

# Performance and Quality Monitoring Report

April to June 2010

Labour  
Force  
Survey

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# Executive Summary

## April to June 2010

### Note:

Due to the move from processing the LFS on a seasonal quarter basis to processing on a calendar quarter basis from January 2006, all time series data have a break in series which corresponds to this change.

### Summary of achieved sample size

The achieved sample size for the UK LFS during April to June 2010 (AJ10) was **111,177** individuals in **48,803** households. Compared with the previous quarter (JM10), this represents an increase of 0.3 per cent in achieved person interviews and a 0.4 per cent increase in household interviews. Compared with the same period during 2009, this shows a decrease in achieved person interviews (2.7 per cent) and in household interviews (2.8 per cent).

### Summary of response rates

In AJ10, the total response rate for GB excluding imputed cases was **54.8** per cent. This is down 1.1 percentage points on the previous quarter, and down by 0.7 percentage points on AJ09.

The total response rate in AJ10 for GB including imputed cases was **60.3** per cent. This compares with 60.4 per cent in JM10 and 62.2 per cent a year ago.

The response rate varied across each wave of the survey, ranging from **64.5** per cent for wave 1 cases to **48.8** per cent for wave 5 (excluding imputed cases). Comparative response rates for the previous quarter are 64.6 per cent and 50.2 per cent respectively and for the same period 12 months ago, 65 per cent and 50.7 per cent.

In terms of the composition of non-response (Fig. 2.8), outright refusals account for a high percentage at 48.2 per cent, 0.3 percentage points lower than last quarter. Refusals made directly to HQ were down slightly on last quarter, 19.2 per cent from 19.5 per cent, and were up by 1.6 percentage points on the same period 12 months ago (17.6 per cent). Non-contacts increased by 0.3 percentage points from 13.2 per cent in JM10 to 13.5 per cent in AJ10. Refusal to re-interview for the same period a year ago was higher at 13.6 per cent, compared to 12.8 per cent in AJ10. Circumstantial refusals, at 6.3 per cent, decreased by 0.1 percentage points compared to 6.4 per cent last quarter, and were 0.2 percentage points lower than the same time a year ago.

The wave 1 response rate for the UK was **64.3** per cent (excluding imputed households because there is no imputation in the LFS at wave 1).

Regional response rate patterns (Fig. 2.11) indicate that the highest accumulated response rate across the five waves is 68.1 per cent in West Yorkshire. The highest wave one response rate was achieved in South Yorkshire (75.4 per cent), followed by Strathclyde (72.7 per cent). The lowest wave 1 response rates were in Inner London, at 52.0 per cent, followed by South East and the lowest wave 5 response rates were also for Inner London, at 43.8 per cent, followed by Outer London.

The overall proxy response rate is 31.8 per cent. Proxy response rates by the key characteristics: age, sex, ethnicity and economic activity - reveal that the highest rates are for the 16-17 age band at 84.5 per cent, the 18-19 age band at 69.3 per cent, for respondents on government training schemes (51.4 per cent) and for non-white respondents (38.9 per cent). The lowest proxy response rates are for females (26.8 per cent), respondents aged 20 and over (28.8 per cent), economically inactive respondents (29.3 per cent) and unpaid family workers (29.6 per cent).

## **Executive Summary (Continued)**

The average income response rate for AJ10 was 87.7 per cent. The data on income response rates by NS-SEC reveal that response rates at wave one are highest for small employers and own account workers (94.7 per cent). At wave five, response rates are highest for higher managerial and professional (91 per cent). Generally, there is only a small difference in the rates of the NS-SEC groups. The total level of response to the income questions has increased over the past 12 months to 87.7 per cent (response in AJ09 was 85.6 per cent).

The data on attrition rates reveal that those who drop out of the survey between waves 1 and 5, tend to be distributed fairly evenly by key characteristics, but are over-represented in the 16 - 19 and 20 - 29 age bands, in households with 5 or more people, in those on government schemes or unemployed and amongst those living in Inner and Outer London.

### **Delivery dates of data**

The client data file for the quarter for the United Kingdom was delivered 3 working days late (see Section 3 for further details).

### **Questionnaire Changes**

As of April 2010 the state pension age for women will change in a stepwise fashion, going up by one month every two months, until 65 is reached in April 2020.

The LFS will change its definition of 'pension age' from April to be all those aged 65 and over irrespective of gender.

The pension age change will affect these LFS questions:

LNLGIM, LIMITK, LIMITA, HEALYR, HEALPB, HEALIM, HEAL, LERND and LERNDB

These questions are asked of those NOT of pension age. All respondents 16-64 will be asked these questions from April 2010. As a result, more respondents than before will be routed to these questions. SCHM08 is also affected: routing to this variable has changed. Respondents will now be routed to this question if they are younger than 65, irrespective of gender

WRKING is also affected: routing to this variable has changed. Respondents will now be routed to this question if they are over 65 OR if SCHM08=66 OR TECLEC4=3

Details of New, Amended and Deleted questions for 2010 can be found in Section 5 (page 15).

### **Fieldwork issues**

No specific fieldwork issues were recorded for the April to June period. Further details relating to fieldwork issues can be found in Section 5 (page 15).

## SUMMARY OF QUALITY

### 1 RELEVANCE

*The degree to which the statistical product meets user needs for both coverage and content*

#### **Primary Purpose**

The primary purpose of the LFS is "the prompt publication of key aggregate, whole economy, indicators, for the integrated assessment of labour market conditions" (Review of the Labour Force Survey, ONS, 2002). The 'labour market' covers all aspects of people's work, including the education and training needed to equip them for work, the jobs themselves, job-search for those out of work, and income from work and benefits.

#### **Users and Uses**

Users of LFS data often combine it with related data from other sources to provide an overall view of the state of the labour market (section 6 provides more information about the reconciliation of LFS data with data from other sources). One of the most important users of this sort of assessment is the Bank of England's Monetary Policy Committee, which sets interest rates in order to meet the Government's inflation target.

Other key users of LFS data are HM Treasury and the Department for Work and Pensions, because they are responsible for UK economic and labour market policy. They are interested in a variety of indicators of the state of the labour market, including the number of people in employment, the number of hours worked, and the number of unemployed people (defined according to the International Labour Organisation - ILO). They often analyse these series by age groups, by regions and by gender. Other Government users include the Department for Business, Innovation and Skills (BIS) (formerly the Department for Innovation, Universities & Skills (DIUS) and the Department for Business, Enterprise and Regulatory Reform (BERR)), the Home Office, the Health & Safety Executive, the Scottish Government, and the Welsh Assembly Government.

At the international level, LFS data is used by the European Parliament, Council and Commission, the European Central Bank and DG Employment (Directorate-General for Employment, Social Affairs and Equal Opportunities). It is also used by the Organisation for Economic Co-operation and Development (OECD) and the International Labour Organisation (ILO).

Other users include local authorities, the Trades Union Congress (TUC), the Employer's Association, the Confederation of British Industry, the Institute of Employment Studies, the Institute for Public Policy Research, the National Institute of Economic and Social Research, the Policy Studies Institute, the Institute for Fiscal Studies, academic researchers, the media and the general public.

#### **Strengths and Limitations**

The strengths of the LFS are that it has the largest coverage of any household survey in the UK and can thus generate statistics for small geographical areas. In addition, the sampling errors are relatively small, as a result of the wave structure and the size of the survey. The survey covers a large range of employment-related variables and non-employment-related variables, allowing cross-linking analyses to be undertaken (e.g. earnings against educational attainment).

One of the limitations of the LFS is that the sample design provides no guarantee of adequate coverage of any industry, as the survey is not industrially stratified. The LFS coverage also omits communal establishments, except NHS housing, students in halls of residence and at boarding schools. Members of the armed forces are only included if they live in private accommodation. Also, workers under 16 are not covered.

## Relevance

### **Key Definitions**

The definitions of the three economic activity groups - employed, unemployed and economically inactive - which are used in the LFS are the standard International Labour Organisation (ILO) definitions. It should be noted that although the LFS uses ILO definitions, these definitions are not interpreted and applied in exactly the same way in different countries. For example, although 'working age' is a common term, different countries have different statutory school leaving and retirement ages. However, Eurostat collects data from Member States and adjusts them to produce comparable estimates.

## 2 ACCURACY

*The closeness between an estimated result and the (unknown) true value*

The main threats to accuracy are sources of error, namely sampling error and non-sampling error, where non-sampling error includes: coverage error, non-response error, measurement error, processing error and model assumption error.

Many of the sources of non-sampling error are difficult to measure. However, the LFS publishes detailed response rates for all waves of the survey and an overall response rate, including time-series (Tables 2.5 - 2.10). Response rates are also published by Government Office Region (GOR) for each wave during the particular quarter (Table 2.11). The LFS also publishes proxy response rates (Table 2.12), response rates for income questions by National Statistics (NS) socio-economic classification (Table 2.13) and attrition rates (Table 2.14).

Surveys, such as the LFS, provide estimates of population characteristics rather than exact measures. In principle, many random samples could be drawn and each would give different results, due to the fact that each sample would be made up of different people, who would give different answers to the questions asked. The spread of these results is the sampling variability, which generally reduces with increasing sample size. A confidence interval is a range of values, defined by a lower and upper bound, which indicates the variability of an estimate. Statistical methods are used to calculate the sampling variability from which the confidence interval can be determined. For example, with a 95 per cent confidence interval, it is expected that in 95 per cent of the survey samples, the resulting confidence interval will contain the true value that would be obtained by surveying the whole population.

The LFS routinely publishes details of achieved sample sizes in terms of achieved number of household and person interviews (Tables 2.1, 2.2 & 2.3) and sampling variability for estimates of key variables, where it is expected that in 95 per cent of samples the range would contain the true value (Table 2.4). In Table 2.4, the sampling variability gives the range above and below the estimate at a 95 per cent confidence level.

## Accuracy

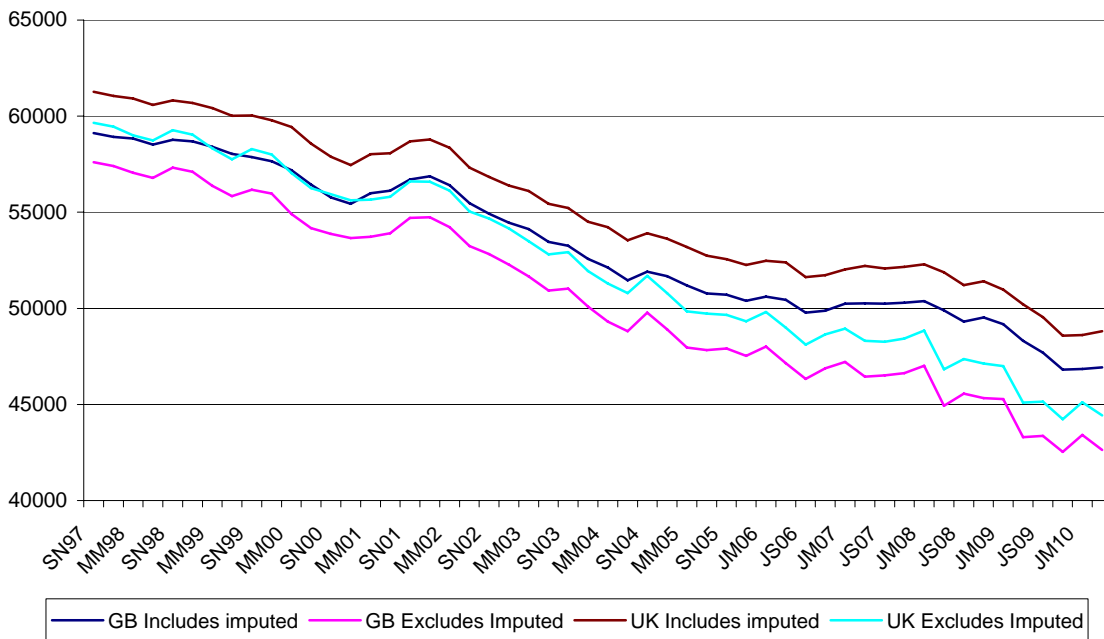
### 2.1 LFS QUARTERLY SURVEY

Achieved sample by type of household, AJ10

	GB		UK	
	Includes imputed	Excludes imputed	Includes imputed	Excludes imputed
Private households	46,928	42,627	48,797	44,429
Individuals in private households	106,519	94,053	111,165	98,521
NHS Households	6	4	6	4
Individuals in NHS households	12	8	12	8

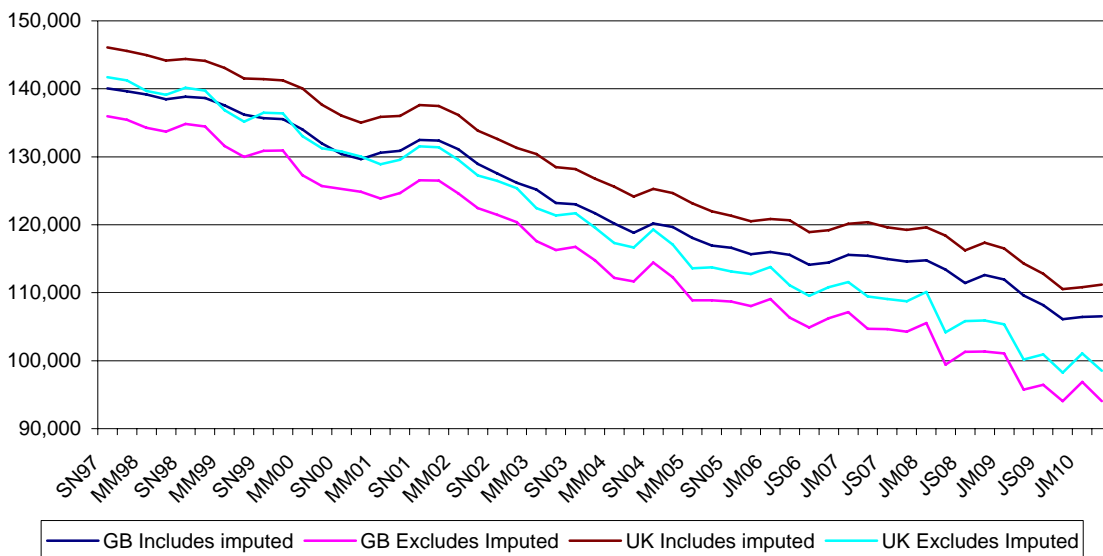
### 2.2 LFS QUARTERLY SURVEY

Achieved number of household interviews, GB and UK, SN97 to AJ10



### 2.3 LFS QUARTERLY SURVEY

Achieved number of person interviews, GB and UK, SN97 to AJ10





## Accuracy

### 2.4 LFS QUARTERLY SURVEY Sampling Variability, UK, AJ10

Variable	Estimate	Sampling variability +/-	Change on quarter	Sampling variability +/-	Change on year	Sampling variability +/-
Employment (000s)	28,933	150	188	151	63	141
Employment rate	70.3%	0.4	-1.5%	0.4	-2.2%	0.4
Average weekly hours worked (16+)	31.9	0.2	0.4	0.2	0.0	0.2
Unemployment (000s)	2,433	78	-68	79	25	62
Unemployment rate	7.8%	0.2	-0.2%	0.3	0.7%	0.2
Economically Active (000s)	31,366	140	121	140	88	132
Economic activity rate	76.3%	0.3	-2.0%	0.3	-2.4%	0.3
Economically Inactive (000s)	9,467	133	1,204	130	1,383	123
Economic Inactivity rate	23.7%	0.3	2.0%	0.3	2.4%	0.3
Inactive, not wanting a job (000s)	7,098	119	1,138	117	1,196	108
Inactive, wanting a job (000s)	2,369	75	66	74	187	70
Redundancies (000s)	152	19	-25	21	-116	16

Note: Estimates in Table 2.4 are not seasonally adjusted. The sampling variability estimates published in the quarterly PQM are direct estimates, whereas the sampling variability estimates published in the monthly Labour Market Statistics Statistical Bulletin are based on monthly approximations. This may result in small differences when comparing similar periods.

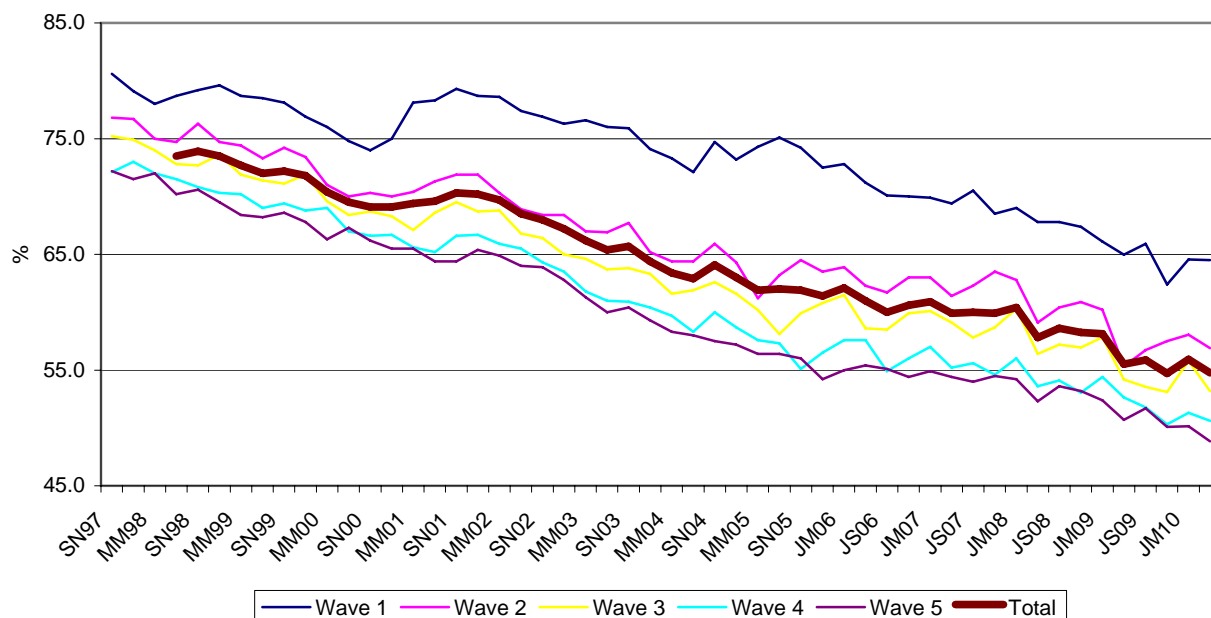
## Accuracy

### 2.5 LFS QUARTERLY SURVEY Wave specific response rates, Great Britain, excluding imputed households AJ10

	Wave 1 in AJ10		Wave 2 in AJ10		Wave 3 in AJ10		Wave 4 in AJ10		Wave 5 in AJ10		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>Eligible households found at selected units</b>	15,450	100.0	15,485	100.0	15,568	100.0	15,621	100.0	15,715	100.0	77,839	100.0
<b>Responding units</b>												
Total	9,967	64.5	8,809	56.9	8,279	53.2	7,907	50.6	7,674	48.8	42,636	54.8
Full	9,504	61.5	7,977	51.5	7,489	48.1	7,125	45.6	6,983	44.4	39,078	50.2
Partial	463	3.0	832	5.4	790	5.1	782	5.0	691	4.4	3,558	4.6
<b>Non-responding units</b>												
Circumstantial refusal	1,179	7.6	1,083	7.0	942	6.1	821	5.3	584	3.7	4,609	5.9
Outright refusal	1,830	11.8	2,514	16.2	3,129	20.1	3,533	22.6	3,889	24.7	14,895	19.1
Refusal to HQ	976	6.3	1,223	7.9	1,234	7.9	1,216	7.8	1,270	8.1	5,919	7.6
Non-contact	1,498	9.7	1,253	8.1	1,050	6.7	986	6.3	1,026	6.5	5,813	7.5
<b>Addresses not issued for interviewing</b>												
Refusal to re-interview	n/a	n/a	603	3.9	934	6.0	1,158	7.4	1,272	8.1	3,967	5.1
Co-operation rate		71.4		64.6		60.9		58.7		57.2		62.6
Contact rate		84.0		83.4		84.4		84.8		84.1		84.1

Note: Excludes households for which response has been imputed. The total response rate is the aggregate response rate for the quarter across all waves, based on all eligible, in-scope households. For a full definition of response categories and the method used to calculate the response rates, see Technical Definitions.

### 2.6 LFS QUARTERLY SURVEY Wave specific response rates, Great Britain, excluding imputed households, SN97 to AJ10



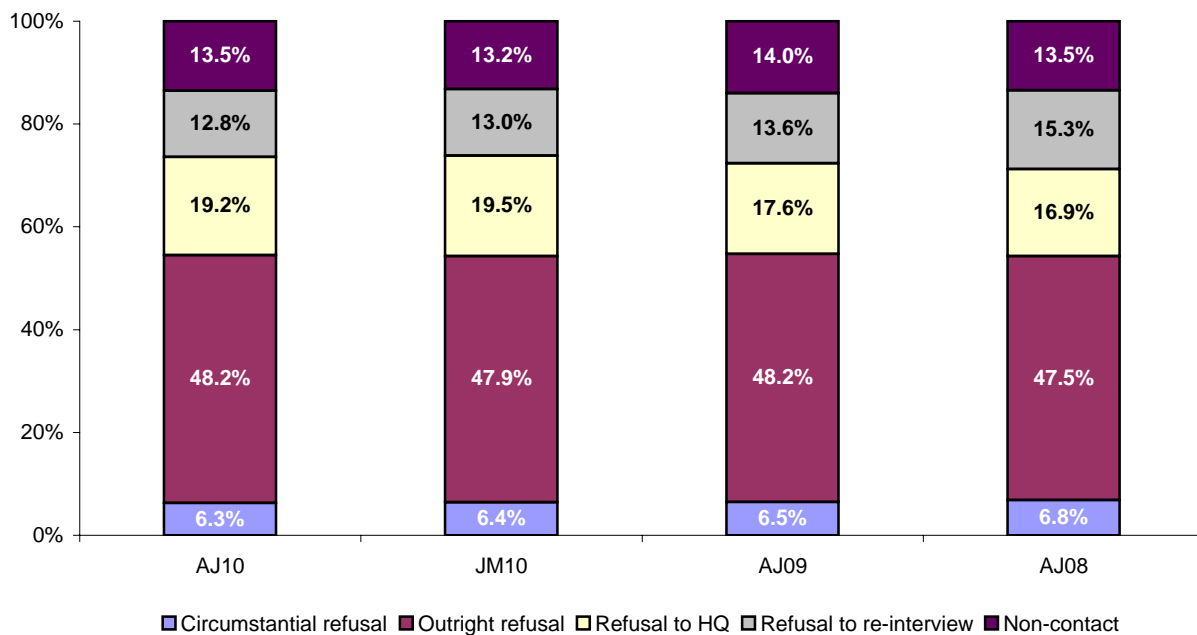
## Accuracy

### 2.7 LFS QUARTERLY SURVEY Wave specific response rates Great Britain, AJ10, including imputed households

	Wave 1 in AJ10		Wave 2 in AJ10		Wave 3 in AJ10		Wave 4 in AJ10		Wave 5 in AJ10		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>Eligible households found at selected units</b>	15,450	100.0	15,485	100.0	15,568	100.0	15,621	100.0	15,715	100.0	77,839	100.0
<b>Responding units</b>												
Total	9,967	64.5	10,139	65.5	9,392	60.3	8,980	57.5	8,461	53.8	46,939	60.3
Full	9,504	61.5	7,977	51.5	7,489	48.1	7,125	45.6	6,983	44.4	39,078	50.2
Partial	463	3.0	832	5.4	790	5.1	782	5.0	691	4.4	3,558	4.6
Imputed	-	-	1,330	8.6	1,113	7.1	1,073	6.9	787	5.0	4,303	5.5
<b>Non-responding units</b>												
Circumstantial refusal	1,179	7.6	280	1.8	205	1.3	144	0.9	129	0.8	1,937	2.5
Outright refusal	1,830	11.8	2,514	16.2	3,129	20.1	3,533	22.6	3,889	24.7	14,895	19.1
Refusal to HQ	976	6.3	1,223	7.9	1,234	7.9	1,216	7.8	1,270	8.1	5,919	7.6
Non-contact	1,498	9.7	726	4.7	674	4.3	590	3.8	694	4.4	4,182	5.4
<b>Addresses not issued for interviewing</b>												
Refusal to re-interview			603	3.9	934	6.0	1,158	7.4	1,272	8.1	3,967	5.1
Co-operation rate		71.4		66.5		62.1		59.3		56.9		63.2
Contact rate		84.0		84.7		85.0		85.7		84.9		84.7

Note: Excludes households for which response has been imputed. The total response rate is the aggregate response rate for the quarter across all waves, based on all eligible, in-scope households. For a full definition of response categories and the method used to calculate the response rates, see Technical Definitions.

### 2.8 LFS QUARTERLY SURVEY Composition of non-response, Great Britain, AJ10, including imputed households



Note: For definitions of the types of non-response, see Technical Definitions. Figures are based on the aggregate response for the quarter covering all waves.

## Accuracy

### 2.9 LFS QUARTERLY SURVEY Wave specific response rates, UK, AJ10, excluding imputed households

	Wave 1 in AJ10		Wave 2 in AJ10		Wave 3 in AJ10		Wave 4 in AJ10		Wave 5 in AJ10		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>Eligible households found at selected units</b>	16,291	100.0	na	na	na	na	na	na	na	na	na	na
<b>Responding units</b>												
Total	10,474	64.3	na	na	na	na	na	na	na	na	na	na
Full	9,998	61.4	na	na	na	na	na	na	na	na	na	na
Partial	476	2.9	na	na	na	na	na	na	na	na	na	na
<b>Non-responding units</b>												
Circumstantial refusal	1,207	7.4	na	na	na	na	na	na	na	na	na	na
Outright refusal	1,935	11.9	na	na	na	na	na	na	na	na	na	na
Refusal to HQ	992	6.1	na	na	na	na	na	na	na	na	na	na
Non-contact	1,683	10.3	na	na	na	na	na	na	na	na	na	na
<b>Addresses not issued for interviewing</b>												
Refusal to re-interview			na	na	na	na	na	na	na	na	na	na
Co-operation rate		71.7		na		na		na		na		na
Contact rate		83.6		na		na		na		na		na

Note: Excludes households for which response has been imputed. The total response rate is the aggregate response rate for the quarter, based on all eligible, in-scope households. See Technical Definitions for a full definition of response categories and the method used to calculate the response rates. Wave-specific response rates for Northern Ireland (and hence for UK) are currently not available and are denoted 'na'.

### 2.10 LFS QUARTERLY SURVEY Wave specific response rates, UK, AJ10, including imputed households

	Wave 1 in AJ10		Wave 2 in AJ10		Wave 3 in AJ10		Wave 4 in AJ10		Wave 5 in AJ10		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>Eligible households found at selected units</b>	16,291	100.0	na	na	na	na	na	na	na	na	na	na
<b>Responding units</b>												
Total	10,474	64.3	na	na	na	na	na	na	na	na	na	na
Full	9,998	61.4	na	na	na	na	na	na	na	na	na	na
Partial	476	2.9	na	na	na	na	na	na	na	na	na	na
Imputed	-	-	na	na	na	na	na	na	na	na	na	na
<b>Non-responding units</b>												
Circumstantial refusal	1,207	7.4	na	na	na	na	na	na	na	na	na	na
Outright refusal	1,935	11.9	na	na	na	na	na	na	na	na	na	na
Refusal to HQ	992	6.1	na	na	na	na	na	na	na	na	na	na
Non-contact	1,683	10.3	na	na	na	na	na	na	na	na	na	na
<b>Addresses not issued for interviewing</b>												
Refusal to re-interview					na	na	na	na	na	na	na	na
Co-operation rate		71.7		na		na		na		na		na
Contact rate		83.6		na		na		na		na		na

Note: The total response rate is the aggregate response rate for the quarter, based on all eligible, in-scope households. For a full definition of response categories and the method used to calculate the response rates, see Technical Definitions. Wave-specific response rates for Northern Ireland (and hence for UK) are currently not available and are denoted 'na'.

## Accuracy

### 2.11 LFS QUARTERLY SURVEY Wave specific response rates, AJ10, including imputed households, by GOR

	Wave 1 in AJ10	Wave 2 in AJ10	Wave 3 in AJ10	Wave 4 in AJ10	Wave 5 in AJ10	Total
<b>Government Office Region (GOR)</b>						
Tyne & Wear	65.8	74.3	70.0	65.7	57.8	66.7
Rest of North East	69.6	69.6	64.1	61.0	55.2	63.8
Greater Manchester	66.0	65.7	58.6	53.8	51.7	59.1
Merseyside	68.0	67.6	64.8	53.2	51.6	61.0
Rest of North West	69.3	69.3	65.3	61.1	57.3	64.5
South Yorkshire	75.4	69.9	68.7	63.2	58.3	65.7
West Yorkshire	71.5	76.3	69.1	64.6	59.5	68.1
Rest of Yorkshire and Humberside	71.2	70.7	67.9	62.9	55.8	65.7
East Midlands	67.9	68.9	66.4	62.6	55.8	64.3
West Midlands Metropolitan Council	62.8	61.5	57.6	57.6	53.4	58.6
Rest of West Midlands	67.7	68.2	62.2	59.8	58.5	63.3
East of England	63.6	64.3	59.0	60.1	55.8	60.6
Inner London	52.0	53.6	49.0	45.8	43.8	48.8
Outer London	58.9	57.7	51.3	48.6	44.1	52.1
South East	56.4	62.6	57.2	56.3	53.8	57.2
South West	65.0	63.3	62.5	58.9	54.6	60.8
<b>England</b>	<b>63.8</b>	<b>65.0</b>	<b>60.4</b>	<b>57.7</b>	<b>53.6</b>	<b>60.1</b>
<b>Wales</b>	<b>65.5</b>	<b>69.7</b>	<b>60.2</b>	<b>56.3</b>	<b>54.9</b>	<b>61.3</b>
Strathclyde	72.7	65.0	57.2	57.7	53.8	61.3
Rest of Scotland	70.8	70.3	61.7	55.3	56.8	62.9
<b>Scotland</b>	<b>71.7</b>	<b>68.0</b>	<b>59.8</b>	<b>56.3</b>	<b>55.5</b>	<b>62.2</b>
<b>Northern Ireland</b>	<b>60.3</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

Note: The total response rate is the aggregate response rate for the quarter, based on all eligible, in-scope households. Each wave reported here is an independent sample; for example, the wave 2 response in OD08 is based on response in that quarter plus the previous quarter (JS08) where it was issued as a wave 1 case. Wave-specific response rates for Northern Ireland are currently not available.

## Accuracy

### 2.12 LFS QUARTERLY SURVEY Proxy response, AJ10, GB

		All responses	Proxy	%
<b>Age</b>	Total (16+)	84,931	26,981	31.8
	16-17	2,773	2,343	84.5
	18-19	2,463	1,706	69.3
	20+	79,695	22,932	28.8
<b>Sex</b>	Total	84,931	26,981	31.8
	Male	40,472	15,059	37.2
	Female	44,459	11,922	26.8
<b>Ethnicity</b>	Total	84,931	26,981	31.8
	White	77,414	24,064	31.1
	Non-white	7,452	2,900	38.9
	Refused	65	17	26.2
<b>Economic activity (INECAC05)</b>	Total	84,931	26,981	31.8
	Employees	40,814	13,501	33.1
	Self-Employed	6,546	2,192	33.5
	Government schemes	210	108	51.4
	Unpaid family workers	159	47	29.6
	ILO Unemployed	3,842	1,342	34.9
	Inactive	33,360	9,791	29.3

Note: For definition of 'unpaid family workers', see Section 5.

### 2.13 LFS QUARTERLY SURVEY Income Response Rates by NS-SEC, GB, AJ10

	Wave 1 in AJ10	Wave 5 in AJ10	Total
<b>NS-SEC</b>	%	%	%
Higher managerial and professional	86.9	91.0	88.7
Lower managerial and professional	87.6	89.9	88.6
Intermediate occupations	86.8	90.0	88.1
Small employers and own account workers	94.7	73.3	85.3
Lower supervisory and technical	87.3	89.8	88.3
Semi-routine occupations	84.0	88.3	85.7
Routine occupations	85.7	85.6	85.7
<b>Total</b>	<b>86.5</b>	<b>89.3</b>	<b>87.7</b>

Note: The percentages in Table 2.13 are based on all eligible in-scope respondents at wave 1 and all eligible in-scope respondents at wave 5. The total response rate is the aggregate response rate for income for the quarter (wave 1 and wave 5), based on all eligible, in-scope respondents.

## Accuracy

### 2.14 LFS QUARTERLY SURVEY Summary of attrition by key characteristics, AJ10, GB

Column percentages

		Wave 1 in AJ09	Wave 5 in AJ10		
		Responds	Responds	Responds all waves	Non-responder
<b>Age</b>	<16	20.2	19.4	17.8	20.9
	16-19	5.0	4.4	4.0	5.9
	20-29	11.4	7.5	5.6	16.0
	30-39	12.9	11.4	10.4	14.7
	40-49	14.6	14.1	13.6	15.1
	50-59	12.1	13.1	13.1	11.2
	60-69	11.5	14.0	15.6	8.6
	70+	12.3	16.2	20.0	7.6
<b>Sex</b>	Male	48.4	47.8	47.4	49.2
	Female	51.6	52.2	52.6	50.8
<b>Econ Activity (INECAC05)</b>	Employees	36.9	36.0	34.5	37.9
	Self Emp	5.8	5.3	5.2	6.4
	Gov Sch.	0.1	0.1	0.1	0.2
	UPFW	0.2	0.2	0.2	0.1
	ILO Unemp	3.5	3.0	2.6	4.0
	Inactive	30.9	35.3	39.9	25.6
	<16	22.6	20.0	17.5	25.8
<b>Number of people in household (TOTNUM)</b>	1	12.2	14.3	16.2	9.6
	2	30.2	33.7	36.7	25.9
	3	20.0	19.0	17.3	21.2
	4	23.0	21.3	20.3	25.1
	5	9.4	8.3	6.6	10.7
	6 or more	5.2	3.5	2.9	7.4
<b>Region (GOVTOR)</b>	Tyne & Wear	2.0	1.9	2.2	2.1
	Rest of North East	2.6	2.7	2.8	2.3
	Greater Manchester	4.5	4.1	4.0	4.8
	Merseyside	2.3	2.1	2.0	2.5
	Rest of North West	5.5	5.7	5.8	5.2
	South Yorkshire	2.5	2.4	2.6	2.6
	West Yorkshire	4.0	4.4	4.3	3.5
	Rest of Yorkshire and Humberside	3.1	3.2	3.3	2.9
	East Midlands	7.6	7.7	7.5	7.3
	West Midlands Metropolitan Council	4.3	4.0	3.8	4.6
	Rest of West Midlands	5.5	5.9	6.2	5.0
	East of England	9.6	10.2	10.8	8.9
	Inner London	4.1	2.5	1.8	6.2
	Outer London	7.1	5.5	4.6	8.9
	South East	12.9	13.4	13.6	12.2
	South West	8.6	9.4	9.8	7.5
Wales	5.0	5.3	4.9	4.7	
Strathclyde	3.8	3.8	4.0	3.8	
Rest of Scotland	5.4	5.6	6.0	5.0	

Note: The column, *Wave 1 in XXXX Responds*, shows the percentage of responders in each key characteristics category at wave 1. The column, *Wave 5 in XXXX Responds*, shows the percentage of responders in each key characteristics category at wave 5. A significant decline in the values between waves 1 and 5 denotes a higher rate of attrition than where values are consistent between waves 1 and 5 or higher at wave 5.

### 3 TIMELINESS AND PUNCTUALITY

*Timeliness refers to the lapse of time between publication and the period to which the data refer. Punctuality refers to the time lag between the actual and planned dates of publication.*

#### 3 Delivery dates of data

##### 3.1 To ONS Household and Labour Market Division (HLMD)

Scheduled delivery date for file: July 27, 2010

Achieved delivery date for file: July 30, 2010

Time lag between delivery date and the end of the reference period: 33 days

##### 3.2 Data file for other users

Scheduled availability date for Regional Public & Government normal release user files: August 11, 2010

###### *Recipients*

Economic and Social Research Council  
Department for Business Innovation and Skills  
Employment Policy Institute  
Department for Enterprise, Trade and Investment (Northern Ireland)  
Health and Safety Executive  
Home Office  
Department for Work and Pensions  
Bank of England  
Her Majesty's Treasury  
Scottish Government \ Scottish Executive  
Learning and Skills Council  
Low Pay Commission  
Inland Revenue  
Welsh Assembly Government  
House of Commons Library  
Department for Communities and Local Government  
Department for Culture Media and Sport  
Department for Transport



## 4 ACCESSIBILITY AND CLARITY

*Accessibility is the ease with which users are able to access the data, also reflecting the format(s) in which the data are available and the availability of supporting information. Clarity refers to the quality and sufficiency of the metadata, illustrations and accompanying advice.*

The UK Data Archive at Essex University provides free access to the various LFS datasets and can be contacted via the website: <http://www.data-archive.ac.uk>

A highly disaggregated dataset, which covers a wealth of data for local areas, is available free from NOMIS: <http://www.nomisweb.co.uk>

The Social Surveys Team provide LFS data for a fee, and can be contacted by phone (01633 455678) or email: [socialsurveys@ons.gsi.gov.uk](mailto:socialsurveys@ons.gsi.gov.uk)

Labour Market data, including data from the LFS, are published every month through Statistical Bulletins (formerly First Releases). These include text, tables and charts. Data contained within the Bulletins are available to download, free of charge, from the National Statistics website. Paper copies are available through subscription from the ONS Press Office, by phone (01633 455957) or email: [press.office@ons.gsi.gov.uk](mailto:press.office@ons.gsi.gov.uk). All the main series contained within the releases are available from the website: <http://www.statistics.gov.uk/statbase/product.asp?vlnk=1944>

A more detailed set of data are published each month in the Economic and Labour Market Review (formerly Labour Market Trends), published by Palgrave Macmillan: [www.palgrave.com/ons](http://www.palgrave.com/ons), these are available in PDF format from the website: [www.statistics.gov.uk/elmr/](http://www.statistics.gov.uk/elmr/)

The Labour Market Guide can be accessed from the website: <http://www.statistics.gov.uk/about/data/guides/LabourMarket>

The Summary Quality Report for Labour Market data releases can be accessed from the website: <http://www.statistics.gov.uk/cci/article.asp?id=1354>

The Labour Market helpline can be contacted by phone (01633 456901) or email: [labour.market@ons.gov.uk](mailto:labour.market@ons.gov.uk)

## 5 COMPARABILITY

*The degree to which data can be compared over time and domain*

### **Background**

The LFS began in 1973 and was carried out every 2 years until 1983. Between 1984 and 1991, data were collected annually and the survey has been running in its present form, with quarterly sampling, since spring 1992. It is carried out under European Union Regulations which specify the way in which the survey should be conducted, the quality of the results that Member States supply to Eurostat and the timetable for supplying results. Although the LFS began as a survey designed to meet international obligations, its primary purpose is now (as stated in section 1, Relevance), "the prompt publication of key aggregate, whole economy, indicators, for the integrated assessment of labour market conditions" (Review of the Labour Force Survey, ONS, 2002).

### **Definitions**

The definitions of the three economic activity groups - employed, unemployed and economically inactive - which are used in the LFS are the standard International Labour Organisation (ILO) definitions.

**Economically active** - those aged 16 or over, who are either employed or unemployed in the survey reference week.

**Employed** - those aged 16 or over, who are regarded as in employment if they did at least one hour of work in the reference week (as an employee, self-employed, unpaid workers in a family business or participants in government-supported training schemes) and those who had a job that they were temporarily away from (for example, if they are on holiday).

**Unemployed** - those aged 16 or over, who are without work, want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks; or are out of work but have found a job and are waiting to start it within the next two weeks.

**Economically inactive** - those who are neither in employment nor unemployed. This group includes, for example, all those who are looking after a home or family, have a long-term illness or disability which prevents them working or are retired.

**Unpaid family workers** - those who are doing unpaid work in a family business.

## Comparability

### Questionnaire Changes

**New questions for 2010:** WHYUK10, QDIPTY, HPRMB2, HOW1CAUS, HOW2CAUS, HOW3CAUS, RELBUP (NI)

**Eurostat Ad Hoc Module 2010:** REGCARA, REGCARB, CHILD14, CHILDCAA, CHLDCAB, IMPFAX, IMPFAY, NOWRCH, NOWRCA, VARHRA, VARHRB, POSTND, POSGWT, CHILD8, CHLDAGE, REDWORK, STOPWORK, STOPWKB, PARLEAVE, PARLEB

**Amended questions for 2010:** CHKST, XMARSTA, NEWDEA10, SOCENT, SECSOC, SECOTH, NDTP10, PTNCRE7, NWNCRE, ACCY, M3CRY, M3CRYO, TCQL10, QULS10, QLYR10, RSA, RSAOTH, TPQL10, TCNW10, OCRN10, OCRQ10, CGNW10, GNVQ4, GNVQ40, TSTE10, CGQUL10, TFEE10, JBTP10, JB2T10, PDWG10, SELF, FLEX10, TPBEN09, BENFTS, NTAXCRD5, NEETS, USESLP, CHK\_NUM1, HEAL, CRYDEG, UNION, START, HRRATE, TEMLEN, ACCM, YNOTFT, YPTCIA, LSSOTH, CURSUB, YERQAL1, REASOFF9, GOBACK, GOBCK9, CURQAL, YERQAL2, YERQAL3, SUBQAL, TRNI10 (NI), QUALCH9, (went live in OD09)

**Deleted questions for 2010:** HOWCAUSE, GNVQUL5, TMPCON, TMPPAY, CHATT5, CHINF, CHPEO, CHPRI, CTRM, MOVED, COTH, CASHTIM, CASHFUL, DRIVL, DRFP, DLTY, TRLEAVE, TREFEMP, TREF, TDIFEMP, TRDSAME, TDIFT, REDSUPV, REDSOLO, REDMPN2, REDMNGE, UNWYMN, UNDSKHR, UNDNST, UNDABL, OVST, OVSKHR, OVNST, OVABL, EXTHRS, YSTRTF, INETME, BEFOR, EXTOTH

### Fieldwork Issues

Heavy snow in January 2010 caused numerous issues for both field and telephone interviewers. This is likely to have impacted response rates to some degree. An analysis of the impact of this disruption will be carried out.

The Integrated Household Survey (IHS) was launched in January 2008 with three ONS surveys - GLF, LCF and OPN. Any impact this may have on existing surveys such as the LFS is being monitored.

Work to improve field capacity, specifically in terms of more aggressive recruitment of field staff is ongoing and interviewer numbers have been on the increase. On-going efforts at improving response rates have led to the implementation of a number of initiatives such as the Interviewer Learning Programme which was introduced in April 2008 to provide a structured programme of training for new interviewers.

### Harmonisation

Detailed information about harmonisation and the LFS can be found in the Labour Force Survey User Guide Volume 1: LFS Background & Methodology which can be accessed through the website:

<http://www.statistics.gov.uk/statbase/Product.asp?vlnk=1537>

## 6 COHERENCE

*The degree to which data that are derived from different sources or methods, but which refer to the same phenomenon, are similar*

### **Data Sources**

The LFS is one of a number of sources of data about the labour market. Some sources provide data which overlap with LFS data on employment, unemployment and earnings. ONS has published guidance about the strengths and limitations of each source in relation to these topics and has indicated which source is the most appropriate for different purposes. Details can be found in the Labour Market Guide, which can be accessed from the website:

<http://www.statistics.gov.uk/about/data/guides/LabourMarket>

### **Strengths and Limitations of the LFS**

The strengths of the LFS are that it has the largest coverage of any UK household survey and can thus generate statistics for small geographical areas. In addition, the sampling errors are relatively small, as a result of the wave structure and size of the survey. The survey covers a large range of employment-related variables and non-employment-related variables, allowing cross-linking analyses to be undertaken (e.g. earnings against educational attainment).

One of the limitations of the LFS is that the sample design provides no guarantee of adequate coverage of any industry, as the survey is not industrially stratified. The LFS coverage also omits communal establishments, excepting NHS housing and students in halls of residence. Members of the armed forces are only included if they live in private accommodation. Also, workers under 16 are not covered.

### **Employment, Unemployment and Economic Inactivity**

The LFS is the source recommended by ONS for certain employment-related statistics (e.g. estimates of the number of people in employment or unemployed). The LFS is also a unique source of comprehensive, coherent information about economic inactivity, where it provides information separately about people who want a job and those who do not.

### **Number and Industrial Composition of Jobs**

The workforce jobs (WFJ) series provides estimates of the number of jobs in the UK economy and is the source recommended by ONS for both the number of jobs and the industrial composition of jobs. Workforce jobs consist of the sum of employee jobs, self-employment jobs, jobs in the armed forces and government-supported trainees. Civilian workforce jobs are available by geographical region, gender and broad industry. Total workforce jobs are available by gender and broad industry.

### **Earnings**

For estimates of change in earnings (e.g. pay growth in the economy), the Average Earnings Index (AEI) is the most suitable source. It provides industry and whole-economy information, but excludes small employers, the self-employed and government-supported trainees. Pay, commission, bonuses, overtime and pay award arrears are included, but redundancy payments and benefits in kind are excluded. The Annual Survey of Hours and Earnings (ASHE) includes information about the levels, distribution and make-up of earnings and hours worked for employees in different occupations, industries, ages and regions. It should be used when the information required is not available from the AEI (such as for occupational groups or regional analyses) and is the preferred source of the earnings of full-time employees and of the average hourly earnings of all employees. The LFS should be used when the information is not available from the AEI or from ASHE and is the preferred source of data about the earnings of part-time and low-paid employees.

## 7 SUMMARY OF METHODS

The LFS covers private households, including persons who are temporarily absent. The resident population comprises persons who regard the sample address as their main address, and also those who have lived in the dwelling for more than six consecutive months, even if they do not regard this as their principal dwelling. Persons absent for more than six months are not regarded as members of the resident population. A private household comprises one or more persons whose main residence is the same dwelling and/or who share at least one meal per day. Students living in halls of residence and pupils at boarding school are sampled via the private households of their parents. In Great Britain, an additional sample is drawn from persons living in National Health Service accommodation.

The year is divided into quarters of 13 weeks. Prior to January 2006, these were seasonal quarters: winter (December to February), spring (March to May), summer (June to August) and autumn (September to November). From January 2006, the LFS has been conducted on the basis of calendar quarters: Q1 - January to March, Q2 - April to June, Q3 - July to September and Q4 - October to December.

For most of Great Britain, the survey base is the Royal Mail's PAF (Postcode Address File), a database of all addresses receiving mail. The list is limited to addresses receiving fewer than 25 items of post per day, so as to exclude businesses. Because of the very low population density in the far north of Scotland (north of the Caledonian Canal), telephone directories are used as sampling frames, and interviews are carried out by telephone because face-to-face interviews would be too expensive. In Northern Ireland, the Rating and Valuation Lists (which serve for the administration of land taxes) are used.

In Great Britain, a systematic sample is drawn each quarter from the three sampling bases, yielding 16,640 PAF addresses, 75 telephone numbers for the north of Scotland and 36 units of National Health Service housing. As the PAF is broken down geographically, the systematic sampling ensures that the sample is representative at regional level. In Northern Ireland, a simple random sample is drawn, each quarter, from each of three strata, giving 650 addresses in all.

A rotation system comprising five waves is used. Respondents are interviewed five times at 13-week intervals and one-fifth of the sample is replaced each quarter. Interviews are carried out on a face-to-face basis with the help of portable computers (CAPI) for the interviews in the first wave. In the far north of Scotland (north of the Caledonian Canal) and for interviews in the second to fifth waves, wherever possible, interviews are carried out by telephone (CATI).

Further details of the methodology used in the LFS can be found in the Labour Force Survey User Guide Volume 1: LFS Background & Methodology, which can be accessed through the website: <http://www.statistics.gov.uk/statbase/Product.asp?vlnk=1537>.

## 8 TECHNICAL DEFINITIONS

### Imputation

If a household is unavailable for interview, but was interviewed in the previous wave, responses from the previous wave are rolled forward. This is referred to as 'imputation'. Imputation is carried out to minimise non-response bias in estimates, while simultaneously improving precision by boosting the sample size. The rationale is that most LFS variables do not change from one quarter to another for most people. Responses are rolled forward for one wave only. Data are not rolled forward after a second consecutive non-response. Tables and charts (at person or household level) containing responses which have been rolled forward from the previous wave are denoted by the term 'including imputed'. Tables and charts which do not contain responses which have been rolled forward from the previous wave are denoted by the term 'excluding imputed'.

### Method of Calculating Sampling Variability

The sampling variability is the spread of results which would be obtained if different samples were drawn. A confidence interval is a range of values, defined by a lower and upper bound, which indicates the variability of an estimate. Statistical methods are used to calculate the sampling variability from which the confidence interval can be determined. For example, with a 95 per cent confidence interval, it is expected that in 95 per cent of the survey samples, the resulting confidence interval will contain the true value that would be obtained by surveying the whole population. The statistical methodology used to calculate the sampling variability published in this report can be found at the website below:

<http://nswebcopy/about/data/methodology/default.asp>

### Method of Calculating Response Rates

The response rate indicates how many interviews were achieved as a proportion of those eligible for the survey. The formula used is as follows:

$$RR = (FR + PR)/(FR + PR + OR + CR + RHQ + NC + RRI^*)$$

where RR = response rate, FR = full response, PR = partial response, OR = outright refusal, CR = circumstantial refusal, RHQ = refusal to HQ, NC = non contact, RRI = refusal to re-interview, \*applies to waves 2 to 5 only.

### Definitions of Response Outcome Categories

A **full response** denotes a household in which each household member has answered all applicable questions.

A **partial response** denotes a household in which questions were not completed because someone refused to be interviewed, refused part way through the questionnaire or refused to let someone else answer on his or her behalf. However, at least one question block must have been completed. If only part information has been collected for a one-person household, it is coded as a refusal or non-contact.

An **outright refusal** is a household which refuses to respond to the survey and the interviewer feels that there is no chance of an interview at the current or in any future wave.

A **circumstantial refusal** is a household where the respondent refuses to respond because of a temporary circumstance (e.g. going on holiday, too busy during the field period). A circumstantial refusal enables an interviewer to call back at the next wave.

A **refusal to HQ** is a household which contacts headquarters to refuse to participate in the survey in response to the advance letter.

A **non-contact** arises when an address is occupied, but where it has not been possible to contact any member of the household in the field period.

A **refusal to re-interview** is a household which takes part in the survey (at one or more of waves one to four) but which, when asked to take part in the next wave (waves two to five), refuses.

## Technical Definitions

### **Method of Calculating Income Response Rates**

The income question is asked at wave 1 and wave 5 only. Individuals aged 16-69 who are in employment in the reference week, form the sub-set of respondents who are eligible for these questions. The percentage response rates for the income questions are based on all eligible, in-scope respondents at wave 1 and all eligible, in-scope respondents at wave 5. The total response rate is the aggregate response rate for income for the quarter (wave 1 and wave 5), based on all eligible, in-scope respondents.

### **NS-SEC**

NS-SEC is the National Statistics Socio-Economic Classification, which replaces previous classifications which were based on social class and social and economic group.

### **Proxy Response**

The LFS has to complete fieldwork to a tight timetable and interview as many of the sampled households as possible, which leaves limited time for recalls. LFS interviewers try to interview every adult (aged 16+) in each sampled household. However, when a household member is unavailable for interview, interviewers accept information by proxy from another responsible adult in the household. The proxy respondents are normally people living with a partner on behalf of their partner, and parents on behalf of their adult offspring who live with them.

### **Attrition**

Attrition is the term applied to respondents who begin the survey but subsequently drop out. It has been known for some time that these respondents tend to have different characteristics to those who remain in all waves of the survey, which can, therefore, result in attrition bias. For example, if respondents in a particular age band have a higher tendency to drop out (attrition rate) than respondents in other age bands, then they will be under-represented in subsequent waves of the survey and in estimates.

## Website References

Labour Force Survey User Guides	<a href="http://www.statistics.gov.uk/statbase/Product.asp?vlnk=1537">http://www.statistics.gov.uk/statbase/Product.asp?vlnk=1537</a>
Labour Market Guide	<a href="http://www.ons.gov.uk/about-statistics/user-guidance/lm-guide/index.html">http://www.ons.gov.uk/about-statistics/user-guidance/lm-guide/index.html</a>
Labour Market Statistics Statistical Bulletin	<a href="http://www.statistics.gov.uk/statbase/product.asp?vlnk=1944">http://www.statistics.gov.uk/statbase/product.asp?vlnk=1944</a>
Labour Market Trends	<a href="http://www.statistics.gov.uk/statbase/product.asp?vlnk=550">www.statistics.gov.uk/statbase/product.asp?vlnk=550</a>
Economic and Labour Market Review	<a href="http://www.statistics.gov.uk/elmr/">www.statistics.gov.uk/elmr/</a>
Labour Force Survey Summary Quality Report	<a href="http://www.ons.gov.uk/about-statistics/methodology-and-quality/quality/qual-info-economic-social-and-bus-stats/quality-reports-for-social-statistics/index.html">http://www.ons.gov.uk/about-statistics/methodology-and-quality/quality/qual-info-economic-social-and-bus-stats/quality-reports-for-social-statistics/index.html</a>
Methodology for the Calculation of Sampling Variability in the Labour Force Survey	<a href="http://nswebcopy/about/methodology_by_theme/downloads/LFS_SamplingVariability.pdf">http://nswebcopy/about/methodology_by_theme/downloads/LFS_SamplingVariability.pdf</a>
NOMIS	<a href="http://www.nomisweb.co.uk">www.nomisweb.co.uk</a>
Summary Quality Report for Labour Market Data Releases	<a href="http://www.statistics.gov.uk/ci/article.asp?id=1354">http://www.statistics.gov.uk/ci/article.asp?id=1354</a>
UK Data Archive, University of Essex	<a href="http://www.data-archive.ac.uk">http://www.data-archive.ac.uk</a>