

Article

Reconciliation of estimates of jobs: December 2015

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



Contact:
Richard Clegg
richard.clegg@ons.gov.uk

Release date:
16 December 2015

Next release:
16 March 2016

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1. Background

This report compares the latest Workforce Jobs (WFJ) estimates with the equivalent estimates of jobs from the Labour Force Survey (LFS). This is produced every quarter, when the latest WFJ estimates are released

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, since it provides a more reliable industry breakdown than the LFS

2. Reconciliation estimates spreadsheet

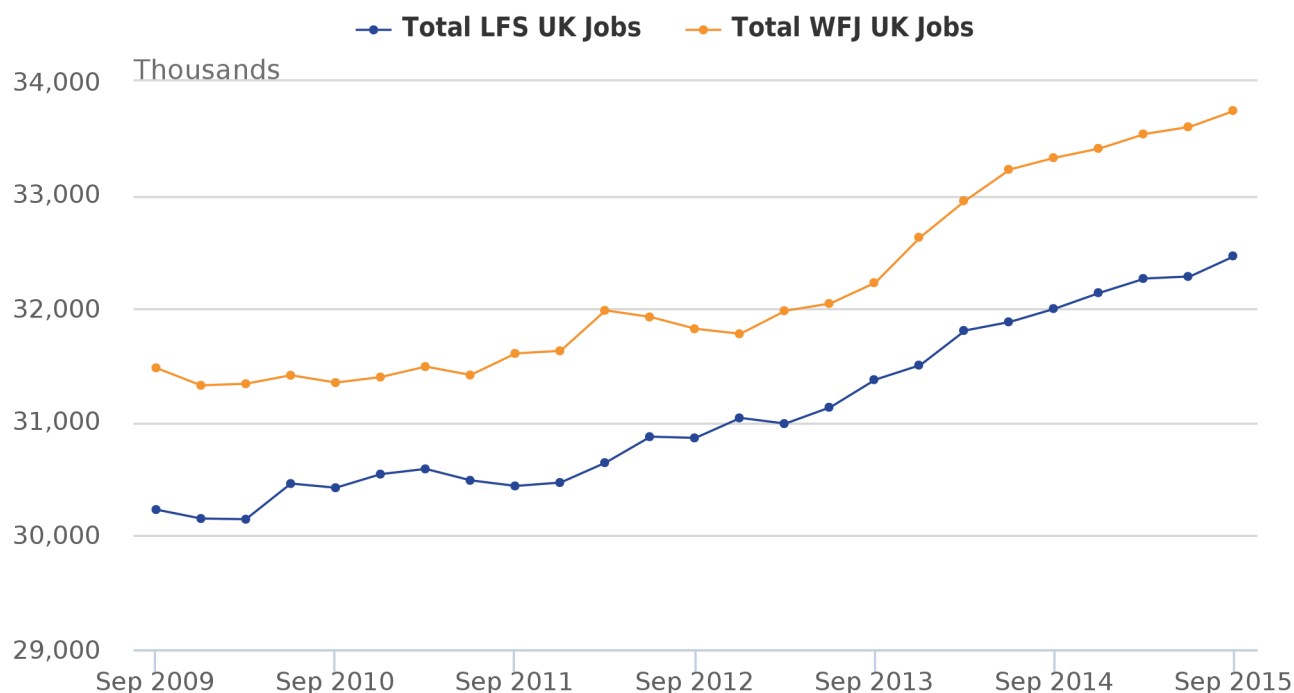
A spreadsheet containing Labour Force Survey and Workforce Jobs reconciliation estimates is available on the ONS website at [data table X03 \(114.5 Kb Excel sheet\)](#).

3. Comparison: September 2015

The LFS estimate of total UK jobs for the August to October 2015 three month period is calculated by adding together the LFS figures for total employment (31.302 million) and workers with second jobs (1.162 million). On comparing this LFS UK jobs estimate (32.464 million) with the corresponding WFJ figure for September 2015, (33.744 million) the LFS total jobs estimate is lower than the WFJ figure by 1.281 million (3.9 per cent)

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 quarterly periods, the LFS series shows a quarterly increase of 181,000 jobs (0.6 per cent) and the WFJ series shows an increase of 143,000 (0.4 per cent). On an annual basis the LFS series shows an increase of 464,000 (1.4 per cent) and the WFJ series shows an increase of 415,000 (1.2 per cent).

Figure 1: LFS and WFJ estimates of jobs as published, thousands (seasonally adjusted)



Source: Labour Force Survey - Office for National Statistics

[The 2006 National Statistics Quality Review of Employment and Jobs Statistics \(4.46 Mb Pdf\)](#) identified about 30 reasons why the LFS and WFJ estimates of jobs can differ from each other. 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 and WFJ figures are included in a downloadable spreadsheet within the 'download chart' option of this report.

4. Reconciliation

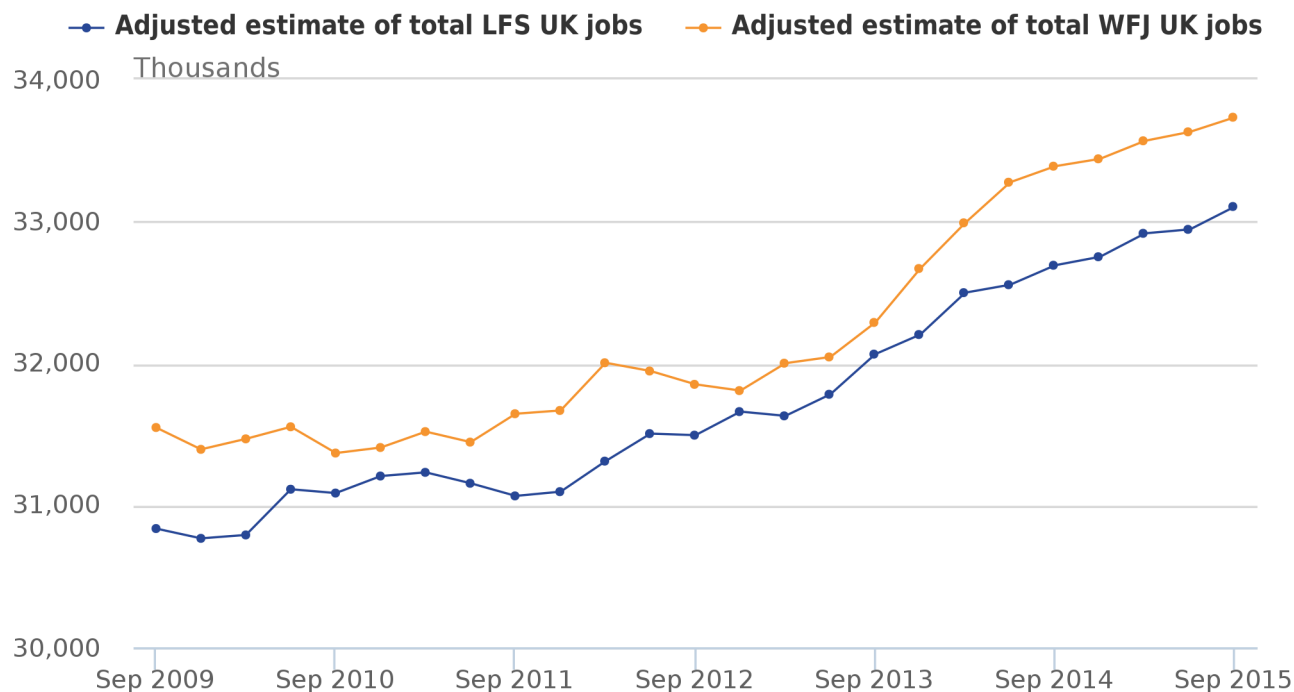
Methodological changes to the reconciliation have been made for the December 2015 release implemented for the September 2015 results. These changes follow on from changes made in the April 2013 and December 2014 releases

1. The latest IPS estimates for short term migrants in employment have been included in the adjustments
2. WFJ has been benchmarked to the [2014 Business Register and Employment Survey \(BRES\)](#)

Figure 2 shows the two jobs series adjusted to take into account the measurable factors causing differences between the LFS and WFJ statistics. Once these factors have been taken into consideration, the adjusted LFS estimate of total UK jobs is lower than the adjusted WFJ estimate, by 630,000 (1.9 per cent)

The difference between the adjusted LFS and WFJ estimates (630,000) is beyond the likely bounds of the sampling variability of the difference. The approximate sampling variability (95% confidence interval) is roughly $\pm 300,000$ to $\pm 400,000$. However, 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. There are about 20 additional factors that could explain the remaining difference between the LFS and WFJ estimates. As well as sampling variability, they include, for example, timing effects. The LFS estimates are averages for 3-month periods, whereas business surveys measure the number of jobs on a particular day

Figure 2: LFS and WFJ estimates of jobs adjusted for measurable differences, thousands (seasonally adjusted)



Source: Labour Force Survey - Office for National Statistics

5. 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

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs
- are well explained and readily accessible
- are produced according to sound methods
- are managed impartially and objectively in the public interest

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.