Article

Labour market transformation – update on progress and plans: November 2026

Labour market transformation overview, building on previous engagement on the Transformed Labour Force Survey.

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1 . Main points

Transformed Labour Force Survey

- Transitioning to the online-first Transformed Labour Force Survey (TLFS) continues to be an important strategic priority for the Office for National Statistics (ONS) as the sustainable solution to declining participation rates affecting traditional social surveys.
- We now have two quarters of data since improvements, including data rotation and increased incentives, were introduced to the survey in April 2026; they show that return rates remain higher, fewer responses are incomplete, and respondents are taking less time to complete the survey.
- We have seen further improvements since July 2026, particularly for later waves of the survey, with return rates for Waves 2 to 5 now up 10 percentage points since the start of the year (from 27.7% in January to March compared with 37.7% for July to September 2026).
- These additional data, combined with progress in other critical areas, are reducing uncertainty and building confidence in the path to transition to the TLFS for our headline labour market statistics in November 2027 and providing important evidence to inform our progress check in January 2027.
- The January check will focus on progress in critical areas for us and our users such as industry and occupation codes, household, socioeconomic and local data quality, UK data coherence, and our post-transition strategy.
- Looking ahead, July 2027 will be an important point for determining transition readiness; the timing will continue to be guided by the data, while taking account of the cost of running the new survey alongside the Labour Force Survey (LFS).
- As we have previously outlined, running both surveys continues to constrain data quality and limit investment in wider improvements to statistics; once we decommission the LFS, we will have more resources to continue to improve the TLFS and there will also be further upgrades to the survey as we will have more data to optimise its methods and design.
- We will update users on the outcome of the January progress check and publish a detailed transition plan in the first quarter of 2027, including the criteria that will guide the July decision.

Labour Force Survey

- The Labour Force Survey (LFS) remains the lead source of labour market data and continues to run alongside the TLFS while development continues.
- An operational error occurred in May 2026, which led to temporary under-resourcing in LFS telephone collection operations; our analysis suggests that the resulting reduction in successfully linked records is unlikely to have materially changed the broad pattern or direction of longitudinal labour market estimates, but a smaller sample does reduce estimate precision, particularly for net flows.
- During July to September 2026, mitigative actions for the operational issue drove a recovery in the affected response rates; however, as a consequence of LFS imputation rules, a second-wave impact was seen in July to September 2026, with a slight decrease in overall dataset size.
- Coherence between the LFS and other labour market data sources remains a challenge; we continue to monitor this closely and provide guidance to users.

Administrative data

- We have published labour market flow statistics from the UK Linked Employer-Employee Dataset (LEED), providing new insights into labour market dynamism, including job hires, job separations and job-to-job flows, viewed from both worker and firm perspectives.

- Research findings to help identify and address potential employment-related variation in non-response bias by linking LFS survey data with HM Revenue and Customs (HMRC) Pay as You Earn (PAYE) Real Time Information (RTI) were published in September 2026; we are now exploring the suitability and feasibility of incorporating this methodology into the production of our labour market statistics and will continue to keep users updated as this work develops.

2 . Transformed Labour Force Survey

In response to user feedback, we have expanded the coverage of information on the Transformed Labour Force Survey (TLFS) in this article. We welcome further feedback from users via labour.market.transformation@ons.gov.uk.

Improved survey performance

As detailed in previous updates, a series of design improvements were implemented in April 2026. These included the addition of data rotation and an increase in the conditional incentive value from £10 to £20.

Data rotation, where some questions relating to household composition, education and sociodemographic characteristics are not re-asked in full in subsequent waves, was highlighted by stakeholders and methods experts as important for enhancing data quality. We have now collected two full quarters of data and are able to assess the impact of these upgrades more reliably.

For the July to September 2026 quarter, the TLFS Core Wave 1 return rate was 40.5%; this compares with a return rate of 39.9% for the previous quarter (April to June 2026) and 37.1% for the January to March 2026 quarter before the major survey improvements were made. Encouraging improvements have also been seen in the TLFS longitudinal return rates - at 37.7% for Waves 2 to 5 for July to September 2026, a notable increase from 27.7% in January to March 2026 and 32.8% in April to June 2026.

Return rates for Wave 1 of the TLFS are also showing an improvement compared with the LFS. The latest available response data for both surveys covers the July to September 2026 quarter, with the LFS data reported in our most recent Performance and Quality Monitoring Report.

For this quarter, the TLFS Core Wave 1 return rate was 40.5%, which is a 6.9 percentage point improvement on the LFS Wave 1 response rate of 33.6%. This improvement reflects a more accessible mode and shorter questionnaire, and comes despite lower incentives in the TLFS compared with the LFS.

The TLFS Core Wave 1 sample of 89,973 addresses is significantly larger than the LFS Wave 1 sample of 24,092 addresses for the July to September 2026 quarter. This resulted in over four times as many households responding to the TLFS Core Wave 1 (36,433) compared with the LFS Wave 1 (8,095). As the TLFS uses a subsampling approach for the longitudinal component, where 45,000 addresses are sampled for Waves 2 onwards (half of the Core Wave 1 sample), the difference is lower. For Waves 2 to 5, there were 29,828 responding households on the TLFS compared with 19,574 on the LFS.

TLFS and LFS rates and levels are not directly comparable because of differences in design and collection approach. LFS interviewers can identify and remove ineligible households from the response rate calculation, whereas this is not generally possible with TLFS's online-first approach, so TLFS reports a more conservative return rate than the LFS response rate.

While TLFS's much larger issued sample generates substantially more responding households, a greater proportion are lost through partial or insufficient responses before reaching the analytical dataset than for LFS. Differences in sample composition also mean that the larger achieved sample does not map linearly into improvements in statistical quality. For example, by design, TLFS follows up households beyond working age, so some additional responses are from older people and do not directly improve the precision of working-age estimates.

We continue to closely monitor performance, and future articles will include further performance metrics, including comparisons with the LFS, as we continue to expand our suite of metrics and analysis.

We are undertaking an assessment against our measures of success, which are centred around three pillars:

- statistical and data quality
- operational readiness
- user confidence and readiness

that will feed into the progress check in January 2027. Further detail on these criteria is provided in Section 6 of our TLFS measures of success April 2026 article.

Improved survey design

From October 2026, design changes were introduced to the TLFS to improve field-based follow-up and support participation. Knock-to-nudge (K2N), where interviewers visit selected non-responding households to encourage participation, now focuses exclusively on Wave 1, removing the small amount that was targeted at Wave 2.

This change focused interviewer capacity at the stage where K2N shows the most benefit. Previously, K2N was limited to households in urban, more deprived areas, predicted to contain respondents aged under 45 years. Its scope now extends to all non-responding Wave 1 households, giving each a probability of selection, although probability of selection will still be higher for harder-to-reach respondents. In the longer term, this broader coverage enables improvements in data weighting to account for any effects K2N may have on employment estimates.

The scope of supported completion has also expanded, giving interviewers who make K2N visits greater flexibility to assist respondents in completing the survey online. These changes include the ability to offer supported completion at the first return visit to an address, to those that indicated they would complete online but had not subsequently done so, and to those that initially refused to take part in the survey.

Crossover survey

As outlined in our August 2026 update, to better understand differences between estimates from the TLFS and LFS, we conducted a crossover survey in 2025. The study invited respondents who had recently completed the interviewer-led LFS to also complete the online TLFS questionnaire.

By comparing responses from the same individuals across both surveys, the crossover survey controls for differences in sample composition and non-response, allowing us to better understand the extent to which differences between LFS and TLFS estimates may be influenced by survey mode and questionnaire design. In response to user interest, we have published more detail on the crossover survey findings from 2025.

One area of the crossover survey that saw larger differences between LFS and TLFS was for the reason given for not looking for work in the reference week - which underpins how we classify respondents' reason for economic inactivity. Here the level of agreement, where respondents gave consistent responses across the two surveys, was lower than for other variables at 71.3%.

Though we expect and see some natural change over time, there were response options with more concentrated differences. Specifically, among those who were classified as long-term sick on the LFS, 72.2% were classified in the same category on TLFS. However, 13.6% had changed classification to "retired" on the TLFS. There was very little change between long-term and temporary sickness.

Alongside any impact from the difference in survey mode, this is an area where there have been improvements to the design of the questionnaire. Notably, in line with best practice, response options to the relevant question have been reordered to reflect the most common reasons given for respondents not looking for work. This aligns with one of the points of difference described previously, where "retired" has changed from being the ninth response option on LFS to the first response option on TLFS. Long-term sickness has moved from fifth to sixth. This potentially explains why some crossover respondents moved categories.

Additionally, the response options that determine long-term and temporary sickness have had a four-week threshold introduced on the TLFS. While this also gives the potential to change how respondents choose to classify themselves, as described previously, among crossover survey respondents we saw little movement between the temporary and long-term categories on the two surveys.

These findings are based on individual-level comparisons among a small number of unweighted crossover respondents and should therefore be interpreted with caution. The crossover sample is small and, by LFS Wave 5, those remaining in the sample are already less representative of the wider population. The analysis does not indicate whether the two surveys' weighted estimates are, or should be, the same. Final estimates also depend on survey weighting, achieved sample composition, non-response adjustment and calibration.

As previously stated, we intend to give greater insights into the estimates calculated by TLFS and how they compare with the LFS from the second quarter of 2027, and will incorporate findings from the crossover survey, such as those described previously, where appropriate.

Industry and occupation data

Collecting high-quality data on the complex Standard Industrial Classification (SIC) and Standard Occupational Classification (SOC) variables continues to be a priority for users, and an important challenge for the TLFS.

We have continued prioritising development of multiple parallel solutions to meet measures of success for SIC and SOC variables and progress continues to be positive in this area. A large-scale test of a Search-As-You-Type (SAYT) question for SIC took place from July to September. Analysis is ongoing, but initial test results have shown similar levels of respondent drop-off to the current free text question, and positive performance.

Approximately four out of five participants used the SAYT lookup, which provides codes between 2- and 5- digit SIC; the remainder provided a free text entry. Around 7 out of 10 of those that used the lookup selected a 5-digit level entry. We are also assessing SIC quality from the SAYT test against data collected by the LFS. These initial results are encouraging and increase confidence in the SAYT solution, though further analysis and quality assurance is required ahead of its planned implementation into the TLFS in spring 2027.

Work has continued to progress on other related workstreams, including feasibility into the use of administrative data for improving coding for employees, use of artificial intelligence (AI) to improve coding within the questionnaire, and the Classification Index Matching Service (CIMS) post-processing tool to classify free-text responses.

A fuller report on progress in this area will be provided in the next article in early 2027, following the progress check in January where SIC and SOC progress will be a main area of focus.

Economic activity and inactivity terminology

As part of the development of the TLFS, we are exploring updates to the terminology used in ONS labour market outputs. This work relates to terminology only and does not involve any changes to the underlying measurement of our statistics such as the questionnaire, definitions, classifications or methods used to estimate our labour market statistics.

We are proposing to replace the terms "economic activity" and "economic inactivity" with terminology that is more closely aligned with current international practice. Specifically, we are proposing the use of "labour force" and "outside the labour force", together with the corresponding rate measures "labour force participation rate" and "labour force non-participation rate". The proposed terminology aims to use language that more accurately reflects what is being measured.

We have engaged with users and stakeholders and have received broad support for this change. We are now considering how the proposed terminology could be introduced and welcome further feedback from users. If you have any comments or views on the proposal, please contact us at labour.market.transformation@ons.gov.uk.

UK data coherence

As outlined previously, in the future, labour market information for Northern Ireland will be collected by the Northern Ireland Statistics and Research Agency's (NISRA's) Labour Market Survey (LMS). The ONS will then combine the LMS data, including seasonal adjustments, with the corresponding data from Great Britain to enable the production of results covering the UK.

The ONS and NISRA are working in close partnership to support the successful transition of both surveys to UK-wide data production. Building on recent progress in the development of Northern Ireland data and methods, we have agreed to explore a more integrated approach to transition planning, governance, communications and publication. This includes a new regular strategic forum, chaired by the UK National Statistician, which aims to strengthen joint oversight and support the effective integration of Northern Ireland data into future UK labour market statistics.

Further detail on our exploration of a joint transition, including integrated transition and contingency planning, will be published within the TLFS Transition Plan in early 2027, after it has been agreed by the UK Statistics Authority Board.

The latest updates on the main developments and future plans with NISRA's LMS can be found on their Transformation of Labour Market Statistics in Northern Ireland webpage.

Household, Socioeconomic and Local statistics

The Household, Socioeconomic and Local (HSL) project was initiated in 2025 to strengthen understanding of user needs and our ability to meet them, beyond labour market and productivity statistics. Its aim is to identify priority topics and assess data quality, so that the TLFS can deliver high-value data, aligned with HSL user needs. This work is critical for supporting decisions on survey design and the decommissioning of the current LFS and Annual Population Survey (APS).

User feedback has reinforced the importance of high-quality annual data, continuity with the current provision and sufficient time for users to test and assure new outputs. During summer 2026, we gathered feedback specifically from local stakeholders to fill gaps in our evidence, providing a clearer understanding of what is essential and to inform the prioritisation of the TLFS development. Health, individual socio-demographics, education and household composition are the main HSL priority themes, followed by travel to work, job quality, sickness, social mobility, smoking, previous occupation, benefits, variations in pay and accidents at work.

In September 2026, we released a methodology article which explained the longer-term challenges and more recent operational and strategic changes to the APS data collection. The update outlined changes to the size and composition of the APS data, what this means for the quality and use of APS statistics, and how we will continue to assess and support their use.

As part of our work, we are assessing the comparability of APS and TLFS-based outputs and are exploring where alternative data sources may provide useful context or assurance during the transition period. We will continue to monitor quality, publish guidance alongside APS outputs, undertake further analysis, and work with users to support interpretation and future transition planning.

An important assumption within the TLFS programme is that the decision to transition headline labour market statistics does not depend on the full HSL offer being ready. Transition could proceed once the core labour market requirements have been met, meaning that some HSL data, methods and outputs may require substantial further development after that point. This reflects the cost and practical limits of continuing to run the LFS, APS and TLFS in parallel.

Once we decommission the LFS and the APS, we will have more resources to improve the HSL data. Our judgement is that decommissioning the LFS and APS and transitioning to the TLFS when the headline labour market statistics are at an acceptable quality, rather than waiting for every user need to be fully achieved, provides the most effective route to meeting the needs of our users, including those of the APS.

Our HSL work has focused on establishing what users will need most in the future and providing a clear route from the current APS to future TLFS-based outputs. This includes mapping existing APS uses to their future replacements, identifying where other data sources may help, and setting out a clear post-transition improvement roadmap. The length of any gap between the APS and the full HSL offer will depend on the decisions taken around readiness to transition and decommissioning. HSL will be a focus for development immediately following transition, so that the most critical user needs are addressed as early as possible.

We provide regular updates to stakeholders but are keen to engage a wider range of HSL users. Those with an interest in TLFS HSL data who are not yet involved are encouraged to contact TLFSPlusTransformation@ons.gov.uk.

January progress check

In January 2027, we will undertake a progress check focused on the areas of greatest remaining uncertainty for transition, including the evidence emerging from improvements to the TLFS survey design, industry and occupation data solution testing, Household, Socioeconomic and Local data, UK data development, and the approach for decommissioning the LFS.

The check will not be a full readiness assessment, but will assess progress, identify where further work or mitigation is needed and confirm whether we remain on a credible trajectory towards transition in 2027. We will publish the outcome of the progress check, and detailed transition plans, in the first quarter of 2027, alongside the criteria we will use for the July readiness decision.

Transition timeline

Providing the January progress check confirms that we remain on a credible path for transition, our focus will move towards building the evidence required for the full transition readiness assessment in July 2027. This will include using the additional data available to build our understanding of TLFS quality, assess progress against our measures of success and identify where further improvement is needed ahead of transition.

We will also work through the remaining operational activities, including testing the end-to-end production process and ensuring that the systems, processes and resources needed to produce the new statistics reliably are ready for transition.

Alongside this, we will continue to work in partnership with our main users to understand their readiness for the new statistics, provide guidance and analysis to support the move from the LFS to the TLFS, and be transparent about any remaining quality limitations or trade-offs.

TLFS data will be published before transition to allow users to understand and prepare for the change. The earliest potential publication of research outputs will be Quarter 2 (Apr to June) 2027 after we have completed the reweighting of the person-based quarterly dataset and implemented the latest methods and variable derivation changes.

The decision on when to publish TLFS data will be revisited at the review point in January 2027 and we will update users as part of this regular series of articles. In the meantime, TLFS user guidance is available to provide users with information on the survey design, variables and methods, and how it compares with the current LFS and APS, to support their understanding and readiness ahead of transition.

July 2027 will be the main point at which we will assess the evidence and determine whether we, and our users, are ready to proceed with transition. Subject to a positive readiness decision from the UK Statistics Authority Board in July 2027, our plan is for the TLFS to become the main source of headline UK labour market statistics in November 2027.

As we have outlined previously, transition will be the start of a managed, continuous improvement journey rather than the point at which development ends. Running the LFS and TLFS in parallel is not a sustainable long-term approach, given the resources required to operate both surveys and the constraints this puts on our ability to realise the full potential of the TLFS.

At a given point following transition we will therefore decommission the LFS and APS so that we can focus our resources on improving the TLFS and the statistics it supports. The decision on the timing of LFS decommission will be taken separately to the decision to transition, and will also require ratification from the UK Statistics Authority Board, allowing us to manage continuity and the operational risks associated with moving from one survey to the other.

We are also continuing to work closely with the Office for Statistics Regulation on the route to accreditation for TLFS-based statistics. Our aim is for statistics based on the TLFS to comply fully with the Code of Practice for Statistics and become accredited official statistics at the earliest opportunity.

The main activities and waypoints we are working towards remain unchanged from those outlined in August 2026.

Quarter 1 2027

Goal: Check progress and publish detailed transition plan

- January progress check and transition plan published.
- Early knock-to-nudge evidence reviewed.
- Priority questionnaire changes made.

Quarter 2 2027

Goal: Build user readiness

- Priority UK data ready for headline labour market estimates.
- Potential publication of research outputs.
- Phase 2 delivery plan agreed.

Quarter 3 2027

Goal: Assess readiness and make decision on transition

- Decision on transition to TLFS.
- UK two-quarter longitudinal datasets ready to produce estimates of labour market flows.
- Potential publication of further research outputs.

Quarter 4 2027

Goal: If ready, transition to TLFS as headline estimate

- Transition of headline labour market data (subject to readiness).
- UK household quarterly datasets ready for the main estimates of households in the labour market.

Quarter 1 2028 onwards

Goal: Ongoing transition and improvement

- Phase 2 delivery plan implemented.
- Transition of further labour market and household, socioeconomic and local data (including annual data).

3 . Labour Force Survey

The Labour Force Survey (LFS) remains the lead measure for data on the supply of labour while further development of the Transformed Labour Force Survey (TLFS) takes place. The LFS continues to run in parallel with the TLFS, at least until we complete the transition to the TLFS as the headline measure.

Our latest update on LFS quality in October 2026 included analysis of the operational issue that occurred in May 2026, concluding that the resulting reduction in successfully linked records is unlikely to have materially changed the broad pattern or direction of longitudinal labour market estimates, but a smaller sample does reduce estimate precision, particularly for net flows.

The achieved number of person interviews excluding imputed person interviews increased in July to September 2026, while imputed totals (the dataset size) decreased slightly compared with April to June 2026. During July to September 2026, mitigative actions for the operational issue drove a recovery in the affected response rates. However, as a consequence of LFS imputation rules, a second-wave impact was observed in July to September 2026, with a slight decrease in overall dataset size. More information can be found in our LFS performance and quality monitoring report: July to September 2026.

Coherence between the LFS and other labour market data sources remains a challenge. Our comparison of LFS and HM Revenue and Customs (HMRC) Pay As You Earn Real Time Information (PAYE RTI) has shown the 25- to 34-year-old age group are showing divergences in the levels of employees starting in the first quarter of this year. We have not identified any changes to the way the LFS is operated that might explain that change. We continue to monitor this closely and are exploring opportunities to triangulate with other novel data sources. Updates on this work will be given in future quality articles.

As the improvements continue to feed through to the published data, we recommend that the LFS is used as part of our suite of labour market indicators alongside workforce jobs, Claimant Count, and PAYE RTI estimates. Caution is advised when assessing change over time periods (particularly those affected by operational changes) and when analysing more detailed estimates; as the quality of the LFS has improved, it is likely that these quality improvements have affected reported statistics.

An exercise to reweight LFS data back to 2011, using more up-to-date population estimates and projections, is under way. Because of the scale of this project, revised estimates are due to be published over a period of around two years, with the first revised estimates expected to be available by March 2027.

4 . Administrative data

Linked employer-employee dataset

In collaboration with the Economic Statistics Centre of Excellence (ESCoE), we have published the first labour market flow statistics from the UK Linked Employer-Employee Dataset (LEED). These official statistics in development provide new insights into labour market dynamism, including job hires, job separations and job-to-job flows, viewed from both worker and firm perspectives.

LEED combines person-level information from HM Revenue and Customs (HMRC) Pay As You Earn (PAYE) data with firm-level information from the Inter-Departmental Business Register (IDBR). This linkage enables payrolled employees and employing organisations to be analysed over time, providing a richer picture of how people move into, out of and between jobs and how these movements vary across workers and businesses.

The release includes breakdowns by worker and firm characteristics, including worker age, firm size and industry, providing further insight into patterns of labour market movement across different groups and types of businesses. Our article Insightson UK labour market dynamism fromlinkedemployer-employeedata: 2014 to 2026 has been published, with a more detailed technical paper available on the Economic Statistics Centre of Excellence (ESCoE) website setting out the development of LEED and the data and methods underpinning the estimates.

This marks a significant milestone in the ongoing development of the LEED infrastructure and shows the potential of linked administrative data to provide new evidence on the UK labour market. Future work will build on this foundation by broadening the range of insights available from LEED, including a greater focus on earnings dynamics.

LEED is also being explored as a potential source of quality assurance for existing labour market statistics. A coherence assessment comparing LEED with two of the main Office for National Statistics (ONS) business surveys, the Short-Term Employment Survey and the Monthly Wages and Salaries Survey, has shown strong alignment in aggregate employment and earnings estimates. We continue to investigate this relationship to improve the measurement of UK employment and earnings.

HMRC Pay As You Earn data

Since our previous update in August 2026, we have made further progress in investigating how administrative data could complement survey data and support the continued improvement of UK labour market statistics.

In September 2026, we published the results of our investigation into using HMRC Pay As You Earn (PAYE) Real Time Information (RTI) data to identify and adjust for potential employment-related non-response to the Labour Force Survey (LFS). While encouraging, this work represents "proof of concept" research and should not be treated as revised official LFS statistics.

The experimental analysis shows the potential value of using administrative data in the estimation process for labour market surveys. The research links PAYE information to the LFS to investigate whether patterns of employment-related non-response can be identified, and explores an extension to the existing LFS weighting approach incorporating PAYE information. The analysis examines the resulting impact on headline labour market estimates between 2019 and 2025.

The findings indicate that the apparent under- or over-representation of PAYE employees among LFS respondents has varied over time. The analysis also shows that incorporating PAYE information into the weighting process can affect estimates of employment, unemployment and economic inactivity, although the size and direction of the effect varies across different periods.

Recalibrating LFS survey weights using this approach resulted in an employment rate lower than that using current LFS weights during the peak coronavirus (COVID-19) pandemic period throughout 2020 and 2021. This pattern then reversed, with the recalibrated estimated employment rate becoming higher relative to the current estimated employment rate from the start of 2022.

This pattern peaked during 2023, with estimates using the two methods becoming closer again through 2024 and to the end of 2025, the latest time period covered in the analysis. Correspondingly, estimated recalibrated inactivity rates show the reverse pattern, increasing relative to the current estimated inactivity rate in 2020 and 2021, falling relative to the current inactivity rate until 2023, then moving to become close to the existing inactivity rate in 2025 again.

Over the coming months, we will undertake further statistical research and feasibility testing to build the evidence base and determine whether this methodology could be suitable for incorporation into the production of official labour market statistics. This includes extending the analysis to the Transformed Labour Force Survey (TLFS) once its data and methods have matured. If the methodology shows benefit and feasibility for the TLFS, implementation would take place after the initial transition. We will update users on our plans at a later date.

5 . Wider labour market statistics

Labour Accounts

We have made further progress towards developing a future UK Labour Accounts framework. Alongside continuing to assess existing and potential data sources, including their quality, strengths and limitations, we are progressing the methodological and analytical work needed to support the development of the Labour Accounts.

We are participating in the Organisation for Economic Co-operation and Development (OECD) and United Nations Economic Commission for Europe (UNECE) international taskforce that will develop a compilation guide for the construction of Labour Accounts. This provides an important opportunity for the UK to contribute to emerging international guidance, learn from the experience of other countries, and ensure that our approach remains aligned with evolving international best practice.

We have also undertaken knowledge-sharing with other national statistical institutes, including the Australian Bureau of Statistics and Statistics Netherlands, to understand their approaches and practical experience in developing Labour Accounts.

Within the UK, we are engaging with main users of labour market statistics to better understand their needs and how a future Labour Accounts framework could strengthen the coherence and usability of labour market information.

Development work has also started on the earnings quadrant of the Labour Accounts, considering how relevant earnings information could be brought together within a coherent framework consistent with National Accounts concepts and definitions.

In parallel, we are working closely with Economic Statistics Centre of Excellence (ESCoE) colleagues who are developing work relevant to the volume quadrant of Labour Accounts. At the end of the project, we will assess the findings and methodology from this work, including how they could potentially contribute to the future development of UK Labour Accounts. This assessment will consider their suitability within the wider Labour Accounts framework rather than assuming their direct adoption.

Together, these activities represent important progress from the initial investigative phase towards the development of a robust, transparent and internationally informed UK Labour Accounts framework, with the longer-term aim of providing a more comprehensive and coherent picture of labour market activity across the UK economy.

Reconciling employment estimates

We have commissioned ESCoE to undertake exploratory research into how different sources of labour market data can be brought together to provide a better understanding of employment trends in the UK.

The research responds to a period in which important labour market sources, including survey-based and administrative data, have sometimes provided different signals about the strength and direction of employment growth. The project explores whether statistical reconciliation methods can help explain these differences and provide a clearer assessment of underlying labour market conditions.

The aim is not to replace existing measures, but to better understand the information contained within each source, their respective strengths and limitations, and how they can be used together to support interpretation. This project is specifically focused on reconciling and understanding employment estimates and is therefore narrower in scope than the Labour Accounts, which consider the labour market within a broader, coherent framework.

Through this work, the Office for National Statistics (ONS) is investigating whether other approaches can offer valuable insights when labour market indicators appear to diverge. As exploratory research, the project will help inform the ONS's longer-term thinking on the use of multiple data sources and evidence in labour market statistics.

Commercial data

The emergence of new commercial datasets, including those from digital payment platforms, is creating opportunities to better understand how self-employment, entrepreneurship and small business activity are evolving. The ONS is exploring how these insights can complement existing survey and administrative data to strengthen our understanding of the modern labour market.

Annual Survey of Hours and Earnings

In October 2026, we published the Annual Survey of Hours and Earnings (ASHE) 2026 results on employee earnings, low and high pay, and the gender pay gap in advance of the Autumn Budget to allow transparent decision-making.

Significant progress has been made towards the modernisation of ASHE this year as we transitioned to full digital data collection, which has made it easier and faster for businesses to respond. The latest statistics benefitted from a particularly successful data collection round, with around 197,000 employee records being collected and processed across the UK, compared with around 174,000 last year - the largest achieved sample size in ASHE history.

Additionally, the improvements mean that we are now hearing from more smaller businesses, with the response rate for micro businesses (which have fewer than 10 employees) increasing from 36% to 41%.

ONS website transformation

As part of our ongoing programme of improvements to the ONS website, we are making changes to the Labour market overview statistical bulletin to improve the user experience.

Some of the individual bulletins that comprise the labour market release have been shortened to summary releases from November 2026 onwards, with all associated data tables remaining as before. The bulletin changes are designed to bring greater focus to the main information that users need, highlight important trends more effectively, and improve navigation. We are also updating the focus and timing of future Labour Force Survey quality articles to align with quarterly publications and to cover the full suite of labour market statistics. Please send any feedback you have to labour.market@ons.gov.uk.

6 . Wider surveys and economic statistics

Surveys and Economic Statistics Improvement Plan

The fourth quarterly update reporting progress on the Office for National Statistics (ONS) improvement plan for surveys and economic statistics was published in October 2026. Since our July 2026 update, we have continued to focus resources on the improvements expected to have the greatest impact on the quality, resilience and relevance of our statistics.

Communications campaign targeting younger respondents

Younger adults remain underrepresented in several ONS social surveys, including the Transformed Labour Force Survey (TLFS). The ONS is developing a targeted communications campaign aimed at increasing survey participation among 18- to 34-year-olds.

Using results of a co-creation workshop with this age group, we have produced some creative concepts effectively engaging young people. A pilot campaign is planned for January to March 2027. The findings will inform future strategies for increasing participation among this important demographic.

Survey mandation

The ONS has expanded its evidence base on the feasibility of survey mandation, including considering the associated costs and benefits. Mandation has the potential to support participation and the long-term sustainability of the main ONS surveys.

The work is largely driven by a Lievesley Review recommendation to explore mandating the Labour Force Survey. Additionally, last year HM Treasury asked us to undertake work on survey mandation and the recent PACAC report also recommended that the ONS provide an update on this work.

Initial insights on feasibility have been gathered from international partners, government stakeholders, ONS interviewers and the public, alongside assessments of the statistical and operational impacts. The exploration stage will conclude in early 2027, at which point information about potential next steps will be announced. We will keep users updated as part of this quarterly series.

7 . Related links

TLFS landing page.
Landing page for all content relating to the ongoing transformation of our Labour Force Survey and updates and plans for the development of the new Transformed Labour Force Survey.

TLFS user guidance
Information on the survey design, variables and methods, and how it compares with the current LFS and APS.

Transformed Labour Force Survey technical design review: April 2025
Article | Released 10 April 2025
Findings from the technical design review to inform the future design of the Transformed Labour Force Survey (TLFS).

Labour market overview, UK: November 2026
Bulletin | Released 17 November 2026
Estimates of employment, unemployment, economic inactivity and other employment-related statistics for the UK.

Labour Force Survey quality update: October 2026
Article | Released 20 October 2026
Assessment of Labour Force Survey data quality, including the impact of recent changes on the statistics, response levels and rates, and respondent characteristics.

Annual Population Survey quality update: September 2026
Article | Released 15 September 2026
Assessment of Annual Population Survey data quality, including the impact of longer-term challenges and more recent changes on the statistics.

Labour Force Survey
Methodology
Introduction to the Labour Force Survey explaining to respondents what it is, how it functions and how it is used.

Labour Force Survey performance and quality monitoring report: July to September 2026
Article | Released 17 November 2026
Response rates, sample size and quality assessment of the Office for National Statistics quarterly Labour Force Survey.

Shape Tomorrow study
Methodology
Introduction to the Shape Tomorrow study, also known as the Transformed Labour Force Survey, explaining to respondents what it is, how it functions and how it is used.

8 . Cite this article

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