'The bricks and mortar of all policy areas which concern government': statistics and the Labour Force Survey at its UK origins

‘The bricks and mortar of all policy areas which concern government’: statistics and the Labour Force Survey at its UK origins[1]

On 1 January 1973, the United Kingdom (UK) joined the European Economic Community (EEC) and, in its capacity as a member state, conducted a Labour Force Survey (LFS) in that year for the first time. The authority for this ‘sample survey of manpower [*sic*]’ was given by a Regulation of the Council (EEC No. 2723/72) which had been adopted on 19 December 1972.[2]

Since the first LFS in 1973, the Survey has established itself as a pillar of official statistics relating to the workforce in the UK and is now carried out by the Office for National Statistics. It was carried out in the UK every two years up to and including the 1983 Survey, then annually from 1984 until 1991, and quarterly from 1992. In 1998 the LFS became a continuous survey under an EU Regulation, and now follows a cohort of individuals who are sampled five times at three-monthly intervals. Data from the Survey is used to provide employment and unemployment statistics, as well as data about the ‘employment

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1 The quotation in the title refers to a description of statistics used by The Lord Donoughue in a House of Lords debate on the quality of government statistics. *Parliamentary Debates* (Lords), 527, 13 March 1991, 220–55, https://api.parliament.uk/historic-hansard/lords/1991/mar/13/government-statistics-quality (accessed 20 January 2021).

2 ‘Regulation (EEC) No 2723/72 of the Council of 19 December 1972’, 28 December 1972, *Official Journal of the European Communities, No. L 291/35*, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31972R2723&from=en (accessed 20 January 2021).

circumstances of the UK population' more generally.[3] The cost of fieldwork in 2013/14, involving 36,000 interviews each quarter, was £6.3 million.[4]

This article begins by outlining the landscape and trajectory of government statistics in the UK in the post-Second World War period. It then explores the UK's decision in June 1972 to participate in the Survey, with a particular focus on the deliberations of the Working Group of government statisticians tasked with organising and implementing the Survey. It identifies the key issues with which the Working Group grappled, many of which have contemporary relevance. As it explores these decisions and deliberations, it draws attention to the predominant economic narratives. It suggests that decisions relating the collection, analysis, and interpretation of data and their publication as official statistics may be influenced by prevailing narratives. In the final section, it describes how the UK implemented the Survey, and identifies the ways in which the UK's approach to the implementation of the Survey differed from that of other member states.

1. The landscape of UK statistics in the early 1970s

Before considering the introduction of the LFS in 1973, it is useful to reflect upon the landscape and trajectory of UK official statistics in the two to three decades after the Second World War. The UK's Central Statistical Office (CSO) had been established by the Coalition

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3 'Labour Force Survey', *Office for National Statistics*, https://www.ons.gov.uk/surveys/informationforhouseholdsandindividuals/householdandindividualsurveys/labourforcesurvey (accessed 20 January 2021).

4 Sir Charles Bean, 'Independent Review of UK Economic Statistics', 2016, *gov.uk*, https://www.gov.uk/government/publications/independent-review-of-uk-economic-statistics-final-report (accessed 20 January 2021), para. 4.128.

Government during the Second World War, in January 1941.[5] Shortly after its establishment, Harry Campion was appointed to lead the Office, a position he held until 1967.[6] At the end of the War, *The Economist* was critical of the UK's approach to the organisation of government statistical services. It contrasted the UK's approach unfavourably with that of the USA drawing attention to the latter's more centralized approach: 'in the United States the collection of official statistics is highly centralised; in this country it is dispersed.'[7] For example, the UK's Census of Population (CoP) came under the remit of the Registrar General's Office, the Census of Production came under the Board of Trade, while labour statistics were generated by the Statistics Department of the Ministry of Labour and National Service. The article concluded that 'the organisation of the statistical services of this country requires urgent reconsideration.'[8] Nevertheless, the decentralized system prevailed during the postwar decades, even though decentralization was regarded as a fundamental weakness of the British system. O'Hara has stressed not only the decentralized nature of the system for producing economic statistics in the post-Second World War decades, but also its lack of regularity, characterising it as a system of 'devolved informality'.[9] He has also argued that those attempts that were made in the 1950s and 1960s to address the system's deficiencies — the 'scramble[s] to react' to problems as they emerged — were ultimately unsuccessful.[10]

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5 Reg Ward and Ted Doggett, *Keeping Score: The First Fifty Years of the Central Statistical Office* (s.l., 1991), 23–34.

6 A knighthood (Kt) was conferred on Harry Campion in 1957 and on his successor at the CSO, Professor Claus Moser, in 1973 (KCB).

7 'Good and Bad Statistics', *The Economist*, 14 July 1945, 54–5.

8 *The Economist*, 14 July 1945.

9 Glen O'Hara, 'Towards a new Bradshaw? Economic statistics and the British state in the 1950s and 1960s', *The Economic History Review*, 60, 1 (February 2007), 28.

10 O'Hara, 'Towards a new Bradshaw?', 1 and 19.

In 1967 Professor Claus Moser succeeded Campion as Director of the CSO, a position Moser held until 1978.[11] In 1968, at Prime Minister Harold Wilson's 'insistence',[12] Moser also assumed a position as Head of the Government Statistical Service (GSS).[13] Moser succeeded Campion in the immediate wake of a voluminous report from the Estimates Committee in December 1966 on government statistical services. *The Economist* reiterated the point made two decades earlier that 'Britain retains one of the most highly decentralised systems of collection of statistics in the world' and hoped that the report would 'spark off the shake-up in the system that is badly needed.'[14] In 1965/66, government statistical services cost £7.5 million annually.[15]

Moser argued in 1973 that, during his period as Director, he *was* attempting to address these longstanding criticisms by steering statistical services 'in the direction of a centralized system'.[16] Under Moser's direction and in the light of the Estimates Committee report, there was certainly considerable innovation in official statistics. A New Earnings Survey had been piloted in 1968 and was conducted for the first time in 1970. The General Household Survey (GHS) — a continuing sample survey whose purpose was to enable the study of interrelationships between variables such as educational background, employment and

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11 Ward and Doggett, 65–77.

12 O'Hara, 'Towards a new Bradshaw?', 18.

13 In 1968, the Director of the CSO became Head of the Government Statistical Service. Sir Claus Moser, 'Statistics and public policy', *Journal of the Royal Statistical Society A*, 143, Part 1 (1980), 16.

14 'New Mood in Statistics', *The Economist*, 17 December 1966, 1258–9.

15 Estimates Committee, *Fourth Report from the Estimates Committee Session 1966–67: Government Statistical Services*, December 1966 (London), vi.

16 Claus A. Moser and I.B. Beesley, 'United Kingdom official statistics and the European Communities', *Journal of the Royal Statistical Society, Series A (General)*, 136, 4 (1973), 541.

migration — was launched in the autumn of 1970. The GHS together with the Family Expenditure Survey, were regarded as the 'centrepiece' of social statistics in the UK.[17] A new '1 per cent per annum survey' was piloted in September 1973 and introduced in 1974.

The size of the GSS grew. There were around 200 professional statisticians in the service in 1967, and over 400 by 1973. By November 1979, there were around 600 professionals, together with 6,000 supporting staff.[18] The 1981 Command Paper on *Government Statistical Services* indicated a total 'manpower [*sic*]' number in all statistical services of 9,001 as of May 1979.[19] However, it is one matter to increase the size of the service, and another to recruit and retain suitably qualified staff, and O'Hara has suggested that during the 1950s and 1960s at least, it was often difficult to recruit to professional statistician posts.[20] This was also the case with respect to professional economists.

These difficulties are not necessarily easy to explain given the context. First, there was the fact that from the late 1950s into the 1960s economic growth rates had become a 'fixation'.[21] Middleton suggests that by the mid-1960s, growth had come 'to dominate not just economic theory but economic policy and, above all, *British political discourse*' (my emphasis).[22] In parallel, the apparatus for realising government growth targets began to be

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17 Moser, 'Statistics and public policy', 10.

18 Moser and Beesley, 'United Kingdom official statistics', 567; Moser, 'Statistics and public policy', 8.

19 *Government Statistical Services*, Cmnd. 8236, April 1981, 10. It is not clear why there is a discrepancy between these two figures.

20 O'Hara, 'Towards a new Bradshaw?', 17.

21 Roger Middleton, 'Economists and economic growth in Britain, c. 1955–65', in Lawrence Black and Hugh Pemberton (eds), *An Affluent Society? Britain's Post-War 'Golden Age' Revisited* (Aldershot, 2004), 132.

22 Middleton, 'Economists and economic growth', 142.

put in place. In 1962 the National Economic Development Council was established. In 1964 a completely new government department, the Department of Economic Affairs, was created. In the following year the Secretary of State for Economic Affairs, George Brown, presented the *National Plan* to Parliament. The Plan covered 'all aspects of the country's economic development for the next five years' and had the objective of increasing gross domestic product by 25 per cent between 1964 and 1970.[23] The *Spectator* characterized Roy Jenkins, Chancellor of the Exchequer from 1967 until 1970, as 'an expansionist' for whom 'faster economic growth is the only respectable objective of economic policy'.[24]

During this period, and indeed until the 1980s, theories of economic growth were dominated by the 'neoclassical economic growth model' (or 'exogenous growth' theory). This model held that growth was driven by the stock of capital and labour and their interaction with technological progress. The latter — technology — was an exogenous, universal factor.[25] The strong focus during the 1960s on technology made sense if the key to economic growth was understood to be technological progress.

These developments implied that economists and statisticians would be required by governments in much greater numbers. However, recruiting economists in particular was not easy. Alec Cairncross, Head of the Government Economic Service (GES) from 1964 until 1969, observed that 'I reckon that those years (from 1964 to 1969) I spent about 30 per cent of my time in matters of establishment — mainly trying to recruit economists for inadequate

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23 *The National Plan*, Cmnd. 2764, September 1965, iii.

24 Cited in John Campbell, *Roy Jenkins: A Well-Rounded Life* (London, 2014), 311.

25 Nicholas Crafts, *Forging Ahead Falling Behind and Fighting Back: British Economic Growth from the Industrial Revolution to the Financial Crisis* (Cambridge, 2018), Introduction. Kindle.

pay.'[26] It is also likely that there was some degree of competition for economists and statisticians between the GES and the Government Statistical Service (GSS) and the 'massive power' of the Treasury (which wielded control over both economic policymaking and public expenditure) may have given the GES an advantage relative to the GSS.[27]

The Civil Service Statistician Class of civil servant had been created in 1946 while the Economist Class had been introduced in 1965, a year after the establishment of the GES under Cairncross.[28] Statisticians and economists were both part of the 'Professional, Scientific & Technical I' general classes staff group of civil servants. There were a mere 19 economists in the Civil Service in 1963 and by 1967 there were 106.[29] As at 1 January 1970 there were 231 economists and 278 statisticians in the general classes staff group (out of a total of 11,935 staff in that category).[30]

In terms of the supply of graduate economists and statisticians from higher education, universities were not a rapidly expanding source of graduate economists and statisticians (see Table 1). In particular, the numbers studying economics at university in the UK was modest in the late 1960s and early 1970s.

Table 1: Number of full-time first-degree students, UK

[Table 1 here]

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[26] Alec Cairncross, 'Economic advisers in the United Kingdom', *Contemporary British History*, 13, 2 (1999), 237. Cairncross was knighted in 1967.

[27] Kevin Theakston, *The Civil Service Since 1945* (Oxford, 1995), 20.

[28] Theakston, *The Civil Service*, 72; *The Civil Service: Vol. 1 Report of the Committee 1966–68*, Cmnd. 3638, June 1968, 65; Cairncross, 'Economic advisers', 236–38.

[29] *The Civil Service: Vol. 1*, 17.

[30] *Civil Service Statistics 1970* (London, 1971), 31, Table 9.

Sources: *Statistics of Education 1968 Volume 6: Universities* (London, 1970), Table 11; *Statistics of Education 1969 Volume 6: Universities* (London, 1971), Table 11; *Statistics of Education 1970 Volume 6: Universities* (London, 1973), Table 11; *Statistics of Education 1971 Volume 6: Universities* (London, 1974), Table 11; *Statistics of Education 1972 Volume 6: Universities* (London, 1975), Table 9: *Statistics of Education 1973 Volume 6: Universities* (London, 1976), Table 9. The 'Total' figures include very small numbers of students taking a first diploma or a course not leading to a qualification. The subject of mathematics included statistics. *Statistics of Education* was published by the Department of Education and Science.

The recruitment of graduates may also have been hampered by the perceived lower status of professional staff in the Civil Service. In 1966 a committee chaired by Lord Fulton was appointed to examine the 'structure, recruitment and management, including training, of the Home Civil Service'.[31] Fulton argued that specialists within the Civil Service (which would include economists and statisticians) ought to 'be granted what is often called "parity of esteem"' with the Administrative Class (the latter sitting at the apex of the Civil Service).[32] Recruitment to the Administrative Class was still dominated by graduates from Oxford and Cambridge.[33]

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31 *The Civil Service: Vol. 1*, 2.

32 Michael Duggett, 'The evolution of the United Kingdom Civil Service 1848–1997', *International Institute of Administrative Sciences Quebec Conference* (July 1997), 7.

33 *The Method II System of Selection for the Administrative Class of the Home Civil Service: Report of the Committee of Inquiry 1969*, Cmnd. 4156, September 1969, 20.

Demographic trends were also not favourable. In 1966, the estimated total numbers in the 18-year-old age group stood at 834,000 and was to fall to a low of 664,000 by 1974.[34] All else equal therefore, the numbers graduating from universities would decline from 1969 onwards. On the other hand, the proportion of that cohort applying to university was increasing, thus confounding the demographic effect. Home applicants to universities through the Universities Central Council on Admissions increased from 73,061 in 1965 to 114,968 in 1971, an increase of 57 per cent.[35] In addition, an enquiry in 1968 into the move away from science subjects to arts and social sciences in the sixth form noted 'a marked and growing preference for economics' at 'A' level in contrast with the declining trend since 1960 for science and mathematics at that level.[36] In the medium term, this might translate into larger numbers studying economics at university.

In the 1970s, the structure of the GSS consisted of statistics divisions within ministries, and three major statistical agencies (with an additional minor one dealing with customs-related statistics) as illustrated in Figure 1.[37] The CSO was based at the centre of power in the Cabinet Office and was 'under the authority of the Prime Minister […] a strength which no other statistical service enjoys and [which] is invaluable'.[38] Below this,

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34 Peter Armitage, 'Sense and nonsense on university demand', *Higher Education Review*, 4, 2 (Spring 1972), 6 (Table 3).

35 Armitage, 'Sense and nonsense', 5 (Table 1).

36 Council for Scientific Policy, *Enquiry into the Flow of Candidates in Science and Technology into Higher Education*, Cmnd. 3541, February 1968, 1.

37 Northern Ireland had its own legislature until 1972, the Parliament of Northern Ireland, and its own civil service. There was thus no separate UK government department for Northern Ireland, as there was for both Scotland and Wales. Statistics were prepared and published by individual Northern Ireland ministries and by the General Register Office in liaison with the UK Central Statistical Office.

38 Moser, 'Statistics and public policy', 17.

there were the two major offices for the collection of statistics — the Business Statistics Office (created in 1969) and the Office of Population Censuses and Surveys (OPCS) (created in 1970 by the merger of the Registrar General for England and Wales, and the Government Social Survey). The existence of statistics divisions within ministries was the primary reflection of the UK's decentralized system, its greatest virtue being that professional statisticians worked alongside policymakers. As Moser and Beesley remarked: 'The GSS prizes closeness to and relevance to the policy uses of statistics very highly.'[39]

[Figure 1 here]

Figure 1: Organisation of the Government Statistical Service in the 1970s

There has been considerable scholarly interest in the idea of economic narratives in recent years. Most notably, Shiller has drawn attention to the role of narratives in influencing economic events. He defines a narrative as a 'contagious story that has the potential to change how people make economic decisions'.[40] Decisions by governments about what data to collect and analyse, and what official statistics to publish, are influenced by prevailing economic narratives. Eyal and Moran have posited that 'formulas, charts, accounting conventions, [and] index numbers' are forms of 'intervention' in the public domain by those with economic expertise. These interventions shape, and are part of, economic narratives. Indicators such as Gross Domestic Product (GDP) per capita reflect political concerns and

[39] Moser and Beesley, 'United Kingdom official statistics', 565.

[40] Robert J. Shiller, *Narrative Economics: How Stories Go Viral & Drive Major Economic Events* (Princeton, NJ, 2019), Chapter 1. Kindle.

values. The emergence in the 1940s of the modern concept of GDP reflected the post-Second World War concern with 'full employment and growth'.[41]

Shiller has also referred to the idea of a 'constellation' of smaller narratives.[42] A close examination of the UK's decision in 1972 to participate in the Labour Force Survey brings into focus the constellation of economic narratives which were at play during the late 1960s and early 1970s. Predominant among these was the narrative of the UK's relative economic decline in the two to three decades after the Second World War and the related notion of 'declinism'. As Tomlinson has observed, 'From when it was (re)invented in the late 1950s until the 1980s, economic declinism was central to contemporary politics in Britain, finding support across the political spectrum.'[43] Narratives may be reflected in dominant metaphors and in the case of the UK, the economy was a diseased body. As early as 1961, Harold Wilson suggested that Britain was in danger of becoming 'the sick man of Europe'.[44] The term 'the British disease', referring to the propensity for unofficial industrial action, was used

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41 Gil Eyal and Moran Levy, 'Economic indicators as public interventions', *History of Political Economy*, 45 (Annual Supplement, 2013), 230 and 238. A similar argument is made by Coyle in her exposition of the history of the GDP statistic, see: Diane Coyle, *GDP: A Brief but Affectionate History* (Princeton, NJ, 2014). Kindle.

42 Shiller, *Narrative Economics*, Chapter 3.

43 Jim Tomlinson, 'De-industrialization: strengths and weaknesses as a key concept for understanding post-war British history', *Urban History*, 47 (2020), 208. For discussions on 'declinism' see Jim Tomlinson, 'Thrice declined: "Declinism" as a recurrent theme in British history in the long twentieth century', *Twentieth Century British History* 20, 2 (2009), 227–51 and David Edgerton, 'The decline of declinism', *Business History Review*, 71, 2 (Summer 1997), 201–206.

44 *Parliamentary Debates* (Commons), 645, *26 July 1961, 433–563*, https://api.parliament.uk/historic-hansard/commons/1961/jul/26/economic-situation (accessed 9 August 2021).

in *The Times* for the first time in July 1968. Decisions about the collection of data and publication of statistics concerning the UK labour force and labour market need to be considered within this context.

2. Participation in the Labour Force Survey: key issues

On 25 May 1972, the Statistical Office of the European Communities (SOEC) formally requested that the UK participate in the European Communities' 'sample survey of labour forces'.[45] The UK was not under a legal obligation to participate in the LFS. Denmark and Ireland, who joined the EEC at the same time as the UK, did not do so. Their decisions therefore stood in contrast to the UK's. Denmark was a relatively small but 'very open' economy and faced many of the same problems as other higher income countries in the late 1960s and early 1970s.[46] An EEC study characterized the Danish economy from 1966 to 1973 as being one of 'Full employment, slightly lower rates of growth than in the preceding period, accelerating rates of inflation and substantial balance of payments deficits.'[47] Ireland

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45 The National Archives: Public Record Office, Kew [hereafter TNA], LAB 17/526, Letter from C.A. Moser (CSO) to A.R. Thatcher (DoE), 5 June 1972. Thatcher was the Director of Statistics at the DoE between 1968 and 1978. He then directed the OPCS from 1978 until 1986. The SOEC — now commonly known as Eurostat — was based in Luxembourg and comprised around 200 staff. The convention adopted in these footnotes when referencing unpublished letters and notes is to give the name of the author and recipient using their initial(s) and surname, followed by the abbreviated identity of their department (where applicable) in brackets. References commencing TNA LAB 17/ refer to the TNA collection 'Ministry of Labour and successors: Statistics Department and Division: Registered Files and other records'.

46 Anders Ølgaard, 'The Danish Economy', *Commission of the European Communities, Collection Studies: Economic and Financial Series No 14* (Brussels, 1979), 157.

47 Ølgaard, 'The Danish Economy', 12.

in the late 1960s was also 'one of the most open economies in the world'.[48] Its economic growth rate in the 1960s was high in comparison with the 1950s, the latter having been a decade of 'serious economic crisis'.[49] Nevertheless, by 1973 Ireland's GDP per capita stood at 856 Irish pounds, around just 73 per cent of the level for the UK (1,173 Irish pounds).[50] Ireland's population had fallen almost continuously throughout the twentieth century, a trend which only began to reverse in the mid-1960s.[51] The labour participation rate was low at 36.0 per cent (the rate for the UK was 44.4 per cent).[52] For both Denmark and Ireland, beyond the resource implications of participating in the LFS, the publication of comparative statistics about each of their labour forces might have highlighted structural weaknesses in those economies without yielding any obvious benefits.

Even before the formal request to participate in the LFS, the OPCS had anticipated that the UK *would* participate in the survey and treated participation as a firm commitment.[53] On 14 June 1972, the Department of Employment (DoE) informed Moser that the Secretary

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48 C.W. Hultman, 'Overcompensation to balance of payments disturbances: the case of Ireland', *Irish Journal of Agricultural Economics and Rural Sociology*, 2, 2 (1969), 207.

49 C.W. Hultman, 'Overcompensation', 209 (Table 1); J.J. Sexton, P.J. O Connell, J. Fitzgerald, J. Geary, T. Lalor, B. Nolan and E. O Malley, *Labour Market Studies: Ireland*, European Commission (Luxembourg, 1996), 164.

50 Patrick Honohan and Brendan Walsh, 'Catching up with the leaders: the Irish hare', *Brooking Papers on Economic Activity*, 1 (2002), 5 (Table 1).

51 'Ireland: Population: Demographic Situation, Languages and Religions', 10 May 2018, *Eurydice*, https://eacea.ec.europa.eu/national-policies/eurydice/content/population-demographic-situation-languages-and-religions-37_en (accessed 2 August 2021).

52 Honohan and Walsh, 'Catching up with the leaders: the Irish hare', 5 (Table 1).

53 TNA LAB 17/526, Note of a Meeting, 18 April 1972, 'The Labour Force Survey'. The author of the note, A.A. Cushion of the OPCS, was responsible for the day-to-day management of the Survey.

of State for Employment (Maurice Macmillan) had approved the UK's participation, with the DoE as the sponsoring department.[54] In due course, on 11 July 1972 Moser advised the SOEC of the decision.[55] Following the decision, a Working Group was immediately established, with representation at the first meeting from the Census Division of the OPCS, the Social Survey Division of the OPCS, the General Register Office (Scotland), the CSO and the DoE. The inaugural meeting was held on 29 June 1972 and the Group met subsequently on 17 August, 4 October, 24 October and 12 December. Some of the key issues and questions with which the Working Group grappled between June and December 1972 are explored in the sections that follow.

Given that the UK was not under an obligation to participate in the LFS, a central question for government statisticians concerned the usefulness of the data that the Survey would yield, in comparison with existing data. In correspondence with the Treasury, Moser emphasized that LFS data would afford *new* information about unemployment, which was not available elsewhere. 'The data about the search for employment and the duration of unemployment will greatly strengthen our understanding of unemployment' Moser opined, pointing out that 'unlike most existing United Kingdom data it will throw light on labour

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54 TNA LAB 17/526, Letter from A.R. Thatcher (DoE) to Professor C.A. Moser (CSO), 14 June 1972, 'SOEC Labour Force Inquiry 1973'.

55 The decision was not made public until a Press Notice on 20 November 1972, following a written parliamentary question suggesting that the decision was an 'in principle' one until then.

force participation rates and related information […]. Moreover, it will cover not only those registered as unemployed but also those who would work if they could obtain employment.'[56]

While Moser was keen to draw attention to new information which the LFS would provide, it was the case that a substantial body of employment-related statistics was already produced and published monthly in the *Department of Employment Gazette*. The *Gazette* included monthly statistics relating to employees in employment; overtime and short-time in manufacturing industries; unemployment; industrial analysis of unemployment; area statistics of unemployment; temporarily stopped; unfilled vacancies; stoppages of work; changes of basic rates of wages and hours of work; retail prices; average retail prices of items of food; as well as a summary. In addition, it also published statistical series covering employment; unemployment; vacancies; overtime and short-time; hours of work; earnings and hours; wages and hours; retail prices; and stoppages of work.[57]

Notwithstanding the above, what was significant about the LFS was that because it was an EEC-wide survey, it would provide comparative labour-related statistics across member states. Indeed, this was the fundamental rationale for it.[58] The EEC had considerable experience in such surveys and had carried them out in 1960, 1968, 1969, 1970 and 1971. Moser had advocated for a labour force survey for some time some; in his evidence to a Sub-

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56 TNA RG 53/2, Letter from C.A. Moser (CSO) to D.O. Henley (HM Treasury), 28 September 1972, 'Labour Force Survey' [hereafter Moser, 28 September 1972]. References commencing TNA RG 53/ refer to the TNA collection 'Office of Population Censuses and Surveys: Labour Force Survey: Registered Files and Survey Documents'.

57 *Department of Employment Gazette, Volume LXXXI, January-December 1973* (London, 1974), 333.

58 TNA RG 53/1, Statistics Division, Department of Employment, 8 March 1972, 'Proposals for a Census, Labour Force Survey and Household Survey' [hereafter Statistics Division, 8 March 1972].

Committee on Economic Affairs in 1966 he argued: 'I think we ought in this country to have current labour force surveys, that is, regular monthly surveys of the population, as the Americans do.'[59]

In early discussions about the Survey, the DoE did however express 'some doubt about the value of some of the information'.[60] It considered that the recently introduced Census of Employment provided better information about numbers in employment, and employment by industry, than the LFS might generate. It was also concerned about how accurate the data on working population by region might be. In addition, several censuses and surveys pertaining to the labour force and employment already existed. A triennial survey of 'scientific manpower [*sic*]' had been conducted since 1956, which provided data on the level of skills and qualifications in the labour force.[61] Some labour force data was provided by the CoP: for example, the 1961 Census provided data on scientific and technological qualifications; the 1966 CoP included questions relating to 'general educational qualifications'[62]; and the 1971 CoP asked a 'long and complicated' question to evaluate 'qualified manpower' [*sic*].[63] In terms of employment data, a trial Census of Employment had been held in 1970. The data from this Census might have provided an alternative measure of employment to the existing method of periodic counts of national insurance cards. In 1972, this Census became the Annual Census of Employment (known as 'Form ED90'). Moreover, a New Earnings Survey had been piloted in 1968 and was carried out for the first time in 1970. A comprehensive Survey of Earnings of Qualified Manpower [*sic*] in England and

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59 Estimates Committee, *Fourth Report*, 351.

60 TNA RG 53/1, Statistics Division, 8 March 1972.

61 Estimates Committee, *Fourth Report*, xxxiii.

62 Estimates Committee, *Fourth Report*, xxxiii.

63 TNA RG 53/1, Statistics Division, 8 March 1972.

Wales for 1966/67 had been published in 1971. Finally, details of principal employers were maintained on a DoE Employers' Register ('Form ED871') with the authority for collecting statistics from companies emanating from the Statistics of Trade Act 1947.[64]

There were some differences between departments about the value of including questions on training and vocational education in the Survey. Early on, the OPCS felt that the proposed education questions 'did not fit our educational system'.[65] At the August 1972 meeting of the Working Group, the Department of Education and Science supported the two proposed questions on training and vocational education (in the final Survey these were Questions 31 and 32). They did, however, have some reservations about including questions that might require telephone 'call-backs' to households, if the head of household could not respond on behalf of all its members.[66] The UK ultimately declined to carry out the Supplementary Enquiry on Vocational Training.

The implementation of the LFS in 1973 stood at an important juncture both in terms of the level of unemployment in the UK and in terms of changing ideas about full employment as an explicit objective of economic policy. As shown in Figure 2, in the three years immediately before the decision in June 1972 to participate in the Survey,

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64 The Schedule to the Statistics of Trade Act 1947 was wide-ranging. Among other things it specified that estimates or returns may be required about employment-related matters, including 'persons employed or normally employed (including working proprietors), the nature of their employment, their remuneration and the hours worked'. 'Statistics of Trade Act, 1947, Geo 6, c. 39 (United Kingdom)', *legislation.gov.uk*, https://www.legislation.gov.uk/ukpga/Geo6/10-11/39/contents/enacted (accessed 20 January 2021).

65 TNA LAB 17/526, Note of a Meeting, 18 April 1972, 'The Labour Force Survey'.

66 TNA LAB 17/526, Minutes of a Meeting of the Labour Force Survey Working Group, 17 August 1972 [hereafter Minutes, 17 August 1972].

unemployment had risen significantly from 533,802 in June 1969 to 871,900 in May 1972. It should be noted that these figures are based on administrative records. Average yearly unemployment in 1971 was 796,680, the highest since 1940.[67] In January 1972, unemployment had risen to 971,500, its highest level since 1947 and perilously close to 1 million.

[Figure 2 here]

Figure 2: Administrative Unemployment Levels, UK: June 1969 to May 1972

Source: Denman and McDonald, ' Unemployment statistics', 10–11.

Between the mid-1960s and the mid-1970s a change was taking place in attitudes towards full employment. In the twenty to twenty-five years after the Second World War, the goal of full employment had been a pillar of the postwar political consensus in the UK. In 1944 Lord Beveridge had published *Full Employment in a Free Society: A Report*, a sequel to his acclaimed *Report on Social Insurance and Allied Services*.[68] In 1950 the Labour Party stated in its general election manifesto that 'full employment is the corner-stone of the new society'.[69] More broadly, in 1944 the International Labour Organisation had set out its obligation to further 'programmes which will achieve full employment'.[70] By the mid- to late

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67 James Denman and Paul McDonald, 'Unemployment statistics from 1881 to the present day', *Labour Market Trends*, 104 (1996), 11.

68 William H. Beveridge, *Full Employment in a Free Society: A Report* (Abingdon, 2015).

69 'Let Us Win Through Together: A Declaration of Labour Policy for the Consideration of the Nation', 1950, *Archive of Labour Party Manifestos*, http://www.labour-party.org.uk/manifestos/ (accessed 20 January 2021).

70 'Declaration Concerning the Aims and Purposes of the International Labour Organisation', 10 May 1944, *International Labour Organisation*, https://www.ilo.org/public/libdoc/ilo/1944/44B09_10_e_f.pdf (accessed 20 January 2021), 5.

1960s, however, the political commitment to full employment in the UK was beginning to wane.[71] Whereas the Conservative Party's general election manifesto in 1964 had included a whole section on 'Full Employment', the 1966 manifesto (and the four manifestos published during the 1970s) did not use the term 'full employment' at all.[72] While Labour's 1966 general election manifesto promised to 'maintain full employment',[73] in 1970 the commitment was more equivocal, pledging a Labour government that would pursue 'a steady and sustained increase of output with secure and rising employment'.[74] Significant increases in unemployment from the mid-1960s to the early 1970s thus coincided with a growing sense that the direct pursuit of full employment was not an appropriate goal of economic policy. As Sir Keith Joseph put it in a 1978 speech, during the mid-1970s the 'full employment policy was quietly killed off'.[75]

The other side of the coin of this ideational shift placed price stability and the need to control inflation at the forefront of the economic policy. In the five years from 1967 until 1972, the annual percentage change in the Composite Price Index rose every year, from 2.5

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71 There were differences in terms of the definition of 'full employment' as explored by Heinz W. Arndt, '"Full Employment" in historical perspective', *The Australian Quarterly*, 66, 2 (1994), 6–7.

72 'Prosperity with a Purpose', 1964; 'Action Not Words: The New Conservative Programme', 1966, *Conservative Party Manifestos*, http://www.conservativemanifesto.com/ (accessed 20 January 2021).

73 'Time for Decision', 1966, *Archive of Labour Party Manifestos*, http://www.labour-party.org.uk/manifestos/ (accessed 20 January 2021).

74 'Now Britain's Strong — Let's Make It Great to Live In', 1970, *Archive of Labour Party Manifestos*, http://www.labour-party.org.uk/manifestos/ (accessed 20 January 2021). In 1979, Labour returned to a commitment to full employment, stating that they would 'pursue policies which give a high priority to the return to full employment'.

75 Sir Keith Joseph, *Conditions for Fuller Employment* (London, 1980), 3.

per cent in 1967 to 9.4 per cent in 1971.[76] This increase did not, however, lead to a reduction in unemployment. Average annual unemployment rose over the same period, as shown in Figure 2. This called into question the inverse relationship between the rate of price inflation and the level of unemployment as predicted by the Phillips Curve. The UK was now experiencing 'stagflation' and the concept of the UK as a stagflationary economy fuelled the narrative of decline.

A further strand of this narrative was concerned with the remedy for decline. From the mid- to late-1960s there was a growing consensus that in order to address the UK's relative economic decline, policy instruments ought to be directed above all towards price stability rather than the maintenance of high levels of employment. The doctrine of monetarism became increasingly influential. This doctrine posited that controlling the supply and stock of money were central to price stability. Needham has argued that as early as 1967 and 1968 key Bank of England and Treasury officials had embarked upon the journey towards monetarism.[77] In the political sphere, the Conservative Party's manifesto in 1970 opined that 'Inflation is not only damaging to the economy; it is a major cause of social injustice, always hitting hardest at the weakest and poorest members of the community' and went on to

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[76] Jim O'Donoghue, Louise Goulding and Grahame Allen, 'Consumer price inflation since 1750', *Economic Trends No. 604*, March 2004, Table 2, http://webarchive.nationalarchives.gov.uk/20160105160709/http://ons.gov.uk/ons/rel/elmr/economic-trends--discontinued-/no--604--march-2004/index.html (accessed 27 April 2021).

[77] Duncan Needham, *UK Monetary Policy from Devaluation to Thatcher, 1967–82* (Basingstoke, 2014), 21–45.

promise that 'In implementing all our policies, the need to curb inflation will come first.'[78] In 1976, in a foreword to Sir Keith Joseph's Stockton Lecture, Margaret Thatcher synopsized the new focus thus: 'It is now widely realised that many of our present economic ills stem from a cardinal error, the belief that inflation and unemployment presented a choice of evils. We have learned to our cost that inflationary measures designed in good faith to abate unemployment have eventually intensified it, leaving us with the worst of both worlds.'[79]

In relation to official statistics about unemployment, two issues were pertinent: first, there was the issue of the method to be used to measure the number of unemployed persons; second, there was the question of the precise definition of unemployment. As mentioned above, the existing method for measuring unemployment was one based upon administrative records, and not upon a population or sample survey. Those seeking work could register as unemployed at Employment Exchanges, Branch Employment Offices, or Juvenile/Youth Employment Bureaux. Registration was a condition of making a claim for Unemployment Benefit or Supplementary Benefit. A monthly count of those on the register was taken to be the number of persons who were seeking employment, capable of work, and available for work.[80] In November 1972, a report by an Inter-Departmental Working Party on

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78 'A Better Tomorrow: The Conservative Programme for the Next Five Years', 1970, *Conservative Party Manifestos*, http://www.conservativemanifesto.com/ (accessed 6 August 2021).

79 Margaret Thatcher, 'Foreword to the Stockton Lecture: "Monetarism is Not Enough"', 5 April 1976, *Margaret Thatcher Foundation*, https://www.margaretthatcher.org/document/110796 (accessed 28 July 2021).

80 Denman and McDonald, 'Unemployment statistics', 9, 12. This registration system existed from July 1948 until October 1982. It ceased as a result of the report on the statistical services by Sir Derek Rayner in 1980. The report recommended that claimants for benefits were no longer required to register for employment at a Job Centre to receive unemployment benefit.

unemployment statistics was equivocal about the benefit of data from LFSs, suggesting that they 'would not provide an acceptable substitute for the present unemployment series', while acknowledging that they might usefully supplement existing data.[81] Thus LFSs might 'complement' registration sources rather than replace them.[82] Nevertheless, the report did support the UK's participation in the LFS.

The same report also addressed the vexing issue of the discrepancy between the level of unemployment according to the CoP, and that generated from administrative records. The report was not convinced that the higher unemployment figure from the Census was the more accurate, claiming that many of those shown by the Census to be unemployed (but who were not registered as unemployed) were 'only marginally attached to the labour force'.[83] It recommended that those whose employment had been 'temporarily stopped' should no longer be included in the *total* registered unemployed figure but should be shown separately instead. The inclusion of this category of unemployed worker, it was suggested, 'exaggerate[d]' the level of unemployment.[84]

Some of these issues surfaced in the Working Group. The DoE was very keen to ensure that the number of unemployed persons should not be overstated, and pressed for the inclusion of questions on the reason(s) that some people had not been 'actively seeking work' in the last week.[85] They argued that the number of those actively seeking work might be

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81 *Unemployment Statistics: Report of an Inter-Departmental Working Party*, Cmnd. 5157, November 1972, para. 5.11. The Working Party was set up by Prime Minister Edward Heath, and had representation from the DoE, the CSO, the Department of Health and Social Security, and the Department of Trade and Industry.

82 Moser and Beesley, 'United Kingdom official statistics', 556.

83 *Unemployment Statistics*, para. 5.3.

84 *Unemployment Statistics*, para. 4.8.

85 The 'last week' was the reference period for the Survey.

overstated if they included those who were sick or injured, or those who had secured employment but were simply 'waiting to take up a job'.[86] This distinction was incorporated in Question 8: if the respondent was not in paid employment, they were then asked whether they had been 'actively seeking work last week'. If they answered 'No' they were then asked if this was because they had been 'ill all week' or had a 'job fixed up, waiting to start', or if it was for some 'other' reason.

The DoE also wanted to capture data about people's experiences of unemployment in the preceding twelve months with a question along the lines of: 'Have you been unemployed at any time in the last 12 months?'[87] The question was not included per se, but Question 25 sought information about how long a person had been looking for work if that person was seeking a job. When statisticians were processing the results of the Survey, they noticed a potential inconsistency in how respondents had answered Questions 7 and 24, respectively. Some respondents had indicated in Question 7 that they considered their 'usual situation as regards employment' to be that they were *neither* in paid employment *nor* unemployed and actively seeking work because they were a full-time student, retired, or a housewife. These were mutually exclusive categories on the form. However, in Question 24, some of these respondents had then indicated that they were 'looking for paid work at present'. This had led to an *understatement* of the level of unemployment. The OPCS therefore adjusted the coding of Question 7 responses to make them consistent with Question 24.

At the October Working Group meeting, Van der Weerden from the SOEC pointed out the special significance of the LFS because of 'the free labour movement which would

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86 TNA LAB 17/526, Minutes of the Fifth Meeting of the Labour Force Survey Working Group, 12 December 1972 [hereafter Minutes, 12 December 1972].

87 TNA LAB 17/526, Minutes, 12 December 1972.

exist between all the member countries'.[88] One extremely sensitive issue that arose during the Working Group's deliberations concerned the size of the non-white working population of the UK.[89] In August 1972, the OPCS wrote to the DoE about 'mounting concern in EEC countries about the possibility of coloured [*sic*] immigration from Britain. The Ugandan situation has added to this, and EEC countries are as anxious as we are to know what are the statistics of all coloured [*sic*] workers in this country as soon as possible', adding, 'we are well aware of the difficulties of including a question on parents' birthplace in this survey.'[90] Information from the 1971 CoP on this matter would not be available until late 1973. In any case, it would exclude the arrivals from Uganda in 1972 — over 27,000 Ugandan Asians had settled in the UK following the order of expulsion of UK passport holders of Asian origin by General Idi Amin on 5 August 1972.[91] In October 1972, the DoE suggested to the OPCS that the following two questions be included in the Survey:

1) Was either of the person's parents born outside the EEC countries?

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88 TNA LAB 17/526, Minutes of the Labour Force Survey Working Group, 4 October 1972 [hereafter Minutes, 4 October 1972].

89 The term 'coloured' [person] was used frequently in the UK in the 1960s and 1970s to describe non-white persons. The term is used in several of the primary sources reviewed for this research. Use of the term today would not be appropriate. The term has been retained here as this is a direct quotation from a primary source.

90 TNA LAB 17/526, Note from A. Morrow (OPCS) to R.C. Everett (DoE), 29 August 1972, 'EEC Labour Force Survey'. See also: TNA LAB 17/526, Letter from R.C. Everett (DoE) to H.J.M. Jones (OPCS), 12 October 1972, 'EEC Labour Force Survey' [hereafter Everett, 12 October 1972].

91 Yumiko Hamai, '"Imperial burden" or "Jews of Africa"?: An analysis of political and media discourse in the Ugandan Asian crisis (1972)', *Twentieth Century British History*, 22, 3 (2011), 416, 419.

2) If yes, where were the parents born?[92]

These two questions were intended to provide data on the size of the non-white working population, particularly the African Asian population, in conjunction with information about respondents' own country of birth. At the fifth meeting of the Working Group in December, the DoE still wished for 'a country of birth question [to be] included in [the] survey and if possible parents' country of birth.'[93] A decision was not reached at the meeting and it was decided 'the matter would be further discussed outside the meeting.'[94] The final version of the Survey only asked about each person's nationality and country of birth, but not parents' country of birth.

In January 1972, the UK signed the Treaty of Accession to the EEC and became a member on 1 January 1973.[95] This was the culmination of a process that had begun some twelve years earlier. The UK had made its first application to join on 10 August 1961, and from that point onwards, both the Conservative and Labour parties were committed to the UK joining the Community, subject to satisfactory negotiations. Both parties had reaffirmed this aspiration in their June 1970 general election manifestos. Discussions about whether the UK should participate in the LFS took place in this context. The imminence of the UK's membership raised questions about how participation in the Survey should be framed. Moser at the CSO framed the UK's participation in the Survey as critical for the UK's relationship with the EEC. It would have a strong signalling effect. The OPCS pointed out that the LFS would be the first time the UK had participated in one of the EEC's statistical surveys and

92 TNA LAB 17/526, Everett, 12 October 1972.

93 TNA LAB 17/526, Minutes, 12 December 1972.

94 TNA LAB 17/526, Minutes, 12 December 1972.

95 Inauspiciously, on 1 April 1974 a renegotiation of the UK's terms of membership began.

would thus be one of the very first 'manifestations of [the UK's] membership'.[96] Participation aligned strongly with Moser's own instincts towards transparency and international cooperation. Some years later he commented on how successful international collaboration with professional statisticians had been: 'I doubt whether there is any field where international collaboration has been so harmonious and fruitful as in statistics'.[97]

The decision to participate was further complicated by the fact that the UK had declined to participate in a 1972 EEC survey of labour costs, a decision that Moser described as 'embarrassing'.[98] What lay behind that decision? One factor was that the UK had undertaken two ad hoc surveys of labour costs in the 1960s, in 1964 and 1968 respectively.[99] The experience of these surveys would have revealed that, solely from a resource perspective, participation in such a survey was not a trivial undertaking. Moreover, there were in fact two surveys relating to labour costs which the UK would potentially need to conduct: a survey on 'wages and salaries in industry' and a survey on 'the structure and distribution of wages and salaries in industry'.[100] The scale of these surveys is illustrated by the fact that when the UK

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96 TNA RG 53/1, Note from [A.A. Cushion?] (OPCS) to [H.J.M.?] Jones (OPCS), 16 February 1972, 'EEC Labour Force Survey'.

97 Moser, 'Statistics and public policy', 14.

98 TNA RG 53/2, Moser, 28 September 1972.

99 *Small Firms: Report of the Committee of Inquiry on Small Firms*, Cmnd. 4811, November 1971, 278.

100 'Regulation (EEC) No. 2259/71 of the Council of 19 October 1971', 23 October 1971, *Official Journal of the European Communities, No. L 238/1*, https://www.legislation.gov.uk/search?title=&year=1971&number=2259&type=eur (accessed 21 July 2021); 'Regulation (EEC) No. 2395/71 of the Council of 8 November 1971', 10 November 1971, *Official Journal of the European Communities, No. L 249/52*, https://www.legislation.gov.uk/search?type=eur&year=1971&number=2395 (accessed 21 July 2021).

did participate in the 1975 survey of labour costs, it covered 71,118 establishments and some 7,091,000 employees.[101]

While not participating in the 1972 labour cost survey as such, the UK and Denmark each carried out a 'similar survey' subsequently, in relation to 1973.[102] In 1974, some labour cost data for the UK appeared in Eurostat's *Social Statistics* publication for the first time.[103] This included average gross hourly earnings and average weekly hours of work per worker. The data appeared in a separate table from other states, and the earnings data was not converted to a common accounting unit, so was of limited use as comparative data. It did not include data on labour costs in industry or number of employees. One intriguing finding to emerge from subsequent labour costs surveys was how low labour costs were in the UK. A report in 1976 covering 1972 to 1975 stated that 'The United Kingdom had the lowest labour costs of the whole Community; this was so, without exception, in each industrial sector.'[104] The 1973 cost per hour for 'mining and quarrying' expressed in common accounting units, for example, was 2.80 for the UK compared with 4.60 for Belgium.[105] This can to some extent be explained by the fact that 'labour costs' included employer social security costs and other social payments, and these tended to be higher in other member states. Nevertheless, the finding was potentially embarrassing in a period during which governments were attempting to control levels of wage increases through incomes policies.

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[101] Statistical Office of the European Communities, *Labour Costs in Industry 1975* (Luxembourg, 1978), 124 (Table 5) and 125 (Table 6).

[102] Statistical Office of the European Communities, *Statistical Telegram: Labour Costs in Industry 1972–1975* (Luxembourg, 1976), 1.

[103] Statistical Office of the European Communities, *Social Statistics IV 1973* (Luxembourg, 1974), 200–202 (Table 33).

[104] *Statistical Telegram*, 3.

[105] *Statistical Telegram*, 13.

There was a second obstacle to participation in the labour costs survey: the employer's organisation, the Confederation of British Industry (CBI) opposed participation. Moser suggested that the non-participation of the UK was solely on account of 'CBI opposition' to it.[106] One influential interest group within the CBI was that of small firms. Small firms were greatly vexed by the burden of statistical returns for government departments and agencies. The CBI had established a Statistics Working Party 'to keep the burden on the suppliers of statistics as light as possible, especially for the small firm'.[107] A report on small firms in 1971, to which the CBI submitted extensive evidence, observed that 'the statistical burden makes an important contribution to the estrangement between business and Government which is so marked a feature of small firm psychology'.[108] One of its recommendations was that 'Any proposal for a new or revised statistical exercise should include an estimate in man-hours [*sic*] of the time required by respondents to complete the form'.[109] In this context, requiring many tens of thousands of firms to complete a lengthy survey relating to labour costs, hourly earnings, hours of work and numbers of employees would have been highly antagonistic.

A third factor behind the decision not to carry out a labour costs survey links to perceptions of the causes of the UK's decline. The narrative which was establishing itself was that the UK economy was blighted by poor productivity within an economy in which firms

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[106] TNA RG 53/2, Moser, 28 September 1972.

[107] Modern Records Centre, University of Warwick, Collection: Confederation of British Industry, MSS.200/C/2014 Box 339: Executive Office: Council Minutes, 1967–1970, Minutes of a Meeting of the Council of the Confederation of British Industry, 20 May 1970.

[108] *Small Firms*, 259, para. 15.5. The Committee was chaired by J.E. Bolton and is sometimes known as the 'Bolton Committee'.

[109] *Small Firms*, 274, para. 15.34, Recommendation 9.

and even entire industries were not competitive. Crafts has pointed out that by the end of the 'Golden Age' in 1973, the UK 'had been overtaken by seven other countries in terms of real GDP per person, and by nine in terms of labour productivity'.[110] He argues that the British economy during the 'golden age' was one in which there was weak competition in product markets and characterises the UK as a 'malfunctioning LME' [Liberal Market Economy].[111] What was significant about participation in the LFS is that it would make *comparative* data about the labour force readily available. This data had the potential to feed the narrative of relative economic decline by exposing and reinforcing the weaknesses of the labour force and labour market.

Turning back to the Labour Force Survey, participation in the Survey was framed to emphasize the potential financial benefits to the UK. It was frequently pointed out that the findings of the Survey were intended to inform allocations from the EEC's Social Action Fund.[112] In September 1972, Moser opined to the Treasury: 'It would be a short sighted saving if the non-participation of the United Kingdom in this survey were to jeopardise our receipts from the Fund.'[113] This aspect of participation was important to the *public* framing of the Survey. The decision to participate was announced to the public via a written parliamentary question and a DoE Press Notice on 20 November 1972. The Press Notice highlighted the link between the Social Action Fund and the data that the LFS might yield: 'One of the specific purposes for which the survey will be used will be to assess claims on the Community Social Fund that can be used to finance the development of employment in areas

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[110] Crafts, *Forging Ahead*, Chapter 5.

[111] Crafts, *Forging Ahead*, Chapter 5.

[112] 'Social Action Programme', *Bulletin of the European Communities Supplement 2/74, European Communities Commission* (1974).

[113] TNA RG 53/2, Moser, 28 September 1972.

of high unemployment, or to promote training, etc.'[114] The Press Notice issued by the Department on the eve of the Survey in April 1973 used almost identical wording.[115] It is worth noting, however, that the Social Fund constituted a very small proportion of the Community's budget. In 1971 expenditure on the European Social Fund was budgeted to be £23 million compared with a total budget of £1,273 million. Of that total budget, £1,096 million was allocated to the European Agricultural Fund.[116]

The question of who should fund the Survey was a source of some tension between departments. The costs of it were likely to be significant, given that the LFS would be the 'biggest interview survey so far carried out in one month in Britain'.[117] The GHS, for example, covered some 15,000 households, whereas the LFS would cover 100,000. The EEC met only a small proportion of member states' costs. The 1971 population census had cost £14 million, and additional costs were by then being incurred on the GHS.[118] A new '1 per cent per annum survey' — an annual survey of a sample of households, with objectives similar to the GHS — was also under consideration (and was conducted for the first time in 1974). In August 1972, the estimated total cost of the LFS was £450,000, of which £55,000

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[114] TNA RG 53/2, Department of Employment Press Notice, 20 November 1972, 'UK to Take Part in Common Market Labour Survey'.

[115] TNA RG 53/8, Press Notice (DoE), 18 April 1973, 'Labour Force Survey Gets Underway'.

[116] *The United Kingdom and the European Communities*, Cmnd. 4715, July 1971, Annexe A, para. 6.

[117] Peter Redfern, 'The different roles of population censuses and interview surveys, particularly in the UK context', *International Statistical Review*, 42, 2 (1974), 144. Redfern was Deputy Director of the OPCS from 1970 to 1982.

[118] Redfern, 'The different roles', 135.

would be met by the EEC.[119] Her Majesty's Treasury insisted that the costs needed to be covered from within the OPCS's *existing* estimated provisions and Public Expenditure Survey Committee allocations.[120] In contrast, the OPCS was adamant that the costs could not be met from within existing resources. In September 1972, Moser, concerned that the question of funding the Survey might jeopardise the UK's participation in it, stated to the Treasury: 'I am very disturbed about the situation and thought I would write direct to you. In my view the proposed labour force survey is not only highly important for us but is also a key part of our co-operation and collaboration with the European Communities.'[121] Even as late as November 1972, participation was still in doubt, with *The Times* reporting: 'the Cabinet is hesitating over whether or not to spend £500,000 on joining the European Commission's 1973 Labour Force Survey covering 100,000 households.'[122]

In the event, the OPCS was given an additional provision of £35,000 towards the cost of the Survey in the fiscal year 1972/73.[123] A provision of £320,000 was made for costs in the following year, 1973/74. As it turned out, the amount thought to be required to conduct the Survey had been overestimated. Consequently, in March 1974 the £320,000 provision for 1973/74 was reduced to £156,000, with the explanation of the reduction being 'due to lack of

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[119] TNA LAB 17/526, Minutes, 17 August 1972. The UK's share of the cost in 2020 terms would be around £4,581,000. 'Relative Values — UK £', 2021, *Measuring Worth.com,* https://www.measuringworth.com/calculators/ukcompare/ (accessed 20 January 2021). The EEC were to contribute 1.6 units of account per completed household questionnaire.

[120] TNA RG 53/2, Moser, 28 September 1972. The PESC had been established in July 1968 by Chancellor of the Exchequer Roy Jenkins.

[121] TNA RG 53/2, Moser, 28 September 1972.

[122] Corina, Maurice, 'White Paper Today on Problems of Jobless', *The Times,* 20 November 1972, 19.

[123] *Supply Estimates 1972–73 for the Year Ending 31 March 1973: Supplementary Estimates (Classes I-XI: Civil),* February 1973 (London), Class X, 13, 355.

information about [the] nature of [the] survey when [originally] estimated'.[124] A summary of the costs of the Survey in January 1974 suggested that the total cost had been £181,000.[125] The importance of controlling the cost of the statistical services was highlighted two years later by the decision to cancel the 1976 CoP on the grounds of cost.[126] By 1977 the total cost of carrying out the third LFS was around £500,000.[127] These tensions and anxieties about costs foreshadowed developments in the following decade. The GSS was seriously attenuated in the 1980s following a report by Sir Derek Rayner. This led to a reduction of expenditure on the GSS of around 25 per cent during the 1980s.[128]

Would data collected via the LFS be available to government departments for other purposes? Generally, there was a strong culture of data confidentiality among government statisticians. In his covering letter to householders which accompanied the Survey the Registrar General for Scotland stressed: 'The form you complete will in no circumstances be passed to any person, organisation or government department outside this office.'[129] According to evidence submitted by John R. Firn of the University of Glasgow to the inquiry

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[124] *Supply Estimates 1973–74 for the Year Ending 31 March 1974: Supplementary Estimates (Classes I-XI: Civil)*, March 1974 (London), Class X, 13, 365.

[125] TNA RG 53/4 , 'Labour Force Survey 1973 Summary of Costs, Subhead 'H'', 7 January 1974.

[126] Moser, 'Statistics and public policy', 5.

[127] Office of Population Censuses and Surveys Series LFS No. 1, 'Labour Force Survey 1973, 1975 and 1977' (1980), 2.

[128] G. Hoinville and T.M.F. Smith, 'The Rayner Review of Government Statistical Services', *Journal of the Royal Statistical Society Series A (General)*, 145, 2 (1982), 195. The Rayner doctrine that emerged from Sir Derek Rayner's 1980 report narrowed the scope of government statistics to those that the government needs, for its own purposes.

[129] TNA LAB 17/526, Letter from A.L. Rennie (General Register Office (Scotland)) to the Head (or Acting Head) of the Household, November 1972.

into Regional Development Incentives in 1973/74, government statisticians operated at 'almost surreal levels of secrecy'.[130] This approach had its statutory basis in the Statistics of Trade Act 1947. In addition, the UK's decentralized system 'inhibit[ed] record linkage'[131], which offered a further level of data protection.

Notwithstanding this culture, the DoE wished to access anonymised data 'similar to those it was proposed to pass to the E.E.C.'[132] There is no indication from the records reviewed that this was permitted. In any case, the official findings from the Survey were delayed. Once countries had completed their surveys, they were required to prepare their data for submission to the EEC by the end of 1973, with a view to submitting it to the SOEC in January 1974. Some states encountered problems with submitting the data on time, and in the correct form. Germany did not supply its data until September 1974. By October 1974, the Netherlands had not yet supplied its data tapes, and those from Italy had had to be returned.[133] In October 1974, the SOEC announced that the Survey findings would be available to member states by Easter 1975. This was a full two years after the Survey itself, confirming Moser's view that the timeliness of official statistics was 'the hardest nut to crack'.[134]

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[130] Expenditure Committee (Trade and Industry Sub-Committee), *Regional Development Incentives Session 1973–74: Minutes of Evidence (from July 1973) Appendices and Index*, December 1973 (London), Appendix 4, 710.

[131] Redfern, 'The different roles', 142.

[132] TNA LAB 17/526, Minutes, 4 October 1972.

[133] TNA RG 53/3, Letter from I.B. Beesley (CSO) to R.E. Fry (DoE), 8 October 1974, '1973 Labour Force Survey'.

[134] Moser, 'Statistics and public policy', 9.

3. The implementation of the Labour Force Survey

In a number of respects, the UK's implementation of the Survey differed from that of other member states, and these differences are identified below. These departures caused the SOEC no concern and were approved by a Working Group of the Council of the European Communities. The OPCS recruited a body of around one hundred controllers and 1,000 interviewers to carry out the Survey. Interviewers surveyed almost 100,000 households in total: 85,000 in England and Wales, 10,000 in Scotland, and 3,000 in Northern Ireland. Around 10 per cent of the interviewers were based in the OPCS's Social Survey Division and around 90 per cent in its Census Division. All the latter and most of the former were recruited on a temporary basis, specifically to work on the Survey. Interviewers attended a two-day training course, while the controllers attended a four-and-a-half-day training course at the Chatsworth Hotel in Worthing, Sussex.

In England and Wales, the Survey was based upon 4,000 Electoral Districts. Each interviewer was given responsibility for four Electoral Districts, each of which consisted of around twenty households, so around eighty households altogether. Each controller supervised ten interviewers (and 800 households). Scotland decided on implementing self-enumeration of the form, rather than a face-to-face interview — a point of difference with other member states, and with England and Wales. Self-enumeration would be combined with telephone 'call-backs' on some of the less straightforward questions relating, for example, to second jobs and migration, and also where forms had been only partially completed. Northern Ireland originally intended to carry out the Survey by interview, but later decided upon self-enumeration, since it was not possible to conduct interviews in some areas: Stainer from the Ministry of Finance in Northern Ireland alerted the Working Group in October to the fact that 'the unemployed of Northern Ireland were largely in areas where at

present it would be impossible to carry out interviews.'[135] These discussions, it should be recalled, were taking place in the aftermath of the events of Bloody Sunday and the implementation in March of the Northern Ireland (Temporary Provisions) Act 1972, which introduced Direct Rule in Northern Ireland.[136]

The LFS took place in May and June 1973 (and began slightly earlier in Scotland, on 30 April 1973). The timing in the UK was slightly different from other member states, where the Survey was carried out in March and/or April 1972 on account of public holidays. A more significant point of difference between the UK and other member states was that in the UK, participation in the Survey was voluntary. Redfern, an official at the OPCS, highlighted that 'the UK tradition is to make interview surveys voluntary'[137]; and Gray, also from the OPCS, noted that 'for the last 30 years, we have conducted all our sample surveys on a *voluntary* basis, and […] for many of us, this is an important matter of principle'.[138] As mentioned previously, the UK did not implement the Supplementary Enquiry on Vocational Training.

In June 1972, the Working Group had anticipated an 85 per cent response rate to the Survey in the UK, at best.[139] The actual response rate in England and Wales was marginally better, at 86 per cent. Non-response to surveys has become a cause of some concern to statisticians in recent years and decades. In this context, non-response is defined as 'the failure of a survey to collect data on all survey variables, from all the population units

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[135] TNA LAB 17/526, Minutes, 4 October 1972.

[136] Bloody Sunday was 30 January 1972. The Northern Ireland (Temporary Provisions) Act 1972 received Royal Assent on 30 March 1972.

[137] Redfern, 'The different roles', 141.

[138] Moser and Beesley, 'United Kingdom official statistics', 578.

[139] TNA LAB 17/526, Minutes of the First Meeting of the Labour Force Survey Working Group, 29 June 1972.

designated for data collection in a sample or complete enumeration'.[140] The 2009 Eurostat Task Force on the Quality of the Labour Force Survey identified that 'non-response is a major issue for the quality of the statistics on employment and unemployment from the Labour Force Survey'.[141] In 2007 the annual average non-response rate in relation to the LFS exceeded 20 per cent in eleven countries. The non-response rate ranged from 34.2 per cent in Denmark to 5 per cent in Germany, setting aside Luxembourg, whose non-response rate was an outlier at 68 per cent.[142] The UK's non-response rate in 2007 was 30.4 per cent, so relatively high in comparison with 1973. The Office for National Statistics has highlighted the wider issue of 'an increasing lack of support from the public' for social surveys, suggesting that non-response may in part be a result of 'potential respondents not believing in surveys, not trusting the government and generally not being bothered', and mooted the possibility of making participation in the LFS compulsory.[143] An important avenue of future research would be to consider in detail why the response rate to the LFS in the UK has declined so significantly over its almost fifty-year history.

4. Conclusion

In his Presidential Address to the Royal Statistical Society in 1979, Moser disclosed how 'one Prime Minister' had said to him that statisticians should 'always be on their guard, should err on the side of caution and should (…) behave like "knights in shining armour"'.[144]

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[140] Eurostat, *Task Force on the Quality of the Labour Force Survey: Final Report* (2009 edn.), 34.

[141] Eurostat, *Task Force*, 35.

[142] Eurostat, *Task Force*, Table 1.

[143] William Barnes, Geoff Bright, and Colin Hewat, 'Making sense of Labour Force Survey response rates', *Economic & Labour Market Review*, 2, 12 (2008), 39.

[144] Moser, 'Statistics and public policy', 5.

While this simile is rather extravagant, it is a reminder of the importance of official statistics in democratic societies and of those who prepare them. The General Assembly of the United Nations made explicit the connection between democracy and the production of official statistics, by establishing as its first principle: 'Official statistics provide an indispensable element in the information system of a democratic society.'[145]

This article has sought to contribute to the history of the Labour Force Survey in the UK. It began by outlining the landscape and trajectory of government statistics in the UK in the post-Second World War period. It then explored the UK's decision in June 1972 to participate in the Survey, drawing attention to the key issues with which the Working Group wrestled, many of which have contemporary relevance. In the final section it described how the UK implemented the Survey and identified the ways in which the UK's approach to this implementation differed from that of other EEC member states. As it explored these decisions and deliberations, it drew attention to the predominant economic narratives in the late 1960s and early 1970s and suggested that decisions relating the collection, analysis, and interpretation of data and their publication as official statistics may be influenced by prevailing economic narratives.

In March 1974, even before the loose ends from the 1973 LFS had been tied, a Working Party on the Sample Labour Force Survey met in Luxembourg, tasked with preparing the LFS for 1975. The timing, from a UK perspective, was uncomfortable: the deliberations of the Working Party would need to proceed in parallel with the UK's renegotiation of its terms of membership of the EEC, which began on 1 April 1974.

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[145] 'Resolution Adopted by the Economic and Social Council on 24 July 2013: 2013/21 Fundamental Principles of Official Statistics', 2013, *United Nations Economic and Social Council*, https://unstats.un.org/unsd/dnss/gp/FP-Rev2013-E.pdf (accessed 20 January 2021).

Following the renegotiation, a referendum was held on 5 June 1975 in which the electorate was asked to answer 'Yes' or 'No' to the following question: 'Do you think that the United Kingdom should stay in the European Community (the Common Market)?' A total of 67 per cent voted 'Yes'. A labour force survey has been carried out in the UK ever since and is likely to continue: the EU—UK Withdrawal Agreement does not make specific reference to the LFS.[146]

[146] 'The EU—UK Withdrawal Agreement', 12 November 2019, *European Commission,* https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership/eu-uk-withdrawal-agreement_en (accessed 20 January 2021).