

Article

Reconciliation of estimates of jobs, UK: October 2022

Compares the latest Workforce Jobs (WFJ) estimates with the equivalent estimates of jobs from the Labour Force Survey (LFS).



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1. Main points

- The latest Workforce Jobs (WFJ) estimate is 1.871 million (or 5.5%) higher than the Labour Force Survey (LFS) total jobs estimate.
- Once adjusted for measurable factors, the latest Workforce Jobs estimate is 3.6% higher than the Labour Force Survey jobs estimates.

2. Workforce Jobs (WFJ) and Labour Force Survey (LFS) jobs

Background

This report compares the latest Workforce Jobs (WFJ) estimates with the equivalent estimates of jobs from the Labour Force Survey (LFS). This is usually published annually in March. However, this report was delayed until October 2022 while LFS and WFJ responses were reweighted to new populations as explained in our article, Impact of reweighting on Labour Force Survey key indicators: 2022, derived using growth rates from HM Revenue and Customs (HMRC) Real Time Information (RTI), to allow for different trends during the coronavirus (COVID-19) pandemic. This reweighting will give improved estimates of both rates and levels.

The concept of employment (measured by the LFS as the number of people in work) differs from the concept of jobs, since a person can have more than one job and some jobs may be shared by more than one person. The LFS, which collects information mainly from residents of private households, is the preferred source of statistics on employment.

The LFS can also be used to produce estimates of the total number of jobs in the UK, by adding together the headline employment figures (which are equivalent to main jobs) and those for workers with a second job. The WFJ series, which is compiled mainly from surveys of businesses, is the preferred source of statistics on jobs by industry as it provides a more reliable industry breakdown than the LFS.

Comparison: June 2022

The LFS estimate of total UK jobs for June 2022 (based on May 2022 to July 2022 LFS data) is calculated by adding together the LFS estimates for total employment (32.746 million) and workers with second jobs (1.210 million). On comparing this LFS UK jobs estimate (33.956 million) with the corresponding WFJ estimate for June 2022 (35.827 million), the WFJ estimate is 1.871 million (5.5%) higher than the LFS estimate.

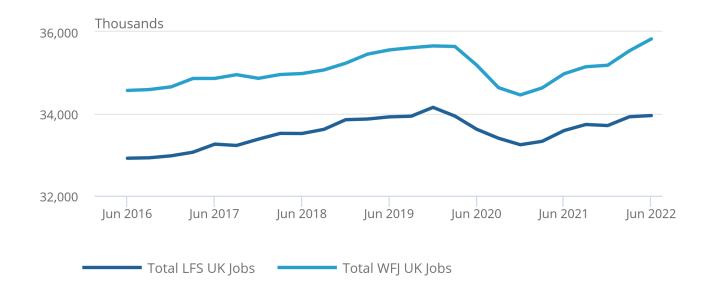
Figure 1 illustrates this comparison over time. These estimates have not been adjusted for factors causing differences between the two sources because many of these factors cannot be measured on a quarterly basis. Over the latest comparable three-month periods, the LFS series shows a quarterly increase of 29,000 jobs (0.1%) and the WFJ series shows an increase of 290,000 (0.8%). On an annual basis, the LFS series shows an increase of 368,000 jobs (1.1%) and the WFJ series shows an increase of 852,000 jobs (2.4%).

Figure 1: Labour Force Survey jobs were up 0.1% and Workforce Jobs were up 0.9% on the quarter

Labour Force Survey and Workforce Jobs estimates of jobs, seasonally adjusted, UK, June 2016 to June 2022

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Source: Office for national Statistics - Labour Force Survey and Workforce Jobs estimates

About 30 reasons why the LFS and WFJ estimates of jobs can differ from each other are identified in The 2006 National Statistics Quality Review of Employment and Jobs Statistics. Some of these factors can be quantified approximately using information from the LFS and other sources, while others are much more difficult to measure. The measurable factors causing differences between the LFS jobs and WFJ figures are available in dataset X03.

Reconciliation

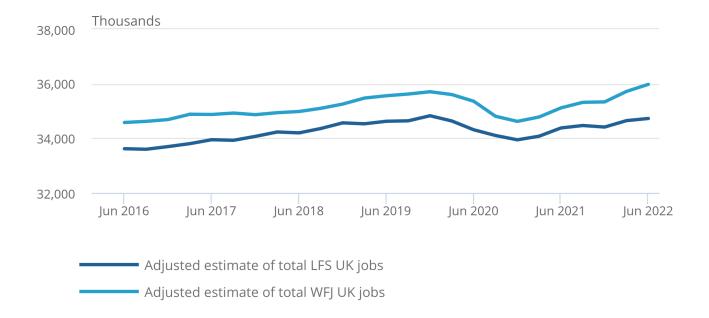
Figure 2 shows the two series adjusted to take into account the measurable factors causing differences between the LFS jobs and WFJ statistics. Once these factors have been taken into consideration, the adjusted WFJ estimate is 1.251 million (3.6%) higher than the adjusted LFS estimate of UK jobs.

Figure 2: The latest adjusted Workforce Jobs estimate is 3.6% higher than the adjusted Labour Force Survey jobs estimate

Labour Force Survey and Workforce Jobs estimates of jobs adjusted for measurable differences, seasonally adjusted, UK, June 2016 to June 2022

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Labour Force Survey and Workforce Jobs estimates of jobs adjusted for measurable differences, seasonally adjusted, UK, June 2016 to June 2022



Source: Office for National Statistics - Labour Force Survey and Workforce Jobs estimates

The difference between the adjusted LFS jobs and WFJ estimates (1.251 million) is beyond the likely bounds of the sampling variability of the difference. The approximate sampling variability (95% confidence interval) is roughly plus or minus 270,000. It should be noted that the adjustments are themselves subject to a margin of uncertainty and there are other factors causing differences between the two sources, which have not been adjusted for. However, we do not expect uncertainty around the adjustments and other sources of discrepancies to be enough to change the general conclusion.

There are about 20 additional factors that could explain the remaining difference between the LFS jobs and WFJ estimates. As well as sampling variability, they include, for example, timing effects. The LFS estimates are averages for three-month periods, whereas business surveys measure the number of jobs on a particular day.

3. Jobs data

Reconciliation of estimates of employment and jobs

Dataset X03 | Released 11 October 2022

Reconciles estimates of Workforce Jobs with estimates of employment.

Full-time, part-time and temporary workers

Dataset EMP01 | Released 11 October 2022

Estimates of UK employment including a breakdown by sex, type of employment, and full-time and part-time working.

Workforce Jobs summary

Dataset JOBS01 | Released 13 September 2022

Estimates of jobs by type of job (including employee jobs, self-employment jobs, HM Forces and government-supported trainees).

4. Glossary

For information on the terms used in this article, please see Section 6 <u>Vacancies and jobs in the UK: September 2022</u> and Section 10 of <u>Employment in the UK: September 2022</u>.

5. Data sources and quality

For data sources and quality information, please see Sections 7 and 8 of <u>Vacancies and jobs in the UK:</u> <u>September 2022</u> and Sections 11 and 12 of <u>Employment in the UK: September 2022</u>.

6. Future developments

Workforce Jobs and Labour Force Survey (LFS) jobs reconciliation

This article, and dataset X03, will next be updated in March 2023.

Workforce Jobs

Workforce Jobs estimates are usually updated in March, June, September, and December.

Employment in the UK

Labour Force Survey (LFS) estimates of employment in the UK are updated monthly on a rolling-quarter basis.

7. Related links

Employment in the UK: September 2022

Statistical bulletin | Released 13 September 2022 Estimates of employment, unemployment, and economic inactivity for the UK

Vacancies and jobs in the UK: September 2022

Statistical bulletin | Released 13 September 2022

Estimates of the number of vacancies and jobs for the UK

8. Cite this article

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