

Statistical bulletin

Labour market in the regions of the UK: May 2021

Regional, local authority and Parliamentary constituency breakdowns of changes in UK employment, unemployment, economic inactivity and other related statistics.



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Notice

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The effect of the coronavirus (COVID-19) pandemic on our capacity means we have reviewed the existing labour market releases and have suspended some publications.

This will protect the delivery and quality of our remaining labour market outputs as well as ensuring we can respond to new demands as a direct result of the coronavirus. More details about the [impact on labour market outputs](#) can be found in our statement.

Table of contents

1. [Main points](#)
2. [Latest headline estimates](#)
3. [Regional labour market data](#)
4. [Glossary](#)
5. [Measuring the data](#)
6. [Strengths and limitations](#)
7. [Related links](#)

1 . Main points

- Since the start of the coronavirus (COVID-19) pandemic, all regions' counts of payrolled employees followed a similar pattern: rapidly declining initially, but beginning to improve in more recent months.
- The magnitude of changes varies; comparing April 2021 with February 2020, decreases in payrolled employees range from 1.3% in the West Midlands to 5.0% in London.
- For the three months ending March 2021, the highest employment rate estimate in the UK was in the South East (78.5%) and the lowest was in Northern Ireland (69.1%); Northern Ireland saw the largest change compared with the previous year, with a decrease of 2.8 percentage points.
- For the three months ending March 2021, the highest unemployment rate estimate in the UK was in London (6.8%) and the lowest was in the South East (3.4%); London saw the largest change compared with the same period last year, with an increase of 2.0 percentage points.
- For the three months ending March 2021, the highest economic inactivity rate estimate in the UK was in Northern Ireland (28.3%) and the lowest was in the South East (18.7%); Northern Ireland saw the largest change compared with the same period last year, with an increase of 2.1 percentage points.

Labour Force Survey (LFS) responses are weighted to official 2018-based population projections on demographic trends that pre-date the coronavirus pandemic. In our [Coronavirus and the impact on payroll employment](#) article we analyse the population totals used in the LFS weighting process and state our intention to make adjustments. Rates published from the LFS remain robust; however, levels and changes in levels should be used with caution. This will particularly affect estimates for country of birth, nationality, ethnicity and disability.

2 . Latest headline estimates

Table 1: Summary of latest headline estimates, and quarterly changes, for regions of the UK, seasonally adjusted, January to March 2021

	Employment rate¹ (%) aged 16 to 64 years	Change on October to December 2020	Unemployment rate² (%) aged 16 years and over	Change on October to December 2020	Inactivity rate³ (%) aged 16 to 64 years	Change on October to December 2020
UK	75.2	0.2	4.8	-0.3	21.0	0.1
Great Britain	75.3	0.2	4.8	-0.4	20.8	0.1
England	75.5	0.1	4.9	-0.4	20.6	0.3
North East	72.2	1.1	5.4	-1.0	23.5	-0.4
North West	73.5	-0.3	5.0	0.1	22.6	0.2
Yorkshire and The Humber	73.7	-0.6	4.6	-0.4	22.6	1.0
East Midlands	75.3	0.1	4.9	-1.0	20.8	0.8
West Midlands	74.2	0.2	5.7	-0.4	21.3	0.2
East	78.0	1.0	3.9	-0.6	18.8	-0.5
London	74.8	0.1	6.8	-0.2	19.7	0.1
South East	78.5	-0.2	3.4	-0.2	18.7	0.4
South West	76.7	-0.2	3.9	-0.6	20.0	0.6
Wales	74.0	1.8	4.4	0.0	22.5	-1.8
Scotland	74.4	0.7	4.3	-0.2	22.2	-0.6
Northern Ireland	69.1	-0.3	3.6	0.0	28.3	0.4

Source: Office for National Statistics - Labour Force Survey

Notes

1. Calculation of headline employment rate: number of employed people aged from 16 to 64 years divided by the population aged from 16 to 64 years. Population is the sum of employed plus unemployed plus inactive.
2. Calculation of headline unemployment rate: number of unemployed people aged 16 years and over divided by the sum of employed people aged 16 years and over plus unemployed people aged 16 years and over.
3. Calculation of headline economic inactivity rate: number of economically inactive people aged from 16 to 64 years divided by the population aged from 16 to 64 years. Population is the sum of employed plus unemployed plus inactive.
4. The estimates in this table come from a survey and are therefore subject to sampling variability. More information on the quality of these estimates is available in Table 3 of this release and the accompanying Dataset S02.
5. Labour Force Survey (LFS) responses are weighted to official population projections. As the current projections are 2018-based they are based on demographic trends that pre-date the COVID-19 pandemic. We are analysing the population totals used in the weighting

Table 2: Summary of latest headline estimates, and annual changes, for regions of the UK, seasonally adjusted, January to March 2021

	Employment rate¹ (%) aged 16 to 64 years	Change on January to March 2020	Unemployment rate² (%) aged 16 years and over	Change on January to March 2020	Inactivity rate³ (%) aged 16 to 64 years	Change on January to March 2020
UK	75.2	-1.2	4.8	0.8	21.0	0.6
Great Britain	75.3	-1.1	4.8	0.8	20.8	0.5
England	75.5	-1.3	4.9	0.8	20.6	0.7
North East	72.2	-0.4	5.4	0.0	23.5	0.3
North West	73.5	-2.3	5.0	0.9	22.6	1.7
Yorkshire and The Humber	73.7	0.0	4.6	0.4	22.6	-0.3
East Midlands	75.3	-2.6	4.9	1.0	20.8	1.8
West Midlands	74.2	-0.6	5.7	0.7	21.3	0.1
East of England	78.0	0.1	3.9	0.1	18.8	-0.2
London	74.8	-1.8	6.8	2.0	19.7	0.1
South East	78.5	-1.4	3.4	0.5	18.7	1.0
South West	76.7	-2.0	3.9	0.7	20.0	1.5
Wales	74.0	0.0	4.4	1.2	22.5	-0.9
Scotland	74.4	0.0	4.3	0.1	22.2	0.0
Northern Ireland	69.1	-2.8	3.6	1.2	28.3	2.1

Source: Office for National Statistics - Labour Force Survey

Notes

1. Calculation of headline employment rate: number of employed people aged from 16 to 64 years divided by the population aged from 16 to 64 years. Population is the sum of employed plus unemployed plus inactive.
2. Calculation of headline unemployment rate: number of unemployed people aged 16 years and over divided by the sum of employed people aged 16 years and over plus unemployed people aged 16 years and over.
3. Calculation of headline economic inactivity rate: number of economically inactive people aged from 16 to 64 years divided by the population aged from 16 to 64 years. Population is the sum of employed plus unemployed plus inactive.
4. The estimates in this table come from a survey and are therefore subject to sampling variability. More information on the quality of these estimates is available in Table 3 of this release and the accompanying Dataset S02.
5. Labour Force Survey (LFS) responses are weighted to official population projections. As the current projections are 2018-based they are based on demographic trends that pre-date the COVID-19 pandemic. We are analysing the population totals used in the weighting process and intend to make adjustments where appropriate. Rates published from the LFS remain robust; however, levels and changes in levels should be used with caution. This will particularly affect estimates for country of birth, nationality, ethnicity and disability.

3 . Regional labour market data

[Headline Labour Force Survey indicators for all regions](#)

Dataset HI00 | Released 18 May 2021

Headline labour market indicators from the Labour Force Survey (LFS) for all the UK regions. These cover economic activity, employment, unemployment, and economic inactivity. Datasets HI01 to HI12 provide all regional level indicators for each region of the UK.

[Claimant Count by unitary and local authority \(experimental\)](#)

Dataset CC01 | Released 18 May 2021

Claimant Count for people resident in local and unitary authorities, counties, and regions of the UK.

[Regional labour market summary](#)

Dataset S01 | Released 18 May 2021

Labour market indicators for countries and regions of the UK, covering employment, unemployment, Claimant Count, and workforce jobs.

[Local indicators for counties and local and unitary authorities](#)

Dataset LI01 | Released 20 April 2021

Labour market indicators for local and unitary authorities, counties, and regions in Great Britain for a 12-month period.

[Real Time Information statistics](#)

Dataset Real Time Information statistics | Released 18 May 2021

Earnings and employment statistics from Pay As You Earn (PAYE) Real Time Information (RTI) (Experimental Statistics) seasonally adjusted.

All regional labour market datasets used in this bulletin are available on the [Related data page](#).

4 . Glossary

Actual and usual hours worked

Statistics for [usual hours worked](#) measure how many hours people usually work per week. Compared with [actual hours worked](#), they are not affected by absences and so can provide a better measure of normal working patterns. For example, a person who usually works 37 hours a week but who was on holiday for a week would be recorded as working zero actual hours for that week, while usual hours would be recorded as 37 hours.

Economic inactivity

People not in the labour force (also known as [economically inactive](#)) are not in employment but do not meet the internationally accepted definition of unemployment because they have not been seeking work within the last four weeks and/or they are unable to start work in the next two weeks. The economic inactivity rate is the proportion of people aged between 16 and 64 years who are not in the labour force.

Employment

[Employment](#) measures the number of people in paid work or who had a job that they were temporarily away from (for example, because they were on holiday or off sick). This differs from the number of jobs because some people have more than one job. The employment rate is the proportion of people aged between 16 and 64 years who are in employment. A more detailed explanation is available in our [guide to labour market statistics](#).

Local labour market indicators

Local labour market indicators cover employment, unemployment, economic inactivity and jobs density for sub-regional geographic areas such as local and unitary authorities, counties and regions in the UK for the most recent 12-month period available of the Annual Population Survey (APS). The jobs density of an area is the number of jobs per head, of resident population, aged 16 to 64 years.

Pay As You Earn (PAYE) Real Time Information (RTI)

These data come from HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) system. They cover the whole population rather than a sample of people or companies, and they will allow for more detailed estimates of the population. The release is classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. As a result, the series are subject to revisions.

PAYE is the system employers and pension providers use to take Income Tax and National Insurance contributions before they pay wages or pensions to employees and pensioners. This publication relates to employees only and not pensioners.

Unemployment

[Unemployment](#) measures people without a job who have been actively seeking work within the last four weeks and are available to start work within the next two weeks. The unemployment rate is not the proportion of the total population who are unemployed. It is the proportion of the economically active population (those in work plus those seeking and available to work) who are unemployed.

A [more detailed glossary](#) is available.

5 . Measuring the data

This bulletin relies on data collected from the Labour Force Survey (LFS), and the Annual Population Survey (APS) derived from it, the largest household survey in the UK.

Quality and methodology information on strengths, limitations and appropriate uses, is available in the [LFS QMI](#). The [LFS performance and quality monitoring reports](#) provide data on response rates and quality-related issues.

Data for Northern Ireland, are available in full, in the [Northern Ireland Labour Market Report](#) on the [Northern Ireland Statistics and Research Agency](#) (NISRA) website. Local area statistics are available from [Nomis](#).

Coronavirus

For information on how labour market data sources are affected by the coronavirus (COVID-19) pandemic, see the article published on 6 May 2020, detailing [some of the challenges that we have faced in producing estimates](#).

An article published on 11 December 2020 [compares our labour market data sources and discusses some of the main differences](#).

LFS responses are weighted to official 2018-based population projections on demographic trends that pre-date the coronavirus pandemic. In our [Coronavirus and the impact on payroll employment](#) article we analyse the population totals used in the LFS weighting process and state our intention to make adjustments. Rates published from the LFS remain robust; however, levels and changes in levels should be used with caution. This will particularly affect estimates for country of birth, nationality, ethnicity, and disability.

[An article published on 17 May 2021](#) describes the new LFS weighting methodology, which will be applied to results from July 2021.

End of EU exit transition period

As the UK enters into a new Trade and Co-operation Agreement with the EU, the UK statistical system will continue to produce and publish our wide range of economic and social statistics and analysis. We are committed to continued alignment with the highest international statistical standards, enabling comparability both over time and internationally, and ensuring the general public, statistical users and decision-makers have the data they need to be informed.

As the shape of the UK's future statistical relationship with the EU becomes clearer over the coming period, the ONS is making preparations to assume responsibilities that as part of our membership of the EU, and during the transition period, were delegated to the statistical office of the EU, Eurostat. This includes responsibilities relating to international comparability of economic statistics, deciding what international statistical guidance to apply in the UK context and to provide further scrutiny of our statistics and sector classification decisions.

In applying international statistical standards and best practice to UK economic statistics, we will draw on the technical advice of experts in the UK and internationally. Our work will be underpinned by the UK's well-established and robust framework for independent official statistics, set out in the Statistics and Registration Service Act 2007. Further information on our proposals will be made available later this year.

We will continue to produce our labour market statistics in line with the UK Statistics Authority's [Code of Practice for Statistics](#) and in accordance with International Labour Organization (ILO) definitions and agreed international statistical guidance.

6 . Strengths and limitations

The estimates presented in this bulletin contain [uncertainty](#). The Labour Force Survey (LFS) gathers information from a [sample](#) of households across the UK. The sample is designed to be as accurate as possible given practical limitations. This can have an impact on how changes in the estimates should be interpreted, especially for short-term comparisons.

As the number of people in the sample gets smaller, the variability of the estimates that we can make from that sample gets larger. Estimates for small groups which are based on small subsets of the sample, are less reliable and tend to be more volatile than for larger aggregated groups.

In general, changes in the numbers (and especially the rates) reported between three-month periods are small and are not usually greater than the level that is explained by sampling variability. Short-term movements in reported rates should be considered alongside longer-term patterns in the series and corresponding movements in other sources, for a fuller picture.

Information on the quality of estimates is available in our [Labour Force Survey sampling variability](#).

The data in this bulletin follow internationally accepted definitions specified by the [International Labour Organization \(ILO\)](#). This ensures that the estimates for the UK are comparable with those for other countries.

The [reconciliation report of job estimates](#) article which compares the latest Workforce Jobs estimates with the equivalent estimates of jobs from the LFS, published every March, has been postponed until further adjustments are made.

Reliability of the main indicators in this bulletin can be obtained by monitoring the size of revisions. These measures are available in the [Regional Sampling variability and revisions summary](#).

7 . Related links

[Labour market overview, UK: May 2021](#)

Bulletin | Released 18 May 2021

Estimates of employment, unemployment, economic inactivity and other employment-related statistics for the UK.

[Earnings and employment from Pay As You Earn Real Time Information, UK: May 2021](#)

Bulletin | Released 18 May 2021

Experimental monthly estimates of payrolled employees and their pay from HM Revenue and Customs' (HMRC's) Pay As You Earn (PAYE) Real Time Information (RTI) data. This is a joint release between HMRC and the Office for National Statistics (ONS).

[Vacancies and jobs in the UK: May 2021](#)

Bulletin | Released 18 May 2021

Quarterly estimates of the number of people employed in the public and private sectors in the UK. The public sector comprises central government, local government and public corporations.

[Working and workless households in the UK: October to December 2020](#)

Bulletin | Released 10 March 2021

Commentary on quarterly estimates of the economic status of UK households and the people living in them.

[Young people not in education, employment or training \(NEET\), UK: March 2021](#)

Bulletin | Released 4 March 2021

Quarterly bulletin examining estimates of men and women aged between 16 and 24 years in the UK who are not studying or in employment.