Labour force sample survey in the Community

1997/0202(CNS) - 14/12/2015 - Follow-up document

The Commission presents its sixth report on the implementation of Council Regulation (EC) No 577/98 on the organisation of the labour force sample survey in the Community. The report takes stock of how Regulation (EC) No 577/98 has been implemented in Member States, in candidate countries, and in EFTA countries. It also describes continuing initiatives launched by the European Statistical System (ESS) to improve the quality and reduce the burden of the Labour Force Survey.

To recall, the European Union Labour Force Survey (EU-LFS) is a sample survey of residents in private households, providing quarterly and annual labour market statistics on employment and unemployment, as well as on people outside the labour force. The EU-LFS sample size is 1.3 million people, collecting more than 100 variables (on labour status, employment characteristics, working time etc.) and covering 33 participating countries, which makes it the largest household survey in Europe. Key EU policy initiatives (such as the employment guidelines and Europe 2020 headline targets) rely on EU-LFS data.

Implementation: the Commission considers the **implementation of the EU-LFS to be satisfactory** and Member States are fully or almost fully complying with this legislation. Open issues are discussed with Member States, and, if necessary, action plans are drawn up jointly. The overall quality of the EU-LFS is good. Progress has continued to be made despite a difficult environment, with scarce resources and a significantly reduced budget.

The report surveys how the EU-LFS is implemented 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.

It notes that the **timeliness of EU-LFS data has improved** over the period examined. In 2010, 85 % of Member State datasets were available for extractions 13 weeks after the end of the reference quarter. By 2014, this figure has increased to 95%. Eurostat also envisages improving further the timeliness of dissemination of EU-LFS results by **shortening the deadline** for data delivery to Eurostat in the future. The current deadline is 12 weeks of the end of a reference quarter.

Initiatives to further improve the EU-LFS

1) The LFS in a modernised system of social statistics: building on the 'Commission's 2009 Communication on the production method of EU statistics: a vision for the next decade', an initiative to modernise European social statistics was launched. This modernisation has an impact on the Labour Force Survey. The European Statistical System is currently carrying out a **comprehensive review of all EU-LFS variables**, with the aim of adapting the information collected in the survey to current and future user needs. Within the process of modernising European social statistics, Eurostat and the Member States are also working towards greater harmonisation of data across surveys. This should allow increased use of the information collected, by e.g. crossing information from different data sources. To achieve this goal, the definition, concepts and codes of a subset of variables collected from more than one European social survey are being standardised. Furthermore the revision of the EU-LFS encompasses an improved timeliness for the data transmission to Eurostat, a revision of the precision requirements and further methodological work.

The report notes that a **new framework regulation for social statistics** covering the EU-LFS is currently being prepared.

2) Developing new statistical products

- **statistics to capture the dynamics on the labour market**: labour status transitions can be measured using flow statistics. Although this important new field of statistics in relation to the labour market is accompanied by methodological challenges, work has progressed in recent years. It is expected that publication of flow estimates based on EULFS data will allow the monitoring of transitions on the labour market from the end of 2015;
- **revision of the EU-LFS main indicators**: these EU-LFS main indicators are currently being revised, in order to further improve their quality. This includes the estimation of back data, filling in data gaps, the removal of breaks in the time-series where feasible, and most importantly seasonal adjustment allowing quarter-to-quarter comparisons.
- **additional information on the precision of EU-LFS results**: Eurostat and Member States are currently working to establish methods and procedures for estimating the statistical precision of the EU-LFS main indicators. These harmonised quality indicators should improve the evaluation of EU labour market policies based on the EU-LFS.

Work will continue over the next few years to adapt the survey to changes in user needs and new challenges.