Impact of 19th ICLS standards on key labor market indicators: Republic of Moldova

Gender Global Forum, 13-16 October, 2018
Tokyo, Japan
Outlines:

✓ Labour Statistics background
✓ Implementation of new standards
✓ Impact of new standards on key indicators
✓ Challenges faced to communicate new indicators
Country background

✓ Population 2.9 million
✓ GDP/capita: 2.7 thous. USD
✓ Average salary: 308 USD
✓ Remittances as % of GDP: 20%

✓ Employment rate:
  Men 42%, women 38%
✓ Gender pay gap: 14%
✓ Absolute poverty rate: 25%
Labour Statistics background

✓ Stand - alone survey, since 1998
✓ Quarterly estimates
✓ Follows international recommendations.

Additional data sources:
- Time Use survey (2012)
- Child labour (2009)
Labour Statistics background

Employment:

✓ any economic activity that generates monetary and/or in kind income
✓ including own production of agricultural foodstuff used for own consumption, if working more than 20 hours.

 Strict definition of unemployment, all criteria (not employed, seeking, available)
Labour Statistics background

What is the share of agricultural production used only for own consumption?
Implementation of new standards

Key elements of 19th ICLS Resolution

- First statistical definition of ‘work’
- Definitions for 5 different forms of work
  - Employment (narrower than previous definition)
  - Own use production work (goods or services)
  - Volunteer work (goods or services)
  - Unpaid trainee work
  - Other
- Four different indicators defined (LU1 to LU4)
Implementation of new standards

**Exclusion of own use agricultural production**

- based on available data up to 2017
- questions refinement on own production of agriculture mainly for sale and own consumption
- data will be available in 2019

**Labour underutilisation indicators**

- no need for questionnaire changes
- data available since 2017
Implementation of new standards

Employment rate, %

Employment in agriculture (th. persons)

- old
- new
- difference, p.p

- total
- women
- men
Employment rate by sex

Gender gap in employment rate

- Employment rate is decreasing
- The gender gap in employment rate is decreasing
New indicators

Labour underutilisation, %

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>LU1 unemployment</td>
<td>3.3</td>
<td>4.8</td>
</tr>
<tr>
<td>LU2 unemployment + time related underemployment</td>
<td>7.8</td>
<td>12.3</td>
</tr>
<tr>
<td>LU3 unemployment + potential labour force</td>
<td>4.2</td>
<td>5.9</td>
</tr>
<tr>
<td>LU4 composite measure of underemployment</td>
<td>8.7</td>
<td>13.3</td>
</tr>
</tbody>
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Labour underutilisation
- not employed
- seeking for a job, not available
- available, but not seeking for a job
- time underemployment
Implementation of new standards

Awareness on new international standards

2016:
✓ Capacity building of NSO staff
✓ National workshop on presenting the requirement of 19th ICLS resolution and possible impact on key indicators

2017:
✓ National workshop for key ministries responsible for labour market policy/in-house training of technical staff
✓ Approval of new methodology
✓ Release of LU1-LU4 indicators based on old definition on employment

!!! Nevertheless, it was decided to release new indicators on employment starting with 2019
Relevance of new indicators

**Policy instruments**

- National Employment Strategy 2017-2021
- National Strategy on Ensuring Equality between women and men 2017-2021
- National Development Strategy “Moldova 2030”

**Statistical planning**

- Annual statistical program
- Statistical products

**NDS Moldova 2030, Employment Rate**

<table>
<thead>
<tr>
<th>Initial reference 2017</th>
<th>Target 2022</th>
<th>Target 2026</th>
<th>Final target 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old – 40,5%</td>
<td>45%</td>
<td>50%</td>
<td>60%</td>
</tr>
<tr>
<td>New – 34,4%</td>
<td></td>
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</tr>
</tbody>
</table>

**National Employment strategy 2017-2021, Employment Rate**

<table>
<thead>
<tr>
<th>Initial reference 2016</th>
<th>old</th>
<th>new</th>
<th>Final target 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>40,8%</td>
<td>34,8%</td>
<td>44,1%</td>
</tr>
<tr>
<td>Women</td>
<td>39,0%</td>
<td>33,0%</td>
<td>42,6%</td>
</tr>
<tr>
<td>Men</td>
<td>43,0%</td>
<td>36,5%</td>
<td>45,6%</td>
</tr>
</tbody>
</table>
Challenges

✓ New standards have an impact on labour market indicators especially for developing countries

✓ Limited capacities to increase awareness of 19th ICLS standards from policy makers side

✓ Limited implication of policy makers in data exploration, engagement mechanism is crucial

✓ NSO should focus on ways to communicate the changes and new trends of data

✓ Develop partnership with academia and analytical think-tank to promote new indicators and possible implication on policy framework
Strategies to communicate new indicators

✓ Publication of key indicators using new and old standards
✓ Times series data is needed, for at least 2-3 consecutive years
✓ Publication of additional information related to agricultural activity
✓ Keep informed all interested users: -high level stakeholders (ministries, syndicates) -technical level (researchers, private sector, mass-media), -general public

Next steps

✓ Revision of target indicators from labour related policies
✓ Testing volunteer work, own use production of goods and evaluation of the potential impact on indicators
✓ Expert review of LFS data collection methodology, followed by filed test and microdata analysis
MOLDOVA 2030
A country where you want to live!