

Malaysia (LFS)

Identification

Title of the survey: Labour Force Survey / Migration / Salaries and Wages / Informal Sector 2011.

Organisation responsible: Manpower and Social Statistics Division

Objectives of the survey: The main objective of the survey is to collect information on the structure and distributions of labour force, employment and unemployment.

Date: 30/05/2011

Periodicity and coverage

Periodicity of data collection: Monthly

Geographical coverage: Whole country

Population coverage: Whole population excluding the following groups: Persons living in institutions

The survey covers: The usual residents present and the usual residents temporarily absent

Definition of usual resident: Who had stayed or intended to stay in the selected living quarters for 3 months or more (de jure approach).

Definition of household and household members: A household is defined as a person or group of related or unrelated persons who usually live together and make common provisions for food and other living essentials.

Usual household members who are temporarily absent are enumerated in the survey: Yes, including labour related questions

Age coverage: The labour related questions of the survey relate to the population of 15 years old and over

Topics covered:

Demographic characteristics: age, sex, marital status, nationality, ethnicity, place/country of previous residence, educational attainment, relationship to household head

Main labour related characteristics: employment, unemployment, underemployment, hours of work, wages, employment in informal sector, informal employment, labour migration, absence from work

Other labour related characteristics: industry, occupation, status in employment, institutional sector (public/private), existence of more than one job, characteristics of the second job(s), duration of unemployment, previous working experience, methods of looking for work, reasons for not being in the labour force

Other characteristics:

Concepts and definitions

Current employment

Definition of employment: All persons who, during the reference week, worked at least one hour for pay, profit or family gain (as an employer, employee, own-account worker or unpaid family worker). Also considered as employed are persons who did not work during the reference week because of illness, injury, disability, bad weather, leave, labour dispute and social or religious reasons but had a job, farm, enterprise or other family enterprise to return to. Also included are those on temporary lay-off with pay who would definitely be called back to work.

Employment refers to people who during the reference period:

- worked for one hour or more for wage or salary, in cash or in kind
- worked for one hour or more for profit or family gain, in cash or in kind
- were temporarily not at work and had a formal attachment to a wage employment job
- were temporarily not at work and had an enterprise
- worked for at least one hour without pay on a family business or farm
- did paid volunteer work

Reference period for employment: The seven days preceding the interview date (moving)

Current unemployment

Definition of unemployment: The unemployed are classified into two categories: the actively unemployed and the inactively unemployed. (a) The actively unemployed include all persons who did not work during the reference week but were available for work and actively looking for work during the reference week. (b) Inactively unemployed persons include the following categories: - persons who did not look for work because they believed no work was available or that they were not qualified; - persons who would have looked for work if they had not been temporarily ill or had it not been for bad weather; - persons who were waiting for results of job applications; and - persons who had looked for work prior to the reference week.

Unemployment refers to people who during the reference period: Are without work, available to work and actively seeking work

Reference period for seeking work: The 3 months preceding the interview date

Underemployment

Underemployment concept measured: Time related underemployment

Definition of underemployment related to working time: Persons who worked less than 30 hours during the reference week because of the nature of their work or due to insufficient work and were able and willing to accept additional hours of work.

Underemployment refers to employed persons who:

- are willing to work additional hours in the survey reference period
- are available to work additional hours in the survey reference period
- worked less than 30 hours a week in all jobs

Hours of work

The survey measures: hours actually worked

Information is collected for: main and secondary job(s) combined

Reference period used for the measure of hours of work: a week

Working time components included in the reported hours of work: meal breaks, commuting time and time not worked (vacation, sick leave, etc.)

Separate information is collected for overtime hours: no

Separate information is collected for absence hours: no

Separate information is collected for working time arrangements: no

Time unit used in the measure of hours of work: exact hours

Income from paid employment

The components of income for which separate statistics are available are: regular cash earnings, payments in kind and services, Allowances, commissions, tips

Reference period: a month

Income from paid employment refers to: main job only

Information on income from paid employment is requested in: exact amounts

Actual/usual income: actual income for a specific reference period

Income due/received: income received in a specific reference period (or income due for the reference period if not available)

Comments: Wage rates include basic wages, cost-of-living allowances and other guaranteed and regularly paid allowances, but exclude overtime payments, bonuses and gratuities, family allowances and other social security payments made by employers. Salaries and wages data

collected refer to the usual activity of private or government employees in the reference month. Salaries and wages data are only collected for persons aged 15 years old and over who are either government or private employees.

Income from self-employment

Employment in the informal sector

Definition of informal sector units: This relates to (i) Establishments that are not registered with the Companies' Commission or any other professional body; (ii) Establishments with less than 10 employees, that are not registered anywhere.

The informal sector employment refers to the population employed in:

- all own-account enterprises (as defined in the 15th ICLS Resolution on informal sector)
- own-account enterprises which are not registered
- enterprises of informal employers employing less than 10 persons engaged
- enterprises of informal employers which are not registered
- enterprises of informal employers whose employees are not registered
- private households, as paid domestic employees

Agriculture, forestry and fishing is excluded from the scope of the definition: Yes

Other economic activities or occupations excluded from the scope of the definition:
Government employees

Information is collected in respect of the following categories of workers:

- employees
- employers
- own-account workers
- members of producers' cooperatives
- contributing family workers

Information is collected for: main job

Employment in the informal sector refers: only to persons whose main job is in the informal sector

Informal employment

Informal employment includes:

- own-account workers employed in their own informal sector enterprises
- employers employed in their own informal sector enterprises
- contributing family workers working in formal sector enterprises
- contributing family workers working in informal sector enterprises
- members of informal producers' cooperatives
- employees holding informal jobs in formal sector enterprises
- employees holding informal jobs in informal sector enterprises

- employees holding informal jobs as paid domestic workers employed by households

Criteria used to define informal jobs:

- lack of coverage by social security system by virtue of the job in question
- lack of entitlement to paid annual leave
- lack of entitlement to sick leave
- lack of written employment contract

If more than one criteria are used: all criteria should be met simultaneously

Information is collected for: main job

Informal employment refers: only to persons whose main job is informal

Usual activity

Treatment of special groups

- Persons with a job but temporarily absent due to parental leave are classified as employed
- Persons with a job but temporarily absent due to educational or training leave are classified as employed
- Persons with a job but temporarily absent due to voluntary leave without pay are classified as employed if they are sure to return to work within 30 days
- Persons on temporary lay-off without pay are classified as employed
- Persons on indefinite lay-off without pay are classified as unemployed
- Seasonal workers not at work during the off-season are classified as employed
- Persons without work and currently available for work who have made arrangements to start a new job on a date subsequent to the reference period are classified as unemployed
- Persons without work and currently available for work who are trying to establish their own enterprise are classified as unemployed
- Persons without work and currently available for work who are not seeking work during the reference period due to specific reasons (e.g. discouraged workers) are classified as unemployed if they are available and looking for work
- Persons who performed some work for pay or profit during the reference period but were subject to compulsory schooling are classified as employed
- Persons who performed some work for pay or profit during the reference period but were full-time or part-time students are classified as employed
- Persons who performed some work for pay or profit during the reference period but were retired and/or receiving a pension are classified as employed
- Persons who performed some work for pay or profit during the reference period but were registered as jobseekers at an employment office are classified as employed
- Persons who performed some work for pay or profit during the reference period but were receiving unemployment benefits are classified as employed
- Persons who were seeking and/or available for work and were subject to compulsory schooling are classified as unemployed
- Persons who were seeking and/or available for work and were full-time or part-time students are classified as unemployed

- Persons who were seeking and/or available for work and were retired and/or receiving a pension are classified as unemployed
- Paid apprentices and trainees are classified as employed (trainees are classified as unemployed)
- Unpaid apprentices and trainees are classified as unemployed
- Contributing family workers at work during the reference period are classified as employed
- Contributing family workers temporarily absent from work are classified as employed
- Members of the armed forces who are volunteer members are classified as employed if they are paid
- Members of the armed forces who are career members are classified as employed
- Persons in civilian service equivalent to military service are classified as employed if they are paid
- Volunteers contributing to the production of goods are classified as employed if they are paid
- Volunteers contributing to the production of services provided by market producers are classified as employed if they are paid
- Volunteers contributing to the production of services provided by non-market producers (i.e. government units, NPIs serving households, etc.) are classified as employed if they are paid
- Volunteers contributing to the production of personal or domestic services produced by other households are classified as employed if they are paid

Classifications

Disaggregations used in the analysis and tabulation of the survey results:

- The economically active population is tabulated by: sex, age, level of education, urban/rural area
- The employed population is tabulated by: sex, age, industry, occupation, status in employment, level of education, institutional sector (public/private), urban/rural area
- The unemployed population is tabulated by: sex, age, level of education, urban/rural area
- The economically inactive population is tabulated by: sex, age, level of education, urban/rural area

Classifications used

Industry:

- Title of the classification: MSIC 2008
- Number of most detailed groups or digits used: 5 digits
- Links to international classifications: ISIC Rev.4
- Level of correspondence at which the link is made: 4 digit level

Occupation:

- Title of the classification: MASCO 2008
- Number of most detailed groups or digits used: 5 digits
- Links to international classifications: ISCO-08
- Level of correspondence at which the link is made: 4 digit level

Status in employment:

- Title of the classification: IATC
- Number of most detailed groups or digits used: 1 digit
- Links to international classifications: ICSE-1993

Education:

- Title of the classification: IATC
- Number of most detailed groups or digits used: 2 digits
- Links to international classifications: ISCED-97

Sample design

Sampling frame: Population census

The sampling frame is updated: continually

Procedure used to update the sampling frame: Listing and quick count method

Lowest level of geographic disaggregation for which reliable estimates of the unemployment rate can be produced and their frequency: Urban/rural areas in each state (monthly)

The sample is stratified: Yes

Variables used for stratification: geographic region, urbanisation, socio-economic characteristics: labour force participation rate

Number of sampling stages: 2

Ultimate sampling units: dwellings

Number of ultimate sampling units per sample area: 8

Sample size: 8000 ultimate sampling units per month

Sample fraction: 1.6% of the total population

Sample rotation takes place: at the ultimate sampling unit and the sampling area level

Percentage of ultimate sampling units remaining in the sample for two consecutive survey rounds: 25%

Maximum number of times an ultimate sampling unit is interviewed: 2

Data collection

Main mode of data collection: telephone interview (paper and pencil)

Number of ultimate sampling units (USU) interviewed per interviewer per day: 8

Average duration of an interview per household member of working age: 8.6 minutes

The field staff is mainly: part of a permanent survey organisation

Duration of training on the survey for newly recruited interviewers: 3 day(s)

Respondents' participation in the survey is compulsory: Yes

Ultimate sampling units that could not be identified are replaced: No

Ultimate sampling units that could not be contacted are replaced: No

Ultimate sampling units that refuse to participate are replaced: No

Estimation and adjustment

Percentage of all eligible ultimate sampling units that are interviewed: 85%

Percentage of refusals in the total non-response: 3.7%

The sample is self-weighting: Yes

Weighting factors used to adjust for: survey non-response

Adjustment for item non-response is made: Yes

Relative standard errors computed:

- Total unemployment rate: 5 %
- Total employment: 1 %
- Total unemployment: 5 %
- Total economically active population: 1 %

Confidence level: 95 %

If sub-annual surveys are conducted, the results are adjusted for seasonal variations:
No

Selected indicators tabulated from the survey:

- Unemployment rate by: sex, age, level of education, region (urban/rural)
- Employment to population ratio by: sex, age, level of education, region (urban/rural)
- Labour force participation rate by: sex, age, level of education, region (urban/rural)
- Hours of work (per worker) by: sex, age, level of education, economic activity, occupation, status in employment, region (urban/rural)
- Earnings (per worker) by: sex, age, level of education, economic activity, occupation, status in employment, region (urban/rural)

- Number of workers by hours band by: sex, economic activity, occupation, status in employment, region (urban/rural)
- Number of workers by earnings class by: sex, age, level of education, economic activity, occupation, status in employment, region (urban/rural)

Availability of data from other sources

- Data on employment is also available from: establishment surveys, administrative records and population censuses
- Data on unemployment is also available from: administrative records and population censuses
- Data on hours of work is also available from: establishment surveys
- Data on wages is also available from: establishment surveys, administrative records and population censuses

LFS data are considered official for:

- employment: yes
- unemployment: yes
- earnings: yes
- hours of work: yes

Documentation and dissemination

Publication(s) and website where the survey results can be found: Labour Force Survey Report; www.statistics.gov.my

Publication(s) and website where methodological information on the survey can be found: Labour Force Survey Report; www.statistics.gov.my

Dissemination formats and periodicity:

- comprehensive report (monthly)

The public is informed in advance on the date of the initial release of survey results: Yes

Non-published results can be made available on request: Yes

Micro data are made available on request: Yes

Historical information

Year when the survey was conducted for the first time: 1974

Years when significant methodological changes were introduced: 1974: The first LFS. 1993: LFS was conducted quarterly. 1998: Quarterly LFS upgraded to national level. 1999: Dissemination of quarterly labour force statistics. 2004: LFS was conducted monthly and de jure approach adopted in LFS. This is different from the de jure approach used in previous surveys. The LFS was not conducted in 1991 and 1994