

Information on the labour market

-

Data collection

Tuesday 19 September 2017 – Nairobi

Experts' meeting

WAPES / National Employment Authority of Kenya / Socieux+

Cyril Nouveau – Pôle Emploi

Statistics, Studies and Evaluation Directorate

- **How can we collect reliable information and organise it in a useful manner in order to monitor and analyse the situation regarding the labour market?**
- **Two examples:**
 - Trajectories of unemployed people on the labour market
 - Job offers

1. Studying the trajectories of unemployed people

A large amount of information is collected as part of the administrative assistance of unemployed people registered with the PES



- **Data collected as part of the management of the list of registered unemployed people :**
 - Characteristics of job-seekers gathered upon registration, which can be used for paying benefits and providing job search assistance: gender, age, educational background, location, desired profession, previous employment, etc.
 - Registration path: time spent on list, recurrence, cumulative unemployment/work, etc.
 - Job search assistance, services, training, financial help ;
 - Unemployment benefits.
- A potentially very fruitful source of information which you might hope to exploit to avoid putting in place a parallel, expensive collection mechanism.
But it's not that simple...

How can you transform administrative data into statistical data?



1) Technical issues : Having access to consistent and centralised operational information system, interconnections, etc.

How can you transform administrative data into statistical data?



1) Technical issues : Having access to consistent and centralised operational information system, interconnections, etc.

2) Constraints linked to the initial purpose of the data:

- a) The quality of the information depends on the quality of the initial data declaration and capture
- b) The coverage of administrative data is limited
- c) Certain choices have to be made in order to respond to the specific needs of statistical information system
- d) Issues linked to respect of individual liberties, data protection, data ownership, etc.

1) Technical issues : Having access to consistent and centralised operational information system, interconnections, etc.

2) Constraints linked to the initial purpose of the data:

a) **The quality of the information depends on the quality of the initial data declaration and capture**

- *The requested data must be understood*
- *Data requested for purely statistical purposes will be of poor quality*

Examples:

- *qualification: is a florist a “blue worker” or an “employee”?*
- *a reason for registration is “initial entry onto the labour market”: should student summer jobs be taken into consideration?*
- *number of hours worked beyond a certain limit (if a higher number of hours has no effect on the right to compensation)*

How can you transform administrative data into statistical data?



1) Technical issues : Having access to consistent and centralised operational IT, interconnections, etc.

2) Constraints linked to the initial purpose of the data:

a) The quality of the information depends on the quality of the initial data declaration and capture

b) The coverage of administrative data is limited

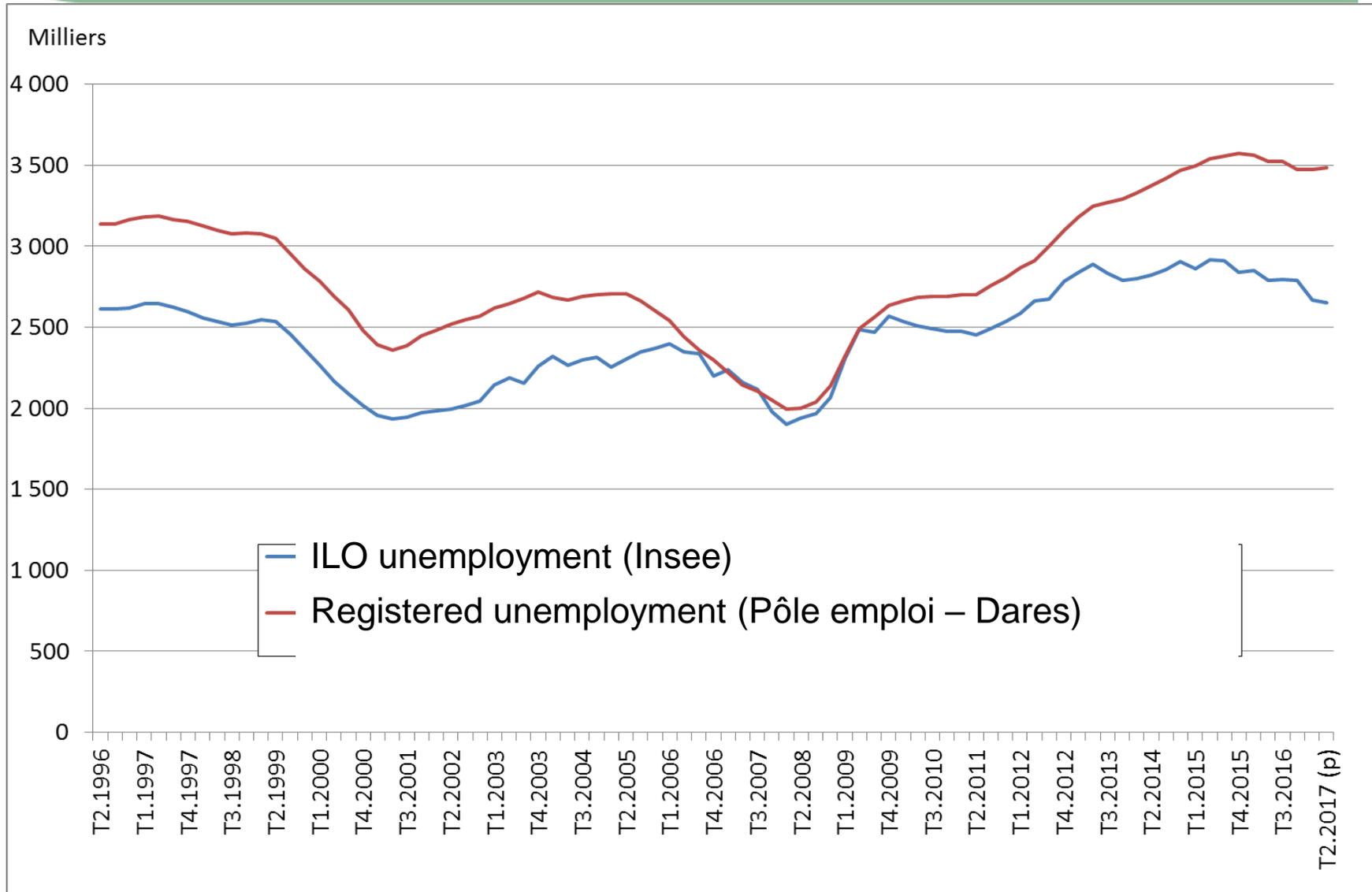
	Registered unemployed	Unemployed (ILO)	Difference
Moins de 25 ans	477	616	-139
25 - 49 ans	2095	1499	596
50 ans et plus	915	536	379
Total	3487	2651	836

Mainland France. Thousands. Second quarter of 2017.

Source: Registered job-seekers - Pôle Emploi-Dares ; ILO unemployment : INSEE

– *The number of registered unemployed people can be affected by changes to job search assistance*

Two measures of “unemployment”



How can you transform administrative data into statistical data?

1) Technical issues : Having access to consistent and centralised operational information system, interconnections, etc.

2) Constraints linked to the initial purpose of the data:

a) The quality of the information depends on the quality of the initial data declaration and capture

b) The scope of administrative data is limited

c) Certain choices have to be made in order to respond to the specific needs of statistical information system

- *Historical records: keep previous values of certain variables?*

- *“Freeze” of the data: the information contained in an operational information system is constantly evolving;*

- *“Correcting” movements without any significance on the labour market (immediate exits/re-entries);*

- *Organising data for easy use.*

-> Don't just duplicate the operational information system.

-> It is important to know what we want to measure.

What do we want to measure?

- **Traditional labour market model -> three possible situations:**
 - In work;
 - Unemployed;
 - Inactive.
- **In reality, involuntary part-time work, disheartened unemployed person, alternating between precarious employment and non-employment, casual employment, etc.**
- **More and more information: choices need to be made and organising done, etc.**

How can you transform administrative data into statistical data?



1) Technical issues : Having access to consistent and centralised operational information system, interconnections, etc.

2) Constraints linked to the initial purpose of the data:

- a) The quality of the information depends on the quality of the initial data declaration and capture
- b) The scope of administrative data is limited
- c) Certain choices have to be made in order to respond to the specific needs of decision-making IT
- d) Issues linked to respect of individual liberties, data protection, data ownership, etc.

➤ **A potentially large initial investment but then a rich source of information which is relatively inexpensive....** as long as the operational management rules do not change

Measuring return to employment



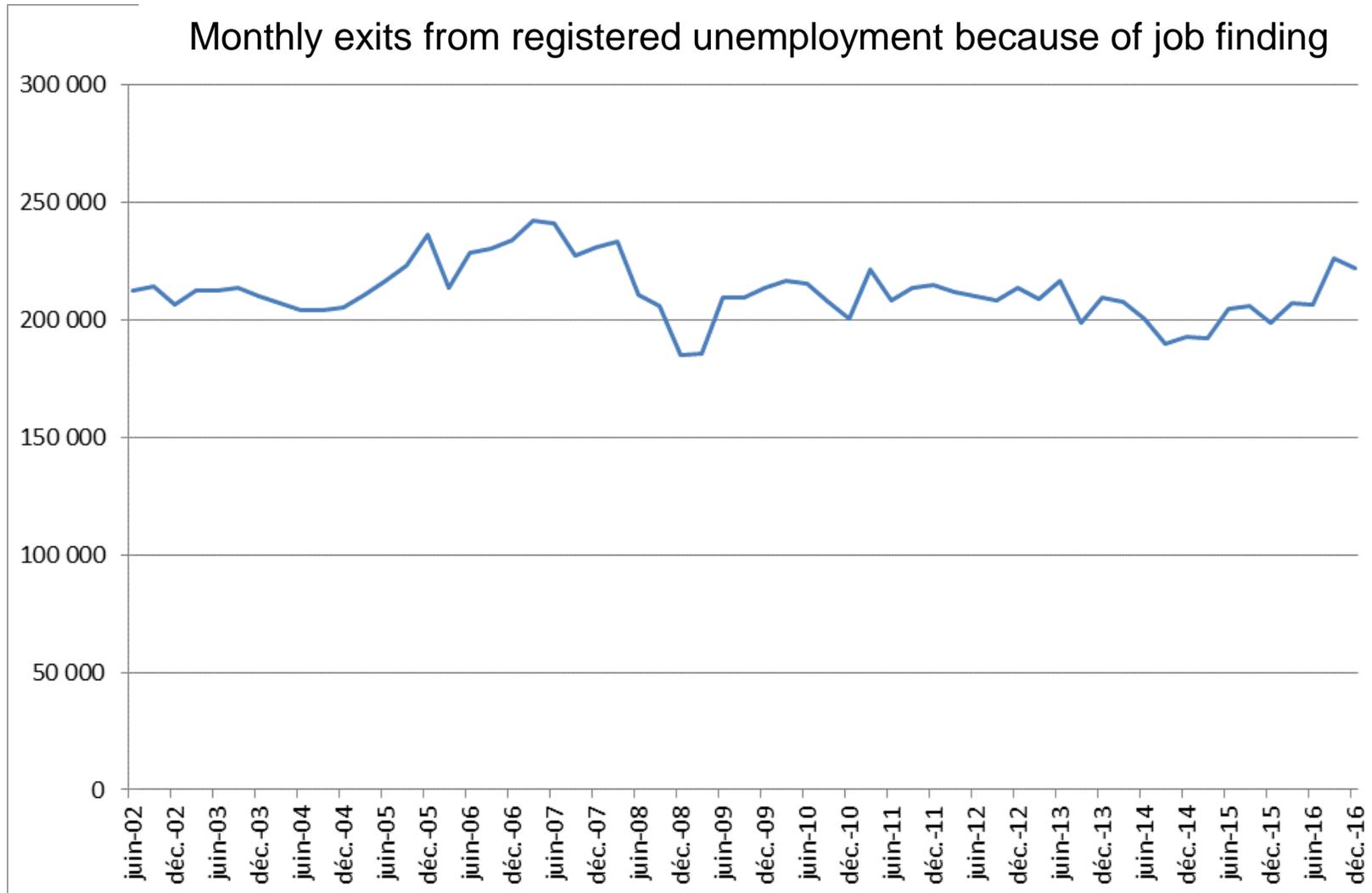
To remain registered on Pôle Emploi's lists, job-seekers have to provide an update on their situation each month (and confirm that they are still looking for employment).

A large number of job-seekers just leave registered unemployment without providing an update and without giving a reason to Pôle Emploi: 40% of leavers do this.

Since 2002, Pôle Emploi and the Ministry of Labour have carried out a survey each quarter using a sample of those who have left the lists, in order to discover the real reason for leaving and, if applicable, the nature of the employment found:

-> around half of discontinued registrations due to failure to provide an update and between a quarter and a third of administrative de-registrations (sanctions most often imposed in cases of job-seekers failing to show up for an interview) correspond, in reality, to return to employment.

Measuring return to employment



Mainland France. cvs data Source: Survey of leavers, Pôle Emploi-Dares

Measuring return to employment

A survey has certain advantages compared to administrative data:

1) Data are collected for statistical purposes; it is therefore possible to choose how the questions are worded;

-> however, the questions must be understood and the people being questioned must be encouraged to respond correctly; comprehensible questions that individuals know the answers to, limited questionnaire duration, etc.

2) The coverage is not constrained by operational management rules, etc.

-> but a good database is necessary for selecting a sample;

-> problems linked to non-response (how many calls should be made?).

➤ Surveys also have limits:

- Telephone or face-to-face surveys are costly (cost incurred by the Public Service carrying out the survey but also by the survey subjects).

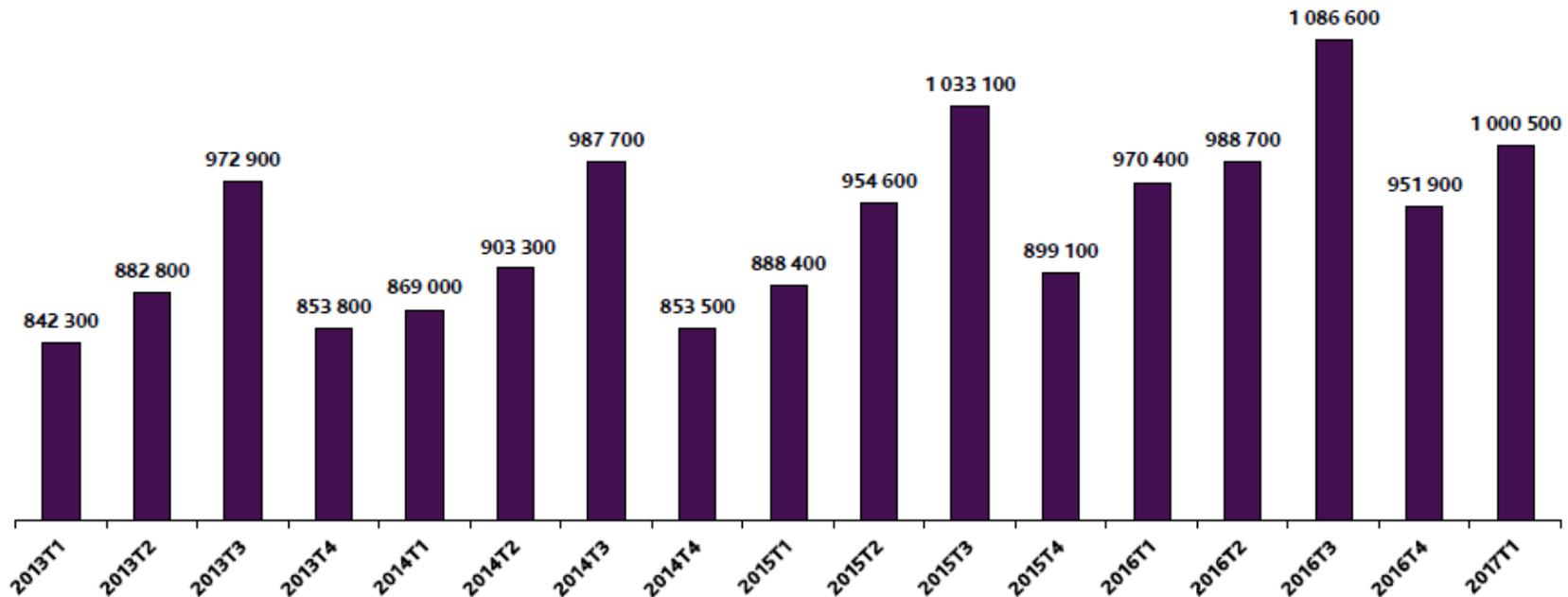
-> what is the potential for online surveys?

- Sample: you can't have results relative to small locations or for some precisely defined sub-sample.

Measuring return to employment

- Since 2012, Pôle Emploi has had access to pre-hiring declarations (DPAE - declarations that employers have to make to Social Security before hiring someone): by matching up with Pôle Emploi's files, this makes it possible to have a source of administrative information on returns to employment.
 - A new indicator of return to employment has been designed using DPAEs.

Quarterly job findings by registered unemployed people



Measuring return to employment

- Two advantages compared to the survey of leavers:
 - lower cost (data obtained elsewhere);
 - comprehensive samples allows statistics on specific sub samples (agency, category of job-seekers, desired profession, etc.)
- This new indicator is now the point of reference used for internal steering, analysis of trajectories after training or service delivery, etc.
- ... but also some limits:
 - some returns to employment are not flagged (temp, public employment, etc.);
 - some information missing (profession, etc.);
 - return to employment is flagged but not retention in employment over the following months.
- Putting this indicator in place has required significant investment:
 - guarantees regarding proper use of the data in respect for individual liberties and the rights of each organization;
 - implementation of data exchange and integration;
 - analysis work to understand the scope of the data.

2. Job offers

- Issues:
 - What are the professions that recruit?
 - Which ones are hard to recruit for?
 - How long offers are successfully filled for;
 - Ratio of offers to job applications, etc.
- significant operational consequences: selection of training purchases, job search assistance, etc.

- Administrative data: offers collected by Pôle Emploi.
- > Limits: limited scope, which varies by profession and over time:
 - Offers collected by Pôle Emploi now represent less than half of all online offers;
 - Not all recruitment processes lead to an offer being made.
- Surveys:
 - on recruitment practices, so as to get to know the limits of administrative data
 - annual survey on companies' workforce needs.
- Using private data that exist elsewhere: job offers online?
 - new possibilities linked to changes in data processing technologies.

The use of private data for the purposes of obtaining information about the labour market



- Advantages: data available for free for people interviewed, very detailed, etc.
 - Disadvantages:
 - Limited scope
 - Great deal of work needed to transform these data into coherent information:
 - Classification
 - Deduplication
 - Continuity?
- Favour partnerships over “webscraping”: takes time but quality improvement measures possible.

A few points in conclusion

- **How can we collect reliable information and organise it in a useful manner?**
- **3 main options:**
 - Retrieve information collected for administrative management purposes (tax declarations, information captured in order for the PES to assist unemployed people, etc.) ;
 - Carry out a statistical survey;
 - Retrieve other information: online behaviour, press articles, information arising from information system in private companies, etc.

A few points in conclusion

- **Common questions:**

- Quality of how the information is obtained:
 - Clear question, well understood;
 - Question matches what you wish to measure;
 - The source should be interested in giving the information;
 - Limited cost for the source of giving the information
 - Recognised legitimacy of the request: issue of guaranteeing individual rights or business secrets...
- Scope: sampling, scope constrained by operation needs for administrative data, etc.
- Comparability over time
- Cost