Swiss Confederation

Labour market dynamics

Summary of the presentation Swiss Federal Statistical Office FSO

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Every year the FSO produces the Labour Market Accounts, which are derived statistics based mainly on the Swiss Labour Force Survey (SLFS) and its rotating panel. These statistics show the transitions of individuals between occupational activity, unemployment and non-activity. They also cover net migration and natural change (births and deaths), thus establishing a link between demographic statistics and those of the labour market.

The SLFS is not the only source taken into account for these statistics because professional activity is based on the domestic concept in the Labour Market Accounts (in particular, cross-border commuters are included). This concept allows the importance of migration in Switzerland to be taken into account. In 2011, for example, net migration of persons in employment in Switzerland was 79,000 and accounted for 73% of the increase in the labour force for that year. The Labour Market Accounts, however, only take into account international immigrations that are not compensated in the same year by emigrations (and conversely).

Data from the SLFS panel provide information on the transitions of individuals between employment, unemployment as defined by the ILO definition and inactivity.

Findings from the Global Labour Market Accounts are presented in the form of standard tables or matrixes. The tables, broken down by sex and nationality (Swiss or foreign), provide an assessment of labour market dynamics as shown below:

Labour force overview

Domestic concept, in '000

	2007	2008	2009 ³⁾	2010 ⁴⁾	2011 ⁵⁾
Total					
Labour force on 1. Jan.	4515	4618	4'735	4775	4834
+ Entering labour force ¹⁾	308	297	316	289	300
 Leaving labour force²⁾ 	250	289	302	273	271
+ Labour force immigration	151	171	135	149	172
- Labour force emigration	106	108	109	106	93
= Labour force on 31 Dec.	4618	4690	4'775	4834	4943

The matrixes, broken down by sex, show gross transitions between employment, unemployment as defined by the ILO and inactivity, net migration and natural change in the population as shown below:

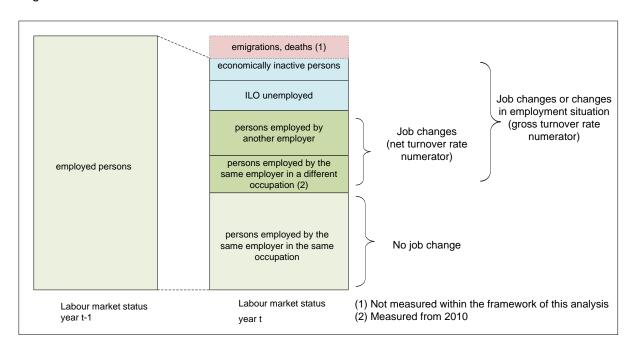
Labour market dynamics: transitions between employment, unemployment and inactivity, migration flows, births and deaths, 2011, in '000

			Population of	on 31.12.11:	Persons leaving 2011:		
			Employed persons	Unemployed (ILO-based)	Inactive persons	Emigrations	Deaths
Population on 01.0	01.11:		4743	199	3353	144	62
	Employed persons	4635	4228	84	222	88	12
Unem	ployed (ILO-based)	200	96	63	36	5	0
	Inactive persons	3339	259	41	2938	51	49
Entries 2011	Immigrations	247	160	12	75		
	Births	81			81		

At a more micro-economic level, the FSO has developed an indicator to measure professional mobility, also based on the SLFS panel data: it considers occupational mobility from the perspective of job change (net rotation rate). Gross rotation rates are also calculated by taking into account not only job change but also persons leaving the labour market (retirement, unemployment, etc.).

Gross and net rotation rates are presented in standard tables that are broken down by sex, age groups, number of dependents, level of education, labour market status, work-time percentage, gross income from employment, economic sector and branch, and size of business.

The difference between the populations included in the gross and net rotation rates is illustrated by a diagram:



These two examples show possible uses of data from the survey panel. These data can also be put to good use in other areas, such as education. Their publication met with positive feedback and such data can be used for a wide range of analyses.

In particular, data from the Labour Market Accounts are used by the State Secretariat for Economic Affairs to analyse observations made on the effects of the freedom of movement for persons on the

labour market in Switzerland. The rotation rates of the labour market are regularly requested or downloaded by businesses or private individuals.

Up until 2009, longitudinal use of data was made by using a longitudinal weighting (rendering the common sample to time t and t+1 to the population present in t and t+1). As of 2010, following the transition to a continuous survey and due to a lack of resources, the production of longitudinal weightings was stopped. We currently rely on the transversal weight to time t and estimate the percentages that we apply if necessary to the original population. A test has shown marginal influence of this change in methodology on the results for the period preceding 2010. The reintroduction of longitudinal weighting is however currently being examined.