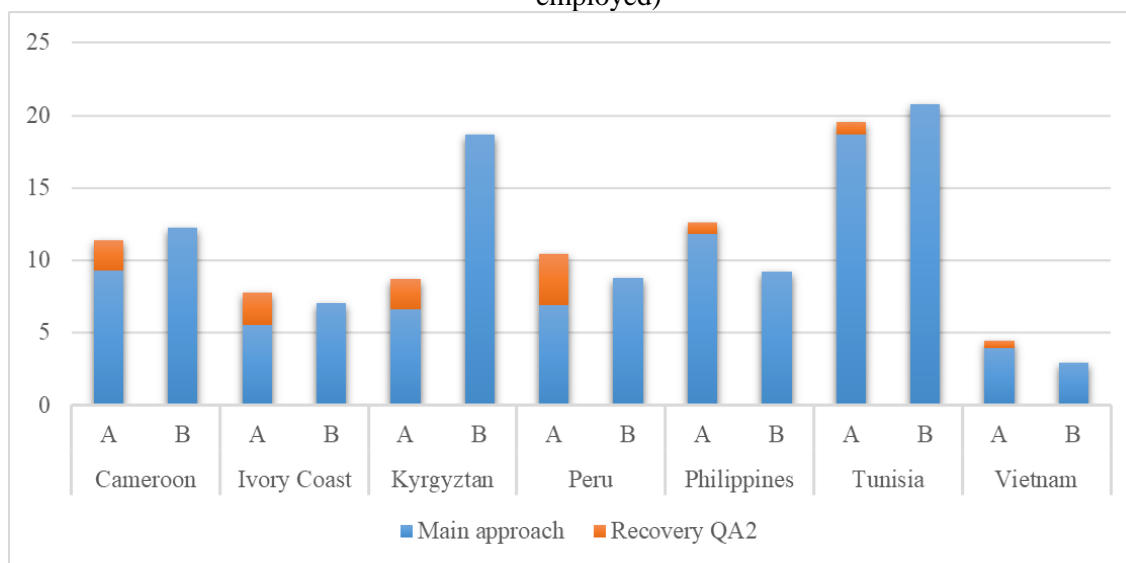
35. Sub-group analysis further showed that Version B might be particularly useful from a gender perspective to ensure a more complete identification of job search among women. The question targeting "search for opportunities to start own business" in Version B identified a larger share of women job-seekers compared to men in four out of the nine countries that tested Version B, with the difference ranging from around 10% up to 40%. This suggests that it may be more common for women to look for self-employment opportunities compared to men. However, in four of the other pilot countries no gender differences were observed and in one case the difference was reversed suggesting this pattern is not universal (see Figure 10).

Figure 10. Differences in the share of women and men seeking self-employment, QB2 (percentage points)
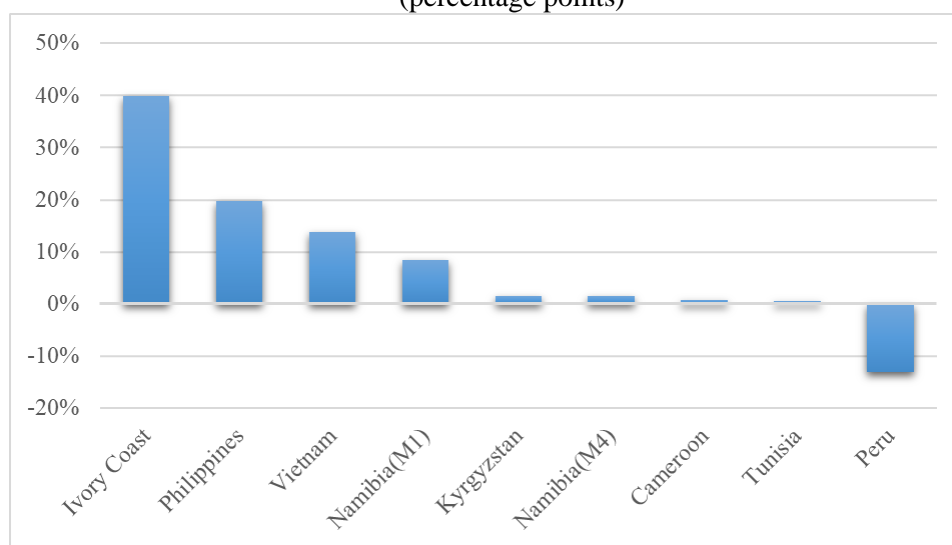
36. Overall, across pilot countries and model questionnaires, non-employed respondents identified as job seekers tended to be predominantly male, young (15-29) and living in urban areas. Similar patterns were observed for both versions of the *Job search module* (not shown).

37. On balance, the CI tests indicated that respondents across contexts understood the alternative questions on "job search" as intended and without difficulties. Different interpretations of the reference period for job search, however, were commonplace. Still, the general interpretation seemed to be that it referred to a recent period in the past. No reports of job search activity that would have taken place in a much longer period in the past were documented in the 10 pilot countries. Explicit reference to the start and end of the period in the question formulation and use of a printed calendar can serve to reduce the potential for response errors due to uneven interpretation of the reference period for job search.

38. Further, the field tests showed that the two versions of the *Job search module* identified similar proportions of job seekers among the non-employed population in the large majority of the pilot countries. For both versions the use of two questions was important as evidenced by relatively substantial proportions of job seekers being identified by the second question. However, version B appears to be less repetitive and also useful to pick up job search for those seeking self-employment, which can disproportionately include women. Reflecting on the widespread practice among countries to use only one question to identify job seekers we can conclude this strategy risks under-identifying job seeking activity.

B.   Methods of Job search reported

39.   In the case of the methods of job search reported, a main concern was to examine to what extent persons who self-identify as seeking work for pay or profit in the initial questions, indeed report using an "active" method of job search. Closely related to this issue was evaluating how common it is for respondents to report "passive" methods of job search, in particular, "study or read job advertisements" and whether respondents who report this method, also indicate using other job search methods. To explore these issues the two modules included a question on "Job search methods" that had a similar formulation and response options but differed in the implementation approach used (see Figure 11).

40.   **Version A** included the question on "methods of job search" as a multiple response question with the objective to identify all methods used as indicated by the respondent. To this end, interviewers were instructed to read aloud each response option and mark all the options that applied.

41.   **Version B** included a question on "methods of job search" designed to capture only the main method reported by the respondents. Interviewers were instructed not to read the response options and instead wait for the respondent to spontaneously report the main method used.

Figure 11. Questions on "Methods of job search" included in the field tests

Version A	Version B
QA3. What did (NAME) do in the last (month/4 weeks/30 days) to find a job or start a business? Did (NAME)…	**QB5.** What did (NAME) mainly do in the last (month/4 weeks/30 days) to find a job or start a business?
(mark all that apply)	
READ	*DO NOT READ*
01. Apply to prospective employers	01. Apply to prospective employers
02. Place or answer job advertisements	02. Place or answer job advertisements
03. Study or read job advertisements	03. Study or read job advertisements
04. Register with [Employment Centre]	04. Register with [Employment Centre]
05. Register with private recruitment offices	05. Register with private recruitment offices
06. Take a test or interview	06. Take a test or interview
07. Seek help from relatives, friends, others	07. Seek help from relatives, friends, others
08. Check at factories, work sites	08. Check at factories, work sites
09. Wait on the street to be recruited	09. Wait on the street to be recruited
10. Seek financial help to start a business	10. Seek financial help to start a business
11. Look for land, building, equipment, materials to start a business	11. Look for land, building, equipment, materials to start a business
12. Apply for a permit/license to start a business	12. Apply for a permit/license to start a business
13. OTHER (SPECIFY):_____	13. OTHER (SPECIFY):_____

42.   The CI shed light on the range of job search methods that respondents recognized as relevant. This was uncovered through the probing on the initial job search questions in versions A and B, whereby respondents answering yes to the job search question were asked what they did to look for a job. As illustration, in Kyrgyzstan one participant noted *"I have been reading newspapers, looking for*

job advertisements, googled through internet, and asked my parents for assistance in my job search"; in Tunisia another participant reported "*I applied directly to shops selling household appliances, visited the governorate and municipality offices, and met with a social worker to discuss my case*"; in Peru a participant seeking to start her own business said "*I thought about a business I wanted to start, looked for ideas, planned how it could happen, looked for a place.*" The findings confirm that respondents not only consider formal methods of job search, but rather a variety that include traditional, modern and informal channels of seeking employment. They also indicate that methods not recognized in the international standards as "active" steps such as reading newspapers are taken into account when responding to these questions.

43. Results from the field tests show that for the most part, persons identified as *Job seekers* by the first two questions of the module job search, indeed report using at least one method of job search. Nevertheless, the tests do indicate that asking a question on the type of method used may be necessary as confirmation, particularly when using Version A of the module. As Table 3 shows, in the case of 3 countries (Cameroon, Peru and Tunisia), Version A of the module identified a small percentage of respondents (between 5 and 10 % of job seekers) that could not indicate the method used to seek employment in the last [4 weeks/month/30 days].

44. The tests also revealed that a percentage of respondents do report using "passive" methods (i.e. study or read job advertisements) either as the only method of job search (Version A), or as their main method (Version B). Reporting of passive job methods was fairly common when using a question on the *main* method of job search in the last [4 weeks/month/30 days] as done in Version B of the module (see Table 3). In Peru and Kyrgyzstan, for example, one quarter (25%) of job seekers reported mainly "*having read or studied advertisements*". This, however, is not the case when respondents are asked to report on multiple methods of job search used as done in Version A. In this case, the percentage of job seekers reporting only using passive methods goes down to 7% in Peru, and 0 in the case of Kyrgyzstan.

Table 3. Job seekers by type of job search method(s) reported (Versions A and B)

	Version A				Version B			
	Job seekers	Multiple method(s) reported			Job seekers	Main method reported		
		1+ active	Passive only	None		Active	Passive	None
	(n)	(%)	(%)	(%)	(n)	(%)	(%)	(%)
Cameroon	42	90	0	10	61	99	1	0
Ecuador (M3)	68	98	2	0	-	-	-	-
Ecuador (M5)	46	94	6	0	-	-	-	-
Ivory Coast	21	100	0	0	18	94	6	0
Kyrgyzstan	65	100	0	0	138	76	24	0
Moldova (M3)	58	97	3	0	-	-	-	-
Moldova (M5)	62	99	1	0	-	-	-	-
Namibia (M1)	-	-	-	-	121	94	6	0
Namibia (M4)	-	-	-	-	63	100	0	0
Peru	38	88	7	5	33	75	25	0
Philippines	47	97	3	0	42	90	10	0
Tunisia	178	95	0	5	214	80	20	0
Vietnam	17	95	5	0	10	100	0	0

45. A deeper look at the reporting of multiple job search methods reveals that passive methods are most commonly used together with other methods of job search. Figure 12 shows how common it is for job seekers to report using passive methods alone and together with other active methods of job search. It shows for example, that reporting of passive job search methods was highest in Moldova (72% of job seekers), nevertheless, the vast majority of those respondents reported "*reading or studying job advertisements*" together with various active methods of job search.

Figure 12. Share of job seekers reporting passive and/or active methods of job search
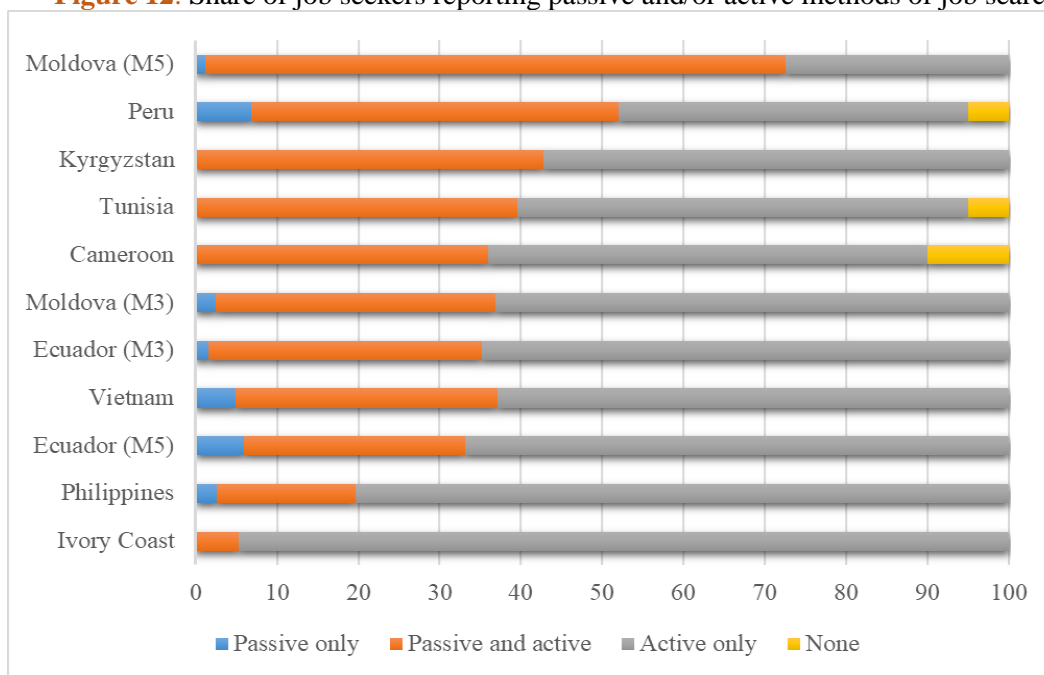
46. Further analysis reveals that a higher share of women compared to men tend to report using passive methods together with other methods (see Figure 13a). Also, women tend to report passive methods to a larger extent than men when only asking about the main method (see Figure 13b). These results suggest that use of a *Main job search method approach* (Version B), could lead to more women being identified as passive job seekers compared to men, and thus not counted as unemployed.

Figure 13. Differences between women and men in reporting passive job search methods (share of women minus share of men)
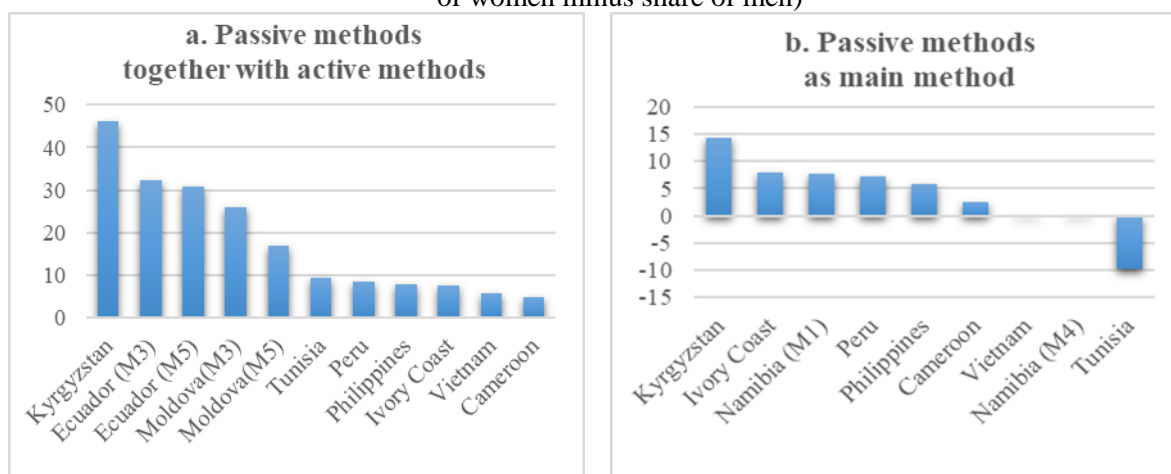
47. Further, young people (15-29 years) report using passive methods together with other methods to a larger extent compared to other age groups, but do not appear to report a passive method as the main method more than other age groups. There are no clear differences in reporting between respondents from urban and rural areas, or between respondents with different levels of education.

48. There is some evidence from Version A of the module indicating that proxy respondents tended to over report use of a passive method as their only job search method as compared to direct respondents (see Figure 14). For the LFS pilots the samples of proxy and self-reporting respondents were not random and the level of proxy response across countries varied greatly. As such our ability to draw conclusions on the impact of proxy response is very limited. While needing to be cautious in interpretation of the results the observed pattern of difference does infer that proxy response could lead to under-reporting of active job search and thus unemployment.

Figure 14. Differences between proxy and direct respondents in reporting the use of passive methods as their only job search method (percentage points)
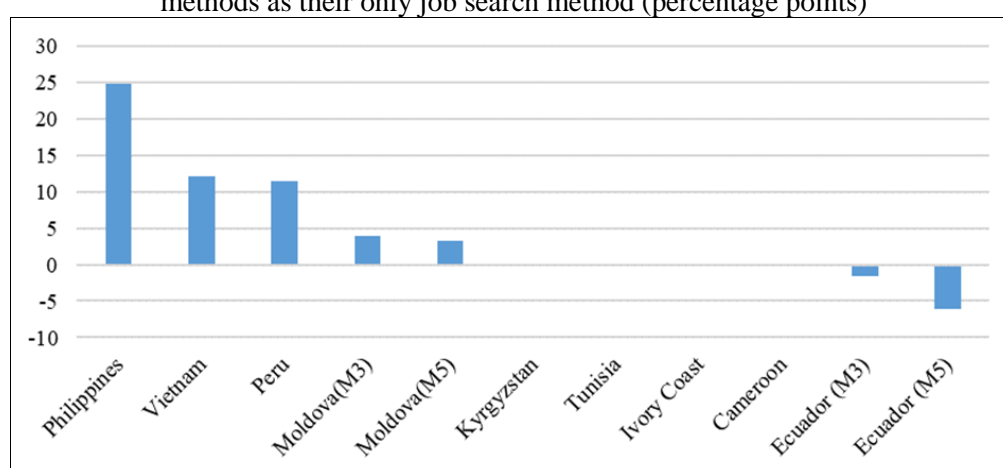
49. Overall, across pilot countries most job seekers reported using between 1 and 3 methods of job search (see Table 4). Analysis by sex reveals that women tend to report on average slightly more methods compared to men (not shown). This is the case also for young people compared to other age groups, for respondents living in urban areas compared to those living in rural areas, and for those with post-secondary education.

Table 4. Job seekers by average and number of method reported (%)

	Number of methods								Average no. of methods
	0	**1**	**2**	**3**	**4**	**5**	**6**	**7+**	
Cameroon	10	29	22	19	8	8	3	2	2.3
Ecuador (M3)	0	39	35	12	5	7	2	0	2.1
Ecuador (M5)	0	39	26	20	6	4	3	2	2.3
Ivory Coast	0	55	31	4	9	0	0	0	1.7
Kyrgyzstan	0	33	18	34	12	0	3	0	2.4
Moldova (M3)	0	40	30	12	10	4	4	0	2.2
Moldova (M5)	0	17	20	29	17	13	3	1	3.1
Peru	5	40	20	6	24	0	5	0	2.2
Philippines	0	59	20	8	13	0	0	0	1.7
Tunisia	5	36	19	17	13	6	2	2	2.3
Vietnam	0	41	37	4	4	8	5	0	2.2

50. The most popular methods that respondents reported are presented in Table 5. For both versions, the two most popular methods were *Seek help from relatives* and *Apply to prospective employers*. The third most popular method differed depending on the module version. In Version A, it was *Study or read job advertisements* whereas in Version B, it was *Check at factories, work sites*. These results highlight the importance of formal and informal channels of job search across contexts.

Table 5. Most popular job search methods

Rank	Version A (Multiple methods)	Version B (Main method)
1	Seek help from relatives, friends, others	Seek help from relatives, friends, others
2	Apply to prospective employers	Apply to prospective employers
3	Study or read job advertisements	Check at factories, work sites

51. Further evaluation revealed some evidence of respondent fatigue in Version A of the module where respondents were asked to report use of multiple methods of job search through a rather long sequence of questions targeting specific methods. Job search methods listed last in Version A tended to show lower reporting levels compared to Version B when reported spontaneously by respondents (not shown).

52. Overall, the findings from the CI and field tests indicate that including a question on "the method of job search" can be useful as confirmation of active search activity, and in some settings, may be necessary to be in line with the international standards. Nevertheless, asking only for the *main* method of job search (Version B) can create a risk of excluding from the unemployment indicator job seekers who may report passive methods such as "*studying or reading job advertisements*" while also having used active job search methods. Furthermore, there is some evidence suggesting that this risk may disproportionately affect the identification of women job seekers.

53. The alternative to ask a set of questions covering all methods of job search (Version A), however, can have the down side of increasing respondent fatigue that may negatively impact reporting of job search using methods listed last. For surveys using computer assisted technology, strategies exist to reduce this potential bias due to respondent fatigue. Alternatively, where detailed information on all methods of job search is not sought, a compromise solution could be to combine a question on "the main method of job search" with a follow-up question on "other job search methods" asked only to those respondents reporting a passive method as their main job search activity.

C.   Identification of Future starters

Issues selected for testing

54. The field tests also included different approaches to identify *Future starters* (i.e. persons who did not seek employment in the last [4 weeks/month/30 days] because they already found a job to start in the future). Although not a main objective of the study, thus not assessed in the CI , there was interest in documenting whether a separate dedicated question was necessary to identify future starters (Version A) or whether a less explicit approach (Version B) where respondents indicate this as a reason for not seeking work was sufficient (see Figure 15). A concern here was the burden that asking a dedicated question to identify future starters could introduce for a large number of respondents.

55. Likewise, the field tests provided an opportunity to gather information on the expected starting date of the new job or business. This information is needed to establish whether *Future starters* are eligible to be classified as unemployed. According to the international recommendations, future starters who indicate being available to start working are to be treated as unemployed, only if the new job is expected to start within a period of 3 months following the interview date. The field tests served to document how common it might be for future starters to report longer elapsed durations (> 3 months) to the agreed start date.

Figure 15. Questions to identify Future starters included in the field tests

Version A	Version B

QA6. What is the main reason why (NAME) did not try to find a paid job or start a business in the last (month/4 weeks/30 days)?
 	
  01. Already found a job to start in the future
  02. Waiting for results from a previous search
  03. Awaiting recall from a previous job
  04. Waiting for the season to start
  05. Tired of looking for jobs, no jobs in area
  06. No jobs matching skills, lacks experience
  07. Considered too young/old by employers
  08. In studies or training
  09. Family or household responsibilities
  10. In agriculture or fishing for own final use
  11. With a disability, injury or illness
  12. Other sources of income
 	
  13. OTHER (SPECIFY):_____
          IF 02-13 → QA8
	QB3. Has (NAME) already found a job or arranged to start a business in the future?
	
	  01. YES
	  02. NO → QB7

QA7. When does (NAME) expect to start working in this job?
 	
  01. 1 month or less
  02. > 1 month and up to 3 months
  03. > 3 months
	QB4. When does (NAME) expect to start working in this job?
	
	  01. 1 month or less → QB11
	  02. > 1 month and up to 3 months → QB11
	  03. > 3 months → QB11

Main findings

56. Analysis of the questions on "future starters" shows overall very low numbers identified in all pilot countries. As a result, little can be said about the identification of future starters or the potential impact of a duration threshold to define their treatment as unemployed. Notwithstanding the low numbers, a consistent trend is observed indicating that identification of this group could be rather sensitive to the approach used. In all pilot countries, Version B, which uses a dedicated set of questions, identified a larger number of future starters compared to Version A, which relies on answers to a question on "main reason for not seeking employment." This is not surprising considering the focus of the question on the "main reason" only.

57. Among future starters identified through a dedicated question, we do observe a relatively important share reporting a starting date of more than 3 months from the interview date. This is particularly the case in Ivory Coast where half of the future starters reported a long-elapsed duration to the start of the job (see Table 6).

Table 6. Number of *Future starters* identified by approach and expected duration to the start of the job/business

	Version A		Version B	
	Total	**To start in >3 mo.**	**Total**	**To start in >3 mo.**
Cameroon	0	0	15	5
Ivory Coast	1	0	20	11
Kyrgyzstan	1	0	3	0
Peru	0	0	3	0
Philippines	1	0	3	1
Tunisia	0	0	0	0
Vietnam	0	0	1	1

IV. QUESTIONS ON DESIRE TO WORK

Issues selected for testing

58. A new criterion introduced by the 19th ICLS as part of the identification of the potential labour force is the notion of *desire to work*. While some experiences exist at national level with asking questions to capture this information in LFS, the practice is not widespread. The pilot tests were designed to shed light on a number of concerns surrounding the practical application and relevance of this criterion. In particular, during the CI a main focus was on assessing how respondents understand the question on "desire to work" and how they decide on their answer. Do respondents have a formed view about their interest in employment? Do they consider their own situation in terms of meeting financial, professional or personal needs? Or do they also consider existing constraints in their environment?

59. During the field tests the focus centred on assessing the relevance of the question for different groups such as men and women and persons living in urban and rural areas. A main concern here was to evaluate whether *desire* was a relevant criterion in identifying the potential labour force, or whether asking a question on "need to work" could be more suitable. To this end, two alternative question sequences were included in the field tests (see Figure 16).

60. **Version A** included only a single question on "desire to work". **Version B** included the same question on "desire to work*"* as Version A but preceded this question with a unique question on "need to work*"*. This design was meant to enable independent qualitative assessment of both criteria, *desire* in Version A and *need* in Version B, and at the same time, allow numeric comparisons regarding the extent of overlap between the two questions using results only from Version B.

Figure 16. Questions on "desire to work" included in the field tests

Version A	Version B

	QB8. At present, does (NAME) have a need to work for pay or profit?
	
	    01. YES
	    02. NO

QA5. Would (NAME) want to work if a job or business opportunity became available?
 	
    01. YES
    02. **NO → NEXT SECTION**
	QB9. Would (NAME) want to work if a job or business opportunity became available?
	
	    01. YES
	    02. NO → NEXT SECTION

61. As illustrated in Figure 16, the questions on "desire to work*"* were worded in the present tense with no specific reference period included. This was done deliberately as the underlying intention of the criterion is to capture current interest in the labour market. Use of a short reference period was not considered appropriate given its potential to introduce consideration of transitory circumstances or events (e.g. falling sick during the short reference period in question) in respondents' evaluations of their desire to work.

Main findings

62. Results from the CI showed a consistent understanding of the question: "*Would you want to work if a job or business opportunity became available?*" by non-employed respondents across different countries and versions of the module. Replies indicated that respondents generally understood the question as referring to their "wish to work". Overall, respondents found the question to be easy and had a formed opinion about their desire to work. Indeed, on occasion some found the cognitive probing to be unnecessary or obvious. For example, when asked to paraphrase the question a young woman in Namibia repeated the question in the same way and, showing some frustration, indicated that it was difficult to paraphrase as the question was already direct and clear. More generally, replies were given immediately and without hesitation. Respondents further indicated being certain of their answer.

63. Overall, the answers given during the cognitive probing indicated that respondents consider their financial needs or interest in generating an income as the primary factor for wanting to work. A respondent from the Philippines for example stated *"earning income is my primary reason".* Nevertheless, other factors were also taken into consideration. Among young adult respondents, gaining experience or using their education was also reported as a factor for wanting to work. Gaining financial independence from relatives was also mentioned, a respondent in Vietnam indicated that she wanted to work because *"right now I depend on my husband."* Yet, others mentioned avoiding boredom or idleness as a reason for wanting to work. A woman in Ivory Coast for example noted "*I want to work because I get bored. Retirement is not easy. I would like to raise livestock.*".

64. The cognitive tests showed likewise that respondents generally consider particular types of jobs or working conditions when giving their answers. For example, in Moldova a respondent said "*Yes, I want to earn money and have a stable job.*" Nevertheless, their answers were not framed by assessments of the likelihood to find such jobs. No evidence was found of respondents saying "*No*" to this question because of a perceived lack of work opportunities or specific working conditions in their context. Rather, factors considered for not wanting to work referred to personal circumstances such as "needing rest", "being retired", "being a student", "being aged", "lack of strength."

65. No particular problems were observed with the absence of a particular reference period. In general, as illustrated by the previous examples, respondents' answers (whether positive or negative) tended also to be in the present and in reference to their current circumstances.

66. Countries testing Version B of the module also evaluated how respondents understood the question on "need to work". Results from this evaluation suggest that the question on "need to work" was interpreted more narrowly by respondents as referring to "financial need". No consistent evidence of other interpretations was reported by countries. As with the question on "desire to work", the question on "need to work" was found to be clear and easy to answer by respondents.

67. The field tests provided additional information about the performance of the question on "desire to work". Figure 17 shows the share of non-job seekers who answered "*Yes"* to the question on "desire to work" by country and module version. A couple of patterns can be highlighted. First, fairly consistent results are observed between the survey models in countries that tested only one version of the *Job search module* (Moldova, Ecuador and Namibia). Second, among countries that tested both versions of the module, the majority (5 out of 7) show that Version A captured a higher share

of non-job seekers who want to work compared to Version B. Although large differences (above 10 percentage points) are recorded only in Ivory Coast and the Philippines, the results suggest that including a preceding question on "need to work" could negatively impact on reporting of desire to work.

Figure 17. Share of non-job seekers who want to work by country and module version
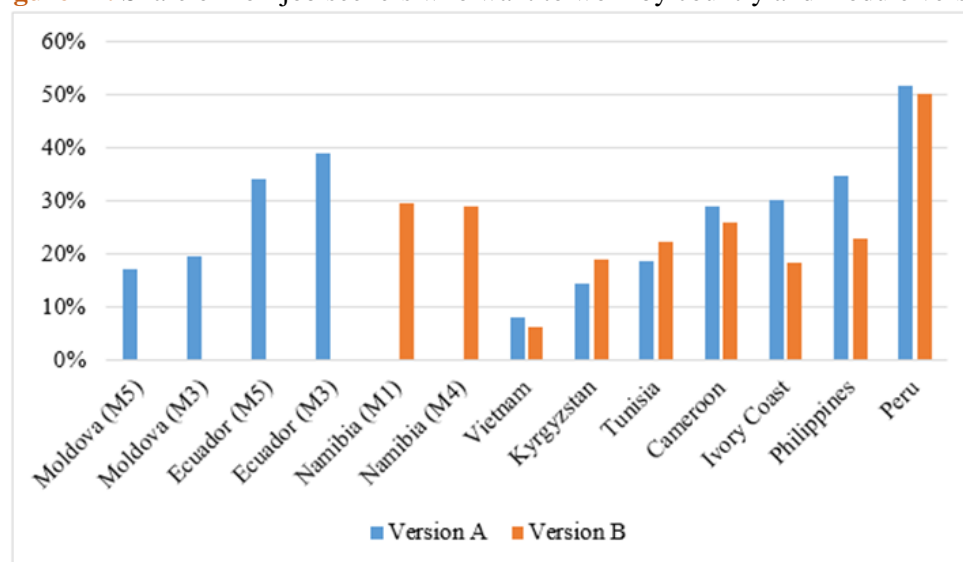
68. A comparison of answers to the questions on "need to work" and "desire to work" in Version B of the module further shows that the percentage of non-job seekers who say they need to work is slightly lower compared to the percentage who say they want to work. Although the differences are small, this pattern is consistent across all countries testing Version B of the module (see Table 7). These results coincide with the cognitive findings that document a wider interpretation of the question on "desire to work" as including financial, professional as well as personal considerations compared to the question on "need to work" that appears to be interpreted more strictly in terms of financial need.

Table 7. Differences in reporting of *Need* and *Desire to work* Version B

	Need	Desire	Pp. difference
Cameroon	24.8	26.0	-1.2
Ivory Coast	17.1	18.4	-1.2
Kyrgyzstan	10.5	18.8	-8.3
Namibia (M1)	29.5	29.6	-0.1
Namibia (M4)	26.0	29.0	-3.0
Peru	40.6	50.0	-9.4
Philippines	18.2	22.8	-4.6
Tunisia	21.1	22.3	-1.2
Vietnam	5.5	6.2	-0.7

69. Across countries, sub-group analysis indicates that both *desire* and *need to work* are highest among non-job seekers in the main working age group (30-54 years). The differences are quite striking in some pilot countries as Table 8 illustrates. For example, in Vietnam the share of non-job seekers aged 30-54 years who need/want work is five times higher compared to that of non-job seekers aged 15-29 years (13% versus 2.6%).

Table 8. Age-group differences in reporting of *Need* and *Desire to work* (Version B)

	Need to work (%)			Want to work (%)		
	15-29	**30-54**	**55+**	**15-29**	**30-54**	**55+**
Cameroon	26.1	37.4	8.7	27.3	39.6	8.6
Ivory Coast	13.3	31.5	7.8	15.4	33.2	4.7
Kyrgyzstan	9.7	15.8	6.4	22.0	25.7	9.2
Namibia (M1)	30.6	50.5	7.6	31.6	48.7	7.6
Namibia (M4)	27.5	43.7	7.8	29.5	51.0	9.4
Peru	32.3	64.2	34.0	54.0	68.0	37.4
Philippines	19.8	24.3	8.4	20.9	36.5	11.6
Tunisia	21.3	38.6	7.5	23.4	42.7	5.7
Vietnam	2.6	13.0	5.4	2.2	15.6	6.3

70. Differences, albeit it less substantial, in the reporting of "need" and "desire to work" are also observed between women and men and persons living in urban and rural areas (see Table 9, Table 10).

71. In seven out of nine cases, a higher share of women non-job seekers report that they need/want to work compared to men. Only in Kyrgyzstan and Tunisia this pattern is not observed. Similarly, in seven out of nine cases, a higher share of non-job seekers living in rural areas report that they need/want to work compared to those living in urban areas. As reported earlier, in all cases, reporting of "desire to work*"* is slightly higher compared to "need to work".

Table 9. Need/desire to work by sex

	Need work (%)		Want work (%)	
	M	**W**	**M**	**W**
Cameroon	20.6	26.8	22.6	27.6
Ivory Coast	11.3	19.8	10.0	22.2
Kyrgyzstan	11.4	10.1	19.0	18.7
Namibia (M1)	28.0	30.5	28.1	30.6
Namibia (M4)	25.0	26.6	28.9	29.0
Peru	38.2	42.0	49.0	50.6
Philippines	14.6	20.2	17.0	26.0
Tunisia	22.2	20.5	22.8	22.0
Vietnam	5.1	5.7	5.7	6.6

Table 10. Need/desire to work by urban/rural location

	Need work (%)		Want work (%)	
	U	**R**	**U**	**R**
Cameroon	26.1	24.0	30.0	23.5
Ivory Coast	13.3	20.8	13.9	22.6
Kyrgyzstan	7.7	13.0	11.2	25.7
Namibia (M1)	29.4	29.5	30.0	29.4
Namibia (M4)	23.9	26.9	27.4	29.7
Peru	39.5	41.5	52.2	48.2
Philippines	19.6	17.3	26.8	20.3
Tunisia	15.7	26.1	16.1	28.1
Vietnam	4.6	6.1	6.0	6.3

72. Finally, while again noting the limitations in analysis of proxy effects through the pilot studies, the results from the field tests showed that proxy respondents generally tended to underreport both the *desire to work* and the *need to work* (see Table 11) as compared to direct respondents. This pattern is observed across countries except for reporting of *need to work* in the Philippines.

Table 11. Differences in reporting of need and want to work by proxy and direct respondents (Version B)

	Need work (%)			Want work (%)		
	Proxy	**Direct**	**diff.**	**Proxy**	**Direct**	**diff.**
Cameroon	22.7	25.6	-2.9	24.7	26.5	-1.8
Ivory Coast	7.2	21.0	-13.8	11.6	20.9	-9.3
Kyrgyzstan	9.7	10.9	-1.2	16.2	20.0	-3.8
Namibia (M1)	24.5	34.3	-9.8	25.8	33.2	-7.4
Namibia (M4)	22.1	31.5	-9.4	24.5	35.4	-10.9
Peru	25.7	44.0	-18.3	31.8	54.0	-22.2
Philippines	25.8	17.7	8.1	21.2	22.8	-1.6
Tunisia	15.2	23.6	-8.4	16.7	24.7	-7.9
Vietnam	2.9	8.0	-5.2	2.6	9.7	-7.1

73. Overall, these findings indicate that the criterion of *desire to work* is a relevant construct across different groups of the population and across geographic contexts. The CI tests did not identify problems with different interpretations or factors that respondents take into account in deciding their answer. In addition, the results suggest that a question on "desire to work" would be more encompassing than one based on "need to work", as it captures not only financial needs but also other personal and professional considerations that persons take into account in deciding to put pressure on the labour market. Design of the question in the present tense, but without an explicit reference period did not appear to cause confusions or problems when replying. Rather the replies, whether positive or negative, were given also in the present tense and taking into consideration the respondent's current circumstances, as intended. Furthermore, there is evidence that including a question on "need for work" before a question on "desire for work" can reduce reporting of desire to work.

74. In combination these findings support the inclusion of a single question on "desire to work", worded in the present tense, as part of a set of questions of "job search" and "availability", and as a criterion to identify the potential labour force.

V. QUESTIONS ON AVAILABILITY TO WORK

Issues selected for testing

75. The criterion of *availability to work* has always played a central role in the identification of the unemployed, as a measure of current readiness to enter the labour market. A number of concerns with its operational implementation, however, have been raised over the years. These include questions about the intended meaning of the concept (i.e. willingness, desire, or time availability), its interpretation in the context of an interview, and the reference period it should refer to. These various issues were evaluated in the pilot studies, both during the cognitive and field test phases.

76. In the CI, emphasis was placed on documenting how respondents understand the question on "availability to work", and what aspects they take into consideration in providing their answers. Alternative reference periods (in the last week, in the next two weeks) were also evaluated for comprehension, ease of recall and reporting. This was achieved using a single question that made reference to two reference periods (see Figure 18):

Figure 18. Question on "availability to work" tested during CI

If (a/the) job or business opportunity became available...?
> *READ*
>> 01. Could you have started working last week?
>> 02. Within the next two weeks
>>
>> 03. NOT AVAILABLE

77. Interviewers were instructed to read the question and the first response option and wait for an answer. The second response option was to be read only in cases when the respondent said "*No*" to the first option. As described below, this approach proved to be too complex for interviewers to implement. Based on these findings, the original question was split into two separate questions which were included in all model questionnaires for the field tests. That is, only one version of the questions on "availability" was tested during the field tests (see Figure 19). This was an important revision as the main focus of the field tests was to examine the relevance of the different reference periods for different groups of the population, in particular, men and women, persons living in urban and in rural areas, youth and adults.

Figure 19. Questions on "availability to work" included in
the field tests (Module Versions A and B)

QA8/QB11. If (a/the) job or business opportunity became available could (NAME) have started working last week?

> 01. YES → NEXT SECTION
> 02. NO

**QA9/QB12.** Or could (NAME) start working within the next two weeks?

> 01. YES → NEXT SECTION
> 02. NO

78. As noted above, findings from the CI showed that the initial question on "availability to work" was rather complex to apply for interviewers. This in turn made the question somewhat complex to understand and answer by respondents. This was documented in some of the responses provided. For example, one woman in Ecuador indicated "*The question is clear, however, you are making me think backward and forward in time*." Another respondent in the Philippines similarly noted "*The question is easy, but a calendar is needed for easy counting*." The complexity observed appeared not to be related to the intended meaning of the question, but rather to the recall process required by the two reference periods, that were often read without a pause in between. In some cases, this caused confusion and the question had to be repeated by the interviewer.

79. Findings from the CI also indicate that respondents generally interpreted the question as intended; that is as having time or being ready to start working. In Vietnam, for example, a young woman who had indicated she wanted work, when asked the question on "availability" replied "*No, I am not available now. I want to find part-time work. The start time will depend on when I can combine it with my studie*s". Another respondent in Tunisia indicated that she was not available last week because she had family responsibilities, but she would be available in the next two weeks. Similarly, a respondent in Moldova who said she was not available thought that the question was asking about "*being available to go to work*" and that *"[she] could start working only in September as [her] children were [at the moment] on vacation and [she] had to take care of them.*"

80. Cognitive probes were included to document what respondents understood by the phrase "*if a job or business opportunity became available*." Replies to this probe indicate that respondents thought about specific types of jobs or working conditions that would match their situation. The respondent from Moldova mentioned above was thinking about work as a teacher. She had previously reported not having searched for work, wanting work as a teacher, but not being available in the reference periods mentioned. Another respondent indicated that he understood "*if I would be offered a good job that I accept*." Overall, the findings indicate that while respondents think about specific types of jobs when answering, their replies are not influenced by the likelihood of finding such type of work in their local context, but rather focus on their immediate circumstances affecting their time availability.

81. Findings from the field tests show that the vast majority of respondents identified as "available" report having been ready to start working in the week before the interview date. Nevertheless, it is also evident that a relatively important share of available respondents is identified as such only when asking about their availability to start working in the two weeks following the interview date (see). Due to the small sample sizes, however, it was not possible to evaluate potential differences in reporting by sex, age group or place of residence.

Figure 20. Share of respondents *Available to work* by reference period of availability
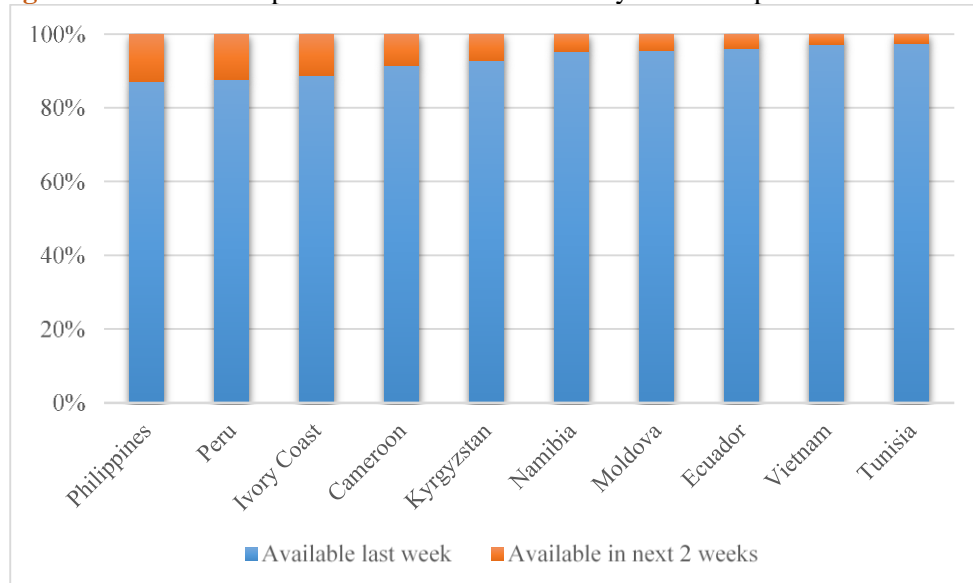
82. Overall, the results from the CI and field tests indicated that respondents across settings generally interpret the question on "availability" as referring to their time availability or readiness to start a job or a business. No problems with inconsistent interpretations were documented. The field tests revealed that the vast majority of available respondents reported being available in the week before the interview date. Nevertheless, evidence from the CI showed that some of the women participants made reference to their family commitments as a reason for not available in the reference week. Furthermore, in all pilot countries, a small share of available respondents was identified using the new period referring to the 2 weeks after the interview date.

83. These results support the use of both reference periods to ensure complete coverage of persons currently available to take up employment. Nevertheless, a single question that combines both reference periods is likely to cause confusion. Where there is interest in distinguishing between respondents available in the reference week and those available within the next two weeks, this may be best accomplished by using two separate questions.

VI. RELEVANCE OF THE OVERALL MODULE SEQUENCE

84. This final section takes a global view of the *Job search module* to examine the relative relevance of each criterion to identify the unemployed, the potential labour force, and the willing non-job seekers. Table 12 and Table 13 below show the number of respondents per module version and pilot country identified by each of the criteria needed to measure each group.

85. Despite the small sample sizes, a number of patterns across pilot countries can be observed. First is the relevance of the *potential labour force* as a policy group for monitoring insufficient labour absorption. Across most pilot countries and module versions, the number of respondents identified as potential labour force was higher than the number identified as unemployed. Less clear patterns were observed in Tunisia, Kyrgyzstan and Moldova, where nevertheless a sizeable number of respondents were identified as potential labour force. This pattern is as expected given the selection of the test sites which oversampled rural areas where job opportunities are relatively limited. Furthermore, although not included as a measure of labour underutilization, across pilot countries a small number of respondents were consistently identified as willing non-job seekers (wanting work but neither seeking nor available).

Table 12. Number of respondents by criterion to measure the unemployed, potential labour force and willing non-job seekers (Module Version A)

VERSION A										
	CMR (M5)	ECU (M3)	ECU (M5)	CIV (M3)	KGZ (M3)	MDA (M3)	MDA (M5)	PER (M3)	PHL (M3)	TUN (M3)	VNM (M3)
Unemployed	37	67	43	19	63	54	59	30	39	175	16
Seeking	42	68	46	22	65	58	62	38	47	178	17
& available in reference week	35	68	46	19	58	53	55	31	37	171	15
& available within two weeks	2	0	0	0	5	2	3	2	1	4	2
Only passive search methods	(0)	(1)	(3)	(0)	(0)	(1)	(1)	(3)	(1)	(0)	(1)
Future starter available < 3 mo.	0	0	0	0	1	1	1	0	1	0	0
Potential Labour Force	79	142	100	69	64	70	59	137	79	128	24
Seeking, not available*	6	0	1	4	3	3	3	5	8	3	0
Available* but not seeking	74	142	99	65	61	67	55	132	71	125	24
Discouraged	25	39	18	25	40	42	20	27	25	68	11
Future starter available > 3 mo.	0	0	0	0	0	0	1	0	0	0	0
Willing, not available, not seeking	6	21	21	15	39	29	15	32	38	10	6
In reference week or within 2 weeks.											

Table 13. Number of respondents identified by criterion to measure the unemployed, potential labour force and willing non-job seekers (Module Version B)

	CMR (M1)	CIV (M1)	KGZ (M2)	NAM (M1)	NAM (M4)	PER (M4)	PHL (M2)	TUN (M2)	VNM (M4)
VERSION B									
Unemployed	63	18	106	114	60	25	35	169	8
Seeking	61	18	138	122	62	33	42	214	10
& available in reference week	55	14	131	120	60	29	28	208	8
& available within two weeks	5	1	3	0	0	3	7	3	0
Main search method passive	(1)	(1)	(33)	(7)	(0)	(8)	(4)	(42)	(0)
Future starter available < 3 mo.	4	4	3	1	0	1	1	0	0
Potential Labour Force	108	64	109	198	149	147	61	208	18
Seeking, not available*	7	9	2	6	2	3	5	2	2
Available* but not seeking	100	55	107	193	147	145	55	206	16
Discouraged	27	11	28	62	51	57	22	18	4
Future starter available > 3 mo.	5	11	0	2	1	0	1	0	1
Willing, not available, not seeking	21	5	44	25	25	36	39	16	8

In reference week or within 2 weeks.

86. Looking more closely at the criteria to identify the unemployed, it is clear that the questions on "job search" and "availability" in the reference week identify the vast majority of cases. Nevertheless, as indicated earlier the question on *"availability within two weeks after the interview date"* does serve to identify a few additional cases in most pilot countries. By contrast the contribution of future starters to identify the unemployed in the pilot studies was minimal, particularly when identified through a question on *"the main reason for not seeking work"* (Version A).

87. Of particular importance was the impact of using a question on *main* method of job search as confirmation of active search. When this is the case, reporting of passive methods can importantly reduce the number of unemployed identified in some countries (Version B), compared to when multiple job search methods are captured (Version A). Indeed, the high numbers of respondents indicating having *"studied or read job advertisements"* as *main* method of job search in Kyrgyzstan and Tunisia (see Table 13) led to a higher number of respondents being classified as potential labour force (as opposed to unemployed) in Version B of the module compared to Version A.

88. In the case of the *potential labour force*, across pilot countries the group was predominantly composed of respondents who did not seek work but wanted and were available to take up employment in the reference period or within two weeks from the interview date. Further evaluation of the reasons for not seeking work indicated that, across pilots, less than half of the potential labour force was comprised of discouraged job seekers (results not shown). This points to the importance of identifying different reasons for not seeking employment beyond discouragement. In addition, across pilots a few cases were identified of respondents who sought work but were not available in the reference week or two weeks after the interview date. While this group was small, the category nevertheless appeared to be relevant across pilot countries, thus pointing to the importance of capturing this group as part of the question sequence.

VII. CONCLUSIONS AND RECOMMENDATIONS

A.   Conclusions

89. Overall, the pilot studies showed that the modules on job search worked quite well for use in household survey data collection across contexts. No major issues with the overall structure, flow, understanding or interpretation of the questions were documented. New elements introduced in the revised standards adopted by the 19th ICLS in 2013 showed promise to improve the data collection. This includes in particular, the reordering of the criteria to identify the unemployed, placing job search before availability which in questionnaire design can serve to set the context of the interview and reduce ambiguity. Likewise, the clarification of the intended meaning of the *availability* criterion as a test of readiness to start employment can serve to improve the wording of the question to emphasize its focus on time availability.

90. The introduction of a question on "desire to work" as part of the identification of the potential labour force and willing non-job seekers appeared to be understood as intended on a consistent basis across contexts and population groups. In addition, its placement after the questions on "job search" and before the questions on "availability" appeared to reduce to some extent respondent burden for persons not interested in the labour market, as well as reduce ambiguity in the interpretation of the question on "availability" as readiness to start employment. Nevertheless, being a new element of the revised standards, further tests may be warranted to assess potential issues such as social desirability bias that could affect responses. The ILO pilot studies did not find evidence of this. Comparisons with responses to an alternative question on "need to work" showed very similar response levels suggesting that the question on "desire to work" was being interpreted as intended. Nevertheless, the findings also indicated that respondents considered factors beyond financial need when answering the question on "desire to work". Likewise, including a question on "need to work" before a question on "desire to work" can negatively impact responses. Overall, the tests provided results that support the inclusion of a question on "desire to work" as part of the full sequence of questions to identify the unemployed and the potential labour force.

91. Some evidence of respondent burden was observed when collecting information on the use of multiple methods of job search through a battery of questions. Likewise, some evidence of order bias was noted that negatively impacted reporting of search methods prompted last. Respondent burden was furthermore observed in the particular case of persons with severe disabilities and the elderly. For these groups of persons, the design of simplified question flows may be warranted to the extent that no bias is introduced leading to their *a priori* classification as persons outside the labour force.

92. Furthermore, some gender-based patterns were documented in responses to the type of question used to identify job seekers and the main method of job search spontaneously reported. More women tended to report job search when using a split question asking about seeking a paid job and seeking to start own business, than when using a single question on seeking work for pay or profit. Women also appeared to report using more methods of job search on average compared to men, nevertheless more women tended to be more likely than men to report a passive method as their *main* job search method. These patterns could negatively affect the identification of unemployed

women to a greater extent than unemployed men, if not taken into account during the questionnaire design phase.

93. Finally, while the findings from the CI indicated that the questions to identify the unemployed and potential labour force worked well and as intended, it is important to remember that this is the case with direct respondents. The field tests provided further insights about how the question sequences work on a larger scale, with direct and proxy respondents. Due to the sample sizes and design, it was not feasible to conduct a detailed quantitative assessment of the impact of proxy respondents on reporting of job search, desire and availability. Nevertheless, the ILO did observe some consistent differences in responses between proxy and direct respondents. In particular, there is concern that use of proxy respondents might result in consistent mis-reporting of job search activity, desire and availability that could bias the resulting estimates of unemployment and the potential labour force.

B.   Recommendations

94. Evaluation of the results from the ILO LFS pilot studies served to identify a number of recommendations and considerations to improve the measurement of unemployment and the potential labour force through LFS. These include:

a. Identification of the unemployed, potential labour force and willing non-job seekers requires use of a common set of questions covering three key criteria: *job search*, *desire to work* and *availability to work*. A single common sequence of survey questions should be used to identify these three criteria in an efficient manner.

b. To reduce problems of interpretation and to establish the context for the module, the sequence should start with the questions on "job search", which refer to an actual behaviour (seeking employment) and thus are less subject to reporting errors compared with questions on "desire" and "availability to work".

c. The job search question(s) should be asked to all persons not employed in the reference period. Splitting the job search question in two parts, the first asking about seeking a paid job and the second about starting a business or own-account activity can serve to improve identification of job seekers. A split question approach can also serve to improve reporting of job search among women in particular.

d. A question on job search methods can be used to confirm the veracity of responses to the question on "job search". A question that asks for spontaneous reporting of the *main* method of job search limits respondent burden compared to a series of questions asking about the use of specific job search methods.

e. When using a question on the main method of job search, respondents who indicate using a passive method should be asked a follow-up question on other methods used to ascertain whether an active method was also used and to confirm whether the person can be considered as a job seeker. This is particularly important to reduce the potential misclassification of women as passive job seekers and thus excluded from unemployment. The question on "job search method" should be designed to capture formal and informal

methods of active search relevant for finding paid jobs and for starting a business or own-account activity.

f. A question on "desire to work" should be asked to respondents who did not seek work. This question will serve to filter out persons who do not want to work from the subsequent questions needed to identify the potential labour force and willing non-job seekers. The question on "desire to work" should be asked in the present tense to ascertain current interest in the labour market. While current evidence suggest that an explicit reference period is not necessary, further tests may be needed to confirm this.

g. A question or set of questions on "availability to start working" should be asked to all job seekers and persons who want to work. The question(s) should be worded so as to capture respondents' time availability to take up employment in the reference week and/or in the 2 weeks following the interview date. Preferably and to minimize potential respondent confusion, two separate questions should be used, when there is interest in distinguishing between persons available in the different reference periods.

h. Identification of future starters is very sensitive to the approach used. In countries where future starters may be commonplace, it may be important to include a dedicated question that explicitly targets this group. Using the question on "main reason for not seeking work" to identify future starters will likely result in an under identification of this group.

i. As with all topics covered by the pilot study project, national adaptation and testing are critical to ensure appropriate implementation of the standards at the country level.

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