

Article

Single month Labour Force Survey estimates: April 2015

This report contains charts that compare the Labour Force Survey (LFS) headline threemonth average rates for employment, unemployment and economic inactivity with their equivalent single month estimates. The single month estimates are derived from the same data source as the headline three-month figures but are not designated as National Statistics and their use is restricted to helping to understand the movements in the headline three-month averages.

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1. Labour Force Survey single month estimates

This report contains charts that compare the Labour Force Survey (LFS) headline three-month average rates for employment, unemployment and economic inactivity with their equivalent single month estimates. The single month estimates are derived from the same data source as the headline three-month figures but are not designated as National Statistics and their use is restricted to helping to understand the movements in the headline three-month averages.

Key points to note are as follows:

- The LFS Single month estimates provide additional information about the latest quarterly movements in the headline three monthly aggregates of employment, unemployment and economic inactivity
- The production and evaluation of the estimates is an important part of the ONS' quality assurance of the three monthly averages published in the Labour Market Statistical Bulletin
- Single month estimates are based upon 1/3 of the sample of the three-monthly series approximately 15,000 households. Subsequently sampling variability of the changes in the single month estimates is higher in relative terms than those of the headline aggregates and so any interpretation of them can only be in fairly broad terms
- The LFS sample is designed so that the data collected for any three consecutive monthly reference periods (or rolling quarters) are representative of the UK population. However, the data for any given single month is unlikely to be representative of the UK. These sampling effects can cause movements in the single month that are a consequence of the survey nature of the LFS and are not a true reflection of change in the wider economy
- The movement in the latest single month figures is, in theory, a better indication of the latest change in the labour market than the difference between the latest two overlapping three month periods, but it must still be treated with caution
- The sample design of the LFS often produces clear patterns in the single month series which can aid
 interpretation of the LFS aggregates. The estimates help users determine the extent to which the
 movements in the headline aggregates are true reflections of changes in the UK labour market and the
 extent to which they reflect the survey nature of the LFS, in particular sampling variability
- The single month estimates are regarded as an "official statistic" and are not considered National Statistics in their own right because they do not have sufficient methodological robustness
- Improvements to the methodology for producing the single month estimates have been identified and work
 is ongoing to implement them in the future. Recommendations for this future work are set out in the report
 of the <u>National Statistics Quality Review of the Labour Force Survey</u>, published in February 2014

For the three month averages, the dates shown on the charts relate to the last month of the three (e.g. April – June is indicated by June).

2. Single month estimates spreadsheet

A spreadsheet containing the single month LFS estimates is available on the ONS website at <u>data table X01 (145 Kb Excel sheet)</u>.

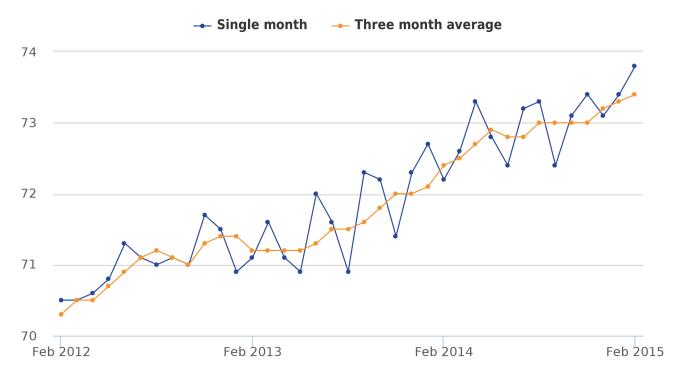
3. Methodological article

A <u>methodological article</u> explaining the background to the LFS single month estimates and describing how they are calculated is available.

4. UK employment rates 16-64 (seasonally adjusted)

The single month estimate for February 2015 shows an increase of 0.4 percentage points from the previous month.

Chart 1: UK Employment Rates 16-64, per cent (seasonally adjusted)

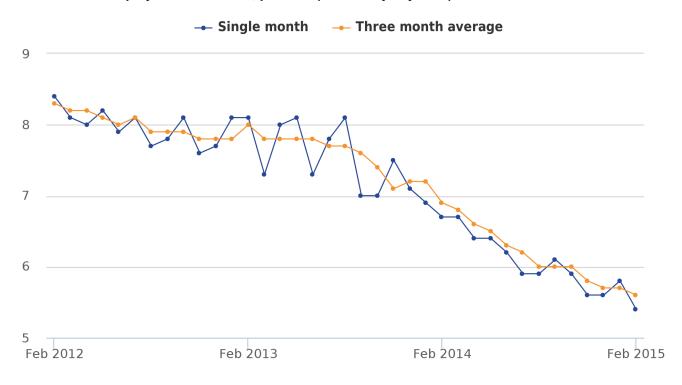


Source: Labour Force Survey - Office for National Statistics

5. UK unemployment rates 16+ (seasonally adjusted)

The single month estimate for February 2015 shows a decrease of 0.4 percentage points from the previous month.

Chart 2: UK Unemployment Rates 16+, per cent (seasonally adjusted)

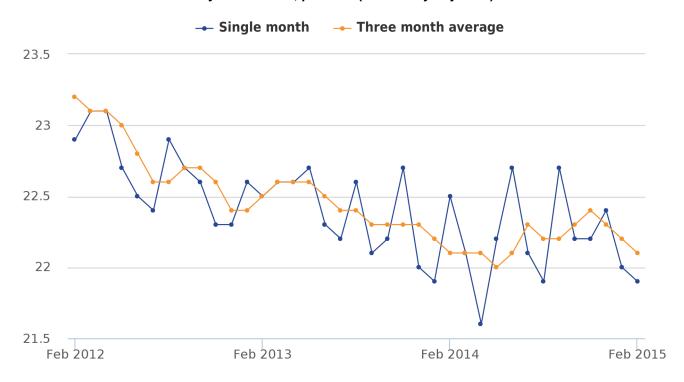


Source: Labour Force Survey - Office for National Statistics

6. UK economic inactivity rates 16-64 (seasonally adjusted)

The single month estimate for February 2015 shows a decrease of 0.1 percentage points on the previous month.

Chart 3: UK Economic Inactivity Rates 16-64, per cent (seasonally adjusted)



Source: Labour Force Survey - Office for National Statistics

7. Background notes

1. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk