



## Lies, damned lies and statistics

The firing of a little-known labour statistician by President Trump has brought to the fore an ongoing debate amongst economists - that is whether macro statistics are becoming unreliable as the response rates to key surveys decline. In the US, major revisions to the benchmark payroll jobs survey are quite common and are typically shrugged off by investors and grumpy forecasters, whose models then require tweaking. In some cases, the revisions can completely shift the narrative of an economy, as was the case when US payrolls were recently revised sharply lower for May and June, precipitating a fall in interest rate expectations and a decline in the dollar. Response rates to this key survey have fallen sharply to 30-40% at present from as high as 70% in the period before the pandemic. However, despite President Trump's assertions of political bias, the revisions in the past few years to the payrolls survey have been in both directions, with few signs of bias in the data.

Nonetheless, Covid appears to have left a lasting impact on the ability of statisticians to collect data across the world, with another example being the UK's labour force survey, which the Office for National Statistics has placed a large health warning on. The response rate to this survey has fallen from a pre-Covid rate of 50% to just 10% at present. While the revisions in the US payrolls survey still appear to be random, the UK survey is demonstrating what economists might call 'systematic error'. In the absence of robust national statistics, a new cottage industry of private labour market data has emerged which policymakers in the Bank of England, who have been struggling to get a gauge on wages and inflation, now rely on.

In Ireland, the concentration of a small number of very large multinationals often renders initial estimates of GDP useless, but we have also seen large revisions to our labour force survey, including the sharp upward revision in unemployment recently. Emerging 'frontier' series, which use administrative data rather than relying on surveys, might become more reliable and prevalent in the future. For example, a new payroll employment series pulls data directly from the Revenue's PAYE system in Ireland, which gives a timelier estimate of the number of employee numbers. This series has been signalling a cooling of Irish jobs growth in 2025, which the official labour force survey might now belatedly show when the latest revisions are published later this week. The key takeaway is economies are becoming more complex and harder to measure in real-time, with emerging trends such as AI having the potential to upend how we live and work in the years to come. Spare a thought for the beleaguered statistician in an ever-changing world.

Chief Economist

David McNamara

AIB Customer Treasury Services

DUBLIN / CORK

[aib.ie/fxcentre](http://aib.ie/fxcentre)

Customer Treasury Services NI

BELFAST

[aibni.co.uk/fxcentre](http://aibni.co.uk/fxcentre)

Customer Treasury Services GB

LONDON

[aibgb.co.uk/fxcentre](http://aibgb.co.uk/fxcentre)

Economic Research Unit

[AIBeconomics.unit@aib.ie](mailto:AIBeconomics.unit@aib.ie)

Tel: 353-1-6600311

This publication is for information purposes and is not an invitation to deal. The information is believed to be reliable but is not guaranteed. Any expressions of opinions are subject to change without notice. This publication is not to be reproduced in whole or in part without prior permission. In the Republic of Ireland it is distributed by Allied Irish Banks, p.l.c. In the UK it is distributed by Allied Irish Banks, plc and Allied Irish Banks (GB). In Northern Ireland it is distributed by First Trust Bank. In the United States of America it is distributed by Allied Irish Banks, plc. Allied Irish Banks, p.l.c. is regulated by the Central Bank of Ireland. Allied Irish Bank (GB) and First Trust Bank are trademarks used under licence by AIB Group (UK) p.l.c. (a wholly owned subsidiary of Allied Irish Banks, p.l.c.), incorporated in Northern Ireland. Registered Office 92 Ann Street, Belfast BT1 3HH. Registered Number NI 018800. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. In the United States of America, Allied Irish Banks, p.l.c., New York Branch, is a branch licensed by the New York State Department of Financial Services. Deposits and other investment products are not FDIC insured, they are not guaranteed by any bank and they may lose value. Please note that telephone calls may be recorded in line with market practice.

---

---