



Rural-Urban Labour Statistics

Monica Castillo
Chief, Standards and Methods Unit
ILO Department of Statistics
castillom@ilo.org

UNECE Meeting of the Group of Experts on
Measuring Quality of Employment

Palais des Nations, Geneva
6-8 November 2019



Contents

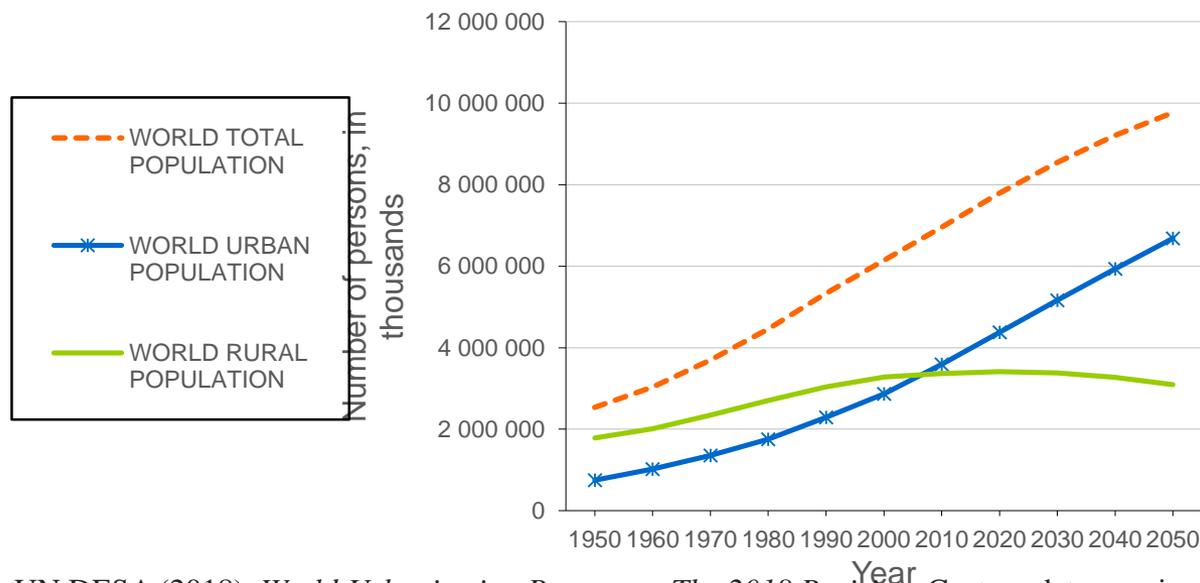
- Introduction
- Importance of monitoring decent work in rural-urban areas at national and international levels
- Lack of international statistical standards
 - Proposed international definitions to capture the urban-rural continuum
 - 20th ICLS Room Document on Rural-Urban Labour Statistics
- Conclusions and suggestions as regards the MQE framework indicators



World population projections and challenges of monitoring decent work by rural-urban area

- Growing divergence between **a rapidly increasing world urban population** and a **more stable world rural population**
- **BUT poverty remains higher worldwide in rural areas**
- Scarcity of labour statistics by rural-urban area and lack of international standards poses **challenges for monitoring progress on decent work by geographic area**

Projections of the world population residing in urban areas and rural areas, 1950-2050



Source: UN DESA (2018). *World Urbanization Prospects: The 2018 Revision*. Custom data acquired by ILO via website.



Rural and Urban Areas

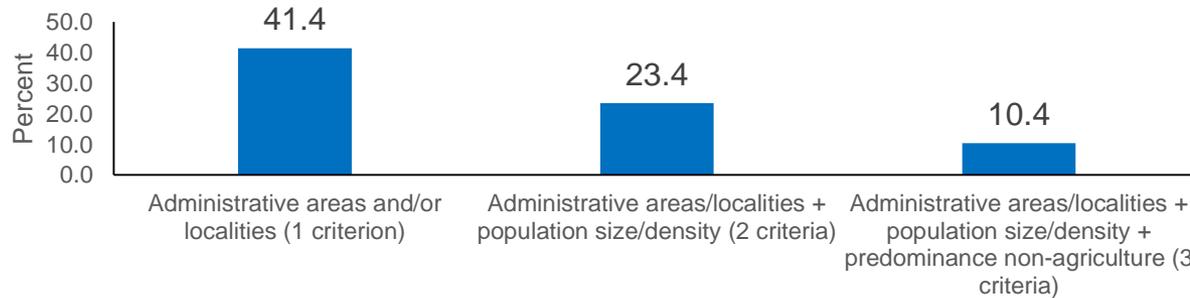
- **In countries around the world, rural and urban areas are dynamic geographical zones**, characterized by:
 - Diverse and changing populations
 - Different concentrations of economic activities and work characteristics, e.g. agricultural production
- **Rural and urban areas can be uniquely captured over time** through the development and analysis of statistical indicators disaggregated by geographic area
- **Definition of rural and urban areas as used in labour statistics or other domains is a complex issue**
 - Countries use various criteria to define *urban areas*
 - Rural areas are defined as a residual category based on the total national territory



Criteria used at national level to define urban areas

- **Most common types of criteria used by countries to define urban areas:**
 - Administrative areas and localities
 - Population size and/or density
 - Predominance of non-agricultural activities or workers
 - Infrastructure and amenities, (e.g. roads, electricity, water-supply and sewerage systems, medical centers, educational facilities).
- **A slight majority of countries use multiple criteria**

Percentage of countries and territories applying a single criterion or multiple criteria to define urban areas by the main types of summary criteria used, 2018



Criteria used by countries to define urban areas

Source: ILO analysis of criteria based on country and territorial definitions of urban areas published by UN DESA (2018)



Importance of rural-urban labour statistics at national level

- **Decisions concerning programme implementation or resource allocation at the subnational level call for reliable geographically-disaggregated statistical indicators, e.g. by rural-urban area**
- **Importance at the national level for policy:**
 - Macro-economic monitoring and formulate/implement sustainable rural and urban development policies and programmes
 - Promotion of employment creation and human resource and skills development targeted to rural and urban regions
 - Analysis of poverty reduction, informing decisions about income support and social assistance programmes in rural-urban areas
 - Investment and employment promotion programmes information needs by rural-urban areas
 - Monitoring progress towards specific goals e.g., those outlined in decent work country programmes targeting rural and urban areas



Importance of rural-urban labour statistics in International indicator frameworks

- **The Decent Work Measurement Framework (DWMF)**
 - Concern for vulnerable groups including vulnerable workers in rural and urban areas
 - Includes a measure of discrimination against various demographic subgroups, including rural workers

- **Decent work-related Sustainable Development Goal (SDG) Indicators**
 - “Leaving no one behind”: Includes geographic breakdowns, recommended by rural and urban areas

- **Framework on Measuring Quality of Employment**
 - **Fair treatment indicators (1c) – suggested to be disaggregated by geographic region**
 - **Various indicator sheets recommend disaggregation:**
 - By **residency (urban/rural)** for child labour indicators (1b1, 1b2, 1bX)
 - By **area of occupation (urban/rural)** for informal employment rate (4ax2)
 - By **region** and **degree of urbanization**, for commuting time (3c3) and child care use (3cX)
 - By **region**, for employees with low pay (2a2)

 - **Some indicator sheets make reference to “region” elsewhere:**
 - Region highlighted in **interpretation guidelines** in “Temporary agency work” (4a6)
 - In **measurement objectives** of “Pay gap” (1c1), it notes that paired groups could include rural and urban areas



Lack of international statistical standards

- **Currently: No international statistical standards on defining urban or rural areas**
 - BUT a proposed definition and methodology is moving forward
 - Meeting on a Statistical Methodology for Delineating Cities and Rural Areas organized by UNSD in New York in January 2019 to discuss the proposal
 - Proposed Background Document likely to be shared during the UN Statistics Commission meeting in March 2020
- **Currently: No international standards on rural-urban labour statistics**
 - Impact on data comparability across across countries



Proposed international definitions to capture the urban-rural continuum (UNSD Expert Group 2019) (1)

- **The Degree of Urbanisation**

- Uses local units which can be administrative units (e.g. municipalities) or statistical units (e.g. census enumeration areas).
- Each local unit belongs exclusively to one of three classes (cities, towns & suburbs, and rural areas).
- **Applied in a two-step process:**
 - First: 1 km² grid cells are classified based on population density, contiguity and population size
 - Second: local units are classified based on the type of grid cells the majority of their population resides in.
- **A classification with two levels**
 - Level 1 classifies local units as 1) “cities” or “densely populated areas”, 2) “towns & suburbs” or “intermediate density areas” and 3) “rural areas” or “thinly populated areas”
 - In level 2, the full settlement hierarchy is defined from villages to towns and finally to cities.



Proposed international definitions to capture the urban-rural continuum (UNSD Expert Group 2019) (2)

- **The Functional Urban Area**
 - Captures the wider economic function of a city
 - Has two classes:
 - A city (as defined in Degree of Urbanisation)
 - The city's commuting zone
 - Identifies the areas that have a significant share of commuting to a city and those that do not.
 - **Note:** the FUA is likely to coincide with daily urban system of that city which includes a range of functions including education, health, shopping, culture and recreation.
- **The proposed definitions (Degree of urbanisation and Functional Urban Area) and methods will likely be presented in a Background Document to the UNSC in March 2020**



20th ICLS Room Document on Rural-Urban Labour Statistics

Linking work statistics concepts/variables with urban & rural areas (1)

- **Room document:** Serves as a point of departure for discussion about methods for developing rural-urban labour statistics
- **Available at:** https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms_636038.pdf
- **Note:** Room document presents only two categories of geographic area: (1) rural areas and (2) urban areas

Disaggregation of work statistics concepts by rural-urban area



Source: ILO



Combinations of geographic location of dwelling and geographic location of job or work activity, considering rural-urban areas

	Urban household	Rural household
Urban job or work activity	Urban household and urban job or work activity (1)	Rural household and urban job or work activity (2)
Rural job or work activity	Urban household and rural job or work activity (3)	Rural household and rural job or work activity (4)

Source: ILO



Dual approach in the proposed conceptual framework

Residence location approach: An approach used to produce labour statistics by rural and urban area in household-based surveys which identifies the rural or urban location of the usual place of residence within selected dwellings (or household premises) and links the geographic location with the corresponding survey estimates.

Workplace location approach: An approach used to produce labour statistics by rural and urban area in household-based surveys which identifies *both* the rural and urban location of (1) the usual place of residence within selected dwellings (or household premises) and (2) that of the workplace (i.e., location of the job or work activity) and links the geographic location with the corresponding survey estimates. In this approach, the rural or urban location of some estimates will correspond to that of the usual place of residence, while that of others will correspond to that of the workplace. (Which types of estimates use one or the other location is described on subsequent slides).



Recommended starting point: the «Residence Location» approach

- Both the residence location approach and the workplace location approach are recommended in the Room Document depending on national policy information needs and resource constraints.
 - BUT countries should begin by implementing the Residence Location approach.
- The proposed conceptual framework of work statistics by rural-urban area takes into account concepts and definitions in the 19th ICLS Resolution on work statistics and associates these with rural and urban areas.
- It has as its foundation an urban-rural classification used to disaggregate labour statistics and seven statistical concepts which are particularly relevant to work statistics by rural-urban area.



Conclusions and suggestions as regards the MQE framework & indicators

- In summary, the Framework on Measuring Quality of Employment
 - Recommends disaggregations for a number of indicators by urban/rural, degree of urbanization and/or region
 - Makes reference to “region” in specific measurement objectives and interpretation guidelines
- These recommendations and references are not fully harmonized (e.g. sometimes urban/rural, other times degree of urbanization or region)
 - This may need to be reviewed and potentially updated
- BUT: Before making any suggested changes, status of relevant international statistics standards should be followed closely to ensure coherence, including:
 - Status of the proposed international definitions to capture the urban-rural continuum (UNSD-UNSC)
 - Status of methods or possible future standards related to rural-urban labour statistics (ILO-ICLS)



Thank you for your attention

The ILO is celebrating its centenary: 1919 – 2019



Please visit our website: <https://www.ilo.org>