

**LABOUR FORCE SURVEY
PERFORMANCE AND QUALITY
MONITORING REPORT**

October to December 2008

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Executive Summary

October to December 2008

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 October to December 2008 (OD08) was **117,373** individuals in **51,408** households. Compared with the previous quarter (JS08), this represents an increase of 0.99 per cent in achieved person interviews and 0.40 per cent increase in household interviews. Compared with the same period during 2007, this shows a decrease in achieved person interviews (1.57 per cent) and in household interviews (1.45 per cent).

Summary of response rates

In OD08, the total response rate for GB excluding imputed cases was **58.2** per cent. This is down 0.4 percentage points on the previous quarter, and down by 1.7 percentage points on JS07.

The total response rate in OD08 for GB including imputed cases was **63.6** per cent. This compares with 63.4 per cent in JS08 and 64.6 per cent a year ago.

The response rate varied across each wave of the survey, ranging from **67.4** per cent for wave 1 cases to **53.2** per cent for wave 5 (excluding imputed cases). Comparative response rates for the previous quarter are 67.8 per cent and 53.6 per cent respectively and for the same period 12 months ago, 68.5 per cent and 54.5 per cent.

In terms of the composition of non-response, (Fig. 2.8), outright refusals account for a high percentage at 48.7 per cent, 0.9 percentage points higher than last quarter. Refusals made directly to HQ were slightly up on last quarter and on the same period 12 months ago (16.5 compared to 16.4 and 16.4 per cent respectively). Non-contacts decreased by 0.3 percentage points from 14.1 per cent in JS08 to 13.8 per cent in OD08. Refusal to re-interview for the same period a year ago was higher at 16.5 per cent, compared to 14.2 per cent in OD08. Circumstantial refusals, at 6.7 per cent, were down from last quarter and a year ago (both 7.1 per cent).

The wave 1 response rate for the UK was **67.2** per cent (excluding imputed households because there is no imputation in the LFS at wave 1).

Regional response rate patterns indicate that the highest accumulated response rate across the five waves is 70.9 per cent in West Yorkshire. The highest wave one response rate was achieved in the Rest of the North West (76.2 per cent), followed by West Yorkshire (75.4 per cent). The lowest wave 1 and wave 5 response rates were in Inner London, at 54.9 and 47.2 per cent of the in-scope population respectively, followed by Outer London.

The overall proxy response rate is 32.4 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 85.6 per cent, the 18-19 age band at 70.0 per cent, for respondents on government training schemes (52.6 per cent) and for non-white respondents (40.3 per cent). The lowest proxy response rates are for females at 27.5 per cent and unpaid family workers (24.9 per cent), economically inactive respondents (28.8 per cent) and respondents aged 20 and over (29.4 per cent).

Executive Summary (Continued)

The average income response rate for OD08 was 86.1 per cent. The data on income response rates by NS-SEC reveal that response rates at wave one are highest for intermediate occupations (91.3 per cent). At wave five, response rates are highest for lower managerial and professional occupations (88.6 per cent). Generally, there is only a small difference in the rates of the NS-SEC groups. The total levels of response to the income questions has increased slightly over the past 12 months (response in OD07 was 84.9 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 20 - 29 age band, households with 3 or more people, employees and unemployed and amongst those living in London.

Delivery dates of data

The client data file for the quarter for the United Kingdom was delivered on schedule.

Questionnaire Changes

New questions - New questions to the survey are usually introduced in January each year. Therefore, no questions were added to the October to December 2008 questionnaire.

Amended questions - There was no amendment to the questionnaire.

The following questions are specific to the OD08 quarter:

CarADv, CarADv2, HghNow, HOLs, BHOLCHK, BHOLCOR, BANK, BNKHOL, BNKHOLF, BHPAID, BHNOTA, BHNOTB, BHNOTC, NoLWF, NWNCre, YSTRTF, QulAdv, QulFut, TUCov, TUPres, Union, CHATT, CHINF, CHPRI, CTRM, CHPEO, COTh, TrvTme, TrvMth and TrvDrv.

The following questions are specific to AJ and OD quarters:

DaysPZ, Flex9d, Lssoth, YNotFt and YPTCIA.

Deleted questions - No questions were removed from the questionnaire this quarter.

Fieldwork issues

A leap week was added between the last week of the July - September quarter and the first week of the October to December quarter. Therefore the fieldwork period covered by this quarter of the LFS was from Monday 6th October 2008 to Sunday 4th January 2009.

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 to provide a structured programme of training for new interviewers. In December 2008 a book of stamps was issued to households as an incentive to take part.

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 Innovation, Universities & Skills (DIUS), 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

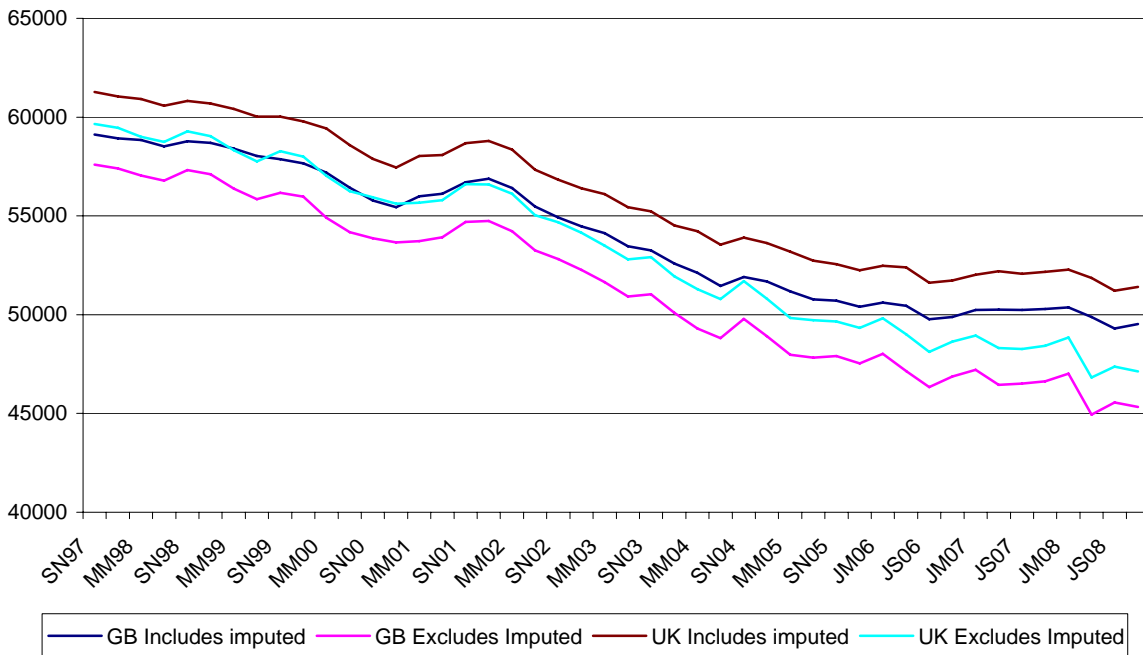
2.1 LFS QUARTERLY SURVEY

Achieved sample by type of household, OD08

	GB		UK	
	Includes imputed	Excludes imputed	Includes imputed	Excludes imputed
Private households	49,519	45,330	51,403	47,124
Individuals in private households	112,612	101,330	117,367	105,896
NHS Households	5	4	5	4
Individuals in NHS households	6	4	6	4

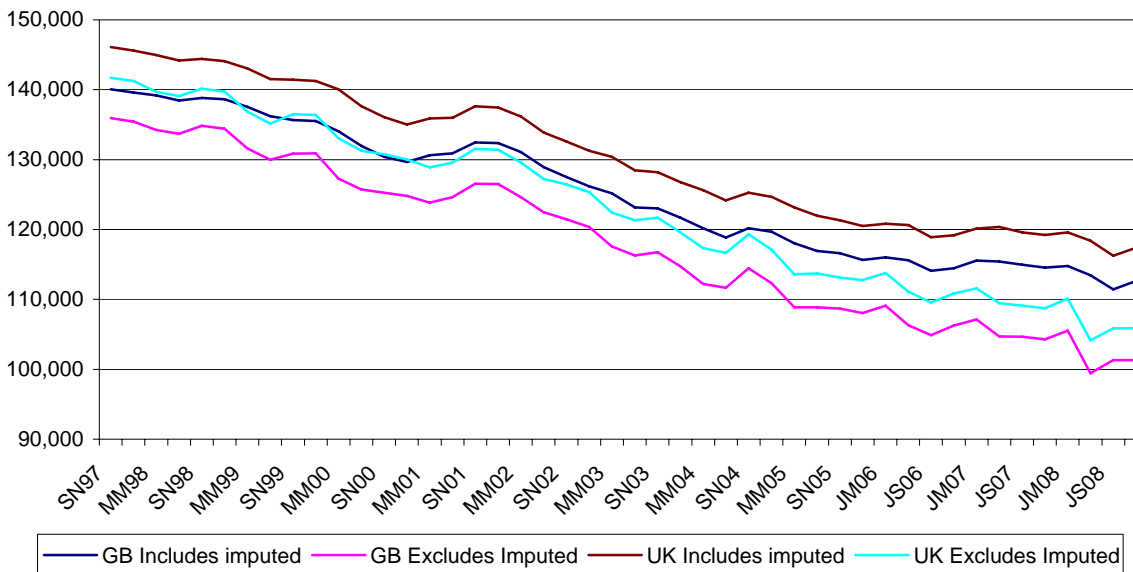
2.2 LFS QUARTERLY SURVEY

Achieved number of household interviews, GB and UK, SN97 to OD08



2.3 LFS QUARTERLY SURVEY

Achieved number of person interviews, GB and UK, SN97 to OD08



Accuracy

2.4 LFS QUARTERLY SURVEY Sampling Variability, UK, OD08

Variable	Estimate	Sampling Variability +/-	Change on quarter	Sampling variability +/-	Change on year	Sampling variability +/-
Employment (000s)	29,443	142	-89	141	668	136
Employment rate	74.2%	0.4	-0.4%	0.3	-0.6%	0.3
Average weekly hours worked (16+)	32.0	0.2	0.6	0.2	-1.0	0.1
Unemployment (000s)	1,956	67	34	67	439	57
Unemployment rate	6.2%	0.2	0.1%	0.2	1.2%	0.2
Economically Active (000s)	31,399	133	-56	132	1,107	129
Economic activity rate	79.3%	0.3	-0.3%	0.3	0.4%	0.3
Economically Inactive (000s)	7,833	123	132	123	84	119
Economic Inactivity rate	20.7%	0.3	0.3%	0.3	-0.4%	0.3
Inactive, not wanting a job (000s)	5,760	109	210	108	33	106
Inactive, wanting a job (000s)	2,072	68	-78	70	51	66
Redundancies (000s)	263	24	107	19	156	15

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 First Release are based on monthly approximations. This may result in small differences when comparing similar periods.

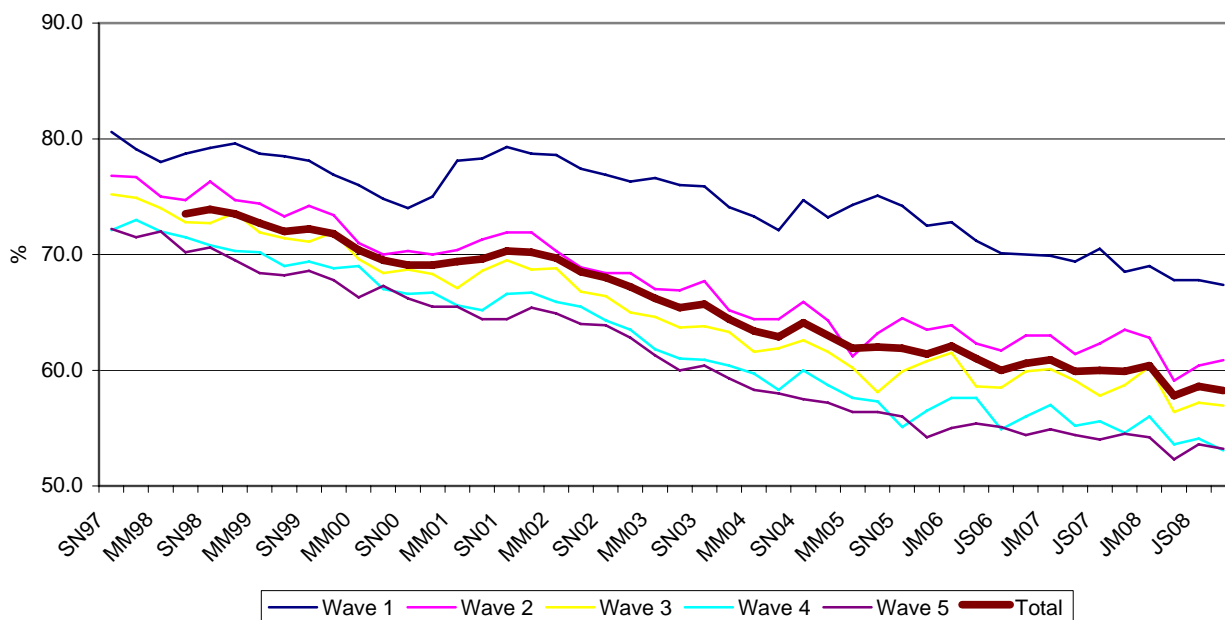
Accuracy

2.5 LFS QUARTERLY SURVEY Wave specific response rates, Great Britain, excluding imputed households OD08

	Wave 1 in OD08		Wave 2 in OD08		Wave 3 in OD08		Wave 4 in OD08		Wave 5 in OD08		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Eligible households found at selected units	15,366	100.0	15,521	100.0	15,521	100.0	15,638	100.0	15,787	100.0	77,833	100.0
Responding units												
Total	10,353	67.4	9,448	60.9	8,838	56.9	8,298	53.1	8,398	53.2	45,335	58.2
Full	10,014	65.2	8,776	56.5	8,150	52.5	7,632	48.8	7,750	49.1	42,322	54.4
Partial	339	2.2	672	4.3	688	4.4	666	4.3	648	4.1	3,013	3.9
Non-responding units												
Circumstantial refusal	1,072	7.0	927	6.0	842	5.4	815	5.2	613	3.9	4,269	5.5
Outright refusal	1,726	11.2	2,324	15.0	2,843	18.3	3,390	21.7	3,508	22.2	13,791	17.7
Refusal to HQ	837	5.4	842	5.4	1,037	6.7	1,010	6.5	956	6.1	4,682	6.0
Non-contact	1,378	9.0	1,302	8.4	1,021	6.6	1,017	6.5	1,010	6.4	5,728	7.4
Addresses not issued for interviewing												
Refusal to re-interview	n/a	n/a	678	4.4	940	6.1	1,108	7.1	1,302	8.2	4,028	5.2
Co-operation rate		74.0		69.8		65.2		61.4		62.3		66.6
Contact rate		85.6		85.6		85.9		86.0		86.4		85.9

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 OD08



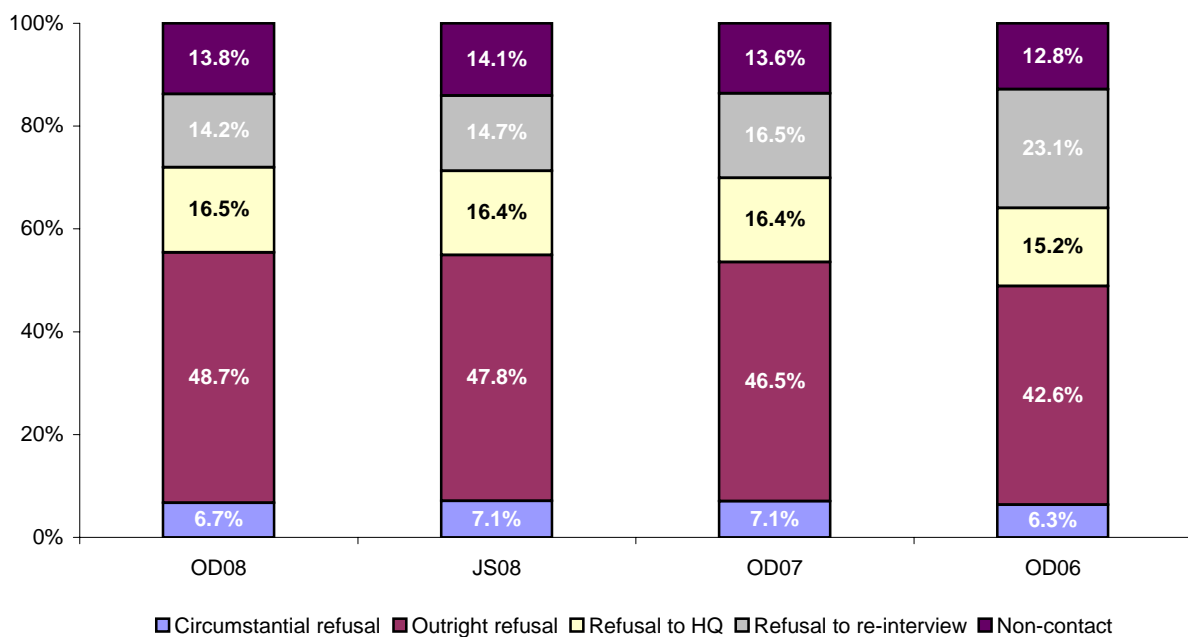
Accuracy

2.7 LFS QUARTERLY SURVEY Wave specific response rates Great Britain, OD08, including imputed households

	Wave 1 in OD08		Wave 2 in OD08		Wave 3 in OD08		Wave 4 in OD08		Wave 5 in OD08		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Eligible households found at selected units	15,366	100.0	15,521	100.0	15,521	100.0	15,638	100.0	15,787	100.0	77,833	100.0
Responding units												
Total	10,353	67.4	10,689	68.9	9,918	63.9	9,389	60.0	9,175	58.1	49,524	63.6
Full	10,014	65.2	8,776	56.5	8,150	52.5	7,632	48.8	7,750	49.1	42,322	54.4
Partial	339	2.2	672	4.3	688	4.4	666	4.3	648	4.1	3,013	3.9
Imputed	-	-	1,241	8.0	1,080	7.0	1,091	7.0	777	4.9	4,189	5.4
Non-responding units												
Circumstantial refusal	1,072	7.0	275	1.8	218	1.4	169	1.1	171	1.1	1,905	2.4
Outright refusal	1,726	11.2	2,324	15.0	2,843	18.3	3,390	21.7	3,508	22.2	13,791	17.7
Refusal to HQ	837	5.4	842	5.4	1,037	6.7	1,010	6.5	956	6.1	4,682	6.0
Non-contact	1,378	9.0	713	4.6	565	3.6	572	3.7	675	4.3	3,903	5.0
Addresses not issued for interviewing												
Refusal to re-interview			678	4.4	940	6.1	1,108	7.1	1,302	8.2	4,028	5.2
Co-operation rate		74.0		71.8		66.5		62.6		62.6		67.5
Contact rate		85.6		88.0		87.5		87.6		87.5		87.1

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.

2.8 LFS QUARTERLY SURVEY Composition of non-response, Great Britain, OD08, 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, OD08, excluding imputed households

	Wave 1 in OD08		Wave 2 in OD08		Wave 3 in OD08		Wave 4 in OD08		Wave 5 in OD08		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Eligible households found at selected units	15,948	100.0	na	na	na	na	na	na	na	na	na	na
Responding units												
Total	10,712	67.2	na	na	na	na	na	na	na	na	na	na
Full	10,368	65.0	na	na	na	na	na	na	na	na	na	na
Partial	344	2.2	na	na	na	na	na	na	na	na	na	na
Non-responding units												
Circumstantial refusal	1,103	6.9	na	na	na	na	na	na	na	na	na	na
Outright refusal	1,809	11.3	na	na	na	na	na	na	na	na	na	na
Refusal to HQ	845	5.3	na	na	na	na	na	na	na	na	na	na
Non-contact	1,479	9.3	na	na	na	na	na	na	na	na	na	na
Addresses not issued for interviewing												
Refusal to re-interview			na	na	na	na	na	na	na	na	na	na
Co-operation rate		74.0		na		na		na		na		na
Contact rate		85.4		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, OD08, including imputed households

	Wave 1 in OD08		Wave 2 in OD08		Wave 3 in OD08		Wave 4 in OD08		Wave 5 in OD08		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Eligible households found at selected units	15,948	100.0	na	na	na	na	na	na	na	na	na	na
Responding units												
Total	10,712	67.2	na	na	na	na	na	na	na	na	na	na
Full	10,368	65.0	na	na	na	na	na	na	na	na	na	na
Partial	344	2.2	na	na	na	na	na	na	na	na	na	na
Imputed	-	-	na	na	na	na	na	na	na	na	na	na
Non-responding units												
Circumstantial refusal	1,103	6.9	na	na	na	na	na	na	na	na	na	na
Outright refusal	1,809	11.3	na	na	na	na	na	na	na	na	na	na
Refusal to HQ	845	5.3	na	na	na	na	na	na	na	na	na	na
Non-contact	1,479	9.3	na	na	na	na	na	na	na	na	na	na
Addresses not issued for interviewing												
Refusal to re-interview					na	na	na	na	na	na	na	na
Co-operation rate		74.0		na		na		na		na		na
Contact rate		85.4		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, OD08, including imputed households, by GOR

	Wave 1 in OD08	Wave 2 in OD08	Wave 3 in OD08	Wave 4 in OD08	Wave 5 in OD08	Total
Government Office Region (GOR)						
Tyne & Wear	73.4	72.4	72.2	64.8	62.2	69.0
Rest of North East	72.5	75.4	64.6	66.1	61.5	68.0
Greater Manchester	67.5	67.6	62.9	59.0	53.1	62.0
Merseyside	64.1	64.2	60.9	55.1	56.4	60.1
Rest of North West	76.2	71.3	62.4	60.4	58.7	65.7
South Yorkshire	72.0	73.8	68.9	61.2	61.6	67.5
West Yorkshire	75.4	76.2	71.4	64.4	67.3	70.9
Rest of Yorkshire and Humberside	71.1	71.9	67.5	65.5	58.1	66.8
East Midlands	72.6	73.1	67.1	61.9	61.7	67.3
West Midlands Metropolitan Council	63.6	65.5	62.3	56.4	52.5	60.0
Rest of West Midlands	71.8	71.8	65.6	58.4	59.0	65.3
East of England	68.3	68.0	63.6	61.8	58.3	64.0
Inner London	54.9	58.5	55.1	51.4	47.2	53.4
Outer London	60.0	59.2	56.3	50.5	49.7	55.1
South East	63.9	68.9	67.0	61.0	59.1	63.9
South West	64.2	71.0	68.7	62.7	61.1	65.5
England	67.0	68.7	64.6	59.7	57.7	63.5
Wales	68.3	68.0	62.7	62.7	62.3	64.8
Strathclyde	72.0	68.3	68.8	60.1	56.9	65.2
Rest of Scotland	69.0	73.4	65.2	62.9	61.7	66.4
Scotland	70.3	71.2	66.7	61.7	59.7	65.9
Northern Ireland	61.7	n/a	n/a	n/a	n/a	n/a

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 JS08 is based on response in that quarter plus the previous quarter (AJ08) 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, OD08, GB

		All responses	Proxy	%
Age	Total (16+)	89,696	29,052	32.4
	16-17	2,899	2,482	85.6
	18-19	2,530	1,771	70.0
	20+	84,267	24,799	29.4
Sex	Total	89,696	29,052	32.4
	Male	42,615	16,082	37.7
	Female	47,081	12,970	27.5
Ethnicity	Total	89,696	29,052	32.4
	White	81,756	25,857	31.6
	Non-white	7,908	3,184	40.3
	Refused	32	11	34.4
Economic activity (INECAC05)	Total	89,696	29,052	32.4
	Employees	44,771	15,305	34.2
	Self-Employed	6,834	2,441	35.7
	Government schemes	156	82	52.6
	Unpaid family workers	177	44	24.9
	ILO Unemployed	3,289	1,249	38.0
	Inactive	34,469	9,931	28.8

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

2.13 LFS QUARTERLY SURVEY Income Response Rates by NS-SEC, GB, OD08

	Wave 1 in OD08	Wave 5 in OD08	Total
NS-SEC	%	%	%
Higher managerial and professional	85.3	89.8	87.3
Lower managerial and professional	84.9	91.2	88.6
Intermediate occupations	91.3	89.2	86.6
Small employers and own account workers	84.1	75.0	85.7
Lower supervisory and technical	80.6	86.7	85.3
Semi-routine occupations	82.2	87.5	83.4
Routine occupations	82.2	86.2	83.7
		82.9	
Total	84.1	88.8	86.1

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, OD08, GB

Column percentages

		Wave 1 in OD07	Wave 5 in OD08	Responds all waves	Non-responder
		Responds	Responds		
Age	<16	19.9	19.2	17.3	20.9
	16-19	4.9	3.9	3.3	6.2
	20-29	11.7	8.3	6.5	16.5
	30-39	12.8	11.7	10.3	14.4
	40-49	14.4	14.2	13.4	14.8
	50-59	12.4	13.3	13.4	11.2
	60-69	11.6	13.6	15.6	8.6
	70+	12.3	15.8	20.2	7.4
Sex	Male	48.3	47.8	47.2	49.1
	Female	51.7	52.2	52.8	50.9
Econ Activity (INECAC05)	Employees	38.6	37.5	35.3	40.2
	Self Emp	6.0	5.8	5.4	6.3
	Gov Sch.	0.2	0.1	0.1	0.2
	UPFW	0.2	0.2	0.2	0.1
	ILO Unemp	2.1	1.8	1.5	2.6
	Inactive	30.8	34.9	40.2	25.1
	<16	22.1	19.8	17.3	25.4
Number of people in household (TOTNUM)	1	12.3	13.7	16.0	10.3
	2	30.8	34.2	37.4	26.0
	3	19.3	17.8	16.2	21.5
	4	23.3	22.3	19.8	24.6
	5	9.5	8.7	7.8	10.7
	6 or more	4.8	3.3	2.9	6.9
Region (GOVTOR)	Tyne & Wear	1.8	1.9	1.8	1.7
	Rest of North East	2.5	2.5	2.4	2.5
	Greater Manchester	4.3	3.8	4.0	4.9
	Merseyside	2.4	2.4	2.4	2.3
	Rest of North West	5.3	5.1	5.3	5.5
	South Yorkshire	2.2	2.4	2.1	2.0
	West Yorkshire	4.1	4.3	4.5	3.8
	Rest of Yorkshire and Humberside	2.9	2.6	2.6	3.3
	East Midlands	8.2	8.5	8.3	7.8
	West Midlands Metropolitan Council	4.3	4.2	4.0	4.6
	Rest of West Midlands	4.7	5.3	5.3	3.9
	East of England	9.2	9.7	10.3	8.5
	Inner London	3.5	2.6	2.1	4.8
	Outer London	7.0	5.4	5.0	9.2
	South East	14.7	15.5	15.3	13.5
South West	8.6	9.2	9.5	7.8	
Wales	5.2	5.6	5.8	4.7	
Strathclyde	3.9	3.6	3.6	4.2	
Rest of Scotland	5.1	5.3	5.8	4.9	

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 Labour Market Division (LMD)

Scheduled delivery date for file: January 22, 2009

Achieved delivery date for file: January 26, 2009

Time lag between delivery date and the end of the reference period: 29 days

3.2 Data file for other users

Scheduled availability date for Regional Public & Government normal release user files: February 11, 2009

Recipients

ESRC

DIUS

Employment Policy Institute

BERR

Northern Ireland (DETI NI)

HSE

Home Office

DWP

Bank of England

HMT

Scottish Government

National Learning and Skills Council

Low Pay Commission

Inland Revenue

Welsh Assembly Government

HM Treasury

House of Commons Library

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 LFS Data Service provides LFS data for a fee, and can be contacted by phone (01633 455732). Labour Market data, including data from the LFS, are published every month and include text, tables and charts. The data are widely available, generally free of charge, through a range of media. First Releases and Time Series data contained within the releases are available to download, free of charge, from the National Statistics website. Paper copies are available through subscription from the ONS Press Office, telephone 01633 455957. All the main series contained within the releases are available from the website: <http://www.statistics.gov.uk/statbase/product.asp?vlnk=1944>

First Releases and Labour Market Trends both contain additional textual analysis and charts that supplement the data in the tables.

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

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 are those who are doing unpaid work in a family business.

Comparability

Questionnaire Changes

New questions - New questions to the survey are normally introduced in January each year. Therefore, no questions were added to the October to December 2008 questionnaire.

Amended questions - There was no amendment to the questionnaire this quarter.

Quarterly-specific questions: The following three questions about travel to work – TrvTme, TrvMth and TrvDrv – are usually asked every three years (2006, 2009 etc); but they were included in all waves of the 2008 OD quarter.

The following questions are specific to the OD08 quarter:

Career advice while studying – CarAdv and CarAdv2; Type of higher degree – HghNow; Holiday entitlement: HOLS, BHOLCHK, BHOLCOR, BANK, BNKHOL, BNKHOLF, BHPAID, BHNOTA, BHNOTB, BHNOTC; Reasons for not looking for work – NoLWF; NWNCre; Availability to start work: YSTRTF; Advice on learning or training classes – QulAdv; Back to education in next 12 months – QulFut; Union representation – TUCov, TUPres, Union; Childcare: CHATT, CHINF, CHPRI, CTRM, CHPEO, COTH; Method of travel to work: TrvTme, TrvMth and TrvDrv.

The following questions are specific to AJ and OD quarters:

Flexible working arrangements – DaysPZ, Flex9d, Lssoth; Why not looking for full-time work – YNotFt and YPTCIA.

Deleted questions - No question was removed from the questionnaire this quarter.

Fieldwork Issues

A leap week was added between the last week of the July - September quarter and the first week of the October to December quarter. Therefore the fieldwork period covered by this quarter of the LFS was from Monday, 6th October 2008 to Sunday 4th January 2009. The period comprised 13 reference weeks, each ending on a Sunday and each represented proportionally in the sample. Most of the fieldwork was carried out in the following week, with a small amount of work which could not be completed then being done in the course of a further seven days ending on a Sunday. 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 on-going 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 to provide a structured programme of training for new interviewers. In December 2008 a book of stamps was issued to households as an incentive to take part. There have also been additional efforts to ensure that re-issues are appropriately dealt with.

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 16,600 PAF addresses, 75 telephone numbers for the north of Scotland and 42 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 the 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	http://www.statistics.gov.uk/statbase/Product.asp?vlnk=1537
Labour Market Guide	http://www.ons.gov.uk/about-statistics/user-guidance/lm-guide/index.html
Labour Market Statistics Integrated First Release	http://www.statistics.gov.uk/statbase/product.asp?vlnk=1944
Labour Market Trends	www.statistics.gov.uk/statbase/product.asp?vlnk=550
Economic and Labour Market Review	www.statistics.gov.uk/elmr/
Labour Force Survey Summary Quality Report	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
Methodology for the Calculation of Sampling Variability in the Labour Force Survey	http://nswebcopy/about/methodology_by_theme/downloads/LFS_SamplingVariability.pdf
NOMIS	www.nomisweb.co.uk
Summary Quality Report for Labour Market Data Releases	http://www.statistics.gov.uk/cqi/article.asp?id=1354
UK Data Archive, University of Essex	http://www.data-archive.ac.uk