RESULTS OF THE KOSOVO 2012 LABOUR FORCE SURVEY

SEPTEMBER 2013

Acknowledgements

Abbreviations

LFS	Labour Force Survey
ILO	International Labour Organization
KAS	Kosovo Agency of Statistics
EU	European Union
ISCO	International Standard Classification of Occupations
NACE	Nomenclature statistique des activités économiques dans la Communauté européenne (European statistical Classification of Economic Activities in the EU)
EA	Enumeration Area

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1 Computer Assisted Personal Interviewing (CAPI), in which respondents' answers are typed directly into a laptop by the interviewer

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Preface

Data on the labour market are extremely important for a country building adequate policies for many important areas. The most recent LFS available data were the preliminary findings for the first six months of 2012. While in relation to annual data, the most recent data were those of the 2009 LFS. Labour market indicators were also provided in few publications based on data from the Census of Population, Households and Housing 2011. Lack of LFS annual data for 2010 and 2011, which occurred due to a lack of financial resources, makes it impossible to draw comparisons of indicators across years.

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In January 2012 the Kosovo Agency of Statistics, supported by UKAid DFID, developed the Labour Force Survey using, for the first time, modern CAPI technology.

The purpose of the Labour Force Survey 2012 in Kosovo is to provide statistical data on labour market indicators and other related issues and also to enable comparisons to be drawn with previous years, to the extent that comparisons are possible.

The Labour Force Survey 2012 report contains data on employment and unemployment by age, gender, employment status, economic activities, occupations and other areas of the labour market. The labour force participation rate, referring to working age people, is 36.9 %. The unemployment rate is higher among women than men. The unemployment rate is higher among young people.

The methodology and definitions applied in the LFS are consistent with Eurostat regulations. The survey included 600 Enumeration Areas throughout the territory of Kosovo where 4,800 households were interviewed.

KAS thanks DFID, The World Bank, UNDP and other organisations for the financial and professional support they have provided to the LFS. KAS also thanks the LFS team for their contribution in implementing this survey.

According to the Law of Official Statistics No.04/L-034 the Kosovo Agency of Statistics is responsible for producing the official statistics in the Republic of Kosovo and therefore when data are used the source should be cited.

From The World Bank

Unemployment is more than the absence of a regular pay cheque and the poverty that it causes. The lack of (regular) employment and the inability to bring in one's skills and talents affect a person's self-confidence and sense of self-worth, darkening his or her outlook on life and society. While Kosovo's economy has proven astonishingly resilient and continued to grow at respectable rates during a period characterised by two successive crises (which have affected the global economy more dramatically than any other during the previous six decades), it has not yet developed a dynamism strong enough to have a tangible effect on employment and income levels of households. As a result, unemployment and the lack of economic perspectives, especially for the young, have remained *the* No. 1 topic in Kosovo and principal policy challenge for Government.

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At the same time, politicians have been confronted with an almost impossible task to tackle. Not only can unemployment not be decreed centrally, reflecting the aggregated effects of personal decisions taken by the private sector on the expected profitability of investments and economic activities over a medium-to long-term horizon, but also did they not have access to the required data that are critical ingredients to the analysis and design of policies aimed at convincing the private sector to become more confident and daring to start and/or expand activities in Kosovo.

Underlying reasons why a 22-year-old university graduate in Pristina cannot find adequate employment are very different from barriers that prevent a 50-year-old factory worker in Mitrovica or a 35-year-old farmer in rural Kosovo from being gainfully employed. Hence, the preparation of the most effective set of policy measures needed to improve the business climate has to look at the disaggregated information in the various sub-segments of Kosovo's labour market, dissected by gender, age, region, education, prior experience, etc.

For this reason, I am particularly pleased that, with this updated Labour Force Survey (the first full report since 2009), the Kosovo Agency of Statistics is now in a position to provide policy-makers and observers alike with the information and the opportunity to fully understand developments in, and characteristics of, today's labour market and—on that basis—engage in a debate on, and prepare policies with the objective of, devising the most effective strategies to reduce the still very high rates of unemployment in a tangible and sustainable manner.

This updated Labour Force Survey would not have been possible without the financial support from UKAid and the expertise from the staffs of the Kosovo Agency of Statistics and the World Bank. I should like to take the opportunity to thank all of them for this extraordinary effort through which Kosovo is given critical data required to analyse the overarching challenges of economic policy-making more comprehensively, more seriously, and with a better chance of improving the labour market situation in years to come.

Introduction

The Kosovo Agency of Statistics (KAS) began conducting the Labour Force Survey (LFS) in 2001 and then undertook LFS on an almost annual basis until 2009. In 2011 KAS began planning for the updated Labour Force Survey 2012 which has several important improvements over previous surveys:

- Improved questionnaire (continuing to follow Eurostat guidelines)

- New sampling frame (based on the 2011 Census of Kosovo)

- Year round data collection in which data on the labour force and employment were collected every week of the year from January 2nd 2012 to December 30th 2012.

- Longitudinal sub-sample in which each household is interviewed four times (once every three months)

- Computer Aided Personal Interviewing (CAPI) which enables data output to be generated faster than traditional paper and pencil interviews followed by data entry.

- Interviews in the municipalities of northern Kosovo.

The **main objectives** of 2012 LFS are to collect information, mainly on the supply side of the labour market, that is, information on those who are working or who are actively looking for work. The LFS collects social and economic information for use in the following areas:

Macro-economic monitoring: The change in the number of people employed is an indicator of changes in economic activity. It is necessary to track these changes, specifically the types of jobs and the industries in which people work.

Human resource development policies: The economy is changing all the time. In order to meet the needs of the changing economy, people need to be trained. LFS enables the identification of areas of training.

Employment policies: For an economy to work at its maximum potential, all those wanting to have work should have jobs. Some people may wish to have full-time jobs and can only find part-time work. Knowing how many of these people there are can enable the Government to design policies that encourage full-employment.

Income support and social programmes: For the majority of people, employment income is their main means of support. People not only need jobs but also productive jobs in order to receive reasonable incomes. Government needs to know what levels of income are being earned by different groups of persons.

Definitions

The **working age population** includes people 15 to 64 years of age, inclusive. This measure is used to give an estimate of the total number of potential workers within an economy.

The **labour force** comprises those who are employed and those who are unemployed, according to the strict definitions given below. Inactive persons are not considered part of the labour force.

1. Employed: People aged 15-64 years who during the reference week performed some work for wage or salary, or profit or family gain, in cash or in kind or were temporarily absent from their jobs.

2. Unemployed: People aged 15-64 years who during the reference week were:

- **without work**, that is, were not in paid employment or self-employment; and

- **currently available for work,** that is, were available for paid employment or self- employment within two weeks; and

- **seeking work,** that is, had taken specific steps in the previous four weeks to seek paid employment or self-employment.

3. Inactive: People aged 15-64 who were neither employed or unemployed during the reference period.

Classification of the population into these three mutually exclusive and exhaustive categories depends on the application of the activity principle – what a person was actually doing during the reference week – and a set of priority rules regarding activity that give precedence to employment over unemployment and to unemployment over economic inactivity. Classification also depends on a clear understanding of which activities are to be considered as "employment". It is important to note that employment includes activities which are paid or unpaid, and activities producing goods and services which are either sold in the market or not.

The **labour force participation rate** is the proportion of a country's working-age population that engages actively in the labour market, either by being employed or unemployed. It is the ratio of the labour force to the working-age population, expressed as a percentage.

$$\text{Labour force participation rate} = \frac{(\text{Employed + Unemployed})}{\text{Working-age population}} \times 100$$

The **inactivity rate** is the proportion of a country's working-age population that is neither employed nor unemployed. When added together, the inactivity rate and the labour force participation rate sum to 100 per cent.

The **employment-to-population ratio, also known as the employment rate,** is the proportion of a country's working-age population that is employed.

$$\text{Employment-to-popullation ratio} = \frac{\text{Employed population}}{\text{Working-age population}} \times 100$$

The **unemployment rate** is the proportion of the labour force that is not employed. It is the labour force that serves as the base for this indicator, not the working-age population.

$$\text{Unemployment rate} = \frac{\text{Unemployed}}{\text{Labour force}} \times 100$$

Discouraged workers are people without work who are currently available for work but who have given up looking for work because they believe that they cannot find work. They are included within the inactive category.

Youth unemployment refers to the unemployment of people aged 15–24 years.

Youth Not in Employment, Education or Training (NEET) is the share of youth (15-24) that are not employed, not in education and not in training.

Vulnerable employment refers to self-employed persons who do not have employees or unpaid family workers. The vulnerably employed are less likely to have formal work arrangements and are more likely to lack decent working conditions.

The following flow diagram illustrates the criteria used to classify the working age population as employed, unemployed, or inactive.

LABOUR FORCE CLASSIFICATION ACCORDING TO EUROPEAN UNION LABOUR FORCE SURVEY
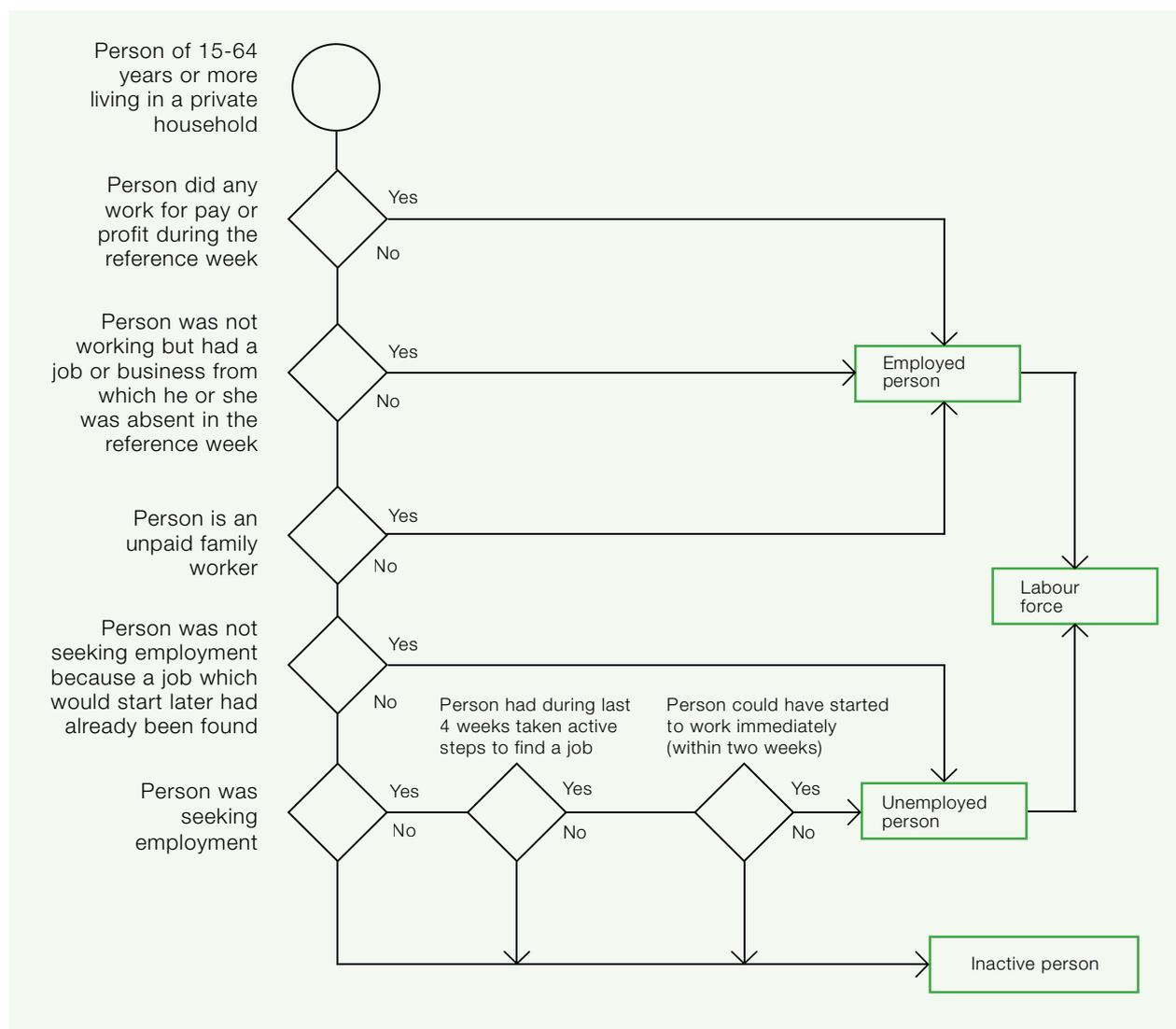
Key Points

Figure 1 provides a broad overview of the labour market status of Kosovo's population based on the 2012 Labour Force Survey. Among the more important results of the 2012 LFS, as illustrated in Figure 1 and elaborated in greater detail in the body of this report, are the following:

- **Almost two-thirds of Kosovo's population is of working age (15-64 years).** The working age population is expected to grow rapidly over the next decade, as Kosovo has one of the youngest populations in Europe.

- **Of those who are working age, 63.1% are not economically active,** meaning that they are not employed and have not actively sought employment in the past four weeks and/or are not available to start work within two weeks.

- **Of the 36.9% of the population that is economically active, 30.9% (135,700 persons) are unemployed.** This implies that 69.1% (302,844) of economically active people are employed, **yielding an employment-to-population ratio (employment rate) of 25.5%.**

- **Of the 63.1% of the working age population that is inactive, 23.5% (176,100 people) did not seek a job because they believed that there was no work available.** Discouraged workers accounted for 14.8% of the working age population, with similar levels for women and men.

- **There are large gender differences throughout the labour market.**

    - **Fewer than one-in-five (17.8%) women of working age are active in the labour market,** compared to more than half (55.4%) of the male working age population.

    - Among those in the labour force, unemployment is much higher for women than it is for men (40.0% compared to 28.1%).

    - **The employment rate among working age women is only 10.7%, compared to 39.9% for men.** Women's extremely low rate stems from the combination of very low labour force participation and high unemployment.

    - **Women were mostly employed in the education and health sectors** (about 40% of employed women). **Men were mostly employed in the manufacturing, trade and construction sectors** (employing more than 40% of employed men).

- **Youth unemployment is very high in Kosovo**

    - **In 2012, youth in Kosovo were twice as likely to be unemployed compared to adults and the difference was more pronounced among men.** Among those aged 15-24 years and in the labour force 55.3% were unemployed. Unemployment is higher among young women (63.8%) than young men (52.0%).

    - **More than one third (35.1%) of Kosovo's 15 to 24 year olds were not in education, employment or training.** The figure among young women is 40.0%, compared to 30.7% for young men.

- **The large majority of those who are employed report working full-time.**

    - In their main job, **88.9 percent of respondents reported working full-time,** with no major gender differences.

    - **The reasons for working part-time** were rather gender differentiated with **women taking more of a caring role within the family,** thus reducing the hours available for employment.

    - The number one reason for both men and women not working full-time was the lack of availability of full-time work.

    - Respondents working in the government sector reported working fewer hours than those in the private sector. Gender differences were small, especially in the government sector where hours seemed more fixed. Men and women working in private companies worked the longest hours.

- **16.8% of employed people belonged to the vulnerable employment category. This means that** they are either employed in their own business (own-account workers) or contributing to a family business (paid or unpaid).

- **Only 27.0% of those surveyed had a permanent contract for their main job while 73.0% had temporary contracts.** Those with temporary contracts were asked why they had this type of contract and 92% of respondents reported that no other type of contract was available.

- The **net salaries** of most employees were between **€300 to €400 a month.** Very small gender differences were noted.

- **Family responsibilities** were the main reason for women's inactivity in the labour market with almost a third of female respondents giving this reason.

Figure 1: **LABOUR MARKET CLASSIFICATION OF KOSOVO'S POPULATION, 2012**
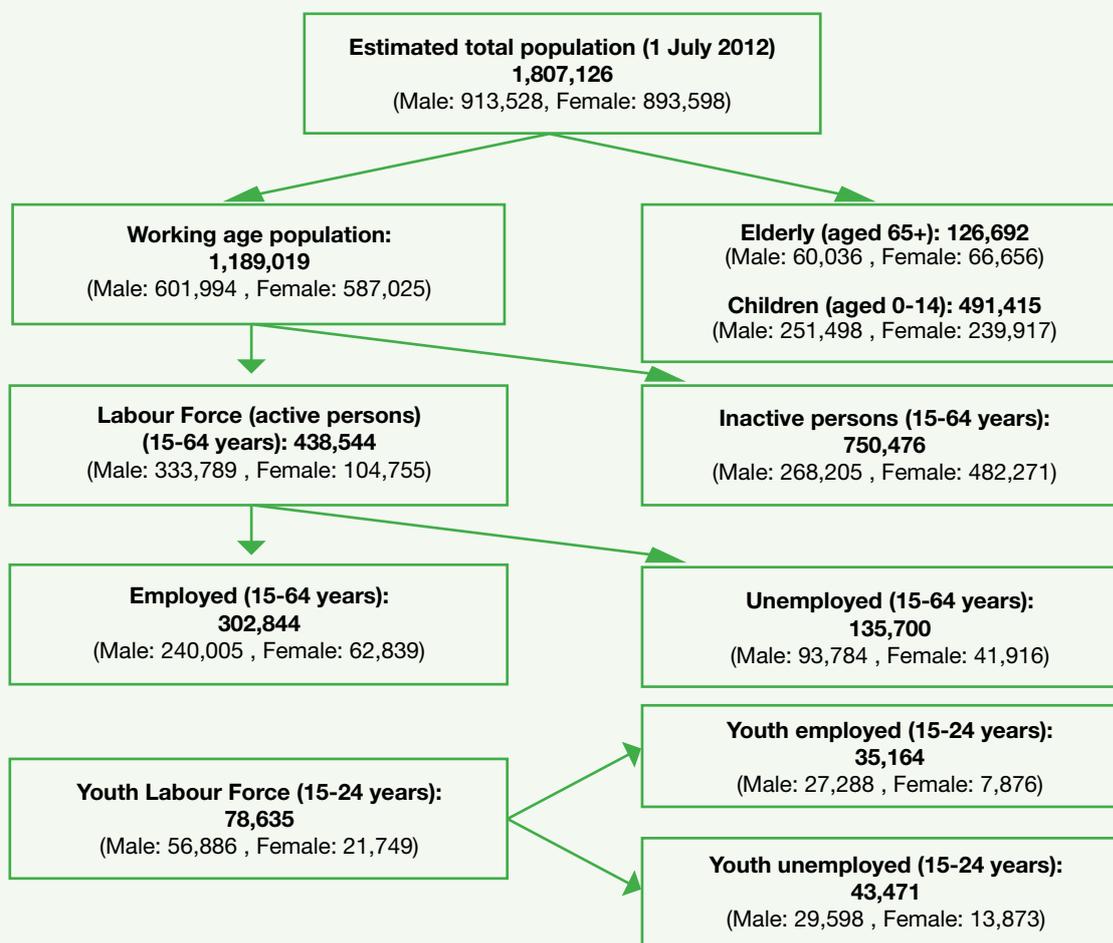
Key labour market indicators (%)	Male	Female	Total
Labour force participation rate	55.4	17.8	36.9
Inactivity rate	44.6	82.2	63.1
Employment-to-population ratio (employment rate)	39.9	10.7	25.5
Share of vulnerable in total employment	18.1	11.6	16.8
Unemployment rate	28.1	40.0	30.9
Youth unemployment rate (15-24 years)	52.0	63.8	55.3
NEET share of youth population (15-24 years)	30.7	40.1	35.1

1. Employment

1.1. EMPLOYMENT BY GENDER

Of the entire working age population, 25.6% (302,844) were employed (Figure 2). The employment rate was higher for men than women: 39.9% of working age men was employed compared to 10.7% working age of women (Figure 2).

Figure 2: EMPLOYMENT RATE BY GENDER (%)
Source: Labour Force Survey, 2012
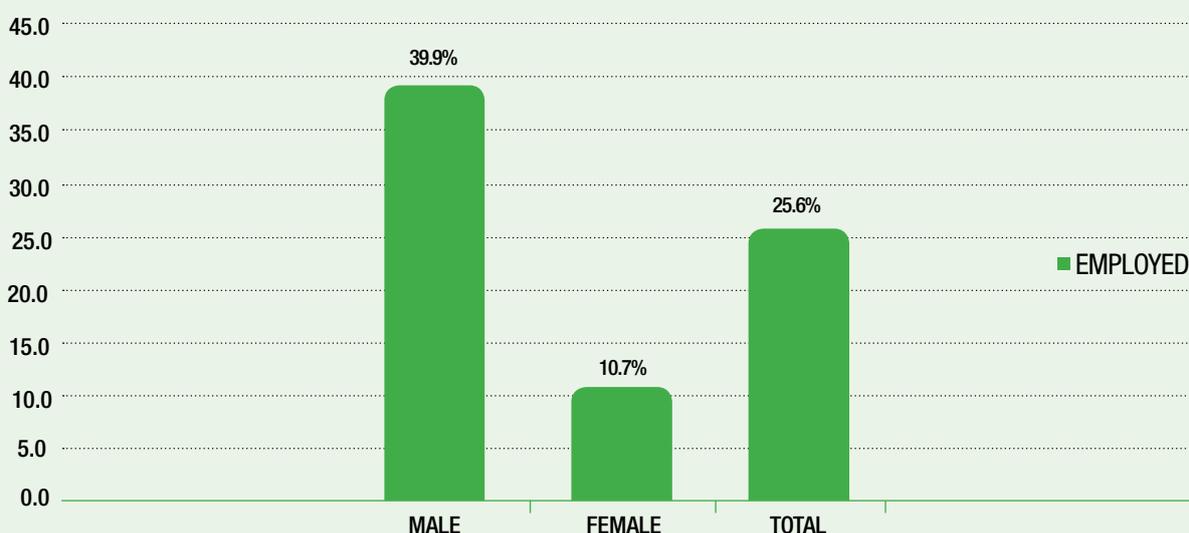
1.2. EMPLOYMENT BY AGE GROUP AND EDUCATION LEVEL

Across age groups the employment rate was highest among people aged between 45-54 years old and lowest among youth (15-24 years old).

The employment rate of women remained at a fairly steady percentage (around 14%) between the ages to 25 to 54 years old. Only 4.6% of young women and 7.9% of women aged between 55-64 years old were employed. For men nearly 60% of men belonging to 45-54 age groups were employed whereas the lowest employment rate was present among young men with an employment rate of 14.4% (Table 1.1).

An examination of the highest educational level reached by the employed is interesting (Table 1.2) as it shows that over a quarter of all the employed were educated up to tertiary level. However Table 1.3 illustrates that the requirements for getting a job are higher in government positions where almost half of all employees in these jobs are educated up to tertiary level.

TABLE 1.1: Number of employed and employment rate by gender and age group

Kosovo 2012	Male	Female	All
EMPLOYMENT ('000S)			
15-24	27.3	7.9	35.2
25-34	63.7	18.9	82.6
35-44	64.5	17.1	81.7
45-54	56.4	13.8	70.1
55-64	28.1	5.2	33.3
15-64	240.0	62.8	302.8
EMPLOYMENT-TO-POPULATION RATIO (%)			
15-24	14.4	4.6	9.8
25-34	45.8	14.3	30.5
35-44	56.4	14.0	34.5
45-54	59.0	14.2	36.4
55-64	44.5	7.9	25.8
15-64	39.9	10.7	25.6

TABLE 1.2: Whether employed and highest education level

Kosovo 2012	Not employed	Employed	All
HIGHEST LEVEL OF EDUCATION (%)			
No school	5.6	0.5	4.3
I -VIII/IX classes	53.4	16.7	44.0
Secondary vocational	23.1	42.7	28.1
Secondary gymnasium	12.7	14.4	13.1
Tertiary	5.3	25.6	10.5
Total	**100.0**	**100.0**	**100.0**

TABLE 1.3: Highest education level by type of employer

Kosovo 2012	Govt, public sector	State owned enterprise	Private company	Private individual
HIGHEST LEVEL OF EDUCATION (%)				
No school	0.0	0.0	0.6	0.2
I -VIII/IX classes	6.2	5.4	19.3	34.4
Secondary vocational	32.4	37.2	50.4	48.0
Secondary gymnasium	10.3	13.1	16.1	12.0
Tertiary	51.0	44.3	13.7	5.4
Total	**100.0**	**100.0**	**100.0**	**100.00**

1.3. EMPLOYMENT STATUS

In 2012, 74.5% of employed people were employees, 8.5% were self-employed with employees, 11.3% were self-employed without employees and 5.7% were family workers (Table 1.4). The majority of employed women had the status of employee. Nearly one quarter of men was self-employed compared to 8.3% of women.

TABLE 1.4: Employment status by gender (%)

Kosovo 2012	Male	Female	All
EMPLOYMENT STATUS (%)			
Employee	71.4	86.4	74.5
Self employed with employees	10.1	2.1	8.5
Self employed without employees	12.6	6.2	11.3
Unpaid family worker	5.8	5.4	5.7
Total	**100.0**	**100.0**	**100.0**

1.4. VULNERABLE EMPLOYMENT

In addition to the low employment rate in Kosovo, 16.8% of employed people were working in vulnerable jobs. Vulnerable workers are either self employed people without employees or those who work unpaid in a family business. These two groups of workers have a lower likelihood of having formal work arrangements as compared with wage and salaried workers.

Men are more likely to hold such vulnerable jobs (18.1% of men compared to 11.6% of women). In absolute terms 51,049 out of 302,844 employed people belong to the vulnerable employment category (Table 1.5).

TABLE 1.5: Vulnerable employment by gender

Kosovo 2012	
VULNERABLE EMPLOYMENT (000'S)	
Male	43,7
Female	7,3
All	51,0
SHARE OF VULNERABLE EMPLOYMENT IN TOTAL EMPLOYMENT (%)	
Male	18.1
Female	11.6
All	16.8

1.5. CONTRACTUAL ARRANGEMENTS

In terms of the type of contract that working respondents had, the majority (83.4%) had an individual contract while the rest were working without a contract. For youth (15 to 24 years of age) the percentage working without a contract rose to 37.8%.

Of those who had an employment contract, only 27.0% had a permanent contract for their main job while 73.0% had temporary contracts (no gender differences). Those with temporary contracts were asked why they had this type of contract and 92% of respondents reported that no other type of contract was available.

When asked whether in their main job they were entitled to the benefits of a social security scheme in the job, less than one fifth of workers (17%) were entitled and none of the self-employed people without employees were entitled.

1.6. INDUSTRY OF EMPLOYMENT

Examining the sectors in which people were employed in 2012, manufacturing, trade, education and construction employed almost half of employed people (Tables 1.6a & 1.6b). Manufacturing employed 14.3%; trade 13.4%; education employed 12% and construction employed 9.5% of employed people.

Women were mostly employed in the education and health sectors (about 40% of employed women). Manufacturing, trade and construction are the most common employment sectors for men (employing more than 40% of employed men).

TABLE 1.6A: Industry of employment by gender (000's)

Industry ('000s)	Male	Female	All
Agriculture, forestry and fishing	10.5	3.4	13.9
Mining and quarrying	3.4	0.2	3.6
Manufacturing	38.4	5.0	43.4
Electricity, gas, steam and air conditioning supply	6.4	0.6	7.0
Water supply, sewerage, waste management	3.4	0.3	3.6
Construction	28.7	0.3	29.0
Wholesale and retail trade, repair of motor vehicles and motorcycles	31.8	8.9	40.8
Transportation and storage	9.2	1.4	10.6
Accommodation and food service activities	12.4	1.9	14.3
Information and communication	5.3	1.6	6.9
Financial and insurance activities	4.9	1.9	6.8
Real estate activities	0.6	0.1	0.7
Professional, scientific and technical activities	4.4	1.1	5.6
Administrative and support service activities	12.4	2.0	14.4
Public administration and defence, compulsory social security	11.8	3.4	15.2
Education	23.2	13.5	36.7
Human health and social work activities	11.8	10.9	22.8
Arts, entertainment and recreation	5.6	1.1	6.7
Other service activities	7.9	4.0	11.9
*Activities of households as employers	4.5	0.5	5.0
Activities of extraterritorial organisations and bodies	4.7	1.3	6.0
Total	**241.4**	**63.3**	**304.7**

* Includes undifferentiated goods and services-producing activities of private households for own use

TABLE 1.6B: Industry of employment by gender (%)

Sector employment shares (%)	Male	Female	All
Agriculture, forestry and fishing	4.4	5.3	4.6
Mining and quarrying	1.4	0.3	1.2
Manufacturing	16.0	7.9	14.3
Electricity, gas, steam and air conditioning supply	2.6	0.9	2.3
Water supply, sewerage, waste management	1.4	0.4	1.2
Construction	11.9	0.4	9.5
Wholesale and retail trade; repair of motor vehicles and motorcycles	13.2	14.1	13.4
Transportation and storage	3.8	2.2	3.5
Accommodation and food service activities	5.2	3.1	4.8
Information and communication	2.2	2.6	2.3
Financial and insurance activities	2.0	2.9	2.2
Real estate activities	0.3	0.2	0.2
Professional, scientific and technical activities	1.8	1.8	1.8
Administrative and support service activities	5.1	3.2	4.7
Public administration and defence, compulsory social security	4.9	5.3	5.0
Education	9.6	21.3	12.0
Human health and social work activities	4.9	17.2	7.5
Arts, entertainment and recreation	2.3	1.7	2.2
Other service activities	3.3	6.4	3.9
*Activities of households as employers	1.9	0.7	1.6
Activities of extraterritorial organisations and bodies	2.0	2.0	2.0
Total	**100.0**	**100.0**	**100.0**

* Includes undifferentiated goods and services-producing activities of private households for own use.

1.7. OCCUPATION OF EMPLOYMENT

In 2012 the majority of employed people held occupations of service and sales workers, elementary occupations, professionals[2] and craft and trade workers (Table 1.7).

Half of employed women were professionals and service and sales workers (31.1% were professionals and 19.4% were service workers). Men were more spread across occupations but the majority were employed in elementary occupations, service and sales, and crafts and related trades (Table 1.7).

TABLE 1.7: Occupation of employment by gender

Kosovo 2012	Male	Female	All
EMPLOYMENT BY OCCUPATIONAL CATEGORY ('000S)			
Legislators, senior officials and managers	20.1	3.5	23.6
Professionals	32.3	19.8	52.1
Technicians and associated professionals	14.8	7.8	22.7
Clerks	9.9	5.1	15.0
Service workers and shop and market sales workers	46.7	12.3	59.0
Skilled agricultural and fishery workers	6.1	2.2	8.3
Craft and related trade workers	41.0	2.6	43.6
Plant and machine operators and assemblers	22.3	1.1	23.4
* Elementary occupations	48.0	9.1	57.1
Total	**241.4**	**63.3**	**304.7**
OCCUPATION EMPLOYMENT SHARES (%)			
Legislators, senior officials and managers	8.3	5.5	7.7
Professionals	13.4	31.1	17.0
Technicians and associated professionals	6.2	12.5	7.5
Clerks	4.1	8.0	4.9
Service workers and shop and market sales workers	19.3	19.4	19.3
Skilled agricultural and fishery workers	2.5	3.5	2.7
Craft and related trade workers	17.1	4.1	14.4
Plant and machine operators and assemblers	9.2	1.7	7.7
* Elementary occupations	19.9	14.3	18.7
Total	**100.0**	**100.0**	**100.0**

* Elementary occupations includes cleaners and helpers, agricultural, forestry and fishery labourers, labourers in mining, construction, manufacturing and transport, food preparation assistants, street and related sales and service workers, refuse workers and other elementary workers (ISCO 88 COM).

1.8. PATTERNS OF WORK

Only 3.1% of the employed population reported having a second job during the reference week. Men were slightly more likely than women to have a second job (3.4% to 2.0%).

In their main job, 88.9% of respondents reported working full-time and 11.1% part time[3]. No gender differences were noted. However for those who did work part-time the reasons for this were rather gender differentiated with women taking more of a caring role within the family, thus reducing the hours available to work (Table 1.8). The number one reason for both men and women not working full-time was the lack of availability of full-time work.

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2   The most common occupation within the professional category was teachers
3   Definition of working full-time or part-time was left to the respondent's decision.

TABLE 1.8: Reason for working part-time by gender (%)

Kosovo 2012	Male	Female	All
Looking after children or incapacitated adults	0.1	9.5	1.9
Own disability or illness	2.5	1.8	2.3
Other personal or family reason	4.0	18.7	6.9
Is a student	8.9	8.1	8.8
Could not find full-time job	72.5	43.0	66.7
Does not want full-time job	1.0	1.6	1.1
Other reason	11.0	17.4	12.3
Total	**100..0**	**100.0**	**100.0**

Two-thirds of employed people worked between 40-48 hours per week. Over a tenth (11%) of employed people worked 60 or more hours per week. Within a week nearly 15% of employed people worked less than 40 hours.

Men tended to work longer hours than women, with 6.6% of women working more than 40 hours per week compared to 22% of men (Table 1.9). A greater share of employed women worked less than 40 hours (16.4%) compared to men (13.6%).

TABLE 1.9: Employment by hours of work per week and gender

Kosovo 2012	Male	Female	All
EMPLOYMENT BY HOURS OF WORK ('000S)			
Less than 25	18.2	6.9	25.1
25-34	12.3	3.3	15.6
35-39	2.4	0.2	2.6
40-48	153.3	48.6	201.9
49-59	23.9	2.2	26.1
60 and above	31.4	2.0	33.4
Total	**241.4**	**63.3**	**304.7**
EMPLOYMENT SHARES BY HOURS OF WORK (%)			
Less than 25	7.5	10.9	8.2
25-34	5.1	5.2	5.1
35-39	1.0	0.3	0.8
40-48	63.5	76.8	66.3
49-59	9.9	3.5	8.6
60 and above	13.0	3.1	11.0
Total	**100.0**	**100.0**	**100.0**

Respondents working in the government sector reported working fewer hours than those in the private sector (Table 1.10). Gender differences were small, especially in the government sector where hours seem more fixed (around 38-39 hours a week). Men and women working in private companies worked the longest hours.

TABLE 1.10: Average number of hours worked a week by type of employer and gender

Kosovo 2012	Govt, public sector	State owned enterprise	Private company	Private individual
Male	38 hours	39 hours	46 hours	46 hours
Female	37 hours	39 hours	42 hours	41 hours
All	38 hours	39 hours	45 hours	45 hours

TABLE 1.11: Employment patterns and gender

Kosovo 2012	Male	Female	All
WHETHER DOES SHIFT WORK			
Does shift work	28.2	26.0	27.7
Does not do shift work	71.8	74.0	72.3
Total	**100.0**	**100.0**	**100.0**
WHETHER WORKS EVENINGS			
Usually	12.6	8.7	11.8
Sometimes	27.3	21.1	26.0
Never	60.1	70.1	62.2
Total	**100.0**	**100.0**	**100.0**
WHETHER WORKS AT NIGHT			
Usually	6.0	2.6	5.2
Sometimes	11.7	7.0	10.7
Never	82.4	90.4	84.1
Total	**100.0**	**100.0**	**100.0**
WHETHER WORKS ON SATURDAY			
Usually	37.4	24.1	34.7
Sometimes	34.1	27.8	32.8
Never	28.5	48.0	32.5
Total	**100.0**	**100.0**	**100.0**
WHETHER WORKS ON SUNDAY			
Usually	13.7	10.2	13.0
Sometimes	26.9	17.0	24.8
Never	59.4	72.8	62.2
Total	**100.0**	**100.0**	**100.0**
WHETHER WORKS AT HOME			
Usually	6.9	11.6	7.9
Sometimes	13.9	13.2	13.8
Never	79.2	75.1	78.4
Total	**100.0**	**100.0**	**100.0**

1.9. NET MONTHLY SALARY

At the end of the interview respondents who were employees were asked about their net monthly pay from their main job. They were given a number of categories and the responses can be seen in Figure 3. It should be noted that approximately 29% of respondents refused to answer this question.

However, we can see that most monthly net salaries were situated between €300 and €400 among those who did respond. Very small gender differences were noted, with males having a slight tendency to receive higher salaries.

Figure 3: NET MONTHLY SALARY FOR EMPLOYEES BY GENDER (%)
Source: Labour Force Survey, 2012

	0-100	101-150	151-200	201-250	251-300	301-400	401-500	501-600	601-800	801+
MALE	1.8	3.6	12.2	15.7	15.5	28.1	11.7	4.7	2.2	2.5
FEMALE	0.8	4	10	17.1	19.8	34.2	6.1	3.2	1.7	3.1
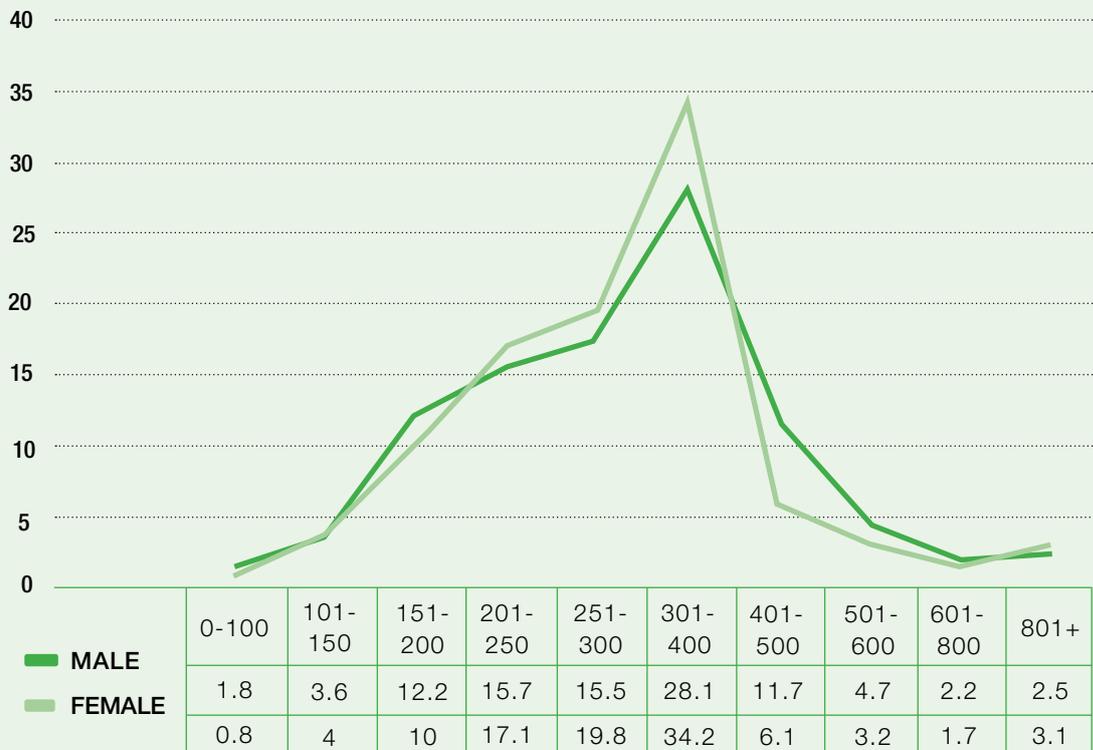
2. Unemployment

2.1. UNEMPLOYMENT BY GENDER

According to the 2012 LFS in Kosovo there were 135,700 people aged 15-64 years old who were unemployed, out of which 93,784 were men and 41,916 were women (Table 2.1). The unemployment rate was 30.9%, higher for women than for men, with rates of 40.0% and 28.1%, respectively (Figure 4).

Figure 4: UNEMPLOYMENT RATE BY GENDER (%)
Source: Labour Force Survey, 2012
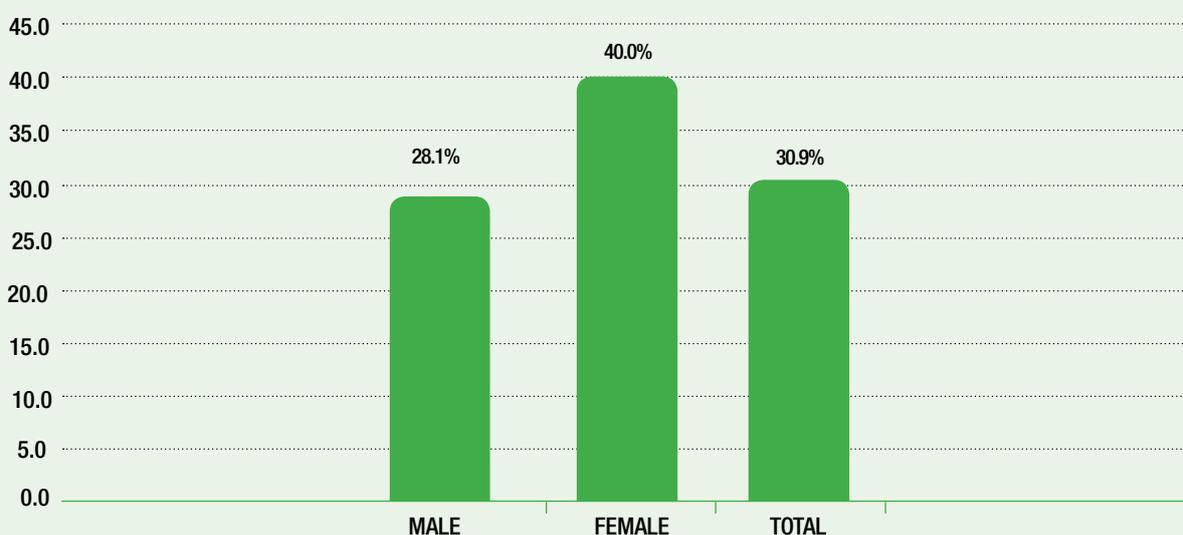
TABLE 2.1: Unemployment and unemployment rate by gender

Kosovo 2012	Male	Female	All
UNEMPLOYMENT ('000S)			
15-64	93.8	41.9	135.7
UNEMPLOYMENT RATE (%)			
15-64	28.1	40.0	30.9

2.2. UNEMPLOYMENT BY AGE GROUP AND EDUCATION LEVEL

About 55% of the youth population in Kosovo were unemployed (Table 2.2). The lowest unemployment rate was found among people aged 55-64 years old (9.5%). In terms of the distribution of unemployed people, the biggest share of unemployed belonged to people aged between 15-34 years.

Across age groups, the unemployment rate of men is lower than that of women by approximately 10 percentage points (Table 2.2).

TABLE 2.2: Unemployment and unemployment rate by gender and age group

Kosovo 2012	Male	Female	Total
UNEMPLOYMENT ('000S)			
15-24	29.6	13.9	43.5
25-34	29.8	13.9	43.7
35-44	19.7	9.9	29.6
45-54	11.3	4.1	15.4
55-64	3.4	0.1	3.5
15-64	93.8	41.9	135.7
UNEMPLOYMENT RATE (%)			
15-24	52.0	63.8	55.3
25-34	31.8	42.5	34.6
35-44	23.4	36.6	26.6
45-54	16.7	23.0	18.0
55-64	10.8	2.0	9.5
15-64	28.1	40.0	30.9

TABLE 2.3: Number of unemployed and unemployment rate by highest education level and gender

	Male	Female	All
UNEMPLOYMENT ('000S)			
No school 1	1.7	0.8	2.5
I -VIII/IX classes 2,3	28.5	12.3	40.8
Secondary vocational 4,5	37.0	13.3	50.3
Secondary gymnasium 6	19.5	8.3	27.8
Tertiary 7,8,9,10	7.2	7.2	14.4
Total	**93.8**	**41.9**	**135.7**
UNEMPLOYMENT RATE (%)			
No school 1	56.0	82.1	62.5
I -VIII/IX classes 2,3	40.3	59.0	44.6
Secondary vocational 4,5	25.9	36.1	28.0
Secondary gymnasium 6	35.4	50.2	38.8
Tertiary 7,8,9,10	11.5	24.4	15.6
Total	**28.1**	**40.0**	**30.9**

The unemployment rate was highest for people who have no education (62.5% of this group are unemployed) and lowest for people who had completed tertiary education (15.6%).

Education improved the labour market prospects particularly for women as 82.1% of women with no education were unemployed compared to 24.4% of those that had completed tertiary education.

2.3. YOUTH UNEMPLOYMENT

Based on 2012 LFS, in Kosovo 32% of the unemployed were young people (aged 15-24 years), with similar shares for males and females.

A significant share of the youth population is unemployed (55.3%) and the share of female population is higher (63.8%) than that of male population (52.0%).

TABLE 2.4: Share of youth in total employment and share of youth unemployed in youth population by gender

	Male	Female	All
Share of youth unemployed in total unemployment (%)	31.6	33.1	32.0
Share of youth unemployed in youth population (%)	52.0	63.8	55.3

In 2012, young persons in Kosovo were twice as likely to be unemployed compared to adults and the difference is more pronounced among men (Table 2.7).

TABLE 2.5: Ratio of youth-to-adult unemployment rate by gender

	Male	Female	All
Ratio of youth-to-adult unemployment rate	2.2	1.9	2.2

2.4. DURATION OF UNEMPLOYMENT

Unemployed respondents were asked how long they had been unemployed. The majority (59.8%) had experienced unemployment for longer than 12 months. Small gender differences were noted (59.1 of men and 61.3% of women). Figure 5 shows that the likelihood of being unemployed for over a year increases with age and women, except young women, are more likely than men to be unemployed for a long duration.

Figure 5: DURATION OF UNEMPLOYMENT OVER ONE YEAR BY GENDER (%)
Source: Labour Force Survey, 2012
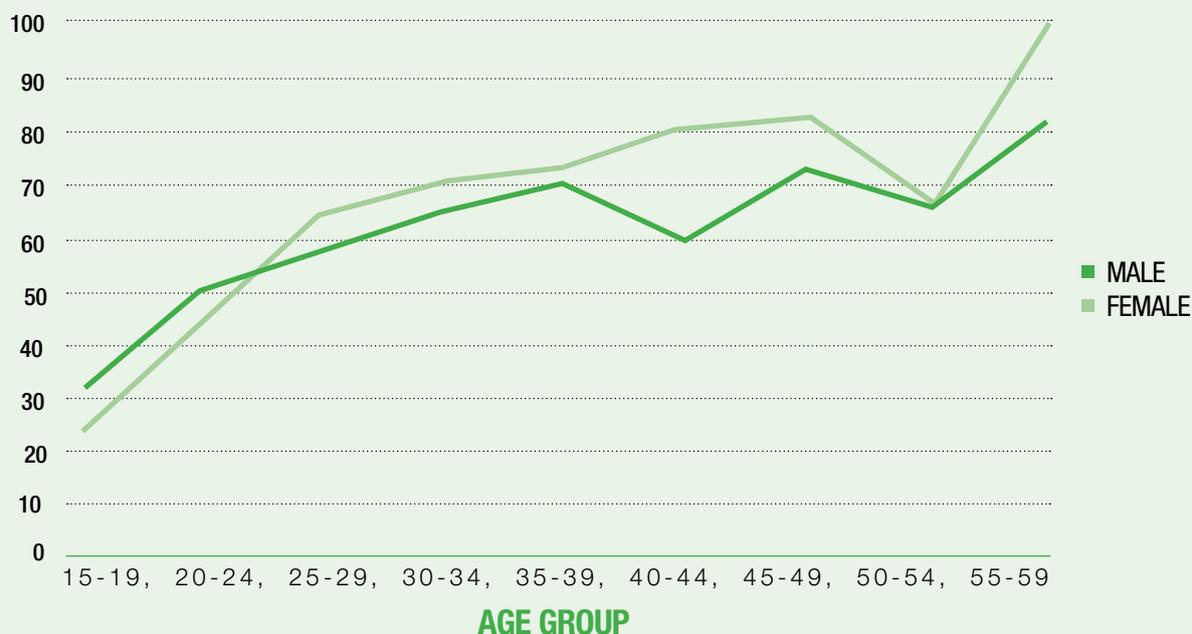
3. Labour Force Participation

In 2012, out of a total population of 1,807,126, the total working age population (aged 15 to 64) was 1,189,019 people. Of these working age people, 36.9% were participating in the labour force (economically active), this means they were either employed or unemployed (i.e., actively seeking work and available to work). The remaining 63.1% were economically inactive (Figure 6). The economically inactive include students, housewives, discouraged workers, and other people who were not actively looking for work and they are examined in more detail in the next chapter.

Figure 6: LABOUR FORCE PARTICIPATION RATE BY GENDER (%)
Source: Labour Force Survey, 2012
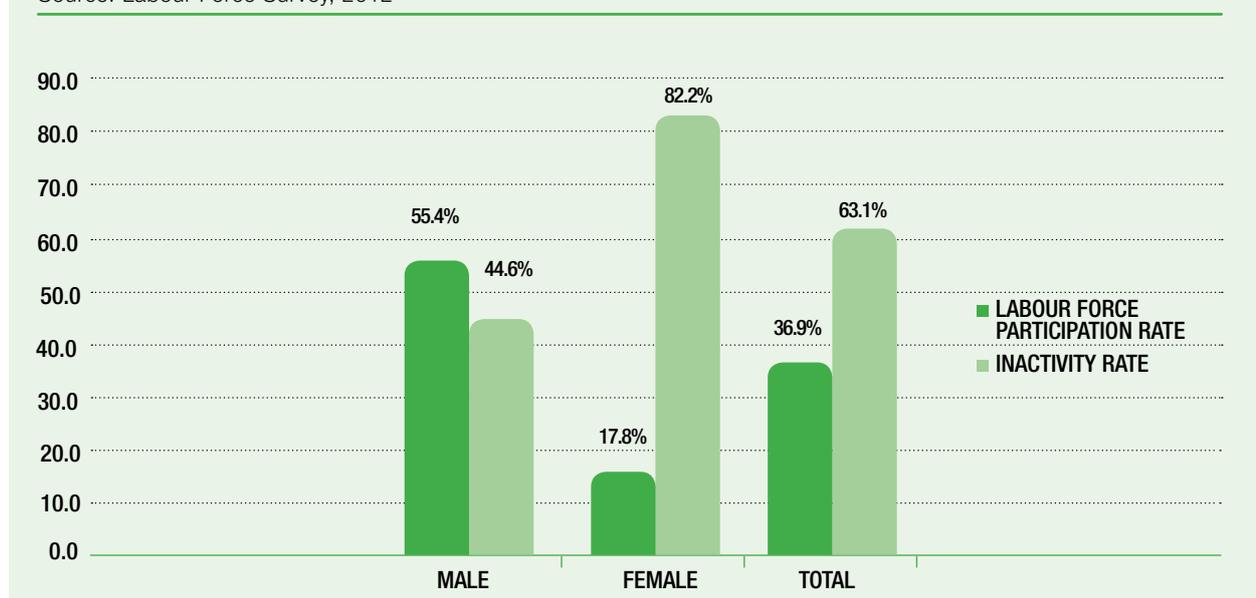
From Figure 6 it is evident that labour force participation among women was much lower than that of men: 17.8% of females were active compared to 55.4% of men.

TABLE 3.1: Labour force and labour force participation rate by educational attainment and age group

	No school 1	I -VIII/IX classes 2,3	Secondary vocational 4,5	Secondary gymnasium 6	Tertiary 7,8,9,10
LABOUR FORCE ('000S)					
15-24	0.6	16.5	35.6	18.4	7.6
25-34	1.2	27.7	49.9	19.5	28.0
35-44	1.3	28.5	46.0	16.9	18.5
45-54	0.6	12.9	36.1	13.2	22.7
55-64	0.3	5.8	12.1	3.5	15.2
15-64	4.0	91.4	179.6	71.5	92.0
SHARE OF THE LABOUR FORCE (%)					
15-24	0.7	20.9	45.2	23.5	9.6
25-34	1.0	22.0	39.5	15.4	22.2
35-44	1.2	25.6	41.4	15.2	16.7
45-54	0.7	15.1	42.2	15.5	26.6
55-64	0.8	15.7	32.8	9.5	41.2
15-64	0.9	20.8	41.0	16.3	21.0

The labour force participation rate was highest among people aged between 30-49 years and lowest amongst people aged 15 to 19 (Table 3.2). The low participation rate for young people is not surprising because 85% of this group are in education.

The highest labour force participation rate is present among men aged between 40-49 years whereas for women it is among women aged between 25-34 years. Only 5.2% of women aged between 60-64 years old are part of the labour force compared to 44.6% of men of the same age group (Table 3.2).

TABLE 3.2: Labour force and labour force participation rate by gender and age group

Kosovo 2012	Male	Female	All
LABOUR FORCE ('000S)			
15-19	9.0	3.8	12.7
20-24	47.9	18.0	65.9
25-29	48.2	17.7	65.9
30-34	45.3	15.1	60.4
35-39	45.1	15.4	60.5
40-44	39.1	11.6	50.7
45-49	35.5	10.7	46.2
50-54	32.2	7.2	39.3
55-59	19.4	3.7	23.1
60-64	12.1	1.6	13.7
Total	**333.8**	**104.8**	**438.5**
LABOUR FORCE PARTICIPATION RATE (%)			
15-19	9.2	4.2	6.8
20-24	51.5	22.5	38.1
25-29	64.1	25.9	45.9
30-34	70.9	23.7	47.4
35-39	73.1	22.1	46.0
40-44	74.4	21.9	48.1
45-49	75.8	20.5	46.6
50-54	66.2	16.0	42.1
55-59	53.9	10.4	32.3
60-64	44.6	5.2	23.9
Total	**55.4**	**17.8**	**36.9**

4. Inactive Persons

4.1. INACTIVITY BY GENDER

A lot of attention is given to describing and measuring the employed and unemployed populations which together form the Labour Force (or the economically active). However, the category "inactive" is equally important. Changes in activity rates are a key part of the impact of labour supply on potential output growth. This is due to the large number of potential workers among this group.

TABLE 4.1: Inactive by reason and gender

Kosovo 2012	Male	Female	All
INACTIVE POPULATION ('000S)			
Looking after children or incapacitated adults	0.2	35.5	35.7
Own illness or disability	17.2	10.9	28.1
Other personal or family responsibilities	13.7	196.3	209.9
In education or training	102.1	92.6	194.8
Retired	7.7	8.6	16.4
Believes that no work is available	90.2	85.9	176.1
Waiting to go back to work (laid-off people)	2.5	0.3	2.7
Other reasons	18.7	28.2	46.9
No reason given	15.8	24.0	39.9
Total	**268.2**	**482.3**	**750.5**
INACTIVE POPULATION AS SHARE OF THE WORKING-AGE POPULATION (%)			
Looking after children or incapacitated adults	0.0	6.0	3.0
Own illness or disability	2.9	1.9	2.4
Other personal or family responsibilities	2.3	33.4	17.7
In education or training	17.0	15.8	16.4
Retired	1.3	1.5	1.4
Believes that no work is available	15.0	14.6	14.8
Waiting to go back to work (laid-off people)	0.4	0.0	0.2
Other reasons	3.1	4.8	3.9
No reason given	2.6	4.1	3.4
Total	**44.6**	**82.2**	**63.1**

Family responsibilities are the main reason for women's inactivity in the labour market (Table 4.1). As noted in a World Bank report[4] in times of limited availability of job opportunities and a lack of family and social policies to assist women with family responsibilities, women may become more easily discouraged than men in their job search and so are counted as inactive rather than as unemployed. Overall low participation of women in the labour force in Kosovo may also be linked to stereotypical gender roles.

4.2. DISCOURAGED JOB-SEEKERS

In 2012 out of the 750,500 inactive population, 176,100 people did not seek for a job since they believed that there was no work available. This category is classified as "discouraged" job seekers and in Kosovo they accounted for 14.8% of the working age population (Table 4.1). Looking at the working age population the level of discouragement is almost similar for women and men.

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4   Paci, Pierella (2002). Gender in Transition. Human Development Unit. Eastern Europe and Central Asia Region. World Bank. Washington D.C.

4.3. INACTIVE YOUNG PEOPLE WHO ARE NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEETS)

The youth NEETs includes the young population that are not employed, not in education and not in training, that is, totally disconnected from the labour market and are also not participating in the educational system. High shares of this group in the youth population raise concerns about the future employability of young people as it indicates detachment from the labour market. In addition, a large number of unoccupied youth in countries with high youth unemployment, such as Kosovo, can put a downward pressure on employment and earnings.

In 2012, 126,200 young people (aged from 15 to 24) in Kosovo were not in education, employment or training and they represented 35.1% of the young population. The share of NEET women is 40.1% compared to 30.7% of NEET men (Figure 7).

Figure 7: YOUTH NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET) BY GENDER
Source: Labour Force Survey, 2012
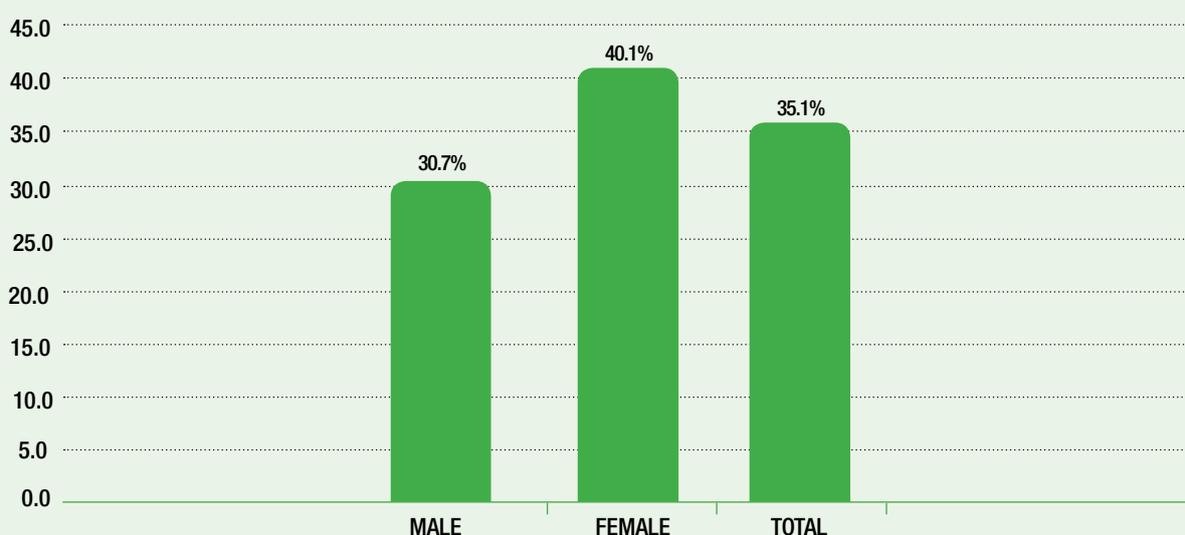

TABLE 4.2: Youth not in employment, education or training (NEET) by gender

Kosovo 2012	Male	Female	All
Youth NEET ('000s)	58.3	67.9	126.2
Youth NEET share of youth population (%)	30.7	40.1	35.1

5. Seasonality

All previous LFS's have taken place in the autumn as "one-off" surveys but in the updated Labour Force Survey data are collected on a continuous basis. Figure 8 shows how throughout 2012 the inactivity rate remained very stable at between 62%-63%. However the employment rate rose slightly over time, peaking in the third quarter (July to September 2012) reaching 27.7%. This would be expected considering the importance of construction and agriculture in the Kosovar labour market.

Kosovo, like many of the Western Balkan countries, lacks informal sector data. Information from some new EU member states[5] suggests that informality is highest in agriculture (80.6 percent) and construction (38.2 percent), and among the self-employed (83.9 percent)[6]. It would seem from the data shown in Figure 7 that the seasonal increase in the number employed in third quarter came mostly from those who have moved from the unemployed category, rather than from the inactive category.

The employment rate was lowest in the first quarter (January to March) at 22.7% (Table 5.1). In 2012 the unemployment rate dropped progressively from one to another quarter. The unemployment rate reached 38.2% in the first quarter, falling to 33.4% in the second quarter, to 26.5% in the third quarter and was 25.9% in the last quarter of 2012.

Figure 8: EMPLOYED, UNEMPLOYED AND INACTIVE RATES BY QUARTER OF 2012 (%)
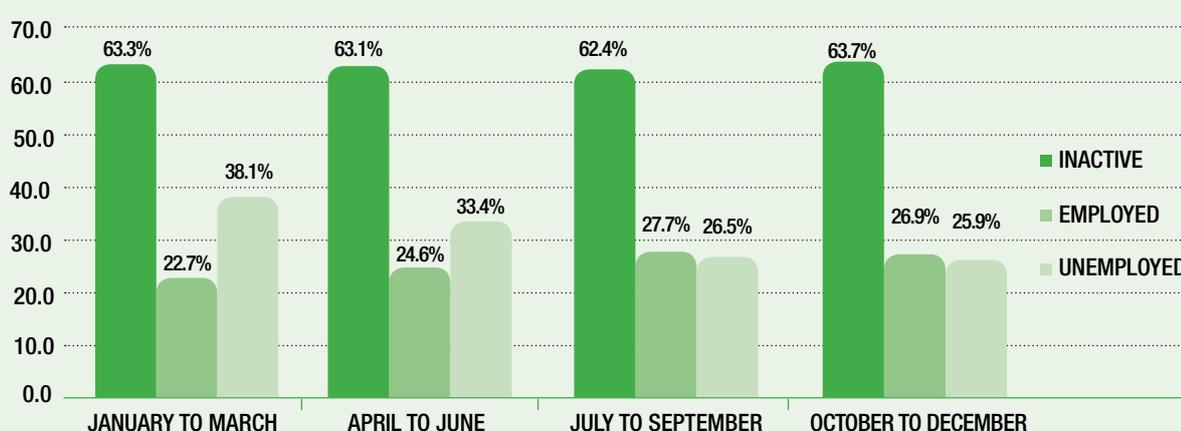
TABLE 5.1: Employment and unemployment rates by gender and quarter

Kosovo 2012	Male	Female	All
EMPLOYMENT RATE (%)			
January to March	35.2	9.6	22.7
April to June	38.4	10.6	24.6
July to September	43.5	11.4	27.7
October to December	42.5	11.1	26.9
Total	**39.9**	**10.7**	**25.5**
UNEMPLOYMENT RATE (%)			
January to March	35.2	47.3	38.2
April to June	30.6	41.8	33.4
July to September	23.5	36.0	26.5
October to December	23.3	34.5	25.9
Total	**28.1**	**40.0**	**30.9**

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5   This refers to: Bulgaria, Czech Republic, Estonia, Latvia, Poland and Slovakia.
6   World Bank 2012: In from the Shadow. Integrating Europe's Informal Labour Market by Packard, Koettl and Montenegro.

6. Country Comparisons

abour market statistics of 2012 show that Kosovo stands in the worst labour market situation in comparison to the Western Balkan countries and the 27 European Union member countries.

The labour force participation rate in Kosovo is 36.9% while the participation rate in Western Balkan countries ranges between 60 to 68% and it is 71.8% in European Union countries[7] (Table 6.1).

TABLE 6.1: Country comparison of key labour statistics

COUNTRY	Labour Force Participation Rate		Employment to Population ratio		Unemployment Rate	
	ALL	WOMEN	ALL	WOMEN	ALL	WOMEN
Kosovo	36.9	17.8	25.6	10.7	30.9	40.0
EU 27	71.8	65.6	64.1	58.5	10.5	10.5
Albania[8]	68.2	60.3	58.7	51.8	13.9	14.3
Croatia	60.5	55.0	50.7	47.0	15.9	15.6
FYR Macedonia	63.9	50.8	44.0	35.3	31.2	30.5
Serbia[9]	60.4	50.7	46.4	38.3	23.1	24.3
Montenegro[10]	59.0	52.1	47.4	41.5	19.7	20.4
Bosnia & Herzegovina[11]	43.6	32.5	31.6	23.0	27.5	29.0

Part of these differences is due to the fact that Kosovo has such a young population and many of these young people are still in education (and therefore classified as inactive). A concern is that over time the potential for the inactive population to grow remains high as each year approximately 36,000 young people will enter the working age population (i.e., 14 year olds will become 15 year olds) while only approximately 10,000 will leave the working age population (i.e., 64 year olds becoming 65 year olds).

Very strikingly, the labour force participation rate of women is significantly lower in Kosovo than its neighbours.

In Kosovo only 25.6% of the working age population are employed compared to a 48% average employment rate for Western Balkan countries and 64.1% for European Union countries (Table 6.1).

After Macedonia, the unemployment rate in Kosovo is the highest in the region. The female unemployment rate in Kosovo is the highest among the European Union and Western Balkan countries.

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7   Data on EU27, Croatia and FYR Macedonia are taken from EUROSTAT 2012 Annual reports.
8   Data for Albania taken from LFS 2011 (annual report). The unemployment rate of women refers to administrative data.
9   Data for Serbia on total participation, employment and unemployment rates are taken from LFS 2012 (quarter 4). Data on participation, employment and unemployment of women are taken from LFS 2011 (annual report).
10   Data from the Labour Force Survey 2012
11   Data from the Labour Force Survey 2013

7. Comparison of Key Statistics: 2009 & 2012

The 2009 LFS and 2012 LFS data are not directly comparable due to a number of important changes that were described in the Introduction. However, Table 7.1 summarises the main labour market indicators in these two years.

TABLE 7.1: Labour market summary 2009 &2012

	Kosovo 2012	Kosovo 2009
Inactivity rate (%)	**63.1**	**51.9**
Labour force participation rate (%)	**36.9**	**48.1**
Male	55.4	67.5
Female	17.8	28.8
Employment rate	**25.6**	**26.4**
Male	39.9	40.2
Female	10.7	12.6
Part time (as % of employed)	**11.1**	**16.3**
Male	11.3	16.8
Female	10.3	15.0
Temporarily employed (as % of employed)	**73.0**	**65.4**
Male	73.2	63.4
Female	72.5	70.0
Self employed (as % of employed)	**19.8**	**23.8**
Male	22.7	28.5
Female	8.3	9.0
Unemployment rate (%)	**30.9**	**45.4**
Male	28.1	40.7
Female	40.0	56.4
Youth unemployment rate (% of age group 15-24)	**55.3**	**73.0**
Male	52.0	68.5
Female	63.8	81.7
Long term unemployment (12+ months of all unemployed)	**59.8**	**81.7**
Male	59.1	82.8
Female	61.3	79.8

Despite changes in the methodology a lot of the key indicators have remained relatively similar over the last three years.   The only major exceptions are the labour force participation and unemployment rates. In the 2012 LFS the labour force participation rate is 11.2 percentage points lower than in the 2009 LFS, and the unemployment rate is 14.5 percentage points lower. While part of the difference in these rates likely reflects real changes in the Kosovo labour market, part of the difference may also be attributed to changes in the implementation of the LFS that were undertaken in order to adhere more closely to international standards for labour statistics. In particular, the 2012 LFS questionnaire and interview protocol made greater effort to record all employment for at least one hour during the reference week, including agricultural and informal activities. Other things equal, this would tend to increase the number of individuals recorded as employed, and thus reduce the unemployment rate.

 Secondly, the 2012 LFS made greater effort than past LFSs to ascertain whether those not working were actively seeking swork and available to work if a job opportunity occurred. Other things equal, this would tend to increase the number of economically inactive persons, which in turn would also reduce the unemployment rate. It should also be noted that some of the increase in the inactivity rate may be a result of young people staying in education longer because they perceive a shortage of available jobs for them.

Q20 in 2009 and Q21 in 2012 .. In the last week have you	2009	2012
Worked in a regular job (at least one hour) for pay (in cash or kind) for someone who is not a member of your household, for example, a private enterprise or company, an NGO or any other individual	Asked the same in both years	
Worked (at least one hour) in the non-agricultural sector on your own account or in a business enterprise belonging to you or someone in your household (even unpaid), for example, as a trader,shop-keeper, barber, dressmaker, carpenter, taxi driver, car wash, etc.	Asked the same in both years	
Done any occasional job (at least one hour) for pay or profit such as sold goods in the street, helped someone for his business, sold some homemade products, washed cars,repaired cars, etc.	Asked the same in both years	
Worked (at least one hour) on a farm owned or rented by you or a member of your household (even unpaid), whether in cultivating crops or in other farm maintenance tasks, or you have cared for livestock belonging to you or a member of your household **(only if at least part of the production is for sale).**		Not asked in this way in 2012
Worked (at least one hour) on a farm owned or rented by you or a member of your household (even unpaid), whether in cultivating crops or in other farm maintenance tasks, or you have cared for livestock belonging to you or a member of your household **(if at least part of the production is intended to be sold or bartered)**	Not asked in this way in 2009	
Worked (at least one hour) on a farm owned or rented by you or a member of your household (even unpaid), whether in cultivating crops or in other farm maintenance tasks, or you have cared for livestock belonging to you or a member of your household (if the whole production is only for own consumption) and this production constitutes an **important contribution to the total consumption of the houseold**	Not asked at all in 2009	New for 2012

Annex 1: Sample Design and calculation of weights

L FS 2012 is in the highly advantageous position that the new LFS 2012 sample is based on **the new Census 2011.** The identification of which households to interview is highly efficient. Each interviewer has a map in which Building Codes are shown and the interviewer is given the 8 buildings to contact (including entrance number etc if it is a block of flats). They are also given the name of the Head of Household as guidance on how to find the correct building. However if the occupant who was resident during the Census 2011 has since moved and a new person is living there the new household is interviewed.

The **4,800 issued** households LFS households for 2012 were selected using a design in which:

1. 600 EAs were selected with the probability of selection proportional to the number of occupied households, stratified by region, ethnicity and urban/rural

2. distributing the 600 EAs to 4 quarters by a simple alternating count

3. randomly selecting 8 households to be interviewed in each EA.

Kosovo is divided geographically into municipalities, which are further subdivided into settlements. The EAs were defined within the smallest administrative units. The KAS has grouped these municipalities into seven regions as shown in Table 1.

TABLE A1: Distribution of EAs and Households by Region and Urban/Rural Stratum in Kosovo Sampling Frame Based on 2011 Kosovo Census (and Previous Frame for Northern Municipalities)

Region	Total			Urban			Rural	
	NO. EAS	NO. HHS.	% TOTAL HHS. BY REGION	NO. EAS	NO. HHS.	% URBAN HHS. IN REGION	NO. EAS	NO. HHS.
Gjakova	461	31,416	10.2%	123	11,879	37.8%	338	19,537
Gjilan	540	33,082	10.7%	125	13,139	39.7%	415	19,943
Mitrovica	748	43,981	14.2%	202	20,089	45.7%	546	23,892
Peja	458	30,356	9.8%	120	12,458	41.0%	338	17,898
Prizren	732	52,436	16.9%	196	20,172	38.5%	536	32,264
Pristina	1,208	87,045	28.1%	428	46,133	53.0%	780	40,912
Ferizaj	479	31,095	10.0%	121	11,592	37.3%	358	19,503
Total	**4,626**	**309,411**	**100.0%**	**1,315**	**135,462**	**43.8%**	**3,311**	**173,949**

At the time of the 2011 Census KAS was not able to conduct the census enumeration in three municipalities in the North (Leposaviq, Zubin Potok and Zveçam) as well as part of the municipality of Mitrovicë, which have a high concentration of Serbian population. For this reason the final results from the 2011 Kosovo Census exclude the households and population in those areas.

However, KAS had previously defined EAs for those areas, and these EAs had been listed in 2008 (in the case of a master sample of 1,000 EAs for the national household surveys) or in 2009 (for the remaining EAs). Therefore KAS was able to use the previous information for the EAs excluded in the 2011 Census, to complement the frame for the rest of Kosovo with census information. A total of 257 EAs in the Northern municipalities are in the frame with information from the 2008/09 listing. These EAs are integrated with the EAs for the rest of Kosovo with information from the 2011 Census, for a total of 4,626 EAs in the combined frame.

Before interviewers begin working in the field they study the map of your EA and become familiar with the boundaries. The boundary of the EA is shown by a **red and white** broken line. Boundaries of neighbouring EAs are shown on the map by a **black and white** broken line. Buildings are bounded by a **yellow** line and numbered according to a building code.

The LFS surveys take place only within the boundaries of EA - the red and white boundary.

Calculation weights, overall design

In the case of the 2012 LFS the number of EAs selected at the first sampling stage is different each quarter. A nationally-representative sample of 150 EAs was selected for the first quarter. The panel of sample households selected for the first quarter was kept in the sample for the remaining quarters of 2012. Then a new sample of 150 EAs was added each quarter, until a full sample of 600 EAs was enumerated for the fourth quarter. As a result, the second quarter has data from sample households in 300 sample EAs, and the sample for the third quarter has 450 sample EAs. At the second stage a sample of 8 households was selected in each new sample EA, and the same panel of sample households is included in the sample for the next quarter.

The weights are calculated separately for the LFS sample households each quarter based on the sample enumerated that quarter. Since each quarterly sample is nationally representative, the data for different quarters can be combined to provide a higher level of precision based on the data for multiple quarters, and ultimately for tabulating annual estimates that represent seasonality in the labor force and employment characteristics throughout the year. The weights for the each quarter expand the data to the national level. Therefore when we combine the data for different quarters it is necessary to divide the quarterly weights by the number of quarters that being combined.

In order for the sample estimates from the 2012 Kosovo LFS to be representative of the population, it is necessary to multiply the data by a sampling weight. The basic weight for each sample household would be equal to the inverse of its probability of selection (calculated by multiplying the probabilities at each sampling stage). A household weight is attached to each sample household record in the data files.

The probabilities of selection are based on the stratified two-stage sample design. At the first stage a sample of EAs was selected with equal probability within each stratum (region, urban/rural), and at the second stage a sample of 8 households was selected in each sample EA. Given the sampling procedures used for selecting the sample EAs, the actual probabilities of selection for the households in each sample EA can be expressed as follows:

$$p_{hi} = \frac{n_h}{N_h} \times \frac{m_{hi}}{M_{hi}},$$

where:

p_{hi} = probability of selection for the sample households in the i-th sample EA in stratum (region, urban/rural) h

n_h = number of sample EAs selected in stratum h for the LFS

N_h = total number of EAs in the sampling frame for stratum h

m_{hi} = 8 = number of sample households selected in the i-th sample EA in stratum h

M_{hi} = total number of households in the frame for the i-th sample EA in stratum h

The basic sampling weight is calculated as the inverse of this probability of selection. Based on the previous expression for the probability, the weight can be calculated as follows:

$$W_{hi} = \frac{N_h}{n_h} \times \frac{M_{hi}}{m_{hi}},$$

where:

W_{hi} = basic weight for the sample households in the i-th sample EA in stratum h

It can be seen in this expression that the weights vary by EA according to the number of households in the frame for the EA. Since the EAs within each stratum were selected with equal probability, the variability in the number of households per EA results in variable weights.

It is also important to adjust the basic weights for the sample households to take into account the nonresponse of households in each sample EA. Since the weights are be calculated at the level of the sample EA, it is advantageous to adjust the weights at this level. The final weight (W'_{hi}) for the sample households in the i-th sample EA in stratum h can be expressed as follows:

where:

$$W'_{hi} = W_{hi} \times \frac{m'_{hi}}{m''_{hi}},$$

$m'_{hi} =$ total number of in-scope (occupied) sample households selected in the i-th sample EA in stratum h

$m''_{hi} =$ number of sample households with completed interviews in the i-th sample EA in stratum h

CALCULATION OF LFS WEIGHTS FOR EACH QUARTER OF 2012

In the case of quarterly estimates based on a subsample of the 600 sample EAs such as the first, second and third quarters of 2012, the corresponding weight are defined as follows:

where:

$$W_{qhi} = \frac{N_h}{n_{qh}} \times \frac{M_{hi}}{m_{hi}},$$

$W_{qhi} =$ basic weight for the sample households in the i-th sample EA in stratum h for quarter q

$n_{qh} =$ number of sample EAs in the sample for quarter q

The values for n_{qh} depend on the actual distribution of the EAs in the data file for the quarter. Tables 2 to 5 show the distribution of the sample EAs and the number of households with completed interviews by region, urban and rural stratum, in the Kosovo LFS data for each quarter of 2012.

TABLE A2. Number of Sample EAs and Households with Completed Interviews by Region and Stratum for the First Quarter of the 2012 Kosovo LFS

Region	Total		Urban		Rural	
	SAMPLE EAS	SAMPLE HOUSEHOLDS	SAMPLE EAS	SAMPLE HOUSEHOLDS	SAMPLE EAS	SAMPLE HOUSEHOLDS
Gjakova	17	131	6	45	11	86
Gjilan	15	98	6	40	9	58
Mitrovica	20	145	9	63	11	82
Peja	14	95	5	36	9	59
Prizren	28	192	9	60	19	132
Pristina	40	288	19	136	21	152
Ferizaj	16	111	6	40	10	71
Total	**150**	**1,060**	**60**	**420**	**90**	**640**

TABLE A3: Number of Sample EAs and Households with Completed Interviews by Region and Stratum for the Second Quarter of the 2012 Kosovo LFS

Region	Total		Urban		Rural	
	SAMPLE EAS	SAMPLE HOUSEHOLDS	SAMPLE EAS	SAMPLE HOUSEHOLDS	SAMPLE EAS	SAMPLE HOUSEHOLDS
Gjakova	34	257	11	84	23	173
Gjilan	30	183	11	70	19	113
Mitrovica	40	283	17	118	23	165
Peja	28	183	10	63	18	120
Prizren	56	358	18	109	38	249
Pristina	80	521	38	242	42	279
Ferizaj	32	218	12	73	20	145
Total	**300**	**2,003**	**117**	**759**	**183**	**1,244**

TABLE A4: Number of Sample EAs and Households with Completed Interviews by Region and Stratum for the Third Quarter of the 2012 Kosovo LFS

Region	Total		Urban		Rural	
	SAMPLE EAS	SAMPLE HOUSEHOLDS	SAMPLE EAS	SAMPLE HOUSEHOLDS	SAMPLE EAS	SAMPLE HOUSEHOLDS
Gjakova	51	371	16	116	35	255
Gjilan	45	267	16	97	29	170
Mitrovica	59	394	25	159	34	235
Peja	43	279	16	96	27	183
Prizren	84	528	27	162	57	366
Pristina	120	748	57	320	63	428
Ferizaj	48	305	18	96	30	209
Total	**450**	**2,892**	**175**	**1,046**	**275**	**1,846**

TABLE A5. Number of Sample EAs and Households with Completed Interviews by Region and Stratum for the Fourth Quarter of the 2012 Kosovo LFS

Region	Total		Urban		Rural	
	SAMPLE EAS	SAMPLE HOUSEHOLDS	SAMPLE EAS	SAMPLE HOUSEHOLDS	SAMPLE EAS	SAMPLE HOUSEHOLDS
Gjakova	67	486	21	152	46	334
Gjilan	61	359	22	132	39	227
Mitrovica	78	466	33	181	45	285
Peja	58	358	21	116	37	242
Prizren	111	672	36	200	75	472
Pristina	161	983	76	410	85	573
Ferizaj	64	403	23	128	41	275
Total	**600**	**3,727**	**232**	**1,319**	**368**	**2,408**

The formula for the quarterly weights specified above was used for calculating a separate set of weights for each quarter. In this case the average weight for the sample households in the first quarter is almost four times the corresponding average weight for the fourth quarter, since each quarter is nationally representative and the fourth quarter has almost 4 times the sample size of the first quarter.

CALCULATION OF 2012 WEIGHTS FOR COMBINED DATA FOR ALL FOUR QUARTERS

The data from different quarters can be combined in order to increase the level of precision (especially for the regional-level estimates), and to represent seasonality in the labour force and employment indicators over a longer reference period. The Kosovo LFS data for all four quarters of 2012 were combined for the analysis of the annual data and weights were calculated for this combined data file. In this case we begin with the quarterly weights calculated based on the sample EAs and households enumerated each quarter, as specified in the previous section. However, since the weights for each quarter expand the data to the national level, it is necessary to divide these weights by the number of quarterly samples being combined, as follows:

$$W_{Cqhi} = \frac{W'_{qhi}}{k},$$

where:

W_{Cqhi} = weight for the sample households in the i-th sample EA in stratum h for quarter q in the combined data file for different quarters

W'_{qhi} = final adjusted quarterly weight for the sample households in the i-th sample EA in stratum h for quarter q in the combined data file for different quarters

k = number of quarterly LFS data files being combined

This weighting procedure has the effect of averaging the results from all of the quarters being combined. In the case of the combined 2012 LFS data file for the entire year, k is equal to 4.

Adjustment of 2012 weights based on population projections

The weighted estimate of the total household-based population of Kosovo using the original weights for the combined 2012 LFS data file for four quarters was 1,879,267. This estimate is subject to sampling variability, especially given that the EAs were selected with equal probability within each stratum at the first sampling stage, thus increasing the variability in the weights by sample EA. In order to ensure that the estimates of totals from the 2012 LFS data are consistent with the projections of the total population produced based on demographic estimation procedures[12] the final weights for the 2012 LFS have been adjusted at the national level based on the population projections. The projected total population of Kosovo for the **mid-point of the 2012 LFS data collection period (1 July 2012) is 1,807,126.**

The weight adjustment factor was calculated as follows:

$$A_{LFS2012} = \frac{P_{d2012}}{\hat{P}_{LFS2012}},$$

where:

$A_{LFS2012}$ = national-level weight adjustment factor applied to all the original 2012 LFS weights

P_{d2012} = projected total population of Kosovo for the mid-point of the 2012 LFS data collection period (that is, 1 July 2012), based on demographic estimation techniques, equal to 1,807,126

$$\hat{P}_{LFS2012} = \sum_h \sum_i \sum_j W'_{hij} \times p_{hij}$$ = weighted estimate of total population for Kosovo from 2012 LFS data for four quarters, using the original annual Weights adjusted for nonresponse, equal to 1,879,267

p_{hij} = number of persons in the j-th sample household in the i-th sample EA of stratum h in the 2012 LFS data

The final 2012 LFS weights were calculated by multiplying the basic weight adjusted for nonresponse by this adjustment factor, as follows:

$$W_{Ahi} = W'_{hi} \times A_{LFS2012} = W'_{hi} \times 0.961611935237742$$

where:

W_{Ahi} = final adjusted weight for the sample households in the i-th sample EA in stratum h

Table 6 shows the weighted estimates of total population by region based on original 2012 LFS weights adjusted for nonresponse and the corresponding weighted estimates after the weights were adjusted based on the population projections.

TABLE A6. Weighted Estimates of Total Population by Region from 2012 Kosovo LFS Data for Four Quarters, Before and After Adjustment of the Weights

Region	Weighted Population before Adjustment	Weighted Population after Adjustment
Gjakova	190,269	182,965
Gjilan	166,225	159,844
Mitrovica	286,989	275,972
Peja	195,813	188,296
Prizren	308,446	296,605
Pristina	531,602	511,194
Ferizaj	199,924	192,249
Kosovo	**1,879,267**	**1,807,126**

The final 2012 LFS quarterly weights and the adjusted annual weights were provided in a file with 1,500 records for the EAs by quarter, which can be used for merging the weights into the different LFS data files.

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12   KAS official estimation of population by December 2012 is 1,815,606

RESULTS OF THE KOSOVO 2012 LABOUR FORCE SURVEY

SEPTEMBER 2013

Design: *envinion*