State of Palestine
Palestinian Central Bureau of Statistics

Labor Force Survey 2013

User's Guide

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Concepts and Definitions

This chapter presents the main concepts and definitions used in the survey. These concepts are based on the international standards taking into account the Palestinian labour market's circumstances.

Household:
One person or a group of persons with or without a household relationship, who live in the same housing unit, share meals and make joint provision of food and other essentials of living.

Population of Working Age:
All persons aged 15 years and above.

Labour Force:
All persons aged 15 years and above who are either employed or unemployed.

Work:
All activities performed by persons in order to gain profit or wage either monthly wage, weekly, daily, on piece for profit or family gain, in cash or in kind. One hour or more of such activity constitutes work. Work also includes unpaid activity on a family farm or business.

Employed:
Persons aged 15 years and over who were at work at least one hour during the reference period, or who were not at work during the reference period, but held a job or owned business from which they were temporarily absent (because of illness, vacation, temporarily stoppage, or any other reason) he\ she was employed, unpaid family member or other. The employed person is normally classified in one of two categories according to the number of weekly work hours, i.e. 1-14 work hours and 15 work hours and above. Also the absence due to sick leave, vacation, temporarily stoppage, or any other reason considered employed from 1-14 hours. Employed persons are classified according to employment status as follows:

1. Employer:
A person who work in an establishment that is totally or partially belonging to him\ her and hires or supervises the work of one or more wage employees. This includes persons operating their projects or contracting companies provided they employ a minimum of one wage employee. Shareholders are not considered employers even if they are working in it.

2. Self-employed:
A person who work in an establishment that is totally or partially belonging to him\her (partner) and do not hires any wage employees. This includes self employed who work to own selves outside establishments.

3. Paid- employed (wage employee):
A person who works for a public or private employer or under it's supervision and receives remuneration in wage, salary, commission, tips, piece rates or in kind …etc. This item includes persons employed in governmental, non – governmental and private institutions along with those employed in a household enterprise in return for a specific remuneration.

4. Unpaid family member:
A person who works without pay in an economic enterprise operated by a related person living in the same household.

Employment:
Persons in employment comprise all persons above a specified age who during a specified brief period, either one week or one day, were in the following categories: paid employment; self employment.

Unemployed (According to the ILO Standards):
Unemployed persons are those individuals aged 15 years and above who did not work at all during the reference period, who were not absent from a job, were available for work and actively seeking a job during the reference period by one of the following methods news paper, registered at employment office, ask friends or relatives or any other method.

Unemployed (According to the Relaxed Definition):
The Number Of Unemployed Persons was calculated under the definition by adding to unemployed Persons according to the ILO Standards, those Persons outside labour force because they were frustrated.

Underemployment:
Underemployment exists when a person's employment is inadequate in relation to alternative employment, account being taken of his\her occupational skills. The underemployed persons are classified into two groups:1. Visible Underemployment: which refers to insufficient volume of employment :Persons worked less than 35 hours during the reference week or worked less than the normal hours of work in their occupation were considered as visibly underemployed.2. Invisible Underemployment: refers to a misapplication of labour resources or fundamental imbalance as between labour and other factors of production, such as insufficient income.

Main Job:
The job at which the person usually works the most hours in his\her main job or the most frequently in the recent months. If a person usually works the same number of hours at two jobs, the "main" job is the job at which the person has been employed the longest period.

Occupation:
Occupation refers to the kind of work done during the reference period by the employed person, or the kind of work done previously if unemployed, irrespective of the Economic Activity or the employment status of the person. Occupations are grouped together mainly on the basis of the similarity of skills required to fulfill the tasks and duties of the job.

Main Economic Activity:
Is the main work of the enterprise based on the (ISIC Rev4) and that contribute by the large proportion of the value added whenever more than one activity exist in the enterprise.

Absent from Usual Work:
All those who were absent from their usual work during the reference week, due to illness, holiday, strike, curfew, lock-out, temporary work stoppage, or due to some other reasons.

Seeking Work:
Seeking work is defined as having taken specific steps in the reference week to find paid employment or self-employment. Job seekers are classified into:
   1. Available for work: A person ready to work if he\she is offered any job, and there is no reason preventing him\her from accepting such a job although he\she did nothing to get a job.

2. Actively seeking work: A person who is willing to work and is actively seeking work through reading newspaper advertisement, asking friends, registration at the labour exchange offices, or asking employers.

Persons Outside Labour Force:
The population not economically active comprises all persons 15 years and above, who were neither employed nor unemployed accordingly to the definitions over. Because they don't have any desire to work or because of the availability of another source of income.

- **Student :**The individual who is regulated in a regular study in order to have a specific qualification and is not engaged to any work during the reference period, housekeeping, hobbies are not included within the work definition.

- **Housekeeping**: The individual (male or female) who are not worked and not regulated in a regular study and worked at home in order to serve the household and does not include the paid housekeeping service for others, as this type of service is within the work definition.

- **Abstinent from work:** Individual who is 15 years and Above but not engaged to any type of work during the reference period and do not looking for work and so is not available to work and not attend t regular study in order to obtain a scientific qualification.

- **Guest :**The individual who live in a particular institution such as prisons, clinics, nursing homes and such as.

- **Old, Illness:** The individual who cannot practice any kind of work because of chronic illness or disability or because of old age.

- **Retired:** The individual who does not practice any kind of work because of availability of a revenue or receiving a pension.

Years of Schooling:
The number of regular years of study completed successfully. Repetition years and irregular study or courses are not taken into account.

Worked Hours:
Time spent by employed person in his/her main occupation, measure by two ways:

A. **Normal hours work:**
Total number of hours in the permanent or temporarily job which worked by employed usually .

B. **Actually worked hours:**
Total number of hours actually worked during the reference period as well as overtime and time spent at the place of work on activities such as preparation of the workplace. Leaves, meal breaks and time spent on travel from home to work and vice versa are excluded from work hours.

Monthly Work Days:
Number of days at work during the month, excluding week-ends, holidays, sick and other paid or unpaid leaves. One hour of work in a given day is considered as one work-day.

Wage:
Cash net wage paid to the wage employee from the employer. Wages received in different currencies are converted into New Israeli Shekels according to the exchange rate in the survey period

Abbreviations:
PSUs: Primary Sampling Units
SPSS: Statistical Package for Social Sciences
SAS: Statistical Analysis System
EAs: Enumeration Areas
NIS: New Israeli Shekel

Methodology and Data Quality

Questionnaire Design
One of the main survey tools is the questionnaire, the survey questionnaire was designed according to the International Labour Organization (ILO) recommendations. The questionnaire includes four main parts:

1. Identification Data:
The main objective for this part is to record the necessary information to identify the household, such as, cluster code, sector, type of locality, cell, housing number and the cell code.

2. Quality Control:
This part involves groups of controlling standards to monitor the field and office operation, to keep in order the sequence of questionnaire stages (data collection, field and office coding, data entry, editing after entry and store the data.

3. Household Roster:
This part involves demographic characteristics about the household, like number of persons in the household, date of birth, sex, educational level…etc.

4. Employment Part:
This part involves the major research indicators, where one questionnaire had been answered by every 10 years and over household member, to be able to explore their labour force status and recognize their major characteristics toward employment status, economic activity, occupation, place of work, and other employment indicators.

Merge of Annual Data Files:
In order to create an annual data file for each year, the data files for the quarters of the same year were merged in one file. The weights for the annual data file were calculated for each quarter separately, and the weights for the whole year were calculated as one unit.

Sampling Frame and Target Population:

Target Population
It consists of all individuals aged 10 years and older normally residing in their households in Palestine during 2013.

Sampling Frame
The sampling frame consists of master sample which updated in 2011, each enumeration area consists of buildings and housing units with average of about 124 households in it. These master sample consists of 596 enumeration areas, we used 494 enumeration areas as a framework for the labor force survey sample in 2013, and these units have been used as primary sampling units (PSUs).

Sample size
The estimated sample size in the first quarter is 7,676 households, in the second, third, and fourth quarter is 7,616 household for each quarter.

Sampling Design

The sample of this survey is implemented periodically every quarter by PCBS since 1995, so this survey implement every quarter in the year (distributed over 13 weeks).
The sample is two stage stratified cluster sample with two stages:
first stage we select a systematic random sample of 494 enumeration areas for the whole round.
second stage we select a random area sample of average 16 households from each enumeration area selected in the first stage.

Sample strata:
The population was divided by:
1- Governorates
2- Type of Locality (urban, rural, refugee camps).

Sample Rotation:
Each round of the Labor Force Survey covers all of the 494 master sample enumeration areas. Basically, the areas remain fixed over time, but households in 50% of the EAs are replaced each round. The same household remains in the sample for 2 consecutive rounds, left for the next two rounds, then selected for the sample for another two consecutive rounds before it is dropped from the sample. A 50% overlap is then achieved between both consecutive rounds and between consecutive years (making the sample efficient for monitoring purposes).

Weights Calculation of households:
The weight of statistical units (sampling unit) in the sample is defined as the mathematical inverse of the selection probability where the sample of the survey is two stage stratified cluster sample, so In the first stage, we calculate the weight of enumeration areas which depending on the probability of each enumeration area (a systematic random sample), then In the second stage we calculate weight of households in each enumeration area, Initial households weights resulted from product of weight of first stage and weight of second stage, final households weights obtained after adjustment of initial weights with the households estimates of the middle of each quarter of the year 2013 on the level of design strata (governorate, locality type).

For the 10 years and over persons file we add the final household weight for each person, then we adjust the initial person weight with the persons estimates of the middle of each quarter of the year 2013 on the level of Region (West bank, Gaza strip), Sex (male, female), Five –year age groups (14groups) then we obtain the final adjusted person weight.

Reference Week:
The week ending on Friday preceding the interviewer's visit to the household.

Data Collection

Fieldworkers were trained on basic skills before the start of data Collection. The interviewers were trained on the Domestic and Outbound Tourism Survey by implementing the training course in Ramallah for the West Bank trainees, and in Gaza for Gaza Strip trainees. Instructions for filling the questionnaire were made available for the interviewers. The training provided the participant with aims and definitions of the different indicators and expressions of the survey and how to fill in the questionnaire.

Response Rates:
The survey sample consists of about 30,524 households of which 26,420 households completed the interview; whereas 17,162 households from the West Bank and 9,258 households in Gaza Strip. Weights were modified to account for non-response rate. The response rate in the West Bank reached 89.3% while in the Gaza Strip it reached 95.6%.

Response, Non-Response Cases and Over Coverage

Response, Non-Response Cases and Over Coverage	No. of cases
Household completed	26,420
Non-response cases	
Traveling households	338
No one at home	981
Refused to cooperate	806
No available information	60
Other	307
Over coverage cases	
Unit does not exist	179
Vacant Housing unit	1,433
Total sample size	**30,524**

Response and Non-Response Formulas:
Percentage of over coverage errors =   Total cases of over coverage   x 100%
                                                    Number of cases in original sample

= 5.3%

Non response rate = Total cases of non response x 100%
                                        Net Sample size
                             = 8.6%

Net sample = Original sample – cases of over coverage
Response rate = 100% - non-response rate
                             = 91.4%

Treatment of Non-Response Cases Using Weight Adjustment

$$fg = \frac{\sum_{ng} wi - \sum_{o.c} wi}{\sum_{rg} wi}$$

Where
wi : the primary weight before adjustment for the household i
g: adjustment group by (governorate, locality type).
fg: weight adjustment factor for the group g.

 : Total weights in group g $\sum_{ng} wi$

$\sum_{o.cg} wi$: Total weights of over coverage cases

$\sum_{rg} wi$: Total weights of response cases

We calculate fg for each group ,and final we obtain the final household weight ($w'i$) by using the following formula:

$$w'i = wi * fgi$$

Data Quality

Concept of data quality covers many aspects, starting from the initial planning of the survey to the dissemination of the results and how well users understand and use the data. There are seven dimensions of the statistical quality: relevance, accuracy, timeliness, accessibility, comparability, coherence, and completeness.

Data Accuracy

Sampling Errors
Data of this survey may be affected by sampling errors due to use of a sample and not a complete enumeration. Therefore, certain differences can be expected in comparison with the real values obtained through censuses. Variances were calculated for the most important indicators: the variance table is attached with the final report. There is no problem in disseminating results at national or governorate level for the West Bank and Gaza Strip.

Non-Sampling Errors
Non-statistical errors are possible at all stages of the project, during data collection or processing. These are referred to as non-response errors, response errors, interviewing errors and data entry errors. To avoid errors and reduce their effects, strenuous efforts were made to train the field workers intensively. They were trained on how to carry out the interview, what to discuss and what to avoid, carrying out a pilot survey, as well as practical and theoretical training during the training course.

Also data entry staff were trained on the data entry program, which was tested before starting the data entry process. To stay in contact with the progress of field work activities and to limit obstacles, there was continuous contact with the field work team through regular visits to the field and regular meetings with them during the different field visits. Problems faced by field workers were discussed to clarify any issues.

Non-sampling errors can occur at various stages of survey implementation, whether in data collection or in data processing. They are generally difficult to be evaluated statistically. They cover a wide range of errors, including errors resulting from non-response, sampling frame coverage, coding and classification, data processing, and survey response (both respondent and interviewer-related). The use of effective training and supervision and the careful design of questions have a direct bearing on limiting the magnitude of non-sampling errors and hence enhancing the quality of the resulting data. The following are possible sources of non-sampling errors:

The implementation of the survey encountered non-response where the case (household was not present at home) during the fieldwork visit and (Vacant Housing unit) become the high percentage of the non response cases. The total non-response rate reached 8.6% which is very

low once compared to the household surveys conducted by PCBS , The refusal rate reached 2.8% which is relatively low percentage compared to the household surveys conducted by PCBS, and the reason is the short questionnaire and the experience of field workers .

Possibility of Comparison
In this section, comparison is made for a time series period and for sectors only, since there are no other sources for comparison. Results indicated that the rate of labor force participation in ٢٠١٣ did not change considerably compared with the rate in ٢٠١٢. Where the rates in the West Bank was 45.٠% in 2013 compared with 45.5% in 2012 and ٤١,٢%, in Gaza Strip in 2013 compared with 40.1% in 2012.

Results also indicated that the unemployment rate was 23.٤% in Palestine in ٢٠١٣ compared with ٢٣,٠% in ٢٠١٢. Again, there is a difference between the West Bank and Gaza Strip, where unemployment rate in the West Bank reached ١٨,٦% in 2013 compared with 19.0% in 2012, while reached ٣٢,٦% in Gaza Strip compared with 31.0% for the same period .

The unemployment rate was 20.٦% in ٢٠١٣ compared with ٢٠,٥% in ٢٠١٢ for males. For females, it was ٣٥,٠% in ٢٠١٣ compared to ٣٢,٩% in ٢٠١٢.

Quality Control Procedures
- Errors in data processing, such as coding and data entry. The data underwent checking and completion of missing information in the office and checks on logic were conducted on computer as well as manually, including call-backs if required.
- Response errors which resulted from misunderstanding of the questions or interviewers' bias in asking the questions and probing. Thorough training, supervision and various quality control checks were used to minimize bias resulting from these kinds of errors.

Technical Notes
There are important technical notes which should be taken into consideration when reviewing this report, which are as follows:
- To calculate the nominal daily wages, exchange rates were used based on the time period in which the data were published.

Derived Variables

In compliance with the International Labor Organization Recommendation, the persons aged 15 years and over classified into two groups:
1. In Labor Force
2. Outside Labor Force

The persons in Labor Force are classified into three groups:
1. Full employment
2. Underemployment (Visible, Invisible)
3. Unemployment

The derived variables as Follows

Variable name	Value Label	Description
EMPCH	1. Full Employment 2. Unemployment 3. Out Labor Force	Labor Force Status (1)
INOUTLF	1. In labor Force 2. Out Labor Force	Labor Force Status (2)
EMPCHU	1. Full Employment 2. Unemployment 3. Out Labor Force 4. Visible Underemployment 5. Invisible Underemployment	Labor Force Status (3)
EMPCHFIN	1. Full Employment 2. Underemployment 3. Unemployment 4. Out Labor Force	Labor Force Status (4)
EMPSTATS	1. Employer (employs others) 2. On own account 3. Employee 4. Unpaid family member	
WBGS	1. West Bank 2. Gaza Strip	Region
REASON	1. Old/ ill 2. Home duties 3. Studying 4. Other	Reason
MARITALS	1. Never Married 2. Married 3. Other	Marital Status
PWORK	1. West Bank 2. Gaza Strip 3. Israel and Settlements 4. Other	Place of Work

Variable name	Value Label	Description
EMPSTATS	1. Employer (Employs other) 2. On own account 3. Employee 4. Unpaid Family member	Employment Status
INDUSTRY	1. Agriculture 2. Manufacturing 3. Construction 4. Commerce, Hotels and Restaurants 5. Transport, Storage and Communication 6. Services	Industry
OCCUPATI	1. Legislators, Senior Officials and Managers 2. Professionals, Technical, Associate and Clerks 3. Service, Shop and Market Workers 4. Skilled Agricultural &Fishery Workers 5. Craft and Related Trade Workers 6. Plant and Machine Operators and Assemblers 7. Elementary Occupations	Occupation

Data Processing

The data processing stage consisted of the following operations:

1. Editing and coding before data entry: All questionnaires were edited and coded in the office using the same instructions adopted for editing in the field.
2. Data entry: At this stage, data was entered into the computer using a data entry template designed in Access. The data entry program was prepared to satisfy a number of requirements such as:

   - Duplication of the questionnaires on the computer screen.
   - Logical and consistency check of data entered.
   - Possibility for internal editing of question answers.
   - Maintaining a minimum of digital data entry and fieldwork errors.
   - User friendly handling.

Possibility of transferring data into another format to be used and analyzed using other statistical analytic systems such as SPSS.