



*ILO-PARIS21 Seminar on
Capacity Building for Labour Statistics
Geneva, 3 December 2003*

Thematic Paper

DEVELOPMENT OF LABOUR STATISTICS

Labour statistics in Bolivia have undergone radical and far-reaching changes in recent years, taking into account data sources which allow information to be generated continuously.

The administrative records for which the Ministry of Labour is chiefly responsible were scanty and there was no established policy to generate them continuously.

The household and business surveys undertaken by the National Statistical Institute have improved the existing statistics on occupation and employment and have helped to enrich the information available to labour market users and analysts.

During the last decade, these two institutions have worked more closely to establish a coordinated plan to generate statistical information on labour, for which an agreement was signed to serve as a framework for coordinating the tasks involved in preparing labour statistics.

Unfortunately these tasks have been interrupted by two crucial factors. One is the poor institutional management in the Ministry of Labour, the result of constant changes in management and thus little awareness of the need to generate quality information from labour statistics.

The other was when the budget of the National Statistical Institute (INE) for research through surveys was cut, so that it is unable to fulfil its function of collecting, compiling and regularly publishing basic labour statistics.

The other components of the Statistical Information System have similar problems, despite recognition of the INE's capacity for managing labour statistics.

Thus the programme and maintenance of labour statistics has been limited by the above factors. Despite this, the problem has not diminished the importance of these indicators, and that is why international organizations, through INE, have supported their development. The following labour statistics are at present available in Bolivia.

- Structure and distribution of the economically active population, employment, unemployment by type of activity, sex, urban or rural area, economic indicators, potential supply rate, occupation rate, leaving rate, dependency rate, visible unemployment rate, overall occupation rate, overall participation rate, etc., all drawn from the "Mecovi" household survey.
- Structure and distribution of wages, average earnings and average working hours (worked and paid), wage rates by type of occupation and economic activity based up to 2002 on the quarterly survey of employment and wages.
- Consumer Price Index base 1991, with sections on household expenditure and prices of goods and services acquired, consumed or paid for, to show trends.
- The 2001 Population and Housing Census allowed the generation of indicators on the distribution of the occupied population, broken down by occupational group, economic activity, grade in employment and sex.

In addition, the goals set by the Millennium Summit resulted in the establishment of a system of measurement which provides an objective picture of progress in the country, selecting the most relevant indicators within each of the eight main goals.

It is in this connection that Bolivia's National Statistical Institute (INE) is engaged in major efforts to enhance its capacity to collect related statistical information and in that way improve the construction of indicators.

Thus since 1999, the Household Survey has been conducted in Bolivia, following the guidelines of the Mecovi Program (Program for the Improvement of Surveys and the Measurement of Living Conditions in

Latin America and the Caribbean). The information collected through this survey allows proper measurement of living standards in the country in a comprehensive manner taking into account various factors such as health, education and employment, thus making it the primary source of information for the construction of indicators to monitor the Millennium Development Goals and the generation of statistical information concerning the characteristics of the labour market in the country.

The information on the labour market allows studies to be undertaken on the composition of household income as a way of ascertaining their situation, since the principal form of measurement and evaluation of poverty uses these factors which are closely linked, in accordance with the principal millennium development goal which is between 1990 and 2025 to “Halve the proportion of people living on less than a dollar a day”.

In this regard, the monitoring and evaluation activities of the Bolivian Poverty Reduction Strategy require the generation of monitoring and evaluation reports, which in turn requires being in possession of information on progress in the Strategy and its effectiveness in achieving the planned results.

To this end, a monitoring and evaluation system needs to be implemented, and this requires various sources of information which, moreover, are contained in the National Statistical Information System, administered by INE. The sources of information for evaluating social and productive programmes to combat poverty are:

- Household surveys: These will be used to measure changes in wellbeing based on data on family income, consumer spending, levels of education, occupational activity of the population and other variables which reflect living standards.
- Continuous employment surveys. It is envisaged to apply surveys designed to measure incomes and conditions of activity of the population eligible for the National Employment Plan.
- Evaluation of the impact of social programmes. Surveys will be carried out to evaluate the impact of such programmes.
- The National Accounts Systems. This allows measurement of trends in economic activity, intersectoral relationships and income and expenditure flows in institutional sectors.
- Systems of Price and Production Indicators: This provides information on retail, wholesale and producer prices, thus allowing measurement of the impact of economic policies, on suppliers and consumers, and manufacturing and industrial production.
- Labour market parameters. Employment, unemployment and wages for economic activities and occupational categories can be monitored from the demand side.
- Economic Structural Surveys. These are a source to measure changes in productivity, employment and capital formation in the various industrial activities.
- Business Opinion Surveys. These surveys show business perceptions of the economic outlook.

On the other hand, it is clear that there is a large gap in the chronological series of labour statistics and labour development indicators such as: labour indicators, collective and individual claims, wage agreements, highs and lows, stoppages and strikes, settlements and employment contracts, etc.

A brief review that we undertook of existing and non-existent statistics shows us, firstly, that it is the traditional survey of households conducted annually since 1989 by INE which is the basic structural source of information on the characteristics of employment in the country. Its annual character and the constant requirements for information on the economic situation show the need to make this a quarterly survey and to increase the urban coverage.

As regards the methodological aspects which underpin the capacity to generate labour statistics, which are regulated by the International Labour Organization, certain criteria should be mentioned, since obviously they must be used at least to allow comparisons of trends in different countries.

In principle, a person is considered to be employed if in the survey reference period, he has worked at least one hour. Clearly to establish the principle of an hour of work in the week means assigning the same numerical value in employment terms to people who have very different working hours. Perhaps a way of correcting this value is to express employment in terms of equivalent employment¹.

As regards statistical sources, some importance should be attached to generating an employment system based on the household income survey, even though its fundamental objective is not to measure employment, because it does provide information on that variable. Other sources based on company data which provide information on certain economic activities are economic and agrarian censuses, annual economic surveys, etc.

Finally, the importance should be stressed of collecting data and providing labour statistics such as job turnover, registered placements, registered contracts, work permits for foreigners, membership of the social security system, statistics on occupational injuries (accidents at work), micro-enterprises, informal work, child labour, etc.

Once all these elements have been analysed, it should be remembered that they must be maintained, chiefly if the data obtained from administrative records is not coordinated, the result is that labour statistics have little likelihood of being reliable, and thus it may be assumed that national statistics will be less comparable.

The following table summarizes the problems and proposals concerning capacity to generate labour statistics.

SOURCE	PROBLEMS	PROPOSALS
Administrative records	1. Not developed 2. Lack of coordination	1. Permanent consultation 2. Integrate statistical systems 3. Integrate coding systems
Survey	1. Lack of budget 2. Methodological considerations 3. Survey process	1. Regularize budget allocation 2. Improve general questionnaires 3. Improve quality control and data management.

¹ Defined as the number of employed persons if all had worked a full day in their respective activities.