

Methodological Note

Treatment of Q2 2026 LFS Benchmark in the Monthly Unemployment Rate (MUR)

29 October 2026

The decision to temporarily exclude the Q2 2026 LFS benchmark from the Monthly Unemployment Rate (MUR) compilation was based on statistical considerations relating to time-series consistency, potential structural discontinuities and model stability.

The LFS historical series for 2021–2025 is currently undergoing revision. Incorporating Q2 2026 and the revised Q2 2025 estimates before the completion of this exercise would result in a benchmark series combining revised and unrevised observations. Such an approach may introduce artificial discontinuities that reflect changes in the underlying statistical estimates rather than genuine labour-market developments.

As part of the quality-assurance process, alternative MUR calculations were carried out to assess the impact of incorporating the latest quarterly LFS observations. These checks indicated irregular movements in certain monthly component series, together with instability in some of the forecasting and seasonal-adjustment models.

The methodological concern is not simply that the resulting monthly series exhibits greater volatility, but that the inclusion of partially revised benchmarks may introduce statistical instability and discontinuities that cannot be confidently attributed to actual changes in unemployment.

Since the MUR compilation relies on quarterly LFS benchmarks, with monthly estimates derived through the Proportional Denton method and subsequently subjected to seasonal adjustment using RSA3, inconsistencies in the underlying benchmark series may propagate through the monthly estimation process and affect the reliability of the resulting estimates.

The temporary exclusion of the latest benchmarks was therefore intended to preserve the internal consistency and comparability of the underlying time series until the complete revised LFS historical series becomes available. This decision was not intended to artificially smooth the monthly unemployment series or permanently depart from the established benchmarking methodology.

It is nevertheless acknowledged that this approach results in a temporary discrepancy between the published quarterly LFS unemployment rate and the corresponding monthly

non-seasonally adjusted unemployment estimates. For Q2 2026, the published LFS unemployment rate stands at 3.3%, compared with an average monthly NSA rate of 3.5% for April–June 2026.

While the decision was motivated by the observed instability in the compilation process, the importance of maintaining consistency between monthly and quarterly unemployment statistics is fully recognised.

Once the historical LFS revision is finalised, the revised quarterly benchmarks can be incorporated consistently across the historical series, allowing the monthly estimates and seasonal-adjustment models to be reassessed using a harmonised benchmark series.