

Statistical bulletin

# Labour market in the regions of the UK: May 2025

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

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Next release: 10 June 2025

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# 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
- 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

- Estimates from January to March 2025 include the full effect of recent improvements in Labour Force Survey (LFS) data collection and sampling methods introduced from January 2024 and are therefore more likely to be representative of labour market conditions.
- An increased amount of volatility will remain in the estimates from mid-year 2023 and throughout 2024 so we would advise caution when interpreting change involving those periods.
- We recommend using the LFS estimates as part of our suite of labour market indicators, alongside Workforce Jobs, Claimant Count and Pay As You Earn Real Time Information (PAYE RTI) estimates.
- LFS estimates are weighted to 2022 mid-year population estimates for periods from January to March 2019; headline UK seasonally adjusted series before this have been modelled, but other series have a discontinuity at this point.
- The highest employment rate in the UK was in the South West (79.9%) and the lowest was in the North East (68.0%); the highest unemployment rate was in London (6.2%) and the lowest was in Northern Ireland (1.6%), while the highest economic inactivity rate was in the North East (28.4%) and the lowest was in the South West (17.3%), in January to March 2025.
- The number of payrolled employees has decreased for all regions and countries of the UK, except for Northern Ireland where it has increased by 1.1%, when comparing April 2025 with the same period the previous year.

The ongoing challenges with response rates, response levels and weighting approach mean that labour market statistics based on both the Labour Force Survey (LFS) and Annual Population Survey (APS) will be considered official statistics in development until further review. Because of increased volatility of LFS and APS estimates, estimates of change should be treated with additional caution. Read more in Section 6: Data sources and quality.

# 3. Latest headline estimate

Table 1: Summary of the latest headline estimates and quarterly changes for regions of the UK, seasonally adjusted, January to March 2025 [Notes 1, 5, and 6]

	Employment rate (%) aged 16 to 64 years [Note 2]	Change on October to December 2024	Unemployment rate (%) aged 16 years and over [Note 3]	Change on October to December 2024	Inactivity rate (%) aged 16 to 64 years [Note 4]	Change on October to December 2024
UK	75.0	0.0	4.5	0.2	21.4	-0.2
Great Britain	75.1	0.1	4.6	0.2	21.2	-0.2
England	75.4	0.0	4.6	0.1	20.9	-0.1
North East	68.0	-2.3	5.1	0.1	28.4	2.3
North West	74.0	0.0	4.1	-0.1	22.8	0.0
Yorkshire and The Humber	72.2	0.0	4.9	0.9	24.0	-0.7
East Midlands	75.0	-0.4	4.2	0.2	21.7	0.4
West Midlands	72.7	-1.5	4.5	0.2	23.8	1.6
East	78.4	0.4	4.5	0.2	17.8	-0.7
London	74.2	-0.1	6.2	0.1	20.7	-0.1
South East	78.7	0.8	4.1	0.3	17.8	-1.1
South West	79.9	1.2	3.5	-0.6	17.3	-0.6
Wales	71.3	1.3	5.2	-0.3	24.7	-1.1
Scotland	74.5	0.4	4.3	0.5	22.0	-0.8
Northern Ireland	71.6	-0.6	1.6	-0.1	27.2	0.6

Source: Labour Force Survey from the Office for National Statistics

Notes

- 1. Increased volatility of Labour Force Survey (LFS) estimates resulting from smaller achieved sample sizes, means that estimates of change should be treated with additional caution.
- 2. 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.
- 3. 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.
- 4. 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.
- 5. The estimates in this table come from a survey and are therefore subject to sampling variability.
- 6. 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 the latest headline estimates and annual changes for regions of the UK, seasonally adjusted, January to March 2025 [Notes 1, 5 and 6]

	Employment rate (%) aged 16 to 64 years [Note 2]	Change on January to March 2024	Unemployment rate (%) aged 16 years and over [Note 3]	Change on January to March 2024	Inactivity rate (%) aged 16 to 64 years [Note 4]	Change on January to March 2024
UK	75.0	0.5	4.5	0.2	21.4	-0.7
Great Britain	75.1	0.6	4.6	0.2	21.2	-0.8
England	75.4	0.4	4.6	0.2	20.9	-0.6
North East	68.0	-1.2	5.1	0.5	28.4	0.9
North West	74.0	1.4	4.1	-1.5	22.8	-0.1
Yorkshire and The Humber	72.2	-0.7	4.9	1.3	24.0	-0.2
East Midlands	75.0	0.2	4.2	-1.4	21.7	0.9
West Midlands	72.7	-1.2	4.5	-0.6	23.8	1.6
East	78.4	2.2	4.5	0.6	17.8	-2.8
London	74.2	-0.3	6.2	1.6	20.7	-1.1
South East	78.7	0.2	4.1	0.3	17.8	-0.5
South West	79.9	2.3	3.5	0.0	17.3	-2.3
Wales	71.3	1.7	5.2	1.8	24.7	-3.2
Scotland	74.5	1.6	4.3	-0.2	22.0	-1.6
Northern Ireland	71.6	-1.4	1.6	-0.5	27.2	1.8

Source: Labour Force Survey from the Office for National Statistics

- 1. Increased volatility of Labour Force Survey (LFS) estimates resulting from smaller achieved sample sizes, means that estimates of change should be treated with additional caution.
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- 4. 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.
- 5. The estimates in this table come from a survey and are therefore subject to sampling variability.
- 6. 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. Data on regional labour market

#### S03 Regional labour market: Claimant Count denominators

Dataset | Released 13 May 2025

Work-placed based denominators used for calculating Claimant Count rates for regions and countries of the UK.

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

Dataset HI00 | Released 13 May 2025

Labour market indicators for UK constituent countries and English regions, including employment, unemployment, economic inactivity, workers' hours, jobs and Claimant Count, published monthly.

## Claimant Count by unitary and local authority

Dataset CC01 | Released 13 May 2025

Claimant Count by sex for local and unitary authorities, counties and regions in the UK, published monthly. These are official statistics in development.

## Regional labour market summary

Dataset S01 | Released 13 May 2025

Labour market indicators for UK countries and regions, including employment, unemployment and economic inactivity, rolling three-monthly figures published monthly, seasonally adjusted. Labour Force Survey.

#### Local indicators for counties and local and unitary authorities

Dataset LI01 | Released 15 April 2025

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

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

Dataset | Released 13 May 2025

Earnings and employment statistics from Pay As You Earn (PAYE) Real Time Information (RTI), UK, NUTS 1, 2 and 3 areas and local authorities, monthly, seasonally adjusted. These are official statistics in development.

All regional labour market datasets used in this bulletin are available on our Related data page.

Alternatively, Nomis provides free access to the most detailed and up-to-date UK labour market statistics.

# 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 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<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**

The termemployment refers to the number of people in paid work or those 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

The term<u>unemployment</u>refers to the number of 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 Real Time Information

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 official statistics in development 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, amore detailed glossaryis available.

# 6. Data sources and quality

From our December 2024 labour market release, Labour Force Survey (LFS) periods from January to March 2019 onwards have been reweighted. The reweighted LFS estimates incorporate information on the size and composition of the UK population, based on 2022 mid-year estimates. For England, Wales and Northern Ireland, they are projected forward using scaling factors from 2021-based national population projections, published in January 2024. For Scotland, they are projected forward using scaling factors from 2020-based national population projections, published in January 2023.

This reweighting creates a discontinuity between December 2018 to February 2019 and January to March 2019. Users should account for this discontinuity when considering long-term movements in the series.

We have modelled the seasonally adjusted UK levels of employment, unemployment and economic inactivity by sex and age band back to the start of the population revisions in June to August 2011. This has been done by scaling to the latest population estimates, while accounting for the relative revisions to population by sex and age band in each year over the revision period. While UK measures have been modelled, estimates for the regions and countries have not. Therefore, LFS estimates for the regions and countries of the UK will be inconsistent with UK totals for periods between June to August 2011 and December 2018 to February 2019.

For further information, please see our Impact of reweighting on Labour Force Survey key indicators article.

The Annual Population Survey (APS) estimates have not been weighted to the same populations as the Labour Force Survey (LFS). Therefore, all APS tables will be inconsistent with those used for LFS in the latest periods.

Reweighting increased the levels of all labour market statuses but did not address issues surrounding increased LFS volatility, resulting from smaller achieved sample sizes.

LFS estimates from January to March 2025 include the full effect of recent improvements in data collection and sampling methods introduced from January 2024 and are therefore more likely to be representative of labour market conditions. An increased amount of volatility will remain in the LFS estimates from mid-2023 and throughout 2024, so we would advise caution when interpreting change involving those periods. We recommend using LFS estimates as part of our suite of labour market indicators, alongside Workforce Jobs, Claimant Count and Pay As You Earn Real Time Information (PAYE RTI) estimates.

Alongside the labour market publication in May 2025 we are publishing an <u>article on LFS quality</u>, including coherence. The timing of this quality article coincides with the first period of data incorporating the full impact of some of the larger changes made from January 2024, now fully reflected in estimates for January to March 2025. The article provides information about current response rates, trends and known biases in LFS data and provides users with information to better understand the current quality of the data.

The LFS reweighting partially closes the gap between our employment indicators. However, the longer-term, broad coherence between WFJ and RTI, when looking at annual change, suggests that these sources are likely to be providing a more reliable read on employment, particularly for employees. These two sources also show less volatility than the LFS over the same time period.

It should be noted that LFS, APS and RTI estimates are based on the region where someone lives, as opposed to the region where they may happen to work, which may be different.

# Official statistics in development

LFS and APS estimates are currently not considered accredited official statistics and are designated as <u>official statistics in development</u>. Until September 2023, these were called "experimental statistics". Read more about the change in our<u>Guide to official statistics in development</u>. More information about the APS being classed as "official statistics in development" can be found in this<u>Office for National Statistics (ONS) letter to the Office for Statistics Regulation about the Annual Population Survey</u>.

# **Uncertainty**

The estimates presented in this bulletin contain uncertainty, as defined in our <u>Uncertainty and how we measure it for our surveys</u>guidance. The 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.

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, see the ILO's Resolution concerning statistics of work, employment and labour underutilization publication.

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

## Making our published spreadsheets accessible

Following the Government Statistical Service (GSS)guidance on releasing statistics in spreadsheets, we will be amending our published tables over the coming months to improve the 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, we will initially publish the tables in both the new and current formats. If you have any questions or comments, please email us atlabour.market@ons.gov.uk.

# 7. Related links

## Working and workless households in the UK: October to December 2024

Bulletin | Released 5 March 2025

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.

#### Workless households for regions across the UK: 2023

Bulletin | Released 28 October 2024

Annual information at a local level about households and the adults and children living in them, by their economic activity status. Taken from the Annual Population Survey.

## Young people not in education, employment or training (NEET), UK: February 2025

Bulletin | Released 27 February 2025

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

#### Welsh Government labour market overview

Bulletin | Released 13 May 2025

Monthly data on employment, unemployment and economic inactivity.

#### Scottish Government Labour market statistics

Statistical release | Released 13 May 2025

Statistical publications relating to Scotland's labour market.

#### NISRA labour market overview

Report | Released 13 May 2025

A monthly overview of the main labour market statistics for Northern Ireland, from the Northern Ireland Statistics and Research Agency (NISRA).

## Labour Market Transformation - update on progress and plans: April 2025

Article | Released 10 April 2025

An update on the Transformed Labour Force Survey (TLFS) and Labour Force Survey (LFS).

#### Impact of reweighting on Labour Force Survey key indicators: December 2024

Article | Released 3 December 2024

Indicative estimates of the Labour Force Survey (LFS) reweighting methodology on key indicators for the UK, up to and including April to June 2024.

# 8. Cite this statistical bulletin

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