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Labour Statistics in Afristat Member States: Summary of the Situation *

by

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Labour statistics in Afristat member states: summary of the situation

Indicators of the labour market appear among the indicators of follow-up of the millenium development goals¹ (MDG). Their limited number among these indicators (two indicators only) does not certainly reflect all the importance of the labour statistics. Indeed, beyond the general objectives of the millenium declaration, all the governments work out specific policies in the area of employment. In general, these policies aim to reach the full employment and to provide decent work to individuals. The follow-up of these policies also requires good labour statistics. What is the current state of labour statistics? What is the quality of those that are available? What are some ways to improve the situation? These three questions are the subject of this note which presents the situation of labour statistics in AFRISTAT Member States², that is to say 18 French-speaking countries of sub-Saharan Africa.

Information systems for the follow-up of employment

If the production in the other areas of the social statistics is irregular, in the area of labour, it is quasi-non-existent. In order to establish this clearly, let us consider the three possible sources of labour statistics: administrative sources, population censuses and household surveys (labour force and others household surveys).

The production of statistics from administrative sources is appreciated because of relatively lower costs. In the area of labour force, it is possible to obtain certain aggregates starting from these sources: volume of employment, volume of unemployment, etc. Therefore, having demographic projections, some of the principal indicators would be calculated: activity rate, unemployment rate, structure of employment by branch of industry, etc. Unfortunately, the mismanagement of public services in organising data, the structure of the labour market and the way it operates make unusable this source. First, administrative files (Civil service, Social security service, Fiscal services, National Statistical Offices, etc.) are generally poorly kept and make it difficult to obtain the volume of employment even in the "modern sector". But, even if one managed to obtain the volume of employment in this sector, employment in the "informal sector" and in the "agricultural sector", which are not recorded in any administrative file would always remain separate from this accountancy. Furthermore, the unemployment rate cannot be calculated. Indeed, the absence of a compensation for unemployment and the incapacity of the "job placement offices" to provide jobs do not motivate the unemployed to register there. According to surveys carried out during 2001 in the principal agglomeration of each of seven West African countries³, less than 5% of the unemployed are registered in the "job placement offices". It is thus illusory to try to obtain relevant statistics of employment starting from administrative sources, at least in the current state of the things.

¹ These two indicators are "the percentage of women paid in the non-agricultural sector" and "the unemployment rate of the 15-24 years".

² AFRISTAT members States are : Benin, Burkina Faso, Cameroon, Cape Verde, Central Africa Republic, Chad, Comoros, Congo (The Republic of), Côte d'Ivoire, Equatorial Guinea, Gabon, Guinea (Republic of), Guinea-Bissau, Mali, Mauritania, Niger, Senegal, Togo.

³ Since 1998, the European Union finances a program to improve harmonization of statistics in West Africa. These surveys have been conducted within the scope of this program. The seven cities are Cotonou (Benin), Ouagadougou (Burkina Faso), Abidjan (Côte d'Ivoire), Bamako (Mali), Niamey (Niger), Dakar (Senegal) and Lomé (Togo). The program benefits from technical assistance of AFRISTAT.

The population censuses are the other possible source of labour statistics. However this source presents two main drawbacks. First, because the nature of the operation is complicated, the frequency of their realisation is low⁴ and it is thus not adapted for the follow-up of the phenomenon. Secondly, it is not possible to carry out rigorous questioning on employment within the framework of a census. At most, information resulting from a census can be used as basic data with which data coming from other sources will be compared. Thus all that is left are the surveys.

Unfortunately, labour force surveys are extremely rare in French-speaking Africa and the ones which are realised are conducted only in limited areas of those countries. In the nineties, the only country that had a system of follow-up employment from the labour force surveys is Benin. The ELAM (a light household survey) treating employment was carried out annually for nearly 10 years. The first editions were limited to Cotonou, the economic Capital. Thereafter, the survey was extended to three other cities. This experiment stopped in 1998. Other than Benin, some countries only carried out specific operations which never covered the whole country. Thus, in 1991, Senegal carried out a labour force survey in Dakar, the Capital city. In Cameroon, they conducted two of them in Yaoundé, the Capital city in 1993 and 1994. Mali carried out a labour force survey in urban areas in 1996⁵. One can notice the absence of labour force surveys in rural areas, which are the more poor and need accurate data for politics. Because of this rarity, the labour market indicators often come from other household surveys, in particular the living standards and budget-consumption surveys. The latter, even if they are less rare than the labour force surveys, are characterised by their irregularity, because they depend on external financing.

The current situation in this field thus does not allow a regular follow-up of the policies. Moreover, the statistics which exist are not always of good quality.

The quality of the labour statistics

The good quality of the statistics produced in a given area can be shown through their temporal coherence. As regards the labour market statistics, the temporal changes are often erratic. Let us consider two examples. In Senegal, the 1991 labour force survey in Dakar estimated the economically active population at 585,222 people. Four years later, the Senegalese household survey gave a figure of 577,687 people⁶ for the same population. In a city where the demographic growth rate is higher than 3%, it is unthinkable to admit a stagnation of this aggregate over four years. There are perhaps objective technical reasons which justify these statistics. For example, it could be that the fields of the two surveys were not exactly the same. But since no indication is provided to the user in the documents published, it will retain the non-coherence of the data and thus their uselessness. The second example is drawn from national surveys carried out in Niger in 1994 and 1995 respectively. The 1994 survey gives an activity rate of 67.5% and the latter a rate

⁴ If the United Nations recommends to carry out a census of the population every ten years, these are seldom followed. By way of illustration, Cameroon carried out its last census of the population in 1987 and Togo in 1981.

⁵ In the scope of his research, Professor Jean-Pierre Lachaud of university of Bordeaux (France) realized "Pilot employment surveys" during the nineties in the capitals of some countries (Burkina Faso, Cameroon, Guinea, Mali). But in general, the samples size were too low (300 households) to consider them as real surveys.

⁶ One can find these results in the following documents: "Employment, under-employment and unemployment in urban environment, April-May 1991 – final report" and "Senegalese household survey – final report". The two documents are published by the Direction of forecast and statistics.

of 21.2%⁷. Two comments can be made about those figures. The first one is that a change of this scope is extremely rare in one year, whatever the economic aggregate considered. Then, it is practically impossible to have an activity rate of about 21%; in general, these rates are higher than 40%. The examples of this kind are many. What explains the bad quality of this data?

The first reason, perhaps the most significant, is the misuse of the concepts of activity, employment, unemployment, under-employment and informal sector. During those surveys, one notes that there is not always a clear distinction between the labour force (employment during last seven days) and habitual employment (employment during the last twelve months). The question about employment is sometimes asked without any reference to a period of time. One does not control the aggregate which is to be measured and seasonal workers in particular can be declared or not. The second practice which poses a problem is the fact of leaving those being surveyed to determine by themselves their situation. In other words, one asks the individual directly if he is "occupied, an unemployed person or inactive". Consequently, a significant proportion of people who do "odd jobs" and sometimes even people who are temporarily absent from their jobs because of illness, maternal leave or holidays do not declare that they are employed; that underestimates the activity rate and sometimes inflates the unemployment one. When one is interested in those who are occupied, the absence of a clear definition of the informal sector does not make it possible to obtain a good structure of employment.

The second reason is the doubtful quality of sample frames. In Africa, four years after a population census, because of great mobility and rapid population growth especially in urban areas, the sample frame starts to be obsolete. Being that the work of systematic update of these frames is not undertaken, the sampling errors are significant.

The third reason lies in the weak supervision during data collection. Data collection is not always completed with all the necessary rigour. It appears in particular that control is the weak link of surveys. The surveyors are often left to themselves.

The last reason is the inadequacy of the statistics produced with economic and social realities. A striking example for this purpose is that of the use of the unemployment rates. The rates, as published by the national statistical offices are almost never used. The users estimate in general that these rates are too weak to reflect reality. Where is the problem? In addition to the misuse of the concepts which has already been mentioned, there is the inadequacy of this concept to reflect imbalances of the labour market in Africa. In fact, in these countries, the working force in rural areas represents more than 60% of the country's work force. The activities of this population are concentrated in agriculture with a prevalence of self-employment and the absence of salaried employment. It is inappropriate under these conditions to speak about labour market. Since the unemployment rate reflects imbalances between labour supply and demand, it is preferable to limit the calculation of this rate to the urban environment. For the rural areas, other indicators would be adapted, in particular the under-employment compared to the duration of the work and the under-employment compared to the labour productivity.

⁷ The 1994 survey entitled "Economic and social situation survey". The figure results from the final report, page 69. The 1995 survey is entitled "National survey into the informal sector". The figure is also drawn from the final report. These two documents are published by the Direction of the statistics and the national accounts.

The last question which this note tackles is that of investigating some solutions.

Some possible solutions to improve the situation

Since the principal source of labour statistics is household surveys, it is on this level that the principal improvements must be made. It is a question of integrating labour force surveys into a statistical system of follow-up poverty and household living conditions. It is not a question any more of carrying out surveys in an isolated way, but of reflecting and of building coherent information systems, with surveys carried out in predetermined intervals. These systems must be adapted to each country, by considering the constraints of the availability of human resources and the capacity of mobilization of the financings. The example of Benin above-mentioned and the one of Madagascar⁸ show that this is feasible. The countries will reach that point if they manage to conceive mid-term statistical plans declaring annual programs of work. So that these programs can be carried out, it is necessary that the States themselves make an effort as regards financing and not count exclusively on the partners of development. These information systems must also integrate the improvement of the administrative statistics, as that can be done with modest costs.

As regards the other problems, solutions were often proposed, but their implementation was not always easy.

The question of the concepts asks for a greater popularization of the latter on behalf of the international organizations. The national statistical offices of the African countries unfortunately are very partitioned. This popularization can be done through a greater diffusion of the handbooks on concepts and the conduct of seminars⁹.

As for the update of the sample frames, it is recommended to have a permanent structure which carries the bulk of it. The practice which consists in updating the sample frames only at the time of the population censuses is ineffective. One can conceive a system where during the intercensal period, part of the country (for example an area) is updated every year.

Finally as regards the indicators, it is enough to choose those which are most suitable.

⁸ In Madagascar, a labour force survey has been conducted yearly since 1995. This survey was first limited in the Capital. Now, it covers all urban areas. Every three years, the labour force survey is held simultaneously with an “informal sector” survey and a household living conditions survey. Madagascar has benefited from technical assistance of DIAL (a French research center in development economics).

⁹ AFRISTAT has published in 1999 a handbook of “Concepts and definitions in labour statistics and informal sector” in order to popularize those concepts in the member states.