Additional LMI Resources

Tips and Traps

WHY TIPS AND TRAPS ARE IMPORTANT

When looking for *labour market information* (LMI), there are a number of tips you can use to make your LMI exploration more efficient and less frustrating. Conversely, there are a number of traps you will want to avoid for the same reasons. While considering tips and traps in general, remember that the main goal of your LMI activities is to answer a specific LMI question you have AND to do so as accurately, quickly, and comprehensively as possible while avoiding mistakes that will only give you headaches down the road. Keeping the following tips and tricks in mind is a great way to get closer to this worthwhile goal.

USEFUL TIPS WHEN USING LMI

- **Start with the best question to get the best answer.** When you are trying to determine what LMI you most need, aim to be as specific as possible in your question; the more detail, the better. For instance, when asking the question "is employment in Newfoundland and Labrador getting better", ask yourself "better than what?" Do you mean better than it was a decade ago? Do you mean better than other provinces in Canada? Do you mean just overall numbers or do you mean better representation of some groups or industries in the province? As this example shows, there are many ways to ask a question, and the more specific you are in your question, the more likely you are to get an answer that meets your purpose. Furthermore, if you are requesting LMI from an outside party, being specific in your question helps ensure that their time and yours is used as efficiently as possible. By asking specifically for the information you need at the beginning saves you having to go back a second time for clarification on your question.

- **Remember: All LMI sources have limitations (no source is perfect).** There is no such thing as an LMI source which is without weaknesses. The key is to try to limit these deficiencies, particularly as they relate to the nature of the question you wish to answer. In fact, you will often find the strengths in one LMI source also partially create its weaknesses. For example, the large data collection associated with the Census allows for many indicators which include a great amount of categories and detail. The flip side of this is that the large amount of work required to get this detail means the Census can only be done once every five years and gets outdated much more quickly than other sources. This is part

of the reason why we have summarized the strengths and weaknesses of the most common sources for you in other parts of this resource guide; namely, so that you can best match the nature of your question to the best possible source available.

- **Several LMI sources are better than one –** Because all sources have limitations, it can be difficult to have 100 percent confidence in the results you obtain when using just one. A beneficial trick to get around this is to use several different sources which capture specific indicators in very similar ways. If you find that these sources all tell similar stories about the labour market over the same time period, you can be more confident that the picture being presented by the source is in fact true. The one exception to this is that it depends on the accuracy of the sources you use. For instance, you could randomly pick four online news stories which all present the same negative labour market picture. However, if these four informal sources of LMI all relied on the same biased or inaccurate data source, they will all be inaccurate as well even though they do present the same consistent story. For this reason, it is vital to pay attention to the quality of the sources you are using when answering an LMI question, as well as the number available. Generally speaking, the LMI sources presented in this resource guide have been in place for a long time and have been created to give the most accurate and reliable results possible, which is why they are a good starting point for any LMI questions you may have in future.

- **When using LMI sources, take time to document and lay out well.** If you choose to do any analysis of your own from LMI sources, structure it in the best way possible so that it is easy to interpret and can best answer your original LMI question. For example, should you use a table of data or a chart to summarize the information? Which indicators are most important in this table or chart and which ones can you reasonably remove? Even something as simple as considering whether data is easier to interpret when it is in a row versus a column can save you much time and frustration down the road. Lastly, whenever you create a table or chart from LMI sources, try to include a reference to the original source – at the very least, mention of the specific table number and organization supplying it and, where possible, a hyperlink to the actual online source. This will make it easier for you to find this information again later if you forget the original source. It will also be beneficial for other people who may want to replicate your findings using the same source down the road.

- **Give as much detail as possible when requesting LMI.** This tip is closely tied to the first one above regarding asking the best question possible. Your question will essentially define the specific details of the indicators you might need to request from other parties or organizations. For instance, when you are looking for employment numbers, know from the start exactly what you are looking for and why; do you just want provincial employment overall? Regional employment numbers? Full-time versus part-time? Self-employment and other alternate employment arrangements? Outside sources will be much happier to help if

you can let them know from the very beginning the exact information you need rather than have them guessing. In addition, you'll be able to answer your LMI question much sooner if you don't have to go back several times to the source trying to refine the data you need.

- **Be sure to consider all possible LMI options.** Most of the sources presented in this resource guide are formal sources with specific collection practices and more rigorous proofing for accuracy. However, keep in mind that these are not the only sources available to you. Others – such as online articles, interviews with credible experts, and even informal conversations with people in your area – can also be used to help answer your LMI question. Just be sure to first consider the extent to which the LMI you obtain through these sources is accurate, credible, and useful. Optimally, the best strategy would be to use these sources to supplement your findings.

TRAPS TO BE AWARE OF WHEN USING LMI

- **Know the details of your LMI (not all sources are created equal).** When using LMI, always consider the context and criteria under which it was created. For instance, was the LMI gathered by a credible source? How recent is the data and how often is it updated (if at all)? What definitions are used for various indicators and how well do they map onto the indicators you are seeking for your own LMI purpose? As a real life example, suppose you are interested in looking at current employment trends and don't know whether to use Statistics Canada's Census or Labour Force Survey. Looking at the background detail for each source, you will quickly notice that the Census is only updated every five years whereas indicators from the Labour Force Survey are updated each month. Therefore, if you are interested in the most current employment indicators, the Labour Force Survey is obviously the way to go. This is a decision you can only make by looking at the details of your LMI source, not by looking at the indicator numbers themselves. So be sure to invest time in both.

- **Don't place too much emphasis on single LMI data points.** Some LMI sources, particularly those derived from surveys, have a degree of error associated with them. This is the tradeoff researchers make to get results that are representative of the entire population **without** spending the heavy resources required to survey that entire population. Generally speaking, a researcher's goal is to include just enough individuals to make confident statements about the population while also keeping research costs reasonable. The problem is that no survey is perfect and that there is always the possibility that results from any one iteration of a survey may have higher survey error than normal (and may therefore not do a great job of representing the overall population for which it is intended). The way around this problem is to use multiple iterations of a

source rather than relying on just a single set of data points. For example, rather than looking at the Labour Force Survey results for May alone, look at its trends over a period of six months or more. Since the same amount of error is unlikely to occur across many iterations of the same survey, the trends you see in the data are more likely to reflect the real-life trends you are interested in. Lastly, while sources not based on surveys (such as administrative sources) are less affected by this problem, it is still a good idea to use more data points than fewer if you wish to gain the best insights into ongoing labour market trends.

- **Don't assume the first source you find is the only one (or the best).** With the invention of the Internet, it is easy to plug an indicator name into a search and grab the first one you find. This is not a good strategy, however, for number of reasons. One, the source you find may not be the most current one available. Two, the indicators provided might not be the best ones to answer the specific LMI question you have in mind. Third, some sources may not even be from credible sources or be based on accurate, unbiased data. This trap is closely related to the earlier one regarding not all LMI sources being equal. Ultimately, the goal is for you to obtain the best LMI possible to most effectively answer the LMI question you have in mind. Avoiding these two traps is a key way to ensure this happens.

- **Don't make conclusions which your LMI cannot prove.** Some sources only tell you what is happening in the labour market. They do not always allow you to determine *why* these things are happening, however. While some sources do allow you to further analyze indicators in ways that can explain certain trends, be careful not to make unwarranted assumptions or conclusions where the data doesn't provide sufficient evidence for it.

- **Don't focus only on numbers, focus on the big picture.** Ultimately, the job of your LMI is to answer whatever question you have regarding the labour market. For this reason, don't get stuck in the trap of merely looking at individual numbers endlessly rather than considering broader patterns and trends which bring you closer to the answers you are looking for. In many cases, looking at the "big picture" will actually mean considering indicators or categories beyond what you initially intended as part of your LMI question. As an example, when looking at the impacts of COVID-19 on women's labour force engagement, you wouldn't want to look at the labour market indicators for women alone. Rather, you would want to also look at the indicators for men to see how (and by how much) they differ from those for women.

RELATED LINKS

- **Labour Market Information website (Government of Newfoundland and Labrador) -** https://www.gov.nl.ca/labourmarketinformation/

- **Workforce Development Secretariat; Department of Immigration, Population Growth and Skills -**
  https://www.gov.nl.ca/ipgs/department/branches/workforce/workforce-development/