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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**on implementation of the Regulation (EC) No 453/2008 of the European Parliament and
of the Council on quarterly statistics on Community job vacancies**

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1. Introduction

Job vacancies are generally regarded as an important factor when it comes to analysing the demand side of the labour market. Quarterly data on job vacancies are required by the Commission and the European Central Bank to monitor short-term developments in the business cycle and the labour market. Data on job vacancies broken down by economic activity are required by the Commission as part of the European Employment Strategy for monitoring and analysing the level and structure of labour demand.

Regulation (EC) No 453/2008 of the European Parliament and the Council of 23 April 2008 on quarterly statistics on Community job vacancies¹ (JVS) established the framework for the production, transmission and evaluation of quarterly job vacancy statistics. Article 10 of Regulation (EC) No 453/2008 requires the Commission to report to the European Parliament and the Council on its implementation by 24 June 2010 and every three years thereafter. The report is expected to assess the quality of the statistics provided by Member States and the quality of the European aggregates, and should identify potential areas for improvement.

This is the first report that the Commission is required to submit to the European Parliament and to the Council.

2. The implementation steps

2.1 Implementing Regulations

Following the approval of Regulation (EC) No 453/2008, two implementing Commission Regulations were approved shortly afterwards, covering a number of detailed aspects that, according to Regulation (EC) No 453/2008, had to be further specified by Comitology procedure.

¹ OJ L 145, 4.6.2008, p. 234.

- *Commission Regulation (EC) No 1062/2008*² defines:

- The seasonal adjustment procedures for applying article 3(3) of Regulation (EC) No 453/2008. It says that the transmission of seasonally adjusted data must start at the latest when time series with at least 16 observed quarters are available. It also defines in an annex, at which NACE Rev. 2 aggregation level the data should be transmitted.
- The structure, contents and transmission dates of the quality reports that Member States are required to provide to the Commission under article 6(2) of *Regulation (EC) No 453/2008*. The first quality report has to be transmitted to the Commission by 31 August 2011 at the latest.

- *Commission Regulation (EC) No 19/2009*³ covers the following aspects:

- Definitions related to 'job vacancy' for the purposes of applying article 2(1) of Regulation(EC) No 453/2008, specifically the enumeration of 'active steps to find a suitable candidate' and what is considered a 'specific period of time' for filling the vacancy.
- The reference dates for collecting quarterly figures, with a preference for data collection on a continuous basis or the calculation of a representative average over the quarter.
- Transmission deadlines and the date of the first reference quarter mentioned in Article 5 (1) of Regulation (EC) No 453/2008. The transmission deadline is fixed at 70 days after the end of the quarter. A limited number of Member States, representing more than 3% of the total number of employees in the European Union, should send at 45 days the total number of job vacancies and occupied posts. The first reference quarter is the first quarter of 2010. This also indirectly defines the reference period for the transmission of back data, i.e. the four quarters of 2009.
- Which Member States are required to conduct feasibility studies for collecting data from business units with fewer than ten employees⁴, as provided for Article 7 (1) of Regulation (EC) No 453/2008, the structure of these feasibility studies and when they have to be provided to the Commission (February 2010).

² Commission Regulation (EC) No 1062/2008 of 28 October 2008 implementing Regulation (EC) No 453/2008 of the European Parliament and of the Council on quarterly statistics on Community job vacancies, as regards seasonal adjustment procedures and quality reports. (OJ L 285, 29.10.2008, p. 3).

³ Commission Regulation (EC) No 19/2009 of 13 January 2009 implementing Regulation (EC) No 453/2008 of the European Parliament and of the Council on quarterly statistics on Community job vacancies, as regards the definition of a job vacancy, the reference dates for data collection, data transmission specifications and feasibility studies. (OJ L 9, 14.1.2009, p. 3)

⁴ Denmark, France, Italy and Malta.

- Which Member States are required to conduct feasibility studies for collecting data relating to NACE Rev. 2 sections O, P, Q, R and S⁵, as provided for article 7(1) of Regulation (EC) No 453/2008, the structure of the feasibility studies and when they have to be provided to the Commission (February 2010).

2.2 Building up capacities

During 2008 and 2009, the Commission took various steps in conjunction with the Member States to ensure that they will comply with the reporting obligations under the different Regulations.

- *Grants*: There were two calls for proposals, one each year, restricted to the European Statistical System with a view to creating the capabilities needed to give effect to the legal base. The main focus was on boosting the coverage and enhancing the quality of data on job vacancies for business units with fewer than 10 employees and for NACE Rev. 2 sections O, P, Q, R and S. The countries which made proposals and received financial support from the European Commission were Austria, Denmark, Malta, Italy, Latvia, Poland, Romania, Norway and Croatia.

- *Workshops*: Eurostat co-organised two methodological workshops, one in Nuremberg (Germany) in December 2008 and one in Neuchâtel (Switzerland) in November 2009. Some twenty Member States took an active part, along with other countries like Norway, Switzerland and Israel, and International Organisations (European Central Bank and OECD). The purpose was to exchange best practices and experiences in collecting job vacancy statistics and to discuss methodological issues.

- *Work in Member States*: All Member States reported being broadly able to report the required data collection for the first reference quarter 2010; however the following difficulties are likely to be experienced for the first reference quarter:

a) coverage issues; some Member States will have difficulties to cover NACE Rev. 2 sections O to S, especially for section O, and business units with fewer than 10 employees;

b) lack of detailed methodological guidelines;

c) low precision of estimates of the number of vacancies for the breakdown by economic activities.

These difficulties can be expected to clear up over time as Member States become more experienced in collecting vacancy statistics and fine-tune their production systems. Eurostat will develop, together with Member States, clear methodological guidelines to be followed.

⁵ Denmark, Germany, Spain, France, Italy, Malta and Austria.

2.3 Financial actions in 2010

Article 8 (1) of Regulation (EC) No 453/2008 says that *'For the first three years of data collection Member States may receive a financial contribution from the Community towards the cost of the work involved'*.

To this end a call for proposals (restricted to the European Statistical System) was launched on 24 March 2010; the total amount to be awarded to beneficiaries is put at 800 000 €.

3) Quality of the statistics provided by Member States

The first reference quarter for which countries have a statutory duty to report data is the first quarter of 2010. First transmissions are required by 15 May and 10 June. Additionally, detailed quality reports by Member States have to be in by 31 August of 2011. It follows that, at this stage, an in-depth assessment of the data quality cannot be given yet. The next report to the European Parliament and the Council, due in three years' time, will contain a detailed quality assessment.

Nonetheless a tentative assessment can be made using the data Member States have transmitted so far on a voluntary basis to Eurostat, complemented by the qualitative information gathered when preparing the Workshops. Regarding the completeness of the data received, the situation for the fourth quarter of 2009 can be summarised as follows:

- Eighteen countries⁶ have transmitted all the variables requested by the Regulations.
- Five countries have not transmitted all the variables requested by the Regulations. Spain, France and Italy have analysed in their feasibility studies the possibility of collecting the missing variables. Portugal does not transmit data on NACE Rev. 2 section O; and the Netherlands only sends data on occupied posts for the economy as a whole.
- Seven countries⁷ have not yet transmitted or interrupted⁸ transmission of data on job vacancies.

A growing number of Member States are disseminating their Job Vacancy Statistics nationally, either through press releases or making available the figures on their websites. This shows that countries think their figures are of sufficient quality to be released to the general public.

⁶ Bulgaria, the Czech Republic, Germany, Estonia, Greece, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, Poland, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

⁷ Belgium, Denmark, Austria, Ireland, Iceland, Norway and Switzerland.

⁸ Belgium stopped transmitting data on job vacancies in 2007Q4.

4) Quality of European aggregates

Only in the next report to the European Parliament and the Council, in three years' time, will it be feasible to assess the quality of the European aggregates. Nonetheless, as some countries do not and will not, in the coming years, collect information on business units with ten or less employees or on the NACE Rev. 2 section O, it will not be possible for the time being to calculate European aggregates that will cover all business units' sizes and all economic activities. Eurostat will continue discussions with Member States with the aim of overcoming the coverage gaps so that European aggregates covering the whole economy can be calculated.

5) Main improvements and recent developments

A number of improvements took place in 2009 and at the beginning of 2010 in most Member States. All countries completed, or are about to complete, the transition from the NACE Rev. 1 classification to NACE Rev. 2. Denmark, Austria and Norway developed new national job vacancy surveys from scratch during 2009; these will enable them to meet their statutory requirements. Spain and France have adapted their questionnaires to bring their concept of job vacancies into line with the Regulation (EC) No 453/2008. Hungary extended the coverage of its survey to business units with fewer than five employees. Finally, the United Kingdom is the first Member State able to start producing seasonally adjusted figures. There has been also an alignment to the definition of job vacancy included in the Regulation. As a result, vacancy statistics across countries follow now a harmonised definition.

At the beginning of 2010 Eurostat received the feasibility studies required by Article 7(1) of Regulation (EC) No 453/2008 from all the Member States concerned, with the exception of Germany, which decided to collect data for the Public Administration and therefore does not need to provide a feasibility study. The documentation is currently being analysed in depth, but the main conclusions of the reports are:

- Austria: There are some problems with the classification of NACE Rev. 2 sections O to S in the business register, which needs to be improved in the medium term; but from the first quarter of 2010 NACE Rev. 2 sections O to S will be delivered.
- Denmark: The feasibility studies reveal no major constraints on collecting data on job vacancies for firms with fewer than ten employees and NACE Rev. 2 sections O to S. Nevertheless, Denmark has decided to postpone the collection of NACE Rev. 2 sections O to S. Vacancies for enterprises with fewer than ten employees will be collected from the first quarter of 2010.
- France: The feasibility study concludes that, from 2008 to 2012, it will be possible to collect data only on annual job vacancies for business units with fewer than ten employees. It is expected that in 2013, it might be feasible to calculate quarterly job vacancy statistics for business units with fewer than ten employees. For their part, data for sections R and S and the private sector parts of NACE Rev.2 sections P and Q are being collected. For NACE Rev. 2 sections O, P and Q parts that correspond to the Public Administration no quarterly data will be available (only annual data from 2013).

- Spain: The preliminary study concluded that it is feasible, although complex and expensive, to collect quarterly data on job vacancies for NACE Rev. 2 section O and they will be transmitted for the reference period 2010Q1. NACE Rev.2 sections P, Q, R and S are being collected.

- Italy: The study concludes that all options examined so far to collect data for business units with fewer than 10 employees and for the NACE Rev. 2 sections O to S are unfeasible. A more positive assessment is made of the chances of collecting data for NACE Rev. 2 sections O to S for the private sector. In any case, more analysis is needed and more definitive conclusions will be provided in December 2010.

- Malta: The main findings of the study are that data for NACE Rev. 2 sections O to S can be collected while quality and cost considerations make it unfeasible to collect data for business units with fewer than ten employees.

Eurostat will work together with Member States to draw up action plans in order to expand the coverage as far as possible, taking into account the problems described in the feasibility studies.

6) Conclusions

Since the publication of Regulation (EC) No 453/2008 two implementing Regulations have been approved with more technical details. Member States have received financial support in 2008 and 2009 to prepare for the transmission of data on quarterly job vacancies relating to the first quarter of 2010. The financial support will continue during 2010-2012, as stated in the Regulation (EC) No 453/2008. In 2008 and 2009 two Workshops took place in order to build up technical capacities and to share experiences in the field of job vacancies. As a result of these and further efforts by Member States, most of them were fully, or almost fully prepared, at the beginning of 2010 to comply with their legal obligations. It is, however, necessary to address remaining coverage gaps in order to enable the calculation of European aggregates.

For the next report to the European Parliament and Council, in June 2013, more detailed information will have been gathered through the national quality reports and from official data transmission exercises; this will enable a more complete assessment to be made of the quality and relevance of the quarterly statistics on job vacancies.