

Article

Reconciliation of estimates of jobs: December 2017

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



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1 . Background

This report compares the latest workforce jobs (WFJ) estimates with the equivalent estimates of jobs from the Labour Force Survey (LFS). This is produced four times a year (March, June, September and December), when the latest WFJ estimates are released.

The concept of employment (measured by the LFS as the number of people in work) differs from the concept of jobs, since a person can have more than one job and some jobs may be shared by more than one person. The LFS, which collects information mainly from residents of private households, is the preferred source of statistics on employment.

The LFS can also be used to produce estimates of the total number of jobs in the UK, by adding together the headline employment figures (which are equivalent to main jobs) and those for workers with a second job. The WFJ series, which is compiled mainly from surveys of businesses, is the preferred source of statistics on jobs by industry, since it provides a more reliable industry breakdown than the LFS.

2 . Reconciliation estimates spreadsheet

A dataset containing Labour Force Survey and workforce jobs reconciliation estimates is available at [data table X03](#).

3 . Comparison: September 2017

The Labour Force Survey (LFS) estimate of total UK jobs for the three-month period from August to October 2017 is calculated by adding together the LFS figures for total employment (32.080 million) and workers with second jobs (1.133 million). On comparing this LFS UK jobs estimate (33.213 million) with the corresponding workforce jobs (WFJ) figure for September 2017, (35.230 million) the LFS total jobs estimate is lower than the WFJ figure by 2.017 million (6.1% of the LFS total).

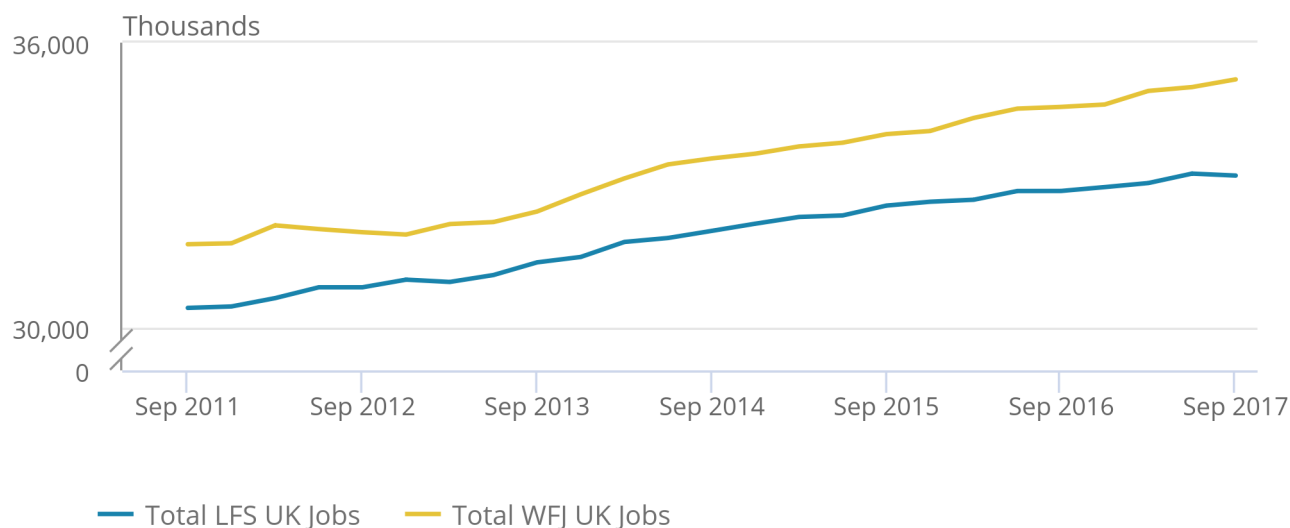
Figure 1 illustrates this comparison over time. These estimates have not been adjusted for factors causing differences between the two sources because many of these factors cannot be measured on a quarterly basis. Over the latest comparable quarterly periods, the LFS series shows a quarterly decrease of 42,000 jobs (0.1%) and the WFJ series shows an increase of 162,000 (0.5%). On an annual basis, the LFS series shows an increase of 323,000 (1.0%) and the WFJ series shows an increase of 577,000 (1.7%).

Figure 1: Labour Force Survey and workforce jobs estimates of jobs as published, thousands (seasonally adjusted)

UK, September 2011 to September 2017

Figure 1: Labour Force Survey and workforce jobs estimates of jobs as published, thousands (seasonally adjusted)

UK, September 2011 to September 2017



Source: Labour Force Survey - Office for National Statistics

[The 2006 National Statistics Quality Review of Employment and Jobs Statistics](#) identified about 30 reasons why the LFS and WFJ estimates of jobs can differ from each other. Some of these factors can be quantified approximately using information from the LFS and other sources, while others are much more difficult to measure. The measurable factors causing differences between the LFS and WFJ figures are included in a downloadable spreadsheet within the “download chart” option of this report.

4 . Reconciliation

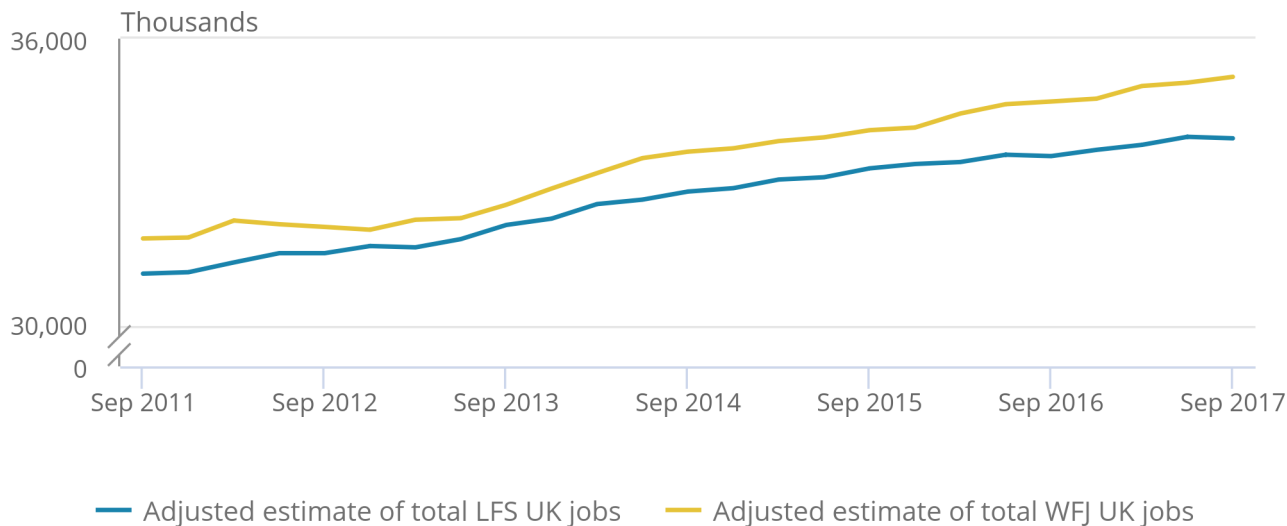
Figure 2 shows the two jobs series adjusted to take into account the measurable factors causing differences between the Labour Force Survey (LFS) and workforce jobs (WFJ) statistics. Once these factors have been taken into consideration, the adjusted LFS estimate of total UK jobs is lower than the adjusted WFJ estimate, by 1.288 million (3.8% of the LFS total).

Figure 2: Labour Force Survey and workforce jobs estimates of jobs adjusted for measurable differences, thousands (seasonally adjusted)

UK, September 2011 to September 2017

Figure 2: Labour Force Survey and workforce jobs estimates of jobs adjusted for measurable differences, thousands (seasonally adjusted)

UK, September 2011 to September 2017



Source: Labour Force Survey - Office for National Statistics

The difference between the adjusted LFS and WFJ estimates (1.288 million) is beyond the likely bounds of the sampling variability of the difference. The approximate sampling variability (95% confidence interval) is roughly plus or minus 300,000 to plus or minus 400,000. However, it should be noted that the adjustments are themselves subject to a margin of uncertainty and there are other factors causing differences between the two sources, which have not been adjusted for.

There are about 20 additional factors that could explain the remaining difference between the LFS and WFJ estimates. As well as sampling variability, they include, for example, timing effects. The LFS estimates are averages for three-month periods, whereas business surveys measure the number of jobs on a particular day.