

EU-ARMENIA TWINNING PROJECT

Activity 3.5

Labour costs and labour costs index II

Labour Market Statistics

Yerevan, 20-24 February 2017





Mandatory result

Mandatory result MR4 related to this activity

Labour cost, labour cost index, structural statistics on wages calculated and published (July 2017)

Benchmarked by

- Labour cost and labour cost index calculated and published (July 2017)
- Structural statistics on wages calculated and published (July 2017)
- Staff of NSSRA trained on issues related to the labour cost, labour cost index, structural statistics on wages (July 2017)



Purpose and expected output of 3.5

Purpose

- Continuation of the previous mission
- Discussion on data collection, sample, survey design, calculation
- Discussion on legislation concerning Labour Cost Survey (LCS) and Labour Cost Index (LCI)
- Identification of problems faced and possible solutions in respect to compliance with the EU regulations
- Follow-up on the ongoing collection of structure of earnings data
- Introduction to Demetra, a statistical software for seasonal adjustment
- To involve relevant stakeholders in the discussions

Expected output

- Mission report with final recommendations on labour costs and labour costs index, final recommendations on structure of earnings survey, plan for publication, and final review of methodology.
- A lining up of work programme for the next and final activity:
 - 3.6: Follow-up on achievements and recommendations for the future (12-15 June 2017)



Conclusions (1)

1. As access to the database in the State Revenue Committee has been denied NSSRA are currently collecting data for a pilot study. This means the burden has increased for the companies in the survey even though the data is already collected by the State Revenue Committee.
2. Collecting and processing data on individual employees are also expensive and burdensome for NSSRA. Access to the database will not change the burden as collecting data instead will be validating data.
3. NSSRA has produced a map of how to go from the current annual Labour Cost Survey to the EU Labour Cost Survey.



Conclusions (2)

4. NSSRA has explained how they will calculate the LCI following the EU regulation.
5. NSSRA was introduced to DEMETRA and used it to seasonally adjust national figures.
6. Once again, the staff at NSSRA have been very open, dedicated and cooperative. The experts are amazed by how the staff in the Labour Statistics Division are able to work with so many statistics and variables, but are also concerned about the workload this creates.
7. The stakeholders were informed on the current status of component 3 at a well-organized stakeholder meeting.



Recommendations (1)

- It is recommended that NSSRA continues to try to get access to the State Revenue Committee's database.
- It is recommended to keep on having regular meetings with the stakeholders. In this way they get involved and dedicated, and the usefulness of the earnings statistics will be anchored also outside of NSSRA. At the same time it constitutes a possibility to strengthen the pressure on SRC. Specifically it is recommended to partly involve the stakeholders in the correspondence with SRC.
- As access to the SRC data has been denied, NSSRA should continue the work with the pilot study for the Structure of Earnings Survey



Recommendations (2)

- Consider adding or changing questions in the annual survey on labour cost to comply with the EU legislation.
- It is recommended to keep the current publication of Labour Costs as it is.
- The Labour Cost Index should be published quarterly. In the beginning going back to 2010 and eventually seasonally adjusted series as well.



Road map and time plan

- NSSRA should continue working towards getting access to the State Revenue Committee's database.
- NSSRA should follow the time schedule for the implementation of a small-scale survey on the structure of earnings.
- NSSRA should analyze the SES data and prepare a draft news release for the next mission.
- Before the next mission NSSRA will calculate the LCI back to 2010, and try to see if it can be seasonally adjusted, so it can be published before July 2017.