LFS User Group

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Labour market flows

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Contents

Introduction
Brief overview of how flows are calculated
How flows relate to headline labour market data

Examples of what flows can tell us about recent changes in the labour market
Changes since the downturn
Increasing number of moves from inactivity to unemployment
Changes in job-to-job flows over time
Reasons for leaving job
Moves between occupations by broad skill level
Self employment flows to and from self employment by age, industry
Labour Market Flows Statistics

- Derived from LFS longitudinal datasets
  People on survey for two consecutive quarters
  Look at where people have changed status
  Weighting includes adjustment for attrition effects

- Flows for main aggregates published quarterly
  Seasonally adjusted
  Aged 16 to 64
  Do not match headline quarterly LFS estimates
Labour Market Flows Statistics

Quarterly flows
UK, seasonally adjusted

Employment 29,894

Unemployment 1,829

Inactivity 8,990

Net flow from unemployment to employment of 126
Net flow from employment to inactivity of 68
Net flow from inactivity to unemployment of 117

Number of people aged 16-64 (thousands).
Labour Market Flows Statistics

Net quarterly flows from LFS Longitudinals differ from the changes in quarterly aggregates from main LFS, because:

• smaller sample: just people present in two successive quarters

• different weighting methods

• excludes imputed non-responders retained in quarterly LFS

• published flows seasonally adjusted independently;

....but patterns over time are very similar
Labour Market Flows Statistics

Changes in quarterly LFS employment compared with net flow from longitudinal (people aged 16-64)
Labour Market Flows Statistics

Changes in quarterly LFS inactivity compared with net flow from longitudinal (people aged 16-64)
Labour Market Flows Statistics

Flows into employment (people aged 16-64), since 2001

Thousands

- Gross employment inflow
- Inactivity to Employment
- Unemployment to Employment

Labour Market Flows Statistics

Flows out of employment (people aged 16-64), since 2001

- Green line: Gross employment outflow
- Red line: Employment to Inactivity
- Blue line: Employment to Unemployment
Labour Market Flows Statistics

Job to job flows (people aged 16-69, seasonally adjusted), from 2001: rates (% of all in employment)
Labour Market Flows Statistics

Job-to-job flows, by reason left previous job (4 quarter averages), rates (% of those in employment previous qtr)

Total job-to-job moves
Other Reasons (incl temp job ended)
Resignations
Dismissals & Redundancies
Retired or gave up work

Per cent

Q3 Q2 Q1 Q4 Q3 Q2 Q1 Q4 Q3 Q2 Q1 Q4 Q3 Q2 Q1 Q4 Q3 Q2 Q1 Q4 Q3 Q2
Labour Market Flows Statistics

Job to job moves, by skill level of job left (4 qtr averages), rates (% of all in employment in each category)
Labour Market Flows Statistics

Job to job moves, by skill level of jobs left and entered (4 qtr averages) - rates (% all in employment in each category)

- To High Skilled jobs
- From High Skilled job
Labour Market Flows Statistics

Job to job moves, by skill level of jobs left and entered (4 qtr averages) - rates (% all in employment in each category)

- From Low Skilled job
- To Low Skilled jobs

Per cent

Labour Market Flows Statistics

Job to job moves within and between occupational groups, 4 qtr average
(as % of all in employment)
Future Labour Market Flows Statistics

• Aim to increase the reporting of the published flow statistics to cover more of the labour market

• Publish the results of the methodological review

• Explore the demand for making estimates of flows, produced from the longitudinal datasets, a National Statistic
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Quarterly Flows report: