

Statistical bulletin

# Labour market in the regions of the UK: December 2021

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



Contact:  
Bob Watson  
labour.supply@ons.gov.uk  
+44 1633 455070

Release date:  
14 December 2021

Next release:  
18 January 2022

## 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](#)

# 1 . Other pages in this release

Other commentary from the latest labour market data can be found on the following pages:

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

## 2 . Main points

- Between October and November 2021 the number of payrolled employees in each of the regions of the UK continued to increase, and are now all above pre-pandemic levels.
- For the three months ending October 2021, the highest employment rate estimate in the UK was in the East of England (79.2%) and the lowest was in the North East (70.3%), the lowest employment rate for the region since January to March 2016.
- The largest change in the employment rate compared with the same period last year was in the East of England, with an increase of 2.0 percentage points, bringing the employment rate for the region to the highest seen since May to July 2019.
- For the three months ending October 2021, the highest unemployment rate estimate in the UK was in London (5.4%) and the lowest was in the South West (3.0%); all regions saw a decrease in the unemployment rate compared with the previous quarter (May to July 2021), except for the North East, which was unchanged.
- For the three months ending October 2021, the highest economic inactivity rate estimate in the UK was in Northern Ireland (26.9%) and the lowest was in the East of England (18.2%); the North East saw the largest change in the economic inactivity rate compared with last year, with an increase of 2.1 percentage points; the largest decrease in the economic inactivity rate was seen in Wales, with a decrease of 1.1 percentage points.
- Between June and September 2021, workforce jobs increased in most regions of the UK, with the largest increase of 49,000 seen in Scotland; of the four regions that saw a decrease, Wales was the largest with a decrease of 33,000; London had the highest proportion of service-based jobs, at 92.8%, while the highest proportion of production sector jobs was in the East Midlands, at 12.4%.

### 3 . Latest headline estimate

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

	Employment rate <sup>1</sup> (%) aged 16 to 64 years	Change on May to July 2021	Unemployment rate <sup>2</sup> (%) aged 16 years and over	Change on May to July 2021	Inactivity rate <sup>3</sup> (%) aged 16 to 64 years	Change on May to July 2021
<b>UK</b>	75.5	0.2	4.2	-0.4	21.2	0.1
<b>Great Britain</b>	75.6	0.3	4.2	-0.4	21.0	0.0
<b>England</b>	75.8	0.3	4.3	-0.4	20.8	0.0
<b>North East</b>	70.3	-1.9	5.3	0.0	25.7	1.7
<b>North West</b>	73.9	0.8	4.4	-0.3	22.6	-0.6
<b>Yorkshire and The Humber</b>	72.9	-0.3	4.0	-0.7	23.9	0.9
<b>East Midlands</b>	75.4	0.4	4.2	-0.2	21.2	-0.2
<b>West Midlands</b>	74.6	0.4	4.8	-0.3	21.6	-0.1
<b>East</b>	79.2	0.5	3.1	-0.6	18.2	0.0
<b>London</b>	75.4	0.5	5.4	-0.6	20.3	0.0
<b>South East</b>	78.3	0.2	4.0	-0.1	18.4	-0.1
<b>South West</b>	78.2	0.5	3.0	-0.3	19.3	-0.3
<b>Wales</b>	74.0	-0.6	3.7	-0.5	23.2	1.2
<b>Scotland</b>	74.6	0.5	4.1	-0.2	22.1	-0.4
<b>Northern Ireland</b>	70.4	-0.8	3.6	-0.4	26.9	1.1

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 A11 of the labour market overview and Dataset S02 from this release.
5. The estimates for Northern Ireland have not had the non-response bias adjustment from the recent reweighting fully applied. Early indications suggest the impact on UK headline rate estimates would be less than 0.1 percentage point. We will continue to investigate this and will keep users advised accordingly.

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

	<b>Employment rate<sup>1</sup> (%) aged 16 to 64 years</b>	<b>Change on August to October 2020</b>	<b>Unemployment rate<sup>2</sup> (%) aged 16 years and over</b>	<b>Change on August to October 2020</b>	<b>Inactivity rate<sup>3</sup> (%) aged 16 to 64 years</b>	<b>Change on August to October 2020</b>
<b>UK</b>	75.5	0.5	4.2	-0.9	21.2	0.2
<b>Great Britain</b>	75.6	0.6	4.2	-0.9	21.0	0.2
<b>England</b>	75.8	0.6	4.3	-0.9	20.8	0.2
<b>North East</b>	70.3	-1.0	5.3	-1.2	25.7	2.1
<b>North West</b>	73.9	0.5	4.4	-0.4	22.6	-0.2
<b>Yorkshire and The Humber</b>	72.9	0.0	4.0	-1.3	23.9	1.1
<b>East Midlands</b>	75.4	0.8	4.2	-1.4	21.2	0.5
<b>West Midlands</b>	74.6	0.2	4.8	-0.8	21.6	0.5
<b>East</b>	79.2	2.0	3.1	-1.5	18.2	-0.7
<b>London</b>	75.4	0.6	5.4	-1.2	20.3	0.4
<b>South East</b>	78.3	0.0	4.0	0.1	18.4	0.0
<b>South West</b>	78.2	1.5	3.0	-1.4	19.3	-0.3
<b>Wales</b>	74.0	1.7	3.7	-0.9	23.2	-1.1
<b>Scotland</b>	74.6	-0.2	4.1	-0.2	22.1	0.3
<b>Northern Ireland</b>	70.4	-0.8	3.6	-0.2	26.9	1.0

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 A11 of the labour market overview and Dataset S02 from this release.
5. The estimates for Northern Ireland have not had the non-response bias adjustment from the recent reweighting fully applied. Early indications suggest the impact on UK headline rate estimates would be less than 0.1 percentage point. We will continue to investigate this and will keep users advised accordingly.

## 4 . Regional labour market data

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

Dataset HI00 | Released 14 December 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 14 December 2021

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

### [Regional labour market summary](#)

Dataset S01 | Released 14 December 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 12 October 2021

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

### [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted](#)

Dataset | Released 14 December 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](#).

## 5 . 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 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 [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.

## 6 . 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 [Labour Force Survey \(LFS\) Quality and Methodology Information \(QMI\)](#). 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](#). You can [view local area statistics on the Nomis website](#).

## Coronavirus (COVID-19)

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

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

Labour Force Survey (LFS) responses published from 15 July 2021 have been reweighted to new populations using growth rates from HM Revenue and Customs' (HMRC's) Real Time Information (RTI). This allows for different trends during the coronavirus pandemic. Our [Impact of reweighting on Labour Force Survey key indicators, UK: 2020 article](#) explains the reweighting methodology, which gives improved estimates of both rates and levels.

When the recent [weighting methodology for the Labour Force Survey \(LFS\)](#) was applied, there was a small error in the implementation. When calculating three-month averages for the Pay As You Earn (PAYE) Real Time Information (RTI), the months used were the previous three-month average. For example, for the October to December period, the RTI data used were those for September to November. This led to a slight overestimation of the non-UK population by approximately 0.5%. This represents less than half the size of the sampling variability. The size is roughly the same over the quarters of 2020, and the impact on January to December 2020 Annual Population Survey (APS) estimates is about 14,000 for EU-born, 25,000 for non-EU born and 39,000 for non-UK born. The impact on LFS economic activity estimates at national level is mostly below 0.1% and the impact on rates is less than 0.02 percentage points.

## Consultation on the Code of Practice for Statistics - proposed change to 9.30 am release practice

On behalf of the UK Statistics Authority, the Office for Statistics Regulation (OSR) is conducting a [consultation on the Code of Practice for Statistics, proposing changes to the 9.30am release practice](#). Please send comments by 21 December 2021 to [regulation@statistics.gov.uk](mailto:regulation@statistics.gov.uk).

## 7 . 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. 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.

Information on the quality of estimates is available in our Labour Force Survey sampling variability dataset.

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 [Resolution concerning statistics of work, employment and labour underutilization publication](#) is available to download from the ILO website.

Our [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 dataset](#).

## 8 . Related links

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

Bulletin | Released 14 December 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: December 2021](#)

Bulletin | Released 14 December 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: December 2021](#)

Bulletin | Released 14 December 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: July to September 2021](#)

Bulletin | Released 1 December 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: November 2021](#)

Bulletin | Released 25 November 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.