

Volume 3 Number 1 February 1994

**\$** 

# WHAT TO WATCH FOR IN 1994

\$ A year ago, the SLID team felt somewhat daunted by its lengthy "to do" list for 1993. It's now 1994, and the feeling is no different. The most important event this year will of course be the first wave of labour and income data collection -- and it's *not* another test! As this newsletter goes to print, labour interviews are being completed, respondents who have moved are being traced, cohabitants (the people who have moved in with our longitudinal respondents since January 1993) are hearing about SLID for the first time....

Mid-February to mid-April will be a very busy period, when we "turn around" the information collected in the labour interview in preparation for the income interview. Another task will be to send respondents a one-page form prior to the income interview, a document they can use to record their income sources and amounts prior to the May telephone interview.

#### **Editor's Note**

In 1992 and 1993, SLID released a total of 30 research papers. Eventually, the main points from these documents will be distilled in catalogued reference products but, in the meantime, they trace the survey's development path and reflect reasons for decisions taken. Every issue of *Dynamics* includes the abstracts of recently released research papers. For the convenience of readers, we have assembled these abstracts into a single document, enclosed with this issue.

To obtain an annual subscription to the research paper series, contact Anne Palmer (relevant information is given in the article on Research Papers). The annual subscription fee is \$50 (\$50 US outside Canada). Single issues can be obtained for \$5 each.

Philip Giles







Our respondent relations program is shaping up. A brochure was mailed out in early January, with an offer to provide more information on request. Those who send us the business reply card receive the first issue of our respondent newsletter. Later issues will be sent automatically and will contain highlights of the survey results. Although it could not accurately be called a flood, we have received hundreds of replies so far.

Data collection is not the only area where things are happening. A small group is now working on processing the preliminary interview data completed in January 1993, and attention will soon turn to processing requirements for the first wave of labour and income interviews. There is no doubt that, if 1993 was the year for testing content and computer-assisted interviewing, 1994 is the year for processing systems development. It's also the year for nailing down our data dissemination plans, for designing and testing data products. We have decided to release preliminary interview in the summer of 1994. (See below for more on this.)

During 1994, we will evaluate the wealth data collected in the 1993 SLID test. The plan is to include wealth questions in 1995 if the test results look reasonable. We will also look at the feasibility of collecting income data via a link to tax records instead of by interview. Many issues need to be examined, most importantly respondent willingness and authorization to go this route. And finally, there will no doubt be scope for fine-tuning the labour content and questions as a result of our 1994 experience. A busy year!

\$

PROCESSING AND PUBLISHING RESULTS FROM THE PRELIMINARY **INTERVIEW** 

This summer, SLID will release results from the preliminary interviews conducted on our first panel of respondents in January 1993. The data from these interviews include educational background, marital history, number of children born/raised, parents' educational background and years of work experience. There were also a set of questions on jobs currently held as of January 1993, which was the beginning of the first reference year. Some of this information is being fed back to respondents in January 1994 to improve recall of activities during the 1993 reference year.

Because the computer-assisted hardware and systems were not in place at the time, the preliminary interview data were collected using the traditional paper questionnaire approach. The processing of the preliminary interviews is therefore similar to the type of operation required to process a one-time survey. The main difference is that the results will be merged with future data collected using computer-assisted interviewing.

Many data users have indicated that they would like to see a strategy of minimal editing in SLID, coupled with unambiguous information on what fields on each microdata record have been imputed. We are taking this advice to heart, but expect the level of intervention to be higher in the preliminary interviews that in subsequent interviews. This is mainly because we did not have the benefit of computer-assisted interviewing in January 1993, which means that some questionnaire flow errors are present.

A CD-ROM with microdata from the preliminary interviews is scheduled for release this summer. Although both the content and front-end retrieval software will be somewhat embryonic, this CD-ROM will allow interested users to get a head start on the analysis, by becoming familiar with both the survey's background classification variables and the design of the microdata product. It is also an opportunity to influence subsequent microdata products as we will be avidly awaiting feedback from users.



**\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$** 

## SLID DATA ON SCHOOL TO WORK TRANSITIONS

Since the first issue of *Dynamics* was released in April 1992, the majority of the articles have focused on the operational concerns of getting the survey up and running. Now that we can start to see data at the end of the tunnel, *Dynamics* will also touch on dissemination issues and data uses.

SLID's content and design should allow for a fairly broad range of uses, by researchers in several disciplines. The data may be used, for example, in studies dealing with labour market adjustment, employment equity, wage and income polarization, transitions into and out of self-employment, transitions into retirement, employment and income stability, flows into and out of low income and the role of income maintenance programs and transfer payments in a longitudinal context. The following looks at SLID content that may help in the analysis of school to work transitions.

Higher turnover and job search levels are perhaps normal and even healthy for young people recently out of school, as they test out various jobs and work settings. But how long does the matching process go on and under what circumstances do young people arrive at what appears to be a good match fairly quickly? Are these transitions more or less efficient for young people with different educational backgrounds? Educational attainment information in SLID is extensive: total years of schooling, whether high school graduation was achieved, highest university degree, certificate or diploma and associated major field of study, most recent post-secondary non-university certificate or diploma, and related information such as program length and major field of study. The data will allow researchers to:

- trace the labour market experiences of high school drop-outs;
- relate wage and occupation of the first job to years of schooling and field of study;

- measure the time required to find a job;
- study employment stability and turnover in the first few years following school leaving;
- study reverse flows back to school and examine the circumstances leading into these flows.

From a different perspective, it will be possible to look at these transitions in the light of the school leaver's income and family or household context. Is the phenomenon of young people moving back home tied to school-to-work transition problems? Some young people are taking up various forms of self-employment: are these events preceded by periods of fruitless job search? Are they associated with certain living arrangements or income levels?

\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$

#### **FAMILY RELATIONSHIPS**

\$ In household surveys, household and family composition are usually depicted by relating everyone to a selected household or family member. In some cases, an attempt is made to set out rules about who this reference person should be; other times, it's left entirely up to the respondent to pick a reference person.

In SLID, we opted for a different approach. Instead of picking a reference person, the relationship between every pair of individuals in the household is described. It provides more detail, which is useful in the case of blended and multi-generational families. In terms of output, where the individual is the unit of analysis, we can readily show that individual's relationship to all other household members without the need for recoding.

On the down side, this is a new approach for Statistics Canada and it was not easy developing an appropriate line of questioning, not to mention the computer-assisted interviewing application needed to "relate everyone to everyone". An approach was tested early in 1993 and



substantial modifications were made thereafter. A minitest in October 1993 indicated that this set of questions was working satisfactorily.

We are now examining how family data should be summarized and presented in the output. A document describing the proposed family groupings will be available shortly in the Research Paper series.

\$

FOLLOWING RULES

**\$** "Following rules" are the principles and procedures that determine who is traced and who is interviewed in SLID.

Like all longitudinal surveys, it is fundamental to SLID's design that selected individuals be followed over time, even if they move. But who is selected for the survey in the first place?

The SLID sample for the first panel is a representative subsample of households in the Labour Force Survey in January 1993. The LFS, in turn, covers the population aged 15 and over except: residents of the Northwest Territories, full-time members of the Armed Forces, residents of Indian Reserves and inmates of institutions.

SLID covers fundamentally the same population. However there are a few differences worth noting:

- The SLID target population covers all ages, not just people 15 and over. In practice this means that SLID will follow children on those rare occasions when they move without an adult.
- While people of all ages are in the sample only those aged 16 and over as of January 1 of the survey year answer questions on labour and income.
- The sample covers the ten provinces only.

• SLID covers the military living out of barracks, for example in permanent married quarters (PMQs).

Apart from these four differences, the SLID and LFS samples are identical *at the point of sample selection*. However, that is a static, point-in-time definition and SLID of course is not a cross-sectional survey like the LFS -- hence the need for following rules.

The survey objectives require that longitudinal respondents -- people residing in selected dwellings at the point of sample selection -- be followed for six years. The fewer exceptions to this basic rule the better. Our aim is to interview wherever possible, even when a person moves "out of scope", that is, out of the geographical area covered by the survey frame.

Practical constraints have led to the following compromises:

- It must be possible to follow up by telephone; otherwise the case is dropped.
- For extended stays in health care or penal institutions, the person is traced but not interviewed. The person's location is verified at every collection period and interviewing is resumed if the person leaves the institution. In the case of short stays in institutions the person is treated as a temporarily absent household member.
- Respondents moving overseas are similarly traced but not interviewed. Moves to the Territories, to an Indian Reserve or to the U.S. are treated like moves within the frame -- respondents are traced and interviewed.

These rules apply to longitudinal respondents. SLID also interviews *cohabitants*, people who move in with a longitudinal respondent at some point during the six years. Cohabitants are interviewed in exactly the same way as



longitudinal respondents. However, if they stop living with a longitudinal respondent, they are dropped from the sample.

If a cohabitant moves out between the January labour and the May income interviews, he or she is interviewed for income in May before being dropped from the sample. This rule illustrates an important point: although there are two interviews per year in SLID, the second one, dealing with income, is simply "deferred" from January because income data are easier to collect at income tax time. Whatever changes in household composition have occurred, we require income data for everyone who made up the household in January.

As a final point on income: some of the income sources used in SLID are distinctly Canadian. If a respondent moves to the U.S., our plan is to collect income received from Canadian sources only.

\$ The following are recently released Research Papers which can be ordered individually or received automatically. For more information, contact Anne Palmer at (613) 951-2903, by fax at (613) 951-3253, or by mail at 11-D8 Jean Talon Building, Tunney's Pasture, Ottawa K1A 0T6.

• 93-18 Inserting Joiners into a Longitudinal Panel of Households and Individuals: Simulations

Bernard Gailly (CEPS/INSTEAD), Pierre Lavallée

This joint paper evaluates alternatives for weighting persons who join households after a panel has been selected. It is reprinted from a report produced by CEPS/INSTEAD and is input into the process of

\$

RESEARCH PAPERS

determining how cross-sectional weights should be calculated for cohabitants in SLID.

### • 93-19 Sample Representativeness for the Survey of Labour and Income Dynamics

Pierre Lavallée

As a longitudinal survey, SLID must try to maintain representativeness of the sample, despite attrition. In addition, the survey will be used to generate cross-sectional estimates. This report is a high-level discussion of issues and procedures required to maintain a representative sample.

### • 94-01 SLID Following Rules: Who to Trace and Who to Interview

Sylvie Michaud, Yves Saint-Pierre

This document describes the rules governing who is traced and interviewed in SLID under various scenarios, and outlines the conceptual basis of the following rules.