

THE FUTURE OF EUROPEAN SOCIAL STATISTICS: GUIDELINES AND STRATEGIES

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III. PAPERS SUBMITTED TO THE SEMINAR (Continuation)

Theme 2:

How can Community surveys on households be structured and combined effectively?

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1. Introduction

The problem addressed in this paper is that we have, in any country, a number of sources, shedding light on the living conditions of the population. The sources result in different statistics that overlap but their concepts are not always in harmony. This is not helpful to the users as there might be, e.g., five divergent estimates of total employment. A central statistical office should always remember that it is describing only one reality, only one society.

I am not going to constrain myself to discussing *household* surveys as I believe that the persons, rather than the households, are the most important units when measuring living conditions. The household may be used as sampling unit in some surveys for practical reasons. But what we are trying to measure is related to the persons in most cases.

The background for my discussion is of course the Danish statistical system where data from administrative sources play the leading rôle while surveys are regarded as an important supplement. The problems of integration are very much the same as in other countries. It is of special importance that the integration should lead to a more integrated system of European statistics.

2. The goal

The goal is to *integrate* the sources so as to obtain one set of consistent estimators that can describe the living conditions. This kind of endeavour is essential for a central statistical office (CSO), indeed it is one of the basic ideas behind the establishment of the Danish CSO.

Efforts of integration have been going on for many years. The national accounts represent the most successful effort, as it has been possible to agree, even internationally, on a system giving a coherent description of the economy.

In the area of socio-demographic statistics, serious attempts have been made to copy the success of the national accounts. Around 1970 the work on a System of Socio-Demographic Statistics (SSDS)¹⁾ generated much enthusiasm, the aim being a standardised set of tables describing the living conditions. As problems turned out to be insurmountable, the title of the project was changed to the less ambitious Framework of Socio-Demographic Statistics (FSDS) aiming at a set of concepts and definitions to create integration. This project didn't reach very concrete results but served as an inspiration for development work in many countries.

Since the mid-1980's, efforts have been concentrating around labour market statistics, starting with initiatives from ILO²⁾. Practical work has been carried out, e.g. in the Netherlands ³⁾ and Norway. This has been a great inspiration to the project presented in this paper.

3. Methods

Integration can be attacked from three angles:

1. *Harmonisation of concepts and definitions*: Using the same concepts in different statistics (except where user needs make it necessary to use different concepts) allows for a certain amount of comparability
2. *Identification of standard tables* that ought to be filled in.
3. *Adjustment of the sources*

In the Danish work we are going to focus on the adjustment of sources. This presupposes agreement on the concepts. Integration will mainly be carried out on a *micro level*, meaning that the common estimates will be

1) UN (1975 & 1978)
2) Turvey (1985)
3) van Bochove (1994)

produced for each individual person. Record linkage, using the general *Person Number*, will be used to a great extent.

4. Labour Market Accounts

Our aim is to build a system comprising the whole area of socio-demographic statistics. Like in some other countries, the labour market will be the first target for integration.

The purpose of the project is to create one coherent system, the *Labour Market Accounts*, integrating all the different statistics describing the Danish labour market. The Labour Market Accounts shall contain one set of consistent concepts and corresponding estimators. Results are to be published currently on a yearly basis and supply the basis for the employment figures in the national accounts. The original, basic statistics are to continue being published in their own right.

The new estimators will use the strengths of the different basic statistics to create the best possible picture of the labour market. It is expected that this new fund of knowledge will improve the basis of decisions in labour market politics and business politics.

4.2. Background

The Danish labour market is described by a number of different statistical sources, supplementing each other and serving different purposes. Some of them give very fast results without much detail while others have it the other way around. Some are based on administrative records while others are based on surveys with questions to citizens or businesses. The table below gives an overview.

	Short term indicators	Structural statistics
Register based	ESP statistics Unemployment statistics Labour Market Measures statistics	Register based Labour Market Statistics Unemployment statistics Labour Market Measures statistics
Survey based	Labour Force Survey (LFS) Wage statistics (quarterly) Construction statistics	LFS Unemployment survey Wage statistics (yearly)

Explanations (in the order mentioned in the table):

ESP statistics: Quarterly statistics based on the employers' contributions to the *Employment Supplementary Pension fund*

Unemployment statistics, based on a register in the Ministry of Labour concerning unemployment; published monthly, quarterly, and yearly

Labour Market Measures statistics: Based on quarterly reports from the Board of Labour, municipalities, and the Ministry of Education, on individual persons participating in labour market measures

Labour Force Survey (LFS): A continuous survey, based on telephone interviews with citizens; quarterly and yearly results

Wage statistics: Yearly and quarterly statistics on wages and employment based on EDI-like reports from companies concerning their individual employees

Construction statistics: Quarterly statistics based on questionnaires to the companies

Register based Labour Market Statistics: A yearly, detailed statistics based on several different registers, including the CPR, tax registers, wage systems, and the Business Register

Unemployment survey: A continuous telephone interview survey, integrated with the LFS mentioned above

In addition to these, the national accounts have their own estimates on employment, based on the above sources and other data in the accounts.

There is no doubt that the Danish preconditions for integration are exceptionally good. This is due to the solid register basis for the socio-demographic statistics and part of the business statistics³. It is an advantage that it has been possible to organise data in most statistical branches in *statistical registers* with data on individual units (persons, firms, etc.) with identifiers. This allows for linking of data and reconciliation and estimation at the individual level.

It is considered essential to move forward step by step in a pragmatic way, and to employ methods based on common sense. The methods employed must not be more complicated than users can easily understand.

The project will not only lead to new results but also contribute to the development of methods that might be important to other countries.

4.3 A project plan

It has recently been decided to seek for financing of a project on Labour Market Balances. A staff of five persons will be allocated to the project which is scheduled to last for 3 years. The project contains the following phases:

1. Search of literature, study visits to leading countries
2. Comparison of Danish sources, analysis of conceptual differences
3. Development of concepts
4. Estimation methods
5. Development of production system

5. Integrating the big European surveys

It is important that the big "European" surveys - the Labour Force Survey, the European Household Panel, the Household Budget Survey, and the Time Use Survey - are included in the integration process. These surveys are, or will be, carried out in every member state where they are seen as part of the statistical infrastructure of that country. At the same time they are part of the socio-demographic statistics on Europe.

On a national basis the surveys should be integrated with other sources in the country. For instance, the Danish LFS should be integrated with all the register based statistics on the labour market in order to create one picture, as described above. And in a wider perspective, the labour market statistics should be linked to the survey based statistics on consumption or time use. By 'linked' is meant statistical matched. I do not at all believe that it will be a good idea to include the different surveys in one survey. That will inevitably give the result that the response rate will fall so low that none of the results will be reliable.

There should also be integration at the European level, meaning that the results of integration processes in the individual countries should be comparable and should form a coherent description of Europe. This could perhaps be reached if the same concepts, estimations, and linking methods are used in every country.

6. Conclusion

We have accepted disrupted socio-demographic statistics for a very long time without taking serious action. The problems of integration have seemed to be overwhelming. Now it is our hope that we can come to grips with the problems, adopting a very pragmatic procedure and starting with one area of statistics. After this first project it is planned to start further development in other fields of socio-demographic statistics so we can move forward towards a system of living conditions balances

³ Danmarks Statistik (1994 & 1995)

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