A Selection of Labor Force Survey Results

Spring 1396[1] (21 March- 21 June 2017)

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[1]. It is the Iranian year, which begins on March 21st of the Christian year and ends on March 20th of the next year. To convert the Iranian year into Christian year, please add 621 to the former. Moreover, please note that three months of the Iranian year fall in the next year of the Christian year, therefor, 622 should be added for those three months.(1st January -20th March)

- All the years mentioned in this report are Iranian years excluding the years cited in the Introduction.

Introduction

The pair concepts of employment and unemployment are so basic to national economies that any rise in employment rate - which means a drop in unemployment - is reckoned as an indicator to the national development. Moreover, the unemployment rate is an indicator for appraising the economic conditions of the country. To quarterly and annually estimate the labor force indicators in Iran, the labor force survey is conducted on a seasonal basis across the nation by using Rotation Sampling. As the survey is over, the outcomes are compared with those of the previous rounds in order to observe the possible changes in indicators over seasons and the year at the national, urban, rural and provincial levels. The survey was first conducted in 2005 and since then has regularly been taken in the middle month of every season. Another survey titled Household Employment and Unemployment Characteristics Survey (HEUCS) would be implemented before L.F.S. The HEUCS was first taken in 1994 and repeated in the years 1997 to 2000 once a year from October 23 to November 22. From 2001 to 2003, it used to be taken on a seasonal basis, middle month of every season, while in 2004 it was only executed from April 21 to May 21 and October 23 to November 22. To improve the HEUCS quality and its conformance with the international concepts, particularly those of the ILO, the survey plan was revised into the current Labor Force Survey.

The rotational nature of the survey requires drawing on a master sample– a sample out of which sub-samples might be taken to be used in different rounds of a certain survey or in different surveys. The master sample of the Labor Force Survey for the years 2005-2008 was taken from the 2002 National Establishments Census frame. Following preparation of the master sample, the listing of households on master sample clusters was prepared in winter 2005 to select the sample households based on the rotation pattern chosen for different rounds of the survey. The new master sample was designed and used based on the listing information of the 2006 Population and Housing Census as of 21 March 2009. The current master sample was taken from the 2011 National Population and Housing Census. Due to minor changes in population and housing units in rural areas, no listing was made in rural areas (unless in exceptional cases); accordingly listing forms of the 2011 National Housing and Population Census was used for rural areas. However, in order to prepare an appropriate and up- to- date frame in urban areas, some households were listed within the master sample clusters in the years 2012, 2013, 2014, 2015, and 2016.

Definitions and concepts

Economically active population

All people aged 10 or over (a specified minimum age) who, according to the definition of work, have been taking part in production of goods or services (employed) or have been able to take part in production of goods or services (unemployed) during the calendar week preceding the survey week (the reference week), are considered as economically active population.

Employed

All people aged 10 or over who according to the definition of work, have worked for at least one hour 'during the reference week or have temporarily left their job for one reason or another, are reckoned as employed. The employed are divided into two major groups of wage and salary earners and the self-employed. Being temporarily absent from the job within the reference week, while having a formal attachment to the job by wage and salary earners and continuation of the business by the self-employed, is considered employment. The following people are also considered employed due to their critical role in the national economic activity:

- ❖ Persons who, without receiving any remuneration, work for a member of their household that is a relative (unpaid family workers).

- ❖ Trainees who perform an activity in relation to the activity of the workshop during the training period, namely, they directly contribute to the production of goods or services, their activity is considered "work".

- ❖ Students who have worked during the reference week, according to the definition of work

- ❖ All people who are serving as permanent and temporary cadre in the armed forces (armed forces, cadre personnel, soldiers, commissioned officers, non-commissioned officers of the military forces and the police).

Unemployed

The unemployed are all people aged 10 or over who:

1. have no job during the reference week (not engaged in a wage/salary job or self-employment,)

2. are available to work during the reference week or the following week (available for a wage/salary job or self-employment,)

3. have been seeking job during the reference week and the preceding three weeks (have taken specific steps to seek paid employment or self-employment).

All people who because of expecting to start a job in near future or return to their former job have not been seeking a job - had no job but have been available to work - are also considered unemployed.

Underemployed

The underemployed are all employed people who have been present in or temporarily absent from the workplace and have worked less than 44 hours during the reference week due to economic reasons such as work recession, not finding a job with more hours, or non-work season, but have been willing and ready to do more work in the reference week.

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[1] According to ILO standards

Indicators

Economic participation rate (activity rate)

The ratio of the active population (employed & unemployed) 10 years of age or over (15 years of age or over) to the working age population 10 years of age or over (15 years of age or over) multiplied by 100.

$$\text{Economic participation rate} = \frac{\text{Economically active population aged 10 or over (or aged 15 or over)}}{\text{Population aged 10 or over (or aged 15 or over)}} \times 100$$

Unemployment rate

The ratio of the unemployed population to the active population (employed & unemployed) multiplied by 100.

$$\text{Unemployment rate} = \frac{\text{Unemployed population aged 10 or over (or aged 15 and over)}}{\text{Active population aged 10 and over (or aged 15 and over)}} \times 100$$

Unemployment rate of the population aged 15-24 (or 15-29 years old)

The ratio of the unemployed population aged 15 -24 (or 15-29 years of age) to the economically active population at age 15-24 (or15-29) multiplied by 100.

$$\text{Unemployment rate aged 15-24 (or15-29)} = \frac{\text{Unemployed population aged 15-24 (or 15-29)}}{\text{Economically active population aged 15-24 (or 15-29)}} \times 100$$

Employment ratio: The ratio of the employed population aged 10 and over (or 15 and over) to the total population at working age, 10 years old and over (or 15 year and over) multiplied by 100

$$\text{Employment ratio} = \frac{\text{Employed population aged 10 or over (or aged 15 and over)}}{\text{Population aged 10 and over (or aged 15 and over)}} \times 100$$

Underemployment share

The ratio of the underemployed population to the employed population multiplied by 100

$$\text{Underemployment rate} = \frac{\text{Underemployed population}}{\text{Employed population}} \times 100$$
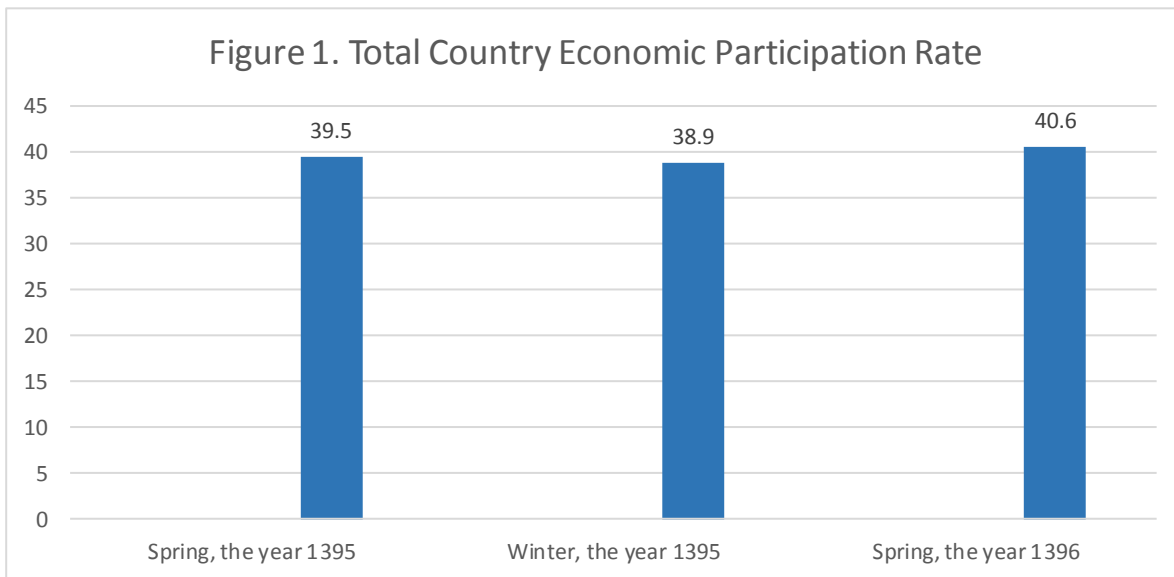
Findings

Table 1 contains the major labor force indicators resulted from the survey in the Spring, the year 1396 (21 March- 21 June 2017). Table 2 reflects the changes in the labor force indicators compared to the previous season (Winter of the year 1395 (22 December 2016 -20 March 2017) and the corresponding season in the previous year (Spring, the year 1395-21 March- 21 June 2016). Table 3 provides major labor force indicators by province.

Table 1. Major labor force indicators by sex, urban and rural areas; Spring, the year 1396
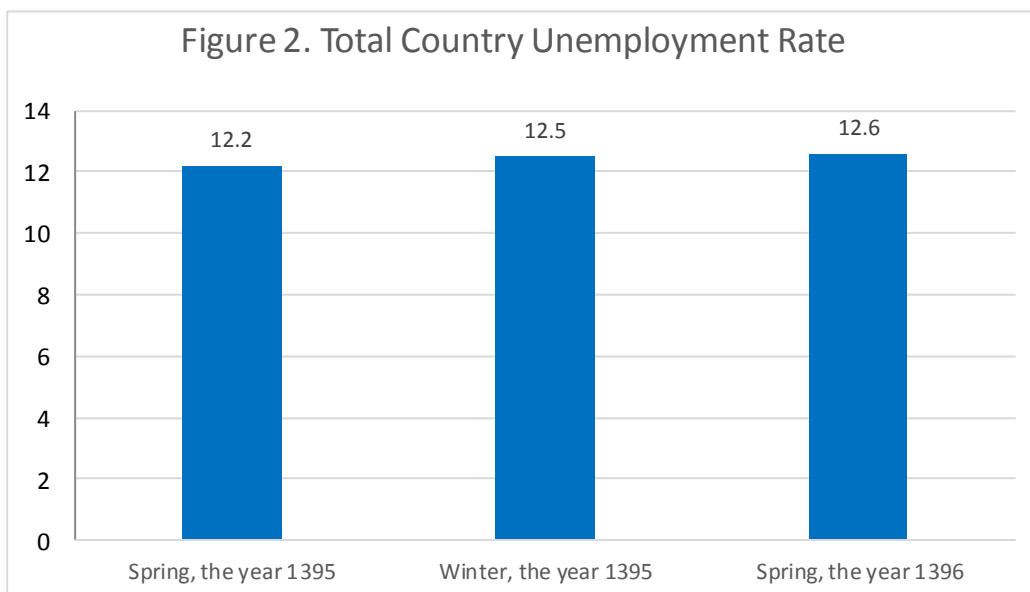
Labor force indicators		Total country	Male	Female	Urban areas	Rural areas
Economic participation rate of population aged 10 and over	Rate	40.6	64. 5	16. 4	39. 8	43. 0
	Number	26675328	21303131	5372197	19603954	7071374
Unemployment rate of population aged 10 and over	Rate	12. 6	10. 6	20. 8	14. 4	7.8
	Number	3366973	2247776	1119197	2816899	550074
Unemployment rate of the population aged 15 and over	Rate	12. 6	10. 6	20. 9	14. 4	7.8
	Number	3363705	2245277	1118427	2814679	549026
Unemployment rate of the youths aged 15-24	Rate	28. 8	24. 5	44. 0	32. 6	20/7
	Number	867154	572861	294293	669502	197651
Unemployment rate of the youths aged 15-29	Rate	26. 4	21. 1	44. 6	29. 4	17/9
	Number	1882755	1162962	719793	1547178	335577
Employment share of the population aged 10 and over	Share	35. 5	57. 7	13. 0	34. 1	39. 6
	Number	23308355	19055355	4253000	16787055	6521300
Employment share in agriculture sector	Share	18. 7	17. 7	23. 2	5. 6	52. 4
	Number	4359545	3372947	986597	945513	3414031
Employment share in manufacturing sector	Share	31. 5	32. 9	25. 4	34. 3	24. 2
	Number	7342413	6263116	1079297	5763299	1579114
Employment share in services sector	Share	49. 8	49. 4	51. 3	60. 0	23. 4
	Number	11597691	9414280	2183410	10071113	1526578
Underemployment share		10. 2	11. 3	5. 1	9. 2	12. 6
The contribution of the employed aged 15 and over with regular working hours of 49 and over		40. 9	46. 4	16. 1	42. 0	37. 9

Note: Difference in the total is due to rounding figures.

A review of the economic participation rate for the population aged 10 and over (activity rate) reveals that 40.6% of the population of the working age (10 years or over) are economically active; i.e., they lie either in the employed or the unemployed group. In addition, the results indicate that the economic participation rate stands lower for women compared to men and urban areas in contrast to rural areas. The review of the changes in economic participation rate of the total country shows that this indicator increased by 1.1% and 1.7% as compared with the last corresponding season (Spring, the year 1395) and the previous season (Winter, the year 1395), respectively.

Figure 1. Total Country Economic Participation Rate

	Spring, the year 1395	Winter, the year 1395	Spring, the year 1396
	39.5	38.9	40.6

Review of the unemployment rate among population aged 10 and over shows that a percentage of 12.6 percent of the economically active population were unemployed. Based on the results, the unemployment rate was higher for women and urban areas than men and rural areas. A review of the changes happened in the indicator at national level shows that this indicator increased by 0.4% and 0.1% compared to the last corresponding season (Spring, the year 1395) and the previous season (Winter, the year 1395), respectively.

Figure 2. Total Country Unemployment Rate

	Spring, the year 1395	Winter, the year 1395	Spring, the year 1396
	12.2	12.5	12.6

The unemployment rate among population aged 15 and over mentions that 12.6 percent of the economically active population were unemployed. Based on the results, the unemployment rate was higher for women and urban areas than men and rural areas.

The underemployment share tells that 10.2% of the total employed population were underemployed. The indicator stands higher for men and rural areas than for women and urban areas.

A review of employment ratio of population aged 10 and over shows that 35.5% of the total population at working age (aged 10 and over) were employed. The indicator stands higher for men and rural areas than for women and urban areas.

A review of employment in major economic sectors indicates that the services sector holds the biggest share of employment with 49.8% of the total, followed by manufacturing sector with 31.5% and agriculture sector with 18.7%.

The unemployment rate among youths aged 15-24 stood at 28.8% while standing higher for women and urban areas than for men and rural areas. A review of the changes in unemployment rate shows that the indicator has increased by 1% and 0.7% compared to the last corresponding season (Spring, the year 1395) and the previous season (Winter, the year 1395), respectively.

The unemployment rate among youths aged 15-29 indicates that 26.4% of the active population was unemployed. This indicator stands higher for women and urban areas than men and rural areas. A review of the changes shows that the indicator has risen by 1.5% and 0.9% compared to the last corresponding season (Spring, the year 1395) and the previous season (Winter, the year 1395), respectively.

A review of contribution of the employed population aged 15 or over with usual working hours of 49 and over shows that 40.9% of them work usually more than 49 hours a week. As a decent work indicator, it reveals that a great share of the employed population of the country works more than the standard hours.

Table 2. Changes of major labor force indicators by sex, urban and rural areas –Spring, the year 1396 compared with the Spring and Winter, the year 1395 (percent)												
Labor force indicators	Total country				Male				Female			
	Winter, the year 1395		Spring, the year 1395		Winter, the year 1395		Spring, the year 1395		Winter, the year 1395		Spring, the year 1395	
	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate
Economic participation rate of population aged 10 and over	1.7	38.9	1.1	39.5	0.8	63.7	0.5	64.0	2.2	14.2	1.2	15.2
Unemployment rate of population aged 10 and over	0.1	12.5	0.4	12.2	-0.2	10.8	0.3	10.3	0.7	20.1	0.5	20.3
Unemployment rate among youths aged 15-24	0.7	28.1	1.0	27.8	-1.0	25.5	1.0	23.5	5.4	38.6	-0.5	44.5
Unemployment rate among youths aged 15-29	0.9	25.5	1.5	24.9	-0.4	21.5	0.8	20.3	4.5	40.1	2.6	42.0

Labor force indicators	Urban areas				Rural areas			
	Winter, the year 1395		Spring, the year 1395		Winter, the year 1395		Spring, the year 1395	
	Change	Rate	Change	Rate	Change	Rate	Change	Rate
Economic participation rate of population aged 10 and over	1 .2	38 .6	1 .1	38 .7	3 .3	39 .7	1 .0	42 .0
Unemployment rate of population aged 10 and over	1 .0	13 .4	0 .7	13 .7	-2 .2	10 .0	-0 .5	8 .3
Unemployment rate among youths aged 15-24	2 .1	30 .5	1 .8	30 .8	-2 .4	23 .1	-1 .3	22 .0
Unemployment rate among youths aged 15-29	2 .3	27 .1	2 .1	27 .3	-3 .5	21 .4	-0 .9	18 .8

Table 2. Changes of major labor force indicators by sex, urban and rural areas – Spring, the year 1396 compared with the Spring and Winter, the year 1395 -continued (percent)

Figure 3. shows the unemployment rate over successive seasons from the year 1391 to 1396.

Figure 3. Changes in Unemployment Rate over Successive Seasons during the Years 1391-1396

	SPRING	SUMMER	AUTUMN	WINTER
The year 1391	12.8	12.3	11.1	12.3
The year 1392	10.6	10.4	10.3	
The year 1393	10.6	9.5	10.5	10.5
The year 1394	10.8	10.9	10.7	11.8
The year 1395	12.2	12.7	12.3	12.5
The year 1396	12.6			

A Selection of Labor Force Survey Results- Spring, the Year 1396 (21 March - 21 June 2017)
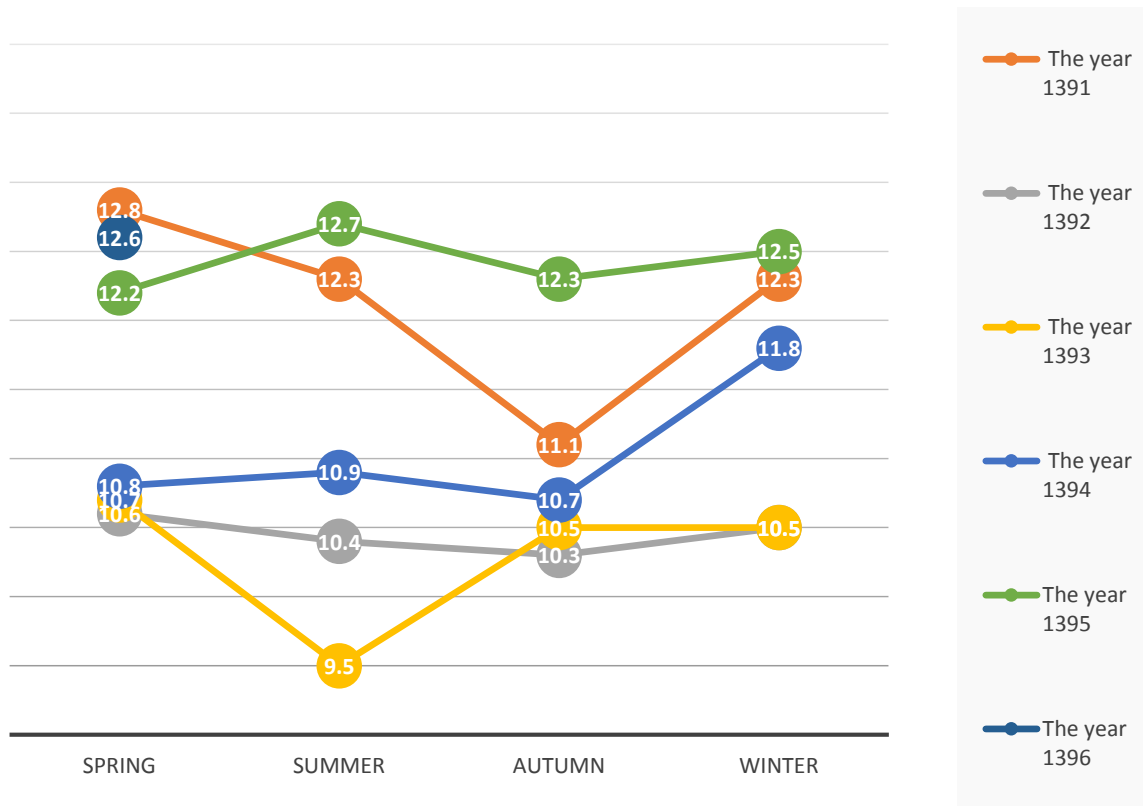
Table 3 shows some major labor force indicators in spring, the year 1396 in comparison to spring and winter, the year 1395 by province

Table 3. Major selected labor force indicators by province; *Spring, the year 1396, in comparison to Spring and Winter, the year 1395*						
Province	Spring, the year 1396		Winter, the year 1395		Spring, the year 1395	
	Economic participation rate	Unemployment rate	Economic participation rate	Unemployment rate	Economic participation rate	Unemployment rate
Total country	40.6	12.6	38.9	12.5	39.5	12.2
East Azarbayejan	43.4	10.3	40.9	13.3	39.7	6.3
West Azarbayejan	42.1	11.0	39.1	16.5	40.6	9.2
Ardebil	45.3	13.5	43.8	18.3	44.3	14.8
Esfahan	41.3	16.1	40.7	12.5	42.0	15.7
Alborz	38.9	20.4	37.0	15.4	38.5	13.8
Ilam	36.6	14.2	36.0	13.2	37.1	10.2
Bushehr	36.1	10.7	38.4	13.0	36.0	8.6
Tehran	41.1	11.2	40.0	9.8	40.5	13.5
Chaharmahal & Bakhtiyari	39.4	20.3	37.8	22.6	36.8	17.8
South Khorasan	42.2	11.5	36.0	9.8	35.6	7.3
Khorasan-e-Razavi	45.3	14.3	41.2	14.0	43.1	14.8
North Khorasan	43.0	10.8	39.7	12.5	42.9	8.6
Khuzestan	38.8	15.3	39.5	12.2	37.1	9.4
Zanjan	40.5	11.1	37.4	10.4	40.3	8.4
Semnan	41.6	8.8	39.6	6.7	39.3	9.3
Sistan & Baluchestan	30.8	12.7	30.3	13.9	30.7	10.8
Fars	40.4	9.8	39.0	9.0	38.6	12.3
Qazvin	39.0	10.9	39.4	11.0	39.3	11.9
Qom	35.5	10.9	36.8	9.6	35.0	14.1
Kordestan	41.5	13.7	42.1	20.5	41.9	12.0
Kerman	38.1	14.0	37.0	9.5	36.6	12.9
Kermanshah	42.5	20.2	37.1	24.5	40.5	19.2
Kohgiluyeh & Boyerahmad	36.8	12.0	36.0	11.4	36.8	16.4
Golestan	39.6	13.6	37.1	11.5	39.2	13.8
Gilan	44.8	10.6	38.2	14.1	42.7	9.3
Lorestan	34.2	11.8	34.7	12.8	33.7	14.3
Mazandaran	42.5	9.8	40.2	12.8	42.6	9.8
Markazi	33.8	7.4	34.4	5.8	34.5	7.5
Hormozgan	38.1	9.2	38.9	9.9	39.3	11.1
Hamedan	40.6	8.9	37.3	10.7	38.9	8.8
Yazd	43.1	13.2	40.6	13.5	39.5	13.6