

# **GENERAL EXPLANATION ON HOUSEHOLD LABOUR FORCE SURVEY**

## **Background**

With the transition to the planned development period in Turkey, information about structure of economically active population was started to be gathered from General Population Censuses conducted in every five years and Household Labour Force Surveys (LFS) that had been conducted at irregular intervals since 1966. However, data obtained from these sources, especially the data gathered with the Household Labour Force Survey, which is the main data source for monitoring the labour market, were not comparable within a time series because of the differences on geographical areas covered, definitions, concepts, variables and classifications until 1988.

It was targeted to redesign the labor force surveys to get labour market indicators on time and more accurate in the context of the project on Labour Market Information System coordinated by United Nations Development Programme (UNDP) and then in the context of World Bank Employment and Training Project with the technical assistance of International Labour Organization (ILO).

## **1988-2000**

In this context, the survey was redesigned in 1988 in accordance with the latest international standards (ILO, Thirteenth International Conference of Labour Statisticians, 1982) concerning statistics on the economically active population, labour force, employment, unemployment and underemployment to measure the labour market situation and changes in a better way and to provide comparability with the international statistics.

The main goal of the household labour force survey is to set a questionnaire that makes it possible for users to analyze labour market from different aspects and put to an end to the concept confusion on labour market. Also it is aimed to constitute appropriate definitions for international comparison.

The surveys in which the latest international standards (ILO, Thirteenth International Conference of Labour Statisticians, 1982) are used, have been applied since October 1988, taking the last week of October and April starting on Monday and ending with Sunday as reference period in each year within this term and the results were published for Turkey, urban and rural areas.

From October 1988 to April 1994, 11160 households were surveyed in each implementation of LFS using substitution. The sample design was changed in October 1994 LFS implementation and sample

size was increased to 15000 households by giving up substitution principle and passing through the non-response implementation.

## **2000-2003**

In year 2000, some important changes were made on the application frequency, sample size, estimation dimension and questionnaire of the survey. These changes were made taking into account the need of comparisons with the existent series. It was aimed to increase the sensibility of estimation with the new design. Quarterly sample size was increased to 23 000 households and this design was firstly used in October 1999 LFS.

The field application of the survey has been implemented monthly since 2000. Within this period, estimations were given quarterly for Turkey, urban and rural areas and yearly for Turkey, urban and rural areas, seven geographical regions and nine province centers (Adana, Ankara, Antalya, Bursa, Erzurum, Gaziantep, İstanbul, İzmir, Samsun).

Selected households have been followed during four periods with the new sampling design applied since 2000.

Some questions were added to the Household Labour Force Survey questionnaire to enrich the collected data regarding the labour market in 2000. Some of these questions are related to informal sector employment.

The results of the survey which had been given for the population of 12 years old and over up to the year 2000, have started to be published for the 15 years old and over since year 2000.

## **Revisions made in 2004**

Household labour force survey, where international standards have been followed in terms of definitions and concepts from the beginning of its first application, was reviewed in terms of harmonization with European Union in 2002. At the end of these studies, a new questionnaire was developed where all variables requested by Eurostat were covered. The norms and standards of the European Union's labor force statistics can be fully met with the variables covered on the new questionnaire.

In 2004, the number of questions was increased from 47 to 98 and the criteria used to define whether the people who has a job but not at work in the reference week to be covered as employed or not were defined more clearly in the questionnaire by taking into account the norms and standards of Eurostat. According to this, self-employed and employers who have a job but not at work in the reference week for various reasons are considered as employed, regular employees with a job who

did not work during the reference period for various reasons are considered as employed only if they have an assurance of return to work within a period of 3 months or if they receive at least 50% of their wage or salary from their employer during their absence. In the surveys applied until 2004, persons working as regular employee were covered as employed regardless of the criteria of receiving any income and duration of absence period. Unpaid family workers and casual workers, who did not work in the reference week even for 1 hour, are not considered as employed same as the previous applications. Eurostat criterion differs from ILO definitions about the unpaid family workers who did not work in the reference week. While ILO does not accept the unpaid family workers who did not work in the reference week as employed, Eurostat refers to accept the unpaid family workers who did not work during the reference week if total duration of absence is less than 3 months. TURKSTAT has been using ILO criteria and unpaid family workers who did not work in the reference week even for 1 hour, are not considered as employed regardless the duration of absence from work.

The quarterly sample size of the survey was increased to approximately 37000 for quarter (three months) in order to produce regional estimations on Statistical Regions - (SR) Level 2 on yearly basis starting from January 2004. The quarterly results of the survey are provided for Turkey, urban and rural level as in previous applications and annual results are supplied for urban and rural SR - Level 1 and for whole Turkey on SR - Level 2 since 2004.

The sampling design which has been applied since 2000 based on visiting selected households four times is continued to be used. On the other hand, the new address frame which is constructed according to the results of 2000 General Population Census was begun to be used instead of the previous one which was based on 1995 Dwelling Enumeration Study.

The questions related to labour force has been started to be asked to the persons who are 15 years old and over.

## **Revisions made in 2005**

The Household Labour Force Survey questionnaire was revised at the beginning of the year 2005, as including the new variables offered to be derived from 2005 by Eurostat and the number of the questions was increased to 110. Starting with January 2005, Household Labour Force Survey results are announced in every month based on the moving three months, Quarterly weights on in these series are calculated on the basis of population projections for mid-month period, the estimates are expressed by the middle of the month name in order to simplify expression.

In this new series, the news bulletin of February, May, August and November is respectively comparable with the results of Quarter I, II, III and IV which have been published since 2000. The data announced in the other months has no equivalent belonging to previous of 2005.

News bulletin of household labour force survey results has been published in a certain date since 2005. In this context, results were announced in the 55th day after related three month period (twenty-fifth day of the month or the following first work day if twenty-fifth day of the month befits the weekend) in 2005, in the 50th day after related three month period in 2006 and this duration has been reduced to 45 day since 2007. In the current situation, the results of the survey were announced in the 45<sup>th</sup> day (on fifteenth day of each month or on the following first work day if fifteenth day of the month befits the weekend) after the related three month period.

## **Revisions made in 2009**

The Household Labour Force Survey questionnaire was re-examined by working together with an expert from ILO. In this study, some questions which are found unsuitable for country situation were dropped, some of them were revised and improvements were made in the wording of some questions in order to draw attention for the reference period expressions.

The most important revision in 2009 is transition to the “time-related underemployment” and “inadequate employment” definition instead of the underemployment concept that had been used until 2009. In the Sixteenth International Conference of Labour Statisticians, organized by ILO, the existing definition of underemployment was changed mainly considering the measuring problems and new concepts called as “time-related underemployment” and “inadequate employment” were introduced in order to measure underemployment more accurately. Together with the new underemployment definitions, related questions and options were revised in the questionnaire accordingly.

Sampling addresses have gradually been started to be selected from national address data base since 2009.

In year 2009, economic activities in household labour force survey were double coded by International Classification of Economic Activities in the European Union (NACE) both by Rev.1 and by Rev.2. From 2010 onwards NACE Rev.2 has started to be used. Starting from the period of January 2010, economic activities have started to be published by NACE Rev.2 and in order to provide comparability the results of labour force statistics have been given by NACE Rev.2 starting from 2009 as a separate table taken place in labour force statistics section in TURKSTAT web page.

In addition, ISCO (International Standard Classification of Occupations) 88 and 08 were double coded in 2012 labor force survey. ISCO 08 has only coded since 2013. Since January of 2013, occupational classification has begun to be published according to the ISCO 08. TurkStat website under the labor force statistics heading covers the distribution tables for ISCO 08 for making comparison with the same period of the previous year since 2012. Moreover, the distribution of occupational groups for this classification can be seen using the transition matrix.

## **Changes in 2014**

Along with 2014 February period, new arrangements are required for ensuring full compliance with the European Union. It is passed into a continuous structure recommended by Eurostat taking into account the reference period for the entire week of the year is considered rather than based on a fixed reference week for the first week of every month.

In order to eliminate the differences in unemployment and job search criteria implementations of national and international labor market indicators; job search period was changed "the last 4 weeks" period instead of "the last 3 months" according to the Eurostat's job search criteria providing to eliminate the different applications. Estimates are revised based on the non-institutional population estimates according to the Municipality Law dated December 6<sup>th</sup>, 2012 by the new administrative division of the 2014.

While quarterly results were given Turkey, urban and rural, Turkey's results have just started to be published on the period of January 2014 due to a severe reduction of rural share considering the distinction of administrative division in 2014,

The new regulations in labor force survey covering on questionnaire design, field application, job search time criterion, the projections and administrative division differences have led to the differentiation of the previous series of indicators obtained and eliminate the comparability.

A pilot study taken as the reference period of 52 weeks was conducted simultaneously with current household labour force survey during the year 2013 to predict this differentiation what extent and how it would be and in order to offer comparable labour force data to users in a series. Time series on the basis of labour force indicators is revised and provided until January of 2005 by using these simultaneous pilot study results.

## **Changes in 2020**

As part of the mixed mode survey method in the Household Labor Force Survey (HLFS), the application of the Computer Assisted Telephone Interviewing (CATI) which has been planned for a long time, has been started and also gradually increased since January 2020. Before starting the implementation of the CAPI-CATI mixed survey method, a pilot study was carried out for 9 months in 2019 and the mode effect of the mixed survey method on the basic labour force indicators was measured. Under the assumption that the conditions of pilot HLFS application have not been changed, it has been determined that the application of mixed mode survey method has no statistically effect on the basic labour force indicators.

Moreover, the number of sample size has been increased from 44 000 to 58 500 per year in order to provide sufficient sample volume for future projections since January 2020.

## **Weighting**

Household labour force survey results have been weighted according to 1985-1990 population census results until 1990 and 1990 Population Census and 1997 Population Count results after 1991. However, as the results of 2000 General Population Census were available in required detail and there were important differences between 1997 Population Count results in aspects of age and rural/urban discrimination, it has been unavoidable to revise the results of household labour force survey by 1990-2000 based population projections retrospectively.

The most important difference was observed in rural area population estimation when the projections depending on the 2000 General Population Census results were used. The other reason of the population difference occurred in the total population and rural area ratio is the difference of the assumption used in population projections.

Taking into account the fact that the research implemented in 1997 was a population count but not a census and some drawbacks occurred as it was implemented for election purposes, it was thought that using the revised results of household labour force survey in researches and analyses would give better estimates because the results of 2000 General Population Census reflects the demographic structure of Turkey better and is up to date. The revised results of the years 1991-2000 were not published as printed; however, it is possible to reach the revised results in TURKSTAT web site using the Household Labour Force Survey data base or historical tables given under the section.

Results of the household labour force survey have been weighted and published by the most recent population projections. Until year 2009 aforesaid population projections was calculated based on the general population censuses. In 2007 Address Based Population Registration System (ABPRS) was established and there exists some differences in the distribution of population by age, sex and regions in ABPRS compared to the censuses. In this direction, the new population projections were produced using the most recent population data obtained from this new system. In this direction, national and regional population projections were renewed by the results of 2008 ABPRS and also using the results of Turkey Population and Health Survey realized by the Hacettepe University Institute of Population Studies.

New population projections have started to be used in household labour force survey results starting from January 2009 onwards and in order to obtain comparability, besides the annual results of 2004, annual and periodic results for 2005-2008 terms were revised by the new population projections. In addition, non-institutional population projections for the year 2012 have been renewed by the results of 2011 ABPRS and the structure of administrative divisions.

Turkish Statistical Institute has renewed population projections using the most recent population in 2013. Since 2014, the household labour force survey results were weighted according to the population projections renewed together with amendments. In addition, the new series in the household labour force survey's sampling design and frame are based on the law called "The Law of Establishment of Greater Municipality in Thirteen Provinces and Twenty-Six District Municipality" from 2014 which is valid under the new administrative division.

Population projections are updated in certain periods depending on migration, birth and death rates. Population projections will be renewed forward from 2016 due to revision policy. In this context, the non-institutional population projection for household surveys was updated on the basis of the 2016 Address Based Population Registration System results. and This new projection was used in the household labor force survey results as of January 2017 period.

The impact of the new projection was limited especially for the populations of the working age (15 years and older) because of using Address Based Population Registration System annually published results in non-institutional population projections.

## Concepts and definitions

In a defined time period (reference period) population above the certain age are composed of three basic groups in terms of labour force; employed, unemployed and not in labour force. Labour force is made up of employed and unemployed persons. These are summarized as follows;

**Working age population = Labour force + Not in labour force**

**Labour Force = Employed + Unemployed**

**Household:** One person or group of person with or without a family relationship who live in the same house or in the same part of the house, who meet basic requirements together and take part in the facilities and management of the household.

**Non-Institutional population:** Comprises all the population excluding the residents of dormitories of universities, orphanage, rest homes for elderly persons, special hospitals, prisons and military barracks etc.

**Non-Institutional working age population:** Indicates the population 15 years of age and over within the non-institutional population.

**Labour force:** Comprises all employed persons and all unemployed.

**Labour force participation rate:** Indicates the ratio of the labour force to non-institutional working age population.

**Employment:** Non-institutional working age population included in the group of persons at work and persons not at work specified below are the employed population.

**Persons at work:** Persons engaged in any activity during the reference period for at least one hour as a regular employee, casual employee, employer, self employed or unpaid family worker.

**Persons not at work:** All self-employed and employers who had a job but not at work in the reference week for various reasons are considered as employed.

Regular employees with a job but did not work during the reference period for various reasons are considered as employed only if they have an assurance of return to work within a period of less than 3 months or if they receive at least 50% of their wage or salary from their employer during their absence. Casual employees with a job but did not work during the reference period for various reasons are considered as employed only if they receive at least 50% of their wage from their employer during their absence.

The members of producer cooperatives and apprentices or stajyers who are working to gain any kind of benefit (income in cash or in kind, social security, traveling cost, pocket money etc.) are considered to be employed.

**Employment rate:** Employment rate is the ratio of employed persons to the non-institutional working age population.

**Underemployment:** In the Sixteenth International Conference of Labour Statisticians, organized by ILO, the existing definition of underemployment was revised considering the measuring problems and new concepts called as “time-related underemployment” and “inadequate employment” were introduced in order to measure underemployment more accurately. Therefore, essential arrangements have been made in household labour force survey questionnaire in 2009. Data on “time-related underemployment” and “inadequate employment” are published starting from February 2009 period.

**Time-related underemployment:** Person employed in the reference week who actually worked less than 40 hours as total (in main job and additional job/s) were willing to work additional hours and were available to do so.

**Inadequate employment:** In case persons are not covered in the “time-related underemployment” concept; person employed in the reference week but were also looking for



ajob to replace present job or as an additional job within last 4 weeks and were available to start if could find.

**Unregistered employment:** Persons who are not registered to any social security institution due to main job worked in reference week.

**Persons unemployed:** The unemployed comprises all persons 15 years of age and over who were not employed during the reference period had used at least one channel for seeking a job **during the last four weeks** and were available to start work within two weeks.

Persons who have already found a job and will start to work within 3 months, or established his/her own job but were waiting to complete necessary documents to start work were also considered to be unemployed.

**Unemployment rate:** Is the ratio of unemployed persons to the labour force.

**Neither in employment nor education and training:** Young persons that are unemployed and inactive and also not in education and training are considered to be NEET.

**Neither in employment nor education and training (Neet) rate:** It is the ratio of young population that are neither in employment nor education and training to the total young population.

**Persons not in labour force:** Includes persons 15 years of age and over who are neither unemployed nor employed. The persons not in labour force consist of the following sub-groups;

1. **Not seeking a job, but available to start:** These are the persons who did not look for a job with different reasons, but were available for work within 2 weeks. This group consists of 2 sub-groups;

**Discouraged workers:** These are the persons who were available to start a job but were not seeking because had looked for before, but were not able to find or those believe that could not find a job with his/her qualifications.

**Other:** These were the persons who were not seeking a job for reasons such as being seasonal workers, busy with household chores, student, property income earner, retired, or disabled, but available to start a job.

2. **Seasonal workers:** Persons were not seeking a job and were not available for work because of being seasonal workers.

3. **Household chores:** Persons not seeking a job and were not available for work because of doing household chores.
4. **In education or training:** Persons not seeking a job and were not available for work because of attending regular school or training.
5. **Retired persons:** Persons not seeking a job were not available for work because of being retired.
6. **Disabled, old or ill:** Persons not seeking a job and were not available for work because of being disabled, ill or elderly.
7. **Other:** Persons not seeking a job and were not available for work because of family or personal reasons or other reasons.

**Reference period:** The eachweek of month starting with Monday and ending with Sunday is used as the reference period for continuous application.

## **Sample size and non-response rate for October 2020**

The results are published for the period of October 2020 press release containing 36<sup>th</sup>-48<sup>th</sup> weeks period including September, October and November 2020.

48965 households were interviewed from the total of 59860 sample households. **118954 persons** aged 15 and over from the sample households were interviewed in this period.