

Statistical bulletin

# Labour market in the regions of the UK: August 2023

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



Contact: Siân Evans and Chloe Wilkes labour.supply@ons.gov.uk +44 1633 455400 Release date: 15 August 2023 Next release: 12 September 2023

## **Table of contents**

- 1. Other pages in this release
- 2. Main points
- 3. Latest headline estimate
- 4. Regional labour market data
- 5. Glossary
- 6. Measuring the data
- 7. Strengths and limitations
- 8. Related links
- 9. Cite this statistical bulletin

# 1. Other pages in this release

- Labour market overview
- Average weekly earnings in Great Britain
- Earnings and employment from Pay As You Earn Real Time Information, UK
- Employment in the UK
- Vacancies and jobs in the UK

# 2. Main points

- For the three months ending June 2023, the highest employment rate estimate in the UK was for the South East (79.1%) and the lowest was for Northern Ireland (71.4%).
- The North East saw the largest increase in the employment rate compared with the same period last year, increasing by 3.3 percentage points, with Scotland seeing the largest decrease of 1.2 percentage points.
- For the three months ending June 2023, the highest unemployment rate estimate in the UK was for the West Midlands (5.2%) and the lowest was for Northern Ireland (2.7%).
- The East Midlands had the largest increase in the unemployment rate compared with the same period last year, increasing by 1.3 percentage points, with Yorkshire and The Humber seeing the largest decrease of 1.1 percentage points.
- For the three months ending June 2023, the highest economic inactivity rate estimate in the UK was for Northern Ireland (26.6%) and the lowest was for the South East (17.8%).
- Yorkshire and The Humber saw the largest increase in the economic inactivity rate compared with the same period last year, up 0.8 percentage points, with the North East seeing the largest decrease of 3.0 percentage points.
- For the 12 months ending March 2023, average weekly hours worked ranged from 33.5 hours worked in London to 30.8 hours worked in the North East; most regions saw an increase in the average weekly hours worked compared with the same period last year, with the North West seeing the largest increase of 0.7 hours.
- Compared with the same period last year, total weekly hours worked increased in most regions of the UK; London had the most hours worked at 162 million hours per week, while the North West saw the largest increase in total hours worked, up 3.6 million hours; Wales was the only region to see a decrease in total hours worked, down 0.9 million hours.
- Comparing July 2023 with the same period last year, changes in payrolled employees ranged from the highest being a 2.4% increase in London to the lowest being a 1.5% increase in Scotland.

## 3 . Latest headline estimate

Table 1: Summary of latest headline estimates, and quarterly changes, for regions of the UK, seasonally adjusted, April to June 2023 [Notes 4 and 5]

	Employment rate (%) aged 16 to 64 years [Note 1]	Change on January to March 2023	Unemployment rate (%) aged 16 years and over [Note 2]	Change on January to March 2023	Inactivity rate (%) aged 16 to 64 years [Note 3]	Change on January to March 2023
UK	75.7	-0.1	4.2	0.3	20.9	-0.1
Great Britain	75.9	-0.1	4.2	0.3	20.7	-0.1
England	76.2	-0.1	4.2	0.3	20.4	-0.1
North East	74.7	1.0	4.2	0.0	21.9	-1.0
North West	74.6	-0.3	4.3	1.0	22.0	-0.6
Yorkshire and The Humber	74.5	-0.2	3.5	-0.5	22.8	0.6
East Midlands	76.4	0.8	3.7	0.0	20.6	-0.8
West Midlands	75.1	0.9	5.2	0.1	20.7	-1.2
East	78.1	-0.6	4.4	0.4	18.2	0.3
London	74.3	-1.1	5.1	0.4	21.7	0.8
South East	79.1	0.2	3.7	0.0	17.8	-0.2
South West	78.2	-0.6	3.3	0.8	19.0	-0.1
Wales	72.7	1.2	4.8	0.3	23.6	-1.3
Scotland	74.2	-1.1	4.0	0.9	22.6	0.4
Northern Ireland	71.4	-0.6	2.7	0.2	26.6	0.4

Source: Labour Force Survey from the Office for National Statistics

#### Notes

- 1. Calculation of headline employment rate: number of employed people aged 16 to 64 years divided by the population aged 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 16 to 64 years divided by the population aged 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.
- 5. More information on the quality of these estimates is available in Table A11 of the labour market overview and Dataset S02 from this release.

Table 2: Summary of latest headline estimates, and annual changes, for regions of the UK, seasonally adjusted, April to June 2023 [Notes 4 and 5]

	Employment rate (%) aged 16 to 64 years [Note 1]	Change on April to June 2022	Unemployment rate (%) aged 16 years and over [Note 2]	Change on April to June 2022	Inactivity rate (%) aged 16 to 64 years [Note 3]	Change on April to June 2022
UK	75.7	0.2	4.2	0.4	20.9	-0.6
Great Britain	75.9	0.2	4.2	0.4	20.7	-0.5
England	76.2	0.3	4.2	0.3	20.4	-0.6
North East	74.7	3.3	4.2	-0.9	21.9	-3.0
North West	74.6	0.6	4.3	0.2	22.0	-0.9
Yorkshire and The Humber	74.5	0.1	3.5	-1.1	22.8	0.8
East Midlands	6 76.4	0.2	3.7	1.3	20.6	-1.3
West Midlands	75.1	0.2	5.2	0.5	20.7	-0.6
East	78.1	-0.3	4.4	1.1	18.2	-0.7
London	74.3	-0.7	5.1	0.5	21.7	0.4
South East	79.1	1.0	3.7	0.1	17.8	-1.2
South West	78.2	0.1	3.3	0.5	19.0	-0.5
Wales	72.7	0.0	4.8	1.0	23.6	-0.8
Scotland	74.2	-1.2	4.0	0.8	22.6	0.6
Northern Ireland	71.4	1.7	2.7	0.0	26.6	-1.8

Source: Labour Force Survey from the Office for National Statistics

#### Notes

- 1. Calculation of headline employment rate: number of employed people aged 16 to 64 years divided by the population aged 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 16 to 64 years divided by the population aged 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.
- 5. More information on the quality of these estimates is available in Table A11 of the labour market overview and Dataset S02 from this release.

# 4 . Regional labour market data

#### Headline Labour Force Survey indicators for all regions

Dataset HI00 | Released 15 August 2023

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 15 August 2023

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

#### Regional labour market summary

Dataset S01 | Released 15 August 2023 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 | 15 August 2023

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

Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted

Dataset | 15 August 2023

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.

## 5. Glossary

### Actual and usual hours worked

Statistics for <u>usual hours worked</u> measure how many hours people usually work per week. Compared with <u>actual hours worked</u>, 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 <u>economically inactive</u>) 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, 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

<u>Employment</u> 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 <u>Guide to labour market statistics</u>.

## Unemployment

<u>Unemployment</u> 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.

## Local labour market indicators

Local labour market indicators cover employment, unemployment, economic inactivity and jobs density for subregional geographical 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 <u>experimental statistics</u> because 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.

For more terms relating to the labour market, a more detailed glossary is available.

# 6. Measuring the data

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

Quality and methodology information on strengths, limitations and appropriate uses is available in our<u>Labour</u> Force Survey (LFS) Quality and Methodology Information (QMI). Our <u>LFS performance and quality monitoring</u> reports provide data on response rates and quality-related issues.

Data for Northern Ireland are available in full in the <u>Northern Ireland Labour Market Report on the Northern</u> <u>Ireland Statistics and Research Agency (NISRA) website</u>. You can <u>view local area statistics on the Nomis website</u>.

Our <u>Comparison of labour market data sources methodology</u>, last revised on 27 April 2022, compares our labour market data sources and discusses some of the main differences.

The population totals used for the latest LFS estimates use projected growth rates from Real Time Information (RTI) data for EU and non-EU populations based on 2021 patterns. The total population used for the LFS therefore does not take into account any changes in migration, birth rates, death rates, and so on, since June 2021. This means that levels estimates may be under or over-estimating the true values and should be used with caution. Estimates of rates will, however, be robust.

### Making our published spreadsheets accessible

Following the Government Statistical Service (GSS) guidance on <u>releasing statistics in spreadsheets</u>, we will be amending our published tables over the coming months to improve usability, accessibility and machine readability of our published statistics. To help users change to the new formats, we will be publishing sample versions of a selection of our tables, and where practical, initially publish the tables in both the new and current formats. If you have any questions or comments, please email us at <u>labour.market@ons.gov.uk</u>.

## **Occupational data in ONS surveys**

On 18 July 2022, the Office for National Statistics announced an <u>issue with the collection of some occupational</u> <u>data</u>. On 26 September 2022, we informed users of the impact of the coding error in our <u>Impact of miscoding of</u> <u>occupational data article</u>. We have undertaken a recoding exercise to correct the error and have revised affected Labour Force Survey (LFS) estimates alongside this release. For more detail on the new methodology used and its impact, see <u>Revision of miscoded occupational data in the ONS Labour Force Survey</u>, UK article, released 11 July at 9:30.

We have updated the Annual Population Survey estimates published on <u>Nomis</u> alongside the August labour market release.

## **Reweighting of the Labour Force Survey**

We are planning to reweight the Labour Force Survey (LFS) published data using more up-to-date population estimates, drawing on the latest census data alongside our labour market release in October 2023. We intend to publish indicative estimates of the reweighted LFS in an article publishing in September 2023.

## 7. Strengths and limitations

The estimates presented in this bulletin contain uncertainty, as defined in our article, <u>Uncertainty and how we</u> <u>measure for it in our surveys</u>. The Labour Force Survey (LFS) gathers information from a <u>sample of households</u> 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. For a fuller picture, short-term movements in reported rates should be considered alongside longer-term patterns in the series and corresponding movements in other sources.

Reliability of the main indicators in this bulletin can be obtained by monitoring the size of revisions. These measures are available in our <u>Regional sampling variability and revisions summary dataset</u>.

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. For more information, the <u>Resolution concerning statistics of work, employment and labour underutilization publication</u> is available to download from the ILO website.

Our annual <u>Reconciliation of estimates of jobs</u>, <u>UK article</u> compares the latest Workforce Jobs series estimates with the equivalent estimates of jobs from the LFS. It is usually published following the benchmarking of Workforce Jobs.

Reliability of the main indicators in this bulletin can be obtained by monitoring the size of revisions. These measures are available in our <u>Regional sampling variability and revisions summary dataset</u>.

# 8. Related links

#### Labour market overview, UK: August 2023

Bulletin | Released 15 August 2023

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: August 2023

Bulletin | Released 15 August 2023

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: August 2023

Bulletin | Released 15 August 2023 Estimates of the number of vacancies and jobs for the UK.

Working and workless households in the UK: January to March 2023

Bulletin | Released 31 May 2023

The economic status of households in the UK and the people living in them, where at least one person is aged 16 to 64 years. Taken from the Labour Force Survey.

Young people not in education, employment or training (NEET), UK: May 2023

Bulletin | Released 25 May 2023

Estimates of young people (aged 16 to 24 years) who are not in education, employment or training, by age and sex.

# 9. Cite this statistical bulletin

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