

A Selection of Labor Force Survey Results

Summer 1395¹ (21 June-21 September 2016)

¹. 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, therefore, 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 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 the rural areas, no listing was made in the 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 winters 2013, 2014 and 2015. It is noteworthy that for completion of master sample in the next years in the same form sample, some of the households are listed in each of master sample clusters.

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 hour¹ 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.

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 (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.

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

Employment ratio

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

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

Underemployment rate

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

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

Findings

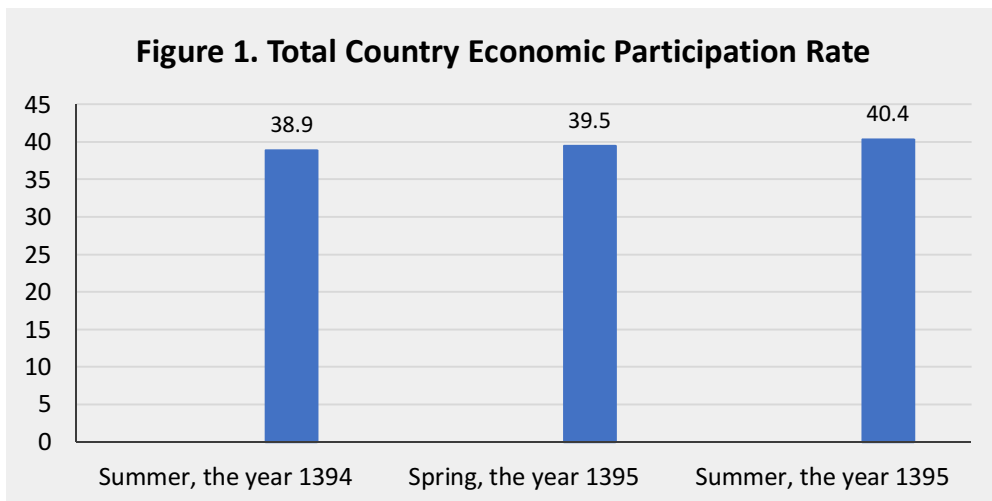
Table 1 contains the major labor force indicators resulted from the survey in the summer of the year 1395 (21 June-21 September 2016). Table 2 reflects the changes in the labor force indicators compared to the previous season (Spring, the year 1395) and the corresponding season in the previous year (Summer, the year 1394). Table 3 provides major labor force indicators by province.

Table 1. Major labor force indicators by sex, urban and rural areas; Summer, the year 1395

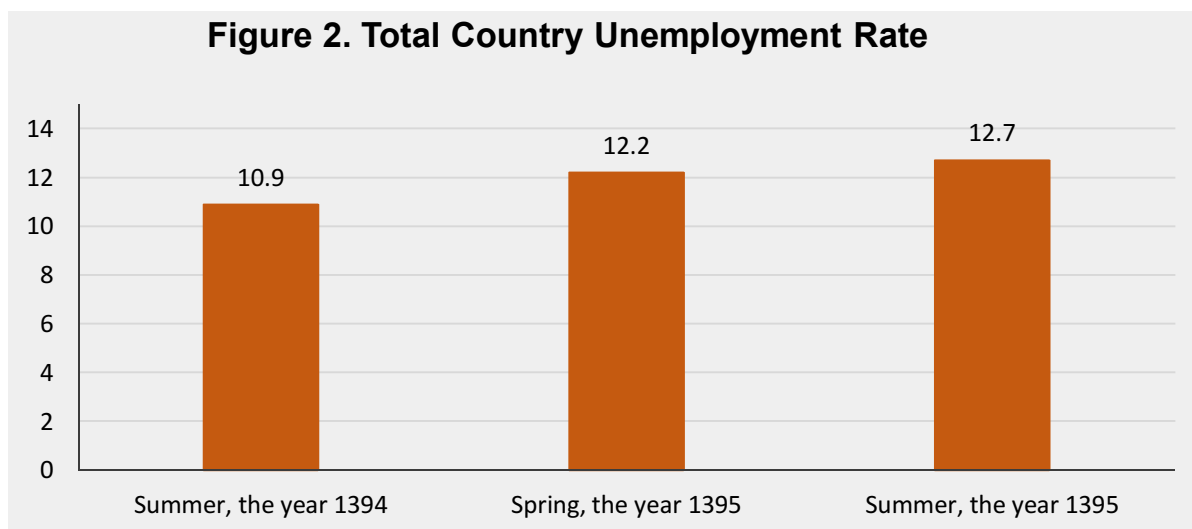
Labor force indicators		Total country	Male	Female	Urban areas	Rural areas
Economic participation rate of population aged 10 and over	Rate	40.4	64.9	15.9	39.8	42.2
	Number	26369061	21156616	5212444	19175992	7193068
Unemployment rate of population aged 10 and over	Rate	12.7	10.4	21.8	14.4	7.9
	Number	3337415	2199237	1138178	2765707	571708
Unemployment rate of the population aged 15 and over	Rate	12.7	10.4	21.9	14.4	8
	Number	3329133	2194037	1135096	2759279	569854
Unemployment rate of the youths aged 15-24	Rate	30.2	25.7	47.3	34.4	20.8
	Number	1001106	671152	329954	788250	212856
Unemployment rate of the youths aged 15-29	Rate	26.7	21.7	44.1	29.8	18
	Number	1993953	1256844	737109	1640207	353746
Employment ratio of population aged 10 and over	Share	35.3	58.2	12.5	34.0	38.8
	Number	23031646	18957379	4074266	16410285	6621360
Employment share in agriculture sector	Share	19.4	18.5	23.4	5.9	52.8
	Number	4459832	3506276	953556	966998	3492834
Employment share in manufacturing sector	Share	31.5	33.1	24.1	34.4	24.4
	Number	7256935	6276693	980242	5640653	1616281
Employment share in services sector	Share	49.1	48.4	52.5	59.7	22.8
	Number	11309582	9169114	2140467	9797423	1512159
Underemployment share		9.5	10.5	4.7	8.2	12.6
The contribution of the employed aged 15 and over with regular working hours of 49 and over		40.8	46.2	15.3	41.6	38.7

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 40.4% 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 shows a 1.5% and 0.9 % rise as compared with the last corresponding season (Summer, the year 1394) and the previous season (Spring, the year 1395), respectively.



Review of the unemployment rate among population aged 10 and over shows that a percentage of 12.7 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 increased 1.8% and 0.5% compared to the last corresponding season (Summer, the year 1394) and the previous season (Spring, the year 1395), respectively.



The unemployment rate among population aged 15 and over mentions that 12.7 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 9.5% 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 35.3% 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 49.1% of the total, followed by manufacturing sector with 31.5% and agriculture sector with 19.4%.

The unemployment rate among youths aged 15-24 stood at 30.2% while standing higher for women and urban areas than for men and rural areas. A review of the changes shows that the indicator has increased 4.5% and 2.4% compared to the last corresponding season (Summer, the year 1394) and the previous season (Spring, the year 1395), respectively.

The unemployment rate among youths aged 15-29 indicates that 26.7% 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 3.3% and 1.8% compared to the last corresponding season (Summer, the year 1394) and the previous season (Spring, 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 40.8% 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 –summer, the year 1395 compared with the spring, the year 1395 and Summer 1394 (percent)

Labor force indicators	Total country				Male				Female			
	Spring , the year 1395		Summer, the year 1394		Spring , the year 1395		Summer, the year 1394		Spring , the year 1395		Summer, the year 1394	
	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate	Change	Rate
Economic participation rate of population aged 10 and over	0.9	39.5	1.5	38.9	0.9	64.0	0.7	64.2	0.7	15.2	2.1	13.8
Unemployment rate of population aged 10 and over	0.5	12.2	1.8	10.9	0.1	10.3	1.5	8.9	1.5	20.3	1.9	19.9
Unemployment rate among youths aged 15-24	2.4	27.8	4.5	25.7	2.2	23.5	4.1	21.6	2.8	44.5	3.1	44.2
Unemployment rate among youths aged 15-29	1.8	24.9	3.3	23.4	1.4	20.3	2.7	19.0	2.1	42.0	2.8	41.3

Table 2. Changes of major labor force indicators by sex, urban and rural areas –summer, the year 1395 compared with the spring, the year 1395 and Summer 1394- continued (percent)

Labor force indicators	Urban areas				Rural areas			
	Spring , the year 1395		Summer, the year 1394		Spring , the year 1395		Summer, the year 1394	
	Change	Rate	Change	Rate	Change	Rate	Change	Rate
Economic participation rate of population aged 10 and over	1.1	38.7	1.7	38.1	0.2	42.0	1.1	41.1
Unemployment rate of population aged 10 and over	0.7	13.7	2.2	12.2	-0.4	8.3	0.5	7.4
Unemployment rate among youths aged 15-24	3.6	30.8	4.7	29.7	-1.2	22.0	3.0	17.8
Unemployment rate among youths aged 15-29	2.5	27.3	3.6	26.2	-0.8	18.8	1.9	16.1

Figure 3. Changes in Unemployment Rate over Successive Seasons during the Years 1390-1395

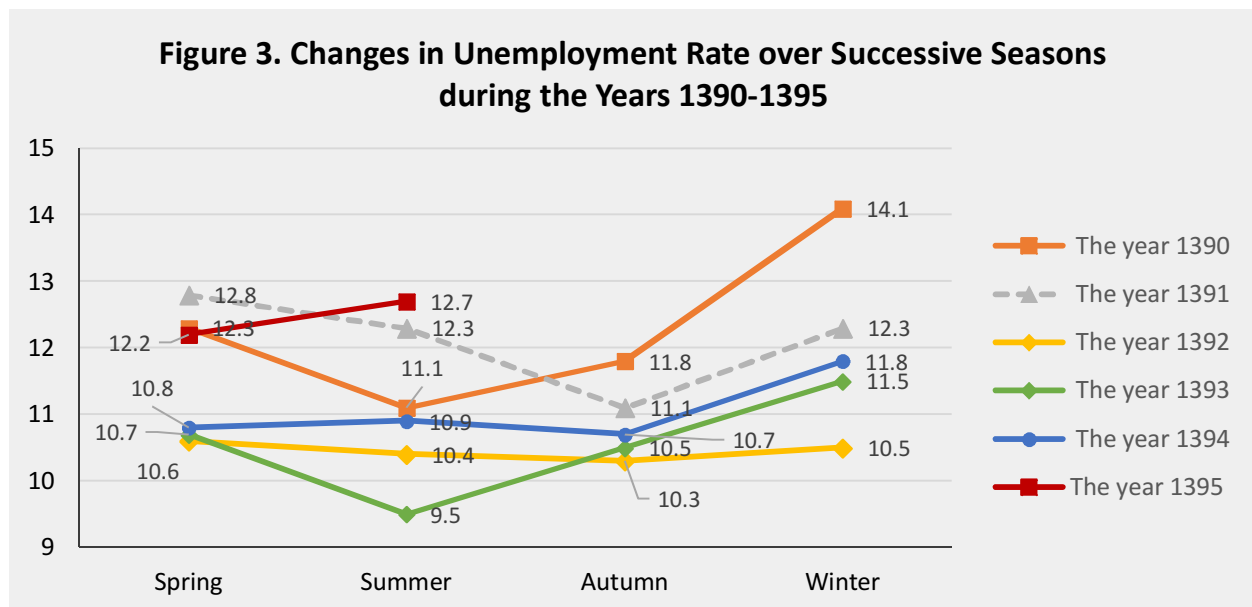


Table 3 shows some major labor force indicators in summer, the year 1395, in comparison to Spring, the year 1395 and Summer, the year 1394 by province

Table 3. Major selected labor force indicators by province; summer, the year 1395, in comparison to the spring, the year 1395 and Summer, the year 1394

Province	Summer, the year 1395		Spring, the year 1395		Summer, the year 1394	
	Economic participation rate	Unemployment rate	Economic participation rate	Unemployment rate	Economic participation rate	Unemployment rate
Total country	40.4	12.7	39.5	12.2	38.9	10.9
East Azarbayejan	43.5	10.4	39.7	6.3	39.9	6.6
West Azarbayejan	42.8	7.5	40.6	9.2	42.8	11.0
Ardebil	43.6	12.6	44.3	14.8	43.1	11.6
Esfahan	40.7	17.4	42.0	15.7	41.7	13.3
Alborz	38.4	15.4	38.5	13.8	38.2	12.5
Ilam	35.8	11.2	37.1	10.2	35.1	12.6
Bushehr	36.4	11.2	36.0	8.6	34.7	8.8
Tehran	41.2	13.3	40.5	13.5	37.7	9.2
Chaharmahal & Bakhtiyari	40.2	19.8	36.8	17.8	37.7	16.0
South Khorasan	41.3	13.4	35.6	7.3	37.5	7.2
Khorasan-e-Razavi	42.4	12.5	43.1	14.8	40.6	14.2
North Khorasan	43.8	9.7	42.9	8.6	43.6	11.1
Khuzestan	39.1	14.9	37.1	9.4	37.2	10.7
Zanjan	45.1	8.2	40.3	8.4	42.4	8.6
Semnan	38.8	8.1	39.3	9.3	39.5	8.3
Sistan & Baluchestan	32.9	13.8	30.7	10.8	29.5	11.8
Fars	40.3	13.6	38.6	12.3	38.0	11.2
Qazvin	38.9	11.6	39.3	11.9	41.3	12.4
Qom	35.3	11.4	35.0	14.1	36.0	12.0
Kordestan	41.7	12.0	41.9	12.0	39.8	9.4
Kerman	38.4	11.9	36.6	12.9	36.1	6.5
Kermanshah	40.6	20.3	40.5	19.2	40.4	15.2
Kohgiluyeh & Boyerahmad	40.6	13.0	36.8	16.4	32.5	13.9
Golestan	39.1	12.8	39.2	13.8	38.6	10.1
Gilan	41.1	9.9	42.7	9.3	44.2	11.2
Lorestan	36.4	12.0	33.7	14.3	36.9	13.4
Mazandaran	41.6	10.8	42.6	9.8	41.7	12.1
Markazi	37.1	6.7	34.5	7.5	37.3	7.4
Hormozgan	38.8	10.1	39.3	11.1	37.4	11.7
Hamedan	40.6	8.0	38.9	8.8	37.8	8.0
Yazd	41.7	11.8	39.5	13.6	42.4	11.8