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CHAPTER I

BACKGROUND TO THE SURVEY

1.1 Introduction

Statistical information on all aspects of the population is vital for the design, implementation and evaluation of economic and social development plan and policy issues. Labour force surveys are one of the important sources of data for assessing the role of the population of a country in the economic and social development process. These surveys provide data on the main characteristics of the work force engaged or available to be engaged in productive activities during a given period and also its distribution in the various sectors of the economy. They are also useful to indicate the extent of available and unutilized human resource that must be absorbed by the national economy to ensure full employment and economic well being of the population. Furthermore, the information obtained from such

surveys is useful for the purpose of macro-economic monitoring and human resource development planning. The other broad objective of statistics on the labour force is for the measurement of the relationship between employment, income and other social and economic characteristics of the economically active population for the purpose of formulating and monitoring employment policies and programs, income-generating and maintenance schemes, vocational training and other similar programs. Seasonal and other variations in the size and characteristics of the labour force can also be monitored using up-to-date information from labour force surveys.

In order to further fill the gap in data requirement for the socio-economic development planning, monitoring and evaluation, the Central Statistical Authority (CSA) has conducted Rural Labour Force Survey (RLFS) as a part of the National Integrated Household Survey Program (NIHSP) at the end of 1980. To maintain the continuity and to update the Rural Labour Force Survey of 1981/82 results, another Rural Labour Force Survey was conducted in 1987/88. Also the CSA has conducted the 1976 Addis Ababa Manpower and Housing Sample Survey and the 1978 Manpower and Housing survey in Seventeen Major Towns. Moreover, some data on the labour force were also collected as a part of other surveys such as the 1990 Family and Fertility Survey, 1996 Urban Informal Sector Sample Survey and in the country wide deccennial Population and Housing Censuses of Ethiopia conducted in 1984 and 1994.

The labour force surveys that were conducted earlier were limited in areal coverage and content of the questionnaires. In this respect, both the 1981/82 and 1987/88 surveys covered only the rural part of the country. Till the current survey was conducted, there hasn't been a comprehensive national labour force survey representing both the urban and the rural areas of the country. Moreover, the information that should have been provided through labour force surveys could be said relatively out-dated, as the sector is dynamic and sensitive to economic and social changes. To fill this data gap, a series of current and comprehensive labour force surveys need to be undertaken.

Recognizing this fact, the Central Statistical Authority (CSA) has conducted a national

labour force survey in March 1999. The survey is the first of its kind in that it covers the rural and the urban areas and it contains detailed information on the subject. The results of this survey have been already released to users in a publication entitled "Statistical Report on the 1999 National Labour Force Survey (NLFS)" and this presented the data in a former of detailed statistical tables including the concepts and definitions on the major technical terms used in the survey. The CSA hopes that users have benefited a lot from this publication. To increase the utility of the result of the survey, the CSA taught that it necessary to make further analysis on the data. The analytical presentation of this report will be based on the tables that have been presented in the statistical report (Report on Statistical Tables of the 1999 Labour Force Survey, CSA, 1999) and some additional tables produced and included in this report. This chapter presents an overview to the survey background.

1.2 Objectives of the Survey

The objective of the 1999 National Labour Force survey was to provide statistical data on the size and characteristics of the employed, unemployed, underemployed and the non-active population of the country. The specific objectives of the 1999 National Labour Force Survey are to:

a) collect statistical data on the potential manpower who are available to take part in various socio-economic activities;
b) determine the size and distribution of the labour force and the status and rates of economic activity and also to study the socio-economic and demographic characteristics of these groups;
c) identify those who contributed to economic development and those who are partially employed, without work and economically inactive;
d) estimate and assess the levels and characteristics of the unemployed population;
e) generate data on the status and type of professional and vocational training;
f) assess the size and characteristics of children aged 5-14 years that were engaged in economic activities;
g) assess the situation of women's employment or the participation of women in the

labour force;

In general, the data obtained from the survey is useful for policy makers, planners, researchers, and other institutions and individuals engaged in the design and implementation of human resource development projects and programs.

1.3 Contents of the Survey

The survey was mainly aimed at providing information on the economic characteristics of the population aged 10 years and over, that is, their economic activity status, employment, unemployment and underemployment situation. It has also covered detailed socio-demographic characteristics of the population such as, age, sex, literacy status, educational level, type and sources of training as well as internal migration of the economically active and the non-active population. In addition, separate section that deals with the participation of children aged 5-14 years in economic activity was attached to the main questionnaire.

The survey has used a structured questionnaire to solicit the required data. Before taking its final shape, the draft questionnaire was tested by undertaking a Pilot Study. Based on the result of the pilot study the content, layout and presentation of the questionnaire was amended. The content of the survey has been further revised on the basis of the discussion made on the user - producer forum organized by the CSA.

The questionnaire is organized into six sections:

Section-1 Area identification of the selected household: this section has dealt with area identification of respondents such as Region, Zone, Wereda, etc.,

Section-2 Particulars of household members: it consisted of the general socio-demographic characteristics of the population such as age, sex, educational level, migration status, types and sources of training and marital status.

Section-3 Economic activity during the last twelve months and last seven days: this section covered the usual and current economic activities, number of hours worked as well as reasons for not working during the last twelve months and last seven days.

Section-4 Characteristics of persons engaged in productive activities during the last seven days: this section dealt with the characteristics of employed persons such as occupation, industry, terms of employment, employment status, sector of economy engaged in, status of change of employment and underemployment condition.

Section-5 Unemployment and characteristics of unemployed persons: the section focused on the size and characteristics of the unemployed population.

Section-6 Economic activity of children aged 5-14 years: the section contained information on the participation of children aged 5-14 years in economic activities, such as, school enrollment status, whether worked in the last seven days, ...etc.

The questionnaire used in the field was prepared in Amharic language. Most questions have pre-coded answers and column numbers were assigned for each question. A copy of the questionnaire together with its English translation is attached as Annex I of this report.

The survey employed two approaches in the measurement of the economically active population, namely the usual and the current status approaches. In the usual status approach that refers to a longer time interval, data was collected about the main or usual economic activity of the population. On the other hand, the current status approach was based on a shorter reference period, and data was collected with reference to the current activity of the population. The usual status approach refers to the last twelve months proceeding the date of interview, while current approach using moving reference period, referred to the last seven days prior to the date of interview. In the survey, both approaches were employed in the urban and rural areas and consequently the content of the questionnaires that were administered in the two areas were similar.

CHAPTER II
SURVEY METHODOLOGY

2.1 Coverage and Sample Design

The 1999 National Labor Force Survey covered both urban and rural parts of the country, except six zones in Somali Region and two zones in Affar Region. In addition the residents of collective quarters, homeless persons and foreigners were not covered in the survey. For the purpose of the survey, the survey population in the country was divided into urban and rural categories (See Table 2.1).

Category I: **Urban** parts of 26 zones, that is 4 zones in Tigray, 10 zones in Amhara, and 12 zones in Oromiya regions; and 9 zones and 5 special weredas in SNNP Region; and urban parts of Affar, Somali, Benishangul-Gumuz, Gambela and Harari regions and Addis Ababa and Dire Dawa Administration were grouped in this category. Each of the above mentioned urban parts of the zones, except the 5 special weredas in SNNP Region were the survey domains (reporting levels). All in all 47 basic urban domains (Reporting levels) including total urban (regional and country level) were defined for the survey.

Category II: **Rural** parts of 26 Zones that is 4 zones in Tigray, 10 zones in Amhara, 12 zones in Oromiya regions and 9 zones and 5 special weredas in SNNP regions; and rural parts of Affar, Somali, Benishangul-Gumuz, Gambela and Harari regions, Addis Ababa and Dire Dawa Administration were grouped in this category. Each of the above mentioned rural parts of zones and special weredas, except Addis Ababa rural, were the survey domains (reporting levels). All in all 51 basic rural domains (reporting levels) including total rural (regional and country level) were defined for the survey. In addition to the above urban and rural domains, survey results can be reported at regional and country levels by aggregating the survey results for the corresponding urban and rural areas.

Definition of the survey domains was based on both technical and resource considerations. More specifically, sample sizes for the domains were determined to enable

provision of major indicators with reasonable precision subject to the resources that were available for the survey.

2.2 Selection Scheme and Sample Size

In both categories stratified two-stage sample design was used to select the sample in which the Primary Sampling Units (PSUs) were enumeration areas (EAs). Sample EAs from each domain were selected using systematic probability proportional to size; size being number of households obtained from the 1994 Population and Housing Census. From category I, a total of 913 EAs and from category II, a total of 1428 EAs were selected. Within each sample EA, fresh list of households was prepared at the beginning of the survey's fieldwork for urban sites and at the beginning of the 1991 E.C. Agricultural Sample Survey's fieldwork for rural sites. The survey questionnaire was administered to 35 systematically selected households within each of the sampled EAs. Based on the results of the survey operations, coverage rate of sample EAs was 99.7 percent and response rate of sample households was 99.4 percent. For the Distribution of sample units by domain (reporting levels) and category, readers may refer to Table 2.1 and Table 2.2.

TABLE 2.1: PLANNED AND COVERED SAMPLE NUMBER OF ENUMERATION AREAS (EAs) IN THE SURVEY

	Rural Domains	Sample Number of EAs			Urban Domains	Sample Number of EAs	
		Planned	Covered			Planned	Covered
1	**Tigray**	100	99	1	**Tigray**	80	80
1.1	W. Tigray	25	24	1.1	W. Tigray	21	21
1.2	C. Tigray	25	25	1.2	C. Tigray	19	19
1.3	E. Tigray	25	25	1.3	E. Tigray	20	20
1.4	S. Tigray	25	25	1.4	S. Tigray	20	20
2	**Afar*** **	60	59	2	**Afar*** **	20	20
3	**Amhara**	285	284	3	**Amhara**	196	196
3.1	N. Gondar	30	30	3.1	N. Gondar	20	20
3.2	S. Gondar	30	29	3.2	S. Gondar	20	20
3.3	E. Gojam	30	30	3.3	E. Gojam	20	20
3.4	W. Gojam	30	30	3.4	W. Gojam	20	20
3.5	Agew Awi	25	25	3.5	Agew Awi	20	20
3.6	N. Wollo	30	30	3.6	N. Wollo	20	20
3.7	S. Owl	30	30	3.7	S. Wollo	20	20

3.8	Wag Him	25	25	3.8	Wag Himra	16	16
3.9	Oromiya	25	25	3.9	Oromiya	20	20
3.10	N. Showa	30	30	3.10	N. Shewa	20	20

TABLE 2.1 (Cont'd)

	Rural Domains	Sample Number of Eas			Urban Domains	Sample Number of EAs	
		Planned	Covered			Planned	Covered
4	**Oromiya**	360	360	4	**Oromiya**	240	238
4.1	N. Shewa	30	30	4.1	N. Shewa	20	20
4.2	W. Shewa	30	30	4.2	W. Shewa	20	20
4.3	E. Shewa	30	30	4.3	E. Shewa	20	20
4.4	Arsi	30	30	4.4	Arsi	20	20
4.5	Bale	30	30	4.5	Bale	20	20
4.6	Borena	30	30	4.6	Borena	20	20
4.7	E. Wellega	30	30	4.7	E. Wellega	20	20
4.8	W. Wellega	30	30	4.8	W. Wellega	20	20
4.9	Jimma	30	30	4.9	Jimma	23	23
4.10	Illubabor	30	30	4.10	Illubabor	17	17
4.11	E. Harerge	30	30	4.11	E. Harerge	20	19
4.12	W. Harerge	30	30	4.12	W. Harerge	20	19
5	**Somali*** **	60	58	5	**Somali*** **	20	20
6	**Benishangul-Gumuz*** **	75		6	**Benishangul-Gumuz*** **	20	20
7	**SNNP**	395	395	7	**SNNP**	200	200
7.1	N. Omo	30	30	7.1	N. Omo	20	20
7.2	S. Omo	30	30	7.2	S. Omo	20	20
7.3	Bench-Maji	30	30	7.3	Bench-Maji	18	18
7.4	Kefa-Sheka	30	30	7.4	Kefa-Sheka	22	22
7.5	Gedeo	30	30	7.5	Gedeo	20	20
7.6	K.A.T	30	30	7.6	K.A.T	20	20
7.7	Hadiya	30	30	7.7	Hadiya	20	20
7.8	Gurage	30	30	7.8	Gurage	20	20
7.9	Sidama	30	30	7.9	Sidama	20	20
7.10	Amaro **	25	25	7.10	Amaro **	3	3
7.11	Burji **	25	25	7.11	Burji **	3	3
7.12	Yem **	25	25	7.12	Yem **	1	1
7.13	Konso **	25	25	7.13	Konso **	3	3
7.14	Derashe **	25	25	7.14	Derashe **	10	10
8	**Gambela**	30	30	8	**Gambela**	20	20
9	**Harari**	30	30	9	**Harari**	20	20
10	**Addis Ababa***	3	3	10	**Addis Ababa***	72	72
11	**Dire Dawa**	30	30	11	**Dire Dawa**	25	25
	Total	1428	1423		Total	913	911

*** In this survey, rural Addis Ababa is not considered as an independent reporting level.**

**** In this survey, each of the 5 Special Weredas in SNNP (Yem, Amaro, Burji, Konso, and Derashe) region are not considered as independent reporting level.**

***** In this survey, zones of Affar, Somali and Benishangul-Gumuz regions are not considered as independent reporting levels.**

Note: In this and subsequent tables of the report SNNP refers to Southern Nations, Nationalities and Peoples' and K.A.T refers to Kembata Alabana Timbaro.

TABLE 2.2: PLANNED AND COVERED SAMPLE NUMBER OF HOUSEHOLDS IN THE SURVEY

	Rural Domains	Sample Number of Households			Urban Domains	Sample Number of Households	
		Planned	Covered			Planned	Covered
1	**Tigray**	3500	3462	1	**Tigray**	2800	2800
1.1	W. Tigray	875	837	1.1	W. Tigray	735	735
1.2	C. Tigray	875	875	1.2	C. Tigray	665	665
1.3	E. Tigray	875	875	1.3	E. Tigray	700	700
1.4	S. Tigray	875	875	1.4	S. Tigray	700	700
2	**Afar*** **	2100	1966	2	**Afar*** **	700	698
3	**Amhara**	9975	9911	3	**Amhara**	6860	6841
3.1	N. Gondar	1050	1050	3.1	N. Gondar	700	696
3.2	S. Gondar	1050	1013	3.2	S. Gondar	700	699
3.3	E. Gojam	1050	1049	3.3	E. Gojam	700	700
3.4	W. Gojam	1050	1049	3.4	W. Gojam	700	700
3.5	Agew Awi	875	875	3.5	Agew Awi	700	700
3.6	N. Wollo	1050	1047	3.6	N. Wollo	700	697
3.7	S. Wollo	1050	1050	3.7	S. Wollo	700	698
3.8	Wag Hemra	875	873	3.8	Wag Hemra	560	560
3.9	Oromiya	875	856	3.9	Oromiya	700	691
3.10	N. Shewa	1050	1049	3.10	N. Shewa	700	700
4	**Oromiya**	12600	12591	4	**Oromiya**	8400	8330
4.1	N. Shewa	1050	1050	4.1	N. Shewa	700	700
4.2	W. Shewa	1050	1048	4.2	W. Shewa	700	700
4.3	E. Shewa	1050	1050	4.3	E. Shewa	700	700
4.4	Arsi	1050	1050	4.4	Arsi	700	700
4.5	Bale	1050	1049	4.5	Bale	700	700
4.6	Borena	1050	1049	4.6	Borena	700	700
4.7	E. Wellega	1050	1050	4.7	E. Wellega	700	700
4.8	W. Wellega	1050	1050	4.8	W. Wellega	700	700
4.9	Jimma	1050	1049	4.9	Jimma	805	805
4.10	Illubabor	1050	1050	4.10	Illubabor	595	595
4.11	E. Harerge	1050	1049	4.11	E. Harerge	700	665
4.12	W. Harerge	1050	1047	4.12	W. Harerge	700	665
5	**Somali*** **	2100	1992	5	**Somali*** **	700	700
6	Benishangul -Gumuz***	2625	2618	6	**Benishangul - Gumuz*** **	700	700

TABLE 2.2 (Cont'd)

	Rural Domains	Sample Number of Households			Urban Domains	Sample Number of Households	
		Planned	Covered			Planned	Covered
7	**SNNP**	13825	13823	7	**SNNP**	7000	6997
7.1	N. Omo	1050	1050	7.1	N. Omo	700	700
7.2	S. Omo	1050	1050	7.2	S. Omo	700	699
7.3	Bench Maji	1050	1050	7.3	Bench Maji	630	628
7.4	Kefa Sheka	1050	1049	7.4	Kefa Sheka	770	770
7.5	Gedeo	1050	1050	7.5	Gedeo	700	700
7.6	K.A.T	1050	1050	7.6	K.A.T	700	700
7.7	Hadiya	1050	1050	7.7	Hadiya	700	700
7.8	Gurage	1050	1050	7.8	Gurage	700	700
7.9	Sidama	1050	1050	7.9	Sidama	700	700
7.10	Amaro	875	875	7.10	Amaro **	105	105
7.11	Burji	875	875	7.11	Burji **	105	105
7.12	Yem	875	875	7.12	Yem **	35	35
7.13	Konso	875	874	7.13	Konso **	105	105
7.14	Derashe	875	875	7.14	Derashe **	350	350
8	**Gambela**	1050	1046	8	**Gambela**	700	700
9	**Harari**	1050	1050	9	**Harari**	700	700
10	**Addis Ababa***	105	105	10	**Addis Ababa**	2520	2518
11	**Dire Dawa**	1050	1050	11	**Dire Dawa**	875	875
	Total	49980	49614		Total	31955	31859

*** In this survey, rural Addis Ababa is not considered as an independent reporting level.**
**** In this survey, each of the 5 Special Weredas in SNNP (Yem, Amaro, Burji, Konso, and Derashe) region are not considered as independent reporting level.**
***** In this survey, zones of Affar, Somali and Benishangul-Gumuz regions are not considered as independent reporting levels.**

Note: In this and subsequent tables of the report SNNP refers to Southern Nations, Nationalities and Peoples' and K.A.T refers to Kembata Alabana Timbaro.

2. 3 Training of Field Staff

All the Branch Statistical Offices of the CSA participated in the survey undertaking, that is, in organizing the second stage training, in deploying the field staff to their respective sites of assignment, and retrieving completed questionnaires and submitting them to the head office for data processing. They were also responsible in administering the financial and logistic aspect of the survey as well as field supervision within the areas of their assignment.

For the purpose of this survey, the training program of enumerators, supervisors and other field and office staff was conducted in two stages. The first stage training was conducted at the head quarters of the CSA, in Addis Ababa for seven days. The participants were selected from professionals and sub-professionals with long time experiences, branch office heads and their assistants who were to train enumerators and supervisors during the second stage of training conducted at the Branch Statistical Offices. The training was guided by an enumerator and supervisor manual, which consists of detailed explanation of concepts, ideas and instructions on how to fill each entry in the questionnaire.

The training at the head office, which lasted for seven days, consisted of theoretical discussions on concepts, definitions, and techniques of completing the questionnaire, as well as mock and practical field practice interview of households and/or household members. The objectives of mock and practical interviewing of households were twofold. First, it enabled to assess how well the theoretical class discussions were understood by all participants so that they could convey the same message to the enumerators and the supervisors. The second objective was to examine the difficulty, which would likely be encountered during actual fieldwork.

The second stage training was undertaken at the Branch Statistical Offices. The trainers were those who were trained at the head office and they gave similar training for enumerators and field supervisors for 10 days. The training consisted of classroom discussions, mock-interview and one day field practice. In addition, thorough discussions were made after field practice. The discussions were intended to exchange experiences among

participants and pinpoint the areas of the survey questions that need more care and attention.

2.4 Field Organization and Fieldwork

In order to carry out this survey with the desired level of quality, there was a need to organize a large staff who performs the various survey activities. The 22 Branch Statistical Offices of the CSA carried out the data collection operation. These offices have permanent enumerators and supervisors stationed in the selected enumeration areas. In the data collection operation of the survey, a total of 1654 enumerators and 351 field supervisors were involved with an average supervisor-enumerator ratio of 1 to 5.

The interviews were made through house to house calls using a structured questionnaire. The data was collected from each sampled household and the respondent from whom the information collected was the head of the household or other responsible household member. Most of the enumerators were assigned to an area in which they could easily converse with the respondent's dialect. In cases where the interview could be conducted only through the use of an interpreter, an interpreter was employed for the purpose.

In some of the sample sites the data collection was carried out in two phases. That is, after the data collection in urban sample sites was completed, the enumerators and supervisors were shifted to rural sample sites to carry out the same exercise. Field supervision was undertaken side by side with the data collection. During the survey data collection operation, close and regular supervision was undertaken at various levels. Immediately after the commencement of the data collection exercise the supervisors made spot checks, close supervision, re-interviewing and a thorough scrutiny of filled-in questionnaires to ensure that the data collection activities are taking place according to the given instruction. In addition to this, the trainers and branch statistical office heads made supervision of the data collection operation.

Senior staff members from the CSA head quarters in Addis Ababa, apart from giving training to the enumerators and supervisors at Branch Statistical Office level, participated in

the field supervision activities, which took about one week. Furthermore, during the training and at the beginning of fieldwork, the Management Staff from the CSA head quarters visited all Branch Statistical Offices and some urban and rural enumeration areas. In this instance they have discussed on the objectives and importance of the survey, the expected quality of the data and some other related issues with supervisors and enumerators.

2.5 Data Processing

The filled-in questionnaires that were retrieved from the field were first subjected to manual editing and coding. During the fieldwork the field supervisors and the heads of branch statistical offices have checked the filled-in questionnaires and carried out some editing. However, the major editing and coding operation was carried out at the head office. All the edited questionnaires were again fully verified and checked for consistency before they were submitted to the data entry. After the data was entered, it was again verified using the computer.

Using the computer edit specification prepared earlier for this purpose, the entered data were checked for consistencies and then computer editing or data cleaning was made by referring back to the filled-in questionnaire. This is an important part of data processing operation in attaining the required level of data quality. Consistency checks and re-checks were also made based on tabulation results. This was done by senior programmers using Integrated Microcomputer Processing System (IMPS) software in collaboration with the experts from Manpower, Wages and Salaries Statistics Study and Research Experts Team of the CSA.

2.6 Limitations and Constraints

In the 1999 National Labour Force Survey, migrants were identified by asking a question on the length of continuous residence in the survey area. A detailed question like region or zone of previous residence, area of previous residence and reasons for migration

were asked only to those recent migrants who moved out from their original place during the five years prior to the date of the interview. It was decided not to ask long time (5 years or more) migrants further question about their region or zone of previous residence assuming that they may not be well aware of the current Structure of regional administration.

Lack of income data from employment is another limitation of this survey. It is believed that it is difficult to collect data on income from employment in a situation where most people do not want to give information about their actual income or earnings. Furthermore, specifically the currently available techniques developed for measuring income from self-employment are not refined and yet ambiguous. Moreover, it is suspected that if such a sensitive question is presented to the respondent, it can affect the smooth running of the whole data collection exercise. To avoid such problems, income variables were left out from the questionnaire. However, income data that would supplement the available information could be obtained from other sources like the result of the Household Income, Consumption and Expenditure Survey.

2.7 Organization of the Report

This report contains in seven chapters. The first chapter covers background to the survey, where the objectives and the contents of the survey were discussed. Chapter II deals with the survey methodology, where coverage and sample design, selection scheme and sample size, training of field staff, field organization and field work, data processing, limitation and constraints of the survey and organization of the report. The results of the survey are presented in the subsequent chapters that is, chapters III to VII. Chapter III deals with the size and basic characteristics of the total population such as the distribution of population by age, sex, education and migration. Chapter IV presents data on the economic participation of the population aged ten years and over. Chapter V explores the characteristics of the employed population, while Chapter VI focuses on the detailed characteristics of the unemployed population. Finally in chapter VII the result of the survey on economic participation of children aged 5-14 years will be discussed.

Since the information presented in this report was collected from a sample of the population, statistical weight were applied to the information collected in order to let them represent the entire population. The application of statistical weight has resulted in some minor rounding errors. Because of this, slight discrepancies among the various tables may be observed.

CHAPTER III

SIZE AND CHARACTERISTICS OF THE POPULATION

3.1 Introduction

This chapter presents some highlights on the basic socio-economic and demographic characteristics of the general population. This will provide the data users the opportunity to interpret the result presented in the subsequent chapters in their proper context. The topics covered in this chapter include population size; distribution of the population by age and sex; migration status; educational level; and status and type of training.

3.2 Population Size

Table 3.1 show that, as of March 1998, the total population of the survey covered sedentary areas of Ethiopia was estimated to be 54,453,238, of which 26,875,567 were males and 27,577,671 were females. Estimates of population of each region of the country are also presented in the same table.

These figures and all the figures presented in the rest of the tables refer to the dejure population residing in conventional households. The dejure population comprises all the people who belong to a given area at a given time by virtue of usual residence. Thus, excluded are visitors, persons residing in collective quarters (hotel/hostel, boarding schools, prisons...etc.) as well as homeless persons. Moreover, the total population presented above does not include non-sedentary areas of the country, that is, six zones of Somali Region and two zones of Affar Region.

Regarding urban/rural distribution, the data in Table 3.1 show that 86.5 percent of the population covered by the survey is residing in rural areas. Leaving aside Addis Ababa, for which no separate estimate is given for its rural part, the proportion living in urban areas is highest for Dire Dawa Administration and Harari Region, and lowest for SNNP, Benishangul-Gumuz, Amhara and Oromia Regions.

3.3 Age-Sex Composition of the Population

3.3.1 Age Pattern

The distribution of the population of Ethiopia by 5 year age group and sex is shown in Table 3.2 and graphically presented in Figures 3.1a - 3.1c. The age structure of the country's population is typical of the pattern observed for the developing countries, that is, the age pyramid has broad base and the proportion in the young age groups was much higher than that of adult and old age groups. The data in Table 3.3 show that 47.0 percent of the population was constituted by children below age 15 years. The proportion aged 15 - 64 years was 49.6 percent of the total population and that of the old age (65 years and over) was only 3.4 percent.

The age pattern of the rural population resembles that of the country. The pattern for urban population, however, is different in that the age pyramid is relatively narrow based and the proportion of the young is much lower than that of the adults. The proportion of children under age 15 years in urban areas is about 38.0 percent, those at age group 15-64 years constitute 58.8 percent and those at age group 65 and above constitute 3.2 percent. The age-sex composition of the population by broad age group shows some variation from one region to another.

3.3.2. Sex Composition

Sex composition of a population can conveniently be described by a series of 'sex ratios' for various subgroups of the population. The sex ratio is defined as the number of males per 100 females in a given population. The overall sex ratio and sex ratios for successive five-year age groups are presented in Table 3.2. In line with the general expectation, the overall sex ratio for the total country and rural Ethiopia are about 100. This shows, the balance between males and females in the country as well as in the rural areas. The situation in the urban areas is very different. The sex ratio for urban areas amounts 86.5, showing excess of females over males.

3.3.3 Dependency Ratio

Dependency ratio, which is a useful approximation to economic dependency burden, can be obtained from age composition of the population. These ratios provide only approximation to economic dependency and do not necessarily mean that all persons in the so-called working age group do actually participate in the economic activity and that all persons outside these age (say less than 15 years) are dependent. A more precise estimate of economic dependency will be presented in Chapter IV. The young, old and overall dependency ratios for the country and regions were calculated and presented in Table 3.3. Young dependency ratio is defined as the ratio of population in the age group 0-14 to those in the age group 15-64 multiplied by 100. Similarly, old dependency ratio is defined as the ratio of persons aged 65 years and above to those in the age group 15-64

multiplied by 100. The sum of young and old dependency ratios provide overall dependency ratio. The overall dependency ratio for the country was 102 with dependency ratio of about 95 and 7 for the young and for the old, respectively (see Table 3.3).

This means that for each 100 persons in the productive age groups there were about 102 young and old dependents to be supported. The data in Table 3.3 further shows that the overall dependency ratio was low for Addis Ababa, Gambella and Harari regions and Dire Dawa Administration and high in Oromiya, Tigray and Somali regions.

3.4 Migration

3.4.1 Measurement

Considering migration, this survey has included a question on length of continuos residence, place of previous residence (region, zone and area of previous residence) as well as reason for migration. The length of continuos residence data was used to determine the migration status and hence the level of migration as well as for distinguishing the current and long-time migrants. In this survey migration status of a person was defined in urban and rural areas differently. The question asked in the urban areas referred to the number of years the person has been continuously residing in the town, while in the rural areas, it referred to the number of years the person has been continuously residing in the rural part of wereda of enumeration. Thus, in urban areas, a person who was born in a town and has been continuously residing there is considered as a non-migrant. However, a person who was born in another town or any rural parts of the country is considered as a migrant. Also, a person who was born in the survey town but at one time or another resided in another town or any rural part of the country and has returned to the survey town is considered as a migrant (return migrant). Similarly, in rural areas a person who was born in a rural area of the wereda of enumeration and has been continuously residing there, is considered as a non-migrant. However, a person who was born in a rural part of another wereda (other than the wereda of enumeration) or any town is considered as a migrant (This, however, does not work for Addis Ababa rural since the rural part of Addis Ababa is considered as one migration unit). Also, a person who was born in the rural part of the survey wereda but at one time or another resided in a rural part of a different wereda or any town and has returned to the rural part of the survey wereda is considered as a migrant (return migrant).

For some one who keeps on coming to and going away from his area of enumeration, a limited period of ‘six-months’ was used to define his/her migration status. Thus, if an individual is absent from his/ her usual place of residence for more than six months and not expected to return to his/her place of residence then he/she is considered as not continuously residing in that particular survey area. In the survey, a person is said to be a usual resident of an area if he/she has been residing in the area continuously for at least six months before the survey date or intends to reside in the area for six months or longer.

3.4.2 Levels and Patterns of Migration

Level of migration to an area is measured as a proportion of migrants to the total population of the area. Table 3.4 presents the proportion of migrants (long time and recent) for the country and regions classified by sex, urban and rural areas. Accordingly in 1999, among the total population of the country 19.6 percent were migrants. The table further shows that the level of migration to be different for males and females, the latter being more mobile. As can be seen latter, migration due to marriage could be one of the factors that lead to higher female mobility. Also, the level of migration for urban areas was substantially higher than that of rural areas. The proportion of migrants in the urban areas was about 49.3 percent against 15.0 percent for the rural areas.

Comparison of the proportion of migrants between regions shows some variations. Generally, the proportion of migrants was lower in the populous regions than those regions with relatively small population size. The highest level of migration was observed for Addis Ababa (46.9 percent), followed by Gambella region (42.9 percent) and Dire Dawa Administration (37.4 percent). Levels of migration in Harari, and Benishangul-Gumuz regions took intermediate positions. The lowest level of migration was observed for Amhara and SNNP regions. The sex and urban-rural disparity in the level of migration observed at national level holds true for all regions except Gambella Region, where the survey result indicated more mobile males than females.

The survey result further shows (for all regions) intra-regional migrants are higher than inter-regional migrants. Detailed data are presented in Tables 3.6 together with the volume of in and out migration from each region. Table 3.5 presents similar figures for recent migrants (migration during the last five years prior to the survey date). According to the data in the table only 4.3 precent of the population of Ethiopia migrated during the last 4 years. As observed in the case of all migrants, recent migration is still more of urban phenomena and dominated by females. However, the percentage point difference between male and female is smaller for the recent migrants and this holds true for all regions. Among the regions, Gambella is the leading region in terms of proportion of recent migrants, with 12 percent recent migrant population. Next to Gambella is Addis Ababa, closely followed by Harari, Benishangul-Gumuz and Affar regions.

Even though the population of Affar and Somali regions are known by their high mobility the figures in Table 3.5 does not reflect this fact. The reason for this is the exclusion of the non-sedentary population in the survey, and hence the nomadic nature of the non-sedentary population could not be captured. Moreover, even in the survey covered areas, the movements were made in search of water and grass which may not last a period of 6 months failing to

satisfy the definition of migration.

3.4.3 Form of Migration

Form of migration is defined as the movements of people between and within rural and urban areas. According to this definition, four possible groups of flows, i.e., Rural-Rural, Urban-Urban, Rural-Urban, and Urban-Rural, were identified. The data on form of migration was determined by asking migrants whether their area of previous residence was urban or rural and cross classifying it by area of enumeration. Area of enumeration is categorized as urban or rural. An urban center in this survey follows the definitions used in the 1994 Population and Housing Census.

Table 3.7 shows that the main forms of migration during the five years prior to march 1999, were, Rural-Rural dominated (37.6 percent), where as Rural-Urban and Urban-Urban follow with almost equal percentage (23.5 and 23.2 percent, respectively) putting the Urban-Rural form of migration at the bottom (15.7 percent).

It is worth mentioning here that the rural-rural form of migration for Harari Region and Dire Dawa Administration is not applicable since these regions have only one woreda, the smallest geographical unit for migration, and movement within this unit is not considered as migration.

The findings of the 1999 LFS, with respect to forms of migration show that it has a similar pattern with that of the 1984 and 1994 National Population Census. As can be seen from Table 3.8, the largest form of migration is seen in the Rural-Rural category in all the three reference periods (1984, 1994 and 1999) comprising of 55.8, 48.9 and 37.6 percent of their respective total population. Rural-Urban migration took the second position with a percentage share of 28.7, 24.8 and 23.5 percent in 1984, 1994 and 1999, respectively. Urban-Urban and Urban-Rural forms of migration took the 3rd and 4th positions.

It is, however, very important to note that, even though there is a similarity in the pattern of the forms of migration over the years, one should not fail to notice the significant changes encountered in terms of magnitude. Thus, the Rural-Rural form of migration decreases from 55.8 percent in 1984 to 37.6 percent in 1999 and the Rural-Urban form of migration also decreases from 28.7 percent in 1984 to 23.5 percent in 1999. But, the Urban-Urban and Urban-Rural forms of migration ascended from 13.5 to 23.2 percent and from 2.0 to 15.7 percent respectively in the years 1984-1999.

Rural- Rural migration is the dominant form of migration among most of the regions. But in Tigray,

Somali and, Harari regions and Dire Dawa Administration, Urban-Urban migration is the major form of migration. Unlike the other regions, in the S.N.N.P region one can see that the proportion migrating from urban areas to rural areas is higher than that of from urban to urban areas. On the other hand it is only in Gambella region that we find a balanced exchange of migration between urban and rural areas.

Table 3.8 Forms of Migration in 1984, 1994 and 1999

Forms Of Migration	1984 CENSUS	1994 CENSUS	1999 LABOUR FORCE SURVEY
All Forms	100.0	100.0	100.0
Rural-Rural	55.8	48.9	37.6
Rural-Urban	28.7	24.8	23.5
Urban-Rural	2.0	7.3	15.7
Urban-Urban	13.5	18.9	23.2

3.4.4 Reason for Migration

In this survey recent migrants, i.e., migrants whose duration of continuos residence in the enumeration area is less than 5 years were asked to state their main reason for migrating. Tables 3.9a-3.9c presents the distribution of recent migrants by main reason for migration classified by sex and broad age group for total country, urban and rural areas, respectively. As the table shows, migration along with family, search for work, marriage arrangement and returning back home in that order, are the most important reasons of migration. Main reasons for migration show some variation between men and women. As expected, marriage arrangement is the second main reason for migration among females, while it is not important at all among men. For men education is reported by about 11 percent of the migrant population.

Reason for migration seems to vary by age. Nearly 70 percent of the youth reported that they moved along with family or they migrated to live with relatives as their main reason. Education and search for job were reported by only 9.0 percent and 7.2 percent, respectively. Similar patterns were observed for both the males and females. Among the middle age population that is, those aged 15-64 years, search for work, marriage arrangement, return back home, moving along with family and education are the dominant reasons for migration, reported by 22.0 percent, 18.7 percent, 12.2 percent, 10.6 percent and 9.6 percent respectively. In line with the general expectation, search for job, marriage arrangement and education are no more important

reasons for migration among the population aged 65 years and over. In this age group, both the males and females reported "to live with their relatives" or "return back home" as the most important reason for migrating. Moving along with family is also relatively important, particularly among the females.

In urban areas, the contribution of education as the main reason for migration has strengthened while marriage arrangement has shown drastic decrease in this regard. This change holds true for both sexes and for all age categories under consideration. For detailed data on distribution of reason for migration by region, one could refer to Table 3.10.

3.5 **Educational Attainment**

The educational attainment of a person refers to the highest grade the person has completed in the formal education system of the country. In this survey, data were collected on whether each person aged 10 years and over:

a) Can Read and Write, which is used to determine literacy status

b) If he/she can read and write; Highest grade completed for the literate, in the formal educational ladder.

According to the 1999 National Labour Force Survey (NLFS) result, nearly one third of the population aged ten years and over were reported to be literate (see Table 3.11). In this survey those who can read and write in at least one language are considered as literate. Proportion literate among men is about two times higher than the corresponding figure for females. Furthermore, the data revealed that literacy rate was much higher in urban areas (72.0 percent) than in rural areas (22.1 percent). Also, the gap between male and female literacy status is less pronounced in urban areas than in rural areas.

Looking into the literate population it may be observed that well above half (59.2%) of the literate population has completed only grades 1-6. The next major groups were those who became literate in non-formal[1] education (12.7 percent) and those who completed grades 7-8 (12.1 percent). About 6.0 percent of the literate population have completed grade 12, the educational level which marks the end of the secondary school, and the beginning of higher education in Ethiopia. The proportion who completed grades beyond 12 is very small (3.0 percent).

The distribution of the population by highest grade completed show similar pattern for both the males and females. The rates are always lower for females compared to males at all grades.

[1] includes persons who became literate by attending religious schools (church schools or quranic schools),

The distribution of literate population by highest grade completed showed some variation between urban and rural areas. In rural areas, the contribution of non-formal education stood second, next to grades 1-6. In urban areas, however, non formal education has the least contribution.

In terms of proportion of literate population, Addis Ababa was well above all the other regions, 83.7 percent of its population being able to read and write. Harari Region and Dire Dawa Administration and Gambella Region took intermediary position, 57.0 percent, 53.4 percent and 47.6 percent literates, respectively. Literacy rate is relatively low for are Affar, Amara, and Somali regions (see tables 3.12).

3.6 Status and Type of Training

The percentage distribution of persons with Vocational/ Technical/ Professional training are presented in Table 3.13. In this survey a person is considered as trained if he/she has passed through any short or long-term skill/ability development-training program given in or outside classroom in theory or in practice or both, and that resulted in award of a certificate to the training. It should be noted that the trainee could be either literate or illiterate. Examples, are persons that have been trained and received certificate from secondary schools in vocational/technical subjects; University, college, public or private organization/institution ...etc; that offer short or long term training program.

According to the survey result, 571,641 males and 234,273 females have received some kind of training. This means that only 2.3 percent of the population aged 10 years and above (3.3 percent of the males and 1.3 percent the females) has got training as defined by this survey (see Table 3.13). The proportion of trained persons in urban areas is relatively higher than that of the rural areas. As can be observed from the table, the population who have been trained in teaching, driving and military skill make up the highest proportion 11.5 percent, 9.7 percent and 9.3 percent, respectively. These were closely followed by persons trained in typing, business economics and home economics. Persons who are trained with pottery, computer science, natural science and hotel and tourism were found to be negligible in number and each contribute less than one percent.

Observing the difference in percentage distribution between urban and rural areas, persons who were trained in teaching are still greater in urban areas whereas the percentage of persons who were involved in military training were greater in rural areas (24.3 percent).

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by self effort, literacy campaign, etc.

As can be seen from the table, type of training is also differently distributed by sex. The males were trained in more diverse fields in which driving (13.5 percent), military (12.9 percent) and teaching (11.6 percent) were the major ones. On the other hand, the majority of fields in which females were trained were typing (25.4 percent), tailoring (13.2 percent), business economics (12.6 percent) and teaching (11.1 percent) were the major ones.

CHAPTER IV

ECONOMICALLY ACTIVE AND NON ACTIVE POPULATION

4.1. Introduction

Statistical data on the economically active and inactive population is essential for planning and formulating policies on the development of human resources of the country. The collection of data on the economically active population mainly provides data on the size of the work force engaged or available to be engaged in the production of economic goods and services during a given period and also its distribution in the various sectors of the economy.

In this survey, information was collected on economic participation of all persons aged ten years and over. The lower age limit was fixed at ten years because in the rural areas of the country children start taking part in many types of economic activities at young ages. In terms of activity status, the survey divided the population aged ten years and over into economically active and inactive categories.

Economic or productive activity in the survey was defined in terms of production of goods and services that fall within the United Nations System of National Accounts (SNA) production boundary (ILO, 1990). Hence, in the 1999 National Labour Force Survey, economic activity or productive activity is defined as work which involves the production of goods and/or services for sale or exchange and production of certain products for own consumption. According to the above general definition, economic activity covers production of goods and services intended for sale on the market, production of other goods and services such as government activities; production and processing of primary products (agriculture, hunting, fishing, forestry and logging; and mining and quarrying) for own consumption, processing of primary products by the producers themselves, production of other commodities

where part of it is sold on the market; and own account construction and fixed asset formation (expected life use of one year or more). Such economic activities could be performed for an individual, family or private enterprise, government establishment or public organization. The remuneration may be on daily, weekly, monthly, yearly or contract basis. On the other hand, unpaid household chores such as preparing food, cleaning the house, taking care of children or collecting firewood for own consumption are not considered in the category of economic activity. Similarly, unpaid community and volunteer services and prostitution are classified as non-economic activities.

In the survey, all persons aged ten years and over were asked whether they were engaged in productive work during the reference period. In both the urban and rural areas, all persons aged ten years and over who were productively engaged or available to be engaged during the reference period were included as economically active persons. In other words, the economically active population comprises all persons age ten years and over who were employed or unemployed in the reference period. The complement, i.e., those who were neither engaged nor furnish their labour constitute the economically inactive population.

4.2 Usual Activity Status Approach

The two approaches, that is, usual and current status approaches used for measuring the economically active population were employed in both the urban and rural areas. In the usual status approach, all persons aged ten years and over were asked to report whether they were engaged in productive activities during most of the previous twelve months. Those who were engaged in productive activities during the reference period were classified as usually employed. In the case of persons engaged in agriculture, it was decided to classify them in the usually employed category if they have worked during most of the main agricultural season of the reference year. Persons who responded that they were not engaged in productive work were further asked the reasons why they were not so engaged during most of the year. Those who were not working during the reference period and were actively looking for work comprised the

unemployed population. The employed and the unemployed persons together constitute the economically active population. On the other hand, those who were not engage in productive activity during most of the year for other reasons such as homemaking, education, illness, … etc. are classified as the economically inactive persons.

4.2.1 Economically Active and Inactive Population and Activity Rate.

Based on the above classification of economic activity status, the size and rates of economically active population obtained using the usual status approach for the country is presented in Tables 4.1a – 4.1c. The extent of the economic activity of the population is measured using economic activity rates. Economic activity rate or economic participation rate is computed as the percentage of the economically active population over the total of the active plus non-active population aged ten years and over. Among the population aged ten years and over the size of the usual economically active population was reported to be 25,622,175 and that of the economically inactive population was 10,399,995 resulting an activity rate of 71.1 percent (see Table 4.1a). The data in Table 4.1a further shows higher participation rate for the males than the females. About four-fifths of the male population were active compared to three-fifths (62.2 percent) among the females.

In the urban areas, the share of the economically active and the non-active population in the usual status approach were 3,109,580 and 2,502,424 persons, respectively, resulting in an activity rate of 55.4 percent. The corresponding figures for the rural areas were 22,512,598 economically active and 7,897,577 economically inactive persons and the activity rate was reported to be 74.0 percent (see Tables 4.1b and 4.1c).

The data in Table 4.1a and Figure 4.1a exhibited curvilinear relationship between age and activity rates. The rates start at comparatively lower level (45.3 percent) in the age group 10-14 and then grow steadily to 85.3 percent in the age group 25-29, remaining high and stable up to 35-39 years and then decline slowly thereafter. The highest activity rate is observed in the age group 35-39 years. Both the males and females show similar age pattern of activity rates, however the rate for the males were higher than that of the females at all ages.

The age pattern of the usual activity rates in both the urban and rural areas resemble that of the country total, except that the rates are relatively lower at early ages in urban areas. In both the urban and rural areas, the males have higher activity rate compared to the females. The table also revealed that in all age groups, the activity rates for the rural areas were higher than that of the urban areas (see also Figures 4.1b and 4.1c).

Table 4.2 shows the usual activity rates by region. As can be seen from the table, Amhara, Somali, Affar, Oromiya and SNNP regions, in that order, reported activity rates that are above seventy percent. Tigray and Benishangul-Gumuz regions reported that about seventy percent of their population being economically active. Dire Dawa Administration and Gambella Region recorded more than sixty percent, while Addis Ababa and Harari Region showed the lowest activity rate which is about 57 percent each (see also Figure 4.2a).

The urban areas of regions showed much variation in activity rates. The rates range from 50.3 percent for Tigray Region to 57.7 percent for Benishangul-Gumuz Region (see also Figure 4.2b). On the other hand, in the rural areas of Amhara and Somali regions, Dire Dawa Administration and Affar Region the activity rates were observed to be more than 75.0 percent, while the urban areas of Tigray, Oromiya, SNNP and Benishangul-Gumuz regions reported to have activity rates ranging from 70 to 75 percent. The third group, where relatively lower rates were observed in Gambella (63.1 percent) and Harari regions (58.4 percent). In general, in all regions whether it is in urban or rural areas, activity rates for the males were higher compared to their female counterparts (see also Figure 4.2c).

4.2.2 Reasons for Being Economically Inactive

In this survey those persons aged ten years and over were asked to report whether they were engaged in productive activities during the given reference period. Thus, persons who were neither employed nor unemployed during the reference period based on the definition given to employed and unemployed persons in section 4.2 of this chapter, were categorized to be economically inactive. The economically inactive persons were further asked to report the

reasons for not being engaged in economic activities. In this survey the reasons for not being active are categorized as students, homemakers, disabled, illness (prolonged), too young to work, prostitutes, pensioners/old aged and others.

Table 4.3 presents the economically non-active persons by reason for being inactive, sex, urban and rural areas using the usual status approach. The highest proportions of the economically inactive persons for the total country were students (36.4 percent), followed by homemakers (32.3 percent). The sex composition exhibits that among the males students were the majority (63.5 percent) followed by the old age/pensioned (9.6 percent), illness (9.1 percent) and the too young to work (8.4 percent). While among the females, students were (23.0 percent) reported next to homemakers (45.6 percent). The general pattern described above for the total country holds true for the urban areas, with very wide gap between students and homemakers for both sexes.

In the rural areas, the highest proportion of the inactive were homemakers (36.1 percent), followed by students (29.3 percent), illness (11.0 percent), and old aged/pensioned (10.9 percent) persons. The majority of the inactive males in the rural areas were students (58.8 percent) or old aged/pensioned (10.5 percent). In the case of inactive females, the highest proportion was reported as homemakers (50.1 percent) followed by students (15.5 percent).

4.3 Current Activity Status Approach

The current status approach measures the activity status in relation to a short reference period, that is, the seven days prior to the date of the interview. In this approach a series of inquiries related to engagement in economic activity, seeking and availability to work, reason for not being available to work, ...etc., were administered to determine the economic activity status of the population aged ten years and over. These questions were used to divide the population aged ten years and above into the three mutually exclusive categories: employed, unemployed, and not in the labour force. The employed and the unemployed population together make up the labour force or the currently active population. The third category, that is, those not in the labour force,

represented the population not currently active.

The employed population based on the current activity status approach consisted those who were engaged in productive activity at least for four hours during the seven days prior to the date of the interview. Persons who had regular jobs, or business, or holdings to return to but temporarily absent from work (that is, not at work or worked less than four hours) for various reasons were also included as employed persons. For a person to be considered as absent from work, he/she must have formal attachment to the job. Employees who were fully/partly paid during their absence; or who will return to their work when relieved from the problem which is accounted as a reason for absence; or who were not absent for a total of two months are considered to have formal job attachment. Self-employed persons are considered to have formal job attachment, if their place of work/ business is not closed down during their absence from work or they are sure it will be re-opened/continue to function if it is closed down. Whereas, the unemployed population, which will be defined in detail in Chapter VI, consists of persons without work but who are willing /available and ready to work during the one month after the date of the interview if any job was found.

4.3.1 Economically Active and Inactive Population and Activity Rate.

Table 4.4a shows the size of the activity status and activity rate of the population aged ten years and over based on the current activity status approach. According to the data in the table, the economically active and inactive populations were 27,068,310 and 8,915,762, respectively. This gives an activity rate of 75.1 percent. As in the case of usual status approach, the current activity rate for the males (83.8 percent) is substantially higher compared to the females (66.9 percent).

Table 4.4b indicates the economically active and non-active population in urban areas to be 3,671,611 and 1,933,034, respectively. The activity rate for the total urban areas was reported to be 65.4 percent. The rate activity for males was relatively higher than that of females.

The corresponding figures for the rural areas were found to be 23,396,703 economically active and 6,982,732 economically inactive persons, resulting in an activity rate of 76.9 percent (see Table 4.4c). The gap in activity rate for males and females is wider in the rural areas than in the urban areas (86.1 percent for males against 68.0 percent for females.)

The salient features observed in the relationship between age and usual activity rates was also observed in the case of current activity rates, that is:

i) age and current activity rate show curvilinear relationship, that is, low for the young and old age groups and high in the middle age groups.
ii) the rates for the rural areas are always higher than that of urban areas at all ages.
iii) males have higher activity rate than females at all ages in both the urban and rural areas.

Table 4.5 shows the comparative presentation of the current activity rates by regions. As indicated in the table, Somali, SNNP, Oromiya and Amhara regions reported to have the highest activity rates (above seventy-five percent). Tigray region, Dire Dawa Administration and Affar Region recorded activity rates ranging from seventy to seventy-five percent. Bnishangul-Gumuz and Harari regions and Addis Ababa reported activity rates ranging from sixty-five percent to seventy percent, while the lowest activity rate was reported, for Gambella Region amounting only 62.7 percent (see also Figure 4.4a).

In the urban areas, the highest level of activity rate (about 69 percent) was observed for Affar and Harari regions. The lowest activity rate which is 59.0 percent was reported for Tigray Region (see also Figure 4.4b). As far as the activity rate for the rural areas is concerned, Somali Region reported the highest activity rate (83.6 percent), while the lowest activity rate (63.0 percent) was reported for Gambella Region (see Figure 4.4b). In general, for all regions whether in urban or rural areas activity rate for males were relatively higher compared to their female counterparts.

Table 4.6 portrays the current activity rates of population by sex around the year 1995 and 1999 for different countries. Ignoring the methods used in the data collection, Ethiopia is among the

countries that had a higher participation rate compared to the rates observed in the countries considered in the table.

Table 4. 6 Activity Rate of Population Aged Ten Years and over Based on the Current Activity Status Approach by Sex for Different Countries

Countries	Activity Rates			
	Year	Both Sexes	**Male**	**Female**
Ethiopia	1999	75.1	83.8	66.9
Kenya	1995	81.7	89.1	74.4
Zambia	1995	75.4	86.1	65.6
Zimbabwe	1995	76.2	85.8	66.9
Cameroon	1995	66.8	86.0	48.3
Botswana	1996	52.4	60.1	45.7
Lesotho	1995	65.4	85.2	46.9
Namibia	1995	67.0	80.8	53.7
Ghana	1995	81.9	82.5	81.4
Nigeria	1995	66.8	86.8	47.7
Algeria	1995	50.4	76.1	24.3
Egypt	1995	47.9	73.4	21.6
Libya	1995	52.3	78.2	22.9
Morocco	1995	59.5	79.3	40.0
Sudan	1995	59.1	85.7	32.7
Brazil	1996	66.1	82.0	51.4
Malaysia	1995	63.8	80.8	46.8
China	1995	79.8	85.6	73.7
Australia	1997	62.2	72.1	52.7
Czech Republic	1997	61.1	71.1	51.8

Source: ILO (1999), Key Indicators of the Labour Market Country profile.

4.3.2 Reasons for Being Economically Inactive

Table 4.7 presents the survey results using the current activity status approach. Similar to that observed for the usual status approach, the highest proportion of the economically inactive persons observed for the total country were students (34.5 percent)

followed by homemakers (24.9 percent) and the illness (11.7 percent). The activity rate by sex exhibits that male students constitute the highest proportion (60.9 percent) followed by the old age/pensioned (11.4 percent) and the too young to work (11.2 percent). In the case of the females, students (22.2 percent) were reported next to homemakers (35.3 percent). The general pattern described above for the total country holds true for urban areas, with very wide gap between students and homemakers for both sexes.

In the rural areas, among the reasons for being inactive, homemakers constitute the highest (28.9 percent) followed by students (26.4 percent) and the old age/ pensioned (13.4 percent.) The majority of inactive males in the rural areas were students (54.4 percent) followed by the too young to work (13.4 percent) and the old age/pensioned (13.1 percent). In the case of inactive females, home makers (39.7 percent), students (14.6 percent), illness (13.7 percent) and too young to work (11.9 percent) make up the majority.

4.4 Activity Rate by Some Background Variables Based on the Current Activity Status Approach

In this section the current activity rates broken down by some background variables were presented. It is aimed at describing the differentials of activity rates in relation to educational level, marital and migration status (see Table 4.8). Accordingly, the current activity rates for the illiterate and literate populations were 77.2 percent and 75.2 percent, respectively. A similar pattern was observed between the sexes. The literate showed slightly lower activity rate than the illiterate because part of the former group are students who stay in school and can not be engaged or furnish their labour for production of goods and services. Among the literate category, those who have completed grade 12 and those who had an educational level that is beyond grade 12 recorded the highest rate (93.9 percent each) followed by those who became literate through non-formal education (77.7 percent). The rate was 69.0 percent for persons with an educational level of grades 7-8. The lowest rate was recorded for persons with secondary school education in grades 9-11 and elementary school education in grades 1-6, about 64.0 percent and 65.0 percent, respectively. The pattern was

similar for both sexes but more actives were found among the males than the females at all educational levels.

Similarly, in both urban and rural areas illiterate had higher activity rate than the literate. This was also true for each sex. In the urban areas, among the literate category persons with educational level beyond grade 12 (93.3 percent) and grade 12 completed (93.3 percent) equally reported to have the highest activity rate. The activity rates by sex showed that the highest activity rates for the males were reported in the grade 12 completed (94.5 percent) and beyond grade 12 (94.2 percent) categories. At these educational levels, the corresponding rates for females were 91.7 percent and 91.4 percent. Similarly, in the rural areas the highest activity rates were observed for those persons at the educational categories of grade 12 and beyond grade 12.

Regarding the relationship between activity rate and marital status, the data in Table 4.8 shows no significant difference among the married (83.9 percent), separated (81.6 percent) and divorced (80.2 percent). The never married and the widowed, however, exhibited relatively lower activity rates of 66.6 percent and 56.9 percent, respectively. The major reason for being inactive among the never married is that most of the singles are young and attending school, while most widowed persons are in the older age group. In all categories of marital status, males show higher activity rates than the females. The marital status pattern of economic participation rate shows variation between sexes. For the males, the married group had the highest rate (94.6 percent) followed by the divorced (89.0 percent) and separated (84.8 percent). Among the females, the separated took the leading position (80.0 percent) followed by the divorced (76.8 percent) and the married group (73.8 percent). The relatively higher participation rate for married group among men and relatively lower rate for the separated among the females is not surprising in view of the fact that in Ethiopia particularly in rural areas, the husband is considered as the major bread winner for the family.

The variation in the participation rate among different categories of marital status in rural areas resembles that of the total country. The situation in urban areas, however, is slightly different in that the widowed, in line with general expectation, had higher activity rate

than the never married.

Table 4.8 also presents the activity rate by migration status categories. As can be seen from the table, at country level, migrants seems to have slightly higher activity rates (77.3 percent) than the non-migrants (74.4 percent). Among the migrant category, for both sexes combined the rates for the longtime migrants and the recent migrants were reported to be 77.8 percent and 75.4 percent, respectively. The differentials in activity rate between recent migrants and longtime migrants is relatively wider among the males than the females, while the difference is insignificant between non-migrants and migrants among each sex.

Activity rates in urban areas show noticeable difference among different categories of migration. The total migrants have the highest rate (73.3 percent) compared to that of the non-migrants (53.8 percent). Similar pattern was observed for both the males and the females, however, the difference between recent migrants and longtime migrants among the females is not pronounced. Similarly, in the rural areas, the migrants show higher activity rates (79.3 percent) than the migrants (76.4 percent). However, unlike the case in the urban areas recent migrants have higher participation rate than longtime migrants.

4.5 Economic Dependency Ratio Based on the Current Activity Status Approach

Not all person in the working age group do actually participate in economic activities. Parts of the population do not work or look for work due to various reasons. These persons depend for their living on those who are engaged or available to be engaged in productive activity. The ratio of persons in the dependent category to those of economically active groups provides a useful approximation to economic dependency burden. The economic dependency ratio is defined as population not in the labour force to that of population in the labour force (Shryock, 1976). Table 4.9 presents economic dependency ratio by sex, region, urban and rural areas. The data in the table shows the economic dependency ratio for both sexes at country level reported to be 101.2 per 100 active persons. This means for each 100 persons in the economically active there are about 101 dependents to be supported in terms of food, clothing, health, education and the like. Similarly, for each 100 economically active

male population there are 82 dependents who need support. The corresponding ratio for the females was found to be 124 dependents per 100 active persons.

The data in Table 4.9 further shows that the highest economic dependency burden was found in Gambella Region (124.2 dependents per 100 economically active persons) followed by Benishangul-Gumuz Region (117.8 dependents per 100 active persons). Tigray, SNNP and Oromiya regions have about 111.3, 103.6 and 102.6 dependents per 100 active persons, respectively. The lowest economic dependency ratio reported for Addis Ababa (83.9 dependents per 100 active persons).

There is no a marked difference between urban and rural areas in economic dependency. It can be seen from the table that urban economic dependency ratio was 100.2 against 101.3 dependents per 100 active persons in rural areas. Except in urban areas of Tigray, Amhara and Somali regions, females have higher dependency ratio than their male counterparts. The gap between economic dependency ratio between the sexes is wider in the rural areas than the urban areas.

CHAPTER V

CHARACTERISTICS OF THE CURRENTLY EMPLOYED POPULATION

5.1 Introduction

The previous chapter has defined economically active population to be the sum of the employed and the unemployed population. The operational definition of "current employment" that is used in the 1999 National Labour Force Survey (NLFS) has also been given in the same chapter.

In this chapter, the characteristics of the currently employed population will be discussed. The chapter will cover the size of the employed population, the occupation and industry in which they were engaged in, status in employment, and absence from work.

5.2 The Size of Employed Population

The size of the currently employed population classified by sex, region, urban and rural area is presented in Table 5.1. According to the data in the table, in Ethiopia, 24,896,579 persons aged 10 years and over were employed during the survey reference period, of these 14,117,785 were males and 10,778,794 were females. The rural areas of the country employed 22,194,104 persons, while the remaining 2,702,475 persons were employed in the urban areas. The distribution of employed population of each region by sex and urban/rural areas generally follow similar pattern as that of the total country.

To give more insight on the situation of employment, Table 5.1 also presents employment-to-population ratio. According to the 18 key indicators Labour Market (KILM) used by the ILO, employment-to-population ratio is calculated as a percentage of total employment in the country out of the working age population (ILO, 1999). Accordingly, employment -to- population ratio for Ethiopia in 1999 was 69.1 percent. This means only 69.1 percent of the total population of the country aged 10 years and over were working during the reference period.

The corresponding figures for urban and rural areas were 48.2 percent and 73.0 percent, respectively. In both urban and rural areas the ratio for the males is higher than that of the females, indicating sex discrepancy in employment.

In terms of employment -to-population ratio, SNNP region has the highest figure (72.4 percent) closely followed by Oromiya (71.6 percent) and Amhara (69.8 percent) regions. Somali (68.6 percent), Tigray (67.1 percent), Affar (67.1 percent) and Benishangul-Gumuz (66.2 percent) regions took intermediate position. This ratio is relatively lower in Gambella and Harari regions, Dire Dawa Administration and Addis Ababa with 54.8 percent,

54.4 percent, 54.0 percent and 40.5 percent, respectively, of their working age population being employed.

5.3 Occupation of the Employed Population

In this survey, the currently employed persons were asked about the type of main activity (occupation) and major product or service of the establishment or industry in which they were engaged during the survey reference period. For the employed persons engaged in multiple activities, the activity that took the largest share of the time used was taken as the main type of activity. The questions used to identify the type of occupation and industry were left open ended so that the data can be filled-in the questionnaire with complete description in the field.

Responses of the type of occupation and industry of the employed persons were coded at the CSA head quarters in Addis Ababa using the National Occupational and Industrial Classification (NOIC) code-book. The NOIC was prepared for the 1994 population and Housing Census on the basis of the International Standard Classification of Occupation (ISCO-88) and International Standard Industrial Classification (UN, 1990) taking into account the prevailing national conditions.

5.3.1 Occupational Distribution

Table 5.2 presents the percentage distribution of the currently employed population aged ten years and over by sex and major occupational groups at country, regional as well as urban and rural areas. The distribution is also graphically represented in Figures 5.1a-5.1c. From the data in the table, it can be seen that at the country level the highest proportion (41.9 percent) of employed persons are engaged in elementary occupations. Next to this occupational group are persons engaged in skilled agricultural and fishery occupation consisting 37.7 percent of the total employed persons. Crafts and related trade workers, service, shop and market sales workers constituted 12.1 percent and 5.6 percent of the

country's total employed persons, respectively.

Compared to the 1994 Census result, the data in Table 5.2 show a decline in the proportion of skilled agricultural occupation from 70.4 percent in 1994 to 37.7 percent in 1999 (CSA, 1999). At the same time the proportion of elementary occupation has increased from 20.7 percent in 1994 to 41.9 percent in 1999. Strict application of the concepts of skilled and elementary agricultural activities during survey data collection might be the reason for the shift between these two occupations.

Legislators, Senior Officials and Managers; Professionals; Technicians and Clerks, which are some times referred to as "white collar occupations" take up insignificant proportion of the country's total employed persons. They constitute altogether only 2.1 percent of the country's employed persons. Since the majority (86 percent) of the population of the country is living in rural areas, the distribution of most phenomenon in the country heavily depend on the distribution of the phenomena in rural areas. The picture for country urban is slightly different where crafts and related trades take the lead with a percentage share of 25.2, while service, shop sales and market workers and elementary occupations follow very closely with percentages of 25.0 and 24.2, respectively. Unlike rural areas, the so-called white-collar occupations, specially, technicians and associate professionals, and clerks have, relatively, greater proportions in urban areas. The occupational pattern observed at national urban level is generally true for the urban areas of each region as well.

The tables 5.3a-5.3c show the percentage distribution of the currently employed population aged ten years and over by major occupational and age groups for the total country, urban and rural areas, respectively. Closer examinations of the data in the tables reveal that the proportion of elementary occupation steadily declines as age group increases. But the reverse is true for skilled agricultural and fishery workers where the proportion steadily ascends with age.

A further look at these tables show that elementary occupations and crafts and related trades were occupied by a relatively greater proportion of females than males, while the

reverse holds true for skilled agricultural and fishery occupation group.

5.3.2 Occupation and Level of Education

Tables 5.4a - 5.4c present the percentage distribution of the currently employed population aged ten years and over by major occupation and level of education for total, urban and rural areas of the country, respectively. The tables indicate that the currently employed population of the country to be highly dominated by illiterates which account for about 73 percent of the total employed population. Those who have completed grades 1-6 constitute the next largest proportion (15.1 percent) while those with non-formal educational background stand third in proportion (4.5 percent). The data in these tables also indicate that only about 2.7 percent of the country's currently employed population have completed grade 12 and above.

A closer look at the educational level composition of each major occupational group reveals that the phenomenon for large proportion of illiterates described for the total employed population is mainly a feature for the non-white collar occupations. For white-collar occupations the majority of the currently employed persons have at least an educational background of grade 12. Among the white collars, those who completed at least grade 12 ranges from 69 percent for clerks to 96 percent for professionals. For the professional groups those who attend above grade twelve outnumber the others by about six folds. However, this phenomenon is mainly a feature in the urban areas.

The tables further show the non-white collar occupations are highly dominated by illiterates. High proportions of illiterates were observed among service, shop and sales market workers (53 percent), skilled agricultural activity workers (72 percent); craft and related (78 percent); and elementary occupations (95 percent). Those who have completed grades 1-6 stand second in proportion in these occupations and account for 23.4, 16.2, 11.3 and 14.3 percent, respectively.

5.4 Industry of the Currently employed Population

5.4.1 Industrial Distribution

Table 5.5 and Tables 5.5.1 through 5.5.11 show the distribution of the currently employed population aged ten years and over by sex, major industrial division for total country, regions, urban and rural areas. Moreover, Figures 5.2a - 5.2c present the industrial distribution of the population aged ten years and over for the total country, urban and rural areas. For the sake of presentation, in the discussion of this chapter we refer agriculture, hunting, forestry and fishing as agricultural sector; electricity, gas and water supply as energy; whole sale and retail trade, repair of vehicles and other household goods as whole sale and retail trade; transport, storage and communication as transport and communication; real estate, renting and business activities as real estate and business activities; public administration and defense, compulsory social security as public administration; education, health and social work as education and health.

At national level, the vast majority of people were absorbed by the main stay of the country's economy, i.e., the agricultural sector. The table shows about 80 percent of the nation's employed persons are engaged in agricultural sector. This is true for almost all the regions except Addis Ababa region which has got highest proportion of its employed persons engaged in the whole sale and retail trade industry (about 25.5 percent).

Regarding the proportion of the currently employed population in agricultural sector, the regions that have percentages that are above the national are Amhara (85.0 percent), Oromiya (82.9 percent), Benishangul-Gumuz (84.6 percent) and SNNP regions (81.6 percent). All the other regions have below the national percentage. As expected urban dominated regions, that is, Dire Dawa Administration (43 percent), Harari region (38.9 percent) and Addis Ababa (only 2.4 percent) have the least proportion of people in the agricultural sector (See Tables 5.5.1 through 5.5.11). As one can expect, the major contributor for the National figure to be so high in this particular sector is the rural areas of the country (88.1 percent in rural areas compared with that of 11.8 percent in the urban areas).

The tables further show that, wholesale and retail trade, manufacturing; and hotel and restaurant sectors have also some contribution to the country's economy. The proportion that

engaged in these sectors are 5.9 percent, 4.4 percent and 3.5 percent, respectively. The remaining sectors constitute negligible proportion at country level. The considerably small contribution of other sectors is a reflection of the country's low level of development and suggests that lot to be done yet in economic, social, transport, finance, real state, and construction sectors.

Looking at the table gender wise, one can observe that there is slightly larger proportion of employed males engaged in the agricultural sector. On the other hand, the proportion of females in the main non-agricultural sectors, i.e., manufacturing, wholesales and retail trade is higher than that of males. The gap is wider in the hotel and restaurant sector and this is particularly true in urban areas (26 percent females against 4 percent males).

As it would be expected the industrial division in urban areas differs considerably from that of the rural areas. Agriculture, the country's main economy, is more of rural activity, and nearly ninety percent of the rural employed population is engaged in this sector. In urban areas, we observe a more diversified economy than rural areas. The highest proportion (24.7 percent) of the employed population is working in wholesale and retail trade sector. These are followed by those engaged in hotels and restaurants (13.6 percent), manufacturing (14 percent) and the agricultural (11.8 percent) sectors each absorbing up to about 14 percent of the employed population.

Education and health sector; public administration sector; personal and household activities; other social cultural, personal and household activities; transport and communication sector; and construction sector emerge to have some importance in the urban areas. Real estate, financial inter-mediation energy sector; and mining and quarrying sector have negligible contribution even in the urban setting. The sex disparity observed at country level and in rural areas for manufacturing and wholesale and retail trade sectors disappear in the urban areas. However, in the other important sectors except hotels and restaurants sector and private households with employed persons, males happen to be dominant in number over the females. This is universally true for each region. Although the order of their importance varies from region to region, the pattern of the industrial division found at national urban

level is universally true for all the urban areas of regions.

The percentage distribution of the currently employed persons by five year age group and major industrial classifications are presented in Tables 5.6a - 5.6c for the total country, urban and rural areas. For all industrial divisions, except the agricultural; wholesale and trade; hotels and restaurants; and private households with employed persons, the highest proportion is observed for the age group 25-29. The younger age groups i.e. 10-14 and 15-19 in general dominate these sectors. For instance, it is observed that out of the total persons involved in agricultural sector 55 percent of them are in the age group 10-29, in which the 10-14 age group constitute the dominant part. A further observation from the table could also show a significant number of persons who are employed in private households came from the age group 15-19 making up 34 percent of the persons employed in private households.

It can also be seen that the proportion of very young persons (aged 10-14 and 15-19) was low for industries that are dominated with white-collar employees (i.e. financial inter-mediation, public administration, education and health sectors, electricity and water supply, and construction). These industrial divisions are dominated by persons aged 20-24 through 40-44.

5.4.2 Industry and Level of Education

Tables 5.7a - 5.7c present the percentage distribution of the currently employed population by major industrial division and level of education for the total, urban and rural areas of the country, respectively. At country level the majority (about 73 percent) of the currently employed population were illiterate. The corresponding figures for the urban and rural areas were about 32 and 79 percent; respectively.

The tables indicate that, the majority of the employed persons in the agricultural sector (78.5 percent) were illiterate. The data in Table 5.7a show that only 1 percent of the population in the agricultural sector have completed above grade 8 education. Farming in Ethiopia is traditional and in the majority of cases it does not require formal education. The

proportion illiterates was more than half among persons engaged in hotels and restaurants (67.8 percent), manufacturing (66.5 percent), and private households with employed persons (62.3 percent). Following these groups relatively moderate rate of illiteracy was observed among wholesale and retail trade (56.0 percent). Also illiterates make up the highest percentage in other social cultural personal and household activity (49.2 percent), mining and quarrying (49.3 percent) and construction (40.6 percent) sectors. This phenomenon for the mining and quarrying and construction industries, however, is mainly a feature in the rural areas. In urban areas, the majority of the employed persons in these industries have attended grades 1-6 (about 25.5 percent for mining industry and 26.9 percent for construction industry).

On the other hand, the currently employed population who have at least twelve grade educational background constitute the highest proportion for financial inter-mediation (about 79 percent) education and health (48.7 percent), public administration (44.0 percent), energy (40.6percent) and real estate (34.8 percent). This pattern, however, is completely a feature of the urban areas. In rural areas where the majority of the population is illiterates, the proportion of employed persons who completed grade 12 or more is very small.

5.4.3 Occupation and Industry

Tables 5.8a - 5.8c present the percentage distribution of major industrial divisions of the currently employed population aged ten years and over by major occupational groups, and sex for the total country, urban and rural areas. In most of the industrial divisions a significant share of employed persons were absorbed by elementary occupations. For instance, 97.0 percent among persons employed in private household, 56.3 percent in the other social, cultural, personal and household activities and 52.4 percent in mining and quarrying industry were engaged in elementary occupation during the reference period. Nearly one-half (47.9 percent) of employed persons in the agricultural sector were engaged in elementary occupation, and skilled agricultural and fishery major occupation took the second largest share (47.1 percent) in the sector.

On the other hand, the overwhelming majority (86 percent) of the total employed persons in the manufacturing sector was engaged in crafts and related trades. Likewise, hotels and restaurants, and the construction sectors had much of their employed persons in crafts and related trades occupational groups (75.0 percent and 57.1 percent, respectively). The majority of persons engaged in the wholesale and retail trade, industrial division were reported to be service, shop and market sales workers (76.3 percent). In transport and communications sector, the largest share was taken by elementary occupation workers (44.6 percent) and plant, machine operators and assemblers (34.7 percent).

The white-collar occupations (legislators, senior officials and managers; professionals; technicians and associate professionals; and clerks) have got insignificant proportion of employees in most industrial divisions. But industrial divisions like financial inter-mediation; real estate, education and health; and public administration had a relatively significant proportion of employees working in white collar occupations, 78.5 percent, 63.0 percent, 54.8 percent and 45.1 percent, respectively. In financial inter-mediation clerks make up the highest percentage (41.2 percent) while technicians and associate professionals constitute the highest proportion in real estate activities (34.6 percent) and education and health (40.2 percent).

The country-urban and the country-rural figures show the same trend in absorbing much of their employed persons in the elementary occupation groups. Skilled agricultural and fishery and elementary occupation workers took the highest proportion from the agriculture industrial division in both the urban and rural areas. In the manufacturing industrial division 72.2 percent of its total employed persons engaged in crafts and related trades while the corresponding proportion in the rural is 93.4 percent. In the rural area of the country, 72.3 percent of the persons employed in the electricity, gas and water supply were engaged in elementary occupation, and the corresponding proportion for the total country was 35.3 percent.

There was no significant difference in proportion for males and females in the country-total figures for most industrial divisions. But the highest proportion of the females in

agriculture sector were elementary occupation workers (68.9 percent). On the other hand, the highest proportion of the males (65.1 percent) were engaged in skilled agricultural occupation in the sector. The same trend is shown in the country-urban and country-rural figures.

5.5 Currently Employed Population by Employment Status

In the survey, in addition to the type of main activity, the currently employed persons were asked about the status and term of employment in the main activity. Employment status of a person was defined in-terms of his/her ownership or degree of commitment to the job. In this survey, employment status of a person was classified into employer, paid employee, self employed, unpaid family worker, apprentice, member of producers' cooperative, and 'other' categories. Paid employees were further disagregated into employee-government, employee-government parasitatal, employee-private organization, and other paid employee.

5.5.1 Status in Employment

The percentage distribution of employed population by employment status sex, urban and rural areas, for the country and regions is presented in Table 5.9. At country level, the majority of the employed population were self employed (43.5 percent) and unpaid family workers (47.0 percent). The paid employee altogether constitute only 8.2 percent of the total working population (this was made up of 2.4 percent government employee, 0.5 percent government parasitatal employee, 4.3 percent private organization employees and 0.9 percent other paid employees). The share of employers, apprentices and member of cooperatives among the total employed population was found to be negligible. The data further show that self-employment (54.5 percent) was the dominant employment status among the male while employed females were highly dominated by unpaid family workers (63.6 percent).

In rural areas, the unpaid family workers make up more than half of the employed population. This is followed by a sizable number of self-employed persons (43.7 percent) and small proportion of paid employees (4.2 percent). The picture in urban areas is, however,

different. Here, the proportion of unpaid family workers is relatively lower (14.0 percent) while the proportion of paid employees is considerably high (41.1 percent). The very high proportion of unpaid family workers in the rural areas may be a result of system of agricultural production where the husband works as head of the farm and the wives and young children helping in the field as unpaid workers.

The general pattern observed above for the total, urban and rural areas of the country were similarly reflected in most of the regions. Exceptions are Gambella and Harari regions and Addis Ababa, where the contribution of unpaid family workers is lower than the self employed and the paid employee. In Addis Ababa, the highest proportion of the employed belongs to the paid employee.

5.5.2 Employment Status and Occupation

Table 5.10a - 5.10c present the percentage distribution of employment status of the currently employed population aged ten years and over by major occupational groups and sex for the total, urban and rural areas of the country, respectively. These tables indicate the majority of employed persons with white-collar occupation were working as government employees. The highest proportion (72.6 percent) of government employees were observed among employed persons with professional occupations. These were closely followed by employed persons with occupations of legislators, senior officials and managers (63.6 percent), Technicians and Associate professional (61.1 percent), and clerks (59.8 percent). Skilled agricultural and fishery workers have the least (0.1 percent) proportion of government employees.

Employed persons with non-white collar occupations, except plant, machine operations and assemblers, were more likely to be working as either self employed or unpaid family worker. The highest proportion (79.2 percent) of self employed persons were found among skilled agricultural and fishery workers closely followed by service, shop and market sales workers (68.7 percent), and craft and related trades workers (46.7 percent). The lowest proportion of self-employed was found among professionals and clerks (4.5 percent each).

On the other hand, the proportion of unpaid family workers is highest among employed persons with elementary occupation (80.3 percent) followed by craft and related trade workers (44.8 percent).

Employees of private organization constitute the highest (43.0 percent) proportion for plant, machine operators and assemblers. Employees of private organization constitute the second highest proportion among white-collar occupations, except technicians and associate professionals. Also, among craft and related trades workers, employees of private organization make up the second highest proportion.

5.5.3 Employment Status and Industry

Tables 5.11a - 5.11c present the percentage distribution of the employment status of the currently employed population aged ten year and over by sex and industrial division for the total country, urban and rural areas, respectively. As in the case of general employed population, most of the industrial divisions were dominated by either self employed or unpaid family workers. The highest proportion of self employed was observed among employed persons engaged in wholesale and retail trade (70.6 percent) followed by those working in Hotels and restaurants (67.3 percent), real state and business activities (54.9 percent) manufacturing (52.4 percent) mining and quarrying (50.3 percent). On the other hand, the highest proportion of unpaid family workers was observed among employed persons engaged in agricultural sector (54.4 percent) followed by those working in mining and quarrying (28.1 percent), and hotels and restaurants (22.5 percent).

Government employees highly dominated in public administration (86.3 percent) and financial inter-mediation (80.4 percent). Also, government employees make up relatively the highest proportion among employed persons in energy sector (61.2 percent) and education and health industrial division (49.4 percent). On the other hand, employees of private organization appear to be relatively higher in transport (35.7 percent) and construction (33.3 percent) sectors.

5.6 Term of Employment of Paid Employees

Table 5.12 presents the percentage distribution of paid employees aged ten years and over by sex, terms of employment, region, and urban and rural areas. As the table indicates, at country level, the largest proportion of paid employees during the reference period were found to be casual workers or in other form of employment (60.6 percent), while the permanent employees constituted 29.5 percent of the total paid employees of the country. The remaining 9.8 percent were hired on contract basis during the reference period.

The urban and rural areas differed in the distribution of paid employees by term of employment. In the rural areas, paid employees are dominated by casual workers. The proportion of casual workers (77.9 percent) was about 8 times higher than that of the proportion of permanent employees and more than 6 times higher than that of contract workers. In the urban areas, however, the share of permanent employees becomes significant (45.6 percent), permanent employees and causal workers contribute nearly equal proportion (about 46 percent) and contract workers make up only 8.1 percent. The proportion of casual workers among females is higher than that of the corresponding figure observed for the males both in urban and rural areas. for instance, 68.5 percent of the total paid female employees of the country are casual workers, while 56.6 percent of the total paid male employees are casual worker and others.

In all the regions except Gambella and Harari, casual workers out number permanent and contract employees. In Gambella, for instance, the largest proportion of paid employees are permanent employees (53.2 percent), while 38.2 percent and 8.6 percent are casual workers and contract employees, respectively.

The proportion of paid employees who are casual workers was the highest for Tigray Region (81.0 percent) and the lowest for Harari Region (37.4 percent). On the other hand, the proportion of permanent employees ranges from 13.7 percent for Tigray region to 53.2 percent for Gambella Region. In urban areas, the proportion of permanent employees is the

highest in Gambella region (67.7 percent), while Affar Region showed the lowest proportion (37.5 percent). In the rural areas, the proportion of permanent employees ranges from 2.6 percent in Tigray Region to 36.6 percent in Affar Region. In almost all regions, the proportion of permanent employees among the males exceeds that of females, while the reverse is true in the case of proportion of casual workers.

5.7 Absence from Work and Reason for Absence from Work of the Currently Employed Population

Table 5.13 shows the percentage distribution of the currently employed population aged ten years and over who had work but who were not at work during the last seven days by reason for absence from work, sex, at country, region urban and rural areas. At country level, one can see that 'off season' constitutes the highest proportion (36.6 percent) of all reasons given for absence from work during the seven days before the date of the interview. Next to 'off season' many people were absent from work because of sickness or injury (26.7 percent). Reduction in economic activity (no work temporarily), holiday/vacation, and training/education contribute for about 8.6 percent, 2.9 percent and 1.7 percent respectively, as a reason for being absent from work. Other reasons show 22.1 percent of the total employed persons who were absent from work. The proportion of females who were absent from work because of off-season is higher (41.9 percent) than that of the corresponding figure among males (29.6 percent). On the other hand, the proportion that reports sickness or injury as a reason is higher among males (30.5 percent) than the corresponding figure for the females (24.0 percent).

In the rural areas, we see similar pattern with respect to absentee from work with that of the country, i.e. off season (38.3 percent), sickness or injury (26.4 percent) and other reasons (21.8 percent) are the three major reasons for being absent from work during the reference period. In the urban areas, however, the highest proportion of employed persons not at work were absent from work during the reference period because of sickness or injury (about 31 percent). Other reasons (25.6 percent) and off season (13.2 percent) are the second and third main factors for being absent from work in the urban areas of the country.

In the rural areas of Tigray, Affar, Amhara, Oromiya, Benishangul-Gumuz, and Gambella off-season is the leading reason for being absent from work followed by sickness. The reverse order is true for the remaining regions. Sickness/injury was given as a reason for absence from work by a larger proportion of people in urban areas of all regions. Particularly urban areas of Affar and Somali regions had a high proportion of employed persons not at work during the reference period because of sickness/injury (the percentages are 59.4 percent for Affar and 43.3 percent for Somali). Reduction in economic activity is the second most important reason for being absent from work in urban areas of Tigray, Affar, Somali, Amhara regions, and Dire Dawa Administration. For urban areas of Oromiya, Benishangul-Gumuz and SNNP regions the second most important reason for being absentee from work is off-season, while for Addis Ababa, Harari and Gambella regions, holiday/vacation becomes the second most important reason.

5.8 Formal/ Informal Sector of the Economic Activity in Urban Areas

The 1999 National Labour Force Survey of Ethiopia has included questions to identify the sector of economy in which employed persons are engaged. The information collected refers only to part of the employed population. That is, persons engaged in subsistence farming and those who work in private households were not asked about the sector of economy of their main activity.

Employed persons whose employment status was government employee, government parasistatal employee, non-governmental organization employee or members of producers' cooperative were treated as being working in the formal sector. Other employed persons whose employment status were employer, private organization employee, self employed, and apprentice were asked whether the business/enterprise they were engaged in:

a) is keeping book of account that show monthly income statement and balance sheet;
b) has ten or more workers;
c) has business/enterprise license.

Based on the response to these three questions, classification on the sector of economy was made as: formal, informal, or 'not-identified'.

Table 5.14 presents the distribution of employed population aged ten years and over by sex and sectors of economy for urban areas of regions. Exclusion of persons engaged in subsistence farming and persons who work in private households as housemaid, guards has reduced the universe of the analysis from 2,702,475 to 2,273,213. Thus, according to the survey result, just above half (50.6) of the employed persons under consideration in the urban areas were engaged in the informal sector. The proportion of employed persons in the informal sector is higher among the females compared to males.

In the highly urbanized regions (i.e., Addis Ababa, Dire Dawa Administration and Harari Region), and Gambella and Benishangul-Gumuz regions the share of formal sector in the urban areas is higher than that of the informal sector. Population engaged in the informal sector compared to those working in the formal sector dominated the urban areas of the other regions.

5.9 Number of Hours Worked

The 1999 LFS has included questions on the number of hours worked for two purposes. Firstly, the response on the number of hours worked during the seven days prior to the date of the interview together with information on formal job attachment is used to classify respondents as employed or not. Thus, as described in Chapter IV persons who worked more than four hours or more and those who worked less than 4 hours but had a job to return to were considered as employed. The rest of persons were then subjected to other filtering questions on unemployment and inactivity.

The second objective of including questions on number of hours worked was to gather data on intensity of work among the employed population. In the survey all persons who were engaged in productive activities during the seven days prior to the date of the interview

were asked to provide the number of hours they worked in all of their productive activities in the reference period. The response was recorded for each of the days of the reference period separately. The hours so obtained were added and recorded. In recording the number of hours worked, care was taken in that hours actually worked exclude hours paid for but not worked, such as paid leave, paid sick leave or paid public holidays. Also, excluded are meal breaks, time spent on travel to and from work /for those who have specified place of work/ and hours spent on household activities that were not considered as productive. For employed persons who were not at work during the seven days prior to the date of the interview, the number of hours of work was recorded as zero. On the other hand, any time that employed persons have spent in productive activity in places other than work site is considered as working hour.

In countries like Ethiopia, where the majority of the population is illiterate and engaged in informal sector, collection as well as getting accurate data on hours of work is difficult. The reliability of the data collected may be affected due to memory lapse and ignorance about the concept of time on the part of the respondents. Also, the absence of standard working hour and irregular nature of working days and hours for the majority of activities in the informal sectors may make it difficult to tell the exact number of hours worked especially when the reference period is longer. Thus, considering the inherent data collection problems of hours of work in developing countries, the results given regarding working hours should be regarded as indicators and not the true levels of intensity of work.

Table 5.15 presents the distribution of the number of hours worked during the seven days prior to the date of the interview by sex, urban and rural areas at country level. The data in the table indicates that at national level the mean number of hours worked per week amounts to 23.3 hours. Around 20 percent of employed persons worked for 13-21 hours during the reference week while 17 percent worked for 4-12 hours. Those who did not work constituted 16 percent. The proportion who worked more than 75 hours is relatively low.

As the result of this survey shows employed persons in the urban areas work for longer time than those in the rural areas. The mean number of hours worked during the

reference week in the urban areas was 35.6 hours while that for the rural areas was 21.8 hours. In urban areas, the highest proportion (18.8 percent) of employed persons worked for 40-48 hours followed by those who worked 31-39 hours and 13-21 hours (12.1 and 11.9 percent, respectively). The proportion that did not work (9.3 percent) was relatively lower in the urban areas compared to those in the rural areas. On the other hand, the highest proportion of employed persons in the rural areas worked 13-21 hours and the proportion who did not work at all is relatively high (21.4 percent). The survey was conducted in the month of March, which is among the slack periods in the rural parts of the country. Usually during slack period in most parts of rural Ethiopia peasants remain idle or engage in non-productive activities such as minor repair to fences and houses.

As can be seen from Table 5.16, the highest mean number of hours worked was registered for Addis Ababa (44.4 hours) while the lowest was recorded for Benishangul-Gumuz Region (18 hours). In the urban areas, mean number of hours worked was highest for Addis Ababa (44.7 hours) closely followed by Dire Dawa Administration (43.2 hours), while the lowest mean number of hours was registered for Benishangul-Gumuz Region (29.1 hours).

In the rural areas, Affar and Somali regions show relatively higher mean number of hours worked than the rest of the regions. Infact mean number of hours-worked in urban areas of these regions was relatively high. The higher mean number of hours worked in the rural areas of these regions may partly be explained by the nature of the main activity in the rural parts of the regions. Most of the employed population in these areas was engaged in animal husbandry and people may stay long hours in the field to look after their cattle. However, the relatively high working time in urban areas of these two regions is difficult to explain and should be interpreted cautiously. As mentioned earlier questions related to hours of work are sensitive and not easy to obtain the answer from some respondents. Probably, misunderstanding the concept of actual hours worked among both the interviewers and respondents and problems associated with probing might have lead to such upward bias in the number of hours worked in these two regions, particularly in the urban areas.

5.10 Availability to Work Additional Hours

The result presented in Table 5.17 shows percent of the employed persons who are available and ready to work additional hours, regardless of the number of hours worked. The survey collected this data in an attempt to capture the insufficiency of the hours of work of employed persons in relation to an alternative employment situation in which persons are willing and available to engage. The additional hours available could be for another job (jobs) in addition to the current job; replacing any of current jobs by another job with increased hours of work or longer time on the current job.

According to the data in Table 5.17, nearly half (about 45 percent) of the employed population of the country was available and ready to work additional hours. The percentage of employed population available to work additional hours was higher in the urban areas (52.5 percent) compared to the rural areas (43.6 percent). In both the urban and rural areas, the proportion available to work additional hours was higher among the males than the females.

Gambella Region showed the highest proportion (55.3 percent) of employed persons who were available and ready to work additional hours. Next to Gambella are Oromiya and Harari Regions where 48.8 percent and 45.3 percent of their employed populations, respectively, were available to work additional hours. Dire Dawa Administration followed by Benishangul Gumuz Region showed the lowest proportion in this respect. In urban areas, Affar and Somali Regions showed the highest percentage of employed persons who were available to work additional hours. This is contrary to expectations because in section 5.9 of this report it was shown that employed persons in urban areas of these regions have worked for relatively longer hours. Urban parts of Addis Ababa, and Dire Dawa Administration, which showed relatively highest mean number of hours worked, are the lowest in terms of percent who were available to work additional hours.

In rural parts, percentage of employed persons who were available to work additional hours ranged from 15.2 percent for Dire Dawa Administration to 55.4 percent for Gambella

Region. In both the urban and rural areas of each region, the percentage of employed persons who are available to work additional hours was higher among the males than that of the females.

CHAPTER VI

SIZE AND CHARACTERISTICS OF THE CURRENTLLY UNEMPLOYED POPULATION

6.1 Introduction

The previous chapter has dealt with the employed population, which is one of the two components of economically active population. This chapter will analyze in some details the other component of the data, that is, data on unemployment. Thus, it begins by discussing the issues related to the concept and measurement of unemployment. This will be followed by presenting the levels and distribution of unemployment by sex, age, urban and rural areas and region. It will also deals with steps taken by unemployed persons to seek work and type of work sought. The distribution of the unemployed population by work experience and duration of unemployment are also dealt with. Finally the differential analysis with respect to some background variables of the unemployed persons will be made.

Even though, information regarding unemployment was collected using the current and the usual status approaches; the analysis in this chapter refers to the data collected in the

current activity status approach. Since the survey is conducted in the month of March, which is a slack period in most parts of rural Ethiopia, the rate of the currently unemployed persons expected to be slightly inflated.

6.2 Measurement of Unemployment

In the measurement of unemployment, the survey has followed the international standard definition of unemployment (ILO 1983) but took into account the prevailing socio-economic conditions of the country. It is based on the following three criteria that must be satisfied simultaneously: "without work", "currently available for work" 'and "seeking work". The standard definition of unemployment with its emphasis on seeking work criterion might be restrictive and might not fully capture the prevailing employment situations in many developing countries including Ethiopia. Hence, the International Standards introduced provisions, which allows for the relaxation of the seeking work criterion in certain situations. According to the international standard definition, the relaxation of the seeking work criteria is employed in situations where "the conventional means of 'seeking work' are of limited relevance, where the labour market is largely unorganized or of limited scope, where labor absorption is at the time inadequate or where the labour force is largely self employed" (ILO, 1990).

The provisions are two types, namely, partial relaxation and complete relaxation. Following the recommendations of the International Standard and reviewing the prevailing national situation, the 1999 Labour Force Survey introduced a provision to capture the different forms of unemployment using the above alternative measurements. The treatment of the two options in the survey is described as follows. Under partial relaxation, the definition of unemployment includes discouraged job seekers in addition to persons satisfying the standard definition. Discouraged job seekers are those who want a job but did not take any active step to search for work because they believe that they can not find one. Under the completely relaxed definition, unemployment includes persons without work and those who are available for work, including those who were or were not seeking work. That is, the seeking work criterion is completely relaxed and unemployment is based on the "without

work" and "availability" criterion only. The availability in this situation is tested by asking the willingness to take up work for wage or salary in locally prevailing terms, or readiness to undertake self-employment activity, given the necessary resources and facilities.

The survey collected data on current unemployment in the standard, partially relaxed and completely relaxed options of measurements. After thorough evaluation and assessment of the results obtained using the three alternative and complementary measures; the rates obtained using the relaxed definition were found most plausible and hence selected for reporting. In this survey, those persons aged ten years and over who did not work at least four hours or did not have job to return to, were asked to report whether they were available or willing to work if job was found during the coming one month. Those who respond "Yes" answer to this question were further tested whether they were ready to take a job under prevailing conditions. Under the completely relaxed definition a person is considered as unemployed if he/she passes the availability test. In this definition, the person might or might not have looked for a job but was willing to work if job was available. This definition was equally applied in both the urban and rural areas.

6.3 Levels and Distribution of Unemployment

In this survey information on the current unemployment was collected by asking a series of filtering questions to all unemployed persons aged ten years and over. The result obtained from the current status approach refers to the level of unemployment during short time interval of the seven days prior to the date of interview. The unemployment rate, which is computed as the proportion of the unemployed persons in the economically active population, can be used to measure the level of unemployment population of an area. These rates can also be used to make differential studies between sub groups of the population.

Table 6.1 presents the size of the current unemployed population and rates of unemployment for the country by sex, age group, in urban and rural areas. According to the survey result, in March 1999, at national level, there were 2,171,735 unemployed persons of

which 969,142 found in urban areas and 1,202,593 in rural areas. This means the rate of unemployment in the current status approach for the total country was found to be 8.0 percent. According to the survey result unemployment seems to be more of urban problem, where the rates for urban areas were 26.4 percent, that is, five times higher than that of the rural areas (5.1 percent). The incidence of unemployment also differs between sexes. In urban areas a significant proportion of unemployed female population (34.0 percent) was reported as compared to males (18.3 percent). The above pattern also holds true for the rural areas where 8.6 percent of females and 2.4 percent of males were reported to be unemployed.

Concerning the age pattern of unemployment, Table 6.1 and Figure 6.1a clearly show that the unemployed is predominantly young men and women. The unemployment rate starts comparatively at lower levels in the age group 10-14 years (7.2 percent), then it increases with advancing age up to age group 20-24 years (12.7 percent) and thereafter it starts to decline.

Similarly, the above pattern also holds true for rural areas. However, in urban areas the females had higher unemployment rate at the age group 20-24 years (45.8 percent) and continue to decline consistently with increasing age. On the other hand, males had higher rate of unemployment at the age group 15-19 years (31.7 percent) and decline up to the age group 45-49 years and start to rise up thereafter. In all age groups whether in urban or rural areas females show higher rate of unemployment than their male counterparts (see also Figures 6.1b and 6.1c).

As additional information, unemployment rates by sex, age group, urban and rural areas obtained based on the usual status approach is presented in Table 6.2. The total unemployed population based on the usual status approach showed that there were 500,758 unemployed persons of which 430,049 found in urban areas and 70,709 in rural areas. The

unemployment rate based on the usual status approach for the total country, urban and rural areas were reported to be 2.0 percent 16.1 percent and 0.3 percent, respectively. The unemployment rate at country level was higher among the females (2.7 percent) compared to the males (1.5 percent). This phenomenon of relatively higher unemployment rate among females holds true in both the urban and rural areas.

Table 6.3 summarizes the unemployment rates by sex and region in urban and rural areas. The table also reveals that the unemployment rate is highest for Addis Ababa (37.8 percent), Dire Dawa Administration (24.6 percent) and Harari region (21.5 percent). Somali (12.8 percent), Gambella (12.5 percent) and Affar (10.4 percent) regions took intermediate position. Regions with lower unemployment rate were Amhara (7.7 percent), Oromiya (6.1 percent), Tigray (6.1 percent), SNNP (5.5 percent) and Benishangul-Gumuz (5.2 percent) regions (see also Figure 6.2a)

The variation observed in the urban areas of the regions was similar to that of the total regions, with few exceptions. Urban unemployment rate was substantially higher than the rural, in all regions. Higher unemployment rates were reported for urban areas of Addis Ababa (38.1 percent) and Dire Dawa Administration (35.3 percent) followed by Harari (29.1

percent), Affar (23.2 percent), Amhara (22.5 percent) and Gambella (21.1 percent) regions. Relatively lower unemployment rate was shown for urban areas of Tigray (19.8 percent), Oromiya (19.0 percent), Benishangul-Gumuz (18.8 percent) and SNNP (18.1 percent) regions (see also Figure 6.2b).

In the case of rural areas, the highest unemployment rate was reported for Harari (11.0 percent) and Gambella (10.2 percent) regions. These were closely followed by Somali (7.2 percent), Amhara (6.4 percent) and Affar (6.0 percent) regions, while rural areas of the remaining regions show relatively lower unemployment rate. Regarding the sex composition, in both the urban and rural areas of all regions, female unemployment rate was higher than those of the males (see also Figure 6.2c).

Table 6.4 also presents the unemployment rate based on the usual status approach by sex, region, urban and rural areas. The rates obtained using usual status approach were higher

than that obtained based on current status approach for all regions except Addis Ababa. As in the case of current status approach, Addis Ababa has the highest unemployment rate followed by Dire Dawa Administration and Harari regions. Also, unemployment rate in the usual status approach was higher in urban than the rural areas and in almost all regions females have shown higher rate than their male counterparts.

During the last five years unemployment rate appears to follow an increasing trend. According to the 1994 Population and Housing Census result unemployment rate in the current status approach for urban Ethiopia was 22.0 percent (CSA, 1999). This has increased by 4.4 percentage point and reached 26.4 percent as reported in the 1999 NLFS. In the case of the rural areas, unemployment rate in the usual status approach was reported to be 0.7 percent in the census against 2.0 percent in the 1999 NLFS.

Table 6.5 presents the levels of the unemployment rate for the population of Ethiopia in comparison with other countries. If one compares the rates ignoring the reference years, the level that was observed for Ethiopia does not differ much from most of the countries considered. However, it is well known that the measurement of unemployment is highly affected by the variations in the measurement methodology employed. Hence, to make country specific comparisons one need to have additional detailed information on how the levels were obtained and clear references about the measurement approaches followed.

Table 6.5 Unemployment Rates Based on the Current Status Approach by Sex for Different Countries.

Countries	Year	Unemployment Rates		
		Both Sexes	Male	Female
Ethiopia	1999	8.0	4.3	12.5

Algeria	1997	26.4	26.9	24.0
Botswana	1995	21.5	19.4	23.9
Mauritius	1995	9.8	7.8	13.9
Egypt	1995	11.3	7.6	24.1
Morocco	1996	17.8	15.8	23.0
South Africa	1997	22.9	19.0	28.0
Sri Lanka	1995	12.5	8.8	19.7
Brazil	1994	6.2	5.4	7.4
Pakistan	1994	4.8	3.9	10.0
China	1995	3.2	3.4	2.9
Germany	1995	8.2	7.1	9.8
Japan	1995	3.2	3.0	3.2
Canada	1995	9.5	9.8	9.2
Philippines	1995	8.4	7.7	9.4

Source: 1) ILO (1999), Unemployment and Underemployment in South Africa.
2) ILO (1999), Key Indicators of the Labour Market Country Profiles.

6.4 Steps Taken by the unemployed persons to Seek Work and Type of Work Sought

As it has been stated earlier that the unemployed persons may or may not seek work. The currently unemployed persons that were defined according to the relaxed definition, were asked whether they were looking for work or not. According to those who were seeking work were asked what measures they have taken to seek work and type of work sought during the reference period of the three months prior to the survey date. The type of work sought includes self-employment, paid employment-private, paid employment-government, any available work or other than those mentioned. In order to consider a person as seeking work, it was sufficient to take at least one active step during

the specified reference period. The active steps taken to seek work listed in the questionnaire include registration in public or private employment exchange office, acquiring unemployment card, submitting application to employer(s), searching job on vacancy advertisement board, asking for a job through friends or relatives, checking at work sites and trying to establish own enterprise.

The percentage distribution of unemployed persons who looked for work by sex and types of steps taken to seek work is presented in Table 6.6. As can be seen from the table, the most frequently used method of search for work was trying to establish own enterprise (30.1 percent). The next three most important steps taken to enter in to the world of work were checking at work place (20.6 percent), search for vacancy announcements (17.4 percent), and seeking through friends or relatives (15.5 percent). A small proportion of the unemployed population reported submitting application for a job (5.5 percent), acquiring unemployment card (4.8 percent) and seeking work through newspapers, radio, TV announcements (2.1 percent) as a means of finding job. Both the unemployed males and females seem to take similar steps to search for work. However, trying to establish own enterprise is more important for the females than males.

During the three months prior to the date of the interview, a higher proportion of the urban unemployed persons sought work on vacancy advertisements (24.9 percent) followed by those who were checking at work sites (23.8 percent) and those who were seeking through friends and relatives (18.6 percent). In rural areas trying to establish own enterprise, which took the fourth position as a method of looking for job in urban areas, become the single most important step taken in rural areas.

Table 6.7 presents the percentage distribution of the unemployed population who were available for work according to the type of work available for, in urban and rural areas of the country. Among the unemployed population who were available for work, nearly, three-fourths of them did not have specific choice regarding the type of work willing to take up that is they were ready to take up any available job. Those who want to establish own business were reported to be 20.5 percent and those who want paid employment in government organizations constituted 10.5 percent. According to the survey result, similar pattern was

observed for the unemployed males and females in the type of work available to be taken.

As observed in the total country, the unemployed persons who reported to take any available work were observed to be the highest proportion in both the urban and rural areas. In the rest of the categories considered, the proportion of the unemployed persons who wanted to be employed in government institutions were substantially higher in urban than in rural areas, while the reverse is true when considering those who were available to establish own business. The high percentage of the unemployed persons who were available for government jobs in urban areas than the rural areas is attributed to the fact that most of government jobs are available in the urban centers of the country.

6.5 Unemployed Population by Work Experience

The percentage distribution of total unemployed persons by sex, previous work experience, urban and rural areas is presented in Table 6.8. Most of the unemployed populations were first time job seekers. As can be seen from the table out of the 2,171,734 unemployed persons in the country, about 60.0 percent never had previous work experience and the remaining reported to have previous work experience. This is particularly true for females. The data also revealed that almost half of the unemployed males and three-fourths of the unemployed females did not have previous work experience**.** The distribution observed at country level also holds true in both the urban and rural areas.

6.6 Duration of Unemployment

The percentage distribution of the currently unemployed population by duration of unemployment for the total country was presented in Table 6.9. Nearly half of the unemployed persons have been without work for 1-12 months and a further 13.8 percent and 12.9 percent remained jobless for 97 or more months and 13-24 months, respectively. Concerning the sex difference, half of the unemployed males were idle for 1-12 months followed by (12.2 percent) for 13-24 months. The percentage shares among females were 43.9 percent for 1-12 months, 15.5 percent for 97 or more months and 13.2 percent for 13-24

months.

In urban areas almost one-third of the unemployed persons remains jobless for 1-12 months. The next share (19.4 percent) took those who were unemployed for 97 or more months. This is true for females with some slight difference in percentage, while the proportion among males constituted 38.0 percent for 1-12 months and 15.7 percent for 13-24 months. Similarly, the first and second share reported for duration of unemployment in rural areas were 56.7 percent and 11.6 percent for 1-12 months and 13-24 months, respectively.

6.7 Current Unemployment Rate by Some Background Variables

In this section differentials in current unemployment rate was reviewed for selected variables. Table 6.10 presents unemployment rate by educational attainment, marital status and migration status. According to the data in the table unemployment rate reported for literate persons (8.0 percent) was higher than that of the illiterate persons (6.0 percent) and in this respect the difference is glaring in urban areas. Among the literate persons, the highest unemployment rate were found to be among high school graduates i.e. those who completed grade 12 (33.5 percent) followed by those who attend grades 9-11 (28.5 percent) and grades 7-8 (20.8 percent). The Lower unemployment rate was reported for grades 1-6 (6.0 percent), those with non-formal educational level (9.0 percent) and for persons who were educated beyond grade 12 (11 percent). Further, the data reveals unemployment rate increases as level of education increases until the level reaches grade 12. The unemployment rate among the females who completed grade 12, grades 9-11 and grades 7-8 were reported to be 49.2 percent, 48.6 percent and 37.6 percent, respectively. The corresponding rates among the males were 23.1 percent, 17.4 percent and 12.0 percent, in that order.

As observed for the total country, unemployment rates in the urban areas were also higher for the literate (26.4 percent) than the illiterate (19.2 percent). The peak for women in this case is observed at educational level of grades 9-11, thus about 54.0 percent of economically active women who completed grades 9-11 were reported to be

unemployed. Although the males and the females show similar pattern, the unemployment rates for females were higher than that of males at all levels of education.

In rural areas the unemployment rate among the illiterate and the literate show slight difference. This is also true for each of the sexes. Following the pattern observed at country level, unemployment rate tends to increase as the level of education increases up to grade 12 and then drops down for those who have attained an educational level of beyond grade 12. Also, in rural areas females have higher rates than males at all level of education.

Regarding the marital status and unemployment rate the data in the table revealed that the highest rate was registered for the single (10.6 percent) followed by separated (9.8 percent) and the divorced (9.2 percent). The widowed (6.7 percent) and married (6.3 percent) have relatively the lowest unemployment rates. For both the males and females highest unemployment rates were reported for the single. The second and the third highest rates among the males are registered for the widowed and the divorced while among the females this was observed for the separated and the divorced. On the other hand, married men had the lowest unemployment rate while the divorced had the lowest unemployment rate among the females.

Unemployment rate for all categories of marital status is more prevalent in the urban areas compared to the rural areas. In urban areas the highest unemployment rate was reported for the single (34.5 percent) followed by married (21.7 percent). The next highest unemployment rates were reported for the separated (20.3 percent), the widowed (18.9 percent) and the divorced (15.0 percent). The same pattern holds true for the females, while slight difference in rank order was observed for the males.

The picture in rural areas was totally different where the divorced (7.6 percent), category reported the highest unemployment rate followed by the separated (6.6 percent) and the single (6.0 percent). The lowest unemployment rates in the rural areas were reported for the married (4.5 percent), and the widowed (4.1 percent). In general, unemployment rate among the females was higher than the males and the difference is more pronounced in the

never married category.

At country level, migrants (11.1 percent) seem to suffer more by the problem of unemployment than the non-migrants (6.8 percent). Among the migrant category unemployment rate was higher among the recent migrants (15.8 percent) compared to the long time migrants (10.0 percent). The same pattern holds true for males and females.

The phenomenon described above for the total country is true only in rural areas. The non-migrants in urban areas had higher unemployment rate (34.5 percent) than the migrants (22.4 percent). However the recent migrant in urban areas still recorded slightly higher unemployment rate (24.0 percent) than the long time migrants (21.9 percent). In both urban and rural areas unemployment rate among the females is higher than that of the males for all categories of migration status. In rural areas the unemployment rate for females exceeds that of the males by more than two folds among all categories of migration status.

Unemployed Population by Training Status

Available data show that the unemployment has come to be concentrated among non-trained (unskilled worker) 94.8 percent against the trained (skilled workers) 5.1 percent. Considering the sex difference among the non-trained unemployed the share of male and female were 92.3 percent and 95.8 percent, respectively. The corresponding figures for the trained unemployed were 7.6 percent and 4.1 percent.

The same pattern has also been shown in urban and rural areas. However, more trained unemployed were found in urban than rural areas and males trained were also out number females.

Among the trained unemployed those who have had trained in the profession of typing reported to be (21.2 percent) and tailoring 11.5 percent recorded the highest proportion. The second largest proportion occupied by those who were trained in the works of development agent (8.9 percent), business and economics (6.7 percent), building construction (6.3 percent) and home economics (6.2 percent). It is higher for those males trained in development agent and building construction 19.9 percent, 13.0 percent, respectively, while most females have had knowledge of typing (37.3 percent) and tailoring (19.6 percent).

In urban areas, tailoring, driving, Business economics and Building construction 22.2 percent, 11.8 percent and 7.1 percent, in that order, were reported next to typing 21.2 percent. While this was different in rural areas, those unemployed trained in woodwork or carpenter, (20.3 percent), development agent (15.6 percent), Home economics (12.5 percent) and Physician (11.5 percent) took the highest share of the total unemployed. The general pattern has shown that more males trained in driving and Building construction from urban areas, and more females in typing and tailoring. On the other more rural males have had a knowledge of development agent and home economics, while most of the females were trained in physician and wood work (**see Table ___).** The possible explanation for this is that most NGO's under take the program rural development with especial emphasis given to rural females.

CHAPTER VII

PARTICIPATION OF CHILDREN AGED 5-14 YEARS IN ECONOMIC ACTIVITY

7.1 Introduction

The 1999 National Labour Force Survey has attached a section containing questions on the socio-demographic characteristics and economic participation of children aged 5-14 years. The questions were addressed to the child. In cases when the child is unable to respond the questions were addressed to the parents or guardians or responsible proxy. This chapter will look at some of the information obtained form the survey on these children. This chapter covers school attendance, and economic participation of children. Moreover, the social background of working children is presented.

7.2 School Attendance

7.2.1 Status of School Attendance

The distribution of all children aged 5-14 years by status of school attendance, sex, region, urban and rural areas is presented in Table 7.1. According to the data in the table, out of the 16,060,720 children in the age 5-14 years, only 31.1 percent were attending school in 1999. Children who were not attending school constituted 65.1 percent i.e. those who have never attended school. Those who quitted school, that is, attended school before the year 1999 or registered in the year 1999 but not attending school at the time of the survey constituted 3.6 percent. Children living in the urban areas were more advantageous than those living in the rural areas in terms of school attendance. The proportion of children attending school in urban areas (75.5 percent) is three times higher than that of the corresponding figure in rural areas. The data in the table further shows some disparity between the male and the female children in school attendance, and that the gap is wider in the rural areas than in urban areas. That is, about 35 percent of the male children were attending school compared to 26.8 percent among the females.

As in the case of many other variables, regions with predominantly urban population, that is, Addis Ababa, Dire Dawa Administration, and Harari Region, were in a better condition with respect to the level of children's school attendance. Addis Ababa, with almost 90 percent of its children attending school at the time of the survey, leads the rest of the regions with very wide gap. In Dire Dawa Administration and Harari Region 63.7 percent and 59.5 percent, respectively, of their children aged 5-14 years were attending school. Next to these regions was Gambella where 56.1 percent of children were attending school at the time of the survey. The lowest proportion of children attending school was observed in Somali Region (17.2 percent).

Even though the proportion of children attending school is low at all ages, it shows improvement as age increases (see Table 7.2). The proportion of children attending school ranged from 6.6 percent for children aged 5 years, to 46.7 percent for children aged 14 years. This shows the low level of school attendance and the tendency of parents to send to school their children late in age. Generally, both the male and the female children show similar age pattern of in school attendance.

7.2.2 Main Reason for Quitting School

In this survey, children aged 5-14 years who have been attending school before the survey year and children who have registered at the start of the current academic year but were not attending school currently are asked to report the reason for quitting school. The resulting data is presented in Table 7.3 by reason for quitting school, sex, region, urban and rural areas.

According to the data in Table 7.3, illness (26.1 percent), lack of adequate family income (20 percent) and need to work (15 percent) are the three top reasons for quitting school given by children who did so. Lack of personal interest for education was also reported as a reason by about 12 percent of the children. Each of the remaining reasons was reported by 5 or less than 5 percent of the children.

Reason for quitting school of children living in the rural areas follows similar pattern as that of the total country. In urban areas, though the main reasons remain the same, shifting in the order of the reasons are observed. Thus, lack of income took the leading position (29 percent) followed by illness (24 percent) and lack of personal interest (9 percent). Children who quitted school to work constituted 8.8 percent. In the urban areas variation is observed between the male and the female children by reason for quitting school. For the males, illness, lack of income and work, in that order, are the three most important reasons while among the females, illness and lack of adequate family income were reported by equal proportion of children followed by lack of personal interest.

In most of the regions, illness, lack of adequate family income, need to work and lack of personal interest for education were the main reasons for quitting school. However, Tigray, Affar and Somali regions show same deviation from the general pattern. In Tigray Region, displacement due to war, draught…, etc become the top reason for quitting school. In the urban areas of Tigray Region, nearly half of the children quitted school due to displacement. On the other hand, lack of interest for education on the part of the family came into picture for Affar and Somali regions. However, the number of cases for urban areas of these regions is small and the result should be interpreted cautiously.

7.3 Participation of Children in Economic Activity

7.3.1 Work Status of Children

Table 7.4 presents the distribution of children aged 5-14 years by sex and work status for total country, region, urban and rural areas. The table classifies all children as non-working, working in domestic activity and working in productive activity. This classification refers to the seven days prior to the date of interview and is based on the standard definition of productive activity. Children labeled as 'working in domestic activity' are those who are engaged in domestic chores for their families without payment.

According to the data in the tables, the highest proportion of children (38.6 percent) was not working during the reference period. The remaining children were either working in domestic activities (28.9 percent) as part of socialization process or were engaged in

productive activity (32.3 percent). The proportion of non-working children was the same for the males and the females. However, the male and the female children differed in proportion working in domestic activity and productive activity. As can be seen from the table, male children were engaged more in productive activity than domestic activity, while the reverse is true among the females.

In the urban areas, the highest proportion (53.0 percent) of children was not working. The proportion working in domestic activity constitute 36.3 percent while the proportion of children working in productive activity was relatively low (10.6 percent). In the rural areas, non-working children and children working in productive activity constitute nearly equal proportion (about 36 percent) followed by those children working in domestic activity (27.9 percent)

Comparison of proportion of children working in domestic activities by region show that Dire Dawa Administration has the highest (38.0 percent) and Affar Region has the lowest (19.5 percent) of children working in domestic activity. On the other hand proportion of children engaged in productive activity range from 40.0 percent in Somali Region to 4.4 percent in Addis Ababa, the highly urbanized region.

In the urban areas, SNNP region showed the highest proportion (17.4 percent) and Gambella region showed the lowest proportion (3.4 percent) of children engaged in productive activities. With respect to children working in domestic activities, Dire Dawa Administration registered the highest proportion (47.9 percent), while Affar Region had the lowest proportion (24 percent).

The distribution of children working domestic activity and children engaged in productive activity by sex and age, is presented in Table 7.5. Proportion of children engaged in productive activity rises as age of the child increases (see Figure 7.1). The proportion of children engaged in productive activity was 4.4 percent at age 5 years and increases steadily to 45 percent at age 10 years. After age 10 years, the increase in the proportion was slow. Engagement in productive activity by age group was generally similar among the male and the female children. The relationship between age and participation in domestic activity, however, was different (see Figure 7.2). The proportion of children working in domestic

activity show increasing trend and reaches its peak at age 9 years and drops down for the next age group. It then shows a more or less constant pattern thereafter.

The distribution of children engaged in productive activity generally follow similar age pattern in both urban and rural areas. The pattern among children working in domestic activities is, however, different between urban and rural areas. The pattern in the rural areas roughly resemble that observed for the total country, that is, as steadily increase up to age 9 years and a fluctuating pattern thereafter. In the urban areas, the proportion of children working in domestic activity generally shows an increasing trend with some fluctuations (see Table 7.5).

7.3.2 Type of Productive Activity

Table 7.6 presents the types of productive activity children were engaged in during the survey reference period. In the survey, types of productive activities engaged in were broadly grouped as: household enterprise in agriculture, houshold enterprise in non-agriculture, paid employment in agriculture, paid employment in non-agriculture, paid domestic services, and self employment.

As in the case of the population aged 10 years and above, the majority of children engaged in productive activities were working agricultural activities. Also, the data in the table shows children working in agricultural activities for their household constituted 89.2 percent, while those who work in agricultural activities on the bases of payment constituted only 2.4 percent. On the other hand, only 5.4 percent and 0.5 percent of children engaged in productive activities were working non-agricultural activities for their families and on payment basis (as employee), respectively.

The distribution of children working in productive activities by type of activity in the rural areas resembles that described for the total country. That is, very high proportion (91.6 percent) in agriculture and very low proportion (8.4 percent) in non-agricultural activities. In urban areas, however, the distribution was different; where the proportion of children working in agricultural activities (43.9 percent), non-agricultural activities (30.9 percent),

self-employment (12.6 percent) and paid domestic service (8.2 percent). In both the urban and rural areas, the male and female children show variation by type of productive activity. The proportion of children in agriculture and self-employment was high among the male children, while the reverse is true for non-agricultural and paid for domestic service workers. But, the relatively larger proportion of self-employment among the male children compared to the females was featured only in the urban areas.

The types of productive activities that children engaged in shows similar pattern for all regions except Addis Ababa. Addis Ababa is highly urbanized and as expected the contribution of agricultural activities was very low. Paid domestic service and self employment were the two main types of activities of children in Addis Ababa, each taking about one-third of children engaged in productive activity.

7.3.3 Reason for Working

Table 7.7 presents the distribution of children engaged in productive activity by sex, and reason for working at country, region, urban and rural areas. As the data in the table shows the single important reason for working at country level was to help family (93.1 percent). The proportion of children working to be self reliant was 3.2 percent while those to augment family income was 1.8 percent. The distribution of reason for working in the rural areas is similar to that of the total country. In the urban areas, however, beside helping family (68.3 percent) children work to be self reliant (18.4 percent) and to augment family income (9.1 percent). In both the urban and rural areas, the male and the female children show similar distribution by reason for working.

In all regions except Addis Ababa, helping family is the main reason for working among children engaged in productive activity. The proportion of children who report this reason range from 82.4 percent for Gambella Region to 98.6 percent for Affar Region. Addis Ababa, which is highly urbanized, has got most (44.7 percent) of its children working to be self reliant. Children working to help family make up only 28.3 percent of Addis Ababa's children engaged in productive activity. Augmenting family income is also important (17.6 percent) in Addis Ababa.

7.4 Social background of Working Children

7.4.1 Parents' Survival Status

Table 7.8 present the distribution of children aged 5-14 years who are engaged in productive activity by sex, parents' survival status, region, urban and rural areas. According to the data in the table, the majority (82.5 percent) of working children has both their mother and father alive. The proportion of children who lost either mother or father constituted 16.1 percent, while those who lost both parents make up only 1.3 percent. The proportion of working children who lost either of their parents and who lost both parents was found to be higher in the urban areas than in the rural areas. In both the urban and the rural areas, the male and the female children who were working show similar distribution by parent's survival status.

Regarding the distribution of children by parent's survival status, the data in the table show two groups of regions. The urban dominated regions, i.e., Addis Ababa, Dire Dawa Administration and Harari Region have around 75 percent of their working children with mother and father alive. For the remaining regions, except, Gambella Region, the proportion of working children ranged from 80 percent for Benishangul-Gumuz Region to 84.5 percent for Amhara Region. Gambella Region showed exceptionally lower proportion of children whose mother and father were alive. Results for urban parts of Gambella, Affar and Harari regions should be interpreted cautiously because of the small number of cases include in the analysis.

Cross-classification of parents' survival status by work status of children, sex, urban and rural areas is presented in Table 7.9. As expected, children who lost both mother and father show highest proportions (38.5 percent) working in productive activities and working in domestic activity. Slightly lower proportions of children who lost either father or mother were working, while a low proportion of children who have both father and mother alive were working.

The distribution of survival status of parents by work status of children in rural areas resembles that described for the total country. In urban areas the gap between proportion of non-working and working (either domestic or productive) is wider among children whose parents are alive compared to the other groups.

7.4.2 Parents' Marital Status

In this survey working children whose parents (both) are alive were asked to report the marital status of their parents. As the data in Table 7.10 shows, parents of the majority (89.8 percent) of working children with surviving parents were in union at the time of the survey. Those children whose parents were not in union constituted 9.9 percent. The proportion of working children whose parents were not in union was relatively higher (20.4 percent) in urban areas as compared to the rural areas (9.5 percent).

In terms of parents not in union, the proportion of working children with surviving parents was the highest for Gambella Region, (27.3 percent), while the lowest proportion was observed in Somali region (4.6 percent). In the urban areas the highest proportion was registered in Affar Region while Somali region showed the lowest proportion. In rural areas, Gambella scored the highest and Dire Dawa Administration the lowest proportion.

The distribution of children aged 5-14 years whose parents were alive by sex, parents' martial status, work status of children, urban and rural areas is presented in Table 7.11. Children aged 5-14 years whose parents' were in union and not in union showed very little difference in the distribution by work status. The same situation holds true in both the urban and rural areas and for both the males and females.

7.4.3 Living Arrangements

This survey has also collected data on living arrangements for children who were engaged in productive activity. Living arrangements refer to where/ with whom the child is living. Table 7.12 presents the distribution of working children aged 5-14 years by sex, living arrangements, urban and rural areas.

The data in the table shows that the majority (66.1 percent) of working children was living with their parents followed by those living with mother only (14.8 percent) and those living with their relatives (10.7 percent). The proportion of working children living with father only constitutes 5.5 percent. The table also shows the proportion of working children living with their employers to be relatively low (2.4 percent) and those living alone or living with guardian to be nil. Working male and female children did not show noticable difference based on living arrangements.

In the urban areas, the proportion of children living with both parents is lower than that of children in rural areas. On the other hand, the proportion of working children living with mother only and with relatives is higher in urban areas compared to those children in rural areas. Also, living with employer appears to be important in urban areas. This is particularly true for the working female children.

ANNEX II ESTIMATION PROCEDURES OF TOTAL, RATIO AND SAMPLING ERRORS

I) Estimate of domain total, $\hat{Y}_h$, is given by:

$$\hat{Y}_h = \sum_{i=1}^{n_h} \frac{M_h H_{hi}}{n_h M_{hi} h_{hi}} \sum_{j=1}^{h_{hi}} Y_{hij} \qquad (1)$$

$$= \sum_{i=1}^{n_h} \sum_{j=1}^{h_{hi}} W_{hi} Y_{hij}$$

$$W_{hi} = \frac{M_h H_{hi}}{n_h M_{hi} h_{hi}}$$ Is the sampling weight?

Where:

M_h= Total number of households in stratum h obtained from the sampling frame

M_{hi}= Total number of households in EA/PSU i stratum h obtained from the sampling frame

n_h= Number of sample EAs successfully covered in stratum h

H_{hi} = Total number of households obtained from the survey listing in EA/PSU i stratum h

h_{hi}= Number of sample households successfully covered in EA/PSU i stratum h

Y_{hij} = The observed value of a characteristic y for household j in EA/PSU i stratum h.

Note: Estimate of total at country level, $\hat{Y}$, is obtained by summing up stratum/domain total estimates.

$$\hat{Y} = \sum_h \hat{Y}_h \qquad (2)$$

II) Sampling error of estimates:

The variance of domain total estimate is:

$$Var(\hat{Y}_h) = \frac{n_h}{n_h - 1}\left[\sum_{i=1}^{n_h} \hat{Y}_{hi}^{\,2} - \frac{\hat{Y}_h^{\,2}}{n_h}\right] \qquad (3)$$

In which $\hat{Y}_{hi} = W_{hi} \sum_{j=1}^{h_{hi}} Y_{hij}$

$$Var(\hat{Y}) = \sum_{h} Var(\hat{Y}_h) \qquad (4)$$

Standard error of domain total estimate is:

$$SE(\hat{Y}_h) = \sqrt{Var(\hat{Y}_h)} \qquad (5)$$

Percentage Coefficient of variation (CV) of domain total:

$$CV(\hat{Y}_h) = \frac{SE(\hat{Y}_h)}{\hat{Y}_h} X100 \qquad (6)$$

Ninety five percent confidence interval (CI) of domain total:

$$\hat{Y}_h \pm 1.96 X SE(\hat{Y}_h) \qquad (7)$$

III) Estimator of ratio:

$$\hat{R}_h = \frac{\hat{Y}_h}{\hat{X}_h} \qquad \text{And } \hat{R} = \frac{\hat{Y}}{\hat{X}} \qquad (8)$$

Where the numerator and the denominator are estimates of domain totals of characteristic y and x, respectively.

$$Var\left(\hat{R}_h\right) = \frac{1}{\hat{X}_h^2}\left[Var\left(\hat{Y}_h\right) + \hat{R}_h^2 Var\left(\hat{X}_h\right) - 2\hat{R}_h Cov\left(\hat{Y}_{h,}\hat{X}_h\right)\right] \qquad (9)$$

In which

$$Cov\left(\hat{Y}_{h,}\hat{X}_h\right) = \frac{n_h}{n_h - 1}\left[\sum_{i=1}^{n_h}\hat{Y}_{hi}\hat{X}_{hi} - \frac{\hat{Y}_h\hat{X}_h}{n_h}\right]$$

Estimates of standard error, coefficient of variation and confidence interval for the ratio estimate can be calculated by adopting formulas 5, 6 and 7.

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