

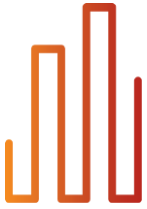


LEAVE NETWORK, TORONTO, JULY 13-14, 2018

EMPLOYED OR INACTIVE?
CROSS-NATIONAL DIFFERENCES IN CODING
PARENTAL LEAVE BENEFICIARIES IN LABOUR
FORCE SURVEY DATA.

Małgorzata Mikucka
Marie Valentova

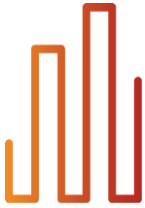
www.liser.lu



Motivation

Problems encountered in analysis of comparative data:

1. In some countries parents on a leave are classified as employed, in others as inactive.
2. In some countries survey data do not reflect the actual use of parental leave.

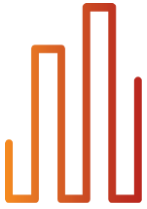


Research questions

We analyse the European Union Labor Force Survey (EU-LFS) data (the basic source of information to estimate the employment structure in the EU) to check their consistency on employment status of parental leave beneficiaries.

We try to answer the following main questions:

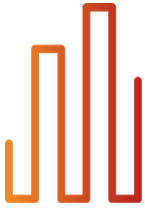
1. Are there systematic cross-country differences in classifying parental leave beneficiaries?
2. If yes, does it have consequences for calculation of employment rates and other official statistics?



Parental leave beneficiary classifications

Parental leave beneficiaries physically interrupt their employment but usually remain formally employed and expect to return to their positions.

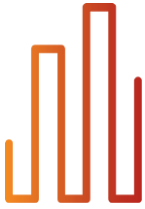
According to the International Labour Organization (ILO) and, consequently, according to the Eurostat definition (Eurostat, 2006), they should be classified as employed but temporarily not working, thus employed in the core employment/labour status variable (ILOSTAT).



Eurostat data

Formally, since 2006 the EU-LFS an explicit sub-category of parental leave beneficiaries was introduced for those who are classified as employed but temporarily out of work.

However, Country-specific rules have the priority over Eurostat guidelines. The EU-LFS database is built from data sent by statistical offices - data are collected independently and harmonized with the "data matrix" before sending to Eurostat.



Key variables – EU-LFS

Labour status during the reference week (WSTATOR)

[1] Did any work for pay or profit during the reference week – one hour or more (including family workers but excluding conscripts on compulsory military or community service)

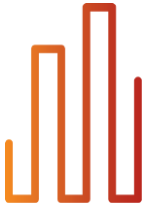
[2] Was not working but had a job or business from which he/she was absent during the reference week (including family workers but excluding conscripts on compulsory military or community service)

[3] Was not working because on lay-off

[4] Was a conscript on compulsory military or community service

[5] Other (15 years or more) who neither worked nor had a job or business during the reference week

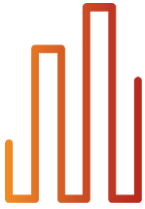
[9] Not applicable (child less than 15 years old)



Key variables – EU-LFS

Reason for not having worked at all though having a job (NOWKREAS)
FILTER: the variable concerns only persons who had a job from which they were absent during the reference week (WSTATOR=2)

- [00] Bad weather
- [01] Slack work for technical or economic reasons
- [02] Labor dispute
- [03] School education or training
- [04] Own illness, injury or temporary disability
- [05] Maternity leave (including parental leave until 2005)
- [06] Parental leave (from 2006)
- [07] Holidays
- [08] Compensation leave (within the framework of working time banking or an annualize hours contract)
- [09] Other reasons (e.g. personal or family responsibilities)

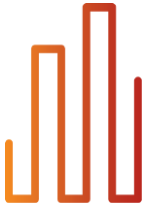


Data and sample for our comparative analyses

Data: EU-LFS 2008

We examine the countries where EU-LFS does not report any persons on parental leave in 2008, despite the fact that parental leaves in these countries are paid, long and frequently taken. (Moss, 2010, Plantenga and Remery, 2005, Anxo et al., 2007, ILO, 2011b). These countries report at the same time extremely high female inactivity rates.

Countries: the Czech Republic, Estonia, Hungary and Slovakia



Method

For each country:

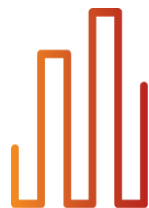
1. **We take observed EU_LFS data** and calculate the employment and inactivity rates for per various age groups for women for analyzed countries.
2. **We make our own estimates of:**
Number of women (aged 18-40, a child aged 0-2) on parental leave at one moment of time.

How would employment rates change provided that these women on parental leave were coded as employed instead of inactive.



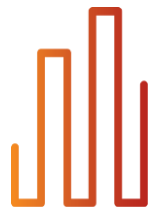
Estimated numbers of mothers (aged 18-40) of children aged 0-2

| | Czech Republic | Estonia | Hungary | Slovakia |
|-----------------|-----------------------|-------------------------|----------------|-----------------|
| | | EU_LFS data 2008 | | |
| Employed | 44.9 | 9.0 | 25.9 | 18.5 |
| Inactive | 260.2 | 27.7 | 215.6 | 118.3 |
| Unemployed | 1.4 | 0.4 | 1.7 | 1.3 |
| Inactivity rate | 85 % | 75% | 89% | 86% |
| | | Our estimate | | |
| Parental leave | 35.3 | 9.3 | 89.1 | 14.8 |
| Employed | 80.2 | 18.3 | 115.1 | 33.3 |
| Inactive | 225.0 | 18.4 | 126.5 | 103.5 |
| Unemployed | 1.4 | 0.4 | 1.7 | 1.3 |
| Inactivity rate | 73% | 50% | 52% | 75% |



Employment rates if parental leave beneficiaries were coded as employed

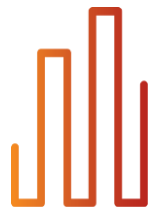
| | Czech Republic | Estonia | Hungary | Slovakia |
|----------------------------|-------------------|---------|---------|----------|
| EU_LFS data 2008 | | | | |
| Women 15-64 | 58 | 66 | 51 | 55 |
| Women 18-40 | 54 | 59 | 49 | 53 |
| Women 18-40 with child 0-2 | 15 | 24 | 11 | 13 |
| Our estimate | | | | |
| Women 15-64 | 59 | 69 | 54 | 56 |
| Women 18-40 | 56 | 64 | 56 | 55 |
| Women 18-40 with child 0-2 | 27 | 53 | 56 | 27 |



Conclusions

Employed rates in the analysed countries is biased downwards:

- women aged 15-64: 1-3 %
- Women aged 18-40: 2-7 %
- Women aged 18-40: mothers of children 0-2: 12-45 %



Conclusions

Cross-country comparability of employment rates (especially in subgroups) is limited

Differences of classification create a risk for comparative analyses where employment of women is a variable of interest

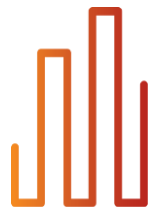
The issue is important in countries where parental leaves are long and frequently taken

The problem of misclassification may concerns also other studies! (which rely on self-classification of respondents) – to be validated by further research



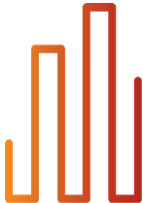
Reasons and remarks

1. Countries use different definitions of “person has a job but during the reference not working”.
2. Differences in the measurement of this category. In line with Korner (2012), it was found that the national questionnaires differ with respect to the formulation of the questions in national questionnaires, in the sequence of questions and in applied skip instructions (filters) that lead to selection of respondents answering subsequent questions.
3. Differences were also found in the national versions of interviewer’s instructions, where in some countries there were no explicit guidelines how to categorize parental leave beneficiaries, whereas in others the instructions were formulated in a confusing manner.



Remarks

To eliminate differences in the implementation of core variables in the national questionnaires and related differences in measurement instruments used in the EU member states, Eurostat and the national statistical institutes participate in a joined Task Force on improvements of the harmonization of the measurement of employment and unemployment (Korner, 2012).



Thank you!

Marie.Valentova@liser.lu