

A long overdue publication

A review of the *Labour Force Survey Historical Supplement 1997*

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The Labour Force Survey (LFS) has an unusual status. With a sample size of 80,000 it has become Britain's largest social survey, and with 386 questions (in 1996) it must also be among the most detailed. But the LFS is also Britain's most under-published survey. There has never been a report on the LFS to match the detail given in the reports on, for example, the General Household Survey.

Microdata from the LFS has long been available through the Data Archive, Quantime, and the NOMIS services. But secondary analysis of the LFS is not something to be taken lightly. The documentation obtainable from the Department for Education and Employment (DfEE) consists of six volumes - which together weigh 2.4 Kilos (5 ½ lb.) and cost £40. The documentation does not contain a single statistic, and separate documentation may be required for each year examined.

The documentation is not easy to use. LFS interviewers use a laptop computer, which after a filter question takes them automatically to

the next question to be asked. But the DfEE has not yet found a way of showing such jumps in the printed version of the questionnaire, which comprise Volume 2 of this documentation. Neither does Volume 2 find a way of avoiding the use of computerised codes for variable names. Relating questions to statistics in Volume 2 is akin to finding a way through a maze.

There has never been any pretence that the purpose of the LFS is social inquiry. For its size the LFS is unusual in that it was established mainly for administrative purposes. The main form of publication for the LFS has been a limited range of statistical series for employment and unemployment published in *Labour Market Trends*, (previously *Employment Gazette*) and international comparisons published in Eurostat's annual *Labour Force Surveys*. The glossy *LFS Quarterly Bulletin* started publication in 1992 but in the past the *Bulletin* has given little information which was not available from *Labour Market Trends*.

EIGHTEEN YEARS OF CONSERVATIVE RULE

Now the situation changed. The occasionally published *Historical Supplement* of the *Quarterly Bulletin* has been expanded into an independent publication - an enormous step forward. Here at last between a single pair of covers, are the main LFS findings for the period 1984 to 1997.

A few tables run from 1979 to 1997 - which make it possible to review some of the changes in the labour market over the 18 year period of Conservative Governments. Table 1

shows the numbers in employment increased by 1.8 million over 1979 to 1997. But the increase is mostly accounted for by the growth of part-time employment among women. The number of men in employment fell by 400,000.

Most of the change in male employment was wrought by the Thatcher Government's decimation of the manufacturing industry at the turn of the decade. The employment rate for men of working age fell from 89% in 1979 to 79% by 1984 - the biggest slump in the labour market for half a century.

Table 1
Employment and Employment Rates 1979, 1984 and 1997

	1979	1984	1997
Employment:		(thousands)	
Men	14,743	13,759	14,348
full-time	n.a.	13,100	13,043
part-time	n.a.	597	1,302
Women	9,467	9,708	11,661
full-time	n.a.	5,395	6,408
part-time	n.a.	4,277	5,252
All	24,210	23,467	26,009
Employment Rates:		(percentages)	
Men	88.7	79.1	79.0
full-time	n.a.	75.7	71.9
part-time	n.a.	3.4	7.2
Women	61.7	61.5	70.6
full-time	n.a.	34.3	38.8
part-time	n.a.	27.2	31.8

Notes and Sources: The figures given for employment rates show total employment expressed as a percentage of population of working age - 16 - 64 for men, 16-59 for women. Figures for full and part-time employment are based on self-classification by respondents. Except for the employment rates for 1979, the statistics are from tables 1b, 1c, 2a, or have been calculated from tables 15b and 15c of the *Historical Supplement*. The *Supplement* does not include employment rates for the population of working age for 1979, and the rates given for 1979 are based on statistics of the population of working age supplied by the ONS.

The *Supplement* does not include separate figures for full and part-time employment prior to 1984. Such figures going back to 1978 are available from the Workforce in Employment series. But the WiE figures have not been used because of discrepancies between the two series with regard to the change in the total level of female employment over the period 1979 to 1984. According to the LFS series, as shown above, female employment increased by 140,000. But the WiE series shows a decrease of more than 300,000.

It seems unlikely that the labour market for men will ever recover from the reduction in full-time jobs. The slight growth in male employment between 1984 and 1997 is wholly attributable to part-time jobs. The full-time employment rate continued to fall - from 76% in 1984 to 72% in 1997.

The fall recorded in the employment rates provide a corrective to the bullish picture given by current unemployment statistics. The LFS measure for male unemployment for the 16-64 age group fell by 573,000 between 1984 and 1997 (ONS, 1997: Table 24b). But this fall in the numbers seeking work reflects withdrawal from the labour force rather than an increase in the employment available. Men have stopped looking for work because jobs are not available. Economic inactivity in the age group increased by 748,000 in the same period (ONS, 1997: Table 30b). There is no evidence in this volume that the labour market demand for men was

any higher in 1997 than in the darkest days of Thatcherism of the early 1980s.

FRAGMENTATION OF THE LABOUR MARKET

The increase in economic inactivity is in part explained by the increase of 1.3 millions between 1981 and 1995 in the numbers of receiving long term sickness benefits. A recent study attributes this growth largely to government encouragement to people to move from the Count of Claimants to sickness benefits (Beatty et al., 1997). But this movement cannot be measured with any precision from the data given in the *Supplement*.

The numbers of working age wanting a job but not seeking work because they were long term sick or disabled doubled between 1992 and 1997 (ONS, 1997: Table 31b). But the *Supplement* does not include the corresponding statistic for those *not wanting* a job because they were long term sick or disabled - although

such statistics should be available from Q 169 (in the 1996 Questionnaire).

Full-time and part-time jobs held by women each increased by a million over the period 1984 to 1997. One of the most remarkable changes recorded in the *Supplement* shows how this growth was accommodated. The proportion of women with one or more children under 5 in employment grew from 27% in 1984 to 51% in 1997, a growth which amounts to a minor revolution (ONS, 1997: Table 33).

Unlike other recent reports on the LFS, the *Supplement* uses the correct wording to head the statistics for reasons for working part-time: 'Did not want a full-time job' and 'Could not find a full-time time job'. The numbers in both categories increased in absolute and proportional terms over 1984 to 1997 (ONS, 1997: Table 11). But the *Abstract* does not reveal the statistical peccadillo in the question asked: 'I would like to ask you why you took a part-time job?' (Q71 in 1996). The use of the past tense makes the question ambiguous with regard to time (see Thomas, 1997, for further discussion) - which makes it difficult to learn anything from the slight cyclical pattern of variation over the period 1984 to 1997.

The statistics shown Table 1 on full- and part-time work are based on self-classification by respondents (Q70 in

the 1996 *Questionnaire*). They are consistent with the statistics given in the *Supplement* for the numbers working 30 hours a week or under - which have increased by 1.6 millions over 1984 to 1997. But the number working 51 hours a week or more increased from 2.6 millions in 1984 to 3.6 millions by 1997 (ONS, 1997: Table 19a).

OMISSIONS

The *Historical Supplement* is a great advance in bringing together the results of surveys conducted over a period of eighteen years. But it does not do justice to the range and variety of data available from the 386 questions asked in the LFS and the detail of the coding (such as that of the Standard Industrial Classification of Economic Activities) which is applied to some of its questions. The size of the *Supplement* could well be expanded fourfold without seeming out of scale with the wealth of detail covered by the LFS.

The historical information given by the *Supplement* is also limited. The first Labour Force Survey was conducted in 1973 and the *Supplement* lists the titles of the reports of the earlier surveys, but, as indicated above, it does not include any statistics earlier than 1979.

The *Supplement* does include an introductory section on concepts and definitions and an annex on major

changes in coverage. It would be useful for both these sections to give more detail - aiming to list and explain all the significant changes, which have been made in the questionnaire and the reasons for these changes.

The other major omissions in the *Supplement* are indicative of omissions and weaknesses in the LFS itself - which were discussed by Thomas (1997). The lack of any question on National Insurance Contributions (NIC) is a serious defect and a bad omen for the future of state pensions. How can the growth of part-time employment be evaluated if there is no division between those jobs, which fall above and those which fall below the NIC exemption limits? How can employers or employees take the National Insurance scheme seriously if the DfEE does not take it seriously in its major survey?

The DfEE denies the importance of that charge, but has admitted the problem of reconciliation between the LFS Unemployment Series and the Count of Claimants is a serious one (Pease 1998). The *Alternative Measures of Unemployment* series purported to show the relationship between the LFS series and the Count. The *Supplement* records the rather pathetic outcome of the latest attempt at reconciliation - the disavowal of the AMU series previously published for the period

1984 to 1992 (ONS, 1987: Table 20).

The attempt at reconciliation has meant rejection of the historic AMU series and also promises delay in the production of new AMU statistics on account of the need first to carry out a record linkage study (see Pease 1997 for detail). The proper solution is to use claimants records as a sampling frame for part of the LFS (see Thomas, 1998).

It is sad to have to point out that Britain's largest single social survey fails to provide useful information on Britain's system of social security - on sickness benefits, on national insurance contributions, or on claimant unemployment. The LFS and the *Supplement* fail to provide useful information relevant to the influence of the social security system on the labour market, or to the influence of the labour market on the social security system. It is difficult to avoid the conclusion that one of the functions of the LFS has been to hasten the demise of the welfare state by pretending that it does not really exist.

Under a Government whose flagship programme promises welfare to work, may we hope that function will change?

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