Labour force sample survey in the Community

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This is the **fifth** in a series of three-yearly reports that the Commission is required to submit under Article 7 of Council Regulation (EC) No 577/98 on the organisation of the labour force sample survey in the Community ('LFS legislation') and covers the period 2008-2010.

1. Scope and coverage: to recap, the European Union Labour Force Survey (EU-LFS) is a large sample survey of residents in private households. It is the most important source of official statistics on labour markets in the European Union. The sample size is 1.8 million people every quarter. This makes it the largest household survey in Europe. It is implemented in the 27 Member States, in candidate countries, in EFTA countries and in Switzerland (i.e. 33 countries).

It provides both quarterly and annual labour market statistics, on employment and unemployment, as well as on people outside the labour force. It also collects multi-annual information from *ad hoc* modules and provides input for model-based monthly estimates of unemployment and unemployment rates.

Some key EU policy initiatives rely on EU-LFS data to monitor progress. For instance, the EU-LFS is one of the main data sources for monitoring Member States' progress under the employment guidelines in the context of Article 148 of the Treaty on the Functioning of the European Union (TFEU) and the EU's growth strategy, Europe 2020.

2. Implementation: the report surveys how the EU-LFS is implemented in the various countries in terms of (i) accuracy of the estimates; (ii) timeliness and punctuality (i.e. the time gap between the reference period and the availability of data for users); (iii) accessibility and clarity; (iv) comparability of concepts, definitions, classification and methodologies; and (v) coherence/consistency of estimates with statistics gathered.

3. Initiatives to further improve the EU-LFS:

- a **Task Force on the quality of the LFS** was set up in 2007 and formulated over **40 recommendations** for improving the design, organisation and conduct of the survey. Participating countries assessed themselves against the recommendations, and in 2010, each defined a national action plan to implement the recommendations;

- developing new statistical products: one way to extend the use of LFS results is to **improve the use of the microdata available**, for instance, by providing users with new indicators;

- an initiative to **modernise European social statistics** has been launched to: (a) improve the sampling frames; (b) streamline social surveys; and (c) make more use of new and existing data sources, particularly administrative sources.

Conclusions: the Commission concludes that the implementation of Regulation (EC) No 577/98 is satisfactory. Member States are fully or almost fully complying with the Regulation. Open issues are discussed with Member States, and, if necessary, action plans are jointly defined. The overall quality of the EU-LFS is good. The European Statistical System is making efforts to introduce ongoing improvements in EU-LFS processes and methods, and has kept up the momentum despite a difficult environment, with scarce resources and deep budget cuts. A review of EU-LFS methodology is under way to adapt to changes in user needs and to new challenges (e.g. improved timeliness requirements, estimates on labour market transitions). This work will be part of the overall modernisation of social statistics.