



**LABOUR FORCE SURVEY
PERFORMANCE AND QUALITY
MONITORING REPORT
April-June 2006**

16 August, 2006

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Executive Summary

April-June 2006

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 2006 (AJ06) was **120,651** individuals in **52,398** households. Compared with the previous quarter (JM06), this represents a decline of 0.16% in achieved person interviews and 0.14% in household interviews. Compared with the same period during 2005, this represents a decline in achieved person and household interviews of 2.02% and 1.50% respectively.

Summary of response rates

During the April to June 2006 quarter, the total response rate for GB excluding imputed cases was **61.0%**. This is down 1.1 percentage points on the previous quarter and down 0.9 percentage points for the same period 12 months ago.

The total response rate for GB including imputed cases is **65.2%**. This compares with 65.5% in the previous quarter and 66.0% for the same quarter a year ago.

The response rate varied across each wave of the survey, ranging from **71.2%** for wave 1 cases to **55.4%** for wave 5 (excluding imputed cases). Comparative response rates for the previous quarter are 72.8% and 55.0% respectively and for the same period 12 months ago 74.3% and 56.4%.

In terms of the composition of non-response, this largely remains the same compared with recent quarters. Outright refusals account for the majority of non-response at 40.2% and this has remained broadly consistent over time. In the past 12 months, there has been a fall in refusals made directly to HQ - these have fallen from 16.5% in MM05 to their current level of 14.5%. This has been off-set by increases in the share of non-response accounted for by non-contacts (10.4% to 12.1%). For the same period four years ago (MM01), only refusals to reinterview and outright refusals were more than one percentage point different in terms of their share of non-response.

The wave 1 response rate for UK was **70.6%**, excluding imputed households, and **72.1%**, including imputed households.

Regional response rate patterns indicate that the highest accumulated response rate across the five waves is 71% in Tyne & Wear. The highest wave one response rate was achieved in Tyne & Wear (80%). Sample attrition was greatest in Strathclyde where, after five waves, the achieved sample represented 42% of the in-scope population.

The data on proxy response rates by the key characteristics: age, gender, ethnicity and economic activity, reveal that the highest proxy response rates are for the 16-17 age band at 86%, the 18-19 age band at 70%, and for respondents on Government training schemes at 52%. The lowest proxy response rates are for unpaid family workers at 26%, females at 27% and the inactive at 29%. Rates of proxy interviews have remained largely unchanged over time.

Executive Summary (Continued)

The data on income response rates by NS-SEC reveal that response rates at wave one are highest for respondents in the intermediate occupations group at 83%. At wave five, response rates are highest for those in the small employers and own account workers group at 93%. The total levels of response to the income questions remain largely unchanged over time.

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 following group: 20-29 age band.

Delivery dates of data

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

Quarter to Quarter Changes

New questions - each year the European Statistical Commission (EuroStat) requires all Member States of the EU to include an ad-hoc module in their Labour Force Survey. This year the module is on the transition from work into retirement. This block will appear after the 'Employment 12 months ago' questions and before the 'Qualifications' section.

Amended questions - benefits or tax credits claimed TPBEN03 - the question itself was not changed, but extra guidance was provided.

Quarterly Specific questions - there are several sections of quarterly specific questions in this quarter as follows:

Residence 3 months & 1 year age: M3CRY to OYRESC; Owner-Manager: NOCUST, PREMPA, WHYSE; Why not full time: YNOTFT, YPTCIA; Permanent/Temporary employment: TEMLEN; Homeworkers: EVHM98, HOMED, TELEQA, TELEQB, ATFROM, SMESIT; Maternity leave: MATLVE; Shift work, shift pattern: SHFTWK99 to DAYSPZ; Days worked: USUWRKM to EVSUN; Homeworkers (2nd job): HOMED2 to SMEST2; Under employment: EXTOTH; Full time / part time: AXPA to AXFB; Employment 12 months ago: OYCIRC to OYFTPT; Where highest qualification gained: QALPL99 to VCQPLO; Qualifications from study in last 4 weeks: NEWQUL to HSTQUL; Site of Training: TRSITE, TRATIR; Time spent training: TRNLEN, TRNDAY, TRHR93, TRONJB.

Fieldwork issues

The fieldwork period covered by the second quarter of the LFS was from Monday, 3 April, 2006 to Sunday 2 July, 2006. 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 8 days ending on a Sunday. Since the start of the year work has continued on the integration of the LFS interviewer field force with the general interviewer field force in preparation for the Integrated Household Survey (IHS). Issues arising from this are monitored regularly in respect to any impact this may be having on LFS response.

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.

The 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 sex. Other Government users include the Department for Education & Skills, the Department for Trade and Industry, the Home Office, the Health & Safety Executive, the Scottish Executive, and the National Assembly for Wales.

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), Employers Association, Confederation of British Industry, Institute of Employment Studies, Institute for Public Policy Research, National Institute of Economic and Social Research, 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 and can thus generate statistics for small geographical areas. In addition, the sampling errors are small, as a result of the wave structure 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.

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 (table 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 a 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 interval.

Accuracy

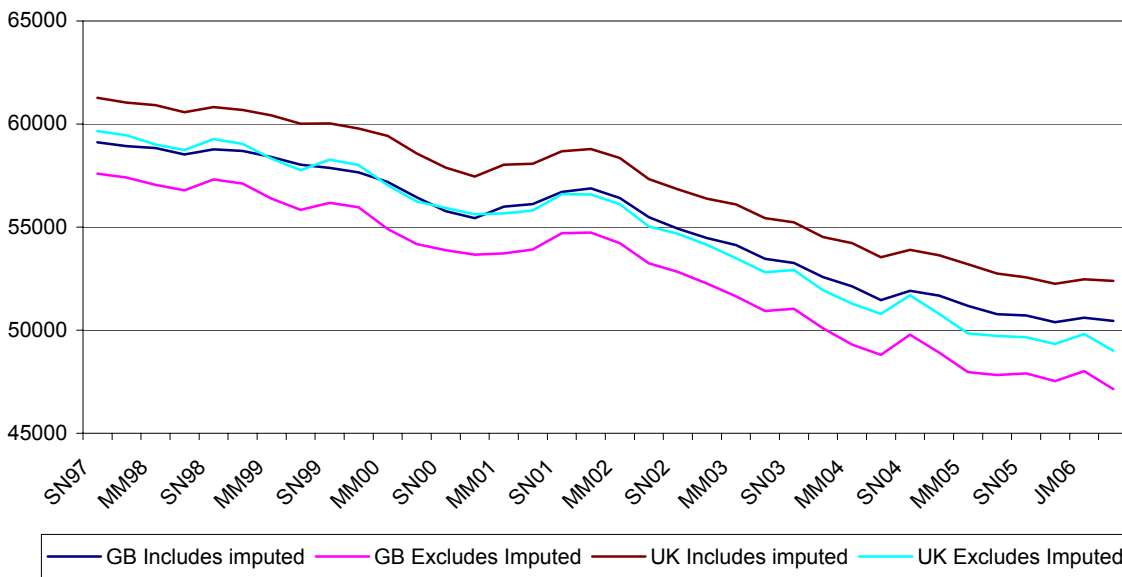
2.1 LFS QUARTERLY SURVEY

Achieved sample by type of household, AJ06

	GB		UK	
	Includes imputed	Excludes imputed	Includes imputed	Excludes imputed
Private households	50,436	47,136	52,387	48,991
Individuals in private households	115,570	106,301	120,630	111,091
NHS Households	11	10	11	10
Individuals in NHS households	21	20	21	20

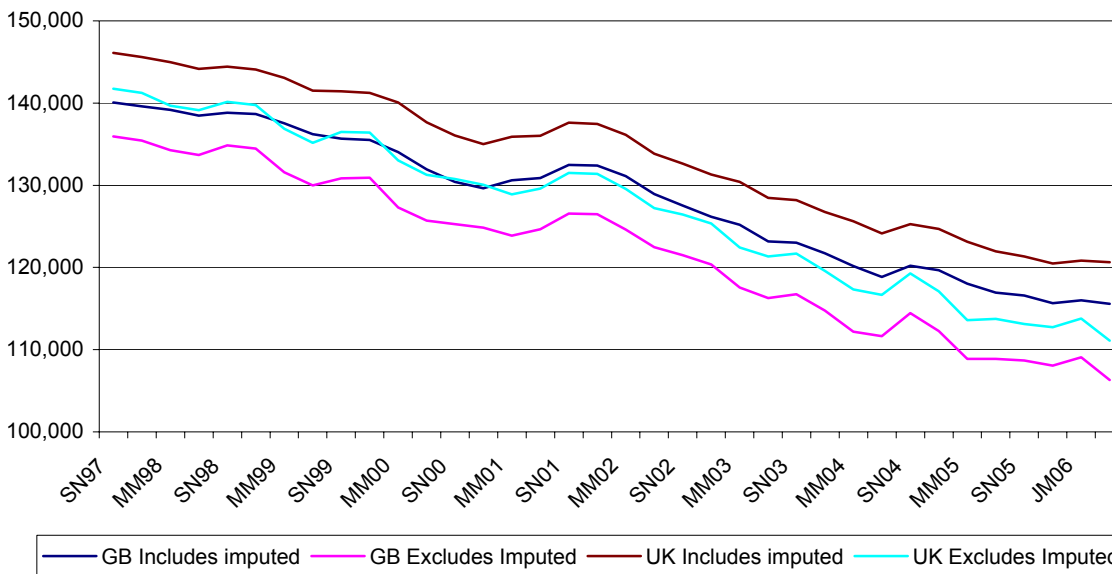
2.2 LFS QUARTERLY SURVEY

Achieved number of household interviews, GB and UK, SN97 to AJ06



2.3 LFS QUARTERLY SURVEY

Achieved number of person interviews, GB and UK, SN97 to AJ06



Accuracy

2.4 LFS QUARTERLY SURVEY Sampling Variability, UK, AJ06

Variable	Estimate	Sampling Variability +/-	Change on quarter	Sampling variability +/-	Change on year	Sampling variability +/-
Employment (000s)	28,339	134	22	134	146	130
Employment rate	74.3%	0.3	-0.1%	0.3	-0.2%	0.3
Average weekly hours worked (16+)	32.0	0.1	0.4	0.2	-0.4	0.2
Unemployment (000s)	1,604	59	51	58	239	54
Unemployment rate	5.4%	0.2	0.2%	0.2	0.7%	0.2
Economically Active (000s)	29,942	126	72	126	385	124
Economic activity rate	78.6%	0.3	0.1%	0.3	0.4%	0.3
Economically Inactive (000s)	7,822	117	-21	117	-127	116
Economic Inactivity rate	21.4%	0.3	-0.1%	0.3	-0.4%	0.3
Inactive, not wanting a job (000s)	5,747	105	-103	105	-120	105
Inactive, wanting a job (000s)	2,075	65	82	64	-7	62
Redundancies (000s)	134	17	-11	17	8	17

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.

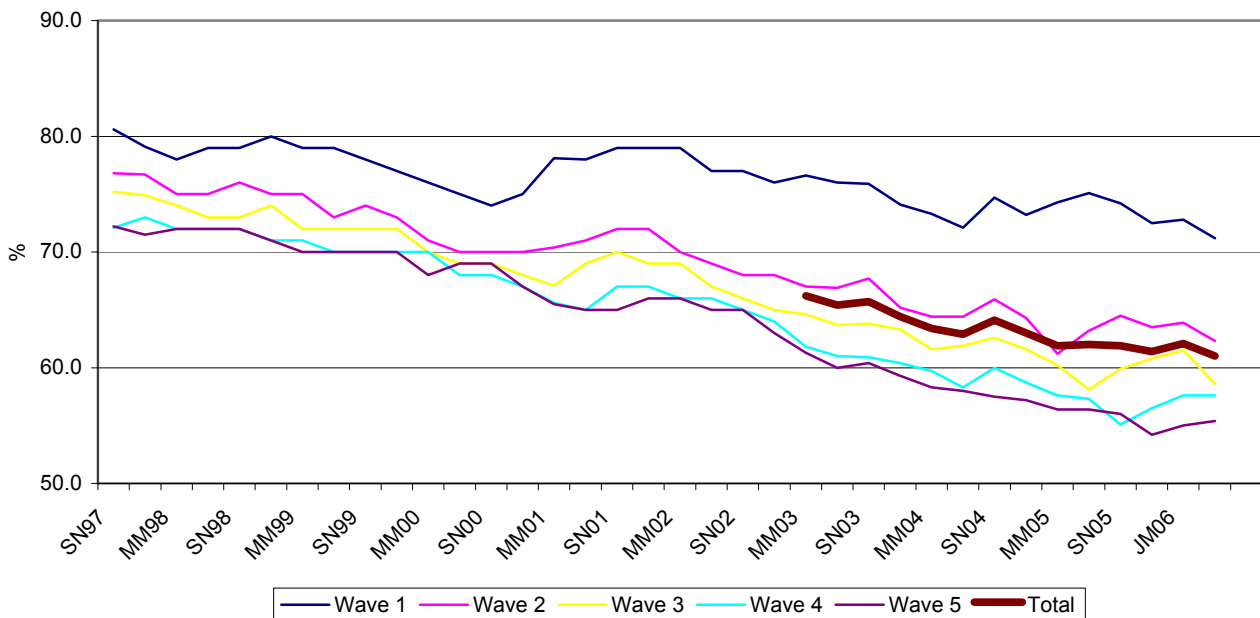
Accuracy

2.5 LFS QUARTERLY SURVEY Wave specific response rates, Great Britain, excluding imputed households AJ06

	Wave 1 in AJ06		Wave 2 in AJ06		Wave 3 in AJ06		Wave 4 in AJ06		Wave 5 in AJ06		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Eligible households found at selected units	15,215	100.0	15,363	100.0	15,426	100.0	15,616	100.0	15,710	100.0	77,330	100.0
Responding units												
Total	10,833	71.2	9,566	62.3	9,040	58.6	9,002	57.6	8,706	55.4	47,147	61.0
Full	10,327	67.9	8,863	57.7	8,342	54.1	8,344	53.4	8,101	51.6	43,977	56.9
Partial	506	3.3	703	4.6	698	4.5	658	4.2	605	3.9	3,170	4.1
Non-responding units												
Circumstantial refusal	886	5.8	720	4.7	689	4.5	610	3.9	508	3.2	3,413	4.4
Outright refusal	1,492	9.8	1,966	12.8	2,346	15.2	2,451	15.7	2,560	16.3	10,815	14.0
Refusal to HQ	729	4.8	835	5.4	779	5.0	763	4.9	781	5.0	3,887	5.0
Non-contact	1,275	8.4	1,033	6.7	840	5.4	759	4.9	800	5.1	4,707	6.1
Addresses not issued for interviewing												
Refusal to re-interview			1,243	8.1	1,732	11.2	2,031	13.0	2,355	15.0	7,361	9.5
Co-operation rate		77.7		73.1		70.3		70.2		69.3		72.2
Contact rate		86.8		86.8		88.2		88.8		88.2		87.7

Note: Excludes households for which response has been imputed. The total response rate is the cumulative 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, SN97 to AJ06



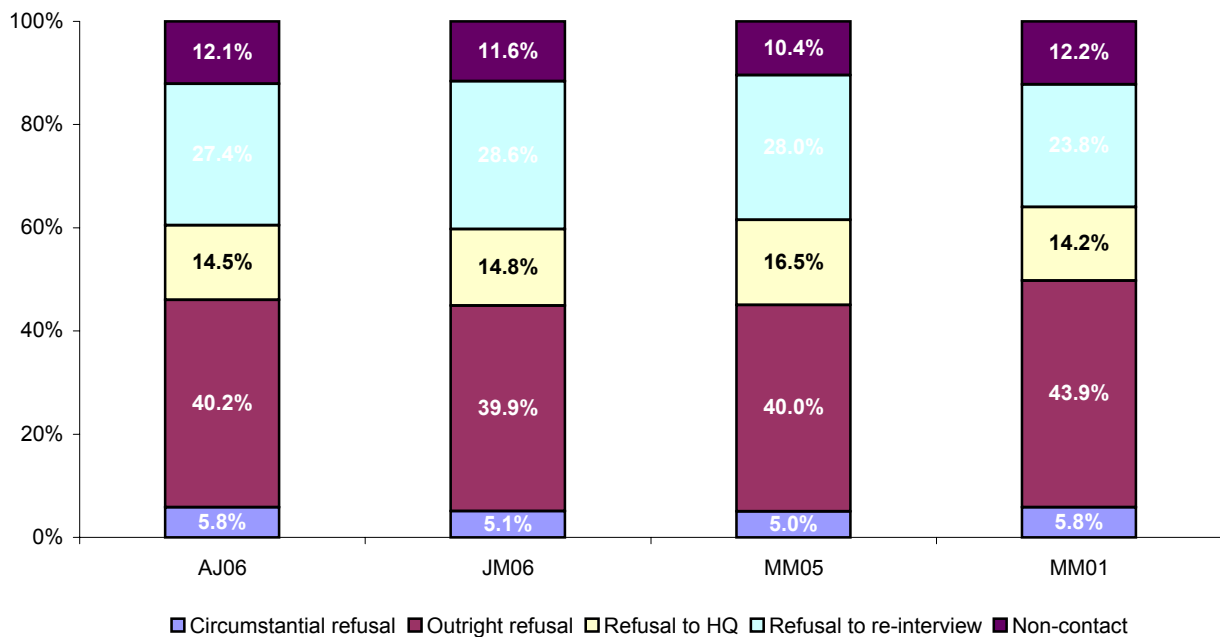
Accuracy

2.7 LFS QUARTERLY SURVEY Wave specific response rates Great Britain, AJ06, including imputed households

	Wave 1 in AJ06		Wave 2 in AJ06		Wave 3 in AJ06		Wave 4 in AJ06		Wave 5 in AJ06		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Eligible households found at selected units	15,215	100.0	15,363	100.0	15,426	100.0	15,616	100.0	15,710	100.0	77,330	100.0
Responding units												
Total	10,833	71.2	10,520	68.5	9,938	64.4	9,800	62.8	9,358	59.6	50,449	65.2
Full	10,327	67.9	8,863	57.7	8,342	54.1	8,344	53.4	8,101	51.6	43,977	56.9
Partial	506	3.3	703	4.6	698	4.5	658	4.2	605	3.9	3,170	4.1
Imputed	-	-	954	6.2	898	5.8	798	5.1	652	4.2	3,302	4.3
Non-responding units												
Circumstantial refusal	886	5.8	231	1.5	170	1.1	133	0.9	143	0.9	1,563	2.0
Outright refusal	1,492	9.8	1,966	12.8	2,346	15.2	2,451	15.7	2,560	16.3	10,815	14.0
Refusal to HQ	729	4.8	835	5.4	779	5.0	763	4.9	781	5.0	3,887	5.0
Non-contact	1,275	8.4	568	3.7	461	3.0	438	2.8	513	3.3	3,255	4.2
Addresses not issued for interviewing												
Refusal to re-interview			1,243	8.1	1,732	11.2	2,031	13.0	2,355	15.0	7,361	9.5
Co-operation rate		76.9		74.5		71.7		71.4		69.9		73.0
Contact rate		86.4		88.7		89.8		90.1		89.3		88.8

Note: Excludes households for which response has been imputed. The total response rate is the cumulative 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, AJ06, including imputed households



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

Accuracy

2.9 LFS QUARTERLY SURVEY Wave specific response rates, UK, AJ06, excluding imputed households

	Wave 1 in AJ06		Wave 2 in AJ06		Wave 3 in AJ06		Wave 4 in AJ06		Wave 5 in AJ06		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Eligible households found at selected units	16,048	100.0	na	na	na	na	na	na	na	na	na	na
Responding units												
Total	11,331	70.6	na	na	na	na	na	na	na	na	na	na
Full	10,815	67.4	na	na	na	na	na	na	na	na	na	na
Partial	516	3.2	na	na	na	na	na	na	na	na	na	na
Non-responding units												
Circumstantial refusal	923	5.8	na	na	na	na	na	na	na	na	na	na
Outright refusal	1,563	9.7	na	na	na	na	na	na	na	na	na	na
Refusal to HQ	751	4.7	na	na	na	na	na	na	na	na	na	na
Non-contact	1,480	9.2	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		77.8		na		na		na		na		na
Contact rate		86.1		na		na		na		na		na

Note: Excludes households for which response has been imputed. The total response rate is the cumulative 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'.

2.10 LFS QUARTERLY SURVEY Wave specific response rates, UK, AJ06, including imputed households

	Wave 1 in AJ06		Wave 2 in AJ06		Wave 3 in AJ06		Wave 4 in AJ06		Wave 5 in AJ06		Total	
	#	%	#	%	#	%	#	%	#	%	#	%
Eligible households found at selected units	16,048	100.0	na	na	na	na	na	na	na	na	na	na
Responding units												
Total	11,331	70.6	na	na	na	na	na	na	na	na	na	na
Full	10,815	67.4	na	na	na	na	na	na	na	na	na	na
Partial	516	3.2	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	923	5.8	na	na	na	na	na	na	na	na	na	na
Outright refusal	1,563	9.7	na	na	na	na	na	na	na	na	na	na
Refusal to HQ	751	4.7	na	na	na	na	na	na	na	na	na	na
Non-contact	1,480	9.2	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		77.8		na		na		na		na		na
Contact rate		86.1		na		na		na		na		na

Note: The total response rate is the cumulative 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, AJ06, including imputed households, by GOR

	Wave 1 in AJ06	Wave 2 in AJ06	Wave 3 in AJ06	Wave 4 in AJ06	Wave 5 in AJ06	Total
Government Office Region (GOR)						
Tyne & Wear	80	76	70	69	63	71
Rest of North East	74	74	68	64	61	68
Greater Manchester	76	63	52	54	48	58
Merseyside	76	65	61	60	59	64
Rest of North West	76	69	60	58	54	63
South Yorkshire	71	75	69	71	66	70
West Yorkshire	77	71	65	68	61	69
Rest of Yorkshire and Humberside	70	75	67	66	60	67
East Midlands	77	70	68	63	61	68
West Midlands Metropolitan Council	65	62	62	62	60	62
Rest of West Midlands	72	70	65	62	58	65
East of England	69	68	66	64	61	66
Inner London	59	61	56	58	52	57
Outer London	64	61	57	56	53	58
South East	69	72	69	68	67	69
South West	71	70	68	63	64	67
England	71	68	64	63	60	65
Wales	75	61	55	51	47	66
Strathclyde	72	56	47	46	42	61
Rest of Scotland	74	61	61	57	51	69
Scotland	73	59	55	52	47	66
Northern Ireland	60	n/a	n/a	n/a	n/a	n/a

Note: The total response rate is the cumulative 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 D05F is based on response in that quarter plus the previous quarter (SN05) 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, AJ06, GB

		All responses	Proxy	%
Age	Total (16+)	91,693	29,937	33
	16-17	3,040	2,606	86
	18-19	2,693	1,898	70
	20+	85,960	25,433	30
Gender	Total	91,693	29,937	33
	Male	43,340	16,864	39
	Female	48,353	13,073	27
Ethnicity	Total	91,693	29,937	33
	White	84,470	27,067	32
	Non-white	7,192	2,858	40
	Refused	31	12	39
Economic activity (INECAC05)	Total	91,693	29,937	33
	Employees	46,645	16,003	34
	Self-Employed	6,864	2,505	36
	Government schemes	159	82	52
	Unpaid family workers	172	44	26
	ILO Unemployed	2,934	1,032	35
	Inactive	34,919	10,271	29

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

2.13 LFS QUARTERLY SURVEY Income Response Rates by NS-SEC, GB, AJ06

	Wave 1 in AJ06	Wave 5 in AJ06	Total
NS-SEC	%	%	%
Higher managerial and professional	78	87	82
Lower managerial and professional	77	88	84
Intermediate occupations	83	85	80
Small employers and own account workers	75	93	87
Lower supervisory and technical	77	84	79
Semi-routine occupations	72	85	81
Routine occupations	72	83	77
Total	77	85	81

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 cumulative 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, AJ06, GB

Column percentages

		Wave 1 in D04F	Wave 5 in AJ06		
		Responds	Responds	Responds all waves	Non-responder
Age	<16	20	20	19	20
	16-19	5	5	4	6
	20-29	12	8	7	16
	30-39	14	12	12	15
	40-49	14	15	14	14
	50-59	13	14	14	12
	60-69	10	13	14	7
	70+	12	14	16	9
Sex	Male	49	48	48	50
	Female	51	52	52	-49
Econ Activity (INECAC05)	Employees	38	38	37	39
	Self Emp	6	6	6	6
	Gov Sch.	0	0	0	0
	UPFW	0	0	0	0
	ILO Unemp	2	2	2	2
	Inactive	31	33	36	27
	<16	23	21	19	26
Number of people in household (TOTNUM)	1	12	13	14	12
	2	30	33	35	26
	3	20	19	17	21
	4	22	22	21	22
	5	10	10	10	10
	6 or more	5	4	3	8
Region (GOVTOR)	Tyne & Wear	2	2	2	2
	Rest of North East	3	3	3	3
	Greater Manchester	5	4	4	6
	Merseyside	2	2	2	2
	Rest of North West	5	5	5	6
	South Yorkshire	2	3	3	2
	West Yorkshire	4	4	4	4
	Rest of Yorkshire and Humberside	3	3	3	3
	East Midlands	8	8	9	8
	West Midlands Metropolitan Council	4	4	4	4
	Rest of West Midlands	5	5	5	5
	East of England	9	9	10	9
	Inner London	3	3	2	4
	Outer London	7	6	6	9
	South East	14	16	17	12
	South West	9	9	9	8
	Wales	5	5	5	5
Strathclyde	4	4	3	4	
Rest of Scotland	5	5	5	5	

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:	18 July 2006
Achieved delivery date for file:	18 July 2006
Time lag between delivery date and the end of the reference period:	16 days

3.2 Data file for other users

Scheduled availability date for Regional Public & Government normal release user files:	16 August, 2006
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Recipients

ESRC:
DfES
Employment Policy Institute:
DTI:
Northern Ireland (DETI NI):
HSE:
Home Office:
DWP:
Bank of England
HMT
Scottish Executive
National Learning and Skills Council
Low Pay Commission
Inland Revenue
National Assembly for Wales
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 provide 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 (www.nomisweb.co.uk).

The LFS Data Service provides LFS data for a fee, and can be contacted by phone (01633 812256). Labour Market data, including data from the LFS, is published every month, and includes 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 020 7533 5707. 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 Labour Market Trends, published by Palgrave Macmillan (www.palgrave.com/ons), which is available in PDF format from the website: (www.statistics.gov.uk/statbase/product.asp?vlnk=550).

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 (020 7533 6094) 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 it 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 in employment if they did at least one hour of work in the reference week (as an employee, as self-employed, as unpaid workers in a family business, or as 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.

Quarter to quarter changes

New questions - each year the European Statistical Commission (EuroStat) requires all Member States of the EU to include an ad-hoc module in their Labour Force Survey. This year the module is on the transition from work into retirement. This block will appear after the 'Employment 12 months ago' questions and before the 'Qualifications' section. The aims of this module are:

(1) To know how the transition at the end of the career towards full retirement is expected to take place / takes place / took place. This included plans for transitions / past transitions towards full retirement, and plans for exit from work.

(2) To know which factors would be / were at play in determining the exit from work, and which factors could make / could have made persons postpone the exit from work. For example working conditions factors (e.g. health and safety, flexible working time arrangements), other factors linked to work (e.g. training), financial factors (e.g. financial incentives to remain at work or to exit), and personal factors (e.g. health, family reasons).

Comparability

Quarter to quarter changes (Continued)

Amended questions - benefits or tax credits claimed TPBEN03 - the question itself was not changed, but extra guidance was provided.

Quarterly Specific questions - there are several sections of quarterly specific questions in this quarter as follows:

Residence 3 months & 1 year ago: M3CRY to OYRESC; Owner-Manager: NOCUST, PREMPA, WHYSE; Why not full time: YNOTFT, YPTCIA; Permanent/Temporary employment: TEMLEN; Homeworkers: EVHM98, HOMED, TELEQA, TELEQB, ATFROM, SMESIT; Maternity leave: MATLVE; Shift work, shift pattern: SHFTWK99 to DAYSPZ; Days worked: USUWRKM to EVSUN; Homeworkers (2nd job): HOMED2 to SMEST2; Under employment: EXTOTH; Full time / part time: AXPA to AXFB; Employment 12 months ago: OYCIRC to OYFTPT; Where highest qualification gained: QALPL99 to VCQPLO; Qualifications from study in last 4 weeks: NEWQUL to HSTQUL; Site of Training: TRSITE, TRATIR; Time spent training: TRNLEN, TRNDAY, TRHR93, TRONJB.

Fieldwork Issues

The fieldwork period covered by the second quarter of the LFS was from Monday 3 April, 2006 to Sunday 2 July, 2006. 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 8 days ending on a Sunday. All interviewers receive Avoiding Refusal Training (ART) and regular monitoring of interviewer performance took place via supervisory checks. Since the start of the year work has continued on the integration of the LFS interviewer field force with the general interviewer field force in preparation for the Integrated Household Survey (IHS). Issues arising from this are monitored regularly in respect to any impact this may be having on LFS response.

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 overlaps 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 household survey and can thus generate statistics for small geographical areas. In addition, the sampling errors are small, as a result of the wave structure 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 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 is being conducted on the basis of calendar quarters: January to March, April to June, July to September and 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 serves for the administration of land taxes) is used.

In Great Britain, a systematic sample is drawn each quarter from the three sampling bases, which yields 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 questioned 5 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 one question block is completed, the household is classified as a **partial response**. 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 cumulative 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, and 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 Guide Volume 1: Background & Methodology	http://www.statistics.gov.uk/statbase/Product.as
Labour Market Guide	http://www.statistics.gov.uk/about/data/guides/LabourMarket
Labour Market Statistics First Release	http://www.statistics.gov.uk/statbase/product.asp?vlnk=1944
Labour Market Trends	www.statistics.gov.uk/statbase/product.asp?vlnk=550
Methodology for the Calculation of Sampling Variability in the Labour Force Survey	http://nswwebcopy/about/data/methodology/default.asp
NOMIS	www.nomisweb.co.uk
Summary Quality Report for Labour Market Data Releases	http://www.statistics.gov.uk/cci/article.asp?id=1354
UK Data Archive, University of Essex	http://www.data-archive.ac.uk