

Article

Single-month Labour Force Survey estimates: March 2020

Comparison of the Labour Force Survey (LFS) headline three-month average rates for employment, unemployment and economic inactivity with their equivalent single-month estimates.

Contact:
Bob Watson
labour.supply@ons.gov.uk
+44 (0)1633 455070

Release date:
17 March 2020

Next release:
21 April 2020

Table of contents

1. [Main points and information](#)
2. [Things you need to know about this release](#)
3. [Quality and methodology](#)
4. [Other quality information](#)

1 . Main points and information

This article contains charts that compare the Labour Force Survey (LFS) single-month estimates with their equivalent three-month average rates for employment, unemployment and economic inactivity. The single-month estimates are derived from the same data source as the headline three-month figures but are not designated as [National Statistics](#). Their use is restricted to helping to understand the movements in the headline three-month averages. For the three-month averages, the dates shown on the charts relate to the last month of the three (for example, November to January is indicated by January).

Model-based single-month estimates are now also produced and included within the data table attached to this article. The model uses single-month wave-specific time series estimates for each variable, along with estimated variances, to produce modelled seasonally adjusted time series. These are currently [experimental statistics](#).

Main points

- The single-month estimate for the employment rate in the UK, for January 2020, shows an increase of 0.1 percentage points compared with the previous month.
- The single-month estimate for the unemployment rate in the UK, for January 2020, shows an increase of 0.1 percentage points compared with the previous month.
- The single-month estimate for the economic inactivity rate in the UK, for January 2020, shows a decrease of 0.2 percentage points compared with the previous month.

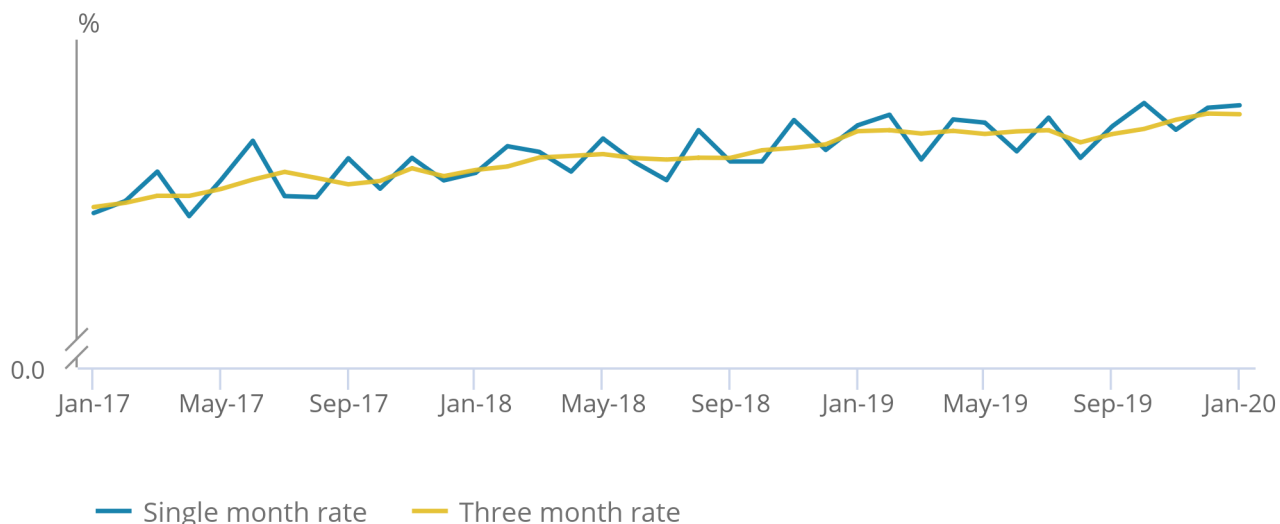
Summary of Labour Force Survey single-month estimates

Figure 1: Single-month employment rate was up on the previous month

UK employment rates, ages 16 to 64 years (seasonally adjusted), between January 2017 and January 2020

Figure 1: Single-month employment rate was up on the previous month

UK employment rates, ages 16 to 64 years (seasonally adjusted), between January 2017 and January 2020



Source: Office for National Statistics – Labour Force Survey

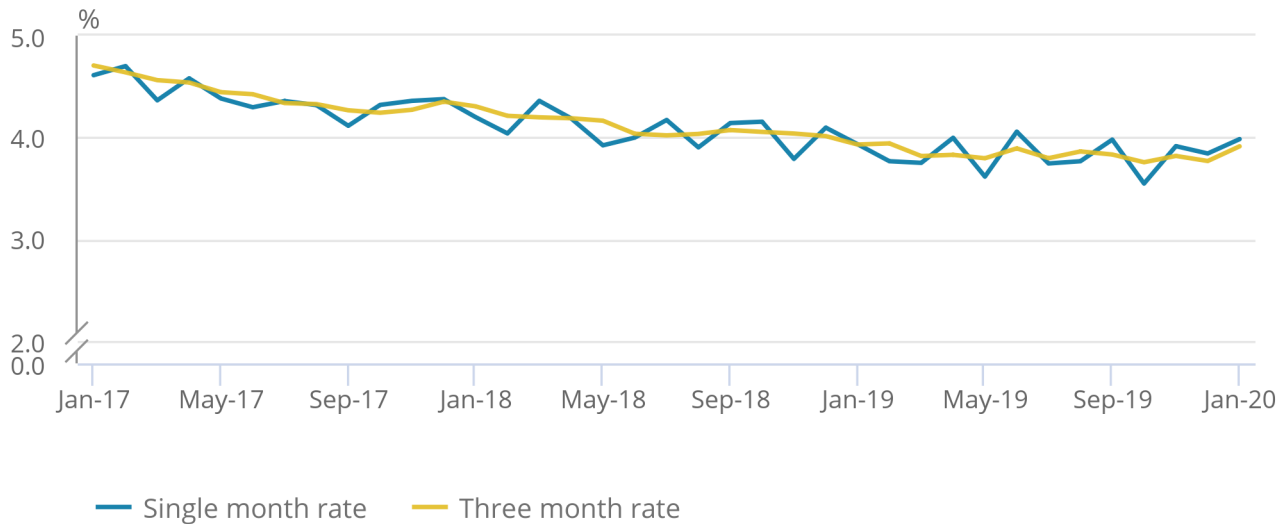
The single-month estimate of the employment rate, for people aged 16 to 64 years in the UK, for January 2020, is 76.6%. This represents an increase of 0.1 percentage points compared with the previous month (December 2019), but the rate was largely unchanged compared with three months ago (October 2019). The headline estimate for the three months from November 2019 to January 2020 increased by 0.3 percentage points compared with the previous three months (August to October 2019) and stands at a joint record high of 76.5%.

Figure 2: Single-month unemployment rate was up on the previous month

UK unemployment rates, ages 16 years and over (seasonally adjusted), between January 2017 and January 2020

Figure 2: Single-month unemployment rate was up on the previous month

UK unemployment rates, ages 16 years and over (seasonally adjusted), between January 2017 and January 2020



Source: Office for National Statistics – Labour Force Survey

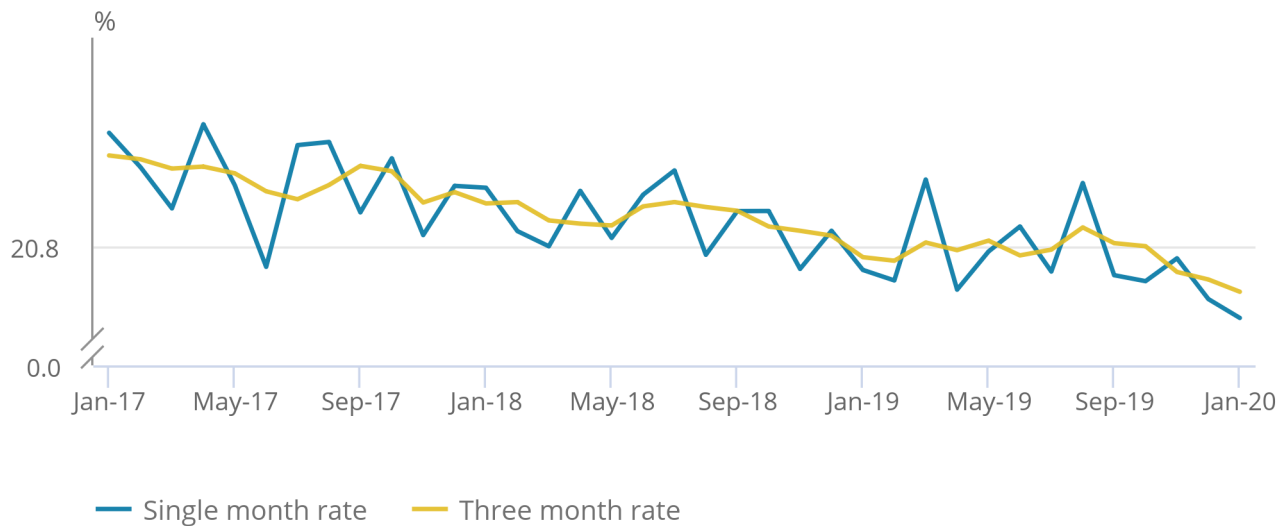
The single-month estimate for the unemployment rate, for people aged 16 years and over in the UK, for January 2020, is 4.0%. This represents an increase of 0.1 percentage points compared with the previous month (December 2019) and an increase of 0.4 percentage points compared with three months ago (October 2019). The headline estimate for the three months from November 2019 to January 2020 increased by 0.2 percentage points on the previous three months (August to October 2019) and stands at 3.9%.

Figure 3: Single-month inactivity rate was down on the previous month

UK economic inactivity rates, ages 16 to 64 years (seasonally adjusted), between January 2017 and January 2020

Figure 3: Single-month inactivity rate was down on the previous month

UK economic inactivity rates, ages 16 to 64 years (seasonally adjusted), between January 2017 and January 2020



Source: Office for National Statistics – Labour Force Survey

The single-month estimate for the economic inactivity rate, for people aged 16 to 64 years in the UK, for January 2020, is a record low of 20.1%. This represents a decrease of 0.2 percentage points on the previous month (December 2019) and a decrease of 0.4 percentage points compared with three months ago (October 2019). The headline estimate for the three months from November 2019 to January 2020 decreased by 0.4 percentage points on the previous three months (August to October 2019) to a record low of 20.4%.

2 . Things you need to know about this release

In June 2019, we released additional new [experimental](#) versions of the single-month estimates alongside the current estimates. The new estimates are based on time series models using single-month wave-specific time series estimates.

In December 2019, we also started to publish new experimental single-month wave estimates, alongside the current wave estimates, based on the new time series models.

3 . Quality and methodology

The Labour Force Survey (LFS) single-month estimates provide additional information about the latest quarterly movements in the headline three-monthly aggregates of employment, unemployment and economic inactivity. The production and evaluation of the estimates is an important part of our quality assurance of the three-monthly averages published in the [Labour market overview](#).

Single-month estimates are based on one-third of the sample of the three-monthly series; this is approximately 15,000 households. Consequently, sampling variability of the changes in the single-month estimates is higher in relative terms than those of the headline aggregates, and so any interpretation of them can only be in fairly broad terms.

The LFS sample is designed so that the data collected for any three consecutive monthly reference periods (or rolling quarters) are representative of the UK population. However, the data for any given single month are unlikely to be representative of the UK. These sampling effects can cause movements in the single month that are a consequence of the survey nature of the LFS and are not a true reflection of change in the wider economy. The movement in the latest single-month figures is, in theory, a better indication of the latest change in the labour market than the difference between the latest two overlapping three-month periods, but it must still be treated with caution.

The sample design of the LFS often produces clear patterns in the single-month series, which can aid interpretation of the LFS aggregates. The estimates help users determine how closely the movements in the headline aggregates reflect changes in the UK labour market and how far they reflect the survey nature of the LFS, in particular sampling variability. For example, 80% of the households surveyed in one month will also have been surveyed three months ago. This means the comparison between the latest month and three months ago usually provides a better indicator of the latest underlying change than the comparison with the previous month, for which there is no sample overlap.

The single-month estimates are regarded as an [official statistic](#) and are not considered National Statistics because they do not have sufficient methodological robustness.

A methodological article [explaining the background to the LFS single-month estimates and describing how they are calculated](#) is available.

The model-based single-month LFS estimates are derived from a state-space model and aim to improve on the current experimental single-month estimates. The model uses single-month wave-specific time series estimates for each variable, along with estimated variances, to produce modelled seasonally adjusted time series. These new model-based estimates are considered to be [experimental statistics](#).

A [methodological article](#) giving more detail regarding the new series is available.

4 . Other quality information

A [Labour Force Survey \(LFS\) Quality and Methodology Information \(QMI\) report](#) and [a set of LFS performance and quality monitoring reports](#) are available.

Further information about the LFS is available from the LFS – user guidance.

After EU withdrawal

As the UK leaves the EU, it is important that our statistics continue to be of high quality and are internationally comparable. During the transition period, those UK statistics that align with EU practice and rules will continue to do so in the same way as before 31 January 2020.

After the transition period, we will continue to produce our labour market statistics in line with the UK Statistics Authority's [Code of Practice for Statistics](#) and in accordance with International Labour Organization (ILO) definitions and agreed international statistical guidance.