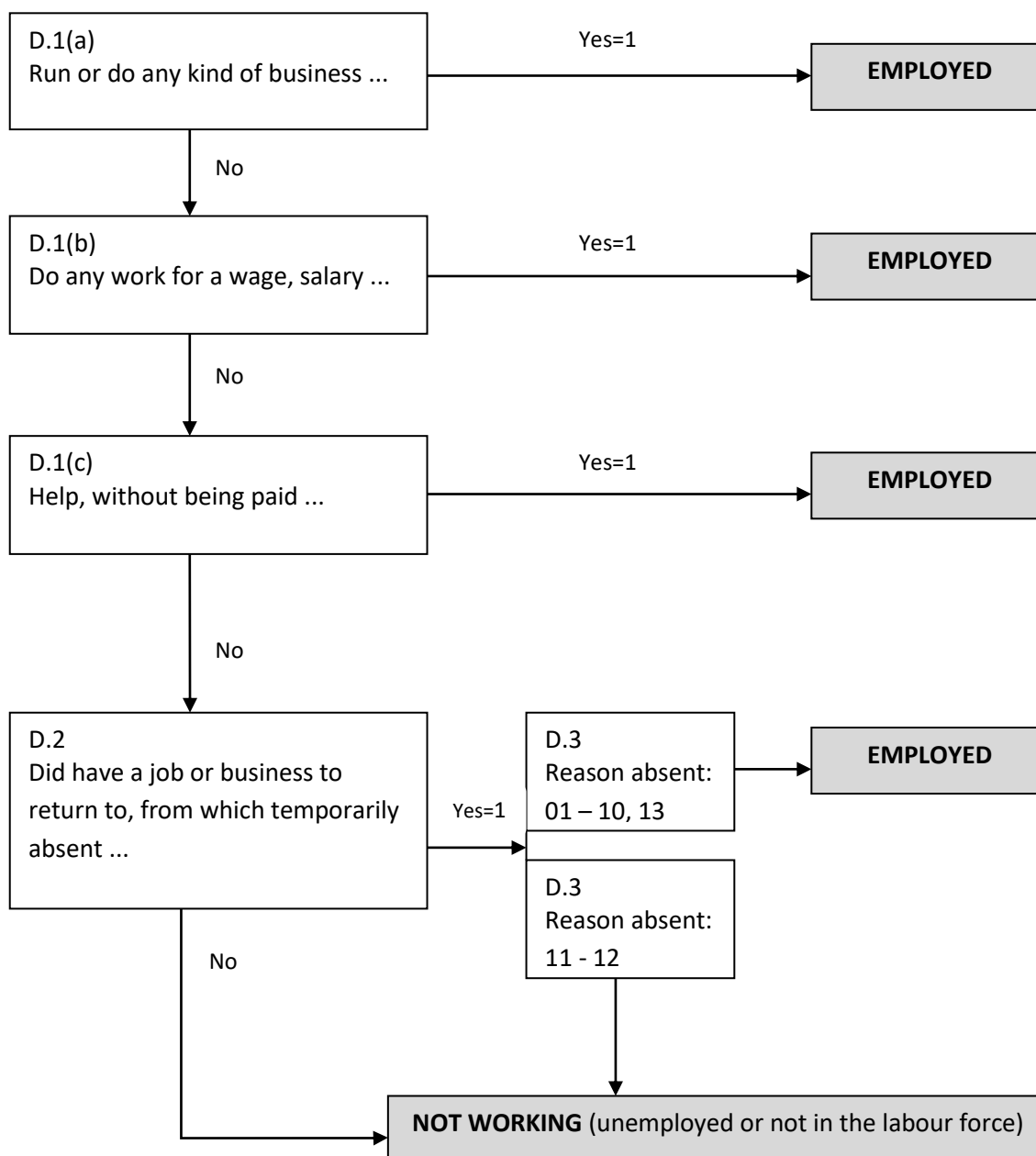# SAMOA LFS

Specifications of key derived variables
(by T. Habiyakare & E. Benes, ILO Department of Statistics)
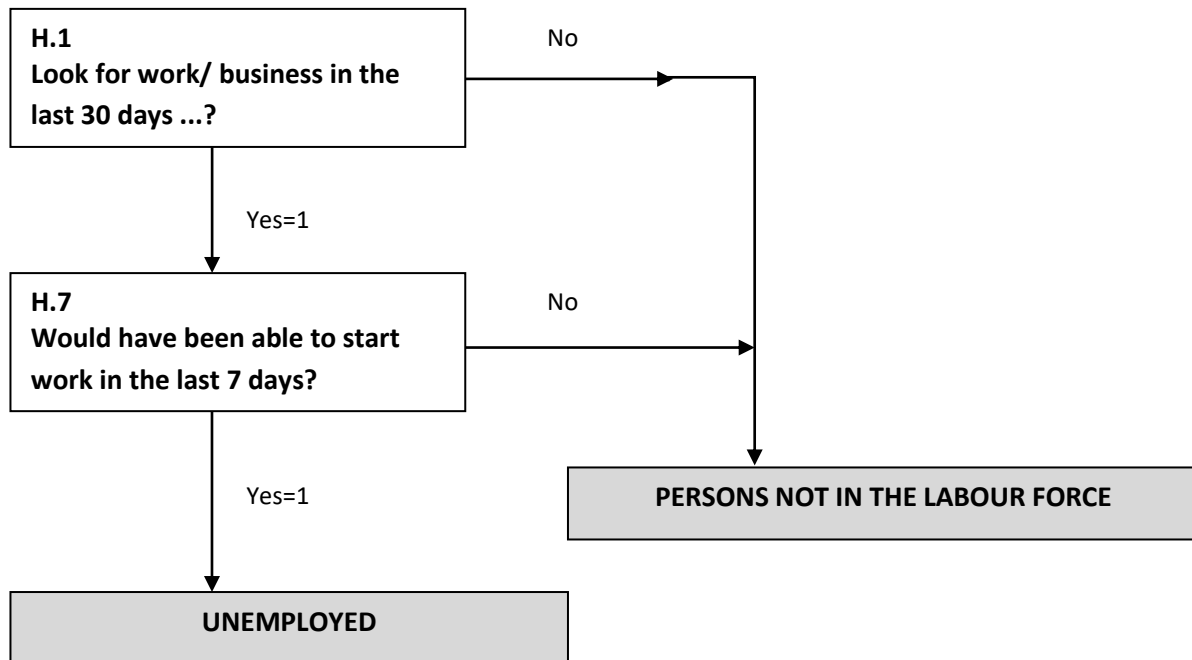
A. Economic activity status (employed, unemployed, not in the LF):

1. Employed and not working persons:

D.1(a) Run or do any kind of business …	Yes=1 →	**EMPLOYED**
No ↓		
D.1(b) Do any work for a wage, salary …	Yes=1 →	**EMPLOYED**
No ↓		
D.1(c) Help, without being paid …	Yes=1 →	**EMPLOYED**
No ↓		
D.2 Did have a job or business to return to, from which temporarily absent …	Yes=1 → **D.3** Reason absent: 01 – 10, 13 →	**EMPLOYED**
	D.3 Reason absent: 11 - 12	
No		

NOT WORKING (unemployed or not in the labour force)

2. Unemployed and persons not in the labour force:
(The key test questions needed to identify the unemployed are in bold)

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┌─────────────────────────────┐
│ H.1                         │        No
│ Look for work/ business in  │ ─────────────────────┐
│ the last 30 days ...?       │                      │
└─────────────────────────────┘                      │
              │                                       │
           Yes=1                                      │
              ▼                                       │
┌─────────────────────────────┐        No            │
│ H.7                         │ ──────────────┐       │
│ Would have been able to     │               │      │
│ start work in the last 7    │               ▼      ▼
│ days?                       │      ┌──────────────────────────────────┐
└─────────────────────────────┘      │  PERSONS NOT IN THE LABOUR FORCE │
              │                       └──────────────────────────────────┘
           Yes=1
              ▼
┌─────────────────────────────┐
│        UNEMPLOYED           │
└─────────────────────────────┘
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3. Specifications: Variable EAP (Economically active population)

1. EMPLOYED (EAP = 1):

IF D.1(a) = 1 OR D.1(b) = 1 OR D.1(c) = 1 OR
   (D.2 = 1 AND (D3 = 1 to 10, 13))

2. UNEMPLOYED (EAP = 2):

IF D.1(a) = 2 AND D.1(b) = 2 AND D.1(c) = 2 AND (D.2 = 2 OR (D.2 = 1 AND D.3 = 11, 12)) AND

        H.1 = 1 AND H.7 = 1 OR
((H.1 = 2 AND H.3 = 1 AND H.4 = 1 (this last may be omitted: future job starters)))

3. NOT IN THE LABOUR FORCE (EAP = 3):

IF D.1(a) = 2 AND D.1(b) = 2 AND D.1(c) = 2 AND (D.2 = 2 OR (D.2 = 1 AND D.3 = 11, 12)) AND

        H.1 = 2 OR (H.1 = 1 AND H.7 = 2)

B. Underemployment:

Refer to time-related underemployment or TRU;
Coverage: the employed population, i.e. EAP = 1;

TRU = 1 (employed persons in time-related underemployment)
TRU = 2 (not in underemployment)

1. Definition:

The employed person is in TRU if s/he worked less than a given national threshold (40 hours in Samoa); and was looking and available to work more hours.

2. Calculation of the total hours worked per week in all jobs (F2):

F2 = TOTAL (F.2aM to F.2gO)

3. Specifications:

TRU = 1
IF EAP = 1 AND
      F2 < 40 AND G.1 = 1 AND G.6 = 1

TRU = 2
IF EAP = 1 AND
      F2 >= 40 OR G.1 = 2 OR G.6 = 2

C. Informal employment (IE):
(See separate file).

D. Treatment of persons involved in subsistence production:

Subsistence production was measured in Section K of the Samoa questionnaire by questions from K.1 to K.6b. Unfortunately the questions were assessed after the employment characteristics section and therefore those employed in subsistence production are not covered by key characteristics such as occupation and industry, employment status, and mostly income. The guidance notes below are meant to advise on how to treat persons in this Section.

D.i. Employment in subsistence production and key characteristics:

Ideally the definition would consider as employed the persons engaged in subsistence production if any part of the production was for sale, or if the number of hours worked per week reached a given threshold, to be determined at national level. Discussions in Samoa concluded however to count in employment those persons in subsistence production whose products were **mainly or only for sale** (categories 3 and 4 of the question on use of products).

For those producing therefore mainly or only for sale –as they are market oriented and clearly in employment, the activities reported can be used to determine the main occupation as well as

industry. These characteristics can be directly derived from the responses to Section K. The following characteristics can be derived:

- Occupation (ISCO-08): Sub-major group 63 (Subsistence Farmers, Fishers, Hunters and Gatherers). Coding at 3 or 4 digit level is possible by analysing the mix of activities performed in the reference week (agriculture, fishing, hunting, gathering, etc);
- Industry: Section T (Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use), division 98 (Undifferentiated goods- and services-producing activities of private households for own use);
- Status in employment: Own-account workers. There is also the option to create a specific category for Subsistence worker for this group which would be a part of the self-employed;
- Institutional sector is private household.

The following rates can be calculated:

a) Rate of all persons engaged in production of goods for use by own household (% of the working age population- WAP);
b) Rate of persons engaged in subsistence production only or mainly for household consumption (not in employment) (% of WAP), and
c) Employment in/from subsistence production, i.e. persons engaged in subsistence production mainly or only for sale (% of the WAP).

D.ii. Treatment of persons in both employment and subsistence production:

One needs to avoid double counting the same activity as employment and subsistence work. Responses in E and K sections should be checked to avoid double counting activities (in the case that the same activity was reported in the section on employment and on subsistence production). However, it is possible to have persons who are in employment (paid employment or self-employment in market enterprises) and who also produce goods mainly or only for own final use. In those cases, their participation in production of goods for own final use should be included in indicator (a) above. However, they should be excluded from indicator (b).

D.iii. Adjustment of employment, unemployment, and subsistence production:

If production is mainly or only for sale as in indicator (c), these persons are actually not in subsistence production but in market-oriented production, hence, they would be in employment (as own-account workers). The indicators on employment and unemployment will therefore need be adjusted to consider including persons found as employed in subsistence production, provided double counting are not included (persons not already counted in employment as per Section E).

D.iv. Derived indicators:

The variables to calculate are therefore: Total persons engaged in subsistence production whether or not in employment (Subs_Prod), Persons engaged in subsistence production mainly or only for household consumption (Subs_House), and Employed persons derived from subsistence production (Subs_Employ).

1. Total persons engaged in subsistence production:

Subs_Prod = 1
IF K.1 = 1 OR K.2 = 1 OR K.3 = 1 OR K.4 = 1 OR K.5 = 1 OR K.6 = 1.

Subs_Prod = 2
IF K.1 = 2 AND K.2 = 2 AND K.3 = 2 AND K.4 = 2 AND K.5 = 2 AND K.6 = 2.

2. Persons in subsistence production mainly or only for own household consumption:

Should not be reported already in employment;

Subs_House = 1, on the following conditions

IF EAP not equal 1 AND
  (K.1b = 1, 2, 5 OR K.2b = 1, 2, 5 OR K.3 = 1 OR K.4b = 1, 2 OR K.5b = 1, 2 OR K.6b = 1, 2)
Else Subs_House = 2.

3. Employed persons in subsistence production:

Should not be reported already in employment;
Should be in subsistence production mainly or only for sale), i.e:

Subs_Employ = 1, on the following conditions

IF EAP not equal 1 AND
  (K.1b = 3, 4 OR K.2b = 3, 4 OR K.4b = 3, 4 OR K.5b = 3, 4 OR K.6b = 3, 4)
Else Subs_Employ = 2.

Adjusted employment will be:

4. Adjusted economically active population:

Employment should include persons found in employment in subsistence production;
Persons already employed in subsistence production should not be counted as unemployed or as not in the labour force; i.e.

Adj_EAP = 1, IF EAP = 1 OR Subs_Employ = 1;
Adj_EAP = 2, IF EAP = 2 AND Sub_Employ NOT EQUAL 1;
Adj_EAP = 3, IF EAP = 3 AND Subs_Employ NOT EQUAL 1

Please re-check the total adjusted EAP covers the whole working age population (WAP).

5. Additional characteristics for employed persons in subsistence production:

Those main characteristics to be adjusted are: (i) occupation, (ii) industry, (iii) status in employment, and (iv) hours actually worked.

(i) IF Subs_Employ = 1 AND (K1 = 1 OR K2 = 1 OR K3 = 1 OR K5 = 1 OR K6 = 1) THEN E2 = 6330
   IF Subs_Employ = 1 AND K4 = 1 THEN E2 = 6340

(ii) IF Subs_Employ = 1 THEN E4 = 9810

(iii) IF Subs_Employ = 1 THEN E9 = 3

E. Average monthly earnings:

Section on Income from paid employment (for employees only, i.e. EAP = 1 and E.9 = 1) and from self-employment (i.e. EAP = 1 and E.9 = 2, 3).

1. Monthly earnings from wage employment (E23M_Wage):

Process if EAP = 1 AND E.9 = 1

In cash (E.23aM):
If E.24a = 1, then   E.23aM = E.23a
If E.24a = 2, then   E.23aM = E.23a x 2
If E.24a = 3, then   E.23aM = E.23a x 4
If E.24a = 4, then   E.23aM = E.23a x 30
If E.24a = 5, then   E.23aM = E.23a   (assume this is piece rate or one-time payment).

In kind (E.23bM):
If E.24b = 1, then   E.23bM = E.23b
If E.24b = 2, then   E.23bM = E.23b x 2
If E.24b = 3, then   E.23bM = E.23b x 4
If E.24b = 4, then   E.23bM = E.23b x 30
If E.24b = 5, then   E.23bM = E.23b   (assume this is piece rate or one-time payment).

E23M_Wage = E.23aM + E.23bM

2. Monthly earnings from self-employment (E23M_Self):

Process if EAP = 1 AND E.9 = 1
E23M_Self = E.26a x 2 + E.26b x 2

3. Total monthly earnings from employment (E23M):

Process if EAP = 1 AND E.9 = 1

E23M = E23M_Wage + E23M_Self.