

Labour Costs Workshop Rome 5-6 May 2015

Agenda Item 2.1 LCS Methodological issues overview

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Main items discussed:

overview on methodological issues

- I. Data sources
- II. Statistical units (enterprise vs. local unit)
- III. Classification of apprentices and trainees
- IV. Hours paid vs. hours worked



I. Data sources (1)

Information from the LCS questionnaire

| | Source used for all LCS variables | | | | | |
|-------------------------------|---|--|--|--|--|--|
| 1. Business survey (4-yearly) | BE*, CZ, DE, EE, EL, HR, IT*, LU, HU, MT*, PL, PT, SE, TR, RS | | | | | |
| 2. Business survey (annual) | BG, DK*, FR*, AT*, RO, SK | | | | | |
| 3. Other business survey | ES, LV* (Quarterly business survey) | | | | | |
| o. Other business survey | IS* (Monthly Survey on Earnings, Wages and Labour Costs) | | | | | |

^{*} Use of administrative data is also made for validation / imputation cases.

| | Different sources used by type of variable | | | | | | | |
|----------------------------------|--|---------------|---------------|---------------|------------------------|--|--|--|
| | A-variables** | B-variables** | C-variables** | D-variables** | E-variables** | | | |
| 1. Business survey (4-yearly) | | | | | | | | |
| 2. Business survey (annual) | UK | | UK | UK | IE, UK | | | |
| 3. Other business Survey | | | | | | | | |
| 4. Administrative data | NL, FI, NO | NL, FI | NL, FI | NL, FI, NO | CY, LT, NL, SI, FI, NO | | | |
| 5. Household survey (LFS) | | IE, FI, UK | FI | NL, UK | | | | |

**A-variables: Number of employees B-variables: Hours actually worked

C-variables: Hours paid
D-variables: Labour costs

E-variables: Information on units



I. Data sources (2)

<u>Information from the LCS questionnaire</u>

Dedicated business questionnaire

-> 4-yearly LCS: 18 countries

-> annual LCS: 8 countries

-> quarterly LCS: 5 countries

Of which 3 (FI, NL, NO) make extensive use of administrative data for data collection purposes

 NL: LCS fully based on administrative data No dedicated questionnaire!



I. Data sources (3)

<u>Issues for discussion from the LCS questionnaire</u>

- Countries concerned are invited to comment on the use of other sources for gathering LCS data:
 - -> household surveys
 - -> administrative data

Added value in making use of different sources?



II. Statistical unit

EC 530/1999, article 5

The compilation of statistics shall be based on **local units** and **enterprises** as defined...for observation and analysis of the production system in the community

| | LCS2012 | | | | | | |
|---|--|--|--|--|--|--|--|
| enterprise CZ, DK, IE, EL, HR, IT, CY, LV, HU, MT, NL, AT, PL, PT, FI, SE, NO, CH, MK, B. | | | | | | | |
| local unit | BE, BG, DE, EE, ES, FR, LT, LU, PL, RO, SK, SE, IS, TR | | | | | | |
| local kind of activity unit | | | | | | | |
| employees | UK | | | | | | |

- Different statistical units used across Europe
 - -> comparability across countries?
 - -> which unit better knows:
 - hours worked and paid
 - labour costs



III. Classification of apprentices, trainees (1)

Reminder on the differences in data coding in LCS:

NA: exists in country, is greater than zero BUT separate data is not available

ZERO: does not exist in country or has real zero value

LCS data compared with LFS (2012) and CVTS (2010)



III. Classification of apprentices, trainees

According to LCS: no apprentice in EE / ES / HR / SE? (2)

| | separate data for | number of apprentices | share of apprentices on total | number of apprentices | number of apprentices | DIFFERENCES | | | |
|----|-----------------------|-----------------------|-------------------------------|-----------------------|-----------------------|-----------------------|-------------------|------------------------|--------------------|
| | apprentices in LCS | in LCS* | employees in LCS | in LFS* | in CVTS* | LCS/LFS (relative) | LCS/LFS (in %) | LCS/CVTS (relative) | LCS/CVTS (in %) |
| BE | > | 20056 | 0.66% | 16723 | 22247 | 3333 | 20% | -2191 | -10% |
| BG | NA | NA | NA | 1613 | 33788 | -1613 | -100% | -33788 | -100% |
| CZ | ~ | 12873 | 0.42% | 2061 | 14107 | 10812 | 525% | -1234 | -9% |
| DK | > | 49061 | 2.80% | 66093 | 34191 | -17032 | -26% | 14870 | 43% |
| DE | √ | 1244801 | 4.63% | 1679705 | 1122195 | -434904 | -26% | 122606 | 11% |
| EE | ZERO | 0 | 0.00% | 409 | 6513 | -409 | -100% | -6513 | -100% |
| IE | ~ | 13858 | 1.13% | 12984 | : | 874 | 7% | : | : |
| EL | > | 9008 | 0.59% | 13667 | 4495 | -4659 | -34% | 4513 | 100% |
| ES | ZERO | 0 | 0.00% | 127461 | 48504 | -127461 | -100% | -48504 | -100% |
| FR | > | 162169 | 1.03% | 530599 | 305420 | -368430 | -69% | -143251 | -47% |
| HR | ZERO | 0 | 0.00% | 68061 | 159759 | -68061 | -100% | -159759 | -100% |
| IT | ✓ | 195384 | 1.92% | 388504 | 210929 | -193120 | -50% | -15545 | -7% |
| CY | ✓ | 202 | 0.12% | 1449 | 929 | -1247 | -86% | -727 | -78% |
| LV | NA | NA | NA | 1478 | 2797 | -1478 | -100% | -2797 | -100% |
| LT | > | 158 | 0.02% | 1113 | 250 | -955 | -86% | -92 | -37% |
| LU | > | 3878 | 1.27% | 2819 | 2529 | 1059 | 38% | 1349 | 53% |
| HU | > | 4523 | 0.21% | 5419 | 24969 | -896 | -17% | -20446 | -82% |
| MT | > | 403 | 0.31% | 1056 | 1107 | -653 | -62% | -704 | -64% |
| NL | > | 77485 | 1.22% | 27014 | 172070 | 50471 | 187% | -94585 | -55% |
| AT | > | 103621 | 4.16% | 156380 | 109611 | -52759 | -34% | -5990 | -5% |
| PL | > | 41146 | 0.53% | 302988 | 28220 | -261842 | -86% | 12926 | 46% |
| PT | > | 7505 | 0.36% | 25209 | 14101 | -17704 | -70% | -6596 | -47% |
| RO | > | 7 | 0.00% | 2033 | 38217 | -2026 | -100% | -38210 | -100% |
| SI | NA | NA | NA | 3627 | 2384 | -3627 | -100% | -2384 | -100% |
| SK | ✓ | 10145 | 0.96% | 1389 | 21915 | 8756 | 630% | -11770 | -54% |
| FI | ~ | 25003 | 1.53% | 18458 | 12817 | 6545 | 35% | 12186 | 95% |
| SE | ZERO | 0 | 0.00% | 6576 | 3480 | -6576 | -100% | -3480 | -100% |
| UK | ✓ | 214241 | 0.96% | 91734 | 190189 | 122507 | 134% | 24052 | 13% |

III. Classification of apprentices, trainees (3)

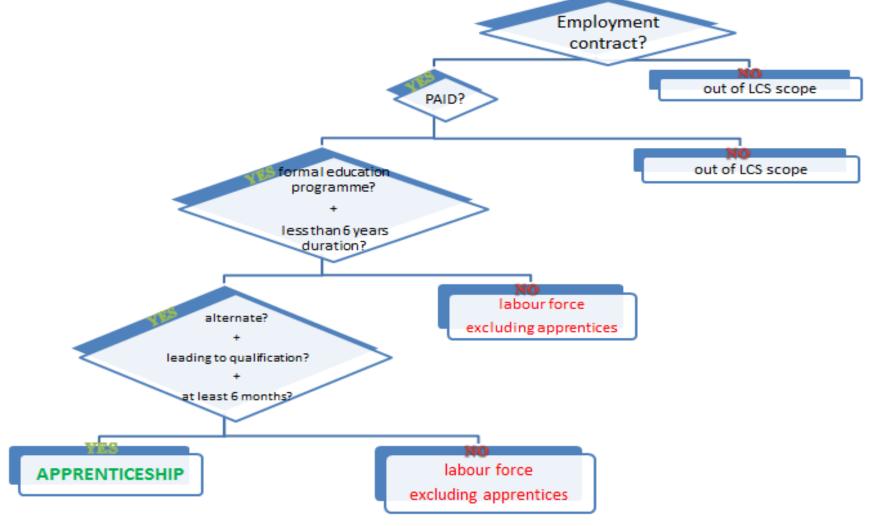
- operational definition for apprentices in CVTS:
- -> formal education programme which does not exceed 6 years,
- -> alternance of learning time between work and education,
- -> leads to a qualification (e.g. ISCED2011 levels 2 to 5) and
- -> apprenticeship lasts at least 6 months.

to be added to LCS(2016) implementing arrangements?



III. Classification of apprentices, trainees (4)

Decision tree to define apprentices:



IV. Hours paid vs. hours worked (1)

- Hours paid (HP)= Hours Worked (HW)
 - + Paid annual holidays / vacation
 - + Paid absence due to sickness / public holidays / other absence
 - + Other hours paid at a reduced rate
 - Unpaid overtime hours
- In practice: HW < HP
- LCS HP data (2008 and 2012) compared to SES2010



IV. Hours paid (2)

<u>FT:</u>

BE(2012)

IS(2008)

possible LCS issue!

| | LCS | 2008 | SES | S2010 | LCS | 2012 | LC S08 SES10 | SES10 LCS12 | LCS08 SES10 | SES10 LCS12 |
|----------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|----------------|----------------|----------------|
| | Part- time | Full- time | Part- time | Full- time | Part- time | Full- time | Part-time | | Full-time | |
| Belgium | 1,082 | 1,789 | 1,197 | 1904 | 1,201 | 1,706 | 11% | 0% | 6% | 12% |
| Bulgaria | 891 | 1,937 | 985 | 2022 | 908 | 1,923 | 11% | 8% | 4% | 5% |
| Czech Republic | 1,177 | 2,016 | 1,404 | 2075 | 1,266 | 2,014 | 19% | 11% | 3% | 3% |
| Denmark | 775 | 1,863 | 722 | 1901 | 745 | 1,866 | -7% | -3% | 2% | 2% |
| Germany | 1001 | 2,023 | 1,001 | 2044 | 943 | 2,025 | 0% | 6% | 1% | 1% |
| Estonia | 1,016 | 1,934 | 1,085 | 2036 | 1,051 | 1,971 | 7% | 3% | 5% | 3% |
| Ireland | 994 | 1,937 | 1,211 | 1911 | 1,030 | 1,893 | 22% | 18% | -1% | 1% |
| Greece | 1006 | 1,862 | 1,032 | 2011 | 928 | 1,978 | 3% | 11% | 8% | 2% |
| Spain | 1,062 | 2,032 | 1,142 | 2039 | 1,065 | 2,020 | 8% | 7% | 0% | 1% |
| France | 1,147 | 1,893 | 1,178 | 1889 | 1,158 | 1,866 | 3% | 2% | 0% | 1% |
| Croatia | 1,125 | 2,104 | 1,067 | 2034 | 1,155 | 2,067 | -5% | -8% | -3% | -2% |
| Italy | 1,088 | 1,874 | 1,284 | 1952 | 1,178 | 1,883 | 18% | 9% | 4% | 4% |
| Cyprus | 1,011 | 2,040 | 1,272 | 2041 | 1,072 | 2,078 | 26% | 19% | 0% | -2% |
| Latvia | 972 | 1,989 | 1,125 | 2020 | 1,043 | 1,974 | 16% | 8% | 2% | 2% |
| Lithuania | 919 | 1,893 | 972 | 2008 | 883 | 1,914 | 6% | 10% | 6% | 5% |
| Luxembourg | 1,210 | 2,131 | 1,230 | 2021 | 1,197 | 2,120 | 2% | 3% | -5% | -5% |
| Hungary | 1,227 | 2,033 | 1,377 | 2034 | 1,241 | 2,044 | 12% | 11% | 0% | 0% |
| Malta | 911 | 2,165 | 957 | 2142 | 1,085 | 2,220 | 5% | -12% | -1% | -4% |
| Netherlands | 1,012 | 2,041 | 1,029 | 2014 | 1,032 | 2,064 | 2% | 0% | -1% | -2% |
| Austria | 1,120 | 2,116 | 1,060 | 2078 | 1,143 | 2,101 | -5% | -7% | -2% | -1% |
| Poland | 1349 | 1,976 | 946 | 1974 | 971 | 1,957 | -30% | -3% | 0% | 1% |
| Portugal | 1015 | 1,994 | 1,021 | 2028 | 978 | 1,959 | 1% | 4% | 2% | 4% |
| Romania | 917 | 2,074 | 882 | 2054 | 929 | 2,068 | -4% | -5% | -1% | -1% |
| Slovenia | 1,117 | 2,115 | 948 | 1996 | 1,261 | 2,162 | -15% | -25% | -6% | -8% |
| Slovakia | 1,214 | 1,970 | 1,233 | 1977 | 1,170 | 1,926 | 2% | 5% | 0% | 3% |
| Finland | 877 | 1,994 | 1,174 | 1984 | 1,211 | 1,954 | 34% | -3% | -1% | 2% |
| Sweden | 1,069 | 1,923 | 1,275 | 2077 | 1,118 | 1,936 | 19% | 14% | 8% | 7% |
| United Kingdom | 962 | 2,071 | 953 | 2036 | 956 | 2,055 | -1% | 0% | -2% | -1% |
| Iceland | 962 | 2,594 | 1,164 | 2235 | 909 | 2,340 | 21% | 28% | -14% | -4% |
| Norway | 916 | 1,876 | 966 | 1974 | 886 | 1,860 | 5% | 9% | 5% | 6% |
| Switzerland | : | : | 1,196 | 2160 | 1,180 | 2,174 | : | 1% | : | -1% |
| FYROM | : | : | 990 | 2026 | 1,174 | 2,141 | : | -16% | : | -5% |
| Turkey | : | : | 1,074 | 2406 | 1,131 | 2,382 | : | -5% | : | 1% |

PT: 17 countries

CZ, IE, CY, HU, SI, SE, IS Possible **SES** issue!

BE, BG, IT, LV, PL, FI (**LCS 2008)**

EL, LT, MT, MK (LCS 2012)

European Commission

The participants to the workshop are invited to comment on:

- > the pros and cons of the use of different data sources in the collection of LCS data;
- the pros and cons of collecting LCS data at enterprise / local unit level;
- > the decision tree "to define apprentices in a comparable manner" to be included in LCS2016 implementing arrangements;
- > the results of annual average hours paid in LCS compared to those in SES and respective differences





Thank you for your attention!

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