Labour force sample survey in the Community

1997/0202(CNS) - 28/01/2019 - Follow-up document

The Commission presents its seventh 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 the Member States, candidate countries, and European Free Trade Association (EFTA) countries. It also focuses on ongoing initiatives launched by the European Statistical System (ESS) to improve the quality of the Labour Force Survey. The report notes that the ESS works to continuously improve EU-LFS processes and methods. It has kept up the momentum of these efforts despite a difficult environment, with scarce resources and deep budget cuts.

As a reminder, the European Union Labour Force Survey (EU-LFS) is a large sample survey of residents in private households, providing both quarterly and annual labour market statistics on employment and unemployment, as well as on people outside the labour force. In 2017, the EU-LFS sample size was around 1.3 million people (of which around 1.2 million were in the EU-28) aged 15-74 years. The samples were taken every quarter and covered 34 participating countries, making the EU-LFS the largest household survey in Europe.

Implementation

The Commission considers that the implementation of EU-LFS to be very satisfactory, as Member States are fully — or almost fully — complying with this European legislation. Unresolved issues are discussed with Member States, and, if necessary, action plans are jointly drawn up. The overall quality of the EU-LFS is good.

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.

The report notes that the timeliness of EU-LFS data has slightly improved for the EU-28 in recent years. In 2017, the average number of calendar days needed to disseminate the EU-28 data was 75 days, compared to 77 days in 2014. Eurostat plans to further improve the timeliness of dissemination of EU-LFS results by shortening the deadline for data delivery to Eurostat in the future.

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, the Commission adopted a proposal for a regulation for European statistics relating to persons and households, based on data at individual level collected from samples (the Integrated European Social Statistics (IESS) framework regulation). The proposed framework regulation will bring together seven existing household surveys that are currently carried out in the EU, and harmonising the definitions, concepts and variables that are common to two or more surveys. The modernisation will also improve the relevance of the LFS for: (i) migration analysis and (ii) comparability of information on working time and monthly pay from people's main job. In addition, the modernisation of EULFS will lead to better coverage of: (i) employment (dependent self-employment), (ii) general health information (to compare the labour market situation of disabled people with that of the total target population), and (iii) participation in education and training (lasting at least 12 months). The proposed framework regulation is expected to lead to a first data collection in 2021.

2) Extending the EU-LFS to additional candidate countries: currently, 34 countries (the 28 EU Member States, 3 candidate countries and 3 EFTA countries) participate in the EU-LFS. In addition, Serbia and Albania will also have data disseminated by Eurostat as soon as the national surveys of these countries meet the requirements of the European regulations.

3) Developing new statistical products

Statistics to capture labour market dynamics: Eurostat and national statistical institutes are currently working on developing a methodology to estimate annual labour market transitions, tackling the challenges posed by high attrition rates (decreasing sample sizes across interview waves) as well as population changes over time.

Extension and preparation of the EU-LFS main indicators with the future legal framework: Eurostat and the Labour Market Statistics Working Group have developed a strategy to tackle the breaks in time series caused by the entry into force of the new framework regulation. Due to: (i) the large differences in approaches used by countries to derive information on the breaks in series, and (ii) the large number of indicators that must be derived based on relatively scarce information, Eurostat has already begun working on all implementation steps of this project.

Additional information on the accuracy of EU-LFS results: Eurostat and the Member States have produced the variance of annual net changes for a subset of 23 indicators of high policy relevance. This allows users, when analysing these EU-LFS indicators for policy purposes, to supplement the information on indicator changes between two consecutive years with information on the statistical significance of these indicator changes.

Constant improvements to EU-LFS are under way, either as part of the modernisation process of social statistics, or as individual EU-LFS projects for adapting to changes in user needs and new challenges (e.g. increased timeliness requirements, estimates on annual labour market transitions).