

Challenges and lessons from measuring employment and incomes during the pandemic

Rahul Lahoti

October 7th, 2021

1. Data collection

2. Results

3. Challenges and lessons in data collection

Data collection

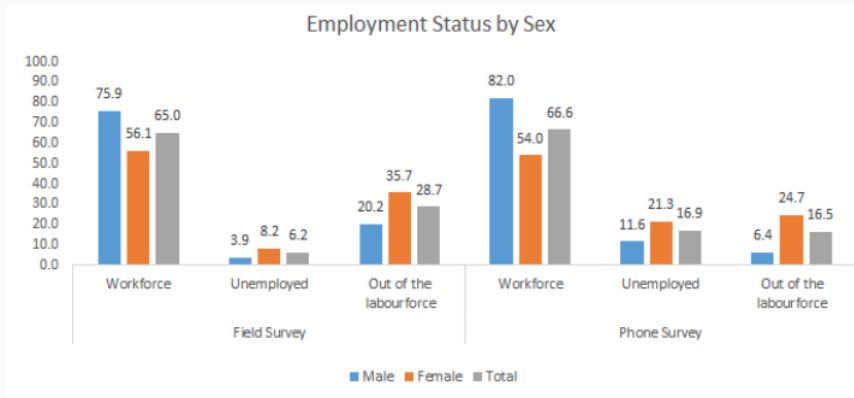
- Azim Premji University Livelihoods Phone Survey (Two rounds)
- India Working Survey (IWS) - Azim Premji University, Indian Institute of Management, Bangalore and University of Western Australia.

India Working Survey (IWS) Methodology

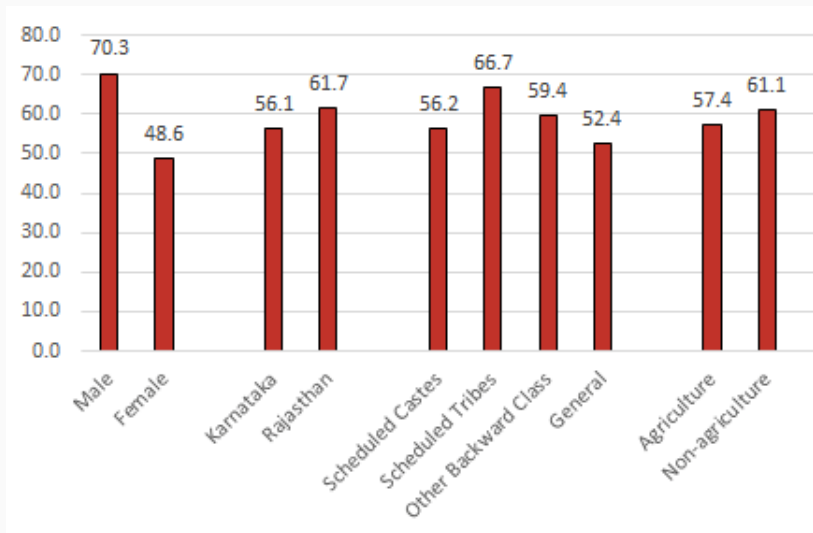
- Rajasthan and Karnataka - 3000 individuals phone survey in August-September 2020 (randomly selected one male and one female (18-60) per household, mostly rural).
- Randomly selected households.
- Instead of the typical single employment status question, we ask a series of binary activity based questions to determine employment status.
- Instead of using proxy responses, we ask the two respondents in the household about their labor market participation.

Results

Distress Employment



Recovery rates for those who lost work during lockdown



Large transitions in and out of workforce

		Post first lockdown (Aug-Sep 2020)		
		Workforce	Unemployed	Out of the labourforce
Men				
Pre-Pandemic (Feb-March 2020)	Workforce	86.9	9.6	3.5
	Unemployed	59.6	25.0	15.4
	Out of the labourforce	67.9	16.6	15.5
Women		Workforce	Unemployed	Out of the labourforce
Pre-Pandemic (Feb-March 2020)	Workforce	69.7	14.4	15.9
	Unemployed	34.3	39.6	26.1
	Out of the labourforce	33.9	27.9	38.2

Non-agricultural workforce severely affected

Pre-pandemic	Sector	Post first lockdown (Aug-Sep 2020)		
		Workforce	Unemployed	Out of the labourforce
Male	Agriculture	88.0	7.9	4.2
	Non-agriculture	85.0	12.5	2.5
Female	Agriculture	72.8	13.4	13.8
	Non-agriculture	59.5	18.1	22.4
Total	Agriculture	79.9	10.8	9.3
	Non-agriculture	76.1	14.4	9.5

Large movement into agriculture among those who were working

Working in both periods				
Pre/Post	Agriculture and Mining	Manufacturing	Construction	Services
Agriculture and Mining	91.9	1.5	3.1	3.5
Manufacturing	32.6	47.2	5.6	14.6
Construction	45.2	10.8	39.8	4.3
Services	27.2	6.5	5.1	61.2

Movement from wage to self-employment

Pre-Pandemic	Post-first lockdown				
	Own account worker	Owner	Unpaid helper	Regular Wage	Casual Wage
Own account worker	55.5	8.2	21.4	3.6	11.3
Owner with employees	57.4	14.8	18.5	0.0	9.3
Unpaid helper	28.2	4.8	53.4	2.2	11.4
Regular Wage	16.8	2.2	9.5	59.9	11.7
Casual Wage	32.1	4.9	19.2	3.1	40.6

Earnings declined substantially and haven't recovered

Rural	February 2020		August-September 2020	
	Mean income (Rs.)	Share of zero income (%)	Mean income (Rs.)	Share of zero income (%)
Self-employed	8,049	18	5,140	44
Salaried	10,167	1	9,986	42
Casual/daily wage worker	5,242	2.1	4,761	29

Challenges and lessons in data collection

Challenges

- Sampling (Purposive/Random)
- Length of Survey
- Response Rates
- Privacy
- Quality of data
- Incentives?
- Enumerator Training/Monitoring
- Phone survey fatigue

- Para-data and real-time data offers tools for enumerator monitoring and checking quality of data
- Detailed protocol and analysis can help determine times to call and increase response rates
- Ease of piloting offers possibility to get the Q're right
- Phone surveys are faster and cheaper

Issues with interpretation of results

- Wording of employment question/Reference period is more important with increased volatility in labor markets.
- Several surveys did not ask income questions.
- Many individuals that are working with zero incomes - how do you count them (employment/income averages).

Conclusion

- Data collection efforts proliferated after the first lockdown, but very few in the second wave.
- Even though most surveys were purposive, they collectively offered a glimpse of the level of distress.
- Need to adapt and develop better understanding of phone surveys.
- Data in such critical time is key to design policy.

Sample Characteristics

	Karnataka	Rajasthan	Total Sample
N	1421	1566	2987
<i>Sex (Female)</i>	55.3	54.8	55.0
<i>Location- Rural (%) (n=2986)</i>	90.2	76.8	83.2
<i>Social Group (%) (n=2985)</i>			
Scheduled Castes	27.3	21.7	24.3
Scheduled Tribes	10.0	14.3	12.2
Other Backward Class	54.2	48.0	50.9
General	8.5	16.1	12.5
<i>Religion (%) (n=2962)</i>			
Hindu	96.2	97.1	96.7
Muslim	3.1	2.2	2.6
Others	0.7	0.6	0.7
<i>Average age (in years)</i>	39.1	37.5	38.3
<i>Educational Status (%)</i>			
Not literate	27.0	34.2	30.8
Literate upto primary	24.4	18.8	21.5
Middle to higher secondary	39.6	34.0	36.7
Diploma/graduate and above	8.9	13.0	11.1

Recovery Profile

	No recovery (in %)	Recovery (in %)	Lagged job loss (in %)	Status quo (in %)
Total	21.9	31.5	10.2	36.3
State				
Karnataka	23.3	29.8	10.5	36.4
Rajasthan	20.6	33.2	10.0	36.2
Sex				
Male	13.7	32.5	10.0	43.8
Female	32.2	30.4	10.5	26.9
Caste				
SC	25.8	33.0	12.1	29.1
ST	18.7	37.3	11.5	32.5
OBC	20.8	30.4	8.9	39.9
General	23.9	26.4	11.7	38.0
Educational Categories				
Not literate	27.2	32.6	9.9	30.2
Literate upto primary	18.1	34.2	9.3	38.4
Middle to higher secondary	19.5	29.4	12.0	39.1
Diploma/graduate and above	23.4	29.7	6.3	40.6