Office for National Statistics

Article

Single-month and weekly Labour Force Survey estimates: December 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. Includes weekly Labour Force Survey estimates.

Notice

26 January 2021

The effect of the coronavirus (COVID-19) pandemic on our capacity means we have reviewed the existing labour market releases and will be suspending some publications.

The single-month and weekly Labour Force Survey (LFS) estimates article have been temporarily suspended. However, data for the latest period will be available in Tables X01 (Labour Force Survey single-month estimates) and X07 (Labour Force Survey weekly estimates). The data will also be referenced, where appropriate in the other labour market bulletins.

This will protect the delivery and quality of our remaining labour market outputs as well as ensuring we can respond to new demands as a direct result of the coronavirus. More details about the impact on labour market outputs can be found in our statement.

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1 . Main points

- The single-month estimate for the employment rate in the UK, for October 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 October 2020, shows an increase of 0.3 percentage points compared with the previous month.

- The single-month estimate for the economic inactivity rate in the UK, for October 2020, shows a decrease of 0.3 percentage points compared with the previous month.

- The weekly unemployment rate was 5% or above for each of the last three weeks in October 2020.

- The number of people reporting redundancy in the three months prior to interview has fallen slightly in October after a large peak in September.

- Average actual hours for employees have nearly returned to the pre-lockdown levels; however, for the self-employed, average actual hours are still below pre-lockdown levels.
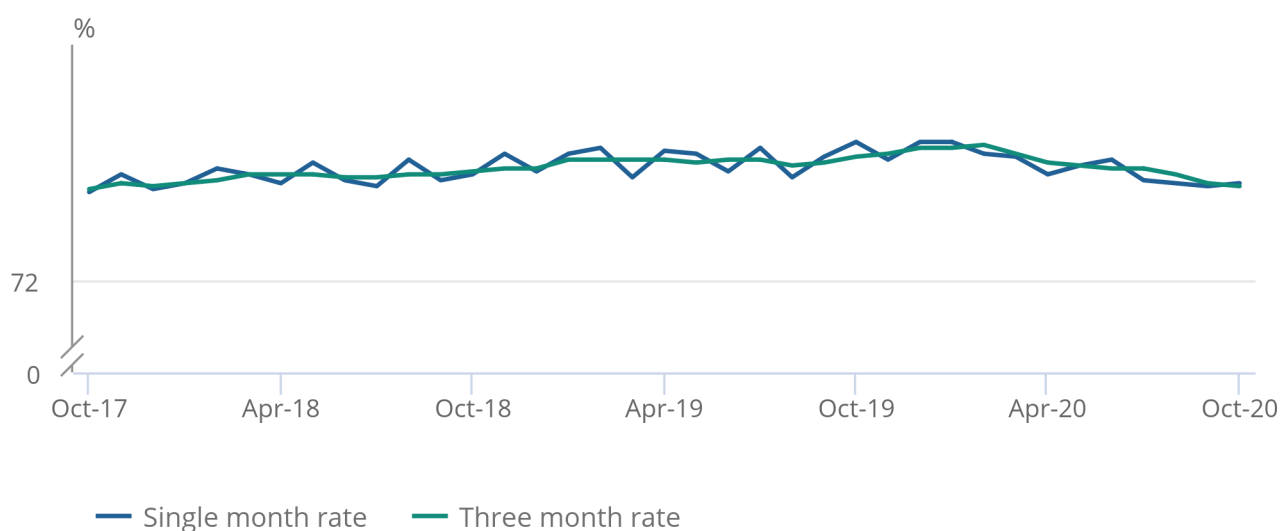
2 . Single-month employment

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

UK employment rates, ages 16 to 64 years (seasonally adjusted), October 2017 to October 2020

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

UK employment rates, ages 16 to 64 years (seasonally adjusted), October 2017 to October 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 October 2020, was 75.3%. This represents an increase of 0.1 percentage points compared with the previous month (September 2020) but a decrease of 0.1 percentage points compared with three months ago (July 2020). The headline estimate for the three months August to October 2020 was down 0.5 percentage points compared with the previous quarter (May to July 2020) and stood at 75.2%.

The International Labour Organization (ILO) definition of employment includes those who worked in a job for at least one hour and those temporarily absent from a job. Workers furloughed under the Coronavirus Job Retention Scheme (CJRS), or who are self-employed but temporarily not in work, have a reasonable expectation of returning to their jobs after a temporary period of absence. Therefore, they are classified as employed under the ILO definition.
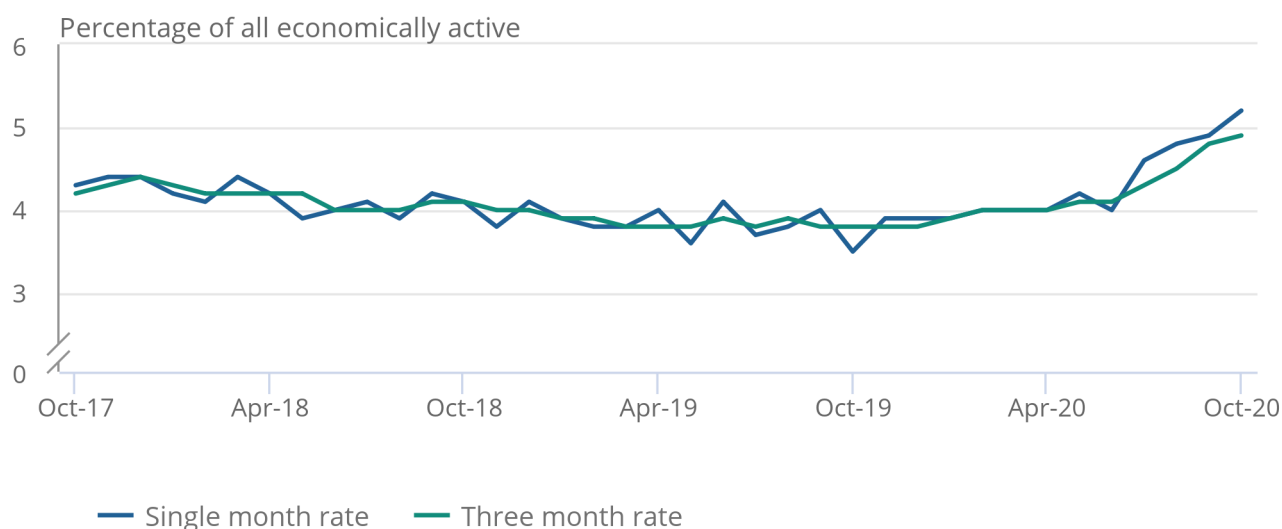
3 . Single-month unemployment

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

UK unemployment rates, ages 16 years and over (seasonally adjusted), October 2017 to October 2020

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

UK unemployment rates, ages 16 years and over (seasonally adjusted), October 2017 to October 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 October 2020, was 5.2%. This represents an increase of 0.3 percentage points compared with the previous month (September 2020) and an increase of 0.6 percentage points compared with three months ago (July 2020). The headline estimate for the three months August to October 2020 was up 0.7 percentage points on the previous quarter (May to July 2020) and currently stands at 4.9%.
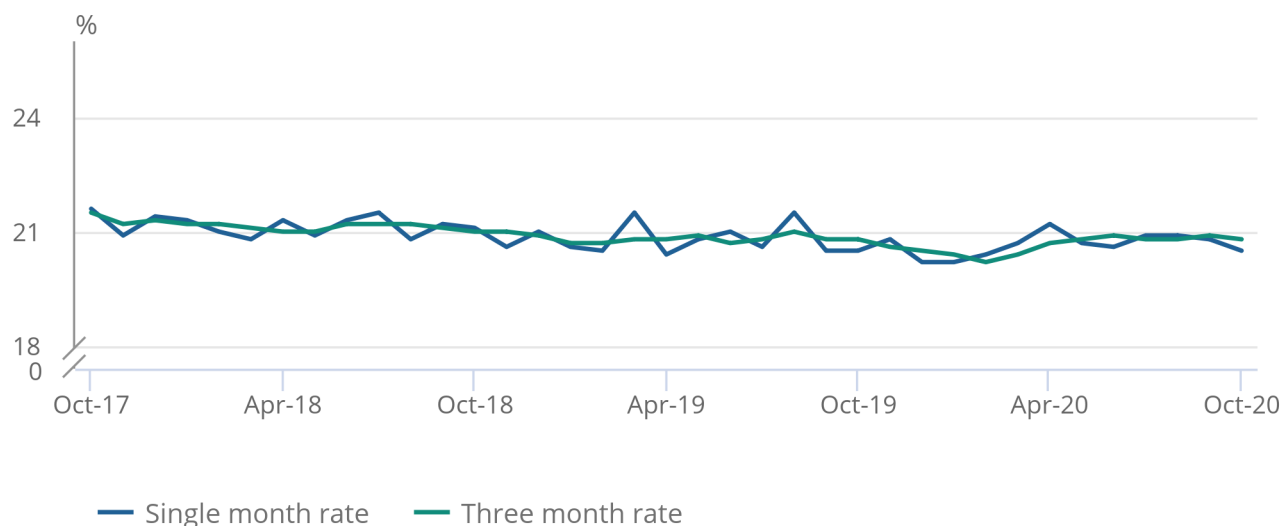
4 . Single-month economic inactivity

Figure 3: The single-month economic inactivity rate was down on the previous month

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

Figure 3: The single-month economic inactivity rate was down on the previous month

UK economic inactivity rates, ages 16 to 64 years (seasonally adjusted), October 2017 to October 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 October 2020, was 20.5%. This represents a decrease of 0.3 percentage points on the previous month (September 2020) and a decrease of 0.4 percentage points compared with three months ago (July 2020). The headline estimate for the three months August to October 2020 was largely unchanged on the previous quarter (May to July 2020), standing at 20.8%.

5 . Weekly Labour Force Survey

From the way the Labour Force Survey (LFS) data are collected, it is possible to separate out responses relating to individual weeks during the survey period. The Office for National Statistics (ONS) has developed a method for weighting the weekly LFS data to produce UK aggregates. The sample for any week is not representative, and the results are more volatile than the quarterly or monthly estimates. As such, their use is to show any large impact of a sudden change in labour market conditions and should not be used as a leading indicator.

While not providing robust estimates of labour market conditions, these can help users to understand the impact of the coronavirus (COVID-19) pandemic on a week-by-week basis during the quarter. They may have the potential to pick up large changes in the labour market, which is why the data have been explored and are now being made available during the coronavirus period.

The weekly LFS data, from 2008 to the latest available period, will be published monthly in this article and [Dataset X07](); their usefulness and future publication will be reviewed.

Because of the experimental nature of these data, each month the seasonal adjustment is reviewed and refined to incorporate international best practice on high frequency data, and better account for the specifics of the LFS sample design. Therefore, seasonally adjusted and trend estimates will change between monthly publications. From September 2020 onwards this change will include using a forward factor method in estimation of average actual hours and people temporarily away from paid work. More information can be found in [Dataset X07.]()

Employment and unemployment

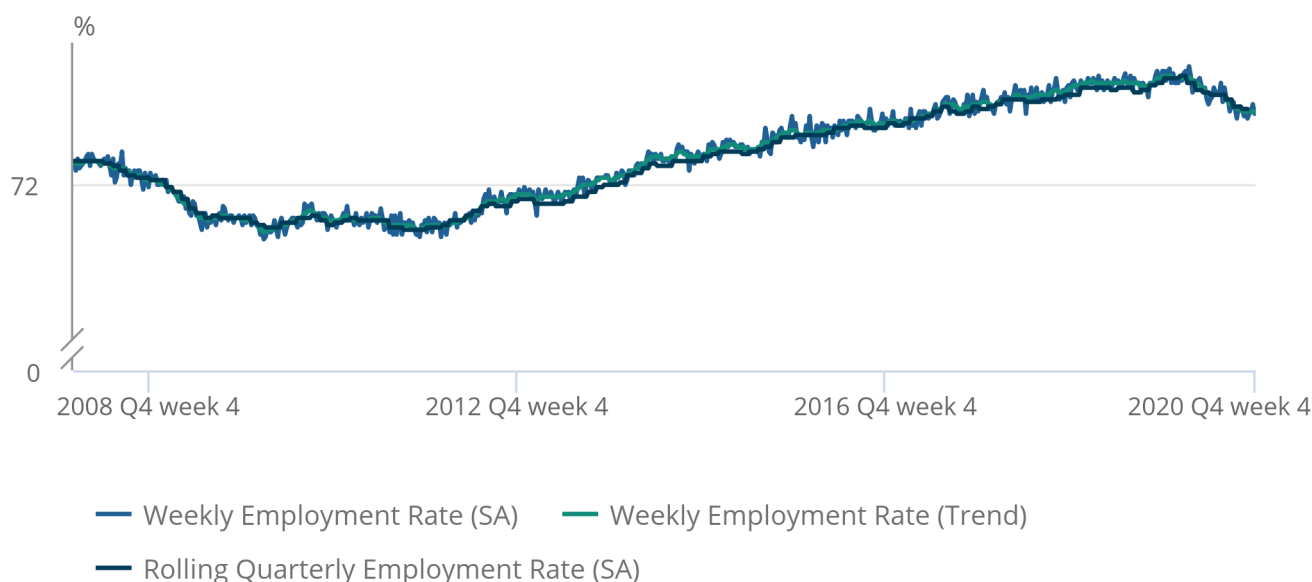The weekly employment and unemployment rates are extremely volatile and therefore should not be used as leading indicators of changes to the labour market. However, they may have the potential to pick up large changes (see Figures 4 and 5). The weekly employment rate has been falling since the beginning of 2020 and stood at around 75% in October 2020. The weekly unemployment rate increased to over 5% by the end of October 2020.

Figure 4: The weekly employment rate has been falling since the beginning of 2020

UK weekly employment rate, ages 16 to 64 years (seasonally adjusted and trend), 2008 to the end of October 2020

Figure 4: The weekly employment rate has been falling since the beginning of 2020

UK weekly employment rate, ages 16 to 64 years (seasonally adjusted and trend), 2008 to the end of October 2020

Source: Office for National Statistics – Labour Force Survey

Notes:

1. Weeks 1 to 4 refer to month 1 in the quarter (for example, January, April, July and October), weeks 5 to 9 refer to month 2 of the quarter (for example, February, May, August and November), and weeks 10 to 13 refer to month 3 of the quarter (for example, March, June, September and December). Rolling quarterly estimates are centred on the middle month of the quarter (for example, August to October 2020 is centred on September 2020, on weeks 10 to 13 of Quarter 3 2020).

Figure 5: The weekly unemployment rate was 5% or above for the last three weeks in October 2020

UK weekly unemployment rate, ages 16 years and over (seasonally adjusted and trend), 2008 to the end of October 2020

Figure 5: The weekly unemployment rate was 5% or above for the last three weeks in October 2020

UK weekly unemployment rate, ages 16 years and over (seasonally adjusted and trend), 2008 to the end of October 2020

Percentage of all economically active

Legend:
- Weekly Unemployment Rate (SA)
- Weekly Unemployment Rate (Trend)
- Rolling Quarterly Unemployment Rate (SA)

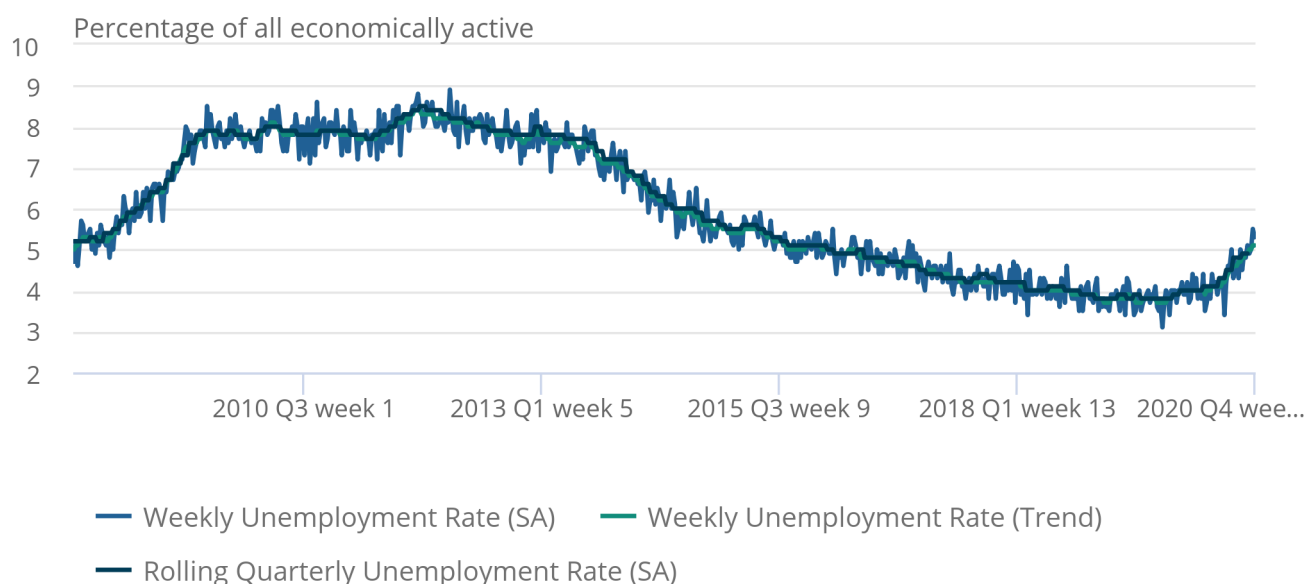**Source: Office for National Statistics – Labour Force Survey**

Notes:

1. Weeks 1 to 4 refer to month 1 in the quarter (for example, January, April, July and October), weeks 5 to 9 refer to month 2 of the quarter (for example, February, May, August and November), and weeks 10 to 13 refer to month 3 of the quarter (for example, March, June, September and December). Rolling quarterly estimates are centred on the middle month of the quarter (for example, August to October 2020 is centred on September 2020, on weeks 10 to 13 of Quarter 3 2020).

Actual hours

Initial national lockdown measures were introduced on 23 March 2020 (during Week 13 of Quarter 1), where we saw the largest falls in average actual hours (Figure 6). This change is observed in both the employees and self-employed data, with the largest decrease seen for those identifying as self-employed. Since May 2020, we have seen hours for both groups start to increase slowly; by the end of October 2020 the average actual hours worked by employees are almost back in line with the levels seen before the coronavirus pandemic. Self-employed hours have been more volatile than employee hours throughout the lockdown period and, although they have increased since May 2020, they are still below the levels seen pre-lockdown.
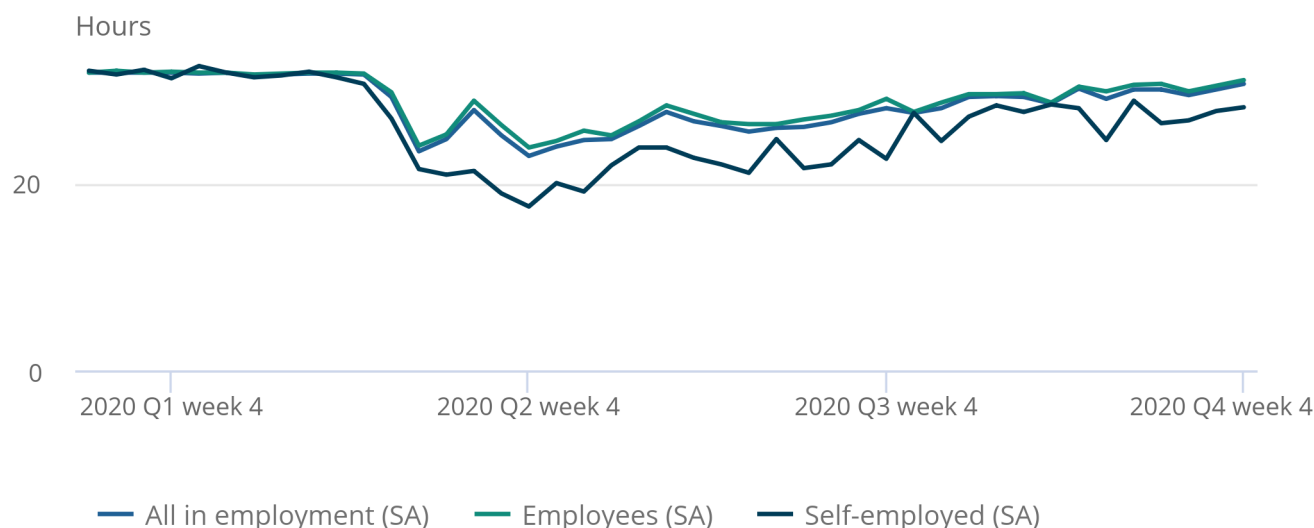
The Labour Force Survey (LFS) also collects information on the reasons why people have worked fewer hours in the reference week. Since the initial lockdown was announced, working fewer hours because of "Economic conditions" saw large increases (this category is where LFS interviewers were advised to code those on the Coronavirus Job Retention Scheme (CJRS)). The estimated number in this category rose from fewer than 100,000 people in the long-term trend to over 5 million people by the end of April 2020. This level has decreased fairly steadily since June and stood at an average of 1.6 million in October 2020.

Figure 6: Average actual hours has been increasing since the sharp decrease at the end of March 2020, however, it is yet to reach pre-coronavirus levels

Average actual hours, all people, employees and self-employed, seasonally adjusted, UK, January to October 2020.

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Average actual hours, all people, employees and self-employed, seasonally adjusted, UK, January to October 2020.

Source: Office for National Statistics – Labour Force Survey

Those temporarily away from a job

The LFS collects information on those temporarily away from paid work that they expect to return to. Of those temporarily away from paid work, we gather a range of data, including whether they are temporarily away from work short-term (less than three months) or long-term (three months or more) and whether those away long-term are earning more or less than half their usual salary.

Before lockdown the estimated number of people temporarily away from work was approximately 2.5 million; these people could be away for a variety of reasons including sickness, maternity or paternity, holidays or economic reasons. A large increase, in both March and April 2020, in those stating that they are temporarily away from paid work, is shown in Figure 7, with nearly 9 million away from work in the final week of April 2020. Whilst this figure has been going down since the spring, the level is still higher than the pre-lockdown trend, with an average of 3.7 million people temporarily away from work in October 2020.

Approximately 1.3 million of those temporarily away from work had been so for three months or more in October 2020. Of those away for three months or more, in October 2020, approximately 70% were earning half or more of their salary.

Figure 7: 3.7 million people were temporarily away from paid work in October 2020; approximately 1.3 million of them had been temporarily away from work for three months or more

Total number of people temporarily away from paid work, including their time away and amount of wage receiving if away for three months or more, seasonally adjusted, UK, January to October 2020

Figure 7: 3.7 million people were temporarily away from paid work in October 2020; approximately 1.3 million of them had been temporarily away from work for three months or more

Total number of people temporarily away from paid work, including their time away and amount of wage receiving if away for three months or more, seasonally adjusted, UK, January to October 2020
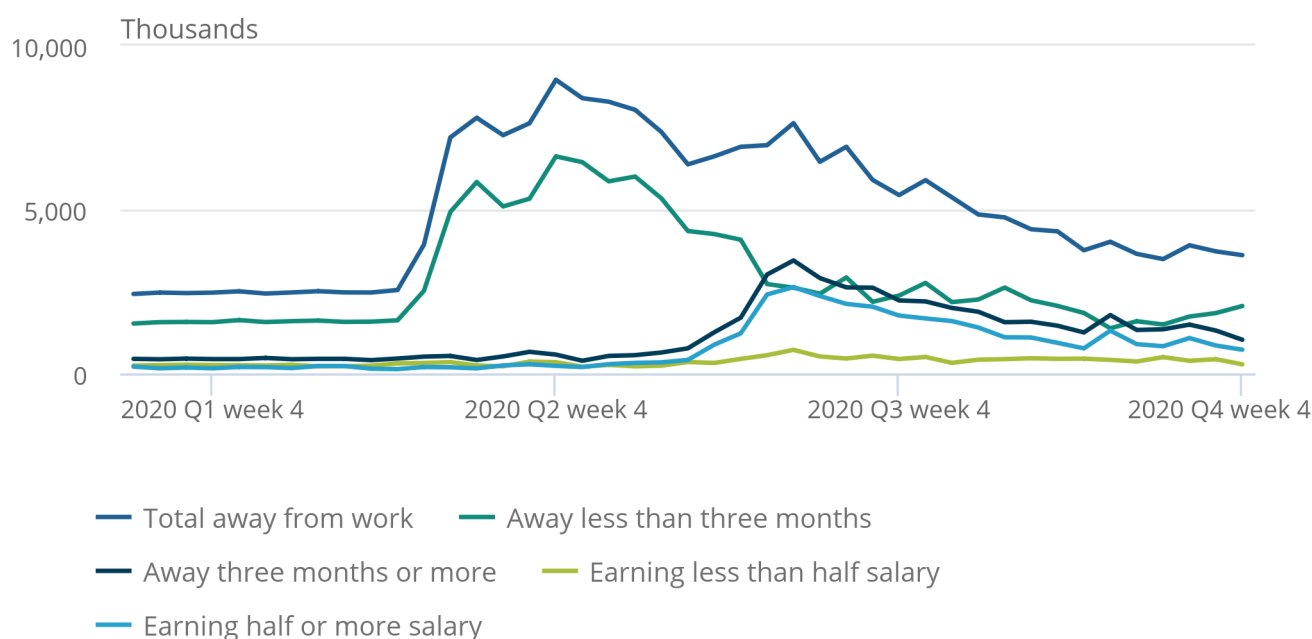
Source: Office for National Statistics – Labour Force Survey

Notes:

1. Time respondent has been temporarily away from paid work was asked to all in employment who were temporarily away from paid work in the reference period.

2. Amount of wage received was asked to all in employment who were temporarily away from paid work for three months or more in the reference period.

3. Estimates will not sum to totals because of missing responses and limited constraining in the seasonal adjustment.

## Those that have been made redundant in the last three months

The redundancy estimates measure the number of people who were made redundant or who took voluntary redundancy in the three months before the Labour Force Survey interviews; it does not take into account planned redundancies. Because of small sample sizes in the weekly data, caution should be taken when analysing weekly redundancy estimates. However, in the third and fourth quarters of 2020, there has been a large increase in the number of people reporting redundancy in the three months prior to interview. After reaching a peak in September 2020, the number of people reporting redundancy in the three months prior to interview has fallen slightly in October to approximately 370,000.

Figure 8: Redundancies have been increasing since June 2020 and peaked in September; redundancies have fallen slightly in October but still remain at high levels

Total number of people made redundant in the last three months, seasonally adjusted, UK, January 2020 to October 2020

Figure 8: Redundancies have been increasing since June 2020 and peaked in September; redundancies have fallen slightly in October but still remain at high levels

Total number of people made redundant in the last three months, seasonally adjusted, UK, January 2020 to October 2020
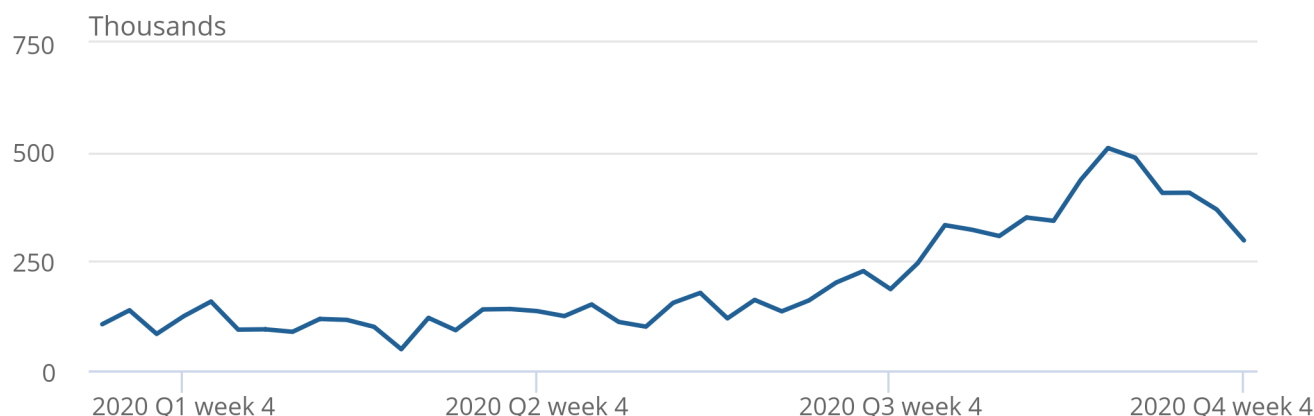
Source: Office for National Statistics – Labour Force Survey

Notes:

1. Because of small sample sizes in the weekly data, caution should be taken when analysing weekly redundancy estimates.

## Those still being paid while their job is on hold and/or affected by coronavirus

In April 2020, several questions were added to the LFS questionnaire to gather additional information on the situation in the labour market during the coronavirus (COVID-19) pandemic. One such question asks whether an employee is still being paid while their job is on hold and/or affected by the coronavirus pandemic; everyone answering this question will be defined as in employment.

Approximately half a million employees received no pay while their job was on hold and/or affected by the coronavirus pandemic in April and May 2020, as shown in Figure 9; this figure has decreased to an average of 211,000 in October 2020. The estimated number of those whose job was affected by the coronavirus pandemic and received full pay averaged around 1.2 million in October. The estimated number of those whose job was affected by the coronavirus pandemic and received partial pay fluctuated between 3 and 4 million in the second quarter of the year (April to June) but has decreased since then, and averaged around 1.2 million in October.

Figure 9: The number of people receiving no pay whilst their job is on hold and/or affected by the coronavirus pandemic has fallen since the peak in April 2020 and has levelled off in the last two months

Total number of persons receiving no pay while their job is on hold and affected by the coronavirus (COVID-19) pandemic, not seasonally adjusted, UK, April to October 2020

Figure 9: The number of people receiving no pay whilst their job is on hold and/or affected by the coronavirus pandemic has fallen since the peak in April 2020 and has levelled off in the last two months

Total number of persons receiving no pay while their job is on hold and affected by the coronavirus (COVID-19) pandemic, not seasonally adjusted, UK, April to October 2020
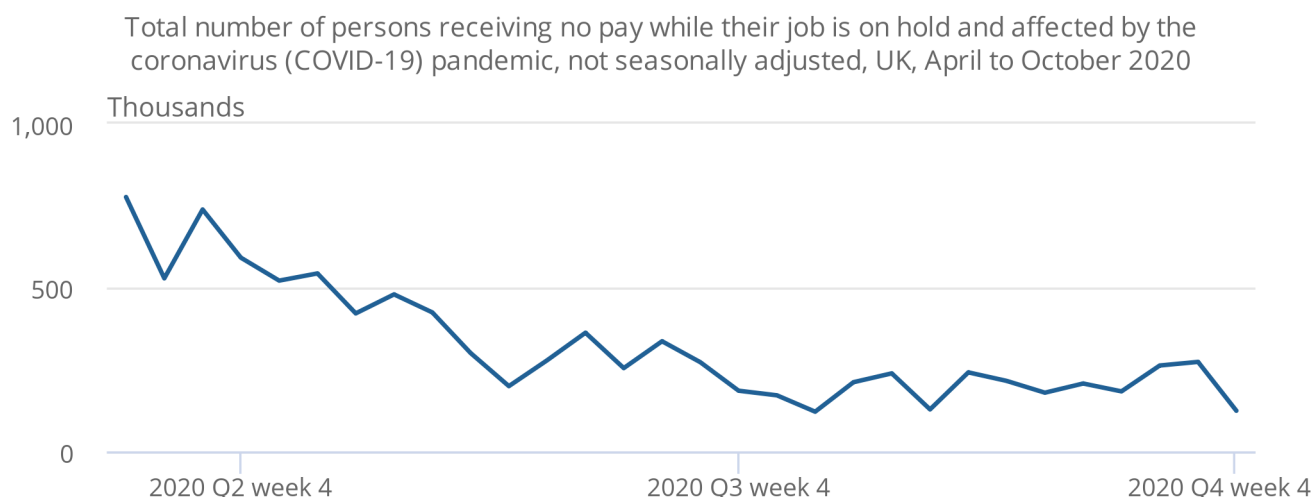
Source: Office for National Statistics – Labour Force Survey

Notes:

1. This question was asked to employees who were temporarily away from work or did less hours than usual in the reference week, and who identified their reason for being away to be because of the coronavirus (COVID-19) pandemic.

Those who have applied for the coronavirus Self-employment Income Support Scheme

A question was also asked to those self-employed who were temporarily away from work because of the coronavirus pandemic about whether they had applied for the coronavirus Self-employment Income Support Scheme. This question was changed in July 2020 to two categories – "Yes" and "No" – from three categories – "Yes", "No I haven't applied" and "No I am not eligible".

By the middle of May, it is estimated that over 1 million self-employed people had applied or benefitted from the coronavirus Self-employment Income Support Scheme. This figure has decreased since the spring and was below half a million in all the weeks in October 2020.

6 . Single-month and weekly Labour Force Survey data

X01: Labour Force Survey single-month estimates
Dataset | Released 15 December 2020
Labour Force Survey (LFS) single-month estimates of employment, unemployment and economic inactivity have been published by the Office for National Statistics (ONS) since 2004. Not designated as National Statistics.

X07: Labour Force Survey weekly estimates
Dataset X07 | Released 15 December 2020
LFS weekly estimates of employment, unemployment, economic inactivity and hours in the UK. All estimates are calculated from highly experimental weekly LFS datasets.

7 . Glossary

Actual and usual hours worked

Statistics for usual hours worked measure how many hours people usually work per week. Compared with actual hours worked, they are not affected by absences and so can provide a better measure of normal working patterns. For example, a person who usually works 37 hours a week but who was on holiday for a week would be recorded as working zero actual hours for that week, while usual hours would be recorded as 37 hours.

Economic inactivity

People not in the labour force (also known as economically inactive) are not in employment but do not meet the internationally accepted definition of unemployment because they have not been seeking work within the last four weeks and/or are unable to start work in the next two weeks. The economic inactivity rate is the proportion of people aged between 16 and 64 years who are not in the labour force.

Employment

Employment measures the number of people in paid work or who had a job that they were temporarily away from (for example, because they were on holiday or off sick). This differs from the number of jobs because some people have more than one job. The employment rate is the proportion of people aged between 16 and 64 years who are in employment. A more detailed explanation is available in our Guide to labour market statistics.

Unemployment

Unemployment measures people without a job who have been actively seeking work within the last four weeks and are available to start work within the next two weeks. The unemployment rate is not the proportion of the total population who are unemployed. It is the proportion of the economically active population (that is, those in work plus those seeking and available to work) who are unemployed.

A more detailed glossary is available.

8 . Data sources and quality

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, August to October is indicated by October).

Model-based single-month estimates are now also produced and included within the dataset accompanying this article. The model uses single-month wave-specific data time series estimates for each variable, along with estimated variances, to produce modelled seasonally adjusted time series. These are currently Experimental Statistics. In addition, experimental single-month wave estimates are also published alongside the current wave estimates, based on the new time series models.

In June 2019, we released additional new experimental versions of the single-month estimates alongside the current estimates. The new estimates are based on data 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 data time series models.

This article also includes experimental estimates of labour market indicators broken down by individual weeks. While not providing robust estimates of labour market conditions, these can help users to understand the impact of the coronavirus (COVID-19) pandemic on a week-by week basis during the quarter.

Coronavirus

For more information on how labour market data sources are affected by the coronavirus (COVID-19) pandemic, see the article published on 6 May 2020, which details some of the challenges that we have faced in producing estimates at this time.

An article published on 11 December 2020 compares our labour market data sources and discusses some of the main differences.

Our latest data and analysis on the impact of the coronavirus on the UK economy and population are available on our dedicated coronavirus web page. This is the hub for all special coronavirus-related publications, drawing on all available data. In response to the developing coronavirus pandemic, we are working to ensure that we continue to publish economic statistics. For more information, please see COVID-19 and the production of statistics.

Uncertainty in this data

The estimates presented in this bulletin contain uncertainty.

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 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.

A new weighting methodology has been used specifically for the weekly LFS, using age, sex and region in the calibration groups.

Weekly LFS estimates have been seasonally adjusted using a modified version of TRAMO-SEATS to handle higher frequency time series. The seasonally adjusted estimates have the seasonal frequencies removed and frequencies at a 13-week lag to account for seasonality because of the survey design. The trend is simply a smoothed estimate of the seasonally adjusted series, the weights of which are determined by the ARIMA model and as such are "tailored" to the series. Each month the seasonal adjustment is reviewed and refined to incorporate international best practice on high frequency data and better account for the specifics of the LFS sample design. Therefore, seasonally adjusted and trend estimates may change between monthly publications.

More information can be found in the Background and methodology sheet within Table X07.

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the Labour Force Survey (LFS) QMI.

A set of LFS performance and quality monitoring reports are available.

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

Reweighting

Because of the coronavirus and the suspension of face to face interviewing on 17 March, we had to make operational changes to the Labour Force Survey (LFS), particularly in the way that we contact households for initial interview, which moved to a "by telephone" approach. These changes resulted in a response where certain characteristics have not been as well represented as previously and is evidenced in a change in the balance of type of household that we are reaching. In particular, the proportion of households where people own their homes in the sample has increased and rented accommodation households has decreased.

To mitigate the impact of this non-response bias, in October 2020, we introduced housing tenure into the LFS weighting methodology for periods from January to March 2020 onwards. While not providing a perfect solution, this redressed some of the issues that had previously been noted in the survey results. More information can be found in Coronavirus and its impact on the Labour Force Survey and in this blog.

The change in weighting methodology resulted in revisions to all Labour Force Survey estimates published on 13 October 2020 for the periods January to March 2020 through to May to July 2020 and consequently had an impact on recent movements for a number of the published series. More information about the impact of the change in weighting on main LFS indicators published in October 2020 can be found in Dataset X08.

End of EU exit transition period

After the transition period ends on 31 December 2020, the UK statistical system will continue to collect and produce our wide range of economic and social statistics. We are committed to continued alignment with international statistical standards, enabling comparability both over time and internationally and we will work with users of statistics to make sure they have the data they need to support the decisions they have to make.

As the shape of the UK's future statistical relationship with the EU becomes clearer over the coming period, the ONS is making preparations to assume responsibilities that as part of our membership of the EU, and during the transition period, were delegated to the statistical office of the EU, Eurostat. This includes responsibilities relating to international comparability of economic statistics, deciding what international statistical guidance to apply in the UK context and to provide further scrutiny of our statistics and sector classification decisions.

In applying international statistical standards and best practice to UK economic statistics, we will draw on the technical advice of experts in the UK and internationally, and our work will be underpinned by the UK's well-established and robust framework for independent official statistics, set out in the Statistics and Registration Service Act 2007. Further information on our proposals will be made available in early 2021.

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

9 . Related links

[Labour market overview, UK](#)
Bulletin | Monthly
Estimates of employment, unemployment, economic inactivity and other employment-related statistics for the UK.

[Employment in the UK](#)
Bulletin | Monthly
Estimates of employment, unemployment and economic inactivity for the UK.

[Average weekly earnings in Great Britain](#)
Bulletin | Monthly
Estimates of growth in earnings for employees before tax and other deductions from pay.

[Vacancies and jobs in the UK](#)
Bulletin | Monthly
Estimates of the number of vacancies and jobs for the UK.

[Earnings and employment from Pay As You Earn Real Time Information, UK](#)
Bulletin | Monthly
Experimental monthly estimates of paid employees and their pay from HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) data.