# Regional Course on Statistics on Informality: Informal economy, work and employment

6 - 10 July 2015 Chiba, Japan

## **Country Report-Fiji**



Prepared by Semi Talemaivavalagi

## Introduction

The Labourforce or the engine of the economy which often referred to at times is mostly at the centre of discussions at national forums. This report discusses issues relating on how information on Labourforce is produced, policies surrounding the informal sector and discuss issues relating to the informal sector employment.

#### **Status of labour force data and statistics**

The non-availability of service (administrative) statistics concerning the labour force, as well as for other reasons, the FBoS has its own data collection systems. Firstly and most importantly, the Bureau collects labor force data by means of Labour Force (Employment and Unemployment) Surveys. The last survey of this type was carried in 2009-2010. Unfortunately, these surveys are based on a relatively small sample of the population and they only provide statistically meaningful results at the national and divisional level, as well as for the geographic sectors. In Fiji, the only data source that provides valid, albeit limited labour force information at the sub-national level is the national census. The 1986 and 1996 censuses as well as the labour force surveys that have been conducted in Fiji used the International Labour Force Classification of Labour Force Statisticians (ICLS). Because of the importance of comparability of the labour force indices based on the 2007 Census with those of previous censuses and surveys, the ICLS definitions of the labour force were once again adopted in 2007. However, some users of census information insisted that the census should also attempt to measure unemployment using the ILO "availability" criterion. Although, it was suggested that the use of the availability criterion introduces a certain amount of vagueness in the measurement of unemployment, particularly in a census interview situation, it was decided to measure unemployment according to this availability criterion as well. Annual paid employment surveys are carried out annually which captures information on paid employment annually.

## Existing data collection activities and methodologies/ or plans

Information on labour force are captured through censuses and household surveys which are inclusive of both the formal and informal sector whilst the Annual Employment Survey only captures information on paid employment. Censuses capture information using the ICLS as well as the ILO framework unlike sample surveys which uses only the ICLS framework.

Due to the nature of census taking, only limited questions were asked during the census for the Labourforce. Fiji lowered its cut off point from 15 years old to 10 years old, reason being to also capture information on child labour.

The 2010-2011 EUS surveyed 4000 households from a selected sample of 400 EAs. The 400 EAs were selected from a list stratified into the four administrative regions and within these regions by socioeconomic class. The 4000 households were divided into 4 with data collection from each of the 4 samples spread over three months or a sub-round. From the 4 sub-rounds we were able to spread the data collection over a one-year period so that seasonal changes to income and expenditure could be captured. The survey being very comprehensive, captured information both relating to employment, unemployment and also on internal migration.

The 2013-2014 HIES also captures information on labour force in the listing stage from 6020 households from a selected sample of 602 EAs. Currently the officers of the household survey unit are analysing the data with the aim of having the first report published in September, 2015. The HIES also contained the same set of questions as the 2007 Census on Labourforce.

The Annual Employment Survey which is conducted almost annually produces information on the characteristics of paid employment from a frame that is provided by the business register unit within the organisation.

The Fiji Bureau of Statistics in its attempt to capture information on the informal sector uses multiple questions to establish whether a person is either in the formal sector or in the informal sector in all its data collection exercises in household surveys.

An example of how the information was captured during the census is outlined below.

D20. What is this person's occupation?

Describe main task usually performed?

D21. a. Who does this person work for? (Company name, organization, self)

b. What are the activities, services, products of this workplace?

c. What is the location of this workplace?

During the 2007 coding exercise, the coders who have extensive knowledge in conducting household surveys determined whether a person is in the formal or informal sector when arriving at question at D21 c taking into consideration answers in questions D20-D21b.

#### Presentation of time series of key labour force indicators

Labour force indicators are published after every data collection exercises. Complex tables are also made available to all stakeholders upon requests. The Annual Employment Survey which is conducted almost annually produces information on characteristics of paid employment. Throughout the years a major setback to this report being available annually is the response rates. Also some internal inconsistency such as having an up to date business register have also been a challenge in producing paid employment statistics.

## Country policies on the informal economy and status

In line with the vision of growing the economy with the inclusion of the informal sector, there have been many efforts undertaken by the government in creating policies to improve the informal economy.

In 1999, the ILO Office for the Pacific Island Countries launched the Integrated Human Resource Development Project for Employment Promotion (IHRDPEP), an ambitious attempt to address employment generation in the informal sector in a holistic and coordinated manner. By 2007, the project had initiated 20 income generating activities, of which 17 (85%) were deemed successful. A total of 3,800 jobs were generated during the 8 year period. Being an ILO supported project it was able to draw on the expertise and previous experience of the organization in small business development and community based training.

## Status of statistics on informal employment, employment in the informal sector

Although information captured on the informal sector has been captured in all households' surveys and censuses, very little analysis have been carried out from what have been gathered. Demand for statistics on informality has not been so significant by those that provide assistance to this sector of the economy. The level of demand can also be attributed to what is perceived by statisticians normally in the pacific region as lack of appreciation of statistics as an integral part of evidence based policy decision making.

## Contribution of the informal sector to the economy

The informal economy in Fiji is not particularly visible because much of it is home-based and consists of tailored products, handicrafts and the processing of agricultural produce. The informal service economy is largely confined to local transport providers, food stalls and shoe shine work. Nevertheless, in a situation where rural-urban migration is accelerating and job opportunities in the wage sector declining, the informal sector appears to play an important role in absorbing surplus labour, contributing to GDP and augmenting household income.

#### **Discussion of Issues**

#### Informal Statistics Framework

Adherence to latest ISLC resolution while also at the same time meeting our country needs is the way forward. This will ensure that what we produce is comparable internationally and also clear guidelines in capturing comprehensive information needed for effective planning.

#### Timely release of statistical information on informal sector

Similar to any other NSO, every effort must be made to ensure that what we produce is fit for our purpose which is fundamental in evidence based policy decisions .The timely availability of such statistics is also needed for the measurement of the effectiveness of policies aimed at improving informality over time.

#### Strengthening the production of Statistics on informality

The challenge of producing reliable and timely Labourforce statistics on informality is a regional issue which greatly needs improvement. Technical cooperation is needed in introducing innovative ways in producing such statistics. The government with its vision of creating decent employment needs more disaggregated data and more detailed analysis on informality. The provision of technical support will enable statisticians in producing meaningful statistics.

## Presentation of existing statistics and indicators on the informal economy

The presentation of basic statistics on the informal sector are done through publications, however comprehensive information are tabulated upon requests on ad hoc basis. There have been a number of monographs on certain areas of interest which contains chapters relating to the informal economy.

## References

Fiji Islands Bureau of Statistics: Preliminary Report on Poverty in 2008-09/ Wadan Narsey, Toga Raikoti and Epeli Waqavonovono. – Suva, Fiji: 2010.

www.ilo.org/public/.../program/.../fiji...International Labour OrganizationJan 1, 2010 - International Labour Office. Decent Work Country Programme. Fiji

Narsey, Wadan: Gender issues in employment, underemployment and incomes in Fiji:/Wadan Narsey.\_Suva, Fiji: Vanuavou Publications, 2007.

Narsey, Wadan *Report on the 2002-03 Household Income and Expenditure Survey*. Fiji Islands Bureau of Staistics.December 2006.

Regional Symposium of Population and Development, 'Accelerating the ICPT Programme of Action', UNFPA and University of the South Pacific, Suva, 23–25 November 2009.

Unpublished data, 2007 Population and Housing Census: Fiji Islands Bureau of Statistics. December 2006.