# WORKING TIME, UNDEREMPLOYMENT AND OVEREMPLOYMENT IN LFS AND ANOTHER GERMAN HOUSEHOLD SURVEY WITH CONTRADICTORY RESULTS

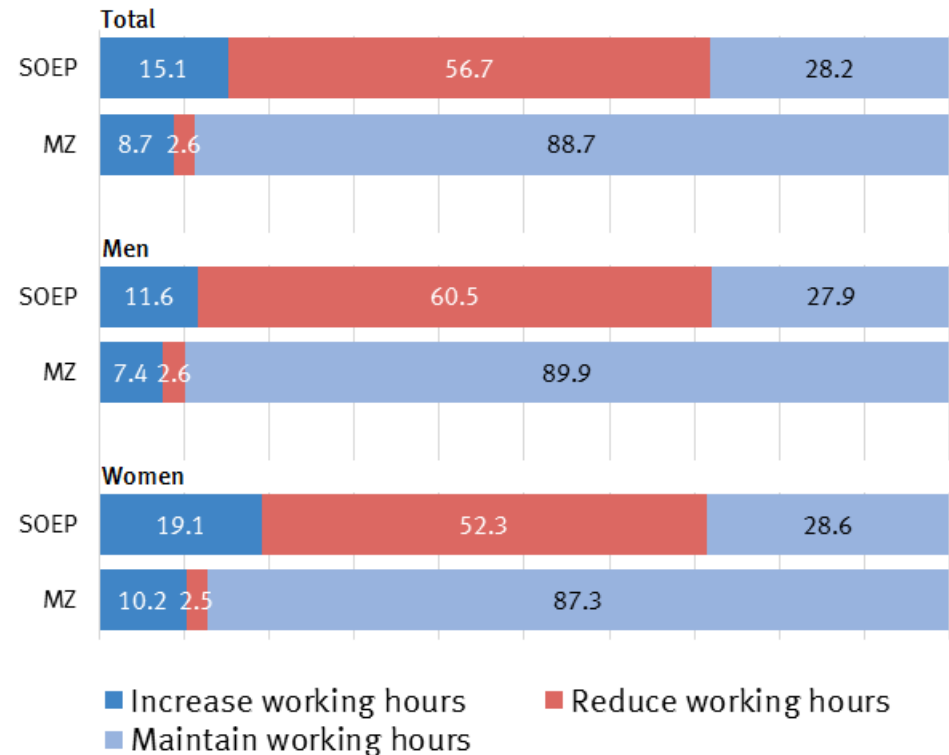**14th European Workshop on LFS Methodology, Budapest, 16–17 May 2019**

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# Longer or shorter working hours?

- answers in the microcensus* (MZ) and Socio-Economic Panel (SOEP) for 2015

- persons in employment aged 20 to 64 years, after microcensus-SOEP adjustments

- MZ*
  - » representative household survey of Federal Statistical Office Germany (Destatis)
  - » approximately 1% of population selected every year
  - » in 2015: 691,000 persons in 342,600 households were interviewed

- SOEP
  - » longitudinal household survey of German Institute for Economic Research (DIW Berlin)
  - » currently 30,000 respondents in 11,000 households are interviewed

**Working-time preferences 2015 in %**



| | Increase working hours | Reduce working hours | Maintain working hours |
|---|---|---|---|
| **Total** | | | |
| SOEP | 15.1 | 56.7 | 28.2 |
| MZ | 8.7 | 2.6 | 88.7 |
| **Men** | | | |
| SOEP | 11.6 | 60.5 | 27.9 |
| MZ | 7.4 | 2.6 | 89.9 |
| **Women** | | | |
| SOEP | 19.1 | 52.3 | 28.6 |
| MZ | 10.2 | 2.5 | 87.3 |

*The Labour Force Sample Survey is carried out as part of the annual microcensus.

# Different questionnaires: MZ vs. SOEP  www.destatis.de

## Order of questions about working time and working-time preferences (2015)

**Abbreviations**

| | |
|---|---|
| HWACTUAL | number of hours actually worked |
| HWCONTRACT | number of hours defined in contract |
| HWOVER | number of overtime hours of work |
| HWUSUAL | number of hours usually worked |
| HWUSUAL2 | number of hours usually worked in a second job (if existing) |
| HWWISH | number of hours that the person wishes to work; **MZ: rounded to the nearest whole number; SOEP: with one decimal place** |
| WISHLESS | yes-no filter question about the wish to work less |
| WISHMORE | yes-no filter question about the wish to work more |

| Microcensus MZ Federal Statistical Office Germany Destatis | Socio-Economic Panel SOEP German Institute for Economic Research DIW Berlin |
|---|---|
| Working times | Working-time preferences |
| HWUSUAL | HWWISH |
| HWACTUAL | Working times |
| HWOVER | HWCONTRACT |
| HWUSUAL2 | HWUSUAL |
| Working-time preferences | HWUSUAL2 |
| WISHMORE | |
| if WISHMORE=yes | |
| HWWISH | |
| if WISMORE=no | |
| WISHLESS | |
| if WISHLESS=yes | |
| HWWISH | |

| Working-time preferences | MZ operationalization | SOEP operationalization |
|---|---|---|
| increase working hours | WISHMORE=yes | HWWISH − HWUSUAL › 0 |
| reduce working hours | WISHMORE=no + WISHLESS=yes | HWWISH − HWUSUAL ‹ 0 |
| maintain working hours | WISHMORE=no + WISHLESS=no | HWWISH − HWUSUAL = 0 |

# Main reasons of contractictory results (1) www.destatis.de
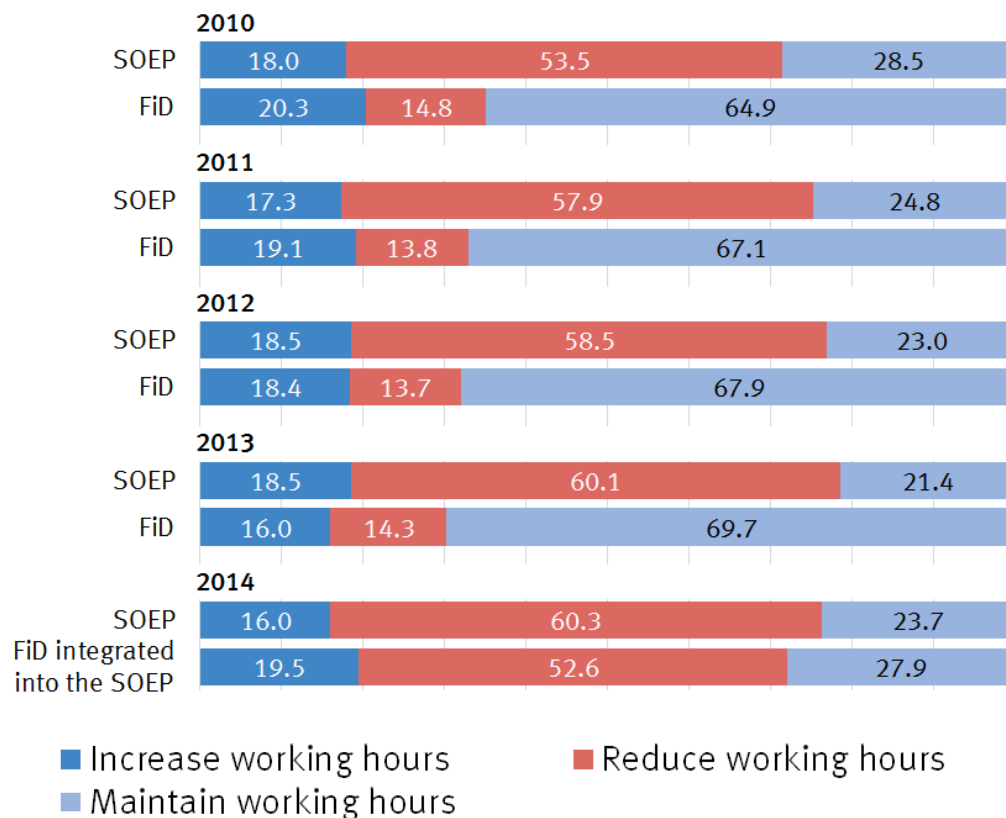## – preceding filter question –

- <u>SOEP questionnaire</u> direct question about the desired working hours **without** a preceding filter question

- <u>FiD questionnaire from 2010-2013</u> with the following **preceding filter question**:
  If you could choose your own working hours, taking into account that your income would change according to the number of hours:
  Would you rather reduce, increase or maintain your working hours?

  ☐ maintain
  ☐ reduce
  ☐ increase

- <u>FiD in 2014</u> **without** a preceding filter question: FiD survey was integrated into the SOEP with identical wording as in the SOEP questionnaire
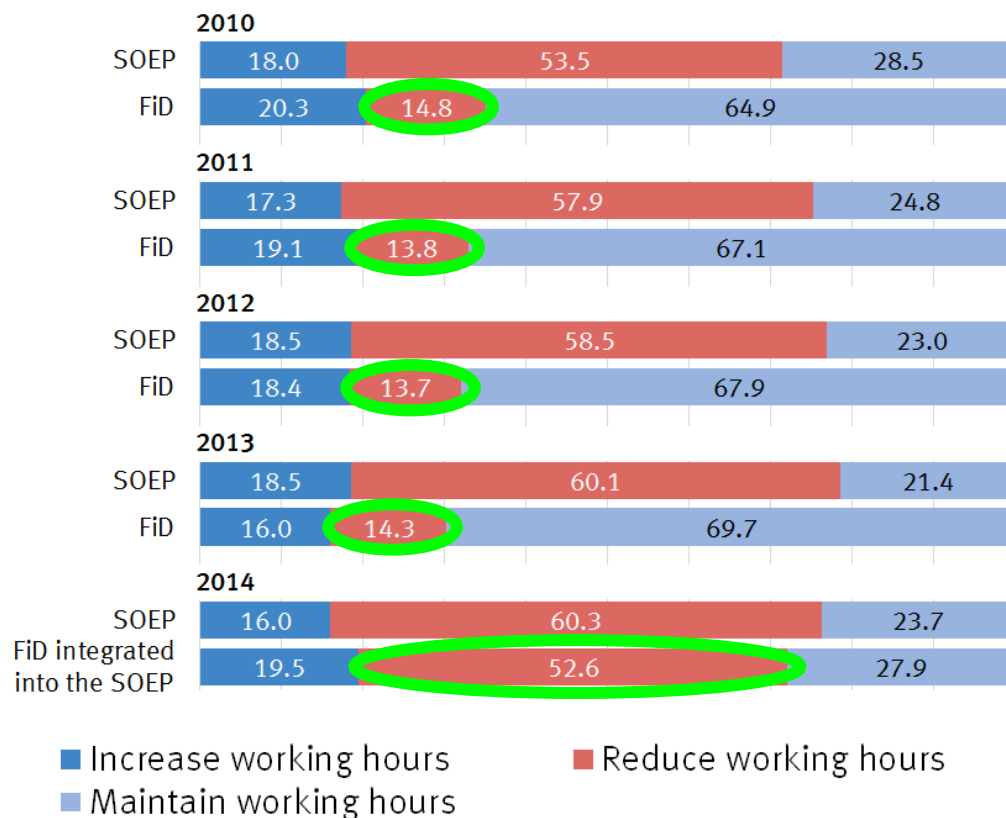
**2010**
| | Increase | Reduce | Maintain |
|---|---|---|---|
| SOEP | 18.0 | 53.5 | 28.5 |
| FiD | 20.3 | 14.8 | 64.9 |

**2011**
| | | | |
|---|---|---|---|
| SOEP | 17.3 | 57.9 | 24.8 |
| FiD | 19.1 | 13.8 | 67.1 |

**2012**
| | | | |
|---|---|---|---|
| SOEP | 18.5 | 58.5 | 23.0 |
| FiD | 18.4 | 13.7 | 67.9 |

**2013**
| | | | |
|---|---|---|---|
| SOEP | 18.5 | 60.1 | 21.4 |
| FiD | 16.0 | 14.3 | 69.7 |

**2014**
| | | | |
|---|---|---|---|
| SOEP | 16.0 | 60.3 | 23.7 |
| FiD integrated into the SOEP | 19.5 | 52.6 | 27.9 |

■ Increase working hours   ■ Reduce working hours
■ Maintain working hours

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  - ☐ maintain
  - ☐ reduce
  - ☐ increase

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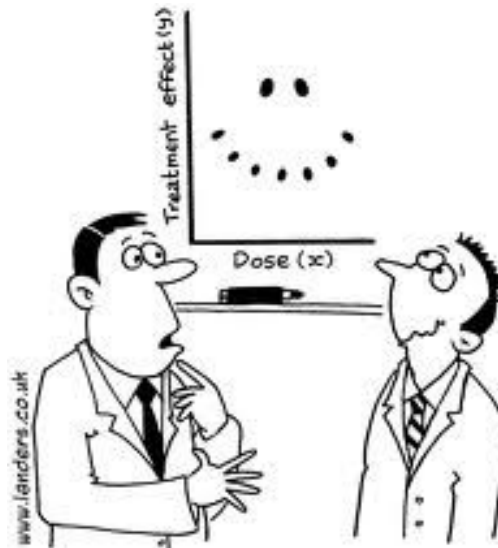


2010
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■ Increase working hours     ■ Reduce working hours
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# Main reasons of contractictory results (2)

## – other important aspects –

- Sequence of questions and recording of different working hours

  » asking for HWUSUAL after HWCONTRACT can lead to an overestimation of HWUSUAL and, as a result, lead to a higher share of overemployment when calculating working-time wishes by the difference HWWISH – HWUSUAL

  » in the SOEP survey the ratio of overemployment to underemployment in all persons with working time discrepancies changed from 80:20 to 55:46 by using HWWISH – HWCONTRACT

- Explicit reference to changes in earnings

  » previous studies in the microcensus MZ showed that the wording "with a corresponding increase in earnings" encourage people to formulate a desire to work more hours

  » before 2008 this explicit reference to a corresponding increase in earnings was not included; the change in the question wording lead to an increase of underemployment

  » no studies about a corresponding effect for overemployment as the question was incorporated only in 2008 and has included an explicit reference to a corresponding loss in earnings from the beginning

# Many Thanks for your attention!