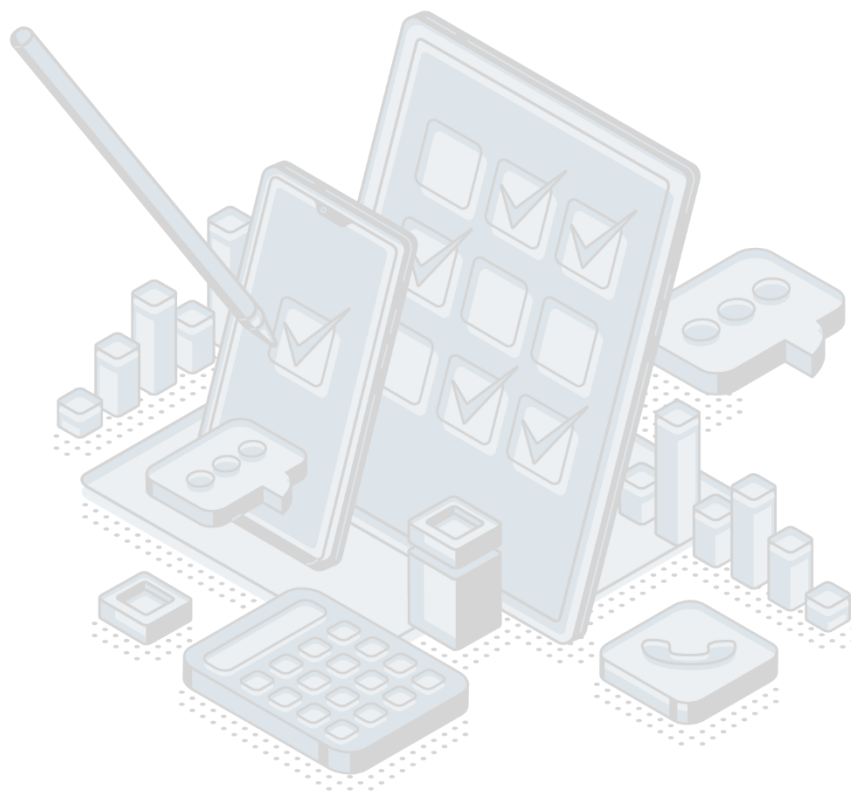


## QUALITY REPORT

# Labour Force Survey 2023



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## 1. Introduction – Basic information about the survey

### 1.1 Purpose, goal and subject of the survey

The Labour Force Survey (LFS) measures the economic activity of the population in a short period of observation of a one week. The survey collects demographic and educational characteristics of household's members by sex, characteristics of the main and additional (second) job, the work that a person has done in the past, the status in employment, working hours, working time, economic activity, occupation, characteristics of the unemployed, inactive person. Accordingly, the main categories covered by this survey are: total employment, unemployment, demographic, educational, socio-economic and other characteristics of individuals. One of main survey objectives is to apply international standards in defining total employment and unemployment so that these categories can be compared with the same categories in other countries. The Labour Force Survey is carried out in compliance with standards and recommendations of the International Labour Organisation (ILO) guidelines for labour force statistics, as well as in compliance with European legislative acts of the Council and Parliament, and with Eurostat's requirements in relation to methodology, survey organisation, sample procedure, design of questionnaires, and definition of employment and unemployment.

### 1.2 Legal basics

The Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No. 18/12 and 47/19) defines provisions for collection, processing and dissemination of data. The Law provides to the Statistical Office legal powers to collect and access the data necessary for the implementation of Programme and Annual Plan.

EU regulations defining this area of statistics:

Framework regulation:

- 1) REGULATION (EU) 2019/1700 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 10 October 2019 establishing a common framework for European statistics relating to persons and households, based on data at individual level collected from samples, amending Regulations (EC) No 808/2004, (EC) No 452/2008 and (EC) No 1338/2008 of the European Parliament and of the Council, and repealing Regulation (EC) No 1177/2003 of the European Parliament and of the Council and Council Regulation (EC) No 577/98.

Implementing regulations:

- 1) COMMISSION DELEGATED REGULATION (EU) 2020/256 of 16 December 2019 supplementing Regulation (EU) 2019/1700 of the European Parliament and of the Council by establishing a multiannual rolling planning;
- 2) COMMISSION DELEGATED REGULATION (EU) 2020/257 of 16 December 2019 supplementing Regulation (EU) 2019/1700 of the European Parliament and of the Council by specifying the number and the title of the variables for the labour force domain;
- 3) COMMISSION IMPLEMENTING REGULATION (EU) 2019/2240 of 16 December 2019 specifying the technical items of the data set, establishing the technical formats for transmission of information and specifying the detailed arrangements and content of the quality reports on the organisation of a sample survey in the labour force domain in accordance with Regulation (EU) 2019/1700 of the European Parliament and of the Council;
- 4) COMMISSION IMPLEMENTING REGULATION (EU) 2019/2180 of 16 December 2019 specifying the detailed arrangements and content for the quality reports pursuant to Regulation (EU) 2019/1700 of the European Parliament and of the Council;

- 5) COMMISSION IMPLEMENTING REGULATION (EU) 2019/2181 of 16 December 2019 specifying technical characteristics as regards items common to several datasets pursuant to Regulation (EU) 2019/1700 of the European Parliament and of the Council;
- 6) COMMISSION IMPLEMENTING REGULATION (EU) 2019/2241 of 16 December 2019 describing the variables and the length, quality requirements and level of detail of the time series for the transmission of monthly unemployment data pursuant to Regulation (EU) 2019/1700 of the European Parliament and of the Council.

### 1.3 Statistical units

Private households and working age population.

### 1.4 Coverage and scope of survey

#### 1.4.1 Sectors

Not relevant.

#### 1.4.2 Statistical population

The target population consists of all persons residing in Montenegro who live in private households. Demographic data are collected for all age groups, while questions related to the labor market are collected for persons aged 15-89.

### 1.5 Referent geographical area

Montenegro and the regions (northern, central, and southern). Regions used do not make an official, but geographical division of Montenegro. The northern region consists of municipalities: Andrijevica, Berane, Bijelo Polje, Petnjica, Rozaje, Gusinje, Plav, Mojkovac, Kolasin, Pljevlja, Zabljak, Savnik, and Pluzine. The central region consists of the following municipalities: Podgorica, Zeta, Tuzi, Niksic, Danilovgrad and Cetinje. The southern region of the municipality is Herceg Novi, Tivat, Kotor, Budva, Bar and Ulcinj.

### 1.6 Concepts and definitions

The most important variables used and collected by the Labor Force Survey are the following: working age population, labour force (active population), employed persons, self-employed persons, family workers, unemployed persons, population outside of labour force (inactive population), activity rate, employment rate, unemployment rate and population outside of labour force rate. Labour Force Survey provides the data on working age population by activity in the reference quarter, not by formal status of interviewed persons.

**Working age population** comprises active population (labour force) and population outside of labour force. **Active population (labour force)** include employed persons and unemployed persons.

The term **employed** in the survey refer to persons who:

- Performed any work for wage or profit (in cash, goods or services) during the reference week, even for one hour. Persons who receive wages for on-the-job training (apprentices or trainees) are also considered as employed.
- Did not work (due to illness, annual leave or state holidays, education or training, maternity/paternity leave, reduced production and other temporary inability to work), but have a job or business to return to.

Self-employed persons with a business or farm are also considered to be working if one of the following applies:

- Person works in his own business or farm for the purpose of earning a profit, even if the enterprise is failing to make a profit;
- Person spends time on the operation of a business or farm even if no sales were made, no professional services were rendered, or nothing was actually produced (for example, a farmer who engages in farm maintenance activities; an architect who spends time waiting for clients in his/her office; a fisherman who repairs his boat or nets for future operations; a person who attends a convention or seminar);
- Person is in process of setting up a business or farm, such as the buying or installing of equipment, renting the office or ordering of supplies in preparation for opening a new business.

Person who works on its own agriculture farm to produce agricultural goods and if the main part of the agricultural output is intended to be sold or bartered are also considered as employed.

**Unpaid family workers** - are persons who assisted the other member of the household in running family business or agricultural holding, without receiving any formal pay and providing that they not considered themselves as employed. Unpaid family workers includes e. g.:

- Son or daughter working in the parents' business or on the parents' farm without pay (living inside or outside the parents' household),
- Wife who assists her husband in his business (in trade, agriculture) without receiving any formal pay.

Persons in own-use production work, voluntary workers, unpaid trainees are not included in employment on the basis of those activities.

The term **unemployed** refers to persons who:

- in the reference week did not work (not in paid employment or self-employment and did not do any paid work),
- in the past four weeks were actively seeking work,
- were currently available for work (within two weeks).

Person who has already found a job which will start within a period of at most 3 months and they are available for work in the two weeks after the reference week are also included among unemployed persons.

**Active population (labour force)** include employed persons, and unemployed persons aged 15 to 89 years.

**Population outside of labour force** comprises persons who were aged 15 to 89, and neither employed nor unemployed, as well persons who were aged above 89.

**Activity rate** represents the percentage of active population in the total population of the same age group.

**Employment rate** represents the percentage of employed persons in the total population of the same age group.

**Unemployment rate** represents the percentage of unemployed persons in the total active population of the same age group.

**Population outside of labour force rate** represents the percentage of persons outside of labour force in total population of the same age group.

## 1.7 Classifications

- ✚ Statistical Classification of Economic Activities in European Union - NACE Rev. 2
- ✚ International Standard Classification of Occupations - ISCO 08
- ✚ International Standard Classification of Education - ISCED 2011
- ✚ The Eurostat Standard Code list (SCL) GEO (alpha-2)

### 1.8 Frequency of data collection

Continuously throughout the year.

### 1.9 Frequency of data dissemination

Data are published quarterly and annually.

### 1.10 Methodology

The methodological explanations of the main indicators can be found in the Release of Labour Force Survey, published at: <https://www.monstat.org/eng/page.php?id=22&pageid=22>

### 1.11 Base period

Not relevant.

### 1.12 Unit of measure

The data obtained by this survey are expressed in absolute numbers and percentages.

### 1.13 Source of data

The Labour Force Survey (LFS) is sample-based survey. Since 2008, the LFS is carried out continuously during a whole year, with quarterly and yearly frequency of data dissemination. The sample frame is the Census of Population, Households and Dwellings in 2011. The sample of households is a two-stage stratified sample by regions (north, center, south and Podgorica) and type of settlement (urban, rural), where the units of the first stage are the enumeration areas and households as units of the second stage. The sample includes only private households.

The sample size is 11 856 households per year or 2 964 households on a quarterly basis. In the LFS, the rotational scheme of the sample 2-(2)-2 is applied and households are interviewed 4 times. Households are interviewed in two consecutive quarters, then two quarters are out of the sample and in the next two quarters they are interviewed for the third time or fourth time. After the fourth wave, the household is excluded from the sample.





### 1.14 Method of data collection

Data collection in the Labour Force Survey is done using the face-to-face method, using a paper version of the questionnaire (PAPI method).

## 2. Relevance – Data users

### 2.1 User needs

International users:

-  Eurostat;
-  World Bank;
-  UN organizations;
-  International Monetary Fond.

National users:

- ✚ Ministries and other public administration bodies;
- ✚ Local government and other local government bodies;
- ✚ Central Bank;
- ✚ Non-governmental organizations;
- ✚ Students;
- ✚ Researchers;
- ✚ Media.

## 2.2 User satisfaction

The Statistical Office has adopted the Quality Management Strategy, the Guidebook to the Implementation of the Quality Management Strategy, as well as the Plan for the Implementation of the Quality Policy. In order to measure the degree to which fulfills obligations towards users and within the new quality policy, the Statistical Office conducted User Satisfaction Survey. The results of the survey are available on the Statistical Office website, link:

<https://monstat.org/eng/page.php?id=1502&pageid=1>

## 3. Accuracy and reliability

### 3.1 Accuracy – Overall remark

Labour Force Survey is sample-based survey, and accordingly, the results obtained from the sample are subject to the usual types of errors related to sampling techniques and interviews. Errors are: sampling errors, non-sampling errors, measurement errors, processing errors and non-response.

### 3.2 Sampling error

Sampling errors are the characteristic of all sample surveys and are caused by observing the sample as part of the population. The size of sample error can be controlled with the sample size and sample design. However, for some minor domains (levels or groups of data) that have an insufficient number of units in a sample, large sample errors lead to unreliable results. The measure of precision of the most important indicators of the economic activity of the population can be expressed as a standard error, the coefficient of variation and the confidence interval.

#### *Indicators of sampling error*

Indicator	Estimate	Standard error	Confidence interval (95%)	Coefficient of variation
Activity rate	58.90	0.51	57.90 – 59.91	0.87
Employment rate	55.60	0.60	54.42 – 56.78	1.08
Unemployment rate	13.05	0.57	11.94 – 14.17	4.37

### 3.3 Non-sampling error

There are four types of non-sampling errors:

- 1) Coverage errors - errors due to divergences existing between the target population and the sampling frame;

- 2) Measurement errors - errors that occur at the time of data collection. The source for these errors could be the information system, the interviewer or the mode of data collection;
- 3) Processing errors - errors in post-data-collection processes such as data entry, editing and weighting;
- 4) Non-response errors - errors due to an unsuccessful attempt to obtain the desired information from an eligible unit.

### 3.3.1 Coverage error

Coverage errors include:

- 1) overcoverage;
- 2) undercoverage.

Overcoverage represents the proportion of units from the sample frame that does not belong to the target population.

Undercoverage is a problem that arises due to under-coverage or non-eligibility of the sample selection framework (i.e. non-inclusion of newly built flats that are settled, as well as non-inclusion of persons who arrive at a place with the intention to remain there for a year and longer). The undercoverage rate is difficult to estimate because it is not possible to know which units are not included in the target population.

#### *Indicator of coverage error*

The sample frame for the Labour Force Survey is Census of Population, Households and Dwellings from 2011, which is not updated regularly. This database gives a relatively good coverage of households within the different geographical areas. This database also contains auxiliary information on the private households, like their current members, which was also used for this survey. The overcoverage rate for 2023 is 14.5%.

### 3.3.2 Measurement error

Measurement error and processing errors can occur due to the design of the questionnaire, the type of survey, interviewers, errors in response, coding, data entry, editing and imputation of data, etc.

Data in the Labour Force Survey are collected by face-to-face interview, using paper questionnaires (PAPI method). Errors that can arise using a paper questionnaire due to interviewers (eg when entering data) are reduced to minimum with activities such as regular training of interviewer, pilot-testing, etc. The data entry program contains controls, for example, control of minimum and maximum values, logical connection between particular issues, etc., which reduces errors caused by data entry. After data entry of the material, a detailed logical-calculation control of all responses is made, e.g. control of entered values by ranges, control of possible responses, logical and computational control of activities and occupations, logical control of data on economic activity, status in employment, educational status, etc.

### 3.3.3 Non-response error

Non-response errors are errors due to an unsuccessful attempt to obtain the desired information from an eligible unit. Two main types of non-response errors are considered:

- 1) Unit non-response which refers to the absence of information of the whole units (households and/or persons) selected into the sample;

2) Item non-response which refers to the situation where a sample unit has been successfully enumerated, but not all the required information has been obtained.

#### *Unit non-response*

Unit non-response rate indicates how many units (households) have not responded to questionnaire in survey. In 2023, the non-response rate was 26.2%.

	2023	1Q 2023	2Q 2023	3Q 2023	4Q 2023
Non-response rate	26,2	25,8	27,1	26,2	25,8

#### *Item non-response rate*

Not available.

### 3.3.4 Processing error

Data entry and coding

The control of data entry is performed on a smaller number of questionnaires with the aim of checking the quality of the entry, by comparing the questionnaires in paper form and the data entered. Coding is done by statisticians who have experience in the use of classifications of occupations and economic activities.

#### *Imputation rate*

Not available.

### 3.4 Seasonal adjustment

Not relevant.

### 3.5 Data revision

#### 3.5.1 Data revision policy

Statistical Office has adopted the revision policy and it is available on the website:

[Statistical Office of Montenegro - MONSTAT](#)

#### 3.5.2 Data revision practice

Not available.

#### 3.5.3 Data revision - average size

Not available.

## 4. Timeliness and punctuality

### 4.1 Timeliness

The final data are published up to 80 days after the end of the reference period.

Timeliness of final data: T+ 80 days after the end of the reference period.

### *Time lag of the first results*

Not relevant.

### *Time lag of the final results*

The time lag of final results indicator represents time between the date of the last day of reference period and the date of publication of final data. The final data are published up to 80 days after the end of the reference period.

Timeliness of final data: T+80 days after the end of the reference period.

## **4.2 Punctuality**

The punctuality indicator represents the time difference between the actual publication of the data and the planned publication of the data. Deadlines of dissemination of the Labour Force Survey data at the website are defined in the Statistical Release Calendar.

Indicator TP3r is 80%, which represents the share of the results (releases) of this survey that were published in accordance with the dates defined in the Statistical Release Calendar in the total number of releases. The result of the indicator indicates that there is a difference between the planned and actual publication of data.

## **5. Availability and clarity**

### **5.1 Release calendar**

The Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No 018/12 and 047/19) stipulates that official statistical producers prepare, update and publish Statistical Release Calendar. It is published on the website of Statistical Office not later than 20 December for the next year, for all official statistical producers that includes date of releasing statistical data. Any change in date of releasing in the Calendar is published in advance in accordance with the Procedure on Unplanned Revisions.

### **5.2 Release calendar access**

Statistical Release Calendar is available on the following link: [Statistical Office of Montenegro - MONSTAT](#)

### **5.3 Release**

The Release of Labour Force Survey (LFS) is published on the following link: <https://monstat.org/eng/page.php?id=527&pageid=22>

### **5.4 Publication**

All publications published by Statistical Office are available at the following link: <http://monstat.org/eng/publikacije.php>

### **5.5 Online database**

Not available.

## 5.6 Access to micro data

The Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No 018/12 and 047/19) regulates rules under which external users can obtain an access to individual data for needs of research. Article 58 defines types of scientific and research organizations that can obtain such data. Providing individual data without identifier is possible only upon a written request of scientific and research institutions, with purpose of performing scientific and research activities as well as international statistical organizations and statistical producers from other countries. Research entity signs the agreement with Statistical Office, and it signs the statement on respecting the confidentiality principle. Official statistical producers keeps a separate records on users and purpose of using the statistical data given to these users.

## 5.7 Metadata occupancy

Not available.

# 6. Comparability

## 6.1 Spatial comparability

One of the main survey objectives is to apply international standards in defining total employment and unemployment so that these categories can be compared with the same categories in other countries, especially European countries.

Data are collected in accordance with EU Regulation 2019/1700, comparability has been ensured with all countries using the same methodology.

## 6.2 Time comparability

The Labor Force Survey is carried out continuously ie. households are continuously interviewed throughout the whole year since 2008. Until 2011, the data from the Census of Population, Households and Dwellings 2003 were used for data weighting. Since the beginning of 2011, data from the Census of Population, Households and Dwellings 2011 have been used for weighting data. This resulted in a break in the data series in 2011.

### *Time comparability indicator*

Not available.