Minutes of the LAbour MArket Statistics Working Group

Luxembourg, May 2017

Minutes
Meeting of the LAbour MArket Statistics Working Group
7-8 December 2016
BECH Building - Room Quetelet

1. Approval of the agenda and of the minutes of previous meeting

1.1 Welcome

Anne Clemenceau, Head of Unit Eurostat F3 'Labour market and lifelong learning', opened the meeting and welcomed the participants. She explained the new rules to be experimented in order to keep the meeting limited to two days. She also mentioned the five room documents, on respectively the feasibility studies, the household/population concepts, the regional issues, the reason variables and the labour market flows.

She then highlighted the main developments since the June 2016 LAMAS meeting in terms of legislation with the planned adoption of the Commission regulation for the 2018 LFS ad hoc module (expected on 12/12) and with the state of play of the IESS Framework Regulation (FR). On this last legal file, she stressed that, given that the file is under the responsibility of the co-legislators (Council/EP) and that the Commission cannot influence anymore its content, discussion in LAMAS on issues where some countries still have reservations (input harmonisation and Monthly Unemployment Rate (MUR)) is unnecessary. Finally, for the IESS implementing measures, she welcomed the work carried out by the three task forces, and announced that for MUR, a training on the Dutch estimation method will be organised in Heerlen in May 2017.

As a follow-up to the request of some LAMAS members, Eurostat agreed to be more precise in the exchange of views forms sent to LAMAS. Eurostat also clarified the state of play of the written consultation on the priority 2 (P2) standardised variables (to be launched before mid-December 2016).

Finally, LAMAS emphasized the need to carefully look at the LFS and AES data for participation in education and training in the last 12 months, as differences in results are still expected for the lifelong learning indicator (based on LFS, every 2 years) and detailed results from AES (every 6 years). Best possible alignment should be aimed at and remaining differences need to be well explained (e.g. exclusion of guided-on-the-job training in the LFS).
1.2 Adoption of the agenda

The agenda was adopted (document Eurostat/F3/LAMAS/56/16).

1.3 Adoption of the minutes of the previous meeting held on 29 June – 1 July 2016

[Eurostat/F3/LAMAS/38/16]

The draft minutes of the previous meeting were posted in CIRCABC on 9 August 2016. A new version of the document, taking into account the comments from Germany, France and Italy, was uploaded in CIRCABC on 14 October 2016. LAMAS adopted the minutes.

2. List of points discussed

Agenda item 2. IESS (Integrated European Social Statistics) Framework Regulation

2.1 IESS – Recent developments and feasibility studies

[Eurostat/F3/LAMAS/57/16]

Presentation

Eurostat informed the LAMAS Working Group that three implementing measures of the IESS FR are now planned to be developed and adopted for the labour market domain: one regulation on Monthly Unemployment Rate (MUR) and two for the Labour Force Survey (LFS). The first one for the LFS will include elements of the core plus the regular modules to be implemented by 2021, and will have to be ready by end 2017. The second one for the LFS will include the three regular modules to be implemented after 2021 (transition to retirement; reconciliation between work and family life; young people on the labour market) and will be developed after 2017.

Eurostat also introduced the list of feasibility studies to be implemented before (2017/2018) and after (under article 13 of the IESS FR) the entry into force of the IESS FR. The list had been adjusted on the basis of the exchange of views form with the addition in 2017-2018 of an action linked to the estimation procedures for INDECIL and the addition from 2019 of studies on proxy, incentives, attrition, automatic coding for NACE and ISCO.

Discussion

In the discussion, LAMAS asked Eurostat to clarify that longitudinal weights are included in the actions on flows. One country insisted on an action on employment/unemployment to be added to the list of actions to be implemented in 2017. ILO also invited LAMAS members to consider testing in 2017 the new classification on status in employment.

On the first year of implementation of the IESS FR, Eurostat clearly stated that it is not possible to grant derogations for countries willing to have a starting date after 2019 (which is the year included in the Commission proposal) as it would not be manageable for Eurostat to receive files with a different list of variables from different countries. Some LAMAS members explained that it seems to contradict with the discussions in the Council Working Party where derogation seems to be privileged over
postponing the starting date in the legal text. Eurostat committed to check and come back to LAMAS. A country asked for an overview of the derogation requests.

Conclusions

It was agreed that longitudinal weights would be added to the list of feasibility studies to be implemented after the entry into force of the IESS.

Eurostat committed to get more information about discussions taking place in the Council Working Party on the first year of implementation of IESS FR (change of the implementing year by the Council or introduction of derogations). Eurostat will also investigate possibilities to add studies on employment/unemployment in the list of feasibility studies to be implemented in 2017.

Finally, countries were invited to carry out pilot tests in 2017 on the new ILO status of employment classification.

### 2.2 IESS – Breaks in time series

|Eurostat/F3/LAMAS/58/16|

Presentation

Eurostat briefly reminded the reasons for a common strategy to deal with the potential breaks in time series expected to occur with the introduction of the new IESS Framework Regulation and the implementation of the 19th ICLS resolution. The presentation was based on the results of the exchange of views on the document Eurostat/F3/LAMAS/58/16, in which the Member States have been asked to take position on a small set of questions. The document had few key points:

1. The choice of the indicators to be taken into consideration in the process of break correction and the criteria to choose them.
2. The list of possible communication/dissemination strategies to tackle breaks in time series and their ranking from unacceptable to acceptable, advisable. This list has mainly 4 items: ignore the break; just flag the break in the databases; provide an estimation of the impact of the break and provide back-calculated series.
3. The list of possible methodologies associated to each communication/dissemination strategy. Mainly the methodologies are of three kinds: based on correlated variables not touched by the break; based on a parallel data collection according to the old and new standards; based on an ad hoc statistical model able to provide overlapping figures for the old and new standards.

Eurostat clarified the main concerns raised in the consultation: the common strategy is not intended to be one communication/dissemination strategy associated with one method for all MSs, the common strategy will not be prescriptive. It will consist in a list of options, ranked from most preferable to just acceptable, among which the MSs can choose according to their own needs. Co-funding by the Commission would be provided to cover the costs linked to the break corrections.

Other important point covered in the presentation is the recommendation to introduce all the changes (also the one not directly linked to the IESS Framework Regulation) at the same time in order to avoid confusion between statistical and real changes.

Remaining open questions are related to the future legal status of the back-calculated series and the span of the eventual back-calculation.
Discussion

Member States generally supported the document and welcomed the clarifications from Eurostat. They agreed in charging task force 1 (TF1) to further work on the list of indicators and on the communication/dissemination strategies and methods, to be discussed again in the LAMAS meeting of June 2017.

MSs had different ideas on the list of indicators, the most common position was to take this list as short as possible leaving the individual MS to enlarge it according to national needs. Positions on strategies/methodologies are very different across MSs, each MS is going to decide in the next future but for the moment all possibilities remain open. MSs supported the one shot changes introduction policy.

Italy emphasised that tackling and correcting the break will imply delays in the indicators dissemination for the first release after the entry into force of the IESS FR. For monthly data, problems will already arise in January 2019.

Conclusions

Countries are free to choose the communication/dissemination method to tackle the break among the ones considered at least acceptable; Eurostat is coordinating the exercise.

TF1 will discuss all open issues and prepare proposals for the next LAMAS meeting in June 2017, where final decision has to be taken. Open issues include the list of indicators for which a break correction will be implemented; the list of communication/dissemination strategies and methods and their acceptability status; the release dates; the legal status of the back-calculated series and the span of the back-calculations.

Regarding the timing of the project, Eurostat will prepare two timetables, corresponding to an entry into force of the IESS FR in Q1 2019 or in Q1 2020, where actions linked to flowcharts, input harmonisation of employment/unemployment and break in time series will be listed. The timing linked to the implementation of the IESS FR will be discussed at the next LAMAS meeting (June 2017).

It was agreed that the TF1 proposals will be further discussed within a small group of non-TF1-members and Eurostat before the June 2017 LAMAS meeting in order to review, complement and fine-tune the proposals.

Agenda item 3. IESS implementing act on the labour market domain

3.1 Definition of household and residence

Eurostat introduced the topic by reminding that within the IESS FR, a common definition of population and household should be applied across all data collections covered. In order to achieve this, in a first step an inventory of national situations was made to conclude on the concepts to be used in the LFS. Based on the recommendation for each data collection Eurostat, in a second step, will draw up a consolidated proposal on the concepts to be used in all data collections. This will be presented to the Directors of Social Statistics (DSS). For the LFS, the inventory showed that for population the UN definition of usual residence should be used and for household the housekeeping concept. In reaction
to the comments received in the exchange of views, Eurostat proposed that further guidelines need to be developed on specific issues but that there should be no model questions; rather each country should decide the best and most pragmatic approach to adhere to the harmonised concepts (e.g. by introducing interviewer guidelines).

Discussion

Several countries indicated that aiming at harmonised concepts is a good initiative even if it requires some additional questions in the survey if the survey frame does not refer to the same definitions. Some countries indicated that survey/interviewer guidelines might not be enough and prefer to ensure adherence to the concepts through specific questions.

During the discussion, the following special cases that require additional guidelines were mentioned: (1) tertiary students in general, (2) tertiary students with a term address in an institution, (3) persons not staying in one place for 12 months, e.g. persons working on ships or in embassies, (4) persons staying half/half in two places, e.g. co-parented children. For the latter, the Netherlands suggested using the address where the person is registered to avoid double counting. The case of tertiary students living in institutions is particularly at stake, given its possible impact on indicators. It was emphasised that the additional guidelines for these special cases should comply, when applicable, with the UN recommendations.

Italy emphasised that they would prefer to have 'family/emotional ties' as additional criterion for the housekeeping concept. Eurostat explained that this criterion is not covered by the census definition of the housekeeping concept. However, family ties within a household can be constructed via other LFS variables that allow the derivation of household composition.

As regards the criterion to evaluate the impact of the dwelling versus the housekeeping concept on the 'jobless household' indicator, Austria suggested that this should rather refer to the margin of error than to a 0.1 pp difference.

The United Kingdom remarked that the 12-month duration is useful from a practical point of view but also implies that short term migration is not covered in the LFS.

Conclusions

LAMAS overall strongly supported the proposed definitions, i.e. usual residence (as defined by the UN) and housekeeping concepts. Eurostat will further develop detailed guidelines for the specific cases, especially for tertiary students. The proposed criteria to define a housekeeping unit ("provide themselves with essentials for living and share expenses") were agreed, and as a consequence there will be no reference to family ties in the definition. As regards the criterion for acceptance of deviations for the jobless household indicators, Eurostat will further discuss the alternative option (margin of error instead of 0.1pp).

3.2 Results of written consultation on the model questionnaire on employment/unemployment

_PRESENTATION_

Eurostat presented the results of the written consultation on the model questionnaire on employment/unemployment. First results concerned the compliance with the three ILO criteria for determining if the respondent is "at work": (1) the "one hour", (2) the "reference week" and (3) the
"for pay or profit" criterion. Currently 24 countries are fully compliant, and some other countries showed the intention to apply the principia with their new questionnaire. Open issues will be discussed bilaterally and outcome will be presented to LAMAS by Eurostat.

The issue of considering the ownership of the family business (linked to question AW2), either to be related to a family member or to a household member, has been solved by a large majority of Member States, reaffirming that any family member and only family members should be taken into consideration.

The further analysis of the different versions of the flowchart for the sub module "at work" will be tackled by TF1, V1 and V5 being the favourite versions at the moment because minimising the changes for most MSs. An analysis of the results of the pilot surveys will be done by TF1.

TF1 should also deal with other open issues related to the flowcharts: better definition of parental leave and seasonal work, possibility to include additional modalities for question AB1: new job not started yet or others. Better definition of small jobs, informal work and the eventual drop of the additional question AW4 are also items to be discussed by TF1 before the next LAMAS meeting, together with two general issues: self-response in online questionnaires and dependant interviewing and their implication on the model questionnaire.

Regarding whether input harmonisation of employment/unemployment should be included or not into the legal act, Eurostat reminded that this issue is not anymore in LAMAS hands. Eurostat proposed that TF1 works on the development of a simplified version of the flowcharts in order to be introduced (depending on final version of the IESS FR) into the legal act preserving the optimal level of flexibility.

**Discussion**

The question of dependant interviewing was discussed. Some countries suggested that it should not concern the main variables of employment and unemployment; the ILO definition is the core subject of the questionnaire and should not be derived from the previous interview. MSs agreed on giving to task forces 1 and 3 (TF1 and TF3) the mandate to further reflect on this issue and to come with recommendations.

About the small jobs, MSs agreed that capturing them is the main challenge, both in terms of proper definition and of measurement method. The task of TF1 on this issue will be heavy, namely verifying whether AW1 is sufficient or not. ILO presented its experience from several pilot tests and shared its belief that recovery questions are needed to catch the small jobs. France shared its experience on a question similar to AW4: it has a small quantitative impact on the level of employment but it catches jobs with good properties (few hours, specific occupations, young people...). Germany suggested to define a provisional solution and to organise a long term strategy to find the best solution; this suggestion convinced the majority of the countries.

Generally MSs welcomed the idea of simplified flowcharts, relaxing for example the one-box-one-question rule.

**Conclusions**

Concerning the compliance with the three ILO criteria, further checks are needed and the work will continue with bilateral meetings with a couple of countries.

The starting point for the sub module "at work" will be the versions V1 and V5, as most countries currently follow this approach and this choice will consequently minimize the changes.
LAMAS agreed that an interim solution for capturing the small jobs will be developed for the short term, followed by the development of a long term strategy. LAMAS took note of the plea from ILO for recovery questions.

TF1 will work on both detailed and simplified versions of the flowcharts, the second being proposed to be included into the legal act while the first to be placed in the guidelines. TF1 will also discuss all open issues regarding the sub module "absences".

Considering the ownership of the family business (linked to question AW2), LAMAS confirmed that it should be related to a family member and not to a household member (more restrictive).

Dependant interviewing should be avoided for the questions on employment and unemployment but this issue will be further discussed in TF1 and TF3.

### 3.3 Detailed topic on 'Work organisation and working time arrangements'

[Eurostat/F3/LAMAS/61/16]

**Presentation**

The presentation focussed on the variables where still clarification from LAMAS was needed, while for many variables additional explanations or clarifications will be added in the explanatory notes.

RECHOURS had been problematic during the implementation in 2015. The variable as revised by the task force 2 (TF2) consists of two questions asking first, if hours or presence are recorded and then, to choose among a simplified list of recording methods. For PLACEWK a proposal coming from DG EMPL and a slightly modified version from 2015 were presented. Concerning OTHERLOC, LAMAS was asked about the filter and if the measurement should concern the working place changes per se or the changes in kind of working place.

These variables should be pre-tested. Testing with the 2017 grants would be too late to feed the results into the legislative process. Countries were invited to test the variables outside the grant exercise. Eurostat will also try to have it done by a contractor.

**Discussion**

In general, three fourth of the NSIs agreed on the proposal for the repeated module. Overlaps between PLACEWK and OTHERLOC regarding non-fixed working places were mentioned. It remained unclear which version of PLACEWK a majority of LAMAS prefers. Sweden mentioned that some instructions in the model questionnaire were too strict. Eurostat explained that the model questionnaire is voluntary, so countries are free to decide how they want to implement it. It was considered that the differentiation between regular and non-regular clients could be problematic in the interview.

Germany offered to pre-test RECHOURS and PLACEWK. A pre-test conducted in France end of 2017 will be too late to be taken into consideration.

**Conclusions**

For FREEHOUR and FREELEAVE, the terms "short notice" will be replaced in the questions by the respective reference periods (one or three working days). The terms "family matters" will be kept in FREEHOUR and not added in FREELEAVE.

Eurostat will try to pre-test the variables RECHOURS, PLACEWK and OTHERLOC via a service contract, while Germany will organise a pre-testing of the first two variables at the beginning of 2017.
Before the tests, the overlap between PLACEWK and OTHERLOC will be clarified. The testing results will be analysed by TF2 in its April 2017 meeting and presented to the June 2017 LAMAS meeting.

3.4 Other issues including working time - care needs - MIGREAS

[ Eurostat/F3/LAMAS/62/16 ]

3.4a Working time

Presentation

During the discussion on the variables EXIST2J, STAPRO2J, NACE2J2D, HWACTUA2 and HWUSUA2 at its June 2016 meeting, LAMAS raised the question whether having a variable on total actual working time in all jobs is of interest or not. TF2 was then asked to work on this question.

After consulting the Eurostat's unit for National Accounts (one of the main users of working time information), the answer to the question was no. TF2 therefore suggested instead to revise EXIST2J to collect the total number of jobs (instead of the LAMAS suggestion of total working hours of all jobs), as a middle position.

Discussion

Two thirds of the votes recorded in the exchange of view were for the TF2 suggestion to revise EXIST2J. The number of jobs to be recorded in EXIST2J could be used as a proxy for the total number of hours. Nevertheless, the precise number of jobs is difficult to measure as the concept of job is difficult to define and to be implemented in the questionnaire. France considered that it is not worth having the information on the exact number of jobs and it would be very burdensome to collect this information.

Some countries insisted on the fact that the total actual working time in all jobs is necessary, in particular for National Accounts, at least at national level. France also pointed out that it is less burdensome to ask for the total worked hours than only for the hours worked in the 2nd job as in the first case, people do not have to identify a specific job but only to think about their volume of work.

Conclusions

TF2 will re-check with the Eurostat National Accounts team which of the two following approaches they prefer as regards the working time: (1) working time in 2nd job, NACE 2nd job and EXIST2J on the number of jobs or (2) working time in all jobs, NACE 2nd job and EXIST2J on 2nd job. LAMAS will be then informed about the preference of the Eurostat National Accounts team.

On that basis and looking at the French experience for collecting the total working time, proposals will be elaborated and discussed within TF2, targeting a final decision in the June 2017 LAMAS meeting.

3.4b Care needs

Presentation

As data for a JAF indicator has to be provided, TF2 proposed to keep the variable. In agreement with DG EMPL, the differentiation between care for children and incapacitated adults is dropped but the variable will contain separate categories to measure if the cost, availability or suitability of care services has an influence.
Four variables on the reasons for not wanting to work, looking for work, not being available for work or for working part-time will serve as entry filter for NEEDCARE. Their answer categories were harmonised. Eurostat presented results from an additional consultation of the NSIs regarding the "other" category in the reason variables. For FTPTREAS this category has a share of 30% and the NSIs often merge additional categories they ask nationally to this category. Eurostat stressed that additional categories that overlap with or bias the answers to other categories should be avoided. Especially the often used category "I don't want to" could be problematic.

Discussion

About 80% of the NSIs supported in the exchange of views to keep NEEDCARE with the widened filter and the harmonisation of the reason variables. During the discussion, a majority of countries endorsed the Eurostat's new proposal of NEEDCARE with three modalities (can't afford, suitable care services not available, and no influence). It was clarified that LEAVREAS would not be used as entry filter but that it is pertinent to cover people who are not available for work due to care responsibilities. Some countries mentioned that the wording of the question and answers categories needed improvement. It was requested to ensure that NEEDCARE would not be asked more than once to the same person. Regarding the "other reasons" modality, several countries stressed the importance to add national categories and that they want to stick to their existing practice.

Conclusions

LAMAS agreed on keeping NEEDCARE with the widened filter and three answer modalities. Eurostat will make a new proposal for the wording of the model question for NEEDCARE based on the proposal endorsed at the meeting (based with three modalities). Eurostat will further reflect on the answer categories for the reason variables, especially on how to deal with the "other reasons" modality.

3.4c MIGREAS

Presentation

TF2 and DG EMPL presented the case for having MIGREAS in the core LFS. This main goal is to be able to monitor refugee labour market integration in the decades to come.

Discussion

LAMAS supported the proposal with including MIGREAS as a biennial (every second year) core variable. It will only be asked to people aged 15+, but without the automatic coding for people migrating when aged less than 15 (which was the case for the 2014 AHM).

Conclusions

The variable MIGREAS will be introduced as a biennial core LFS variable under the new LFS implementing regulation. Task force 2 and DG EMPL will continue working on the labels for the answer categories linked to migration for employment reasons.
3.5 Strategic paper on educational variables and the regular module 'Young people on the labour market'

[Eurostat/F3/LAMAS/63/16]

Presentation

Eurostat recalled that the module on young people on the labour market has already been run 3 times and will become a regular module under the IESS FR. The variables of the module will be improved based on an analysis of the 2016 results. The main users of this module (DG EMPL and CEDEFOP) suggested, at the TF2 meeting in September 2016, to create a new core variable HATWORK to collect information on work experience during studies. As regards the timing, if agreed, HATWORK would be defined in the first LFS implementing regulation while the content of the regular module would be fixed in the second LFS implementing regulation (i.e. there is more time for development).

Results from the LAMAS exchange of views showed that 64% of countries are in favour of introducing HATWORK while 83% are in favour of reducing the module to 7 variables. Eurostat clarified that the module would only be reduced if HATWORK enters in the core LFS.

Eurostat mentioned the main concerns raised by countries as regards HATWORK: memory issues; increased burden; entry filter too wide; more analytical value if part of the module; information should be taken from other education statistics; HATWORK should rather be biennial. In view of these concerns, Eurostat suggested reducing the filter to the age 15-34.

DG EMPL emphasised that the need for HATWORK is mainly for evaluating labour market outcomes, i.e. work experience during education as one element to find employment afterwards. Having the variable in the core LFS increases its analytical value as it can be crossed with the relevant labour market variables and allows regular monitoring. Compared to the variables used in the 2016 ad hoc module, the variable has been reduced and simplified to its core dimensions – duration and payment – these dimensions are considered the most relevant and easiest to collect.

Discussion

The co-chair of TF2 (the delegate from Germany) explained that the first proposal linked to the regular module on the young people on the labour market, presented to TF2 in September, was not convincing but that the revised and refined proposal for HATWORK together with the reduction of the regular module is a good package, in particular in view of the policy relevance of HATWORK and the need for regular monitoring. Germany also pointed out that a broader filter would allow cohort analyses which are considered to be useful.

The United Kingdom expressed the opinion that the package would nevertheless mean an overall increase of the burden. Several other countries indicated that they would be in favour of limiting HATWORK to those aged 15-34 as this would solve memory issues and reduce the burden of the new variable. Also HATWORK was considered not to be relevant for older people by some countries.

As regards entry filters, Greece suggested not only to consider the age, but also exclude persons in (formal) education. France indicated that they would prefer that HATWORK only refers to duration and is limited to the last year of HATLEVEL.

OECD suggested including persons with lower secondary education (ISCED level 2). Eurostat explained that there are most likely not many relevant programmes at level 2 but will further check this with the ISCED mappings. Moreover focusing on level 3-8 mainly aims to control the burden.

France pointed out that not having a dedicated item for students on holidays could be a source of under-reporting of participation in formal education (cf. analysis on the NEET indicator). Eurostat
explained that participation in formal education is a standardised and already agreed P1 variable. The standard description of the variable mentions that students on holidays are considered as being in formal education. If the category "students on holidays" is not a relevant category for data transmission, it could be a relevant category for data collection in order to ensure a good measure of participation in formal education. It is up to countries to ensure a proper coverage of students on holidays. The explanatory notes for the education variables are currently being developed by Eurostat and will be further discussed by TF3 in February 2017.

Conclusions

The proposal to drop HATMONTH was strongly supported by LAMAS. There was also overall support to include HATWORK in the annual core LFS but the variable should be re-worked. In particular, the filter should be narrowed. TF2 should develop a concrete proposal (investigate the possibility to have age 15-34 and/or exclusion of persons in formal education). TF2 should also consider and reflect on other issues arisen by LAMAS: the kind of experience considered and the reference. The inclusion of HATWORK as annual variable includes the commitment that the regular module on young people on the labour market will contain maximum 7 variables.

In a broader context, Eurostat together with TF2 and TF3 will work on an estimation of the burden of the LFS, to be presented at the next meeting in June 2017.

3.6 Subsampling (including household data requirements of regular modules)

Presentation

Based on LAMAS decisions in recent years, Eurostat provided an overview of current agreements regarding sub-sampling in the future LFS. It focused in particular on the practical implementation of the sub-sampling concept, showing that the agreed architecture would lead to much more options and a significantly higher complexity than it is the case at the moment. Against that background, Eurostat proposed to simplify the architecture by re-combining the yearly blocks BACKGR and JOBDET into one common yearly block again.

Discussion

Current intentions to implement the split into BACKGR and JOBDET were actually limited to one country (the United Kingdom). Further LAMAS comments addressed the fact that the split had originally been proposed to reduce the response burden, thereby also facilitating online interviewing. Concerning the burden, dependent interviewing was seen as another possible way to improve the situation. As regards online interviewing, Eurostat reminded that this mode had already been successfully implemented in the current sub-sampling with one yearly block.

Regarding the link to regular modules and household sub-sampling, Eurostat confirmed that the situation would remain unchanged: only three of the six regular modules under discussion would require a link to the household (sub-)sample.

Overall the discussion showed strong support for the Eurostat proposal.

Conclusions

The yearly blocks BACKGR and JOBDET will be merged into one common yearly block again. Eurostat will update the sub-sampling documentation and the draft implementing act accordingly. On
that basis, sub-sampling and dependent interviewing will be further discussed in task force 3 (TF3) in its February 2017 meeting. The response burden should also be recalculated accordingly. Further exchange of experiences and best practices concerning sub-sampling are strongly encouraged.

**Agenda item 4. Other issues**

### 4.1 Labour market flows

*Eurostat/F3/LAMAS/65/16*

**Presentation**

Eurostat summarized the results of the LAMAS exchange of views with regard to the publication of flows based on pooled quarterly data and regression based results, as well as for the plans to tackle annual flows.

**Discussion**

LAMAS welcomed the work done on flow statistics and overwhelmingly supported the plans presented by Eurostat. There was some concern voiced about missing quality indicators for regression based statistics. While some countries welcome work on year-on-year flows and the more complicated methodology envisaged to be considered as employed, some countries feel that there is still a lot of work to be done on quarterly flows. There was general consensus that the TF Flows should be heavily involved in the work on year-on-year flows.

**Conclusions**

Eurostat clarified that results based on regressions will always be sent to the countries before publication. In questionable cases, decision on publication will be taken bilaterally with the concerned countries.

Eurostat explained the planned work for year-on-year flows with the large policy demand for this data. This point was confirmed by DG EMPL. Eurostat pointed out the need for a preliminary study at Eurostat before involving countries / the TF FLOWS, with a need to investigate for all countries problems arising from population changes as well as attrition bias.

### 4.2a Training session on Structural Time Series for MUR estimation

**Presentation**

Hendrika Lautenbach from the Centraal Bureau voor de Statistiek (CBS) announced that CBS will host, in cooperation with Eurostat, a training session on Structural Time Series for MUR estimation. It will be held on 16/17/18 May 2017 in Heerlen near Maastricht (in the Netherlands) and will include both a theoretical introduction and practical exercises. The target audience is NSI staff in charge of compiling MUR estimates and/or members of the methodological department.

Eurostat added that the training session will be organised as a task force meeting on MUR estimation and that colleagues interested should inform the organizers before Christmas.

**Discussion**

Poland asked whether colleagues from regional offices could attend. Eurostat answered that it could only reimburse the travel costs of one participant per country.

Greece asked whether the deadline for showing interest could be extended by a few weeks. The chair accepted to extend the deadline to mid-January.

**Conclusions**

Colleagues interested in participating should inform both CBS (h.lautenbach@cbs.nl) and Eurostat (denis.levthienne@ec.europa.eu) by 15 January 2017. The slides as well as the draft programme will be loaded on CIRCABC.

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**4.2b Quality monitoring of MUR estimates: first results**

*Eurostat/F3/LAMAS/66/16*

**Presentation**

Eurostat presented the first results of the Quality Monitoring of MUR estimates. The quality of MUR indicators was measured through two dimensions: volatility and revisions, across all the indicators selected by the task force ‘Quality Framework for MUR’. The exercise was performed on the seasonally adjusted data of all countries, over the same time span of three years [June 2013 – May 2016].

Eurostat indicated that a quality assessment was needed for such visible statistics that are classified among the Principal European Economic Indicators (PEEI). Such an assessment should be output-based given the variety of methods used for MUR estimation including heuristics (e.g. hybrid methods) whose precision cannot be calculated algebraically.

Such a quality assessment was also deemed useful to compare the performance of the different methods and give informed advice to countries who consider changing method. This thorough test also allowed fine-tuning the upper bound of the interval for the test on month-on-month autocorrelation which is now set at 0.75.

Twenty out of twenty-five Member-States expressed support to Eurostat’s proposal to focus on the 4 core indicators proposed for the regular monitoring of the quality of MUR estimates.

**Discussion**

France recommended distinguishing, in the summary table, large revisions in levels versus large revisions in month on month changes. They also suggested decomposing the mean average revision by quarter in order to identify possible seasonal biases in the MUR estimate.

Eurostat answered that the summary table was just a synthesis and that Member States could refer to the annexes if they wanted more detailed information on the revisions in levels versus month-on-month changes. It was also confirmed that the mean average revision by quarter was a useful indicator that Eurostat would consider in the future as a way to spot, and possibly remedy, any seasonal bias.
Italy supported Eurostat’s proposal to be more lenient for revisions in levels (deemed acceptable below 0.3 percentage point) than for month-on-month changes (threshold set at 0.2 pp). Italy mentioned that the two cases of very large (> 0.3 pp) revisions in levels happened in 2014. The quality was expected to improve through better seasonal adjustment although the benefits might not be visible next year due to the inertia of the indicator based on frequencies.

Eurostat confirmed that frequency-based indicators had some inertia and suggested referring to the other volatility indicator (autocorrelation in month-on-month changes) which, when negative, may denote a risk of false signal to the user.

Several countries asked whether Eurostat could share its programmes so that the quality indicators could be replicated nationally. Eurostat answered it would share an Excel file in CIRCABC showing on a concrete case how the indicators had been calculated.

Portugal asked whether the timeliness (now M+1) could be relaxed to M+2 with a view to improving the accuracy of the estimates. ECB reacted by confirming the importance of timeliness for high frequency statistics such as MUR even if unemployment was known to be a lagging indicator of business cycle developments.

Germany sought information on how the upper threshold had been set and whether the quality criteria proposed would be binding in the MUR implementing act to be discussed under the IESS Framework Regulation. Eurostat explained that, unlike the lower bound (- 0.3), this upper bound had been provisionally set at 0.9 by the task force without any empirical or theoretical justification. Through this test exercise, Eurostat found that an upper bound of 0.75 would filter all the cases where the month-on-month changes were absolutely constant, at 0.1 pp precision, over the whole 3 years period. This was the reason to set the threshold at this level.

Poland questioned the usefulness of the tests on revisions as most countries failed meeting the corresponding criteria. Denmark noted that the results could be artificially good, at least as regards volatility, due to the fact that Denmark publishes quarterly averages instead of a genuine monthly estimate.

Eurostat explained that the thresholds for large / very large revisions were based on a users’ survey conducted two years ago. The results of the test showed indeed that progress was needed in this area. However, the good ranking of some countries (e.g. Poland for the hybrid method and the Netherlands for Structural Time Series applied to LFS data) showed that revisions could be reduced.

Conclusions

The Chair took note that there was a general support from LAMAS:

- To give prominence to the four indicators (V1, V2, R2, R3) proposed;

- To update the quality monitor on an annual basis and report to LAMAS accordingly.

It was also agreed not to disseminate the results at this stage and possibly limit their access to LAMAS experts.

Eurostat will load an Excel file on CIRCABC showing on a concrete case how the indicators have been calculated.

Finally, LAMAS was informed that there would be a separate discussion on the MUR implementing act, to take place in June 2017, on the basis of an amended proposal to be circulated well ahead of the LAMAS meeting.
4.3 Ad hoc requests and confidentiality

Presentation

As a follow-up of the June 2016 LAMAS meeting, Eurostat presented the legal implications of the fourth scenario linked to the production of specific tailor-made tables, i.e. "specific rules for specific organisations and specific purposes". For values with a flag "b" the "Protocol on impartial access to Eurostat data for users" applies while values with a flag "a" or "c" depend on the "Regulation (EC) No 223/2009 of 11 March 2009 on European statistics". As a consequence, Eurostat proposed: (1) to publish on the Eurostat website the description of the tailor-made tables with "b" flags (without "a" and "c" flags) and (2) to ask for the explicit authorisation of LAMAS to proceed with the transmission of tailor-made tables containing "a" and "c" flagged values to a defined list of organisations.

Eurostat also proposed to continue investigating the replacement techniques on the basis of the Handbook on Statistical Disclosure Control (produced by the ESS-NET SDC).

In the LAMAS exchange of views, concerns were expressed as regards the values flagged "b" that the description on the Eurostat website should not contain any reference to the users; only information on the requested variables and reference period should be provided. As regards the values flagged "a" and "c", the main concerns were related to the list of specific organisations and the definition of the statistical purposes.

Discussion

Germany emphasised that according to its national regulation, the values flagged "c" should not be transmitted. Denmark also referred to the national law which prevents the dissemination of flagged "c" values outside the European Statistical System. Ireland asked for more information about the Article 21 of the Regulation (EC) No 223/2009 and mentioned the need to further check its national legislative situation. Poland asked to have some specific agreement in written form. The United Kingdom proposed to give information on the confidence intervals while values flagged "a" or "c" are concerned. This country also emphasised the need to have transparency about the organisations that would benefit from access to confidential data.

Conclusions

LAMAS agreed for the tailor-made tables with only "b" flags to publish on the Eurostat website the list of requests with information on the variables and the reference period but without information on the users.

Eurostat will prepare draft agreement in written form as regards the transmission of tailor-made tables with "a" and "c" flags so that countries can check its acceptance with their national legal unit. Germany, Denmark and Ireland will check in addition their position related to the transmission of confidential data to the ECB and ESCB members (paragraph 2 of Article 21 of the Regulation (EC) No 223/2009).

Eurostat will not transmit "c" flagged values to any user until an agreement is found in written form about the transmission of tailor-made tables with "a" and "c" flags. Eurostat will discuss with the main users about the consequences of this decision.
4.4 Variance estimation in the LFS

Presentation

Eurostat started with a short reminder on the needs from DG EMPL and the deadlines. Eurostat already provided countries with a list and definitions of indicators concerned by the variance estimation.

Eurostat explained that transmission of the additional columns (PSU, STRATA, SSU and FSWEIGHT) is on-going. 2016 and 2015 data have already been provided from some countries. However, Eurostat explained that 2015 data have not been yet received from twelve MSs plus candidates and EFTA countries. Countries who decided to estimate the variance by themselves must also provide Eurostat with these additional columns.

Concerning the results from the LAMAS consultation, Eurostat will estimate the variance for nineteen countries. Thirteen countries will estimate the variance by themselves. These results concern the current exercise and may eventually change in future.

The new SAS program for the variance estimation of annual net changes will be provided soon. Data transmission continues and has to be done on time in order to fit DG EMPL deadline. Eurostat will provide soon countries, who decided to estimate the variance, with a template for net changes results. The results of the 2015-2016 exercise will be shared with countries before transmission to DG EMPL.

Conclusions

LAMAS took note of the deadlines and that data transmission of additional columns should continue; the deadline for the 2015 and the Q1 and Q2 of 2016 exercises being fixed to end January 2017.

Final results must be provided by Eurostat to DG EMPL by June 2017. Countries who decided to estimate the variance by themselves should report their estimates on net changes at the latest by May 2017.

Agenda item 5. Any other business

5.1 EMCO Indicators Group

Eurostat participated at the EMCO IG meeting of 18 October 2016. The goal was to inform the EMCO IG delegates on the main conclusions from the June 2016 LAMAS meeting. At the request of the EMCO IG chair, more detailed information was given on the progress related to (1) the LFS variable NEEDCARE and (2) the NEET indicator.

5.2 New template for quality reporting

Eurostat reviewed the introduction of the new quality report templates according to the standard ESQRS 2.0 in the ESS Metadata Handler. The details of this update and a delay in its implementation at Eurostat had required a lot of explanation and communication. Eurostat thanked the delegates for their good co-operation which was finally successful.

5.3 Regional issues

Eurostat informed the LAMAS delegates that Commission Regulation 2016/2066 on NUTS 2016 had been adopted in November 2016. Data according to this NUTS version will be expected from 1st
January 2018 onwards, and back data for previous years by the end of 2019. The length of the time series prior to 2018 which will have to be converted will be determined by a further Commission Regulation. Countries concerned by changes due to the new NUTS version will probably be asked to have back data for 2015 to 2017 ready by February 2019 on a voluntary basis.

Following an e-mail sent in July 2016, Eurostat reminded the delegates that the variable DEGURBA should be derived based on the 2011 population grids and the 2014 LAU boundaries from the first quarter of 2017 onwards.

Eurostat consulted LAMAS on the possibility for more detailed geographical coding of LFS data in the future. Data on 1 km² grids cells, for instance, would make it possible to derive various geographical typologies from the detailed data. Feasibility studies as foreseen in the IESS Framework Regulation could be used to test this approach. Austria observed that grid cell data were not available in the net samples. Italy, France and Poland raised concerns about data quality at such a detailed geographical level, given that the sampling design is not appropriate.

**Conclusion**

Eurostat concluded that the proposal on testing a more detailed geographical coding of LFS data was rejected by LAMAS.

### 5.4 Anonymised microdata

Eurostat announced the availability of the 2016 release of the anonymised microdata (scientific use files), covering the core data up to 2015 and the AHM data up to 2014. It was planned to replace dissemination of DVDs with secure transmission on the Internet.

### 5.5 LFS release planning 2017

Eurostat informed the LAMAS delegates about the planned release dates of the annual LFS data, the accompanying press releases, and of the publication dates for the quarterly main indicators. The quarterly release dates for the core data are 19 January (2016Q3), 25 April (2016Q4 and annual results), 13 July (2017Q1) and 12 October (2017Q2).

### 5.6 SDMX for Labour project

Eurostat presented the new project on the development of SDMX common metadata to be used for the exchange of aggregated labour related statistics between European and international institutions. Apart from Eurostat, the OECD (project leader), ECB, ILO and World Bank participate in this project, which is expected to finish by the end of 2017. For the time being at least, the NSIs providing LFS microdata are not concerned by this project as it covers aggregated data only.

### 5.7 Workshop on Labour Force Survey Methodology

The Danish delegate announced that the next LFS methodology workshop will be held in Copenhagen during the 4th and 5th of May 2017. The workshop will be focused on output, covering statistics on labour market flows, new labour market output, comparative analysis, dissemination of results from different (sub)samples and results obtained integrating LFS data with other sources.

3. Next meeting

The next LAMAS meeting in its LFS composition will take place on 19-21 June 2017. The main discussion items will be the input harmonisation, the breaks in time series, the regular modules on labour situation of migrants and transition to retirement, the list of variables and associated burden estimation and the MUR implementing act.

The task force 3 will meet for the second time on 7-8 February 2017.

Next meetings of TF1 and TF2 are planned for end April 2017 in respectively Athens and Rome, where the premises of the co-chair and a member resp. of the task force are located.