

Labour Force Survey: planned improvements and its reintroduction

Planned data collection and methodological improvements to address quality concerns with Labour Force Survey estimates.

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Table of contents

- 1. Background to quality concerns
- 2. Planned improvements to data collection
- 3. Planned methodological improvements
- 4. Impact on publications
- 5. Publication plan for the UK labour market release on 14 November 2023
- 6. Further update

1. Background to quality concerns

The Office for National Statistics (ONS) has been facing the challenge of falling response rates for household surveys, as have other comparable countries. This issue became more acute in the Labour Force Survey (LFS) data collected for August 2023. The LFS estimates due to be published in October 2023 were suspended because of quality concerns.

We have therefore developed a comprehensive plan to address these concerns and reintroduce LFS estimates. The plan covers both data collection and methodological improvements and will affect labour market-related releases in November and December 2023.

We are also continuing to transition to the Transformed Labour Force Survey (TLFS). This is already in the field and we expect it to become the primary source for the labour market release in March 2024.

2. Planned improvements to data collection

Reimplementing in-home interviewing to boost responses

On 25 October 2023, we reimplemented in-home interviewing for all Labour Force Survey (LFS) wave 1 and wave 2 cases. This activity was paused during the coronavirus (COVID-19) pandemic and subsequently during the dual run with the Transformed Labour Force Survey (TLFS).

Step change in recontacting households to boost responses

On 1 November, we started recontacting households that did not respond in the first week of the field period during the current quarter. This will lead to revisiting an additional 1,200 households per week.

Prioritising young adult households to improve representation of responses

We will increase responses from households that include people aged 16 to 24 years. This is in testing for implementation by mid-November.

Increasing the sample size

We have started work to increase the current sample size of the LFS from 16,000 (the currently issued size) to 24,000 (the size that was implemented during the COVID-19 pandemic).

Recruitment of field interviewers

We are recruiting additional field staff to improve data collection capacity.

Improving communications

We will further work on public communications to encourage people to respond to our surveys.

3 . Planned methodological improvements

Estimates using the latest population figures

We will update the population figures used in the Labour Force Survey (LFS) estimation. We are currently testing the optimum approach and our aim is to introduce this in the December 2023 labour market release. We will provide a further update once the outcome of the testing is known.

Improving the LFS non-response adjustment

We will improve how non-responses in the LFS is taken into account and adjusted for. We will make full use of all data available to us, including the Census Non-Response Link Study.

Using model-based approaches

We will seek to develop model-based approaches using a range of administrative data sources. This will help us to provide corroborating evidence and test the results of improvements.

Replacing the LFS with the TLFS

We will aim to replace the LFS as the source for labour market publications with the transformed version of the survey from March 2024, subject to final data quality checks in the new year. We are doing some final fine-tuning to the questionnaire, but early results are promising. Response rates have improved to an average of 39% for wave 1 compared with 30% for the LFS. Representation is also improved, with response rates for the most deprived areas 50% higher.

4. Impact on publications

The aim of these data collection and methodological improvements is to reintroduce Labour Force Survey (LFS) estimates in December 2023.

In November, like in October, we will therefore publish a set of experimental adjusted headline estimates. We will base these on growth rates from Pay as You Earn Real-Time Information and the Claimant Count for May to July 2023 onwards, with the latest quarter being July to September 2023. As in October, we will also produce the November experimental adjusted headline estimates by age group and, additionally, by region.

We are also currently reviewing the quality of microdata produced by the LFS. We are developing the most appropriate approach for its future releases and incorporating improvements.

5. Publication plan for the UK labour market release on 14 November 2023

November's release will include:

- Labour market overview, UK bulletin
- Average weekly earnings in Great Britain bulletin
- Vacancies and jobs in the UK bulletin
- X10: Adjusted employment, unemployment, and economic inactivity dataset (seasonally adjusted, including regional and age breakdowns)

November's release will not include:

- Employment in the UK bulletin
- Labour market in the regions of the UK bulletin
- Quarterly datasets, which include labour market flows
- Young people not in education, employment or training (NEET) bulletin
- Working and workless households in the UK bulletin

6. Further update

The development plan is being taken forward at pace. In December, it is our intention to produce the usual:

- Labour market overview, UK bulletin
- Employment in the UK bulletin
- Labour market in the regions of the UK bulletin

However, this is dependent on the response to data collection and methodological improvements. We will provide an update on our progress in early December and what that means for the UK labour market release on 12 December 2023.