E.5. Advantages and disadvantages of the statistical data sources described

On this page:

- E.5.1. Household based surveys versus establishment based surveys
- E.5.2. Population Census versus household based surveys

7.113. Household- and establishment-based data are complementary, each providing significant types of information which cannot be suitably supplied by the other. Current population characteristics, for example, are obtained from the household-based surveys, whereas detailed industrial classifications are much more reliably derived from establishment reports.

7.114. Data from these two sources differ from each other because of variations in definitions and coverage, source of information, methods of collection, and estimating procedures. Sampling variability and response errors are additional bases for discrepancies.

7.115. The major factors that have a differential effect on the levels and trends of employment statistics, as collected from the two sources are once again (the differences described are not exhaustive):

- Coverage. Generally, the household-based survey definition of employment comprises paid workers (including domestics and other private household workers), self-employed persons, and contributing unpaid family workers who worked at least one hour or more during the reference period. Employment in both agricultural and nonagricultural industries is included. The establishment-based survey covers employees on the payrolls of establishments. In some countries, farms are explicitly excluded from these surveys. This should be taken into account when interpreting the survey results.

7.116. Multiple jobholding. The household survey provides information on the work status of the population without duplication, since each person is classified as employed, unemployed, or not in the labour force. Employed persons holding more than one job are counted only once. In the figures based on establishment reports, persons who worked in more than one establishment during the reference period are counted each time their names appear on payrolls.

7.117. Earnings. The household survey measures the earnings of paid workers in all occupations and industries in both the private and public sectors. Data refer to the usual earnings received from the worker’s sole or primary job. Data from the establishment survey generally refer to average earnings of employees on the payrolls of establishments. This has also the advantage that the average earning can be weighted by the number of employees.

7.118. Working hours. The household survey measures hours worked for all workers, whereas the establishment survey measures hours for private production and non-supervisory workers paid for by employers. In the household survey, all persons with a job but not at work are excluded from the hours distribution and the computations of average hours at work. In the establishment survey, production or non-supervisory employees on paid vacation, paid holiday or paid sick leave are included and assigned the number of hours for which they were paid during the reporting period.

7.119. The LFS covers hours worked by employees and self-employed persons. However, the LFS estimates only the employment within the borders of a given country and does not usually capture, for example, cross-border workers or foreign seasonal workers. These two categories of workers may be found among persons employed in establishments of tourism industries[1].

7.120. Population Census information on the economic characteristics of the population focuses on enumerating the economically active population so as to provide benchmark data for current studies of employment, unemployment and underemployment.

7.121. Furthermore, the data collected from the Population Census are used in conjunction with other statistical sources of data collection on the labour force and other economic characteristics.

7.122. At the same time, the number of questions used in a Population Census to investigate the various items has to be limited. Often, a single question is used per item (activity status, occupation, industry, status in employment, working time, income, sector of employment and place of work).

7.123. In contrast, the household-based sample surveys, by virtue of their smaller size, can allot more than one question to each item, which thereby allows more precise measurement of a wider variety of data for different kinds of analyses. Furthermore, the concepts and definitions of the LFS are based on the international recommendations of ILO, which can be used as a yardstick for international comparisons on this topic.

7.124. Other differences include:

- Scale of the operations involved (complete enumeration versus sampling)
- Methodology, practical conditions of implementation, timing and complexity of the data collected
- More flexible tailoring (by the LFS) to fit a variety of user needs and methods of data collection
- Surveys usually do not provide sufficient detail for small areas or subgroups of the population, owing to the limited size of the samples.

[1] Notably, there may be countries where a LFS captures these categories of workers. Thus, in Canada, the LFS captures most of the temporary immigrants (foreign seasonal workers). For example, Mexicans, Jamaicans and others come to work on farms in Canada and stay there temporarily. Farmers included in the survey have to report these migrant workers as part of their household.