
Director General for Regulation

Jonathan Athow
Deputy Statistician
Office for National Statistics
(by email)

26 March 2020

Dear Jonathan

ASSESSMENT OF THE UK EMPLOYMENT AND JOBS STATISTICS

We have today published our assessment report covering these statistics. I am grateful for the positive contribution and engagement from your team throughout the assessment process.

The employment and jobs statistics are key economic indicators that are essential for understanding the patterns and dynamics of the UK labour market. They are used widely by a variety of users, for example within UK Government and by the Bank of England to develop and monitor government policies. Statistics that inform the public, business and devolved governments really matter, and it is important that they are accurate, high quality and clear to fully serve the public good, especially during this anxious period of uncertainty.

The report highlights the issue of change. The labour market and economy are in constant change, and the statistics that describe the labour market must adapt to reflect those changes. The report highlights changes that ONS has already made in response to changes in the nature of work and to new data sources; and further improvements we consider necessary. The most significant change at present is of course the unprecedented disruption caused by the COVID-19 outbreak. This will have a dual impact on the statistics: in terms of how you collect the data on the economy, and because of changes in patterns of employment as a direct result of the outbreak.

Our report identifies areas of good practice. In particular, we found strong evidence that the labour market statistics team collaborates closely and engages effectively with a wide range of users and stakeholders. Many users told us that the statistics team is approachable and helpful to users; for example, they appreciated the way that it publicly defends the estimates and challenges inappropriate use of the statistics.

Our report also highlights a number of improvements that we consider necessary – across the three pillars of the Code of Practice for Statistics – to enhance the public

value, quality, and trustworthiness of the statistics. Fulfilling the requirements of this assessment will ensure that these statistics can continue to be designated as National Statistics. There is a need for more discussion in the statistical bulletins of the reasons for change and the statistical uncertainty around the changes. We welcome the steps the labour market team has made so far to include uncertainty; however, it is not fully reflected in the bulletins, which means users may jump to the conclusion that the numbers in the bulletins and tables are precise. Expanding the commentary and including further information on uncertainty will help users better interpret trends in of employment and jobs.

There is also an increasing demand for good quality data on self-employment, measures of job quality, vacancies and data on emerging industries and sectors. We welcome ONS's initiatives, for example, to use real time information from HM Revenue & Customs. ONS needs to demonstrate drive and ambition to fill the data gaps and match the pace of change in the labour market, engaging effectively with users to ensure their needs are met. This is a challenge for ONS, especially at the current time when COVID-19 is dramatically changing the way that Labour Force Survey data are collected, and having an impact on work more broadly. We recognise these challenges and support your work to maintain data quality while prioritising the protection of the health of survey respondents and the interviewer workforce during the current crisis. We also recognise that the response may influence data collection and statistical production beyond the lifespan of the outbreak. We encourage you to do what you can to ensure that users are fully informed of the latest developments, and implications for the use of the statistics.

We will be supportive of producers as they work in these challenging times. We recognise that there may be additional challenges in meeting some of the requirements in our report due to the impact of COVID-19. Our report asks for a quarterly update, and we encourage you to keep my team abreast of progress so that we can discuss what flexibilities would be appropriate. Please feel free to discuss any aspect of this assessment with me or my team at any time.

I am copying this letter to David Freeman, head of labour market statistics.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ed Humpherson', written in a cursive style.

Ed Humpherson
Director General for Regulation