



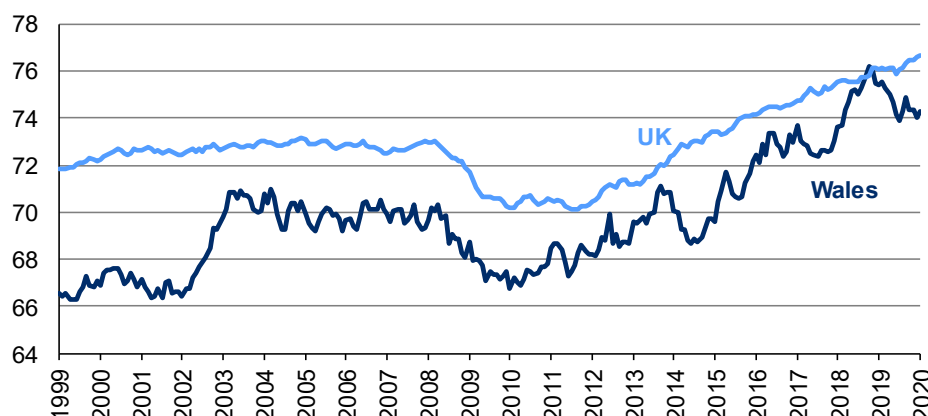
21 May 2020
SB 17/2020

Key Economic Statistics – May 2020

Main points for January 2020 to March 2020

- The employment rate in Wales was 74.3%, down 1.1 percentage points from a year earlier.
- The UK employment rate increased by 0.6 percentage points over the year to 76.6%.
- The unemployment rate in Wales was 3.2%, down 1.3 percentage points over the year and below the UK rate of 3.9%.
- These statistics include data up to March 2020 which covers a very short period of the coronavirus (COVID-19) pandemic. It will be difficult to fully determine the impact of the pandemic until more recent data is available.

Employment rate (percentage of population age 16-64)



Timelier data sources

For this release, we have introduced additional data items and sources that will provide a timelier understanding of the impact of COVID-19.

- [Experimental claimant count](#) data showed 104,000 claimants in Wales in April 2020, a rate of 6.8% of the workforce. This is the highest rate since 1997.
- [Median pay in Wales](#) was £1,732 per month in the three months to March 2020, based on experimental estimates from HMRC and ONS. This is an increase of 3.4% compared with the previous year.
- In the three months to March 2020, the average number of [hours worked](#) in the UK was 31.4 hours per week; the lowest average since 2011. No data is available for Wales for the same time period.

About this bulletin

This monthly bulletin is a compendium publication that brings together the latest key statistics relating to the Welsh economy and labour market, mainly in the context of the UK economy and labour market.

This bulletin also contains four national indicators as defined in the Well-being of Future Generations Act 2015.

Key supporting material:

[Welsh Economy in Numbers](#)

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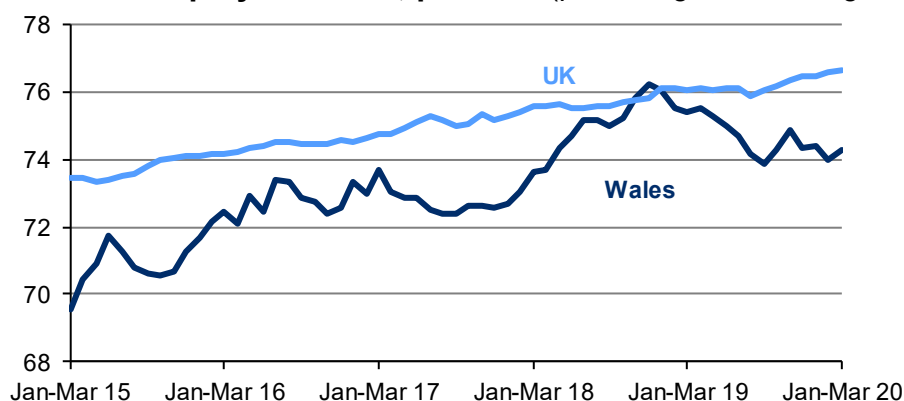
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1. Employment

After a steady decrease since late 2018, the employment rate has fluctuated since mid-2019. This broadly reflects the same pattern as the male employment rate (Chart 1.2).

There were 1.5 million people in employment in Wales in January to March 2020, down 21,000 (1.4%) from the same period a year earlier. This is a rate of 74.3% of those aged 16-64 which is similar to the previous quarter, and down 1.1 percentage points from the same period a year earlier. Over the same period, the employment level in the UK rose by 448,000 (1.4%) to 33.1 million. This is a rate of 76.6% of those aged 16-64 which is 2.4 percentage points higher than the rate for Wales (Chart 1.1).

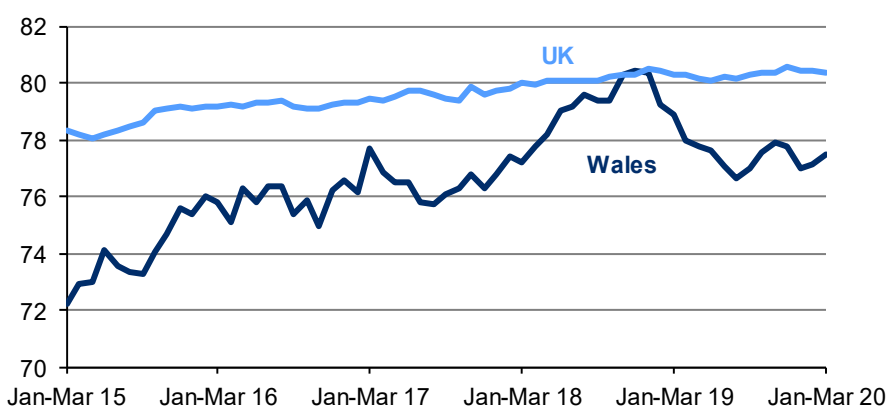
Chart 1.1: Employment rate, persons (percentage of those aged 16-64)



Source: Welsh Government analysis of Labour Force Survey

There were 774,000 men in employment in Wales in January to March 2020, down 11,000 (1.5%) from the same period a year earlier. This is a rate of 77.5% of those aged 16-64, down 1.4 percentage points from the same period a year earlier. The number of men in employment in the UK over the same period rose by 79,000 (0.5%) to 17.4 million. This is a rate of 80.4% of those aged 16-64, a slight increase on the previous year. (Chart 1.2)

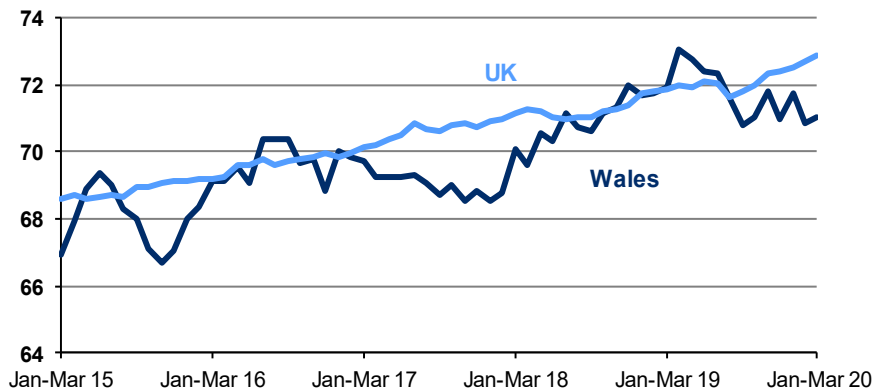
Chart 1.2: Employment rate, men (percentage of those aged 16-64)



Source: Welsh Government analysis of Labour Force Survey

There were 707,000 women in employment in Wales in January to March 2020, down 10,000 (1.4%) from the same period a year earlier. This is a rate of 71.0% of those aged 16-64, down 0.9 percentage points from a year earlier. The number of women in employment in the UK was 15.8 million, up 369,000 (2.4%) over the year. This is a rate of 72.9% of those aged 16-64, up from 71.8% a year earlier. (Chart 1.3)

Chart 1.3: Employment rate, women (percentage of those aged 16-64)

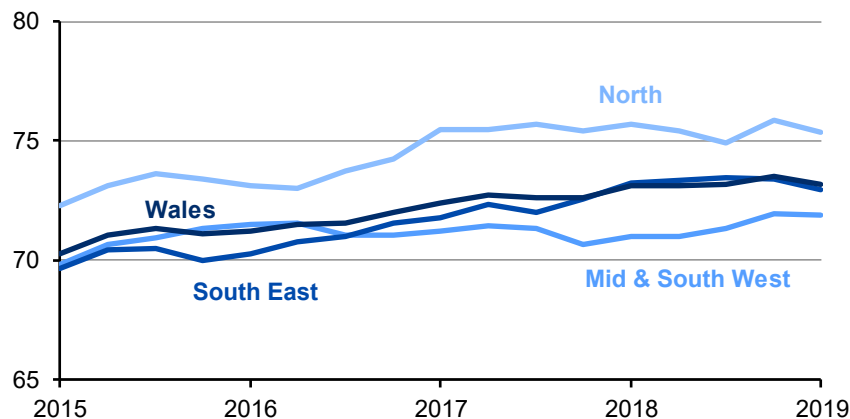


Source: Welsh Government analysis of Labour Force Survey

The overall trend for Wales and the three Welsh economic regions over the last four years is a steady increase in employment, with North Wales remaining consistently higher than Wales and the other economic regions. (Chart 1.4)

In 2019, the employment level increased in Mid and South West Wales by 4,900 (or 1.2%) compared with the previous year. The employment level decreased slightly in North Wales by 800 (or 0.2%) and in South East Wales by 700 (or 0.1%) compared with the previous year. Over the same period, the employment rate increased by 0.9 percentage points in Mid and South West Wales, and decreased by 0.3 percentage points in both North Wales and South East Wales. (Differences calculated using unrounded figures)

Chart 1.4: Employment rate, economic regions (four quarter rolling average, percentage of those aged 16-64, not seasonally adjusted)

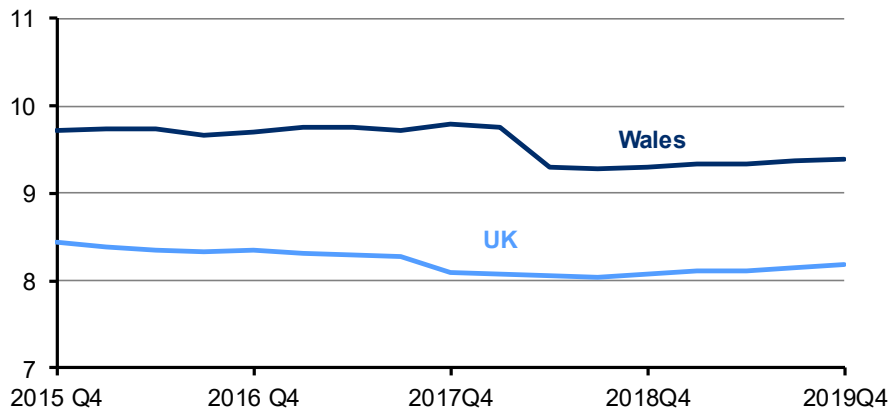


Source: Welsh Government analysis of Annual Population Survey

There were 295,000 people employed in the public sector in Wales in 2019 Q4, up 1.1% from a year earlier. This is 9.4% of the population, similar to the same quarter a year earlier.

Public sector employment in the UK over the same period increased by 78,000 (1.5%) to 5.4 million. This is 8.2% of the population, also similar to a year earlier (percentage change calculated using unrounded figures). (Chart 1.5)

Chart 1.5: Public sector employment (percentage of population, not seasonally adjusted)



Source: Welsh Government analysis of Regional Public Sector Employment, ONS

Hours Worked

In the three months to March 2020, the average number of hours worked in the UK was 31.4 hours per week; the lowest average since 2011. This was 0.5 hours down on the previous quarter and 0.8 hours down on the previous year. Men had a larger fall in hours worked over the year than women, down 3.0% compared to 1.5%.

Experimental estimates produced by ONS based on returns for individual weeks suggest that this fall was mostly caused by the decrease in hours in the last week of March, with a much smaller decrease in the previous week.

Less timely data for Wales shows that during the year to December 2019, the average number of hours worked in Wales was 31.6 hours per week. Men in Wales worked an average of 36.0 hours per week and women worked an average of 26.7 hours per week. This was a difference of 9.2 hours (using unrounded figures) which was the fourth largest difference of the 12 UK countries and regions.

2. Unemployment¹

The unemployment rate in Wales has been gradually falling since the early 2010s. During January to March 2020, there were 49,000 unemployed people in Wales, down 22,000 from the same period a year earlier. This is a rate of 3.2% of the economically active population, down 1.3 percentage points compared to a year earlier.

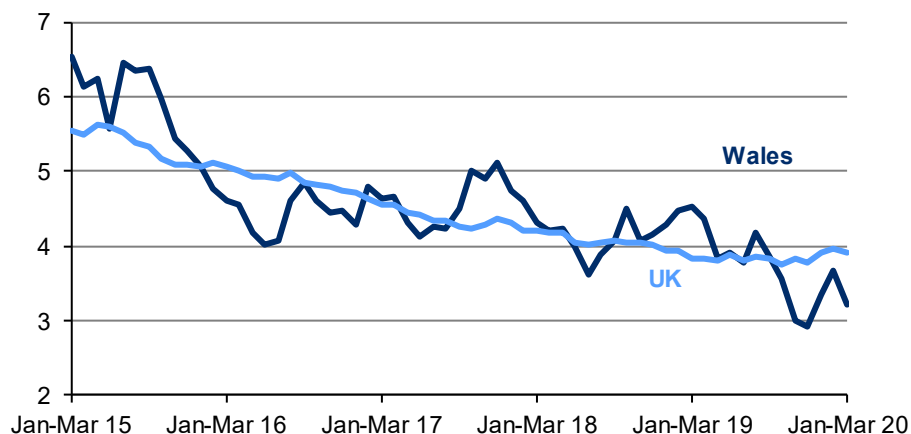
Unemployment rate (percentage of economically active population)



Source: WG analysis of Labour Force Survey

The Welsh unemployment rate has generally tracked the UK rate. However, in August to October 2019, the Welsh unemployment rate fell below the UK rate and has remained below ever since. The number of unemployed people in the UK over the same period increased by 50,000 (3.8%) to 1.3 million. This is a rate of 3.9% of the economically active population, similar to a year earlier. (Chart 2.1)

Chart 2.1: ILO unemployment rates (percentage of economically active)



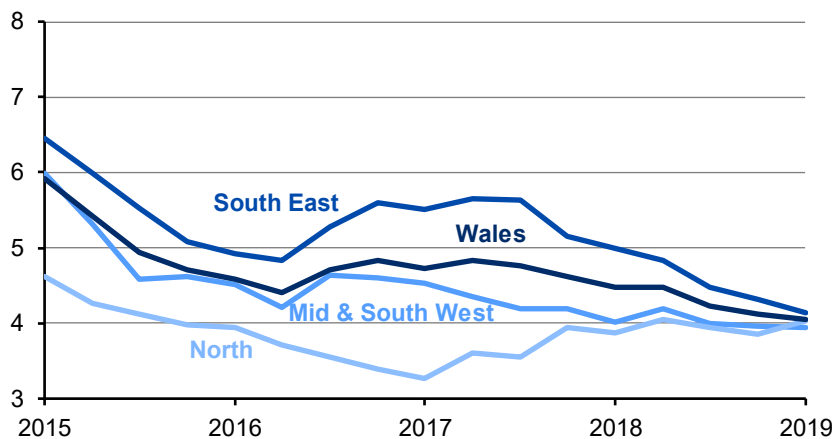
Source: Welsh Government analysis of Labour Force Survey

¹ The International Labour Organisation (ILO) defines unemployment as people without a job who have actively sought work in the last four weeks and are available to start work in the next two weeks, plus those who are out of work, have found a job and are waiting to start in the next two weeks.

In 2019, the unemployment level decreased in two of the three economic regions in Wales. Unemployment in South East Wales was down by 6,900 (or 18.1%), increased in North Wales by 500 (or 3.9%) and remained broadly similar in Mid and South West Wales compared with the previous year. Over the same period, the unemployment rate decreased by 0.9 percentage points in South East Wales remained relatively stable in Mid and South West Wales. In North Wales, the unemployment rate increased slightly by 0.2 percentage points. (Differences calculated using unrounded figures)

The overall trend for Wales and the three economic regions is a decrease in unemployment over the past four years. The unemployment rate has remained consistently higher in South East Wales than the other regions, and North Wales has consistently had the lowest unemployment rate. (Chart 2.2)

Chart 2.2: ILO unemployment rate, economic regions (four quarter rolling average, percentage of economically active, not seasonally adjusted)

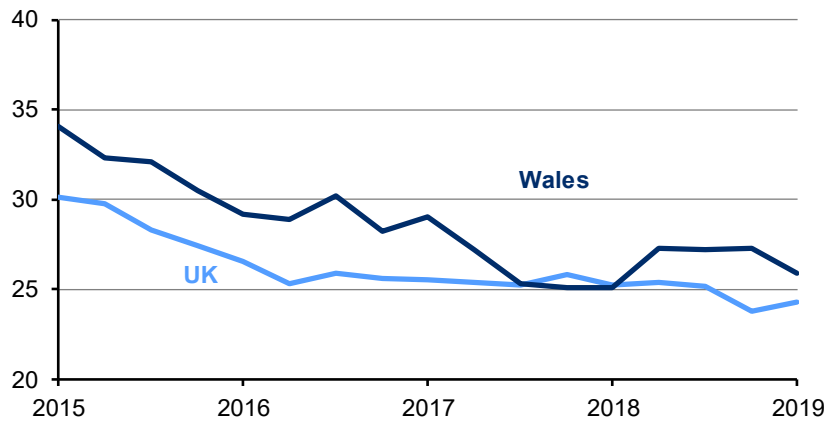


Source: Welsh Government analysis of Annual Population Survey

The Welsh long-term unemployment rate has generally been higher than the UK rate in recent years, apart from during a period in 2018 when the two rates were very similar.

In 2019, the Annual Population Survey (APS) estimates that 15,900 people in Wales were long-term unemployed (12 months or more), down 6.9% over the year. This represented 25.9% of all those unemployed in the year, up 0.8 percentage points over the year. The equivalent UK rate was 24.3%, down 1.0 percentage points over the year. (Chart 2.3)

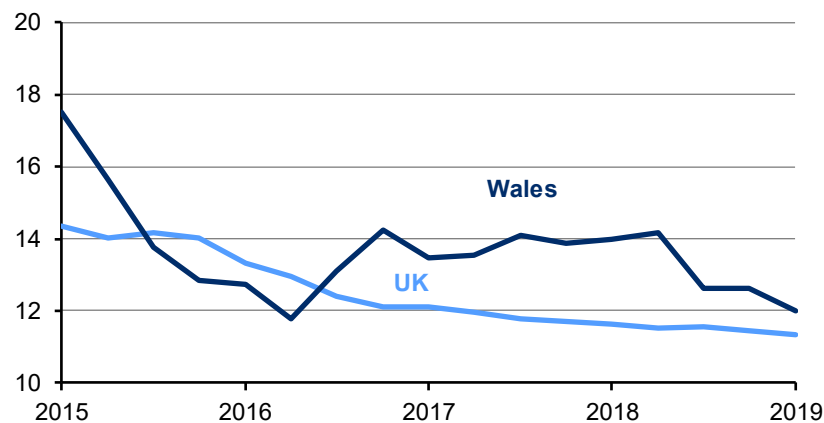
Chart 2.3: Long-term ILO unemployment rates (percentage of all unemployed: four quarter rolling average)



Source: Welsh Government analysis of Annual Population Survey

After dipping below the UK rate in 2016 the youth unemployment rate in Wales has been higher than the UK rate since mid-2017. In 2019, the APS estimates that 24,900 people aged 16-24 in Wales were unemployed, down 17.2% over the year. This represented 12.0% of the economically active in this age group, down 2.0 percentage points over the year. The equivalent UK rate was 11.3%, down 0.3 percentage points over the year. (Chart 2.4)

Chart 2.4: Youth ILO unemployment rates (percentage of economically active: four quarter rolling average, not seasonally adjusted)



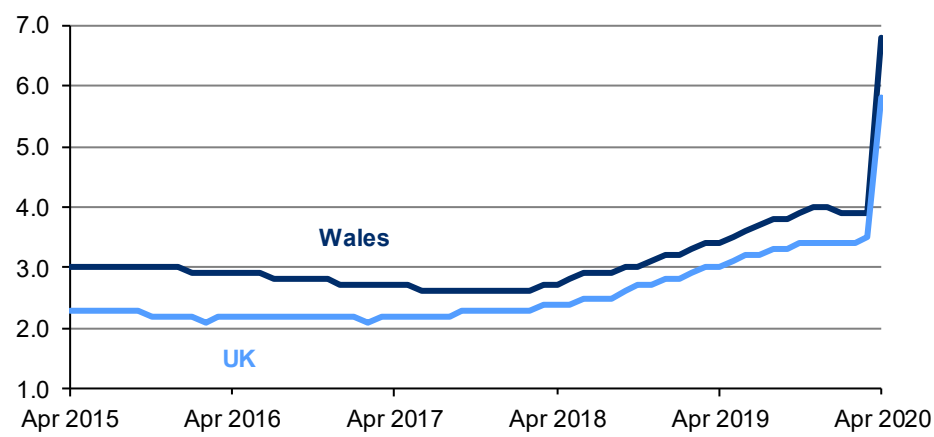
Source: Welsh Government analysis of Annual Population Survey

Claimant Count

The experimental claimant count rates were initially removed from the bulletin due to their unreliability but have been added back in due to the timeliness of the data to give an early indication of the impact of the COVID-19 pandemic in Wales. More information can be found in Key Quality Information.

The experimental claimant count in Wales was 104,000 in April 2020, a rate of 6.8% of the workforce. This is the highest rate since 1997. Over the 12 months to April 2020 it grew by 52,000 (98.7%). The UK experimental claimant count was 2.1 million in April 2020. Over the 12 months to April 2020 it increased by 1 million (94.2%). (Chart 2.5)

Chart 2.5: Experimental claimant count rates (percentage of civilian workforce)



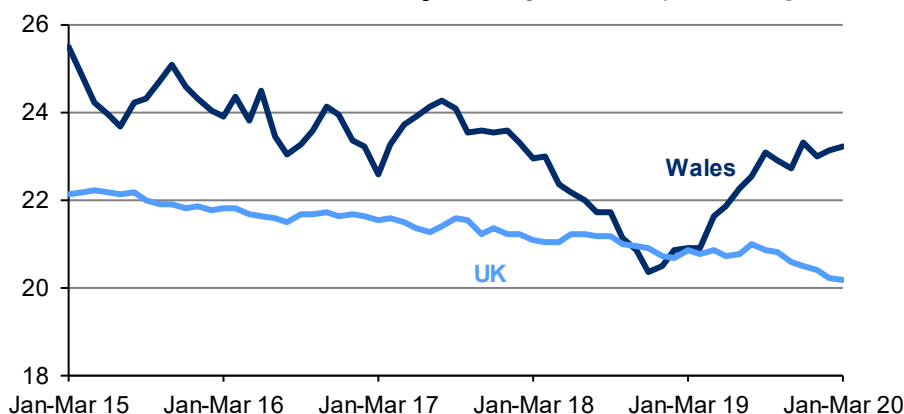
Source: Welsh Government analysis of Annual Population Survey

3. Economic Inactivity

Inactivity rates in Wales have been persistently higher than the UK for decades, but fell steeply to below the UK rate at the end of 2018. Since 2018, the rate in Wales has generally increased which corresponds with the fall in the employment rate (Charts 1.1 and 1.2).

There were 443,000 people in Wales who were economically inactive in January to March 2020, up 44,000 (11.1%) from the same period a year earlier. This is a rate of 23.2% of those aged 16-64, up 2.3 percentage points from the same period a year earlier. The number of economically inactive people in the UK over the same period fell by 256,000 (3.0%) to 8.4 million. This is a rate of 20.2% of those aged 16-64, down from 20.8% a year earlier. (Chart 3.1)

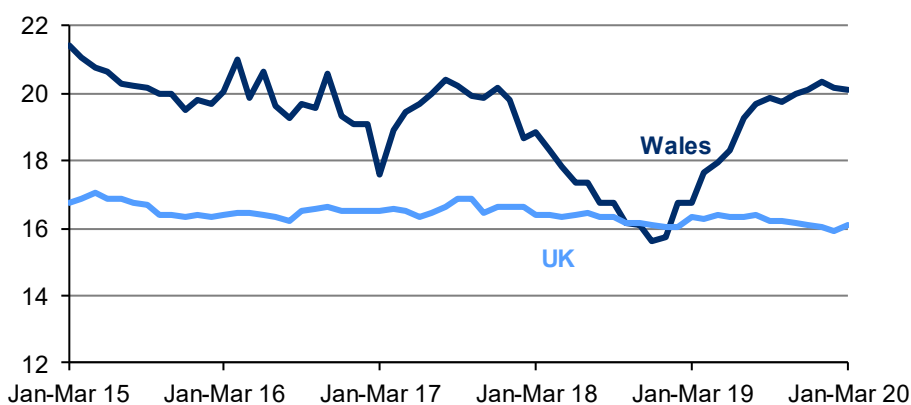
Chart 3.1: Economic inactivity rate, persons (percentage of those aged 16-64)



Source: Welsh Government analysis of Labour Force Survey

There were 191,000 economically inactive men in Wales in January to March 2020, up 32,000 (20.0%) from the same period a year earlier. This is a rate of 20.1% of those aged 16-64, up 3.3 percentage points from a year earlier. The number of economically inactive men in the UK over the same period decreased by 44,000 (1.3%) to 3.3 million. This is a rate of 16.1% of those aged 16-64, down from 16.3% a year earlier. (Chart 3.2)

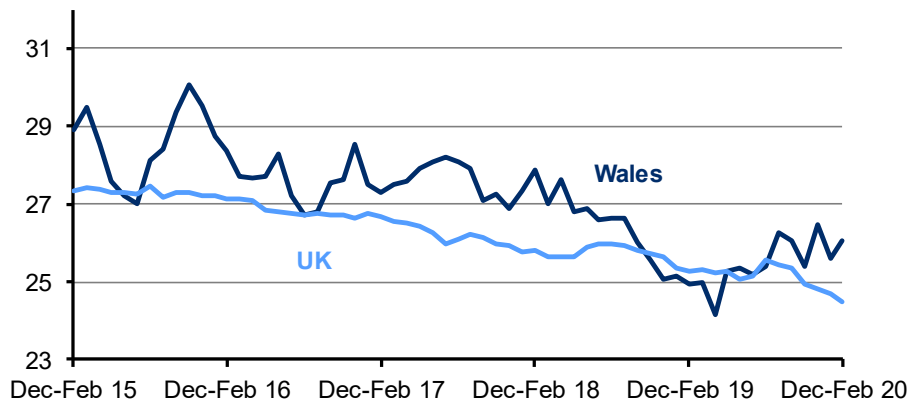
Chart 3.2: Economic inactivity rate, men (percentage of those aged 16-64)



Source: Welsh Government analysis of Labour Force Survey

Women have higher inactivity rates than men, primarily because they are more likely to have full-time caring responsibilities. There were 252,000 economically inactive women in Wales in January to March 2020, up 12,000 (5.1%) from a year earlier. This is a rate of 26.3% of those aged 16-64, up from 25.0% a year earlier. The number of economically inactive women in the UK over the same period fell by 213,000 (4.0%) to 5.0 million. This is a rate of 24.2% of those aged 16-64, down from 25.3% a year earlier (Chart 3.3). Over the longer term, the inactivity rate for women has experienced a large fall, from a high of 37.2% in 2002.

Chart 3.3: Economic inactivity rate, women (percentage of those aged 16-64)

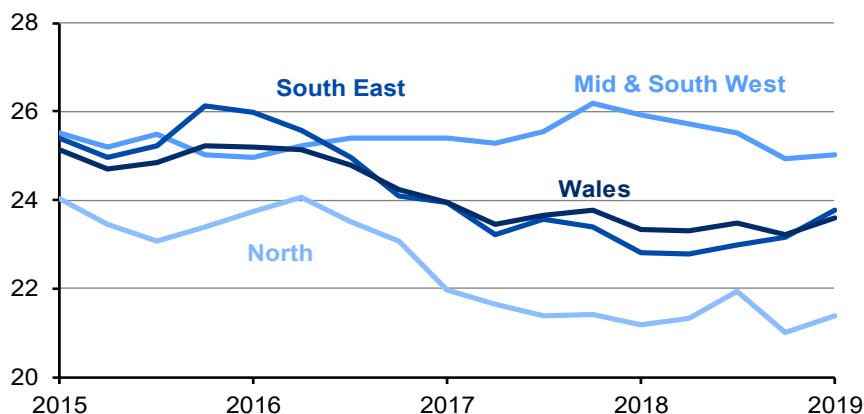


Source: Welsh Government analysis of Labour Force Survey

In 2019, the economic inactivity level decreased in one of the three economic regions compared with the previous year. Mid and South West Wales had the only decrease (down 5,400 or 3.8%). South East Wales had the largest increase (up 9,400 or 4.3%) and North Wales had the smallest increase (up 600 or 0.7%). Over the same period, the economic inactivity rate decreased by 0.9 percentage points in Mid and South West Wales and increased by 1.0 percentage points in South East Wales and 0.2 percentage points in North Wales. (Differences calculated using unrounded figures)

Over the past four years the inactivity rate has fluctuated for the three economic regions. North Wales has consistently had the lowest inactivity rate of all three regions across that time period. (Chart 3.4)

Chart 3.4: Economic inactivity rate, economic regions (four quarter rolling average, percentage of those aged 16-64, not seasonally adjusted)

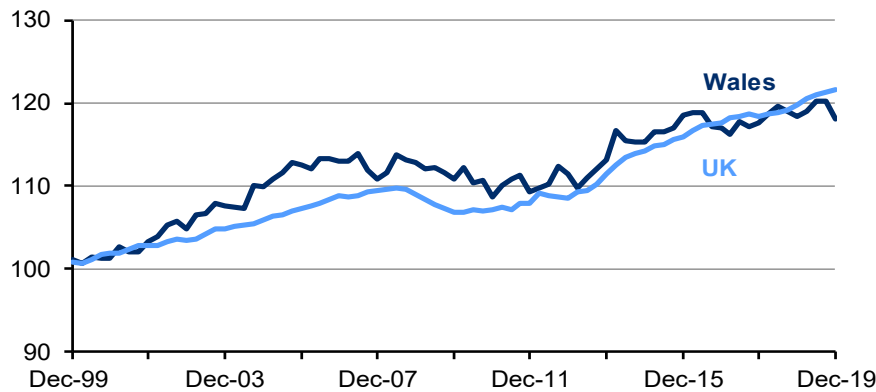


Source: Welsh Government analysis of Annual Population Survey

4. Workforce Jobs

The number of workforce jobs in Wales decreased by 4,000 (0.3%) between December 2018 and December 2019 to 1.5 million. Between December 1999 and December 2019, the number of workforce jobs in Wales rose by 211,000 (16.8%). The number of workforce jobs in the UK increased over the year by 541,000 (1.5%) to 35.8 million and have increased by 6.1 million (20.6%) since December 1999. (Chart 4.1)

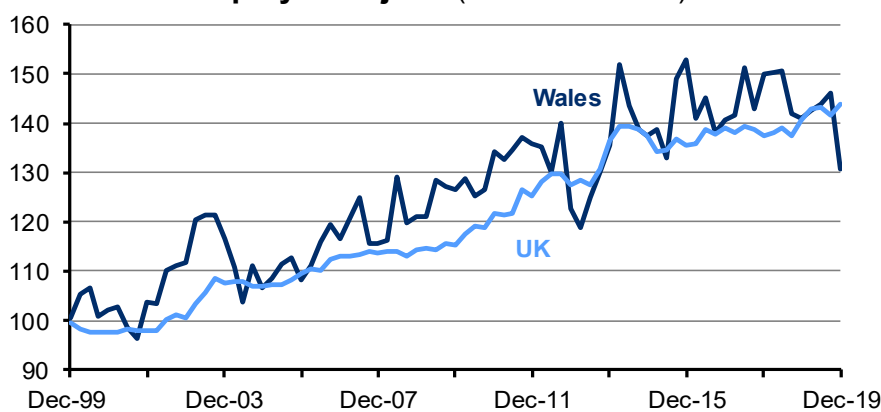
Chart 4.1: Workforce jobs (Index 1999=100)



Source: Welsh Government analysis of Workforce Jobs, ONS

The number of self-employment jobs in Wales decreased by 15,000 (7.3%) between December 2018 and December 2019 to 187,000 (12.8% of workforce jobs compared to 11.5% in December 1999). This is the lowest level of self-employment jobs since September 2013, however this series can be volatile so this should be treated with caution. The estimate of the number of self-employment jobs in the UK was 4.7 million, up 103,000 (2.2%) over the year (13.1% of workforce jobs compared to 10.9% in December 1999). (Chart 4.2)

Chart 4.2: Self-employment jobs (Index 1999=100)

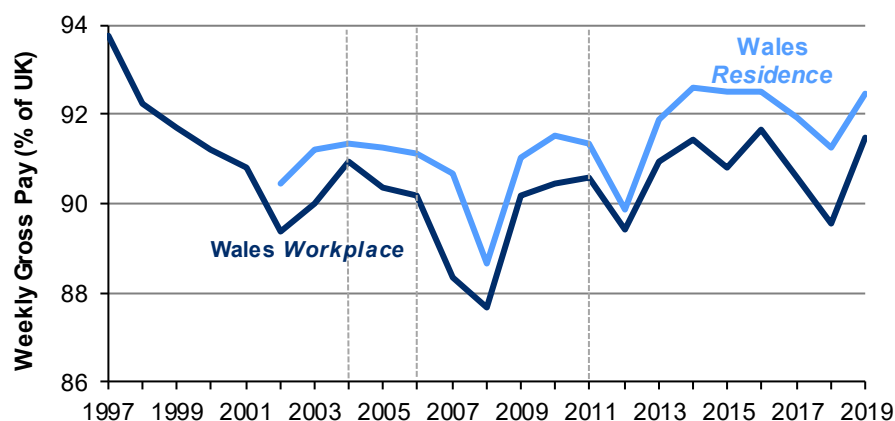


Source: Welsh Government analysis of Workforce Jobs, ONS

5. Earnings and Economy

Workplace-based median average gross weekly earnings of full-time employees in Wales increased by 5.1% between April 2018 and April 2019, from £509 to £535. For the UK as a whole there was an increase of 2.9%, from £568 to £585. Wales as a percentage of the UK median therefore increased from 89.6% to 91.5%. Residence-based median average gross weekly earnings in Wales increased by 4.3%, from £519 to £541. This was 92.4% of the UK figure, up from 91.2% in the previous year. (Chart 5.1)

Chart 5.1: Gross weekly pay, median (Wales a percentage of the UK) ^{a,b,c}



Source: Welsh Government analysis Annual Survey of Hours and Earnings, ONS

^a Full-time employees earning full adult rate and whose pay was not affected by absence.

^b Workplace and residence based UK figures are the same.

^c There are discontinuities in the time-series in 2004, 2006 and 2011. See [ONS](#).

Experimental Real Time Pay Information

ONS and HMRC produce experimental estimates of the number of paid employees and monthly pay based on real time Pay As You Earn (PAYE) data from HMRC. ONS estimate that the number of paid employees in the UK in March 2020 was 29.0 million people (up 0.4% compared with the same period the previous year). Early estimates for April 2020 indicate that the number of paid employees decreased to 28.6 million (a decrease of 1.2% on the same period the previous year).

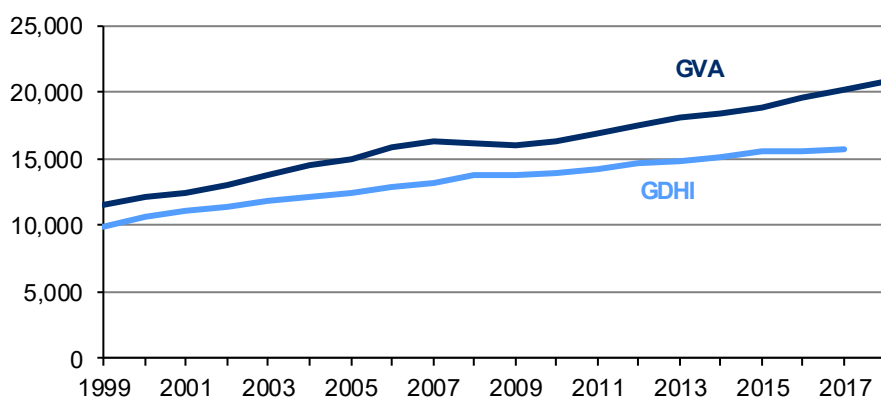
ONS estimate that the median monthly pay from PAYE real time information for Wales was £1,732 per month in the three months to March 2020. This is less than the UK average of £1,851 per month. Compared with the same period the previous year, Wales saw an increase in monthly pay of 3.4% - the fifth fastest growth across the 12 UK countries and regions. Estimates of employee numbers from this source are not available below UK level.

GVA

In 2018, total Gross Value Added (GVA) for Wales was £65.1 billion and GVA per head of the population was £20,738. GVA per head was 72.8% of the UK figure (excluding extra-region), up 0.3 percentage points on the year. Wales had the second lowest level of GVA per head out of the 12 UK countries and English regions, just ahead of the North East, where GVA per head was £20,554.

Gross disposable household income (GDHI) in 2017 for Wales was £49.2 billion or £15,754 per head of population. This represented 80.7% of the UK figure, unchanged from 2016. GDHI per head in Wales is closer to the UK average than GVA per head. (Chart 5.2)

Chart 5.2: Gross value added / Gross disposable household income per head



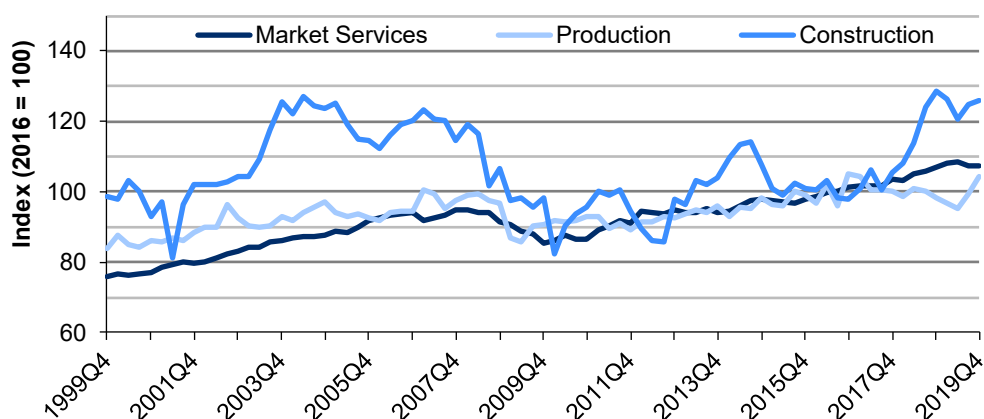
Source: Welsh Government analysis of Regional Accounts, ONS

6. Welsh Short-Term Output Indicators

Experimental [GDP estimates for Wales](#) were published by ONS for the first time in September 2019. The latest edition published in February 2020 indicate that the Welsh economy increased by 0.4% in quarter 2 of 2019 compared with the previous quarter. This was the fourth largest increase in output of the twelve UK countries and English regions. These new statistics are discussed in more detail as part of the [Short-Term Output Indicators](#) release.

The market services and production sectors have generally increased in Wales since 1999, while the Welsh construction sector has fluctuated over the same time period. (Chart 6.1)

Chart 6.1: Short-term output indicators (Index 2016=100)



Source: Short-term output indicators, WG and ONS

Production output in Wales in 2019 decreased by 0.5% compared with 2018. The UK index decreased by 1.4% over the same period. Comparing 2019 Q4 with 2019 Q3, production output increased by 5.0% in Wales and decreased by 0.7% in the UK.

Construction output in Wales increased by 4.8% in 2019 compared with a year earlier. In comparison, the UK output increased by 2.3% over the same period. Construction output in 2019 Q4 increased by 0.9% in Wales, and decreased very slightly in the UK, compared with the previous quarter.

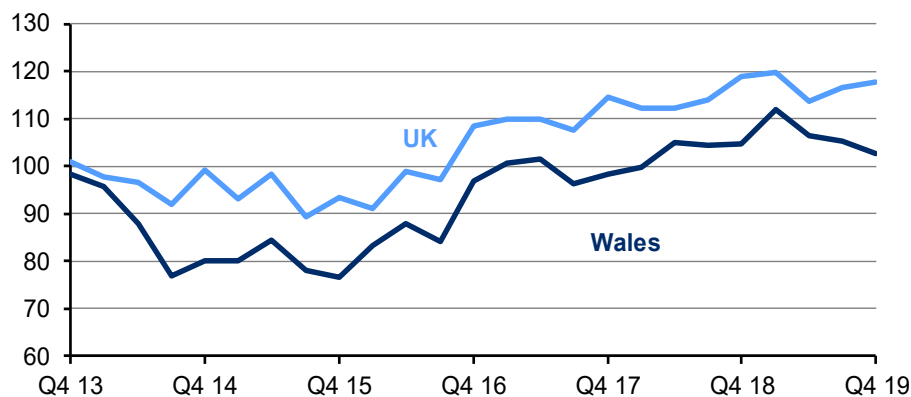
In 2019, the index of market services for Wales increased by 2.4% and the UK index increased by 1.7% compared with 2018. Market services in 2019 Q4 decreased by 0.2% in Wales, and remained unchanged in the UK, compared with the previous quarter.

7. Regional Trade in Goods Statistics

Please note that due to methodology changes, data before and after 2013 quarter 1 are not comparable.

In the year ending December 2019, the value of goods exports from Wales was £17.7 billion, an increase of 3.0% compared with the year ending December 2018. Exports to EU countries accounted for 60.4% of total exports in the year ending December 2019, down from 61.3% the previous year. The value of exports for the UK in the year ending December 2019 increased by 2.1% compared with the previous year. Exports to EU countries accounted for 48.2% of the UK total in the year ending December 2019, down from 50.1% the previous year. (Chart 7.1)

Chart 7.1: Value of exports (Index 2013 = 100) ^a



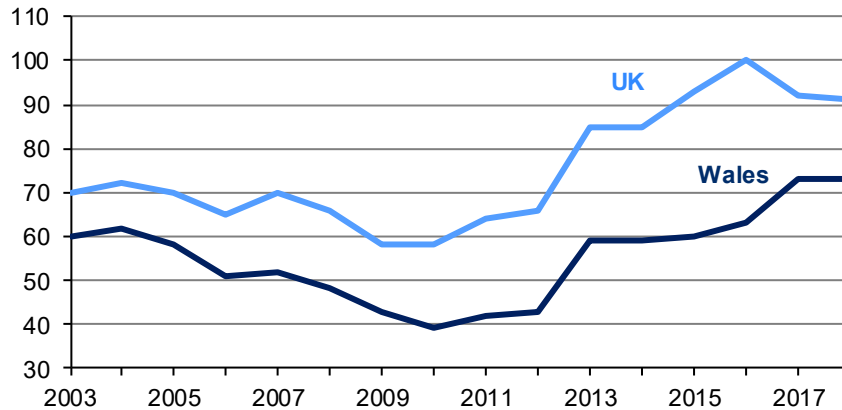
Source: Welsh Government analysis of Regional Trade in Goods Statistics, HMRC

^a From 2013 HMRC changed the method of allocating exports to countries and regions, so exports are allocated based on the population of employees in each region rather than the location of the head office.

8. Business Demography²

In Wales there were 73 VAT/PAYE registered enterprise births per 10,000 people aged 16-64 in 2018, down 0.6% on the previous year. The UK had 91 VAT/PAYE births per 10,000 people aged 16-64 in 2018, down 0.6% over the year. (Chart 8.1)

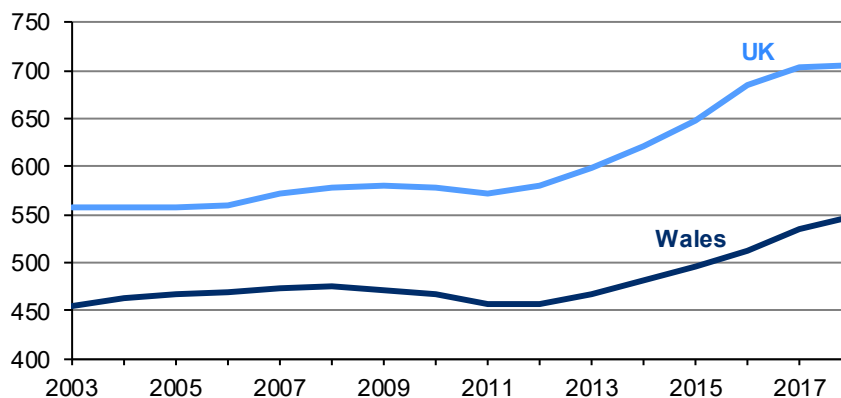
Chart 8.1: VAT/PAYE registered enterprise births
(births per 10,000 population aged 16-64)



Source: Welsh Government analysis of Business Demography

In Wales, there were 548 VAT/PAYE registered enterprises per 10,000 people aged 16-64 in 2018, an increase of 2.3% over the year. The UK had 706 VAT/PAYE registered enterprises per 10,000 people aged 16-64 in 2018, up 0.2% over the year. (Chart 8.2)

Chart 8.2: VAT/PAYE registered enterprises
(enterprise stock per 10,000 population aged 16-64)



Source: Welsh Government analysis of Business Demography

² Not all businesses are registered for VAT/PAYE. Many small businesses trading below the VAT/PAYE threshold will not be included. The estimates for Wales only include those enterprises headquartered in Wales.

9. Future Generations Indicators³

9.1 National indicator 11 - Percentage of businesses which are innovation active (not National Statistics)

The Department for Business, Energy and Industrial Strategy publish information on innovation active businesses every two years using data from the UK Innovation Survey. The definition of innovation active used is:

Introduction of a new or significantly improved product (goods or service) or process;
Engagement in innovation projects not yet complete or abandoned; New and significantly improved forms of organisation, business structures or practices and marketing concepts or strategies. It excludes expenditure and activities linked to innovation.

Table 9.1 shows the percentage of businesses which were innovation active in both Wales and the UK. Between 2014 and 2016 the percentage of businesses which were innovation active in Wales was 46.5%. This compares with 45.0% in Scotland, 38.8% in Northern Ireland and 49.0% for the UK overall. Wales was ninth highest of the 12 UK countries and English regions, ahead of Northern Ireland, the North East and Scotland (38.8, 42.0 and 45.0% respectively). More information is available in the [UK Innovation Survey 2017 report](#).

Table 9.1: Percentage of businesses which are innovation active

	Wales	UK
2008-10	40.6	36.8
2010-12	46.6	44.4
2012-14	50.8	53.0
2014-16	46.5	49.0

Source: Department for Business, Innovation and Skills

9.2 National indicator 16 - Percentage of people in employment who are on permanent contracts (or on temporary contracts and not seeking permanent employment) and who earn more than two thirds of the UK median wage (not National Statistics)

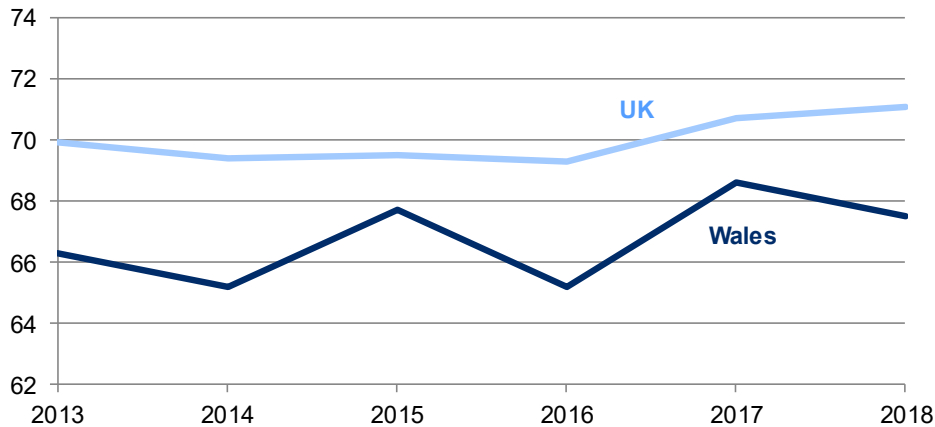
In Wales, 67.5% of people in employment were either on permanent contracts (or have a temporary contract and are not seeking permanent employment) and were earning more than two thirds of the UK median wage in 2018. This is a decrease from 68.6% in 2017.

The figures for all employees are subject to variation due to changes in the number of part-time employees in the sample, and the number of hours those part-time employees work. We will be including the figures for full-time employees shortly.

Wales is ranked tenth of the 12 UK countries and regions; London has the highest percentage (81.0%) followed by the South East (72.1%) and East (71.9%).

³ Section 11.7 provides background to these indicators and the Well-being of Future Generations Act 2015.

Chart 9.1: Percentage of people in employment on permanent contracts (or temporary contracts and not seeking permanent employment) and who earn more than two thirds of the UK median wage ^a



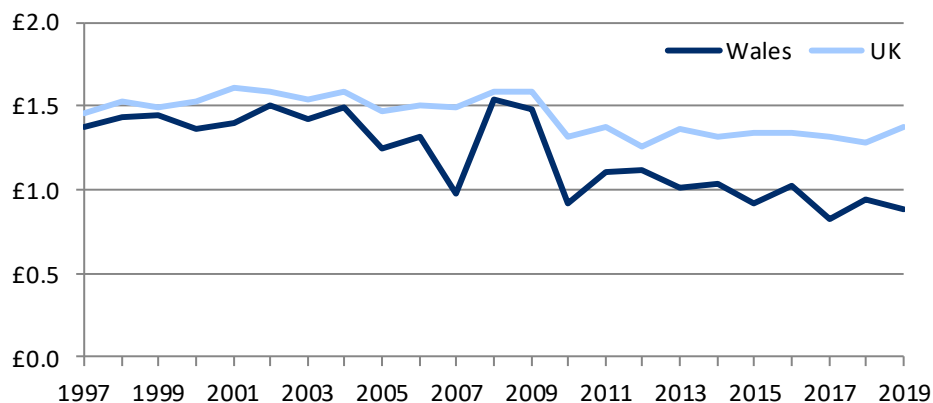
Source: WG analysis of Annual Survey of Hours and Earnings and Labour Force Survey, ONS

^a UK median wage data is from ASHE for employees earning a full adult rate and whose pay was not affected by absence. 2017 ASHE data is provisional.

9.3 National indicator 17 - Gender pay difference

Median hourly earnings of full-time employees (excluding overtime) in 2019 in Wales were £13.86 for men and £12.98 for women. Men earned £0.88 per hour more than women in 2019 in Wales, down from £0.94 in 2018. This compares with men earning £1.37 more than women in the UK in 2019, up from £1.28 in 2018.

Chart 9.2: Gender pay gap in median hourly earnings, full-time workers (excluding overtime) ^{a,b,c}



Source: Welsh Government analysis of Annual Survey of Hours and Earnings, Office for National Statistics

^a Full-time employees earning full adult rate and whose pay was not affected by absence.

^b Wales figures are workplace based. Workplace and residence based UK figures are the same.

^c There are discontinuities in the time-series in 2004, 2006 and 2011. See [ONS](#).

Wales had the second smallest gender pay difference of the 12 UK countries and regions in 2019, behind Northern Ireland, where women earned £0.37 per hour more than men. However, median hourly earnings (excluding overtime) in Wales in 2019 for all full-time employees were £13.47, which is the fourth lowest of all UK countries and English regions and below the UK average of £14.80.

9.4 National indicator 21 - Percentage of people in employment

The latest estimate of the employment rate for Wales from the Annual Population Survey (APS) of those aged 16-64 is 73.2% in 2019, up from 73.1% in 2018. The UK rate was 75.6% in 2019, up from 75.0% in 2018. A time-series of employment rates from the APS is available on [StatsWales](#).

The APS estimate for Wales compares with the estimate from the Labour Force Survey of 74.0% during December to February 2020, given in Section 1. Section 11.5 outlines the reasons for the difference between the estimates from the two surveys.

9.5 National indicator 20 - Percentage of people moderately satisfied with their jobs

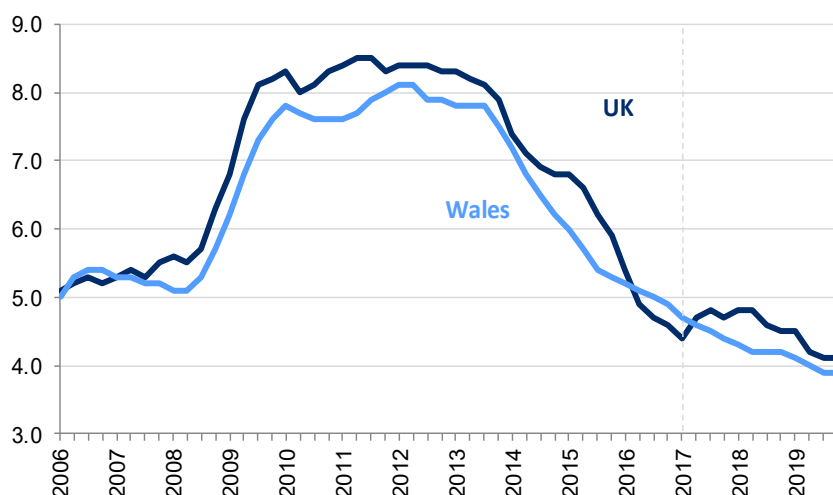
The National Survey for Wales estimates that 82% of people aged 16 or over in employment were moderately satisfied with their jobs, for 2017-18. Across Wales the percentage of people moderately or very satisfied with their jobs ranged from 74 in Neath Port Talbot to 86% in Ceredigion and Merthyr Tydfil. The underlying data can be found on [StatsWales](#).

10. Welsh Government targets

As part of its [Employability Plan](#) the Welsh Government established targets to eliminate the gaps in unemployment and economic inactivity rates between Wales and the UK within 10 years. These targets are assessed using the Annual Population Survey.

In 2019, the unemployment rate in Wales was 4.1% of the economically active population. For the same period, the UK rate was 3.9%. This is a gap of 0.2 percentage points between Wales and the UK.

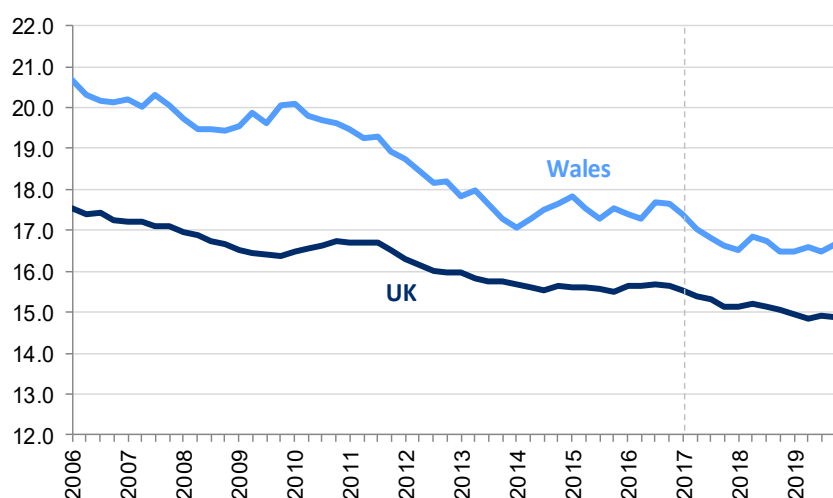
Chart 10.1: ILO Unemployment rate, persons (percentage of the economically active)



Source: Welsh Government analysis of Annual Population Survey

In 2019, the economic inactivity rate excluding students and retirees in Wales was 16.7%. For the same period, the UK rate was 14.9%. This is a gap of 1.8 percentage points between Wales and the UK.

Chart 10.2: Economic inactivity rate excluding students and retirees, persons (percentage of those aged 16-64 excluding students and retirees)



Source: Welsh Government analysis of Annual Population Survey

11. Key quality information

11.1 Relevance

This monthly bulletin is a compendium publication that brings together the latest key statistics relating to the Welsh economy and labour market, mainly in the context of the UK economy and labour market. The headline Labour Force Survey (LFS) estimates in the bulletin are published by ONS in their Labour Market Statistical Bulletin which includes headline figures for Wales as a whole.

This bulletin provides a more detailed breakdown of the Wales data than the ONS bulletin and presents those estimates alongside other headline estimates for the economy and labour market for Wales. These statistics are used by the Welsh Government to monitor the headline statistics for the Welsh economy as well as providing comparisons to the UK economy. The bulletin complements the recently published [Welsh Economy in Numbers dashboard](#), which provides a broad picture of the Welsh economy.

This bulletin is used by other public sector organisations, businesses, academia and private individuals as a means of identifying the key trends in the headline economic and labour market statistics for Wales. Our [2012 user consultation](#) provides more information on how our outputs are used.

The Welsh Government is considering how best to meet user need for analysis of the labour market by protected characteristics. Data is currently available on [StatsWales](#) and [Nomis](#).

11.2 Accuracy

Some of the data in this bulletin is based on sample surveys meaning it is subject to sampling variability. Table 11.1 shows 95% confidence intervals for the headline labour market measures from the Labour Force Survey. This means that there is a 95% chance that the true value is contained in the range shown.

Table 11.1: 95% confidence intervals for LFS figures: Wales, January to March 2020

	<i>Numbers in thousands</i>								
	Estimates			Quarterly changes			Annual changes		
	Lower limit	Estimate	Upper limit	Lower limit	Quarterly change	Upper limit	Lower limit	Annual change	Upper limit
Employment level	1,440	1,481	1,522	-53	0	53	-76	-21	33
Employment rate	72.2%	74.3%	76.3%	-2.7%	-0.1%	2.6%	-3.9%	-1.1%	1.6%
Unemployment level	36	49	62	-12	4	21	-42	-22	-3
Unemployment rate	2.3%	3.2%	4.0%	-0.8%	0.3%	1.4%	-2.6%	-1.3%	-0.1%
Economically active level	1,490	1,530	1,570	-47	4	56	-96	-44	9
Economic activity rate	74.8%	76.8%	78.8%	-2.5%	0.1%	2.7%	-4.9%	-2.3%	0.3%
Economically inactive level	393	443	493	-66	-2	62	-20	44	109

Source: Office for National Statistics

The [Welsh Government revisions policy](#) is available from the Statistics and Research website. Where the data is not from the Welsh Government, the revisions policy of the individual Government department is followed. The majority of the data in this release is from the ONS and their [revisions policy](#) applies.

Claimant Count was removed from the ONS labour market release because it may be providing a misleading representation of the UK labour market. From June 2015 the Claimant Count statistics were designated as experimental due to the impact of Universal Credit, which is designed so a broader span of claimants is required to look for work than under Jobseeker's Allowance.

This means that once Universal Credit was fully rolled out, the Claimant Count was higher than it would otherwise be under Jobseeker's Allowance. The impact has increased as roll-out of Universal Credit has progressed and the seasonally-adjusted claimant count series has become more volatile. The Welsh Government will continue to publish Claimant Count data on StatsWales. The full [ONS statement](#) is available via their website.

This bulletin previously included statistics on working age benefits claimants by client group, based on Department for Work and Pensions (DWP) data. DWP no longer produces this series and the full statement is available via the [Nomis website](#).

DWP now publishes a Benefit Combinations dataset on their StatsXplore website which provides both Working Age and Pension Age statistics on the number of individuals claiming a DWP benefit in total and to show the key combinations of benefits claimed. We are in the process of assessing whether this new data source is appropriate for our uses and/or publication.

11.3 Timeliness and punctuality

This bulletin follows the ONS publication schedule of labour market data, available on the [National Statistics Release Calendar](#). Table 11.2 lists the date of last update and next update for each data source.







Table 11.2: Summary of data sources

Data	Source	Last Updated	Next Updated
Average earnings	Annual Survey of Hours and Earnings, ONS	29-Oct-2019	Oct-2020
Claimant Count	Claimant Count, ONS	19-May -2020	16-Jun -2020
Economic inactivity rate	Labour Force Survey, ONS	19-May -2020	16-Jun-2020
Economic inactivity rate (economic regions)	Annual Population Survey, ONS	31-Mar-2020	Jun-2020
Employment rate	Labour Force Survey, ONS	19-May -2020	16-Jun -2020
Employment rate (economic regions)	Annual Population Survey, ONS	31-Mar-2020	Jun-2020
Gross Disposable Household Income	Regional Accounts, ONS	22-May-2019	Jun-2020
Gross Value Added	Regional Accounts, ONS	19-Dec-2019	Dec-2020
ILO unemployment rate	Labour Force Survey, ONS	19-May -2020	16-Jun -2020
ILO unemployment rate (economic regions)	Annual Population Survey, ONS	31-Mar-2020	Jun-2020
Index of Construction	Welsh Government	23-Apr-2020	Jul-2020
Index of Manufacturing	Welsh Government	23-Apr-2020	Jul-2020
Index of Market Services	Welsh Government	23-Apr-2020	Jul-2020
Index of Production	Welsh Government	23-Apr-2020	Jul-2020
Out of work benefit claimants	Work and Pensions Longitudinal Study, DWP	17-May-2017	No longer updated
PAYE Real Time Information	Pay As You Earn Real Time Information, HMRC	19-May-2020	16-Jun-2020
Public sector employment	Regional Public Sector Employment, ONS	17-Mar-2020	Jun-2020
Self-employment jobs	Workforce jobs, ONS	17-Mar-2020	Jun-2020
Value of Exports	Regional Trade in Goods Statistics, HMRC	17-Mar-2020	Jun-2020
VAT/PAYE Registered Enterprises	Business Demography	20-Nov-2019	Nov-2020
Workforce jobs	Workforce jobs, ONS	17-Mar-2020	Jun-2020
National indicator 11	UK Innovation Survey	24-Oct-2018	2020
National indicator 16	Labour Force Survey & Annual Survey of Hours and Earnings, ONS	26-Sep-2019	TBC
Gender pay difference	Annual Survey of Hours and Earnings, ONS	29-Oct-2019	Oct-2020
Percentage of people in employment	Annual Population Survey, ONS	31-Mar-2020	Jun-2020
National indicator 20	National Survey for Wales	20-Jun-2018	Jun-2020

11.4 Accessibility and clarity

Much of the data behind the charts shown in this bulletin can be found on StatsWales. This bulletin covers key statistics for Wales as a whole, but additional breakdowns for age, gender and disability are also available on StatsWales. Analyses of employment and earnings by disability and ethnicity have also recently been published by the ONS, including some estimates for Wales. We are exploring the extent to which available data sources will enable more analysis by these and other protected characteristics for Wales, and we intend to report on this work in 2020. Links to StatsWales, Welsh Government statistical headlines (where applicable) and ONS analysis are provided below in Table 11.3.

Table 11.3: Links to StatsWales, WG headlines and ONS analysis

Measure	Data Link	WG Headline Link
Claimant count	StatsWales	STATISTICS & RESEARCH
Economic inactivity rate	StatsWales	STATISTICS & RESEARCH
Employment rate	StatsWales	STATISTICS & RESEARCH
Exports	StatsWales	STATISTICS & RESEARCH
Gross Disposable Household Income	StatsWales	STATISTICS & RESEARCH
Gross Value Added	StatsWales	STATISTICS & RESEARCH
Gross weekly pay	StatsWales	
Out of work benefit claimants	StatsWales	
Public sector employment	 Office for National Statistics	
Self-employment jobs	 Office for National Statistics	
Short Term Output Indicators	StatsWales	STATISTICS & RESEARCH
Unemployment rate	StatsWales	STATISTICS & RESEARCH
VAT/PAYE registered enterprise births	StatsWales	STATISTICS & RESEARCH
VAT/PAYE registered enterprises	StatsWales	STATISTICS & RESEARCH
Workforce jobs	 Office for National Statistics	
Businesses Innovation Active (FG indicator)	StatsWales	
Employment above ⅔ UK median wage (FG indicator)	StatsWales	
Gender Pay Gap (FG indicator)	StatsWales	
Employment (FG indicator)	StatsWales	
Disability employment, unemployment and inactivity	StatsWales	
Disability and employment	 Office for National Statistics	
Disability pay gap	 Office for National Statistics	
Ethnicity pay gap	 Office for National Statistics	

11.5 Comparability and coherence

Comparable measures for other UK countries for the data published in this bulletin are published on StatsWales and on the ONS website, which can be accessed using the data links in Table 10.3.

Labour Force Survey and Annual Population Survey

Estimates of employment, unemployment and economic inactivity are available from both the LFS and the Annual Population Survey (APS). Estimates from the LFS are based on a rolling quarter and are updated monthly. The sample sizes are too low in the LFS to produce reliable estimates

for geographies below Wales level. Estimates from the APS are based on a rolling twelve months, updated each quarter. The APS uses a bigger sample than the LFS so is used to produce estimates for geographies in Wales. At Wales level, the APS is a slightly more robust measure than the LFS but it is less timely and slower to adapt to changes in the labour market.

Employment and Workforce Jobs

Employment figures differ between the LFS estimates and Workforce Jobs. Primarily this is because people with more than one job are counted once in the LFS but more than once in Workforce Jobs. The LFS does not cover people living in most types of communal establishments and Workforce Jobs excludes unpaid family workers.

ILO Unemployment and Claimant Count

There are two different measures of unemployment used in official UK statistics, the headline International Labour Organisation (ILO) measure recorded by the LFS and the claimant count measure. Each is subject to advantages and disadvantages.

The headline ILO measure is a count of those who are out of work and want a job, or have actively sought work in the last four weeks and are available to start work in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next two weeks. It is the broader measure of unemployment. However, it is sourced from a survey so the results are subject to sampling error. Wales data is subject to higher variability than UK level data because of the smaller sample size.

The claimant count is a count of all those claiming unemployment related benefits (currently Jobseekers Allowance plus some claimants of Universal Credit). As such it excludes those who are unemployed who are not eligible to claim, and those who do not wish to claim. However, it is a count of all claimants and is not subject to any sampling variability. It can therefore be disaggregated to very high levels of detail, and in particular, changes measured over the short term are more robust than for the headline unemployment measure.

11.6 Technical notes

Some of the data in this bulletin are presented as index numbers. Index numbers take the data for each time period and divide them by the figure for the reference period, and multiply the result by 100. A figure of above 100 for a given time period then indicates that the figure is higher than that for the reference period, whilst a figure of below 100 indicates that it is lower than that for the reference period. Data on workforce jobs and self-employment jobs are presented as indices referenced to 1999 = 100. Data on exports is referenced to 2013=100 due to methodological differences before 2013. The indices of production, manufacturing and construction and the index of market services are each referenced to 2016 = 100.

Data series shown are seasonally adjusted unless stated otherwise. Seasonal adjustment is the process of removing variations associated with the time of year from a time-series and enables comparisons of labour market statistics to be made since the previous quarter or previous month. Labour market data for Wales is seasonally adjusted but for geographies within Wales only non seasonally adjusted data is available.

11.7 National Statistics status

The [United Kingdom Statistics Authority](#) has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the [Code of Practice for Statistics](#).

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value, and it is our responsibility to maintain compliance with these standards.

All official statistics should comply with all aspects of the Code of Practice for Statistics. They are awarded National Statistics status following an assessment by the UK Statistics Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate. The designation of these statistics as National Statistics was confirmed in March 2010 following a [full assessment against the Code of Practice](#).

Since the latest review by the Office for Statistics Regulation, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Added to and refined information about dimensions of quality and described links to policy and Welsh Government targets
- Expanded the coverage of topics to include workforce jobs and Welsh future generations indicators
- Improved visuals by de-cluttering and standardising charts and tables

It is Welsh Government's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Office for Statistics Regulation promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

11.8 Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators ("national indicators") that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016 and this release includes five of the national indicators:

- (11) percentage of businesses which are innovation active
- (16) percentage of people in employment who are on permanent contracts (or on temporary contracts and not seeking permanent employment) and who earn more than two thirds of the UK median wage

- (17) gender pay difference
- (21) percentage of people in employment
- (20) Percentage of people moderately satisfied with their jobs

Data on [indicator 9](#) (Gross Value Added (GVA) per hour worked) and [indicator 10](#) (Gross Disposable Household Income per head) is available from ONS.

Information on the indicators, along with narratives for each of the well-being goals and associated technical information is available in the [Well-being of Wales report](#).

This release includes contextual indicators, namely the basket of indicators presented in the Well-being report in the previous link.

As national indicators under the Act they must be referred to in the analyses of local well-being produced by public services boards when they are analysing the state of economic, social, environmental and cultural well-being in their areas.

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local well-being assessments and local well-being plans.

11.9 Further details

Links

This document is available on our website: <https://gov.wales/key-economic-statistics>

The National Survey for Wales [methodology and quality reports](#) can be found on the Welsh Government website.

More information on the data sources can also be found in the Quality and Methodology Information reports published by ONS on [Labour Market](#), [Claimant Count](#), [Public Sector Employment](#) and [Workforce Jobs](#) data.

Next update

16 June 2020 (Headline)

18 June 2020 (Key Economic Statistics bulletin)

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to economic.stats@gov.wales.

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