Poverty Reduction Group
Poverty Reduction and Economic Management (PREM)
World Bank

ADePT: Labor

Version 1.0

Automated labor market diagnostics for
low and middle income countries

User's Guide:
Definitions of Variables and Indicators

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Introduction - what this guide will tell you

This guide explains what ADePT LABOR does (and doesn't), and how it can be a useful tool. The introduction explains the motivation for this software and provides a brief description of the program. The first section describes each of the variables needed in order for the program to produce different tables and indicators, with some recommendations on how best to define and construct each. The second section lists each table and presents the definitions of each variable.

Why ADePT LABOR?

Improvement in the quality and quantity of employment opportunities is increasingly recognized as one of the main links between growth and poverty reduction, and as such an important factor in explaining the observed heterogeneity in poverty's response to growth. The growing consensus around the importance of employment for poverty reduction is reflected in

(i) A generalized concern with 'jobless growth' as the potential cause of the failure of growth to reduce poverty in a number of countries and

(ii) The related growing debate on how to foster employment intensive growth.[1]

More recently, emphasis has shifted to low and middle income countries where poverty more likely is associated with low productivity (and low earnings) than lack of employment. In these cases, it is the impact of growth on the quality—rather that the quantity—of employment opportunities that matters for poverty reduction.

Despite the obvious importance of labor income and employment in making growth pro poor, understanding labor markets' role in transmitting benefits of growth to the poor has remained unexplored. Two main constraints have hampered our understanding of these issues.

The first constraint is lack of relevant indicators of labor market conditions in developing countries. For example, existing indicators are heavily biased towards measuring unemployment and hours of work. However, in low- and middle-income countries, where low labor productivity and subsistence employment prevail and unemployment is a luxury, high income country labor market indicators may not capture all relevant dynamics. As such, standard labor market indicators do not fully depict actual labor market conditions, particular so for the most disadvantaged groups. Similarly, standard labor market indicators do not adequately describe how conditions evolve over time.

The second constraint is lack of a framework for analyzing how growth transmits benefits to the poor: when poverty rates fall and the economy grows, is it because unemployment falls or because employment quality improves? Do improvements arise out of increase in quality of employment within sectors, because of movement of workers from poorer-quality sectors to better-quality ones, or because of a mix? Is growth productivity as effective in poverty reduction as employment growth? Does it matter where growth is concentrated? Is wage employment or income from self-employment increasing? What factors are behind increases in earnings?

To remedy this knowledge gap the World Bank has developed:

i) A set of labor market indicators for assessing labor market conditions and how they evolve, in developing countries: "A guide for Assessing Labor Market Conditions in Developing Countries"[2] and,

[1] One of the core elements of the global employment agenda "Macroeconomic policies for growth and employment" calls for addressing four key questions, one of which is "How can the employment intensity of growth be increased"; ILO (2003).

ii) A framework for understanding how growth is affecting earnings and employment of the different income segments of the populations: "The Role of Employment and Labor Income in Shared Growth: What to Look For and How"[3].

ADePT LABOR is software designed to facilitate the analysis of labor market issues for analysts using the above mentioned indicators, and/or the framework developed by the World Bank. ADePT LABOR can be used as a tool to produce many of the tables and graphs specifically designed to assess labor market conditions in developing countries and the role of jobs and employment in transmitting the benefits of growth to the poor. It is a time saving tool for those producing large amounts of tables needed to analyze labor markets. It reduces the number of errors implicit in this type of analyses and allows rapid repeat of all tables when any of the underlying data changes.

ADePT LABOR produces three types of tables. The first set provides main indicators to assess the evolution of labor markets. This set of tables compiles most of the tables and indicators that appear in the guide for assessing labor market conditions (see above). As mentioned above, the purpose of the tables is to capture labor market outcomes in developing countries, for example employment rates, unemployment rates, low earning rates, median earnings, etc. The tables are presented and explained in section 2-1, numbered from 1-1 to 1-7.

The second set of tables addresses links between poverty and labor markets and is based on the framework developed to link poverty, labor markets and growth (see above). This set takes a close look at the labor status of the poor, and earnings structure across sectors. Tables are numbered 2-1 to 2-6b in section 2-2.

The last set of tables are disaggregations of main indicators (i.e. unemployment, employment, low earning rates, median earnings, etc.) by different individual characteristics (age, gender, ethnicity, region, urban/rural, level of education and level of consumption). This set is intended for those analysts who would like to see how a particular status or condition applies to different population sub-groups. Tables are described in detail and labeled A1 trough A9 in section 2-3.

Section 2.4 provides definitions for each of the indicators produced in the tables.

In addition to the tables the software has an option to reports standard errors and frequencies for each statistic produced.

It is important to highlight that ADePT LABOR is an automated tool for producing tables. The software calculates indicators designed for the analysis of Labor Markets in Developing Countries, at the aggregate level and by subgroups of population. The software is not intended to calculate income or consumption aggregates, or define employment status, or categorize workers according to occupations. These constructs will have to be calculated prior to the use of ADePT LABOR, at the household and/or individual level. In the next section we list variables needed in order for ADePT LABOR to calculate indicators and produce its tables. We also discuss construction of tables and recommended definitions. The third section lists each table, present the definitions of each indicator and list the set of variables needed in order to produce each table.

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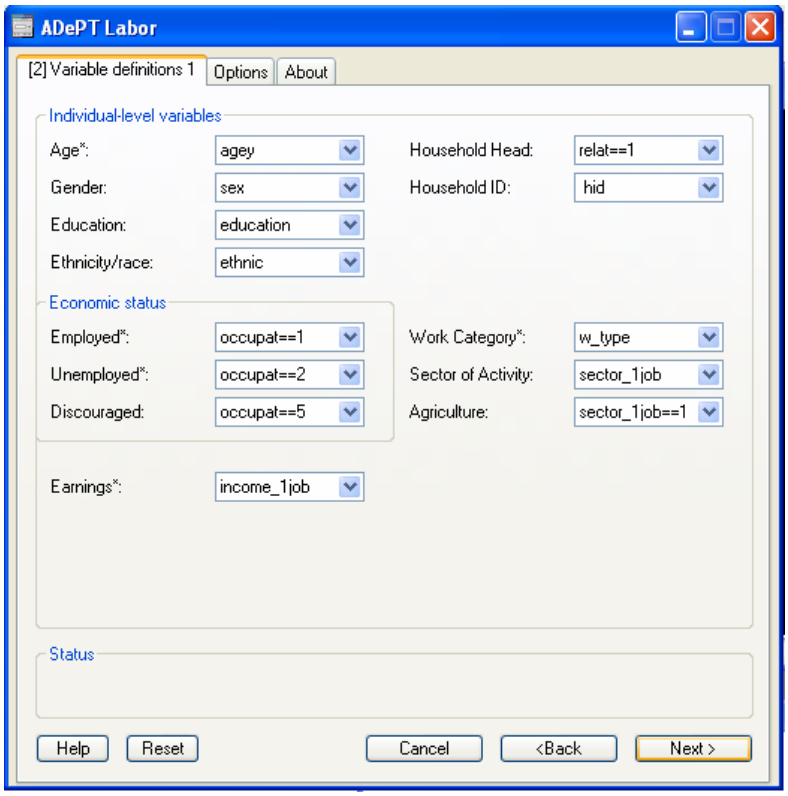
[2]The guide was developed by the Social Protection and education groups at the Human development network and the Poverty Reduction group from the Poverty Reduction and Economic Management network at the World Bank. Please refer to World Bank (2006).

[3] The framework was developed by the Poverty Reduction group from the Poverty Reduction and Economic Management network at the World Bank. It can be downloaded at: http://siteresources.worldbank.org/INTEMPSHAGRO/Resources/RoleOfJobsForSharedGrowth.pdf

Section 1: Input Variables in ADePT LABOR

This section lists and describes variables, which ADePT LABOR uses to produce tables and indicators. The user will need to construct and include variables in a database to be read by ADePT LABOR. The variables are listed in the order they appear in the software. Some variables are required, that is they are needed in order for the software to produce any table. Required variables are denoted with an asterisk. Other variables are used for some but not all tables (and therefore optional). As such, leaving out optional variables will reduce the number of tables and indicators the software produces. Technical details about the format and specification of data can be found in "ADePT LABOR Technical User's Guide".



The second screen that will appear on ADePT LABOR (shown above) will request the user to input the names of the following variables:

1. **Age*:** a numeric discrete or continuous variable, reflecting each individual's age.

2. **Gender:** categorical variable reflecting the gender of each individual.

3. **Level of education:** categorical variable to be defined by the researcher according to country specifics. The most common categorization used to classify workers according to education levels is "no education", "some education but less than completed primary", "complete primary but less than completed secondary", and "completed secondary and above".

4. **Ethnicity/Race:** captures underrepresented groups in a society. The ethnicity/race variable can include ethnic, religious, or racial categories, which might affect labor market outcomes of the underrepresented groups.

5. Variables to define Economic Status: a) Employed*, b) Unemployed* and c) Discouraged.

The intention behind the variables defining economic status is to identify whether a given individual is working or not, and if inactive whether it's a discouraged worker or not. The variable is categorical and can be inputted in two different ways; either as a categorical variable that takes different values depending on the employment status of the individual (for example "1" for employed, "2" for unemployed, "3" for discouraged, "4" for other inactive), or as three dummy variables, one for each status, taking a value of 1 if the individual falls within that category (e.g. a dummy for employed that takes a value of 1 for employed individuals, a dummy for unemployed that takes a value of 1 if the individual is unemployed and a dummy for discouraged that takes a value of 1 if the individual is discouraged). Inactivity is calculated as a residual. In other words individuals not classified as employed or unemployed are classified by the software as inactive. We recommend following the definitions of The International Labour Organization (ILO) to construct these variables. Brief definitions of each category are presented below. For ILO's detailed definitions please see Annex 1.

Employed: those who during the survey reference period (usually the past week or the past month):

1) Worked for wage or salary, for profit or family gain, either employed by a third party or as self-employed, for at least one hour, or
2) Had a wage job, self-employment job or enterprise but was temporarily absent from work.

Unemployed: those that cannot be classified as employed, but were available for work during the reference period and actively seeking work. A working-age individual is classified as unemployed if:

1) Without work in either paid employment or self-employment in the reference period (typically, the last week);
2) Available to work in the reference period; and
3) Actively sought work in the reference period, where "active seeking" is defined in specific terms.

In some surveys, the question "were you available for work?" is not asked. In such cases, at least, the worker should be without work and should have searched for employment in the reference period to be classified as unemployed. Care should be taken when comparing surveys between different years as in many surveys the reference period for unemployment changes, for example one year the reference period might be a month ("did you actively seek for a job during the past month?") and in some surveys the reference period is a week. Unemployment rates vary substantially depending on the reference period used.

Discouraged: subcategory among inactive workers. Discouraged workers are those individuals who are neither employed nor unemployed according to the above categories, but do not look for a job because they believe no jobs are available for them, or do not know how to search. Not all surveys allow for the distinction between discouraged workers and plain inactivity. But many surveys ask those that did not search for a job "what was the main reason you did not search for a job?" From this question it is possible to infer if the individual is a discouraged worker or not.

6. Earnings (income from labor)*: this should refer to the variable that contains income from labor at the individual level. Earnings for labor should be a numeric continuous variable.

Constructing income from labor is the hardest tasks in labor market analysis, and the quality of the data is crucial for results to be meaningful. Ideally, the data should capturer all sources of income, both in cash and in kind. In the case of waged or salaried workers it should include direct wages and salaries, remuneration for time not worked (excluding severance and termination pay), bonuses, tips, annuities, and gratuities and housing and other allowances paid by the employer directly to this employee (for example transportation, and clothing). In the case of self employed workers it should capture all profits, which are the difference between the value of output and the cost of inputs. Both output and input should include in-cash and in-kind amounts. The value of output should include sales as well as the value of produce for self- consumption, produce used as gifts or as payment for inputs and services. The cost of inputs should include value of rented land, as well as the inputted value for land owned, all costs of inputs purchased or self produced, and the costs of credit (interest paid).

In most surveys earnings for wage or salary workers, self-reported by the worker, are reliable. Most of the problems arise when calculating earnings for the self -employed. There are two sources of information to compute such earnings:

i) Self-reported income from the survey section on Economic Activity and
ii) Enterprise modules, either agricultural or non agricultural.

The main disadvantage of self-reported income is that it in many cases reflects total sales rather than profits and even when the specific question asked is "profits earned", it might be unreliable. Constructing earnings from the enterprise data on the other hand is time consuming, and the data needed is not always available, but it is the preferred method when data is available. For more on when to use each method see (De Mel, McKenzie, and Woodruff, 2007).

A second issue in constructing income is how to distribute earnings among family enterprise workers. Self-reported earnings from the section on economic activity are usually reported only for the head of enterprise. Other household workers are classified as unpaid family workers and thus have no earnings. This means that self-reported earnings for the head of enterprise are overestimated, as it includes returns to labor of other household members. There are several ways to deal with this issue. The first is to distribute the earnings of the household enterprise equally among the members working in it, or proportionally to the hours worked by each. The second method is to estimate a profit function in which different types of labor are used as input (e.g. females within certain age ranges and different levels of education and males within certain age ranges and levels of education) controlling for sector of economic activity, region, etc. Then distribute the earnings of the household enterprise among its members using the estimated returns for each type of a labor. If all else fail and income for self-employed workers is not reliable, at the very least the database should contain income for wage and salary workers, with missing values reported for other workers.

In addition, when constructing the earnings variable, it is important to bear in mind whether the income estimated is for the main economic activity (first job) or for all economic activities. In countries where the rate of multi-activity is small this difference might not be important, but in countries where individuals have many jobs the results and analysis has to be performed carefully. Whether you use income from main activity or total earnings will depend on what you are looking at. If you for example want to compare earning rates across sectors it is better to have earnings from first job only. If the idea is to understand how the labor market rewards certain typologies of individuals (like in poverty analysis) the best is to use total earnings. A good practice is to perform the analysis for both types of incomes (you will need to calculate the tables twice). Finally, income can be reported monthly, weekly or annually.

7. Variable to identify household head: dichotomous variable or categorical variable in which the head of household takes a specific value. For example most surveys have a variable that identifies the relationship of each member of the household with the head of the household. This variable usually takes a value of 1 for the head of the household.

8. Household ID: variable that identifies the household to which each individual belongs.

9. Work category*: captures the type of employment of an individual. It is a categorical variable that can be defined by the researcher according to country specificities.

Most dedicated labor force and multi-topic household surveys gather information on the category of employment, typically classifying employed workers into (at least) one of three mutually exclusive categories:

1) Wage and salaried workers (also sometimes referred to as employees);
2) Self-employed workers; and
3) Unpaid family workers (also sometimes referred to as contributing family workers).

Some surveys additionally separate self-employed workers into two categories: (1) self-employed workers with paid employees (employers) and (2) self-employed workers without paid employees (own-account workers). Two alternative classifications are recommended:

1) Three-way classification:
- Wage and salaried worker. An individual is a wage or salaried worker if s/he was employed by others.
- Household enterprise worker. An individual is a household enterprise worker if s/he was either an own-account worker with no paid employees, or an unpaid worker residing with at least one own account worker.
- Employer. An individual is an employer if s/he employed at least one other person for pay during the reference period.

In addition, wage and salary workers can be further subdivided into formal and informal, when country specificities grant this as a relevant distinction. When relevant, variables can also be decompressed into agricultural and non-agricultural workers.

2) Four way-classifications
- Wage and salaried worker. An individual is a wage or salaried worker if s/he was employed by others.
- Individual self-employed worker. An individual is categorized as individual self-employed worker if s/he works alone with no paid employees or with other family members categorized as unpaid workers. Many household surveys, ask the question “how many people including yourself work in the enterprise, business or institution where you work?” Alternatively many enterprise modules, ask whom or how many family members work in the enterprise. These questions allow for identification of individual self-employed workers.
- Household enterprise worker. An individual is a household enterprise worker if s/he was either an own-account worker with no paid employees working with other people besides himself in the enterprise, business or institution where s/he works , or an unpaid worker residing with at least one own account worker.
- Employer. An individual is an employer if s/he employed at least one other person for pay during the reference period.

In addition, wage and salary workers can be further subdivided into formal and informal, when country specificities make the distinction relevant. Variables can also be decompressed into agricultural and non-agricultural workers.

Because estimations of income for individually self-employed and family enterprises workers are different (the last is a per worker estimate that includes returns to labor of all household members), it may be an advantage to use the four-way definition. However, information is not always available to adequately classify workers in these two groups. Other surveys have classifications that may be better suited to the country specificities and the user may want to follow these.

We recommend the following four way classification: wage and salaried workers; self-employed workers working with no other family member; family enterprise workers, which comprises unpaid family members and self-employed working with other self-employed or unpaid members in the household, and; employers, which are self-employed and employing at least one paid employee other than a family member[4]. Wage work can further be divided into formal and informal.

10. Sector of activity: categorical variable meant to identify the main sector of economic activity of the employed individuals. This variable can be defined according to scope of the research. A typical categorization based is ISIC 1 digit, which divides sectors among:

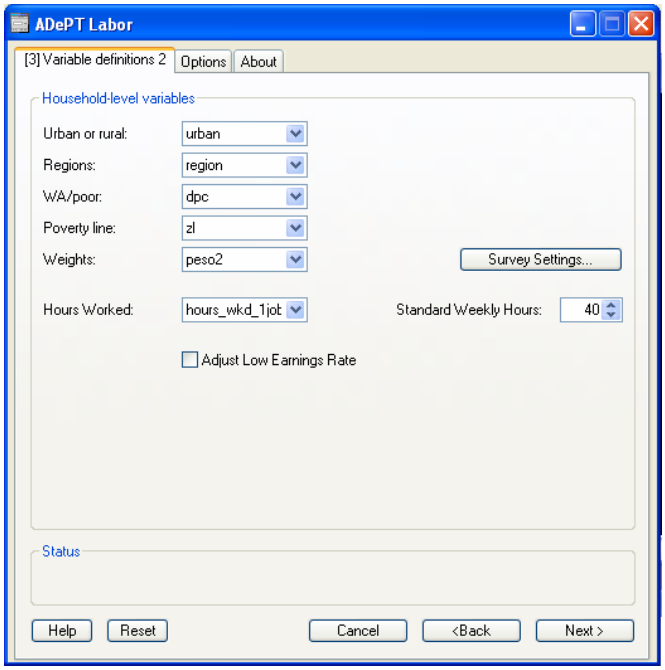
i) Agriculture fishing and forestry
ii) Manufacturing
iii) Mining
iv) Construction
v) Utilities
vi) Commerce restaurants and hotels
vii) Transport storage and communication
viii) Public and government services
ix) Community services
x) Other

In some countries a more aggregated categorization might be used to avoid sectors in which there are too few observations for any meaningful analysis. The simplest categorization is primary, secondary and tertiary sectors.

11. Agriculture: identifies whether a given individual is employed in the agricultural sector. Given the importance of this sector in most low income countries, many tables and indicators come differentiated between agriculture and non agriculture. The variable can be either a dummy variable taking the value of one for those employed in agriculture, or be part of the categorical variable *sector of activity* described above.

Once you have finished filling in the above variables and you hit the next button, a third screen in ADePT LABOR (shown below) will request the following variables:

[4] Main is defined as the first job reported in the survey (it usually corresponds to the one the worker devoted more hours to), but it can also be self-defined in some surveys, (i.e. the workers is asked "What is your main activity?")



12. Urban/rural: categorical variable identifying location of each individual (urban or rural areas). It can be a categorical or a dummy variable (with urban=1).

13. Region: categorical variable to be defined according to country specificities. May refer to different geographic regions or political subdivision.

14. Welfare Aggregate (WA/Poor): numeric continuous variable meant to capture individuals in poverty. May be either a welfare aggregate such as per capita consumption or a dummy variable taking the value of one for poor households. If the variable provided is the welfare aggregate then you will also need to provide the poverty line.

15. Poverty line: numeric continuous variable. If the above variable is the welfare aggregate then a poverty line will need to be provided in order for the program to calculate poverty and low earning rates. The poverty line will need be to be in the same units as the welfare aggregate. For example if the welfare aggregate corresponds to annual per capita consumption in local currency units, the poverty line should be the threshold level of per capita annual consumption above which a person is no longer considered to be poor, measured in local currency units. If the poverty line used is the international poverty line of US$1/day, then the welfare aggregate should be measured in dollars using the adequate PPP consumption exchange rate.

16. Weights: numeric continuous variable, which refers to the variable that contains the survey sampling weights. We recommend using expansion weights[5].

17. Hours worked: numeric continuous variable. You can use either total hours worked or hours worked in main activity. Hours can be reportedly weekly, monthly or annually, ADePT LABOR will try to "guess" the reporting units of hours worked and will inform the user of the guess. However, we recommend that hours of work are reported in the same units, as

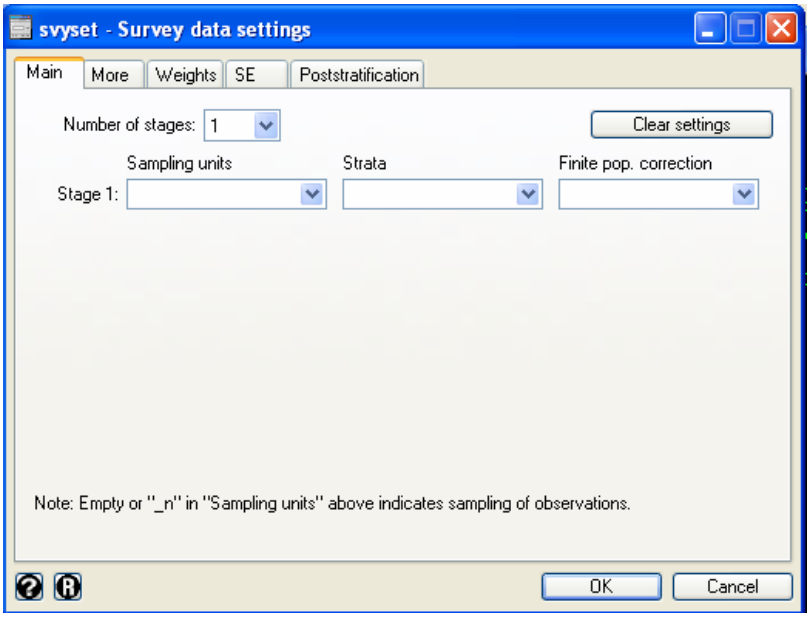
[5] Table 1-2a needs expansion weights, to present the structure of the labor force in levels if weights are not expansion weights this table will not give any relevant information. All other tables can use frequency or sampling weights.

earnings. Many surveys do not have hours worked. In this case none of the indicators on hours of work and hourly earning rates will be displayed.

Other information needed and other available options

1. **Standard weekly hours:** most countries standard hours worked are either 40 or 48. In order to calculate indicators on hours worked the information on standard hours worked in a week is needed. This information can be obtained from the country's labor code. You do not need a variable in your dataset containing standard weekly hours. All you need to do is to input the information with the button provided.

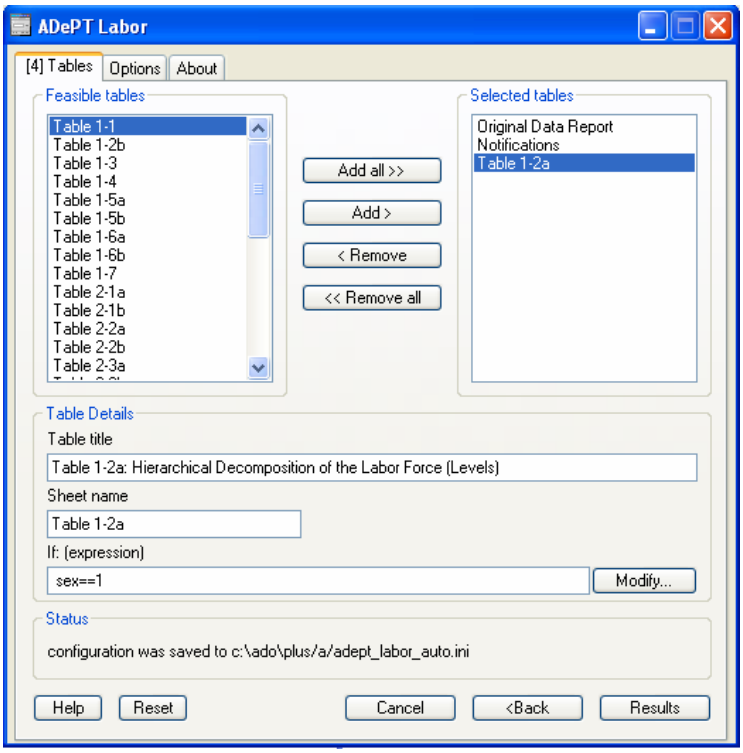
2. **Survey settings:** ADePT LABOR can produce standard errors for most of the statistics computed. In order to estimate the standard errors adequately it will need to take into account the survey design. You can enter the information on survey design by clicking on the Survey Settings... button of the screen shown above. The following screen will appear:



You can then provide the names of the variables in your dataset which contain: a) sampling units (or clusters), b) the strata, and c) finite population correction (rarely used). You can also define the number of stages. See Deaton (1997) for detailed description of sampling design.

3. **Adjustment for low earnings rate options:** low earnings rate, which is meant to capture those individuals whose earnings (income from labor) are below the poverty line is calculated by ADePT LABOR. Currently there is no consensus whether individual earnings should take into consideration that a single earner may need to support a typical family or not. If one considers that individuals should earn enough to support a typical family then the earnings rate should be defined accordingly. In particular low earners will be defined as those who earn below the poverty line multiplied by the average size of a family. The average family size is the 'adjustment factor'. If you choose to adjust the low earnings rate the average size of the family is calculated by ADePT LABOR from the demographic information provided (household ID and age). To make the adjustment mark the box. Leaving this box unmarked means that the low earnings rates will be calculated as the fraction of individuals earning below the poverty line.

4. Table details options: once you input all the variables and options needed ADePT LABOR will display a final window from which you can select the tables you want to produce. When selecting a table (Table 1-2a in the example below) you can customize the default title and the sheet name. In addition there is an **If (expression) option.** This option allows you to further customize the analysis. For example if you want to look at female labor force only you might want to produce table 1-2a for females only, in which case you might want to use an if expression as illustrated below:



This expression is useful when you want to restrict the analysis to any subset of workers, be it females, wage workers or those living in rural areas.

Section 2: List of tables and definitions used

This section is divided into three sub-sections. The first section describes tables 1-1 to 1-7, which report the main indicators of the labor market. The second section describes tables 2-1 to 2-6b, which are meant to illustrate the connection between poverty and labor market outcomes and structure. The third section describes tables A1- through A9 which are disaggregations of workers by population sub-group. The final sub-section presents the definitions of the indicators produced. The examples presented refer to data from Nicaragua LSMS 2001 and 2005.

2.1: Main labor market indicators

As mentioned before, this first set provides main indicators to assess the evolution of labor markets. The tables produced compile most of the tables and indicators that appear in the "Guide for Assessing Labor Market Conditions in Developing Countries" designed by the World Bank. As mentioned above, the purpose of the tables is to capture labor market outcomes in developing countries and their evolution over time, for example employment rates, unemployment rates, low earning rates, median earnings, etc. These tables are numbered 2-1 to 2-7. Below is a list of all the tables. For further reading please refer to the Guide.

Table 1-1 main indicators of the labor market: this table lists the main indicators of the labor market: unemployment rates (standard and broad), employment to working age population, labor force, child labor rate, median earnings, median hourly earnings, three different indicators related to hours of work, and inequality indexes for earnings (Gini and Theil).

Rows: main indicators of the labor market.
Columns: years and changes between years.

Table 1-1: Main Indicators of the Labor Market

	2001	2005	change
Unemployment rate	3.7	3.4	-0.3
Broad unemployment rate	4.0	2.7	-1.2
Employment-to-working-age-population ratio	60.6	62.8	2.2
Working age population as a fraction of total population	56.1	59.0	2.9
Child labor rate	10.9	8.5	-2.5
Median earnings	10,080	12,600	2,520
Median hourly earnings	4.6	7.3	2.6
Low earnings rate	32.2	32.6	0.4
Poverty rates among low earners	52.5	54.3	1.8
Share of low earners who are low earners due to short hours	40.6	70.6	30.0
Share of low earners who work long hours	67.0	79.7	12.7
Share of non-low earners who escape low earnings due to long hours	12.1	3.2	-8.8
Theil index for earnings	108	323	215
Gini Coefficient for earnings	65.8	78.4	12.5

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 1-2a: **Hierarchical Decomposition of the Labor Force (Levels):** the table presents structure of the population according to labor market status: total population; child population and child workers; population aged 65 and older and employment status, and; working age population and employment status (employed, unemployed, inactive discouraged). Expansion weights need to be provided in order for the total to add-up to total population.

Rows: population and subsets of population.
Columns: years and changes between years.

Table 1-2a: Hierarchical Decomposition of the Labor Force (Levels)

	2001	2005	% change
0. Total population	4,812,416	5,142,098	7
1. Population six years and above	4,105,069	4,486,709	9
1.1 Child population (6-14 years of age)	1,193,504	1,185,579	-1
1.1.1 Child laborers	130,541	110,071	-16
1.2 Population 65+ years of age	212,704	265,743	25
1.2.1 Employed	73,563	636,032	765
1.3 Working age population (15-64 years of age)	2,698,860	3,035,387	12
1.3.1 Inactive	1,001,091	1,062,847	6
1.3.1.1 Discouraged	95,511	73,723	-23
1.3.2 Active	1,697,769	1,972,540	16
1.3.2.1 Employed	1,635,185	1,905,703	17
1.3.2.2 Unemployed	62,584	66,837	7

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 1-2b: Hierarchical Decomposition of the Labor Force (Hierarchical rates): the table presents the structure of the labor force using hierarchical rates: total population (100%), share of working age population, share of population 15 and younger and share of total population 65 and older. For the working age population the table presents the shares of active and inactive; among the active population the table presents the share of employed and unemployed; among the inactive the table presents the discouraged population. Within the non working age population the table shows the share that is employed. Expansion weights need to be provided in order to add-up to total population.

Rows: share in percentage of population or subpopulation group within each subcategory.
Columns: years and changes between years.

Table 1-2b: Hierarchical Decomposition of the Labor Force (Hierarchical rates)

	2001	2005	Change
0. Total population	100.0	100.0	0.0
1. Population six years and above	85.3	87.3	2.0
1.1 Child population (6-14 years of age)	29.1	26.4	-2.6
1.1.1 Child laborers	10.9	9.3	-1.7
1.2 Population 65+ years of age	5.2	5.9	0.7
1.2.1 Employed	34.6	239.3	204.8
1.3 Working age population (15-64 years of age)	65.7	67.7	1.9
1.3.1 Inactive	37.1	35.0	-2.1
1.3.1.1 Discouraged	9.5	6.9	-2.6
1.3.2 Active	62.9	65.0	2.1
1.3.2.1 Employed	96.3	96.6	0.3
1.3.2.2 Unemployed	3.7	3.4	-0.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 1-3: Employment Categories, Shares in Total Employment: the table presents the structure of employment according to the working categories defined by the user. It illustrates shares of each category in total employment, share of each category in agricultural employment and share in non agricultural employment.

Rows: share of employment of each category in total employment, agricultural employment and non-agricultural employment.
Columns: years and changes between years.

Table 1-3: Employment Categories, Shares in Total Employment

	2001	2005	Change
Occupational category			
Wage and salaried	53.7	52.2	-1.5
Individual self-employed	17.4	17.3	-0.1
Employers	5.1	4.4	-0.7
Family enterprises	23.6	26.1	2.5
Other	0.2	0.1	-0.2
Non-agricultural employment			
Wage and salaried	61.7	61.3	-0.4
Individual self-employed	20.2	19.8	-0.4
Employers	3.9	4.5	0.6
Family enterprises	13.9	14.4	0.5
Other	0.3	0.0	-0.2
Agricultural employment			
Wage and salaried	36.5	33.5	-3.0
Individual self-employed	11.3	12.2	0.9
Employers	7.6	4.1	-3.5
Family enterprises	44.5	50.1	5.6
Other	0.1	0.1	0.0

Note: Changes shown between years 2001 and 2005

Table 1-4 : Earnings, Poverty and Inequality by Employment Categories: the table shows each employment category (user defined) median earnings, median hourly earnings, percent of workers earning below the low earnings line, poverty rate among low earners and two measures of earnings inequalities among the subcategory (Gini Coefficient and Theil Index). The table distinguishes between workers employed in agriculture and non-agriculture.
Rows: main indicators for each employment category.
Columns: agricultural workers, non agricultural workers, years and changes between years.

Table 1-4: Earnings, Poverty and Inequality by Employment Categories

	2001		2005		Changes	
	Non-	Agriculture	Non-	Agriculture	Non-	Agriculture
Wage and salaried						
Median earnings	14,040.0	6,930.0	20,040.0	10,584.0	6,000.0	3,654.0
Median hourly earnings	5.604	2.747	8.541	5.077	2.936	2.330
Low earnings rate %	20.6	37.8	17.7	24.9	-2.9	-12.9
Poverty rate among low	44.4	78.4	38.8	74.9	-5.5	-3.5
Gini Coefficient	54.0	48.1	82.1	47.8	28.1	-0.2
Theil index	59	42	373	75	314	337
Individual self-employed						
Median earnings	8,400.0	11,112.9	10,080.0	5,248.3	1,680.0	-5,864.6
Median hourly earnings	4.8	10.1	6.2	4.0	1.5	-6.1
Low earnings rate %	35.7	38.2	34.1	57.3	-1.5	19.2
Poverty rate among low	41.288	72.590	39.685	69.241	-1.603	-3.349
Gini Coefficient	55.1	70.2	55.9	52.2	0.8	-18.0
Theil index	55	95	60	50	5	-45
Employers						
Median earnings	30,240.0	7,900.4	40,500.0	29,640.5	10,260.0	21,740.1
Median hourly earnings	12.785	8.234	19.780	11.728	6.995	3.494
Low earnings rate %	6.5	45.0	6.8	16.6	0.4	-28.4
Poverty rate among low	36.3	48.7	15.5	21.6	-20.8	-27.0
Gini Coefficient	74.0	80.9	50.7	72.4	-23.3	-8.5
Theil index	118	154	46	118	-71	-35
Family enterprises						
Median earnings	840.0	6,527.5	3,024.0	5,570.4	2,184.0	-957.1
Median hourly earnings	5.6	2.4	8.4	3.6	2.8	1.2
Low earnings rate %	58.2	41.8	57.0	59.6	-1.3	17.8
Poverty rate among low	28.224	74.554	27.864	79.554	-0.361	5.001
Gini Coefficient	56.0	68.8	51.5	64.9	-4.4	-3.9
Theil index	59	98	48	128	-11	30
Other						
Median earnings	2,100.0	0.0	36,000.0	649.6	33,900.0	649.6
Median hourly earnings	0.342	2.397	14.001		13.658	
Low earnings rate %	63.4	100.0	0.0	75.2	-63.4	-24.8
Poverty rate among low	6.6	64.4		100.0		35.6
Gini Coefficient	64.2	0.0	29.4	74.5	-34.8	74.5
Theil index	80	0	16	134	-65	134

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 1-5a: Distribution of the Employed by Economic Sector: the table shows the share of total employment by economic sector activity.

Rows: share of total employment by sector.
Columns: years and changes between years.

Table 1-5a: Distribution of Employed by Economic Sector

	Share of total employment		
	2001	2005	change
Sector of economic activity			
Agriculture	31.7	32.8	1.1
Mining and Utilities	1.3	1.0	-0.3
Manufacturing	12.0	14.5	2.5
Construction	5.3	4.5	-0.8
Commerce	22.9	21.8	-1.1
Transport	3.9	3.7	-0.2
Financial Services	2.7	3.1	0.4
Gvt Services	3.0	3.1	0.2
Community Services	17.3	15.5	-1.8
Total	100.0	100.0	0.0

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 1-5b: Distribution of the Employed along Selected Characteristics – Level of Education: the table shows share of total employment by level of education for all employed; for employment in agricultural sector; and for employment outside the agricultural sector.

Rows: share of total employment by level of education, for the total, for agricultural workers and for non-agricultural workers.
Columns: years and changes between years.

Table 1-5b: Employment Distribution along Selected Characteristics – Level of Education

	Share of total employment		
	2001	2005	change
Level of education			
No-School	19.3	16.7	-2.5
Incomplete primary	29.4	25.5	-3.9
Primary	14.5	15.3	0.9
Incomplete secondary	18.2	19.8	1.6
Secondary	8.4	10.5	2.1
Tertiary	10.2	12.2	1.9
Total	100.0	100.0	0.0
Level of education non-agricultural workers			
No-School	10.7	8.7	-2.0
Incomplete primary	24.0	19.0	-4.9
Primary	16.0	16.0	0.1
Incomplete secondary	23.3	24.6	1.3
Secondary	11.5	14.4	2.9
Tertiary	14.5	17.2	2.7
Total	100.0	100.0	0.0
Level of education agricultural workers			
No-School	37.7	33.1	-4.5
Incomplete primary	41.1	38.6	-2.4
Primary	11.2	13.9	2.7
Incomplete secondary	7.3	10.1	2.8
Secondary	1.7	2.5	0.7
Tertiary	1.1	1.9	0.8
Total	100.0	100.0	0.0

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 1-6a: Earnings Inequalities by Level of Education. Gini Coefficient: the table presents Gini Coefficient for earnings within educational subgroups (defined by the user), for all employed in the agricultural sector, and for employed outside of agricultural sector.

Rows: value of the Gini Coefficient for each educational category, for all employed, for agricultural workers, and for non-agricultural workers.
Columns: years and changes between years.

Table 1-6a: Earnings Inequalities by Level of Education. Gini Coefficient

	2001	2005	change
Level of education			
No-School	66.0	53.2	-12.8
Incomplete primary	63.4	55.4	-8.0
Primary	59.4	59.9	0.5
Incomplete secondary	57.1	88.6	31.5
Secondary	50.9	53.1	2.1
Tertiary	70.4	78.7	8.3
Total	65.8	78.4	12.5
Level of education non-agricultural workers			
No-School	47.0	51.3	4.3
Incomplete primary	53.1	51.5	-1.7
Primary	49.7	53.6	3.9
Incomplete secondary	52.6	89.1	36.5
Secondary	47.4	52.4	5.0
Tertiary	68.2	78.3	10.2
Total	61.0	78.8	17.8
Level of education agricultural workers			
No-School	70.5	53.4	-17.2
Incomplete primary	71.7	57.0	-14.7
Primary	77.6	71.2	-6.4
Incomplete secondary	75.4	56.0	-19.4
Secondary	63.1	60.4	-2.7
Tertiary	86.0	76.7	-9.2
Total	74.3	65.6	-8.7

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 1-6b: Earnings Inequalities by Level of Education. Theil Index: the table presents the Theil Index for earnings within educational subgroups (defined by the user), for all employed in the agricultural sector, and for those employed outside of the agricultural sector.

Rows: value of the Theil Index for each educational category, for all employed, for agricultural workers, and for non-agricultural workers.
Columns: years and changes between years.

Table 1-6b: Earnings Inequalities by Level of Education. Theil Index

	2001	2005	change
Level of education			
No-School	102.8	76.6	-26.2
Incomplete primary	90.7	69.0	-21.7
Primary	93.1	98.1	5.0
Incomplete secondary	69.9	500.7	430.8
Secondary	50.8	68.1	17.3
Tertiary	118.9	225.3	106.5
Total	108.0	322.8	214.8
Level of education non-agricultural workers			
No-School	39.5	53.6	14.1
Incomplete primary	52.9	62.9	10.1
Primary	49.0	73.5	24.5
Incomplete secondary	51.7	500.7	448.9
Secondary	41.1	67.6	26.5
Tertiary	105.5	232.8	127.2
Total	90.1	336.7	246.5
Level of education agricultural workers			
No-School	113.8	91.2	-22.5
Incomplete primary	120.3	73.1	-47.3
Primary	176.4	169.2	-7.2
Incomplete secondary	142.2	56.1	-86.1
Secondary	73.1	73.4	0.3
Tertiary	174.0	121.2	-52.8
Total	142.9	132.8	-10.1

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 1-7: Earnings Inequalities by Sector of Economic Activity: the table presents both Gini Coefficient and Theil Index to measure earnings inequalities within sub-sector of economic activity.

Row: Gini Coefficient and Theil Index for each sector of economic activity.
Columns: years and changes between years.

Table 1-7: Earnings Inequalities by Sector of Economic Activity

	2001	2005
Gini Coefficient		
Agriculture	74.3	65.6
Mining and Utilities	45.7	53.5
Manufacturing	50.7	64.4
Construction	52.9	77.7
Commerce	63.9	62.1
Transport	55.3	46.8
Financial Services	73.0	87.7
Gvt Services	49.4	50.7
Community Services	56.5	89.2
Total	65.8	78.4
Theil Index		
Agriculture	108.0	322.8
Mining and Utilities	142.9	132.8
Manufacturing	36.1	52.8
Construction	50.6	173.0
Commerce	52.4	291.8
Transport	107.7	101.4
Financial Services	56.1	39.5
Gvt Services	122.1	272.6
Community Services	45.7	56.2
Total	71.1	512.4

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

2.2: Linking poverty and labor markets

The second set of tables looks more closely at the links between poverty and labor markets and is based on the framework developed to link poverty, labor markets and growth "The Role of Employment and Labor Income in Shared Growth: What to Look For and How". This set looks more closely at the labor status of the poor, and their earnings structure across sectors. The tables are numbered 3-1 to 3-6b. For more detailed information on interpretation and use of the tables please refer to the paper.

Table 2-1a: Poverty Headcount Rate of Working Age Population by Individual Employment Status and Urban/Rural: The table presents the poverty (headcount) rates of the working age population for different employment status subgroups of each individual (employed, unemployed, and inactive), and; total working age and the National poverty level (i.e. for the whole population regardless of age). Poverty rates for each population subgroup are presented for the total and for urban and rural.

Rows: poverty rates among population subgroups (total, urban and rural).
Columns: years and changes between years.

Table 2-1a: Poverty Headcount Rate of the Working Age Population by Individual Employment Status and Urban/Rural

	2001	2005	change
Employed			
Urban	25.3	25.0	-0.3
Rural	63.5	62.3	-1.1
Total	40.3	40.5	0.3
Unemployed			
Urban	17.8	21.7	3.9
Rural	48.3	61.5	13.2
Total	23.8	28.5	4.8
Inactive			
Urban	27.2	28.1	0.9
Rural	66.2	68.8	2.6
Total	42.8	45.4	2.6
Total working age			
Urban	25.8	26.0	0.2
Rural	64.3	64.7	0.3
Total	40.8	42.0	1.1
National poverty level			
Urban	30.3	29.2	-1.1
Rural	68.0	68.2	0.1
Total	46.2	46.4	0.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-1b: Poverty Headcount Rate of the Working Age Population by Employment Status of Household Head and Urban/Rural: the table presents the poverty (headcount) rates of working age population for different subgroups of employment status of the household head (employed, unemployed, inactive), total working age and the national poverty level (i.e. for all the population regardless of age). Poverty rates for each population subgroup are presented for the total and for urban and rural.

Rows: total, urban and rural poverty rates among population subgroups (employed, unemployed, inactive, total working age total population)
Columns: years and changes between years.

Table 2-1b: Poverty Headcount Rate of the Working Age Population by Employment Status of Household Head and

	2001	2005	change
Employed			
Urban	25.7	24.4	-1.3
Rural	63.8	64.2	0.3
Total	41.4	42.1	0.7
Unemployed			
Urban	18.0	25.8	7.8
Rural	59.0	73.0	14.0
Total	27.1	32.7	5.6
Inactive			
Urban	26.9	31.2	4.3
Rural	67.1	67.5	0.3
Total	39.8	42.2	2.4
Total working age			
Urban	25.8	26.0	0.2
Rural	64.3	64.7	0.3
Total	40.8	42.0	1.1
National poverty level			
Urban	30.3	29.2	-1.1
Rural	68.0	68.2	0.1
Total	46.2	46.4	0.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-2a: Poverty Headcount Rates of Working Age Population by Individual Employment Category and Urban/Rural: the table presents the poverty (headcount) rates of the employed by employment category of each individual (employment categories user defined); and for the total working age population. Poverty rates for each population subgroup are presented for the total and for urban and rural.

Rows: total, urban and rural poverty rates among population subgroups (work categories user defined) and total working age total population.
Columns: years and changes between years.

Table 2-2a: Poverty Headcount Rates of Working Age Population by Individual Employment Category and Urban/Rural

	2001	2005	change
Wage and salaried			
Urban	25.0	25.6	0.6
Rural	63.1	60.0	-3.1
Total	36.6	36.5	-0.2
Individual self-employed			
Urban	27.4	25.7	-1.6
Rural	57.5	57.0	-0.6
Total	37.8	37.2	-0.6
Employers			
Urban	11.2	9.1	-2.1
Rural	43.8	23.4	-20.4
Total	25.9	13.8	-12.1
Family enterprises			
Urban	28.5	26.9	-1.6
Rural	69.5	69.7	0.3
Total	53.6	55.3	1.6
Other			
Urban	0.0	31.7	31.7
Rural	46.6	100.0	53.4
Total	11.1	57.4	46.3
Total working age			
Urban	25.8	26.0	0.2
Rural	64.3	64.7	0.3
Total	40.8	42.0	1.1
National poverty level			
Urban	30.3	29.2	-1.1
Rural	68.0	68.2	0.1
Total	46.2	46.4	0.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-2b: Poverty Headcount Rates of the Working Age Population by Employment Category of the Household Head and Urban/Rural: the table presents poverty (headcount) rates of the employed by employment category of household head (employment categories user defined); and for total working age population. Poverty rates for each population subgroup are presented for the total and for urban and rural.

Rows: total, urban and rural poverty rates among population subgroups (work categories user defined) and total working age total population.
Columns: years and changes between years.

Table 2-2b: Poverty Headcount Rates of Working Age Population by Employment Category of the Household Head and

	2001	2005	change
Wage and salaried			
Urban	24.7	23.3	-1.4
Rural	64.6	61.1	-3.5
Total	36.9	35.3	-1.6
Individual self-employed			
Urban	27.2	30.4	3.2
Rural	59.1	63.2	4.1
Total	38.3	42.9	4.6
Employers			
Urban	11.9	8.0	-3.9
Rural	45.3	25.7	-19.5
Total	27.7	14.2	-13.5
Family enterprises			
Urban	31.7	26.5	-5.3
Rural	70.9	72.8	1.9
Total	56.5	59.4	3.0
Other			
Urban	0.0	0.0	0.0
Rural	90.8		
Total	32.9	0.0	-32.9
Total working age			
Urban	25.8	26.0	0.2
Rural	64.3	64.7	0.3
Total	40.8	42.0	1.1
National poverty level			
Urban	30.3	29.2	-1.1
Rural	68.0	68.2	0.1
Total	46.2	46.4	0.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-3a: Poverty Headcount Rates of Working Age Population by Individual Sector of Employment: the table presents the poverty (headcount) rates of the employed differentiating by the sector of employment of each individual (sectors user defined)

Rows: poverty rates among population subgroups (sectors user defined) Columns: years and changes between years.

Table 2-3a: Poverty Headcount Rates of the Working Age Population by Individual Sector of Employment

	2001	2005	change
Sector of economic activity			
Agriculture	68.0	68.7	0.7
Mining and Utilities	29.4	31.6	2.2
Manufacturing	29.7	30.8	1.1
Construction	38.9	34.4	-4.5
Commerce	22.9	22.1	-0.8
Transport	19.0	20.8	1.7
Financial Services	17.1	13.7	-3.4
Gvt Services	16.8	18.0	1.3
Community Services	33.3	32.8	-0.5

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-3b: Poverty Headcount Rates of Working Age Population by Sector of Employment of the Household Head: the table presents poverty (headcount) rates of the employed differentiating by the sector of employment of the household head (sectors user defined).

Rows: poverty rates among population subgroups (sectors user defined) Columns: years and changes between years.

Table 2-3b: Poverty Headcount Rates of Working Age Population by Sector of Employment Household Head

	2001	2005	change
Sector of economic activity			
Agriculture	65.7	67.5	1.8
Mining and Utilities	21.1	32.0	10.9
Manufacturing	33.7	32.5	-1.2
Construction	40.5	36.9	-3.6
Commerce	23.3	20.3	-2.9
Transport	15.7	15.9	0.2
Financial Services	17.5	13.4	-4.1
Gvt Services	13.3	13.7	0.5
Community Services	27.9	26.6	-1.2

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-4a: Distribution of Working Age Population by Poverty and Individual Employment Status (shares of total employment): the table presents share of poor and non poor for each employment status (employed, unemployed, discouraged, other inactive). Shares are presented for the total working age population, for the working age population employed in urban areas and for the working age population employed in rural areas. Individuals are classified according to their individual employment status.

Rows: shares in each employment status (employed, unemployed, discouraged, other inactive) for total working age population, urban working age population, and rural working age population.
Columns: poor, non poor, years and changes within years.

Table 2-4a: Distribution of the Working Age Population by Poverty and Individual Employment Status

	Poor			Non Poor		
	2001	2005	change	2001	2005	Change
Total working age population						
Employed	59.7	60.6	0.9	61.2	64.4	3.2
Unemployed	1.3	1.5	0.1	3.0	2.7	-0.3
Discouraged	4.3	2.7	-1.6	3.0	2.3	-0.8
Other inactive	34.6	35.2	0.6	32.8	30.7	-2.1
Working age population living in urban areas						
Employed	59.3	60.2	0.9	60.8	63.4	2.5
Unemployed	2.1	2.6	0.5	3.4	3.3	-0.1
Discouraged	5.2	4.7	-0.5	3.2	2.5	-0.8
Other inactive	33.3	32.4	-0.9	32.5	30.9	-1.7
Working age population living in rural areas						
Employed	60.0	60.8	0.9	62.3	67.2	5.0
Unemployed	0.9	0.9	-0.0	1.7	1.0	-0.7
Discouraged	3.7	1.5	-2.2	2.3	1.6	-0.6
Other inactive	35.4	36.8	1.4	33.8	30.1	-3.6

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-4b: Distribution of Working Age Population by Poverty and Employment Status of the Household Head (shares of total employment): the table presents share of poor and non poor within each employment status (employed, unemployed, discouraged, other inactive). Shares are presented for total working age population, for working age population employed in urban areas, and for working age population employed in rural areas. Individuals are classified according to employment status of head of the household.

Rows: shares in each employment status (employed, unemployed, discouraged, other inactive) for total working age population, urban working age population, and rural working age population.
Columns: poor, non poor, years and changes within years.

Table 2-4b: Distribution of the Working Age Population by Poverty and Employment Status of Household Head (shares of total employment)

	Poor			Non Poor		
	2001	2005	change	2001	2005	change
Total working age population						
Employed	80.3	79.7	-0.6	78.5	79.4	0.9
Unemployed	1.1	1.0	-0.1	2.0	1.5	-0.5
Discouraged	2.2	1.1	-1.2	1.3	0.9	-0.4
Other inactive	16.4	18.2	1.8	18.2	18.2	0.1
Working age population living in urban areas						
Employed	76.2	70.6	-5.6	76.7	76.9	0.2
Unemployed	1.4	1.9	0.4	2.3	1.9	-0.4
Discouraged	1.7	2.6	0.9	1.4	0.9	-0.5
Other inactive	20.6	24.9	4.3	19.7	20.4	0.7
Working age population living in rural areas						
Employed	82.8	84.9	2.1	84.5	86.8	2.3
Unemployed	0.8	0.5	-0.3	1.1	0.3	-0.7
Discouraged	2.6	0.2	-2.3	1.2	0.9	-0.2
Other inactive	13.8	14.4	0.6	13.3	12.0	-1.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-5a: Distribution of Working Age Population by Poverty and Individual Sector of Employment (shares of total employment): the table presents share of poor and non poor within each sector of employment (with sectors defined by the user). Individuals are classified according to individual employment status.

Rows: shares of employment in each sector of economic activity (sectors user defined).
Columns: poor, non poor, years and changes within years.

Table 2-5a: Distribution of Working Age Population by Poverty and Individual Sector of Employment (share of total employment)

	Poor			Non Poor		
	2001	2005	change	2001	2005	Change
Sector of economic activity						
Agriculture	56.3	58.7	2.4	18.9	18.9	-0.0
Mining and Utilities	0.8	0.7	-0.1	1.4	1.0	-0.4
Manufacturing	8.3	10.6	2.3	13.5	16.6	3.1
Construction	4.5	3.5	-1.0	5.2	4.8	-0.4
Commerce	13.6	11.3	-2.2	30.2	29.4	-0.8
Transport	1.6	1.7	0.1	5.0	4.7	-0.3
Financial Services	1.0	0.9	-0.0	3.6	4.2	0.6
Gvt Services	1.1	1.2	0.1	3.8	4.0	0.2
Community Services	12.9	11.3	-1.6	18.4	16.5	-1.9
Total	100.0	100.0	0.0	100.0	100.0	0.0

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-5b: Distribution of Working Age Population by Poverty and Employment Status of Household Head (shares of total employment): the table presents share of poor and non poor within each sector of employment (with sectors defined by the user). Individuals are classified according to sector of employment of the household head.

Rows: shares of employment in each sector of economic activity (sectors user defined)
Columns: poor, non poor, years and changes within years.

Table 2-5b: Distribution of the Working Age Population by Poverty and Employment Status of Household Head (shares of total employment)

	Poor			Non Poor		
	2001	2005	change	2001	2005	Change
Sector of economic activity						
Agriculture	61.2	65.2	3.9	22.5	22.8	0.2
Mining and Utilities	0.9	1.2	0.3	2.2	1.8	-0.4
Manufacturing	8.2	9.0	0.8	11.4	13.7	2.3
Construction	5.9	4.7	-1.1	6.1	5.9	-0.2
Commerce	11.8	9.1	-2.7	27.5	25.9	-1.6
Transport	2.0	1.6	-0.4	7.7	6.1	-1.6
Financial Services	1.2	1.1	-0.1	4.0	5.3	1.3
Gvt Services	0.9	1.0	0.1	4.2	4.4	0.2
Community Services	7.9	7.1	-0.8	14.3	14.2	-0.2
Total	100.0	100.0	0.0	100.0	100.0	0.0

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-6a: Distribution of the Employed by Poverty and Individual Employment Category (shares of total employment): the table presents share of poor and non poor within each employment category (with categories user defined). Shares are presented for total working age population, for working age population employed in urban areas, and for working age population employed in rural areas. Individuals are classified according to employment category of each individual

Rows: shares in each employment category (user defined) for total working age population, urban working age population, and rural working age population.
Columns: poor, non poor, years and changes within years.

Table 2-6a: Distribution of the Employed by Poverty and Individual Employment Category (shares of total employment)

	Poor			Non Poor		
	2001	2005	change	2001	2005	change
Occupational category						
Wage and salaried	48.9	47.0	-1.9	57.0	55.7	-1.2
Individual self-employed	16.3	15.9	-0.4	18.1	18.2	0.2
Employers	3.3	1.5	-1.8	6.3	6.3	0.0
Family enterprises	31.4	35.6	4.1	18.3	19.6	1.3
Other	0.1	0.1	0.0	0.3	0.0	-0.3
Total	100.0	100.0	0.0	100.0	100.0	0.0
Working age population living in urban areas						
Wage and salaried	60.8	62.6	1.7	61.6	60.6	-1.1
Individual self-employed	20.2	19.2	-1.0	18.2	18.5	0.3
Employers	2.1	1.9	-0.2	5.5	6.1	0.6
Family enterprises	16.9	16.3	-0.6	14.4	14.7	0.4
Total	100.0	100.0	0.0	100.0	100.0	0.0
Wage and salaried	41.5	38.2	-3.3	42.2	42.2	0.0
Working age population living in rural areas						
Individual self-employed	13.9	14.0	0.1	17.8	17.5	-0.3
Employers	4.0	1.3	-2.8	9.0	6.9	-2.0
Family enterprises	40.4	46.4	6.0	30.9	33.4	2.5
Other	0.1	0.1	-0.0	0.2		
Total	100.0	100.0	0.0	100.0	100.0	0.0
Other		0.1		0.4	0.1	-0.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table 2-6b: Distribution of the Employed by Poverty and Employment Category of Household Head (shares of total employment): the table presents share of poor and non poor within each employment category (with categories user defined). Shares are presented for total working age population, working age population employed in urban areas, and working age population employed in rural areas. Individuals are classified according to employment status of the head of household.

Rows: shares in each employment category (user defined) for total working age population, urban working age population, and rural working age population.
Columns: poor, non poor, years, and changes within years.

Table 2-6b: Distribution of the Employed by Poverty and Employment Category of Household Head (shares of total employment)

	Poor			Non Poor		
	2001	2005	change	2001	2005	change
Occupational category						
Wage and salaried	43.0	37.7	-5.3	50.2	49.0	-1.2
Individual self-employed	18.9	19.8	0.9	20.8	18.7	-2.1
Employers	6.9	3.1	-3.9	12.4	13.1	0.8
Family enterprises	31.0	39.5	8.5	16.3	19.1	2.8
Other	0.3			0.4	0.1	-0.3
Total	100.0	100.0	0.0	100.0	100.0	0.0
Working age population living in urban areas						
Wage and salaried	54.4	53.4	-1.0	55.2	54.3	-0.9
Individual self-employed	23.8	27.2	3.3	21.3	19.3	-1.9
Employers	4.3	3.5	-0.8	10.5	12.6	2.0
Family enterprises	17.5	15.9	-1.6	12.5	13.7	1.1
Total	100.0	100.0	0.0	100.0	100.0	0.0
Wage and salaried	36.3	30.3	-6.0	34.8	34.5	-0.3
Working age population living in rural areas						
Individual self-employed	16.0	16.4	0.4	19.3	17.0	-2.3
Employers	8.5	2.8	-5.6	17.9	14.7	-3.2
Family enterprises	38.8	50.5	11.7	27.9	33.7	5.9
Other	0.4			0.1		
Total	100.0	100.0	0.0	100.0	100.0	0.0
Other				0.5	0.1	-0.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

2.3: Disaggregations of main indicators

This last set of tables are disaggregations of main indicators developed in "A Guide for Assessing Labor Market Conditions in Developing Countries" (i.e. unemployment, employment, low earning rates, median earnings, etc.) by different individual characteristics (age, gender, ethnicity, region, urban/rural, level of education and level of consumption). This set is intended for analysts who would like to see how a particular status or condition applies to different population sub-groups. Tables are labeled A1 trough A9.

Table A1: Unemployment Rates among Selected Groups: the table presents unemployment rates for different population sub-groups. Population sub-groups are gender (female/male), age (15-24, 25-54, 55-64), ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories defined by user), poverty (poor non-poor), and consumption level (quintiles of consumption). The table also presents share of each sub-group in total unemployment.

Rows: population subgroups
Columns: unemployment rate and group's share of total unemployment, years, and changes between years.

Table A1: Unemployment Rates Among Selected Groups

	Unemployment Rate by Groups			Group Share among Unemployed		
	2001	**2005**	**change**	**2001**	**2005**	**Change**
Total	3.7	3.4	-0.3	100.0	100.0	0.0
Gender						
Female	4.1	3.7	-0.3	39.9	39.9	-0.0
Male	3.5	3.2	-0.3	60.1	60.1	0.0
Age						
15-24	5.1	4.5	-0.6	43.5	41.9	-1.6
25-54	3.2	3.1	-0.1	53.0	54.6	1.6
55-64	1.8	1.4	-0.4	3.5	3.5	0.1
What is the language spoken at home?						
Spanish	3.8	3.4	-0.3	98.7	98.4	-0.4
Miskito	1.2	1.4	0.2	0.9	0.9	0.0
Mayagana/Sumo	0.0	0.0	0.0			
English	2.9	4.6	1.7	0.4	0.7	0.4
Other	0.0	0.0	0.0			
Area of residence						
Urban	4.8	4.7	-0.1	80.5	83.0	2.4
Rural	1.9	1.4	-0.4	19.5	17.0	-2.4
Region de residencia						
Managua	5.6	6.0	0.4	41.2	48.5	7.3
Pacifico	3.8	3.4	-0.4	33.9	30.5	-3.4
Central	2.3	1.9	-0.5	18.9	17.1	-1.8
Atlantico	2.1	1.2	-1.0	6.1	4.0	-2.1
Level of education						
No-School	1.3	1.1	-0.2	6.4	5.1	-1.2
Incomplete primary	2.0	1.5	-0.5	15.5	11.0	-4.5
Primary	4.2	2.6	-1.6	16.6	11.7	-4.9
Incomplete secondary	6.0	5.1	-1.0	30.6	30.3	-0.4
Secondary	5.8	6.1	0.3	13.6	19.5	5.9
Tertiary	6.1	6.1	-0.0	17.4	22.4	5.0
Non-poor	4.7	4.0	-0.6	76.2	71.5	-4.8
Poor	2.2	2.4	0.2	23.8	28.5	4.8
Quintiles of consumption						
Lowest quintile	2.3	2.0	-0.2	9.8	9.8	0.1
2	2.3	2.4	0.1	10.9	12.6	1.6
3	3.9	3.5	-0.4	21.2	19.8	-1.4
4	4.0	4.9	0.9	22.9	31.1	8.2
Highest quintile	5.1	3.7	-1.5	35.1	26.7	-8.4

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A2: Employment: the table presents employment rates for different population sub-groups. Sub-groups are gender (female/male), age (15-24, 25-54, 55-64), ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories defined by user), poverty (poor non-poor), and consumption level (quintiles of consumption). The table also presents the share of each sub-group in total employment.

Rows: population subgroups.
Columns: employment rate and group's share in total employment, years and changes between years.

Table A2: Employment

	Employment Rate by Groups			Group Share among Employed		
	2001	**2005**	**change**	**2001**	**2005**	**change**
Total	96.3	96.6	0.3	100.0	100.0	0.0
Gender						
Female	95.9	96.3	0.3	50.7	51.0	0.2
Male	96.5	96.8	0.3	49.3	49.0	-0.2
Age						
15-24	94.9	95.5	0.6	38.8	38.2	-0.6
25-54	96.8	96.9	0.1	53.7	52.9	-0.7
55-64	98.2	98.6	0.4	7.5	8.9	1.4
What is the language spoken at home?						
Spanish	96.2	96.6	0.3	95.8	96.4	0.6
Miskito	98.8	98.6	-0.2	3.5	2.7	-0.8
Mayagana/Sumo	100.0	100.0	0.0	0.1	0.2	0.1
English	97.1	95.4	-1.7	0.6	0.7	0.1
Other	100.0	100.0	0.0	0.0	0.0	-0.0
Area of residence						
Urban	95.2	95.3	0.1	57.7	55.4	-2.2
Rural	98.1	98.6	0.4	42.3	44.6	2.2
Region de residencia						
Managua	94.4	94.0	-0.4	24.5	24.1	-0.4
Pacifico	96.2	96.6	0.4	31.7	29.4	-2.3
Central	97.7	98.1	0.5	31.6	32.3	0.7
Atlantico	97.9	98.8	1.0	12.2	14.1	2.0
Level of education						
No-School	98.7	98.9	0.2	20.4	17.8	-2.5
Incomplete primary	98.0	98.5	0.5	31.3	29.0	-2.3
Primary	95.8	97.4	1.6	10.0	11.0	1.1
Incomplete secondary	94.0	94.9	1.0	13.3	14.9	1.6
Secondary	94.2	93.9	-0.3	4.5	5.9	1.4
Tertiary	93.9	93.9	0.0	20.6	21.4	0.9
Non-poor	95.3	96.0	0.6	53.5	53.3	-0.2
Poor	97.8	97.6	-0.2	46.5	46.7	0.2
Quintiles of consumption						
Lowest quintile	97.7	98.0	0.2	20.2	20.2	0.0
2	97.7	97.6	-0.1	20.1	20.0	-0.0
3	96.1	96.5	0.4	20.0	20.0	0.0
4	96.0	95.1	-0.9	20.0	19.8	-0.1
Highest quintile	94.9	96.3	1.5	19.8	19.9	0.1

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A3: Child Labor Rate by Groups: the table presents child labor rates for different population sub-groups. Population sub-groups are: gender (female/male), age (15-24, 25-54, 55-64), ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories defined by user), poverty (poor non-poor), and consumption level (quintiles of consumption). The table also presents share of each sub-group in total child labor.

Rows: population subgroups.
Columns: child labor rate and group's share in total employment, years and changes between years.

Table A3: Child Labor Rate by Groups

	Child Labor by Groups			Group Share		
	2001	**2005**	**change**	**2001**	**2005**	**Change**
Total	10.9	8.5	-2.5	100.0	100.0	0.0
Gender						
Female	5.8	3.2	-2.6	50.3	50.5	0.2
Male	15.8	13.5	-2.3	49.7	49.5	-0.2
What is the language spoken at home?						
Spanish	10.8	9.5	-1.4	96.0	96.8	0.7
Miskito	15.1	5.6	-9.5	3.3	2.4	-0.9
Mayagana/Sumo	0.0	20.1	20.1	0.1	0.1	0.1
English	1.0	0.0	-1.0	0.5	0.7	0.2
Urban	7.2	4.0	-3.2	58.4	57.2	-1.2
Area of residence						
Rural	15.3	12.7	-2.6	41.6	42.8	1.2
Non-poor	7.8	6.2	-1.6	55.5	55.8	0.2
Poor	13.7	10.3	-3.3	44.5	44.2	-0.2
Lowest quintile	15.1	11.3	-3.8	19.1	18.7	-0.4
Quintiles of consumption						
2	12.3	10.2	-2.1	19.4	19.2	-0.2
3	10.7	6.7	-4.0	19.8	19.7	-0.1
4	8.1	7.1	-1.0	20.2	20.4	0.2
Highest quintile	5.5	4.6	-0.9	21.5	22.0	0.5
Other				0.1	0.0	-0.1

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A4: Earnings by selected groups: median earnings for different population sub-groups: gender (female/male), age (15-24, 25-54, 55-64), ethnicity (defined by user), area of residence (urban/rural), region (defined by user), level of education (in user defined categories), poverty (poor non-poor), and consumption level (consumption quintiles). The table also presents share of each sub-group in total child labor.

Rows: median earnings by population subgroups.
Columns: years and changes between years.

Table A4: Earnings by selected groups

	Median Earnings by Groups		
	2001	**2005**	**% change**
Total	10,080	12,600	25
Gender			
Female	9,090	11,486	26
Male	10,860	13,000	20
Age			
15-24	5,976	7,936	33
25-54	12,600	15,920	26
55-64	10,235	11,568	13
What is the language spoken at home?			
Spanish	10,080	12,600	25
Miskito	11,562	6,722	-42
Mayagana/Sumo	14,947	10,745	-28
English	13,440	22,104	64
Other	1,512,000	16,000	-99
Area of residence			
Urban	12,480	16,920	36
Rural	7,560	8,640	14
Region de residencia			
Managua	15,120	18,000	19
Pacifico	8,820	13,942	58
Central	8,400	9,600	14
Atlantico	12,000	10,419	-13
Level of education			
No-School	7,560	8,664	15
Incomplete primary	8,165	10,080	23
Primary	10,480	12,000	15
Incomplete secondary	10,080	13,336	32
Secondary	14,050	18,450	31
Tertiary	21,276	30,000	41
Sector of economic activity			
Agriculture	7,167	7,570	6
Mining and Utilities	19,044	26,100	37
Manufacturing	11,400	15,120	33
Construction	12,000	15,120	26
Commerce	10,080	14,400	43
Transport	17,640	25,200	43
Financial Services	18,800	29,236	56
Gvt Services	25,500	34,220	34
Community Services	10,800	16,180	50
Non-poor	13,700	18,068	32
Poor	6,904	8,366	21
Quintiles of consumption			
Lowest quintile	6,000	6,318	5
2	7,560	9,600	27
3	9,062	11,898	31
4	11,880	16,000	35
Highest quintile	18,900	25,200	33

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A5: Low Earnings Rate: low earnings rate for different population sub-groups: gender (female/male), age (15-24, 25-54, 55-64) ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories user defined), poverty (poor non-poor), and consumption levels (consumption quintiles). The table also presents share of each sub-group in the total number of low earners.

Rows: population subgroups.
Columns: low earnings rate and group's share in total number of low earners, years and changes between years.

Table A5: Low Earnings Rate

	Low Earnings Rate by Groups			Group Share among Earners with Low Earnings		
	2001	**2005**	**change**	**2001**	**2005**	**Change**
Total	32.2	32.6	0.4	100.0	100.0	0.0
Gender						
Female	35.4	35.2	-0.2	39.4	38.8	-0.6
Male	30.3	31.1	0.8	60.6	61.2	0.6
Age						
15-24	46.9	45.7	-1.2	44.9	43.5	-1.4
25-54	25.0	25.7	0.7	48.1	47.5	-0.7
55-64	31.2	33.5	2.3	7.0	9.0	2.0
What is the language spoken at home?						
Spanish	32.5	32.1	-0.4	97.7	95.7	-2.0
Miskito	24.2	51.7	27.5	2.1	3.7	1.6
Mayagana/Sumo	0.0	41.6	41.6		0.1	
English	12.4	28.2	15.8	0.2	0.4	0.3
Other	0.0	0.0	0.0			
Area of residence						
Urban	28.1	25.7	-2.4	53.1	46.0	-7.1
Rural	38.4	42.3	3.9	46.9	54.0	7.1
Region de residencia						
Managua	24.6	25.8	1.1	20.4	21.2	0.9
Pacifico	35.6	31.0	-4.6	36.1	28.6	-7.5
Central	38.4	39.1	0.7	36.0	37.3	1.3
Atlantico	22.7	34.9	12.3	7.5	12.8	5.3
Level of education						
No-School	37.5	42.1	4.6	22.5	21.6	-0.8
Incomplete primary	35.6	36.0	0.4	32.5	28.1	-4.4
Primary	30.4	34.9	4.5	13.6	16.4	2.7
Incomplete secondary	36.0	34.2	-1.8	20.4	20.8	0.4
Secondary	23.8	22.6	-1.2	6.2	7.3	1.0
Tertiary	14.8	15.4	0.6	4.7	5.7	1.0
Sector of economic activity						
Agriculture	40.2	45.9	5.7	39.6	46.2	6.6
Mining and Utilities	18.4	15.6	-2.7	0.7	0.5	-0.3
Manufacturing	30.2	29.2	-1.0	11.2	13.0	1.8
Construction	28.3	26.8	-1.6	4.6	3.7	-0.9
Commerce	34.5	32.6	-1.9	24.5	21.8	-2.8
Transport	19.8	13.4	-6.4	2.4	1.5	-0.9
Financial Services	9.2	12.9	3.7	0.8	1.2	0.4
Gvt Services	8.0	11.7	3.7	0.7	1.1	0.4
Community Services	28.4	23.0	-5.4	15.3	10.9	-4.3
Non-poor	25.6	25.1	-0.5	47.5	45.7	-1.8
Poor	41.9	43.6	1.7	52.5	54.3	1.8
Quintiles of consumption						
Lowest quintile	46.3	52.4	6.1	23.2	26.6	3.4
2	39.0	38.3	-0.8	21.8	21.4	-0.4
3	34.7	33.5	-1.1	21.6	19.9	-1.7
4	27.6	27.8	0.2	18.2	18.2	0.0
Highest quintile	19.9	18.5	-1.4	15.3	13.9	-1.4

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A6: Share of Low Earners Who Have Low Earnings due to Short Hours: the table presents the share of low earners whom if where able to work full time would not be low earners by population subgroup. Population sub-groups are: gender (female/male), age (15-24, 25-54, 55-64) ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories defined by user), poverty (poor non-poor), and consumption levels (quintiles of consumption).

Rows: population subgroups.
Columns: years and changes between years.

Table A6: Share of Low Earners with Low Earnings due to Short Hours

	2001	2005	Change
Total	40.6	70.6	30.0
Gender			
Female	48.5	74.2	25.7
Male	35.4	68.2	32.8
Age			
15-24	41.5	81.2	39.8
25-54	39.2	63.2	24.0
55-64	44.5	57.5	13.0
What is the language spoken at home?			
Spanish	40.4	70.7	30.3
Miskito	46.8	66.1	19.3
English	64.8	76.9	12.1
Urban	44.8	73.3	28.5
Area of residence			
Rural	35.8	68.2	32.4
Managua	45.3	72.7	27.4
Region de residencia			
Pacifico	40.2	74.3	34.1
Central	37.1	68.0	30.9
Atlantico	46.4	66.1	19.7
No-School	31.0	62.2	31.2
Level of education			
Incomplete primary	36.6	71.8	35.2
Primary	43.8	77.2	33.4
Incomplete secondary	45.3	75.2	29.9
Secondary	51.0	66.3	15.3
Tertiary	69.9	65.1	-4.8
Agriculture	34.9	67.2	32.4
Sector of economic activity			
Mining and Utilities	36.8	66.8	30.0
Manufacturing	46.3	77.0	30.7
Construction	20.4	67.6	47.2
Commerce	56.8	84.3	27.5
Transport	22.3	83.8	61.5
Financial Services	49.8	45.0	-4.8
Gvt Services	30.3	19.1	-11.2
Community Services	34.3	56.9	22.6
Non-poor	46.9	71.5	24.6
Poor	34.9	69.8	34.9
Lowest quintile	28.1	69.5	41.4
Quintiles of consumption			
2	39.1	70.4	31.3
3	36.1	71.8	35.6
4	50.1	70.8	20.6
Highest quintile	56.4	70.7	14.2
Mayagana/Sumo	0.0	65.6	65.6

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A7: Share of Low Earners Who Work Full-time or More: the table presents share of low earners working full time or more by population subgroup. Population sub-groups are: gender (female/male), age (15-24, 25-54, 55-64) ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories defined by user), poverty (poor, non-poor), and consumption levels (quintiles of consumption).

Rows: population subgroups.
Columns: years and changes between years.

Table A7: Distribution of Short and Long Hours among Low Earners

	Share of Low Earners Who Work Full-time or More		
	2001	**2005**	**Change**
Total	67.0	79.7	12.7
Gender			
Female	60.8	84.3	23.5
Male	71.0	76.8	5.8
Age			
15-24	71.9	82.1	10.2
25-54	63.7	78.7	15.1
55-64	58.4	73.1	14.7
What is the language spoken at home?			
Spanish	67.0	79.6	12.6
Miskito	63.3	79.6	16.3
English	77.7	88.6	10.9
Urban	63.0	84.8	21.8
Area of residence			
Rural	71.5	75.4	3.9
Managua	56.4	85.4	29.0
Region de residencia			
Pacifico	68.8	81.1	12.3
Central	72.0	76.0	3.9
Atlantico	62.7	77.9	15.2
No-School	68.9	72.4	3.5
Level of education			
Incomplete primary	66.7	79.0	12.3
Primary	59.2	81.1	21.8
Incomplete secondary	71.0	82.6	11.6
Secondary	72.1	84.9	12.7
Tertiary	57.9	90.0	32.1
Agriculture	73.7	73.0	-0.7
Sector of economic activity			
Mining and Utilities	75.4	75.3	-0.0
Manufacturing	56.4	87.9	31.5
Construction	75.2	96.6	21.4
Commerce	69.2	88.0	18.8
Transport	65.3	83.9	18.6
Financial Services	79.4	85.3	5.9
Gvt Services	80.7	80.6	-0.1
Community Services	49.8	74.9	25.1
Non-poor	65.3	83.3	18.0
Poor	68.5	76.6	8.1
Lowest quintile	71.4	76.1	4.7
Quintiles of consumption			
2	66.3	77.4	11.1
3	64.8	81.5	16.7
4	65.3	83.7	18.4
Highest quintile	66.4	82.4	16.0
Mayagana/Sumo	0.0	87.1	87.1

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A8: Broad Unemployment Rate: the table presents broad unemployment rate by population subgroup, and each sub-group's share in total brad unemployment. Population sub-groups are: gender (female/male), by age (15-24, 25-54, 55-64) ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories defined by user), poverty (poor, non-poor), and consumption levels (quintiles of consumption).

Rows: population subgroups.
Columns: years and changes between years.

Table A8: Broad Unemployment Rate

	Broad unemployment rate by group			Group share among broad unemployed		
	2001	**2005**	**change**	**2001**	**2005**	**Change**
Total	4.0	2.7	-1.2	100.0	100.0	0.0
Gender						
Female	3.7	2.3	-1.5	47.8	42.1	-5.8
Male	4.2	3.2	-1.0	52.2	57.9	5.8
Age						
15-24	7.8	6.2	-1.6	52.0	51.3	-0.7
25-54	4.7	3.8	-0.9	43.0	43.0	-0.0
55-64	3.9	3.0	-0.9	5.0	5.7	0.7
What is the language spoken at home?						
Spanish	4.0	3.2	-0.8	97.0	97.7	0.7
Miskito	2.7	1.7	-0.9	2.1	1.5	-0.7
Mayagana/Sumo	14.0	1.6	-12.4	0.2	0.1	-0.1
English	4.3	3.2	-1.0	0.7	0.7	0.1
Other	0.0	0.0	0.0			
Area of residence						
Urban	4.7	3.8	-0.9	70.7	78.1	7.4
Rural	2.8	1.4	-1.5	29.3	21.9	-7.4
Region de residencia						
Managua	5.2	4.7	-0.5	33.7	42.2	8.5
Pacifico	4.1	3.0	-1.1	32.9	31.8	-1.0
Central	3.3	1.7	-1.6	25.7	19.8	-5.8
Atlantico	2.7	1.2	-1.4	7.8	6.2	-1.6
Level of education						
No-School	2.0	1.4	-0.6	11.7	8.9	-2.8
Incomplete primary	2.4	1.6	-0.8	21.7	16.4	-5.3
Primary	5.3	3.4	-1.9	15.8	13.8	-1.9
Incomplete secondary	6.8	5.0	-1.8	27.3	27.7	0.4
Secondary	8.4	7.9	-0.5	11.6	17.6	6.0
Tertiary	6.5	2.0	-4.5	11.9	15.6	3.7
Non-poor	4.3	3.2	-1.1	60.2	62.3	2.1
Poor	3.6	2.2	-1.3	39.8	37.7	-2.1
Quintiles of consumption						
Lowest quintile	3.2	1.9	-1.3	15.2	14.0	-1.2
2	4.1	2.3	-1.8	19.9	16.8	-3.1
3	3.9	2.8	-1.1	19.7	20.5	0.8
4	3.8	3.4	-0.4	20.1	24.9	4.8
Highest quintile	4.7	3.3	-1.4	25.2	23.9	-1.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A9: Poverty Rate Among Unemployed: the table presents poverty rates among unemployed individuals by population subgroup, and each sub-group's share in the total number of poor unemployed. Population sub-groups are: gender (female/male), age (15-24, 25-54, 55-64) ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories defined by the user), poverty (poor, non-poor), and consumption levels (quintiles of consumption).

Rows: population subgroups.
Columns: years and changes between years.

Table A9: Poverty Rate Among Unemployed

	Poverty rate among unemployed workers by group			Group share among poor unemployed workers		
	2001	**2005**	**change**	**2001**	**2005**	**change**
Total	49.2	49.9	0.7	100.0	100.0	0.0
Gender						
Female	49.1	50.1	0.9	58.1	59.7	1.6
Male	49.3	49.7	0.4	41.9	40.3	-1.6
Age						
15-24	39.1	42.3	3.2	48.1	48.0	-0.1
25-54	45.0	47.5	2.5	44.0	43.6	-0.4
55-64	41.7	42.0	0.3	7.8	8.3	0.5
What is the language spoken at home?						
Spanish	48.2	48.1	-0.1	93.5	95.2	1.7
Miskito	77.7	68.0	-9.8	5.9	4.1	-1.8
Mayagana/Sumo	54.8	84.9	30.1	0.1	0.3	0.2
English	32.3	19.1	-13.2	0.4	0.3	-0.1
Other	26.7	0.0	-26.7	0.0		
Area of residence						
Urban	33.1	31.9	-1.1	38.0	34.7	-3.3
Rural	70.2	71.3	1.1	62.0	65.3	3.3
Region de residencia						
Managua	22.6	22.7	0.0	10.9	10.4	-0.5
Pacifico	48.8	48.0	-0.8	31.1	28.0	-3.1
Central	63.2	63.4	0.2	41.2	41.5	0.3
Atlantico	64.2	65.8	1.6	16.8	20.1	3.3
Level of education						
No-School	65.5	67.7	2.2	27.5	24.7	-2.8
Incomplete primary	50.7	54.3	3.6	33.0	33.3	0.4
Primary	35.8	38.7	2.9	5.7	6.6	0.9
Incomplete secondary	22.2	30.5	8.3	5.0	7.5	2.5
Secondary	15.5	17.2	1.7	0.9	1.2	0.4
Tertiary	53.4	49.6	-3.8	28.0	26.7	-1.3

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

Table A10: Poverty Rate Among Low Earners: the table presents poverty rates among low earners by population subgroup and each sub-group's share in the total number of poor low earners. Population sub-groups are: gender (female/male), age (15-24, 25-54, 55-64) ethnicity (user defined), area of residence (urban/rural), region (user defined), level of education (in categories defined by user), poverty (poor, non-poor), and consumption levels (consumption quintiles).

Rows: Population subgroups.
Columns: years and changes between years.

Table A10: Poverty and Low Earnings

	Poverty rate among low earners by group			Group share among poor low earners		
	2001	**2005**	**change**	**2001**	**2005**	**change**
Total	49.7	50.6	1.0	100.0	100.0	0.0
Gender						
Female	48.4	49.2	0.8	54.1	54.6	0.5
Male	51.3	52.5	1.2	45.9	45.4	-0.5
Age						
15-24	43.6	46.3	2.7	47.4	46.4	-1.0
25-54	47.3	50.1	2.8	45.2	45.1	-0.1
55-64	44.6	45.7	1.1	7.4	8.5	1.0
What is the language spoken at home?						
Spanish	48.7	49.2	0.4	94.0	95.0	1.0
Miskito	78.1	70.7	-7.4	5.5	4.4	-1.2
Mayagana/Sumo	54.8	85.2	30.4	0.1	0.3	0.2
English	32.8	19.4	-13.5	0.4	0.3	-0.1
Other	26.7	0.0	-26.7	0.0		
Area of residence						
Urban	33.4	32.1	-1.4	37.7	33.5	-4.2
Rural	70.3	71.5	1.1	62.3	66.5	4.2
Region de residencia						
Managua	23.2	22.8	-0.3	10.8	10.2	-0.6
Pacifico	49.5	48.5	-0.9	31.9	27.8	-4.1
Central	63.4	64.4	1.0	41.7	42.5	0.8
Atlantico	63.9	66.2	2.3	15.6	19.4	3.8
Level of education						
No-School	67.1	69.5	2.4	28.2	25.7	-2.5
Incomplete primary	52.5	56.4	4.0	33.9	33.7	-0.1
Primary	39.2	42.8	3.7	6.8	8.3	1.5
Incomplete secondary	24.4	31.4	7.0	6.1	8.4	2.3
Secondary	16.0	19.2	3.2	1.0	1.6	0.5
Tertiary	52.2	48.0	-4.3	24.0	22.2	-1.7
Sector of economic activity						
Agriculture	72.1	74.8	2.7	60.3	68.6	8.3
Mining and Utilities	43.8	54.4	10.6	0.4	0.4	-0.1
Manufacturing	42.4	39.4	-3.0	7.7	8.9	1.2
Construction	48.3	41.2	-7.1	3.5	2.5	-1.1
Commerce	32.2	25.4	-6.8	15.0	10.2	-4.8
Transport	22.0	26.7	4.7	0.8	0.7	-0.1
Financial Services	20.5	11.3	-9.1	0.3	0.2	-0.1
Gvt Services	41.1	36.7	-4.4	0.5	0.6	0.1
Community Services	47.5	48.1	0.6	11.5	8.1	-3.4

Note: Changes shown between years 2001 and 2005. Figures derived from Nicaragua LSMS.

2.4: Definition of indicators produced (in alphabetical order)

Broad unemployment rate
The broad unemployment rate is the sum of unemployed and discouraged workers, over the total active population, where the active population includes those classified as discouraged.

Child labor rate
The child labor rate is defined as the proportion of children of a given age group classified as child laborers. A child laborer is defined as children between 6 and 14 years who performed market activities for at least one hour in the week prior to the survey, or who hold a permanent job. The child labor rate is calculated as the number of children, which can be classified as employed. Prima facie, an increase in the child labor (work) rate is to be construed as a negative labor market development.

Classification of workers by Individual Employment Status or employment status of household head
Tables 2-1 to 2-6b tables are presented classifying individuals according to both their individual employment status and the employment status of household head. Classifying according to the employment status of the head of household means that for example, a person that lives in a household where the household head is unemployed, will be classified as unemployed regardless of whether he/she is or not working. Because poverty is defined at the household level, it is often useful to look at earnings and employment distributions according to the head of household status, rather than the individual status.

Discouraged
Discouraged workers are a subcategory among inactive workers, it is an input variable and as such the definition depends on how the user constructed it.

Economically active population
The economically active population comprises all persons of either sex who furnish the supply of labor for the production of goods and services during a specified time-reference period. According to the 1993 version of the System of National Accounts, production includes all individual or collective goods or services that are supplied to units other than their producers, or intended to be so supplied, including the production of goods or services used up in the process of producing such goods or services; the production of all goods that are retained by their producers for their own final use; the production of housing services by owner-occupiers and of domestic and personal services produced by employing paid domestic staff. ADePT LABOR constructs economically active as those employed plus those unemployed.

Employed
Employed individuals are those who worked during the reference period, it is an input variable and as such the definition depends on how the user constructed it.

Employment-to-working-age-population ratio
The employment-to-working-age-population ratio is defined as the proportion of working-age individuals classified as employed. Employment-to-working-age-population ratio is typically used to provide information on the job creation capacity of the economy, with a high (increasing) employment-to-working-age-population ratio generally seen as a positive labor market outcome (development), though, clearly, the indicator does not provide any information about the nature or quality of employment.

Gini Coefficient for earnings
The Gini Coefficient for earnings is defined as a ratio with values between 0 and 1: the numerator is the area between the Lorenz curve of the distribution and the uniform distribution line; the denominator is the area under the uniform distribution line. A low Gini Coefficient indicates more equal earnings distribution, while a high Gini Coefficient indicates more unequal earnings distribution.

Inactive
The inactive are workers which are not employed or unemployed. Inactive workers include those classified as discouraged. In ADePT LABOR inactivity is calculated as a residual, that is, all those of working age minus those who are employed or the unemployed.

Low earnings rates
The low earnings rate is defined as the proportion of workers that are classified as low earners. A **Low earner** is an employed individual with earnings below the **low-earnings line**. There are two possible low-earnings lines i) the national poverty line (also referred to as unadjusted low earnings line; ii) the poverty line scaled up (multiplied) by the median ratio of household members to working-age members employed in the household. The median ratio is used instead of the worker's own-household ratio in order to abstract away from the potential endogenous labor market responses of other household members to the earnings situation of the worker (this is the unadjusted low earnings line). For a discussion on adjustment for low earnings rate, please refer to Section 1: Input Variables in ADePT LABOR. An increase in any of the low earnings rates is viewed as a negative labor market development.

Median hourly earnings
Median hourly earnings are calculated as total earnings divided by the number of hours worked in the job(s) from which the earnings where obtained. Be aware that the interpretation differs according to whether you use total earnings or earnings from first job. An increase in median hourly earnings is viewed as a positive labor market development

Median real earnings
Median real earnings are the earnings accrued by the individual falling in the 50% percentile of the earnings distribution. It is an alternative measure to average earnings that diminishes the effects of outliers and may be more meaningful in terms of welfare. An increase in median earnings is viewed as a positive labor market development, even though it may just reflect longer hours of work.

Poverty Headcount Rate
The poverty headcount rate is calculated as the share of population living below the poverty line.

Short and long hours among low earners
Low earnings as defined above do not take into account hours worked. A given worker might have low earnings because he or she works a low number of hours (less than full-time) or if the worker has a low hourly wage rate. Of particular concern are workers who work full-time or more and have low earnings. The measures proposed here examine the role of hours worked in explaining the low earnings status of the worker. They should be constructed if data on hours worked are available. Standard hours adjusted-hours earnings is defined as monthly earnings multiplied by the ratio of full-time weekly hours to hours worked in the reference week. The implicit assumption is that the reported hours worked in the reference week are representative of the hours worked in other weeks, in particular, the weeks which comprised the reference month for the earnings data. There are two indicators that look at these issues:

i) Share of non-low earners working long hours to escape low earnings

The share of non-low earners who worked long hours (more than full-time) to escape low earnings is defined as the share workers classified as non-low earners on the basis of reported monthly earnings who would be reclassified as low earners if their hourly earnings are multiplied by the standard monthly hours. If this share is high (increasing over time), this should be seen as a negative labor market outcome (development). Full time work is defined by the standard number of hours of work within a week in the labor code a given country.

ii) Share of low earners with low earnings due to short hours worked

The share of low earners who have low earnings due to short hours worked (less than fulltime work) is defined as the share of workers classified as low earners on the basis of reported monthly earnings who are classified as non-low earners if their hourly earnings multiplied by the standard monthly hours results in constructed monthly earnings above the low earnings line. A high (increasing) value of this statistic indicates that short hours more than low hourly wages is a (increasingly important) factor behind the incidence of low earnings in the economy. This measure however does not provide useful information on whether labor market conditions have improved or deteriorated over time.

iii) Share of low earners who work long hours (full-time or more): is defined as the share of workers with reported monthly earnings less than the low earnings line and who worked the standard number of hours or more in the reference week. If the share of low earners who work full-time or more is high (increases), this should be seen as a negative labor market outcome/development. Full time work is defined by the standard number of hours of work in a week, as defined by the country's labor code.

Theil index for earnings

The formula for the Theil index is: $\frac{1}{N}\sum_{i}^{N}\left[\frac{x_i}{\overline{x}} * \ln\frac{x_i}{\overline{x}}\right]$

where x_i is the income of the ith person, $\overline{x}$ is the mean income, and N is the number of people. The first term inside the sum can be considered the individual's share of aggregate income, and the second term is that person's income relative to the mean. If everyone has the same (i.e., mean) income, then the index is 0. If one person has all the income, then the index is $\ln N$. One of the advantages of the Theil index is that it is a weighted average of inequality within subgroups, plus inequality among those subgroups. Please see Conceição and Ferreira (2000) for further information.

Unemployed

Unemployed individuals are those that can not be classified as employed, but were available for work during the reference period and where actively seeking work. It is an input variable and as such the definition will depend on how the user constructed it.

Working age population

Population aged between 15 and 64 years.

Annex 1: International Labour Organization Definitions

The Economically Active Population comprises all persons of either sex who furnish the supply of labor for the production of goods and services during a specified time-reference period. According to the 1993 version of the System of National Accounts, production includes all individual or collective goods or services that are supplied to units other than their producers, or intended to be so supplied, including the production of goods or services used up in the process of producing such goods or services; the production of all goods that are retained by their producers for their own final use; the production of housing services by owner-occupiers and of domestic and personal services produced by employing paid domestic staff.

Two useful measures of the economically active population are the usually active population measured in relation to a long reference period such as a year, and the currently active population, or, equivalently, the labor force measured in relation to a short reference period such as one day or one week.

Employment is defined as follows in the Resolution concerning statistics of the economically active population, employment, unemployment and underemployment, adopted by the Thirteenth International Conference of Labor Statisticians (Geneva, 1982):

(1) The "employed" comprise all persons above a specific age who during a specified brief period, either one week or one day, were in the following categories:

(a) "Paid employment":

(a1) "At work": persons who during the reference period performed some work for wage or salary, in cash or in kind;

(a2) "With a job but not at work": persons who, having already worked in their present job, were temporarily not at work during the reference period and had a formal attachment to their job. This formal job attachment should be determined in the light of national circumstances, according to one or more of the following criteria:

(i) The continued receipt of wage or salary;

(ii) An assurance of return to work following the end of the contingency, or an agreement as to the date of return;

(iii) The elapsed duration of absence from the job which, wherever relevant, may be that duration for which workers can receive compensation benefits without obligations to accept other jobs?

(b) "Self-employment":

(b1) "At work": persons who during the reference period performed some work for profit or family gain, in cash or in kind;

(b2) "With an enterprise but not at work": persons with an enterprise, which may be a business enterprise, a farm or a service undertaking, who were temporarily not at work during the reference period for any specific reason.

(2) For operational purposes, the notion "some work" may be interpreted as work for at least one hour.

(3) Persons temporarily not at work because of illness or injury, holiday or vacation, strike or lockout, educational or training leave, maternity or parental leave, reduction in economic activity, temporary disorganization or suspension of work due to such reasons as bad weather, mechanical or electrical breakdown, or shortage of raw materials or fuels, or other temporary absence with or

without leave should be considered as in paid employment provided they had a formal job attachment.

(4) Employers, own-account workers and members of producers' cooperatives should be considered as in self-employment and classified as "at work" or "not at work", as the case may be.

(5) Unpaid family workers at work should be considered as in self-employment irrespective of the number of hours worked during the reference period. Countries which prefer for special reasons to set a minimum time criterion for the inclusion of unpaid family workers among the employed should identify and separately classify those who worked less than the prescribed time.

(6) Persons engaged in the production of economic goods and services for own and household consumption should be considered as in self-employment if such production comprises an important contribution to the total consumption of the household.

(7) Apprentices who received pay in cash or in kind should be considered in paid employment and classified as "at work" or "not at work" on the same basis as other persons in paid employment.

(8) Students, homemakers and others mainly engaged in non-economic activities during the reference period, who at the same time were in paid employment or self-employment as defined in subparagraph (1) above should be considered as employed on the same basis as other categories of employed persons and be identified separately, where possible.

(9) Members of the armed forces should be included among persons in paid employment. The armed forces should include both the regular and temporary members as specified in the most recent revision of the International Standard Classification of Occupations (ISCO).

Unemployment is defined as follows in the Resolution concerning statistics of the economically active population, employment, unemployment and underemployment, adopted by the Thirteenth International Conference of Labor Statisticians (Geneva, 1982):

(1) The "unemployed" comprise all persons above a specified age who during the reference period were:

(a) "Without work", i.e. were not in paid employment or self-employment

(b) "Currently available for work", i.e. were available for paid employment or self-employment during the reference period; and

(c) "Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land, building, machinery or equipment to establish own enterprise; arranging for financial resources; applying for permits and licenses, etc.

(2) In situations where the conventional means of seeking work are of limited relevance, where the labor market is largely unorganized or of limited scope, where labor absorption is, at the time, inadequate, or where the labor force is largely self-employed, the standard definition of unemployment given in subparagraph (1) above may be applied by relaxing the criterion of seeking work.

(3) In the application of the criterion of current availability for work, especially in situations covered by subparagraph (2) above, appropriate tests should be developed to suit national

circumstances. Such tests may be based on notions such as present desire for work and previous work experience, willingness to take up work for wage or salary on locally prevailing terms, or readiness to undertake self-employment activity given the necessary resources and facilities.

(4) Notwithstanding the criterion of seeking work embodied in the standard definition of unemployment, persons without work and currently available for work that had made arrangements to take up paid employment or undertake self-employment activity at a date subsequent to the reference period should be considered as unemployed.

(5) Persons temporarily absent from their jobs with no formal job attachment that were currently available for work and seeking work should also be regarded as unemployed in accordance with the standard definition of unemployment. Countries may, however, depending on national circumstances and policies, prefer to relax the seeking work criterion in the case of persons temporarily laid off. In such cases, persons temporarily laid off who were not seeking work but classified as unemployed should be identified as a separate subcategory.

(6) Students, homemakers and others mainly engaged in non-economic activities during the reference period that satisfy the criteria laid down in subparagraphs (1) and (2) above should be regarded as unemployed on the same basis as other categories of unemployed identified separately, where possible.

Wages: the Resolution concerning an integrated system of wages statistics adopted by the Twelfth International Conference of Labor Statisticians (Geneva, 1973) defines earnings and wage rates as follows:

The concept of earnings, as applied in wages statistics, relates to remuneration in cash and in kind paid to employees, as a rule at regular intervals, for time worked or work done together with remuneration for time not worked, such as for annual vacation, other paid leave or holidays. Earnings exclude employers' contributions in respect of their employees paid to social security and pension schemes and also the benefits received by employees under these schemes. Earnings also exclude severance and termination pay.

1. Statistics of earnings should relate to employees' gross remuneration, i.e. the total before any deductions are made by the employer in respect of taxes, contributions of employees to social security and pension schemes, life insurance premiums, union dues and other obligations of employees.

2. Earnings should include: direct wages and salaries, remuneration for time not worked (excluding severance and termination pay), bonuses and gratuities and housing and family allowances paid by the employer directly to this employee.

3. Direct wages and salaries for time worked, or work done, cover:

(i) Straight time pay of time-rated workers;
(ii) Incentive pay of time-rated workers;
(iii) Earnings of piece workers (excluding overtime premiums);
(iv) Premium pay for overtime, shift, night and holiday work;
(v) Commissions paid to sales and other personnel. Included are: premiums for seniority and special skills, geographical zone differentials, responsibility premiums, dirt, danger and discomfort allowances, payments under guaranteed wage systems, cost-of-living allowances and other regular allowances.

4. Remuneration for time not worked comprises direct payments to employees in respect of public holidays, annual vacations and other time off with pay granted by the employer.

5. Bonuses and gratuities cover seasonal and end-of-year bonuses, additional payments in respect of vacation period (supplementary to normal pay) and profit-sharing bonuses. Statistics of earnings should distinguish cash earnings from payments in kind.

6. Wage rates should include basic wages, cost-of-living allowances and other guaranteed and regularly paid allowances, but exclude overtime payments, bonuses and gratuities, family allowances and other social security payments made by employers. Ex gratia payments in kind, supplementary to normal wage rates, are also excluded.

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