
Chair of the UK Statistics Authority, Sir Andrew Dilnot CBE

Simon Thomas AM
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Dear Mr Thomas,

STATISTICS ON YOUTH UNEMPLOYMENT IN WALES

Thank you for your letter of 20 March concerning statements made by the First Minister for Wales about youth unemployment in Wales.

Official statistics (from the Labour Force Survey) published by the Office for National Statistics (ONS) on 19 March¹ showed that in the three month period November 2013-January 2014, the non-seasonally adjusted unemployment rate for 16-24 year olds in Wales was 18.5%. The corresponding figure for the UK as a whole was 19.1%. We note that whilst all survey estimates are subject to sampling variability, estimates of relatively small sub-groups – such as the young unemployed in Wales – are particularly affected by sampling variability.

ONS has told us that its Annual Population Survey (APS) - an output that is produced using specific LFS interviews over the course of a year, rather than the three month LFS period, along with other supplementary interviews - gives a much larger dataset that allows for more reliable estimates to be produced for more detailed breakdowns than would be available from LFS. We understand that ONS's normal policy is to use the APS as the preferred measure for any regional breakdown beyond the regional totals split by gender that are published in the UK Labour Market Statistical Bulletin. However, a figure for the July 2013 to June 2014 period, centred around a similar point in time to the latest LFS figures, will not be available until October 2014.

The graph overleaf gives a comparison of the estimates of the youth unemployment rate in Wales derived from these two sources, along with the UK youth unemployment rate. (Note that APS data have been aligned with the three month LFS data closest to the middle of the APS annual period).

The graph shows that the LFS estimate of youth unemployment in Wales is consistent with the APS estimate, but is far more volatile; it also illustrates (as mentioned above) the fact that the latest estimates of youth unemployment for Wales from the LFS are lower than the latest corresponding estimates for the UK. At this point it is not possible to say whether the next APS estimate of youth unemployment for Wales, when it becomes available, will be below or above the UK LFS estimate.

Yours sincerely



Sir Andrew Dilnot CBE

¹ <http://www.ons.gov.uk/ons/rel/subnational-labour/regional-labour-market-statistics/march-2014/index.html>

Youth Unemployment in Wales Comparison of Sources

