



Labour Market Overview, December 2021

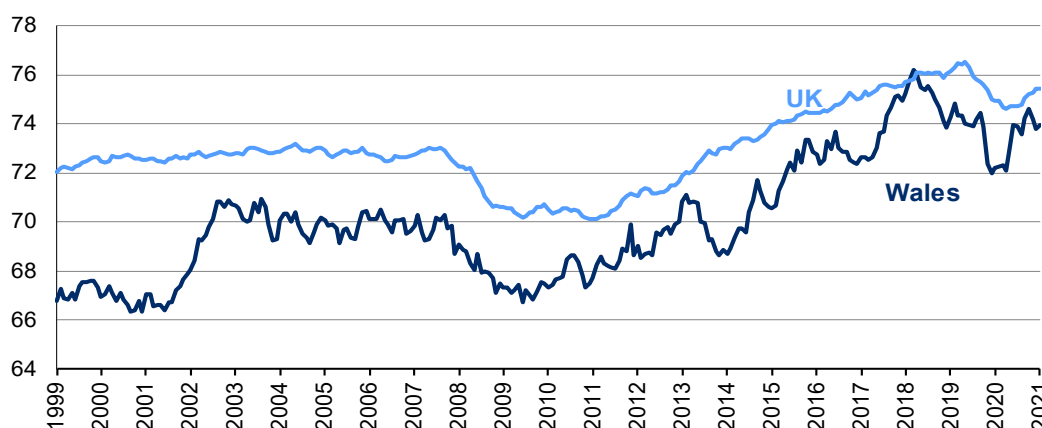
16 December 2021
SB 39/2021

Key points for August to October 2021

The latest Labour Force Survey data (August to October 2021) continues to show the impacts of the coronavirus (COVID-19) pandemic on the labour market.

- The employment rate in Wales now stands at 74.0%. This is 0.6 percentage points down on the quarter and up 1.7 percentage points over the year.
- The unemployment rate in Wales was 3.7%. This is down 0.5 percentage points from the previous quarter and down 0.9 percentage points compared to a year earlier.
- The economic inactivity rate in Wales was 23.2%. This was up 1.2 percentage points over the quarter, and down 1.1 percentage points compared to the same period a year earlier.

Employment rate (percentage of population age 16-64)



Source: Labour Force Survey, Office for National Statistics

Other data sources

The latest official labour market estimates cover the period August to October 2021.

Other data sources and indicators are also used to provide a more complete picture.

- The number of paid employees has generally increased in recent years, but fell during the pandemic. The number of paid employees began increasing again at the end of 2020 and is now above the pre-pandemic level (1.28 million in November 2021 compared with 1.26 million in February 2020).
- The claimant count in Wales now stands at 82,100 (November 2021), an increase of 22,400 (37.5%) from February 2020. This is a rate of 4.9%, the lowest rate since March 2020.

About this bulletin

This monthly bulletin is a compendium publication that brings together the latest key statistics relating to the Welsh labour market, with a specific focus on the impacts of the COVID19 pandemic.

Key supporting material:

[Welsh Economy in Numbers](#)

In this bulletin

This bulletin contains new data on:

| | |
|-------------------------------------|----|
| Employment | 4 |
| Unemployment | 14 |
| Economic Inactivity | 23 |
| Workforce Jobs | 30 |

Contents

| Section | Page |
|------------------------------|------|
| Key Labour Market Data (LFS) | 3 |
| 1. Employment | 4 |
| 2. Unemployment | 14 |
| 3. Economic Inactivity | 23 |
| 4. Workforce Jobs | 29 |
| 5. Key Quality Information | 31 |

Charts

| Chart | Page |
|--|------|
| 1.1 Employment rate, persons (percentage of those aged 16-64) | 5 |
| 1.2 Employment rate, males and females (percentage of those aged 16-64) | 6 |
| 1.3 Employment rate, economic regions (four quarter rolling average, percentage of those aged 16-64, not seasonally adjusted) | 7 |
| 1.4 Paid employees, Wales | 8 |
| 1.5 Median pay, Wales | 9 |
| 1.6 Number of employments furloughed by last day of month in Wales | 11 |
| 1.7 Average hours worked, UK | 12 |
| 1.8 Public sector employment (percentage of population, not seasonally adjusted) | 13 |
| 2.1 ILO unemployment rates (percentage of economically active) | 15 |
| 2.2 Unemployment rate, males (percentage of those aged 16 and over) | 16 |
| 2.3 Unemployment rate, females (percentage of those aged 16 and over) | 16 |
| 2.4 ILO unemployment rate, economic regions (four quarter rolling average, percentage of economically active, not seasonally adjusted) | 17 |
| 2.5 Long-term ILO unemployment rates (percentage of all unemployed: four quarter rolling average) | 18 |
| 2.6 Youth ILO unemployment rates (percentage of economically active: four quarter rolling average, not seasonally adjusted) | 19 |
| 2.7 Experimental claimant count rates (percentage of civilian workforce) | 20 |
| 2.8 People on Universal Credit, Wales | 21 |
| 2.9 Redundancy rate | 22 |
| 3.1 Economic inactivity rate, persons (percentage of those aged 16-64) | 24 |
| 3.2 Economic inactivity rate, males and females (percentage of those aged 16-64) | 25 |
| 3.3 Economic inactivity rate, economic regions (four quarter rolling average, percentage of those aged 16-64, not seasonally adjusted) | 26 |
| 3.4 Male Economic Inactivity by Reason and Male Economic Inactivity Rate in Wales (aged 16-64) | 27 |
| 3.5 Female Economic Inactivity by Reason and Female Economic Inactivity Rate in Wales (aged 16-64) | 28 |
| 4.1 Workforce jobs (Index 1999=100) | 29 |
| 4.2 Self-employment jobs (Index 1999=100) | 30 |

We have suspended a large part of the bulletin in order to focus on the labour market impacts of the COVID-19 crisis. All data that is no longer in the bulletin is available elsewhere on our website. Links can be found within table 5.4 in the [Key Quality Information section](#).

Key labour market (LFS) data

The LFS is a sample survey and, as such, estimates obtained from it are subject to sampling variability. If we drew many samples, each would give a different result. Please note statistical significance and confidence intervals are only available for headline labour market indicators.

Table 1 shows the variability of the estimates, quarterly change and annual change using 95% confidence intervals. It is expected that in 95% of samples the range would contain the true value. If none of the reported changes over the year or the quarter were statistically significant, then the recorded changes did not exceed the variability expected from a sample survey of this size

More information about statistical significance and the accuracy of estimates is available in section 5.2 of [Key Quality Information](#).

Table 1 shows there were no statistically significant changes for headline labour market indicators in the three months to October 2021. This suggests that the quarterly and annual changes for these indicators are unlikely to reflect a real change in the data.

Table 1: Estimates, confidence intervals and statistical significance for Labour Market Indicators, August to October 2021

| | Latest Data | | Quarterly Change | | | Annual Change | | |
|---------------------------------------|-------------|---------------------|------------------|---------------------|-------------------------------|---------------|---------------------|-------------------------------|
| | Estimate | Confidence Interval | Change | Confidence interval | Significance | Change | Confidence interval | Significance |
| Employment Rate ¹ | 74.0% | +/-2.1ppts | -0.6ppts | +/-2.8ppts | Not Statistically Significant | 1.7ppts | +/-3.2ppts | Not Statistically Significant |
| Unemployment Rate ² | 3.7% | +/-1.0ppts | -0.5ppts | +/-1.4ppts | Not Statistically Significant | -0.9ppts | +/-1.6ppts | Not Statistically Significant |
| Economic Inactivity Rate ¹ | 23.2% | +/-2.0ppts | -1.2ppts | +/-2.6ppts | Not Statistically Significant | 1.1ppts | +/-2.9ppts | Not Statistically Significant |

Source: WG analysis of Labour Force Survey, ONS

¹ Rates are the proportion of the total population aged 16-64.

² Rate is the proportion of the economically active population aged 16 and over.

1. Employment

Key points

- The employment rate in Wales now stands at 74.0%. This is 0.6 percentage points down on the quarter and up 1.7 percentage points over the year. (Note: comparisons to the previous year are now covering the start of the pandemic rather than the pre-pandemic period). (Labour Force Survey, ONS)
- In August to October 2021, the employment rate in Wales increased for males but decreased for females compared to both the previous quarter and to the same time last year. (Labour Force Survey, ONS)
- The number of paid employees has generally increased in recent years, but fell during the pandemic. The number of paid employees began increasing again at the end of 2020 and is now above the pre-pandemic level (1.28 million in November 2021 compared with 1.26 million in February 2020). (Pay As You Earn Real Time Information, HMRC)
- All Welsh local authority areas saw increases of paid employees since November 2020, with Flintshire experiencing the smallest increase at 2.8%. The latest data shows only 2 local authority areas remain below pre-pandemic estimates. (Pay As You Earn Real Time Information, HMRC)
- As at 30 September 2021, 40,500 employments in Wales were furloughed under the CJRS, a take up rate of 3% – similar to the take up rate across the UK (4%). (Coronavirus Job Retention Scheme, HMRC)
- In the three months to October 2021, the average number of hours worked in the UK was 31.5 hours. Despite an increase of 5.6 hours from the lowest point in April to June 2020, the average number of hours worked still hasn't reached the pre-pandemic levels. (Labour Force Survey, ONS)

Labour Force Survey Employment (ONS)

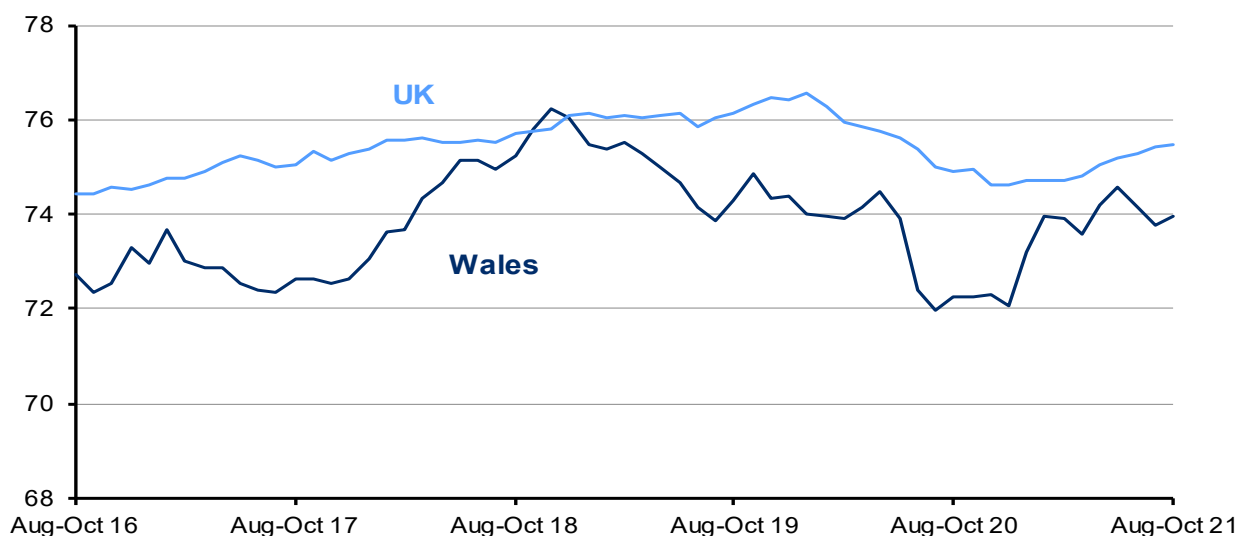
LFS employment: people aged 16 to 64 who did at least one hour of paid work in the reference week (whether as an employee or self-employed); those who had a paid job that they were temporarily away from; those on government-supported training and employee programmes and those doing unpaid family work.

Note: Figures for employment include employees that have been furloughed.

Data from the LFS shows that the employment rate remained broadly stable towards the end of 2019 and the beginning of 2020 following a steady decrease since late 2018. The employment rate began to fall in early 2020 as a result of the coronavirus pandemic, and the July to September 2020 period saw the largest quarterly decrease in the Welsh employment rate since records began in 1992. Wales had the fifth lowest employment rate of the 12 UK countries and English regions in August to October 2021.

Other sources explored in this section such as the number of people furloughed under the Coronavirus Job Retention Scheme, the number of paid employees in Wales and the average number of hours worked give further indication of the impact on the labour market.

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



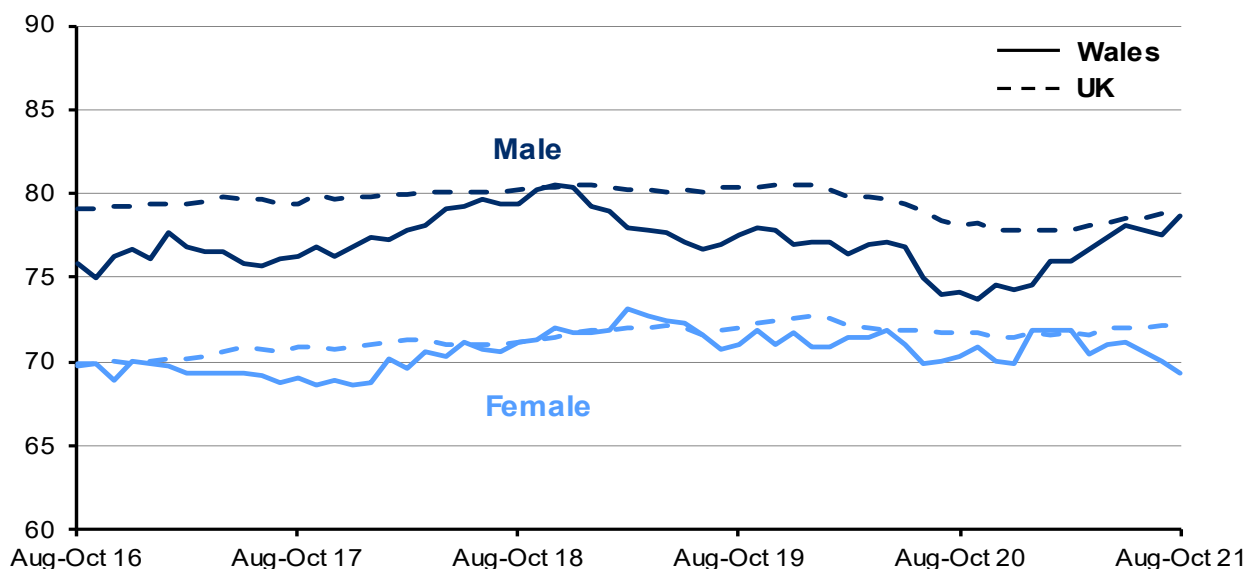
Source: Welsh Government analysis of Labour Force Survey

Looking at the latest Labour Force Survey statistics in more detail, the employment rate was 74.0% in Wales in August to October 2021. This is down 0.6 percentage points on the previous quarter and up 1.7 percentage points from the same period a year earlier. This compares to a rate of 75.5% in the UK over the same period, which is 1.5 percentage points higher than the rate for Wales (Chart 1.1).

Employment and sex

In August to October 2021, the employment rate in Wales increased for males but decreased for females compared to both the previous quarter and to the same time last year. In September to November 2020 the employment rate for males fell to the lowest it has been in over five years and has since increased to a similar rate prior to the pandemic.

Chart 1.2: Employment rate, males and females (percentage of those aged 16-64)



Source: Welsh Government analysis of Labour Force Survey

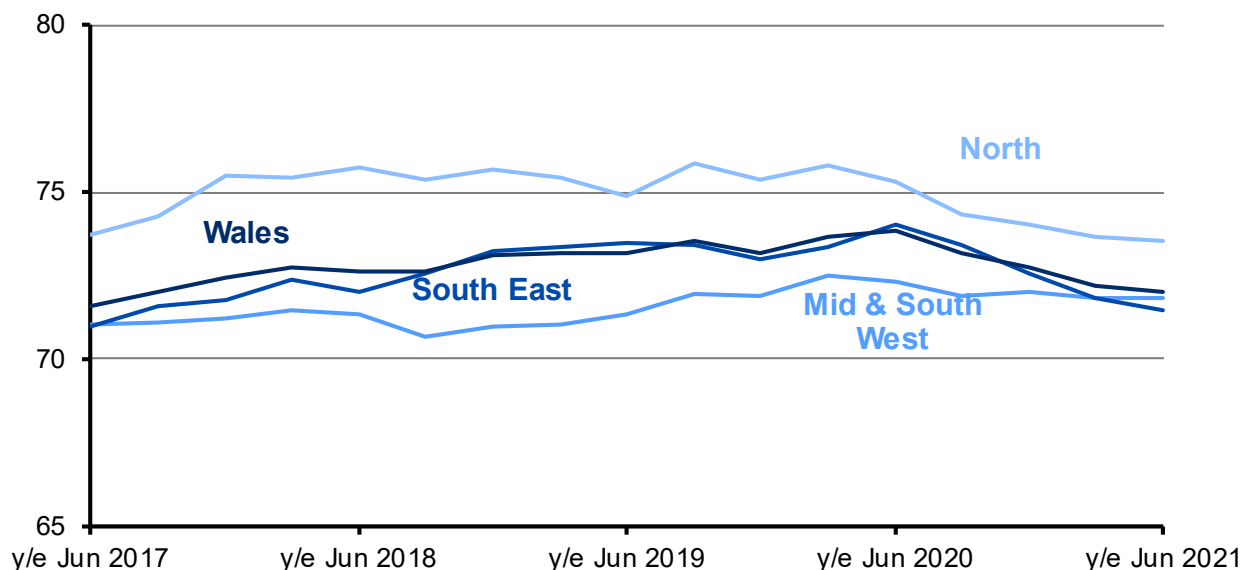
The employment rate for males in Wales in August to October 2021 was 78.7%, up 0.7 percentage points on the previous quarter, and up 4.5 percentage points from the same period a year earlier. This is the second largest annual increase in male employment behind June to August 2012. September to November 2020 showed the largest annual decrease on record for the male employment rate (4.3 percentage points). The employment rate in August to October 2021 for males in the UK was 78.8% over the same period, up 0.4 percentage points over the year. (Chart 1.2)

Conversely, the employment rate for females has remained more stable. The employment rate for females in Wales in August to October 2021 was 69.3%, down 1.9 percentage points compared to the previous quarter and down 1.1 percentage points from a year earlier. This was the largest quarterly decrease since the three months to August 2014 and the lowest female employment rate since the three months to February 2018. The employment rate for females in the UK was 72.1% over the same period, the highest rate since the three months to April 2020. (Chart 1.2)

Annual Population Survey, economic regions (ONS)

APS: The Annual Population Survey (APS), which began in 2004, is compiled from interviews for the Labour Force Survey (LFS), along with additional regional samples. The APS comprises the main variables from the LFS, with a much larger sample size. Consequently, the APS supports more detailed breakdowns than can be reliably produced from the LFS. Estimates are produced every quarter for a rolling annual period; for example, January to December data will be followed by data for April to March when they are next updated.

Chart 1.3: 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

The data for the Welsh economic regions is for the year ending June 2021 and therefore covers a full year of the coronavirus (COVID-19) pandemic.

The overall trend for Wales and the three Welsh economic regions over the last four years is a steady increase in employment until the coronavirus pandemic, with North Wales remaining consistently higher than Wales and the other economic regions. (Chart 1.3)

In the year ending June 2021, the employment rate decreased the most in South East Wales (2.6 percentage points) and decreased by 1.7 and 0.5 percentage points in North Wales and Mid and South West Wales, respectively. (Differences calculated using unrounded figures)

Experimental Real Time Pay Information (HMRC)

HMRC's 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.

Median pay: Median monthly pay shows what a person in the middle of all employees would earn each month. The median pay is generally considered to be a more accurate reflection of the "average wage" because it discounts the extremes at either end of the scale.

The Office for National Statistics and HM Revenue & Customs (HMRC) publish [data for Wales on payrolled employees, mean pay, aggregate pay and single month estimates for median pay](#).

The data on the number of paid employees is a clear indication of how the coronavirus (COVID-19) pandemic affected the number of employees in Wales.

Chart 1.4: Paid employees, Wales



Source: Pay As You Earn Real Time Information, HM Revenue and Customs

The number of paid employees has generally increased in recent years, but fell steeply during the pandemic. Since April 2021, the number of paid employees rapidly increased and is now above pre-pandemic levels.

Early estimates for November 2021 indicate that the number of paid employees in Wales was 1.28 million in compared with 1.26 million in February 2020. This is an increase of 7,300 (0.6%) over the month and an increase of 58,300 (4.8%) since the lowest point during the pandemic in November 2020.

Early estimates for November 2021 at a UK level showed a monthly increase of 257,300, the largest monthly increase since the series began in July 2014.

Quarterly RTI updates

Data in the following section is updated on a quarterly basis:

- Employees by local authority was last published in December and data refers to November 2021. The next update will be in March 2022.
- Employees by country/region and industry sector was last published in November and data refers to October 2021. The next update will be in February 2022.
- Employees by country/region and age was last published in October and data refers to September 2021. The next update will be in January 2022.

In December 2021, estimates of the number of paid employees by local authority area were published by HMRC:

- All Welsh local authority areas saw a decrease between February 2020 and November 2020 with Cardiff experiencing the largest proportional decrease in the number of paid employees between February 2020 and November 2020 (the lowest point of the series), down 4.1%.
- However, since November 2020, the number of paid employees in Cardiff has grown 7.4%, which is the fastest rate in Wales. All other local authority areas saw increases since November 2020, with Flintshire experiencing the smallest increase at 2.8%.
- The latest data shows only 2 local authority areas remain below pre-pandemic estimates.

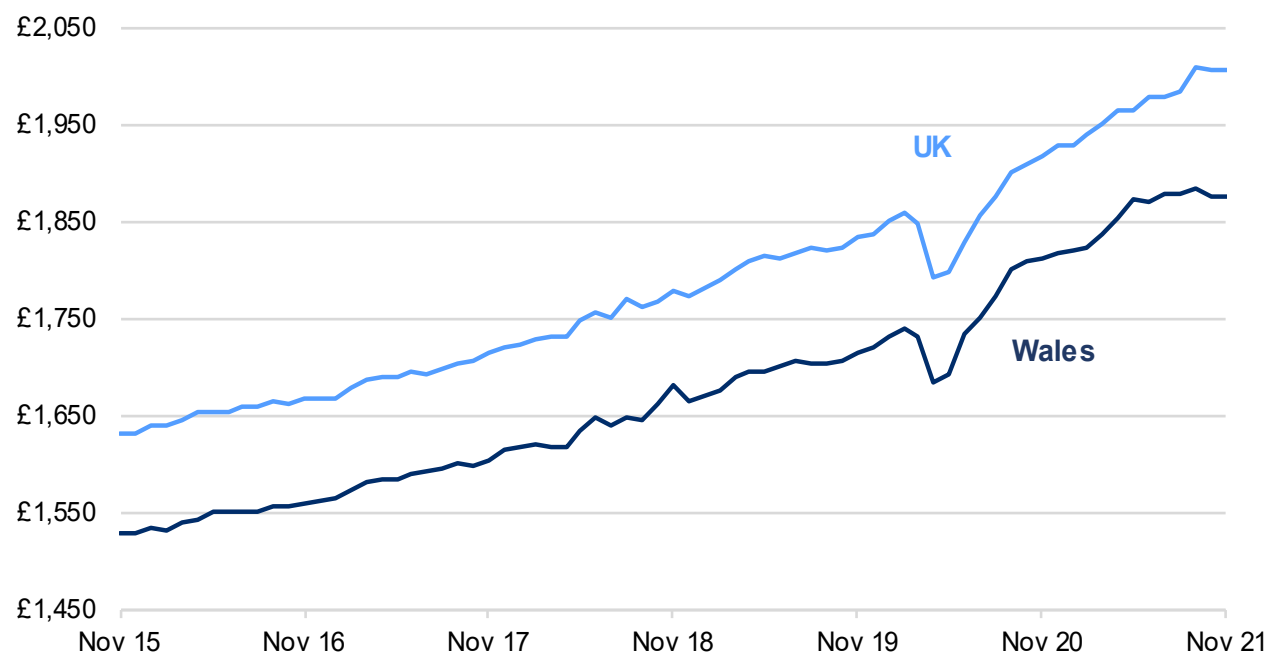
In November 2021, HMRC published data for the number of paid employees by industry sector for the UK countries and English regions for the first time:

- Early estimates for November 2021 for Wales show 10 of the 20 sectors saw an increase in the number of paid employees compared to pre-pandemic estimates (February 2020). 17 of the 20 sectors showed an increase compared to the lowest point in November 2020.
- Agriculture, forestry and fishing experienced the largest increase compared to February 2020 followed by Health and social work (up 6.3% and 6.2% respectively).
- Energy Production and Supply experienced the largest decrease compared to February 2020 (down 16.6%).
- Arts, entertainment and recreation experienced the largest increase compared to the lowest point in November 2020 followed by Accommodation and food service activities (up 17.3% and 15.0% respectively).
- Similar to Wales, early estimates for November 2021 for the UK show that 10 of the 20 industries (9 of the 10 industries were the same industries as in Wales) experienced an increase compared to February 2021. The largest increases were Administrative and support services and Public administration and defence; social security, both up 5.4%. Energy production and supply experienced the largest decrease (down 5.9%).

In October 2021, HMRC published data by age group for the UK countries and English regions for the first time, the next update for these statistics will be in January 2022. The trends across Wales show similar patterns to the UK:

- The number of paid employees across all age groups declined in Wales over the course of the pandemic. The number of employees aged under 18 decreased by over a third in January 2021 compared with February 2020, but have since increased to levels higher than pre-pandemic.
- The numbers of paid employees within each age group in Wales have increased from their respective lowest points during the pandemic period. However, the number of employees aged 18 to 24, and aged 35 to 49 remain slightly below pre-pandemic estimates from February 2020.
- All age groups experienced an increase in the number of paid employees over the latest month, except people aged under 18.

Chart 1.5: Median pay



Source: Pay As You Earn Real Time Information, HM Revenue and Customs

Median pay represents the half way pay point for those in payrolled employment – with half paid below the median pay value and half above.

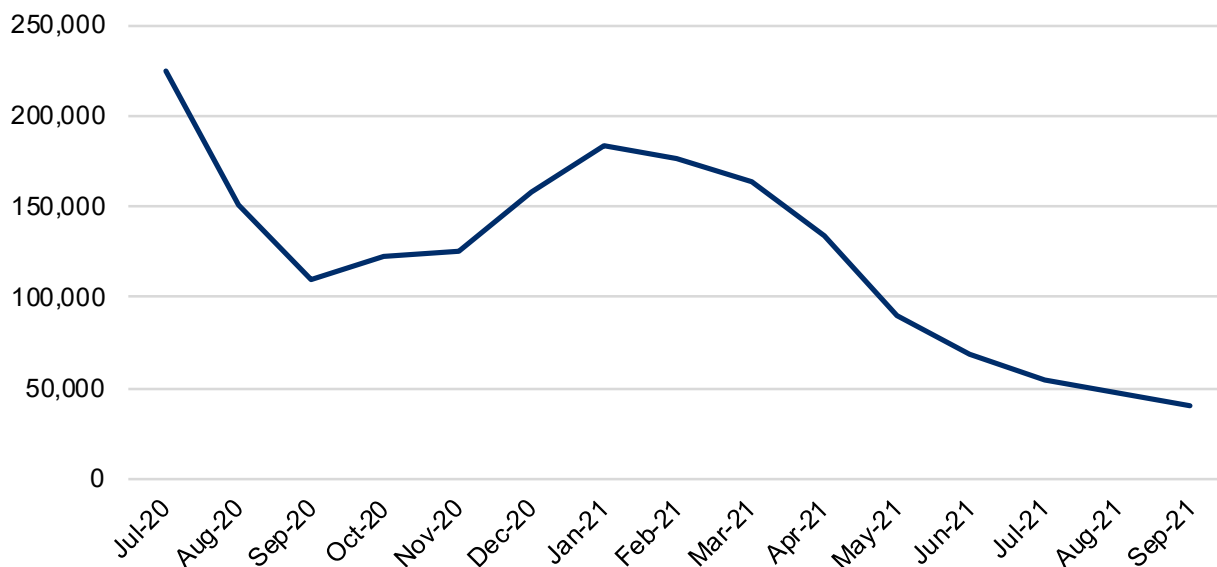
Median pay has grown in recent years but fell slightly during March and April 2020. Both the UK and Wales have shared a similar trend since the series began with Wales always below the UK. In Wales and the UK, median pay has been above pre-pandemic levels since July 2020. Since May 2021, median pay in Wales has plateaued, with the latest month's (November 2021) median pay at £1,876. This is up slightly compared to the previous month and up £137 (7.9%) compared to pre-pandemic estimates from February 2020. The Welsh series has grown at a slower rate than the UK, which increased £148 (8.0%) over the same period.

This data should be treated with caution. ONS have stated that the level of median pay growth in recent months is partially explained by the decrease in people entering payrolled employment. According to ONS, people entering into payrolled employment tend to be paid around 40% lower than the mean pay for those continually employed. Whilst the general trend of pay growth is dominated by those continually employed, as the number of people entering employment has reduced in recent months, this has resulted in fewer people in payrolled employment entering on lower pay, and therefore increasing average median pay across the labour market.

Coronavirus Job Retention Scheme (furlough) (HMRC)

CJRS: The Coronavirus Job Retention Scheme (CJRS) was announced by the UK government on 20 March 2020 and has supported employers in paying their employees during the Coronavirus (COVID-19) pandemic. Figures include those who are furloughed and partly furloughed.

Chart 1.6: Number of employments furloughed by last day of month in Wales



Source: Coronavirus Job Retention Scheme, HM Revenue and Customs

As at 30 September 2021, 40,500 employments in Wales were furloughed under the CJRS, a take up rate of 3%; similar to the take up rate across the UK (4%). There was a 13% decrease in the number of furloughed employments in Wales between 31 August and 30 September 2021, and the number of furloughed employments were at the lowest level since the time series began on 1 July 2020. (Chart 1.6)

18,700 females and 21,700 males in Wales were furloughed under the CJRS as at 30 September 2021.

Self-Employment Income Support Scheme (HMRC)

SEISS: The Self-Employment Income Support Scheme (SEISS) is a UK Government scheme that provides support for self-employed individuals whose business has been affected by Coronavirus (COVID-19) and is administered by HMRC.

Up to 28 October 2021, there were 45,000 successful claims for the fifth SEISS in Wales, which is 32% of those who are eligible for the scheme. The take up was lower than the fourth grant, and data shows a declining trend in take up from the first SEISS grant to the fifth.

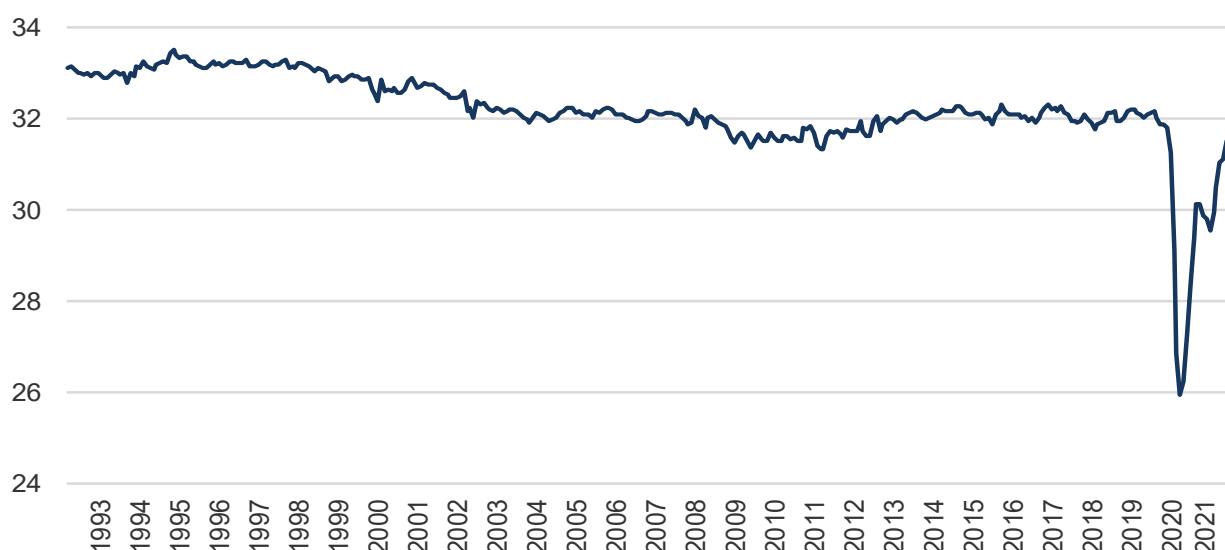
The value up to 28 October 2021 of all claims made in Wales under the fifth grant was £95 million. Self-employed people working in construction in Wales accounted for by far the largest share of all claims (32%).

Hours worked (ONS)

Hours worked: Labour Force Survey statistics for usual hours worked measure how many hours people usually work per week. They are not affected by absences and so can provide a good measure of normal working patterns.

Latest data for the UK are sourced from the LFS. Due to the sample size, data for Wales are derived from the APS and are therefore not as timely.

Chart 1.7: Average hours worked, UK



Source: Labour Force Survey, ONS

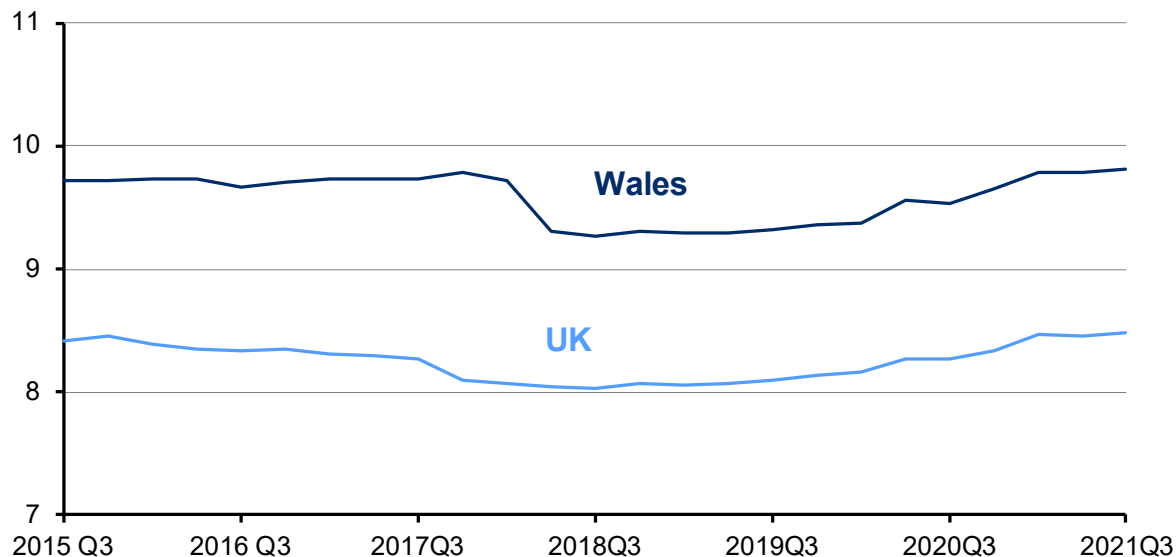
The pandemic has had a large impact on actual hours worked. In the three months to October 2021, the average number of hours worked in the UK was 31.5 hours, an increase of 0.4 hours from the previous quarter. Despite an increase of 5.6 hours from the lowest point just over a year ago (April to June 2020), the average number of hours worked still hasn't reached the pre-pandemic levels. April to June 2021 had the largest annual increase (5.1 hours) in average weekly hours since the series began in 1993. It is important to note the latest estimates are now compared to data recorded during the pandemic period. Females had a larger increase over the year than males (9.7% compared to 5.3%, respectively).

During the year to June 2021, the average number of hours worked in Wales was 30.4 hours per week, an increase of 1.2 hours from last year and the first increase since the beginning of the coronavirus pandemic. Data for the year to March 2021 estimated the lowest number of hours worked since records began in 2004. Males in Wales worked an average of 34.1 hours per week and females worked an average of 26.4 hours per week.

Public sector employment (ONS)

Public Sector: The public sector comprises central government, local government and public corporations as defined for the UK National Accounts. The national accounts are compiled based on an internationally comparable accounting framework and describe the activities in a national economy. Data sourced from an ONS data collection on Public Sector Employment

Chart 1.8: Public sector employment (percentage of population, not seasonally adjusted)



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

According to Public Sector Employment data, there were 311,000 people employed in the public sector in Wales in 2021 Q3, up 2.9% from a year earlier. This is 9.8% of the population, up 0.3 percentage points on the same quarter a year earlier.

Public sector employment in the UK over the same period increased by 2.5% to 5.7 million. This is 8.5% of the population, up 0.2 percentage points on the previous year. (Chart 1.4)

2. Unemployment

Key points

- The unemployment rate in Wales was 3.7%. This is down 0.5 percentage points from the previous quarter and down 0.9 percentage points compared to a year earlier. (Labour Force Survey, ONS)
- In August to October 2021, the unemployment rate in Wales decreased for males compared to the previous quarter and to the previous year. The rate for females was unchanged from the previous quarter and decreased over the previous year. (Labour Force Survey, ONS)
- The overall trend for Wales and two of the economic regions (Mid and South West Wales and South East Wales) is an increase in unemployment over the past year, following a decrease for the previous four years. While the unemployment rate in North Wales continued to decrease over the last year. (Annual Population Survey, ONS)
- The claimant count in Wales now stands at 82,100 (November 2021), an increase of 22,400 (37.5%) from February 2020. This is a rate of 4.9%, the lowest rate since March 2020. (Jobcentre Plus Administration System, Department for Work and Pensions)
- On 11th November 2021, there were 275,000 people on Universal Credit in Wales, a decrease of 4,600 people (1.6%) since the peak in March 2021. The number of people on Universal Credit increased considerably at the start of the pandemic with the largest monthly increases in April and May 2020 (41.4% and 15.5%, respectively). (Department for Work and Pensions)

Labour Force Survey Unemployment (ONS)

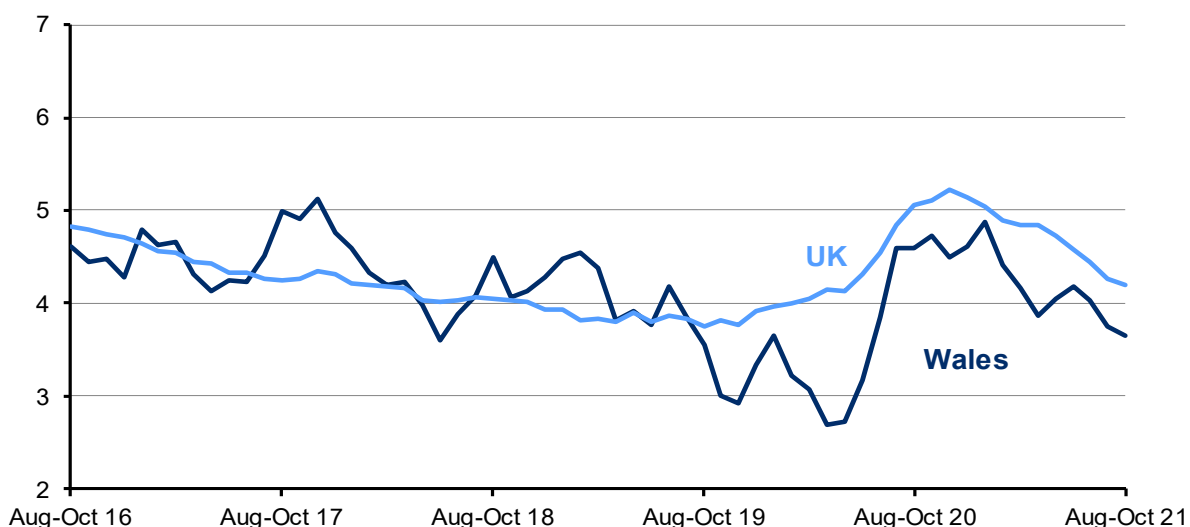
LFS Unemployment: The number of unemployed people in the UK is measured through the Labour Force Survey (LFS) following the internationally agreed definition recommended by the International Labour Organisation (ILO) – an agency of the United Nations. Unemployed people are without a job, have actively sought work in the last four weeks and are available to start work in the next two weeks; or are out of work, have found a job and are waiting to start it in the next two weeks.

The headline unemployment rate is calculated by dividing the unemployment level for those aged 16 and over by the total number of economically active people aged 16 and over.

The Welsh unemployment rate has generally tracked the UK rate and had been gradually falling since the early 2010s, before rising sharply in recent periods as a result of the coronavirus pandemic. In August to October 2019, the Welsh unemployment rate fell below the UK rate and has remained below ever since.

As with the employment rate, this series can be volatile and short-term changes should be treated with caution. But the unemployment data can be considered alongside other data sources to consider the impact of the COVID-19 pandemic on unemployment. Experimental estimates indicate a large increase in the claimant count rate in Wales since February 2020. More detail can be found on [page 20](#).

Chart 2.1: ILO Unemployment rate (percentage of economically active population)



Source: Welsh Government analysis of Labour Force Survey

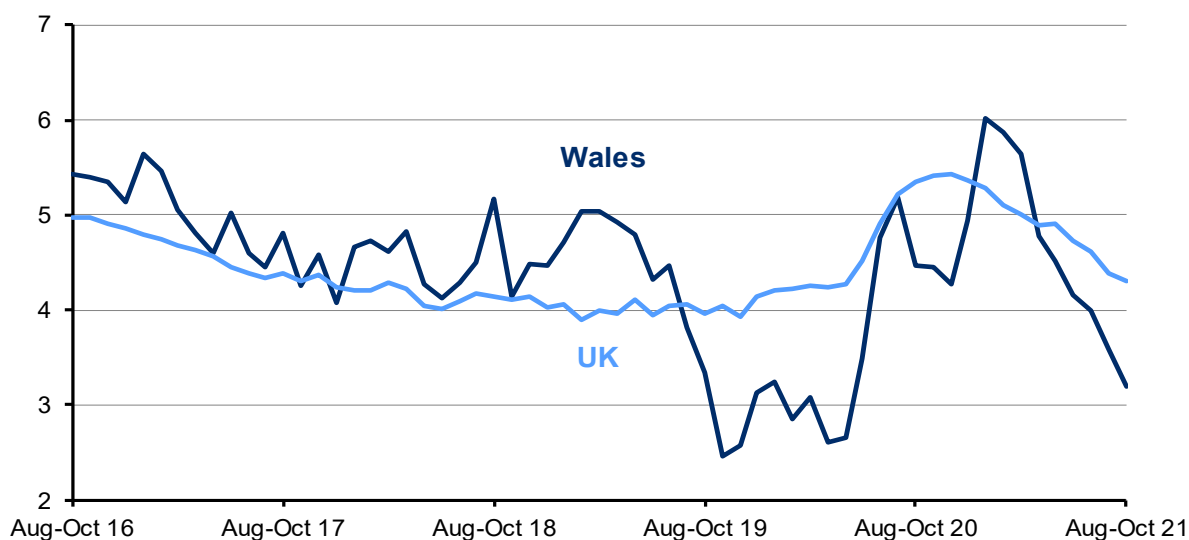
Looking at the latest labour market statistics in more detail, during August to October 2021 the unemployment rate in Wales was 3.7% of the economically active population. This is down 0.5 percentage points from the previous quarter and down 0.9 percentage points compared to a year earlier.

The rate of unemployed people in the UK also decreased by 0.9 percentage points over the year to a rate of 4.2% of the economically active population. (Chart 2.1)

Unemployment and sex

In August to October 2021, the unemployment rate in Wales decreased for males compared to the previous quarter and to the previous year. The rate for females was unchanged from the previous quarter and decreased over the previous year. In December to February 2021, the unemployment rate for males rose to the highest it has been in over five years but has since decreased. Data for Wales can be volatile due to the small sample sizes.

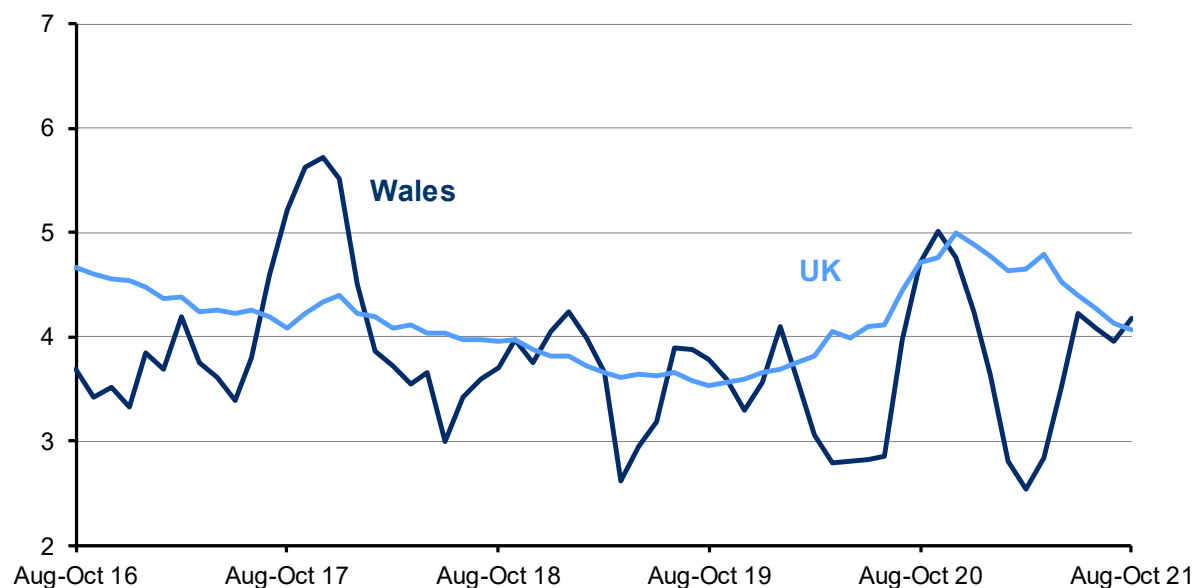
Chart 2.2: Unemployment rate, males (percentage of those aged 16 and over)



Source: Welsh Government analysis of Labour Force Survey

The unemployment rate for males in Wales in August to October 2021 was 3.2%, down 1.0 percentage points on the previous quarter and down 1.3 percentage points on the previous year. This is the lowest unemployment rate since the April to June 2020. The unemployment rate for males in the UK was 4.3%, down from 5.4% a year earlier. (Chart 2.2)

Chart 2.3: Unemployment rate, females (percentage of those aged 16 and over)



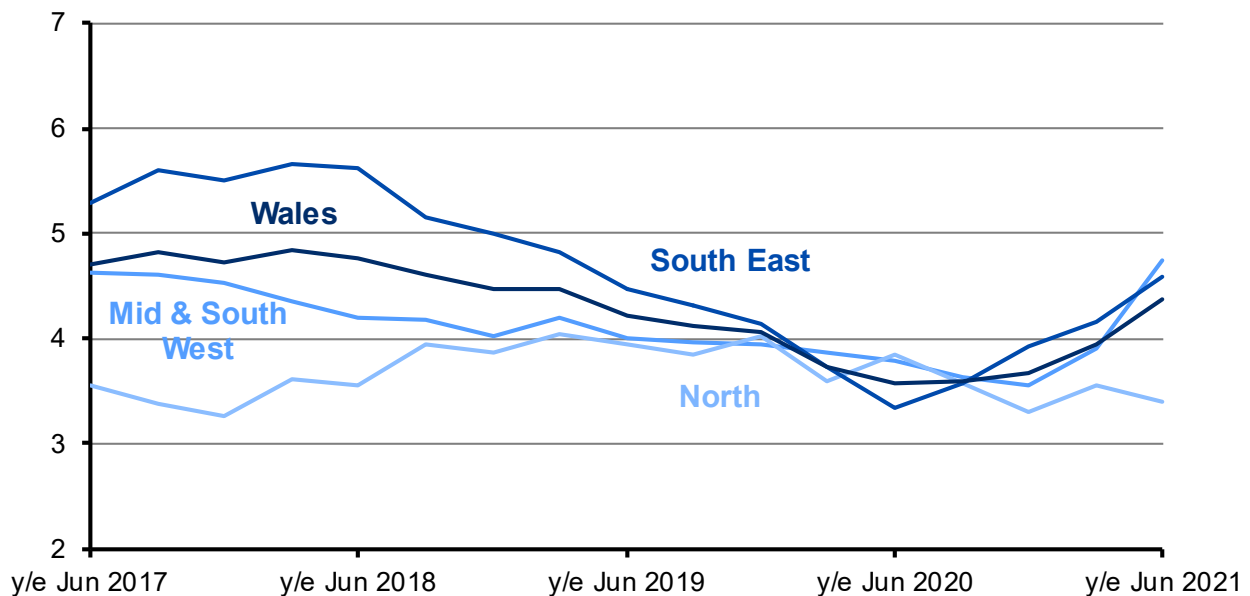
Source: Welsh Government analysis of Labour Force Survey

The unemployment rate for females in Wales is more volatile than for males. The unemployment rate for females in Wales in August to October 2021 was 4.2%, unchanged compared to the previous quarter and down 0.5 percentage points Over the year. The unemployment rate for females in the UK was 4.1% over the same period, down from 4.7% a year earlier. (Chart 1.3)

Annual Population Survey unemployment

Economic regions

Chart 2.4: ILO unemployment rate, economic regions (four quarter rolling average, percentage of economically active, not seasonally adjusted)



Source: Welsh Government analysis of Annual Population Survey

In the year ending June 2021, the unemployment rate decreased in North Wales (down 0.4 percentage points), but increased in Mid and South West Wales (up 0.9 percentage points) and South East Wales (up 1.3 percentage points). (Differences calculated using unrounded figures)

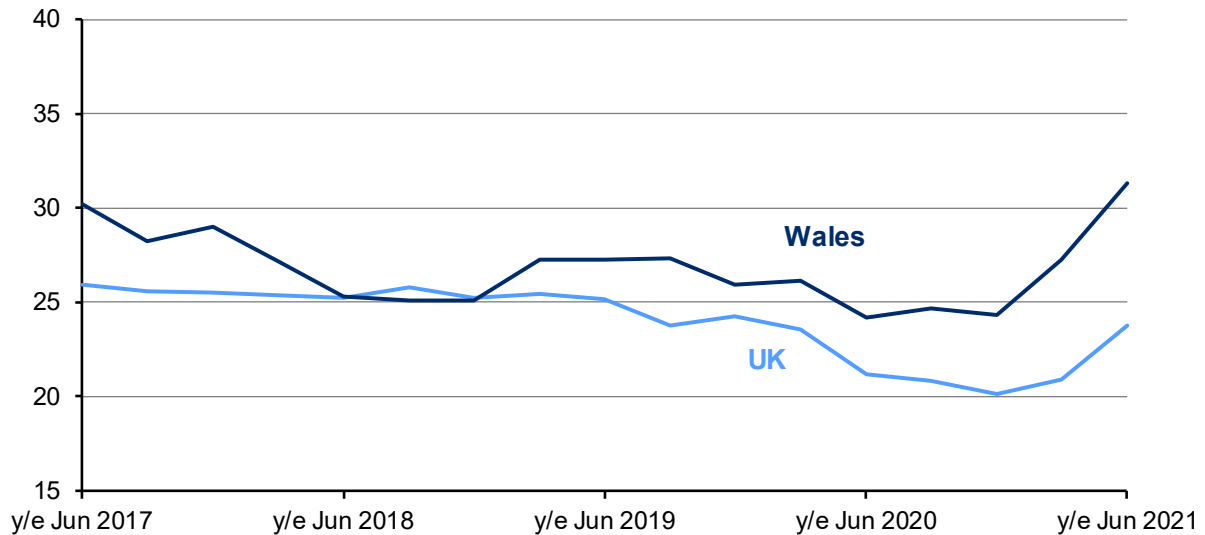
The overall trend for Wales and the three economic regions is a decrease in unemployment over the past four years, until the coronavirus pandemic. Before the end of 2019, the unemployment rate remained consistently higher in South East Wales than the other regions, and North Wales consistently had the lowest unemployment rate. Before the pandemic, the unemployment rate for the three economic regions had converged to similar values in the year ending September 2020, before diverging during the pandemic. (Chart 2.4)

Long-term unemployment, APS (ONS)

Long-term unemployment: Long-term unemployment is defined as those aged 16 and over who have been unemployed for more than 12 months. For Wales, this is sourced from the APS.

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.

Chart 2.5: Long-term ILO unemployment rates (percentage of all unemployed: four quarter rolling average)



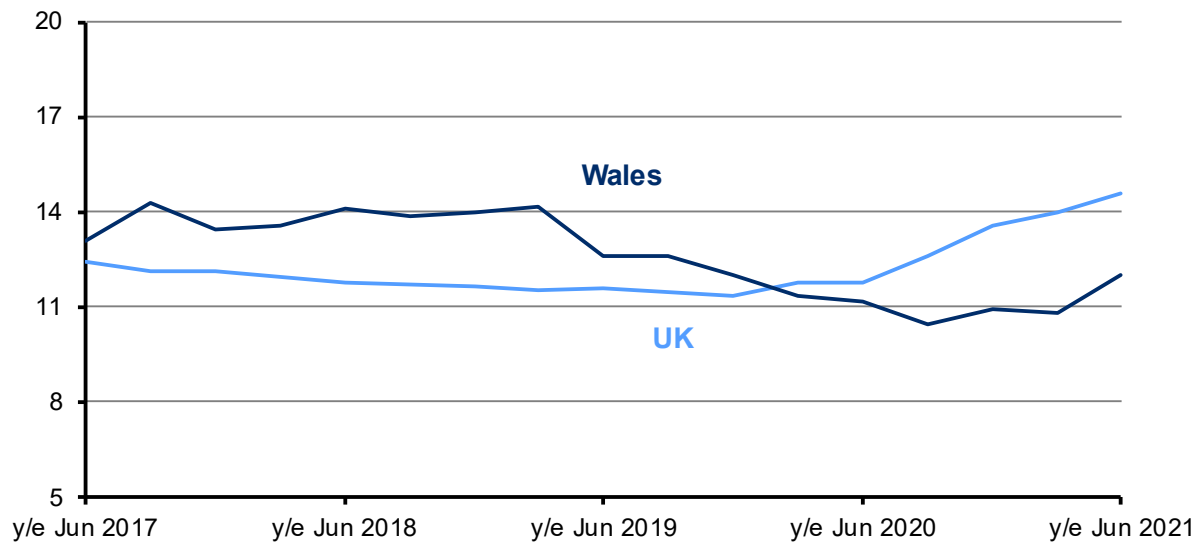
Source: Welsh Government analysis of Annual Population Survey

In the year ending June 2021, the Annual Population Survey (APS) estimates that 31.3% of all those unemployed in the year were long-term unemployed (12 months or more), up 7.1 percentage points over the year. The equivalent UK rate was 23.8%, up 2.6 percentage points over the year. (Chart 2.5)

Youth unemployment, APS (ONS)

Youth unemployment: Youth unemployment is defined as those aged 16 to 24 who are unemployed. For Wales, this is sourced from the APS.

Chart 2.6: Youth ILO unemployment rates (percentage of economically active: four quarter rolling average, not seasonally adjusted)



Source: Welsh Government analysis of Annual Population Survey

The youth unemployment (people aged 16-24) rate in Wales was generally higher in Wales than the UK from the middle of 2017 until the beginning of 2020 where it has dropped below the UK rate. In the year ending June 2021, the APS estimates that 12.0% of economically active adults aged 16-24 were unemployed, up 0.8 percentage points over the year. The equivalent UK rate was 14.6%, up 2.9 percentage points over the year. (Chart 2.6)

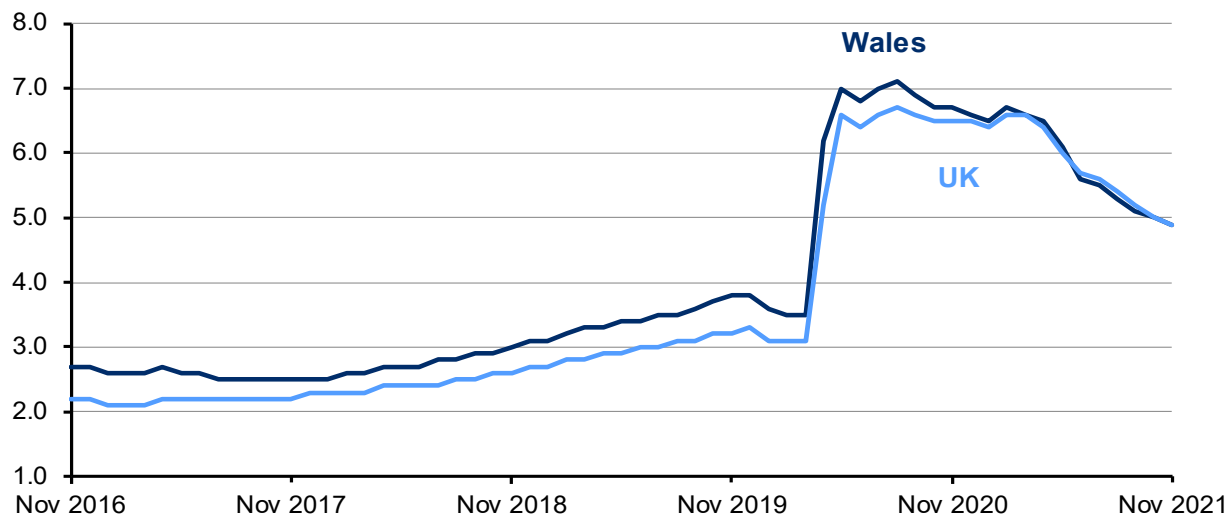
Claimant count (DWP)

Claimant Count: The number of people claiming unemployment-related benefits. Between 1996 and 2013, the Claimant Count was measured using claimants of Jobseeker's Allowance. In 2013 a new benefit, Universal Credit, which will replace a number of means-tested benefits, including the means-tested element of Jobseeker's Allowance, began to be rolled out. From the introduction of Universal Credit, those claimants who were receiving the benefit for unemployment reasons have been included in the Claimant Count.

The claimant count rate is the number of claimants resident in an area as a percentage of the sum of claimants and workforce jobs in the country or region.

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

Chart 2.7: Experimental claimant count rates (percentage of civilian workforce)



Source: Jobcentre Plus Administration System, Department for Work and Pensions

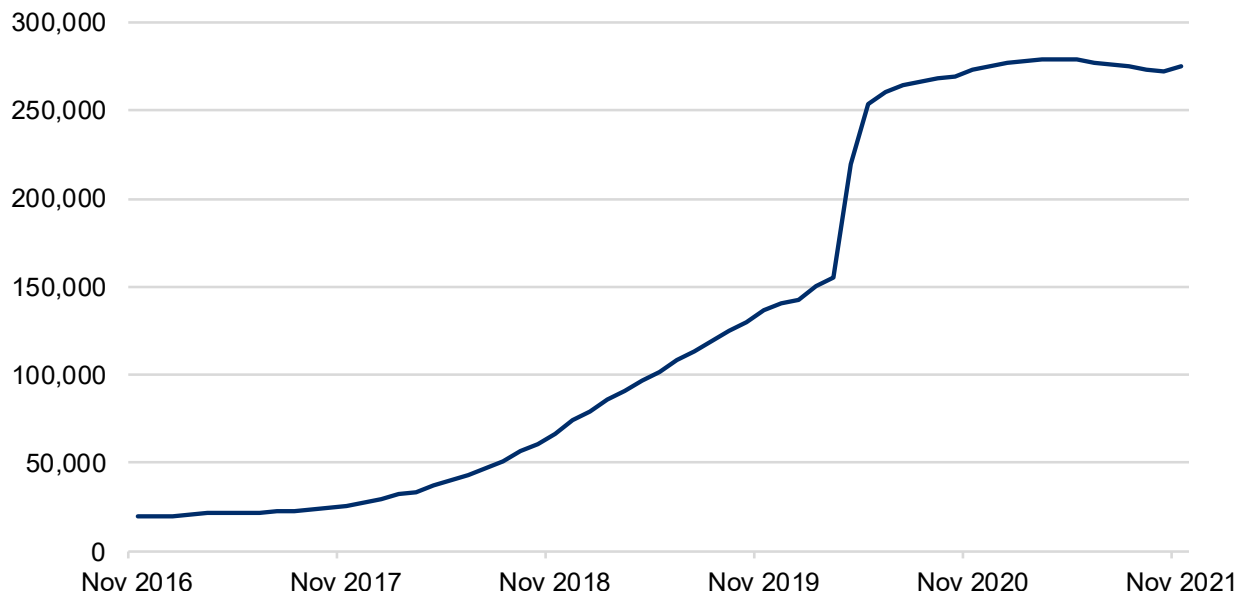
Experimental claimant count data showed a large increase at the start of the pandemic, although has recently started to decline from the peak in August 2020. In June 2021 Wales' rate had fallen below the UK rate for the first time since November 1994. The claimant count in Wales now stands at 82,100 (November 2021), an increase of 22,400 (37.5%) from February 2020. This is a rate of 4.9%, the lowest rate since March 2020. (Chart 2.7)

The claimant count rate in the UK now stands at 4.9%, this is also the lowest rate since March 2020.

Universal Credit (DWP)

Universal Credit: Universal Credit is a new benefit, which began to be rolled out in 2013, which will replace a number of means-tested benefits, including the means-tested element of Jobseeker's Allowance (JSA). Those Universal Credit claimants who are required to be seeking work are included in the Claimant Count estimates along with all claimants of JSA.

Chart 2.8: People on Universal Credit, Wales



Source: Universal Credit, Department for Work and Pensions

On 11th November 2021, there were 275,000 people on Universal Credit in Wales, a decrease of 4,600 people (1.6%) since the peak in March 2021. The number of people on Universal Credit increased considerably at the start of the pandemic with the largest monthly increases in April and May 2020 (41.4% and 15.5%, respectively). Historically, there have been only eight monthly decreases since the time series began in April 2015 and seven of them have been in the last eight months.

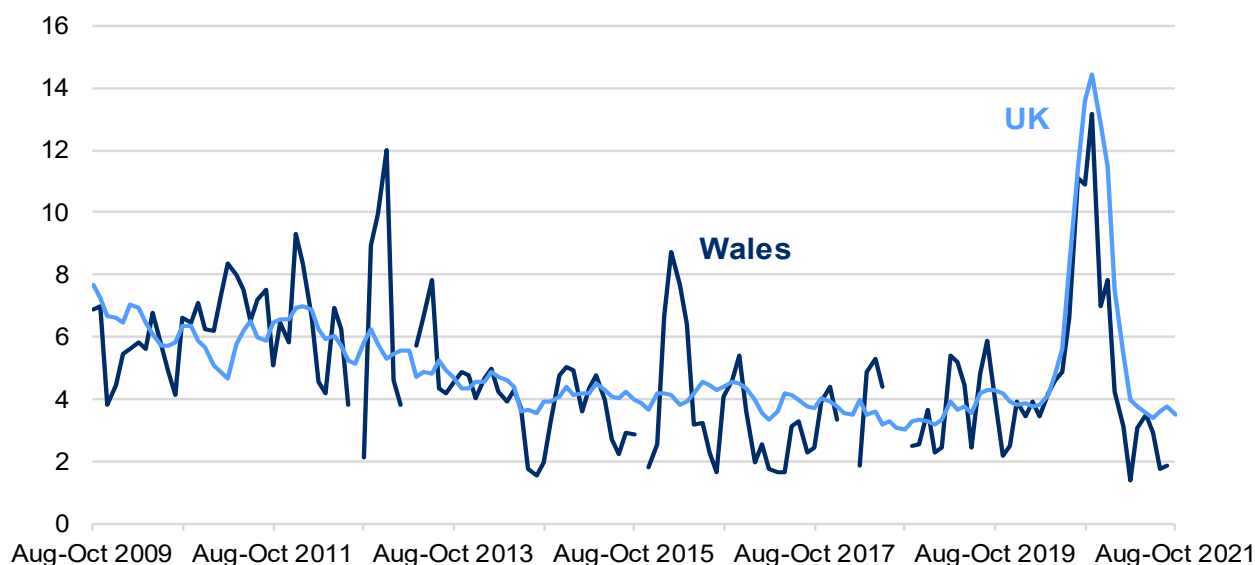
“No Work Requirements” was the largest conditionality with 83,800 people, which increased the most over the month (2.2%). Since 12th March 2020, the number of people in this group has increased by 77.5%.

Redundancies, LFS (ONS)

Redundancies: The number of people, whether working or not working, who were made redundant or had taken voluntary redundancy in the month of the Labour Force Survey (LFS) reference week or in the two previous calendar months.

The redundancy rate from the LFS is the ratio of the redundancy level for the given quarter to the number of employees in the previous quarter, multiplied by 1,000. The redundancy rate in Wales is very volatile compared to the UK. The redundancy rates for both Wales and the UK reached their highest point during September to November 2020, with Wales having a slightly lower rate than the UK.

Chart 2.9: Redundancy rates, Wales and UK



Source: Welsh Government analysis of Labour Force Survey

The redundancy rate in Wales increased during the pandemic to the highest rate since the 2009 recession in September to November 2020 (13.2 redundancies per thousand). It has since fallen to the lowest since the series began in February to April 2021 (1.4 redundancies per thousand). This month (August to October 2021) the redundancy rate was suppressed on disclosure grounds.

The redundancy rate in the UK also peaked in September to November 2020 (14.4 redundancies per thousand) and decreased to the lowest rate since the start of the pandemic in May to July 2021 (3.4 redundancies per thousand). This month (August to October 2021) the UK redundancy rate stood at 3.5 redundancies per thousand.

Note: The redundancy figures for Wales are based on a small sample size and is therefore volatile. This may result in less precise estimates, which should be used with caution.

3. Economic inactivity

Key points

- The economic inactivity rate in Wales was 23.2%. This was up 1.2 percentage points over the quarter, and down 1.1 percentage points compared to the same period a year earlier. This is the largest quarterly increase since July to September 2019. (Labour Force Survey, ONS)
- The latest quarterly figures show that the economic inactivity rate increased for males and females compared to the previous quarter but decreased for males and increased for females compared to the previous year. (Labour Force Survey, ONS)
- In the year ending June 2021, the economic inactivity rate increased in two of the three economic regions compared with the previous year. (Annual Population Survey, ONS)
- The most common reason given for economic inactivity in the UK was being a student (26.7%), down by 1.4 percentage points over the quarter and down by 0.3 percentage points over the year. Long-term sick was the second most common reason (25.9%), up by 0.6 percentage points compared to a year earlier. (Labour Force Survey, ONS)
- In the year ending June 2021, the most common reason for economic inactivity for males in Wales was long-term sickness (32.6% of all economically inactive males), while for females it was looking after family (27.7% of all economically inactive females). (Annual Population Survey, ONS)

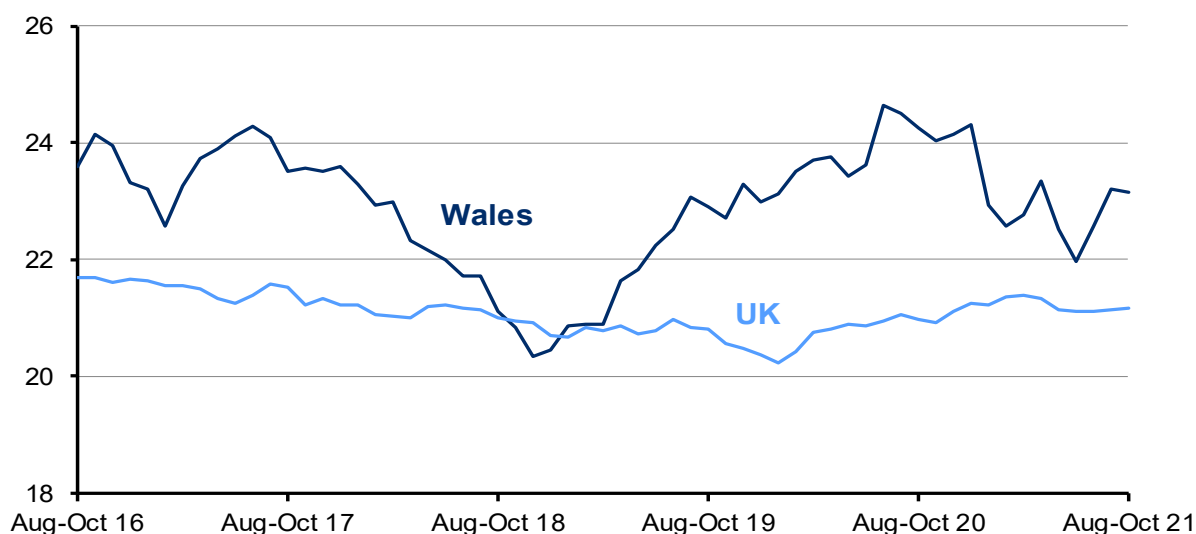
Labour Force Survey economic inactivity (ONS)

Economic Inactivity: Economically inactive people are those without a job who have not actively sought work in the last four weeks, and/or are not available to start work in the next two weeks.

The headline inactivity rate is calculated by dividing the inactivity level for those aged from 16 to 64 divided by the population for that age group.

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. From 2018, the rate in Wales generally rose until mid 2020 and has since decreased, corresponding with opposite movements in the employment rate (Charts 1.1 and 1.2).

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



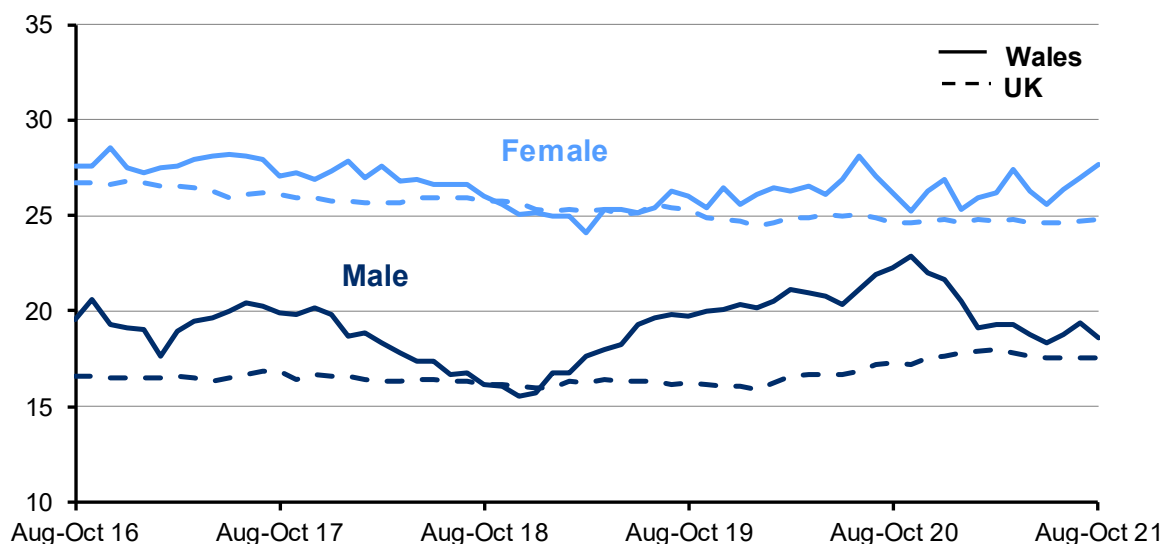
Source: Welsh Government analysis of Labour Force Survey

The latest labour market statistics show that the economic inactivity rate was 23.2% in Wales in August to October 2021. This was up 1.2 percentage points over the quarter, and down 1.1 percentage points compared to the same period a year earlier. This is the largest quarterly increase since July to September 2019. The rate of economically inactive people in the UK was 21.2%, up slightly on the previous quarter and up 0.2 percentage points on the previous year. (Chart 3.1).

Economic inactivity and sex

The latest quarterly figures show that the economic inactivity rate increased for males and females compared to the previous quarter but decreased for males and increased for females compared to the previous year. The trend of increasing economic inactivity in males can be seen in both Wales and across the UK as a whole since late 2018, however rates in Wales have begun to decrease in recent months. September to November 2020 inactivity rates for males were the highest they have been since 2001 in Wales.

Chart 3.2: Economic inactivity rate by sex, Wales and UK (percentage of those aged 16-64)



Source: Welsh Government analysis of Labour Force Survey

The economic inactivity rate for males in Wales was 18.6% for August to October 2021, up by 0.3 percentage points on the previous quarter and down 3.6 percentage points on the year. This is the largest annual decrease since November to January 2019. The rate of economically inactive males in the UK increased to 17.6% over the same period, up from 17.3% in the previous year. (Chart 3.2)

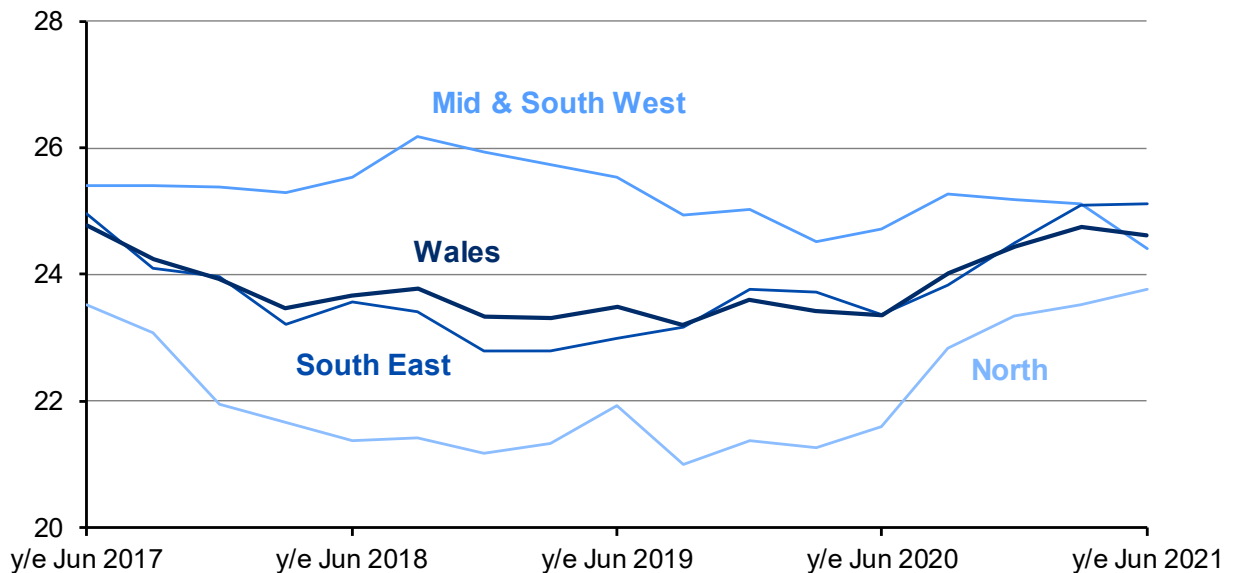
Women have higher inactivity rates than males, primarily because they are more likely to have full-time caring responsibilities. The rate of female economic inactivity in Wales was 27.7% during August to October 2021, up 2.1 percentage points over the quarter, and up 1.4 percentage points from a year earlier.

Over the longer term, the inactivity rate for females in Wales has experienced a large fall, from a high of 37.2% in 2002. It increased from late 2018 to mid-2020 and has since been quite volatile. The economic inactivity rate for females in the UK was 24.8% in August to October 2021, up from 24.6% a year earlier (Chart 3.2).

Annual Population Survey - economic regions (ONS)

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 3.3: 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

In the year ending June 2021, the economic inactivity rate increased in two of the three economic regions compared with the previous year. The rate increased by 2.2 percentage points in North Wales and by 1.8 percentage points in South East Wales, but decreased by 0.3 percentage points in Mid and South West Wales. (Differences calculated using unrounded figures)

Reasons for economic inactivity, LFS and APS (ONS)

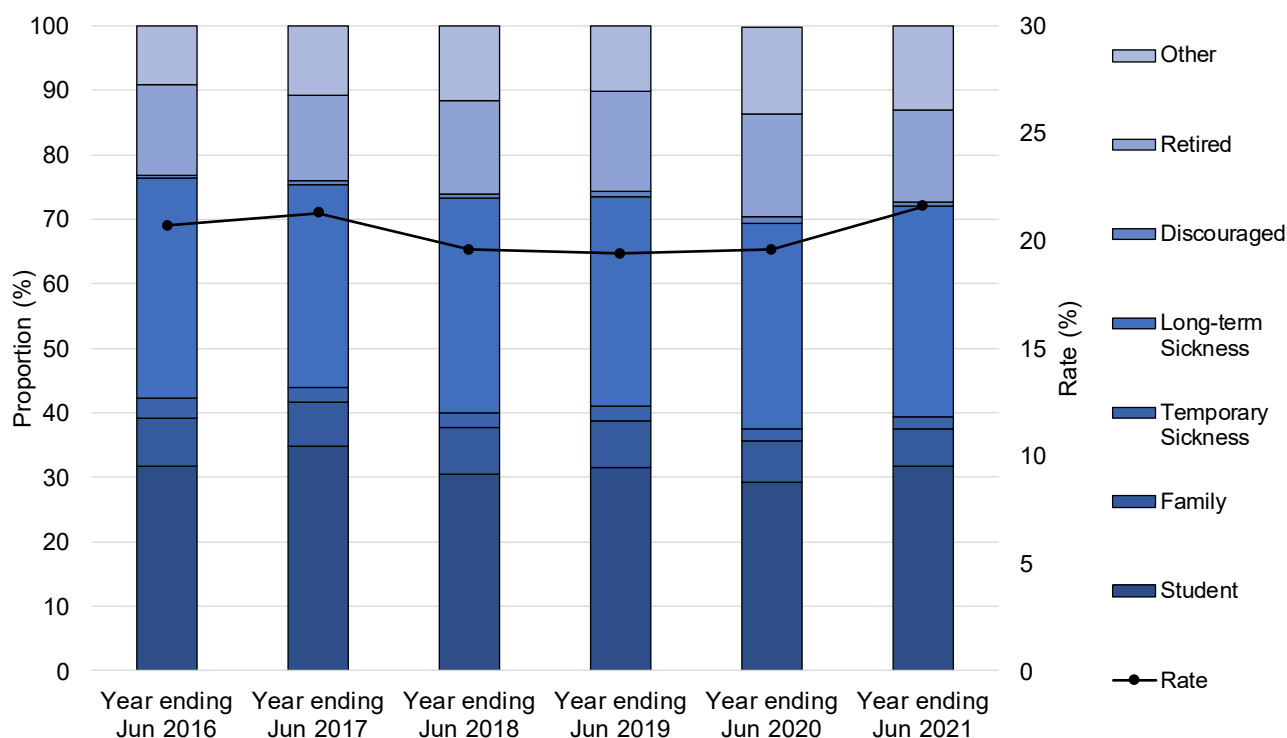
Reasons for economic inactivity: This section analyses the reasons given for people being economically inactive. The categories for this measure are; Student, Looking after family, Long-term sickness, Temporary sickness, Discouraged, Retired, and Other.

The economic inactivity rate in Wales, according to the LFS, is similar to the rate prior to the coronavirus pandemic. However, the economic inactivity rate for males increased dramatically until September to November 2020, which saw the highest rate in Wales since May to July 2001 but fell for females, to a lesser extent, over the same period. Initial analysis of the LFS and APS has been carried out to find out the reasons for economic inactivity in Wales and the UK. While it is too early to draw firm conclusions, this analysis is important in understanding the impact of the coronavirus pandemic on the labour market and we will continue to monitor the data over the coming months.

Although the LFS provides headline economic inactivity rates for males and for females in Wales (aged 16 to 64), the sample sizes don't allow us to look at the reasons for the economic inactivity in Wales for males and females separately, although it is possible across the UK.

The most common reason given for economic inactivity in the UK was being a student (26.7%), down by 1.4 percentage points over the quarter and down by 0.3 percentage points over the year. Long-term sick was the second most common reason (25.9%), up by 0.6 percentage points compared to a year earlier. Looking after family/home increased over the year (up 0.2 percentage points). The percentage of economically inactive people who want a job (19.5%) was down 0.3 percentage points from the last quarter, and down 3.1 percentage points from the year before.

Chart 3.4: Male Economic Inactivity by Reason and Male Economic Inactivity Rate in Wales (aged 16-64)



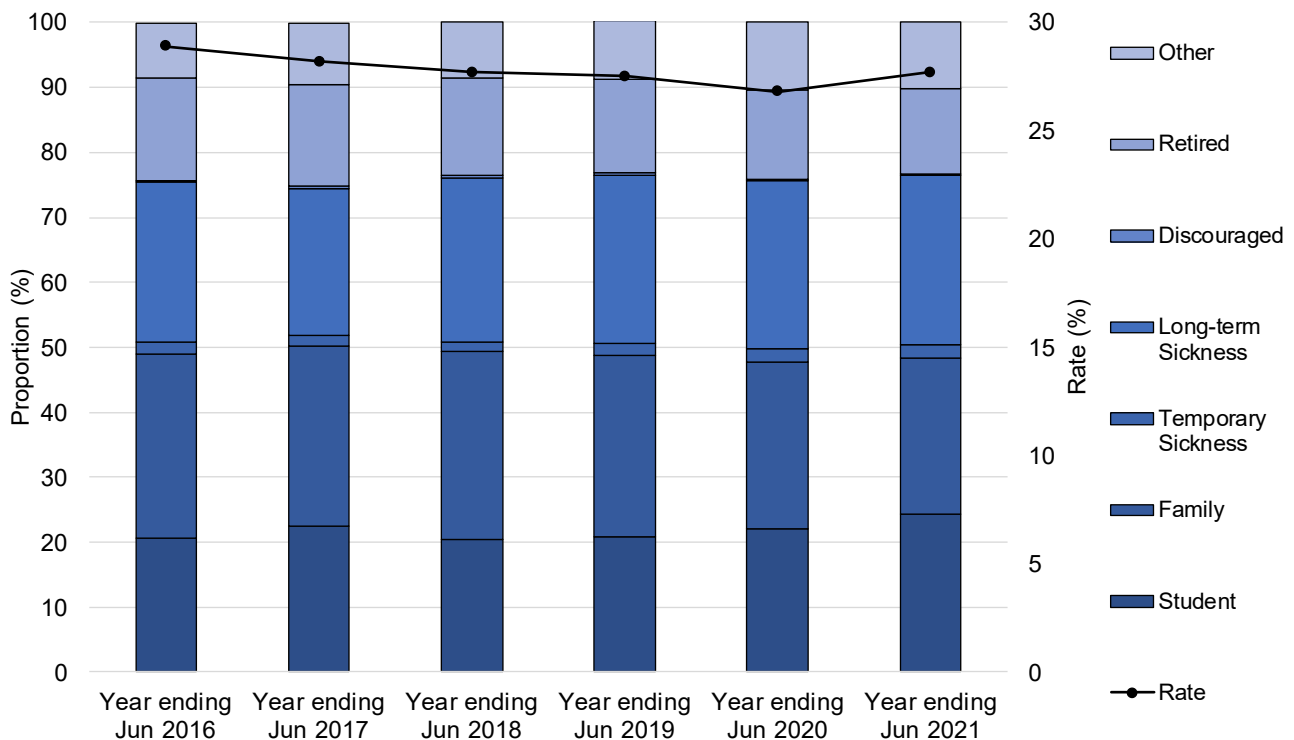
Source: Welsh Government analysis of Annual Population Survey

The most common reason for male economic inactivity in the UK during August to October 2021, according to the LFS, was being a student, which was down slightly over the year to 32.9% of all

economically inactive males. Long-term sickness accounted for 29.2% of all economically inactive males, up 0.5 percentage points from the previous year.

The most common reason for economic inactivity for males in Wales was long-term sickness, which increased by 0.8 percentage points to 32.6% of all economically inactive males in the year ending June 2021. This was closely followed by being a student accounting for 31.8% of all economically inactive males, up by 2.6% from a year earlier.

Chart 3.5: Female Economic Inactivity by Reason and Female Economic Inactivity Rate in Wales (aged 16-64)



Source: Welsh Government analysis of Annual Population Survey

The most common reason for female economic inactivity in the UK during August to October 2021 was looking after family/home. This increased by 0.2 percentage points over the year to 27.6% of all economically inactive females. The proportion of economically inactive females giving the reason as “long-term sick” increased by 0.8 percentage points over the year to 23.6%.

Looking at the APS for the year ending June 2021, the most common reason for economic inactivity for females in Wales was long-term sickness, 26.1% of all economically inactive females in Wales and up 0.2 percentage points on the year. Over the same period, the proportion of students increased and those looking after family decreased, accounting for 24.3% and 24.1% all economically inactive females, respectively.

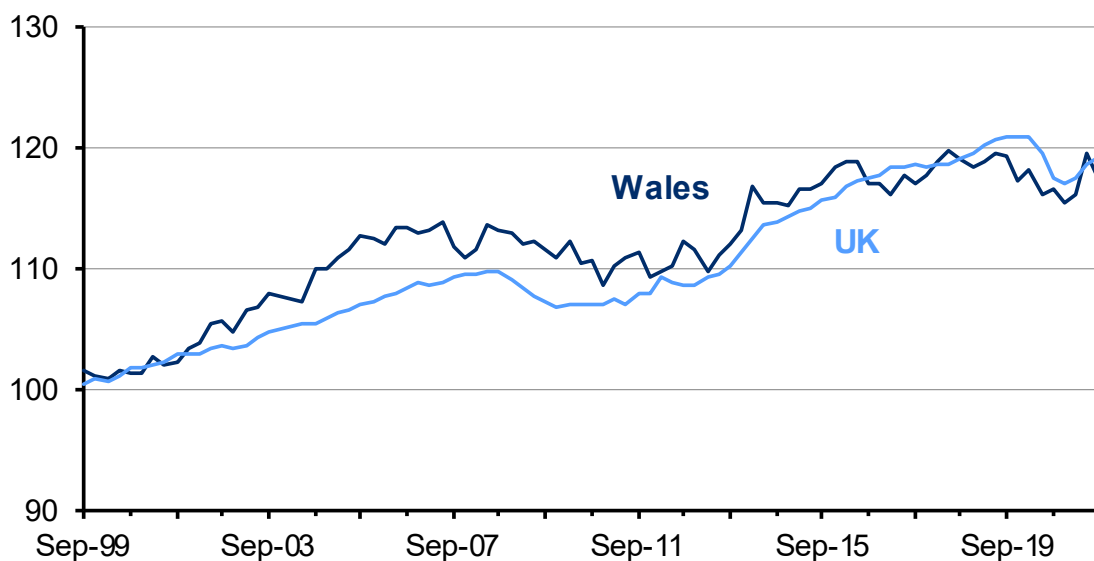
4. Workforce Jobs (ONS)

Workforce Jobs: The number of people with jobs is not the same as the number of jobs. This is because a person can have more than one job. The number of people with jobs is measured by the Labour Force Survey (LFS). The number of jobs is measured by Workforce Jobs (WFJ) and is the sum of employee jobs from employer surveys, self-employment jobs from the LFS, those in HM Forces and government- supported trainees. The LFS and WFJ measures are reconciled each quarter in an [article published](#) on ONS' website. Jobs vacancies are measured separately by the Vacancy Survey.

Key points

- The number of workforce jobs in Wales rose by 4,000 (0.3%) between September 2020 and September 2021 to 1.45 million. (Workforce Jobs, ONS)
- The number of self-employment jobs in Wales increased by 42,900 (29.7%) between September 1999 and September 2021 to 187,400. (Workforce Jobs, ONS)

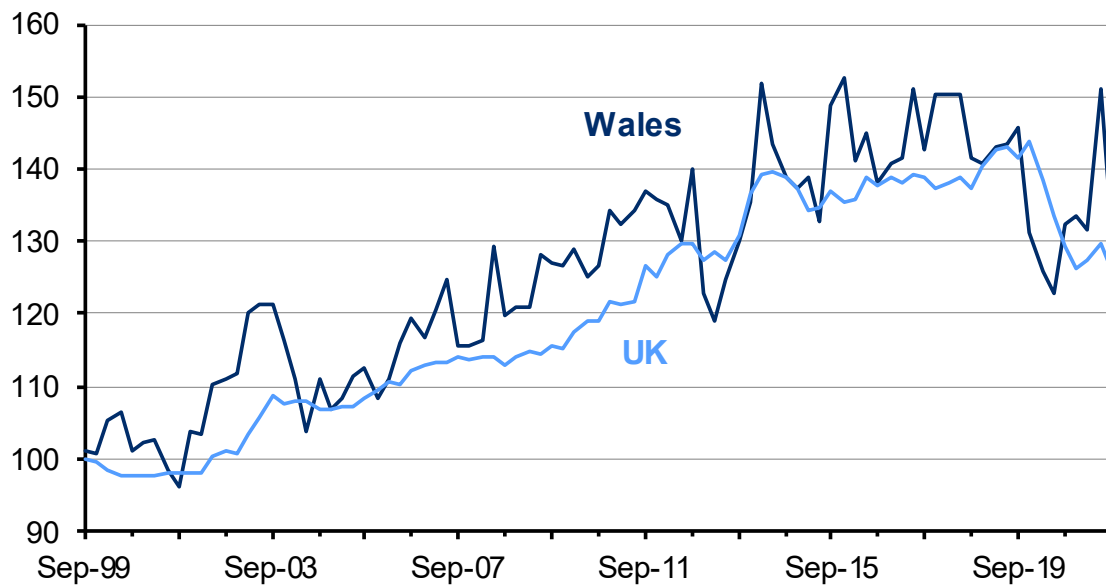
Chart 4.1: Workforce jobs (Index 1999=100)



Source: Welsh Government analysis of Workforce Jobs, ONS

Between September 1999 and September 2021, the number of workforce jobs in Wales rose by 193,200 (15.3%). The number of workforce jobs in the UK decreased over the year by 499,500 (1.4%) to 35.1 million but has increased by 5.6 million (18.8%) since September 1999. (Chart 4.1)

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



Source: Welsh Government analysis of Workforce Jobs, ONS

The number of self-employment jobs in Wales increased by 42,900 (29.7%) between September 1999 and September 2021 to 187,400 (12.9% of workforce jobs compared to 11.5% in June 1999). However, it is important to note the volatility of this series. The estimate of the number of self-employment jobs in the UK was 4.1 million, down 112,900 (2.7%) over the year (11.7% of workforce).

5. Key quality information

5.1 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](#).

When ONS applied the recent weighting methodology for the LFS, there was a small error in the implementation. When calculating three-month averages for the 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 was that 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 APS estimates for the UK 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.

5.2 Accuracy

Some of the data in this bulletin is based on sample surveys meaning it is subject to sampling variability. The LFS is a sample survey and, as such, estimates obtained from it are subject to sampling variability. If we drew many samples, each would give a different result.

Table 5.1 shows the sampling variability of the estimates, and quarterly and annual changes using 95% confidence intervals. We would expect that in 95% of samples the range would contain the true value. Due to the LFS five wave structure, this means it can be used to assess changes over six quarters or more. The confidence intervals have been calculated using data that are not

seasonally adjusted, with the relevant sampling errors produced then applied to the seasonally adjusted data.

If the 'quarterly or annual change' of an estimate is larger than the 'confidence interval around the change', the change is statistically significant. If none of the reported changes over the year or the quarter were statistically significant, then the recorded changes did not exceed the variability expected from a sample survey of this size.

Table 5.1: 95% confidence intervals for LFS figures: Wales, August to October 2021

| | Estimates | | | Quarterly changes | | | Annual changes | | |
|-----------------------------|-------------|----------|-------------|-------------------|------------------|-------------|----------------|---------------|-------------|
| | Lower limit | Estimate | Upper limit | Lower limit | Quarterly change | Upper limit | Lower limit | Annual change | Upper limit |
| Employment level | 1,438 | 1,477 | 1,516 | -67 | -16 | 34 | -32 | 25 | 81 |
| Employment rate | 71.9% | 74.0% | 76.1% | -3.4% | -0.6% | 2.1% | -1.4% | 1.7% | 4.9% |
| Unemployment level | 41 | 56 | 71 | -30 | -9 | 11 | -37 | -14 | 10 |
| Unemployment rate | 2.7% | 3.7% | 4.6% | -1.9% | -0.5% | 0.8% | -2.5% | -0.9% | 0.7% |
| Economically active level | 1,496 | 1,533 | 1,570 | -73 | -25 | 22 | -43 | 11 | 64 |
| Economic activity rate | 74.9% | 76.8% | 78.8% | -3.8% | -1.2% | 1.4% | -1.8% | 1.1% | 4.0% |
| Economically inactive level | 391 | 440 | 488 | -40 | 23 | 85 | -93 | -22 | 49 |

Source: Labour Force Survey, 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.

APS reweighting

The changes ONS have made to the weighting should reduce the bias of estimates at high levels of aggregation. Some smaller breakdowns may be impacted negatively and more extreme changes could be seen given the reduced size of the underlying sample since the start of the pandemic.

The impact of reweighting is small for most of the headline data (below 0.2 percentage point change). However, the data for those aged 16 to 24, especially males, has changed significantly for some indicators. For example, the economic inactivity rate (excluding students) for males aged 16 to 24 was revised upward by 1.6 percentage points for the period year ending September 2020.

5.3 Timeliness and punctuality

This bulletin follows the ONS publication schedule of labour market data, available on the [National Statistics Release Calendar](#). Table 5.2 lists the date of last update and next update for each data source.
















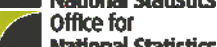
















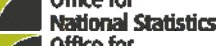






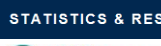

Table 5.2: Summary of data sources

| Data | Source | Last Updated | Next Updated |
|---|--|--------------|--------------|
| Coronavirus job retention scheme | Coronavirus Job Retention Scheme Statistics, HMRC | 16-Dec-2021 | N/A |
| Economic inactivity rate | Labour Force Survey, ONS | 14-Dec-2021 | 18-Jan-2022 |
| Economic inactivity rate (economic regions) | Annual Population Survey, ONS | 05-Oct-2021 | Jan-2022 |
| Employment rate | Labour Force Survey, ONS | 14-Dec-2021 | 18-Jan-2022 |
| Employment rate (economic regions) | Annual Population Survey, ONS | 05-Oct-2021 | Jan-2022 |
| Hours Worked | Labour Force Survey, ONS | 14-Dec-2021 | 18-Jan-2022 |
| Experimental Real Time Pay Information | Real Time Pay As You Earn Information, HMRC | 14-Dec-2021 | 18-Jan-2022 |
| ILO unemployment rate | Labour Force Survey, ONS | 14-Dec-2021 | 18-Jan-2022 |
| ILO unemployment rate (economic regions) | Annual Population Survey, ONS | 05-Oct-2021 | Jan-2022 |
| Public sector employment | Regional Public Sector Employment, ONS | 14-Dec-2021 | Mar-2022 |
| Self-employment income support scheme | Self-Employment Income Support Scheme Statistics, HMRC | 04-Nov-2021 | N/A |
| Self-employment jobs | Workforce jobs, ONS | 14-Dec-2021 | Mar-2022 |
| Universal Credit | Universal Credit, DWP | 14-Dec-2021 | 18-Jan-2022 |
| Workforce jobs | Workforce jobs, ONS | 14-Dec-2021 | Mar-2022 |

5.4 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 5.3.

Table 5.3: Links to StatsWales, WG headlines and ONS analysis

| Measure | Data Link | WG Headline Link |
|--|--|---|
| Claimant count |  |  |
| Economic inactivity rate |  |  |
| Employment rate |  |  |
| Exports |  |  |
| Gross Disposable Household Income |  |  |
| Gross Value Added |  |  |
| Gross weekly pay |  | |
| Out of work benefit claimants |  | |
| Public sector employment |  | |
| Self-employment jobs |  | |
| Short Term Output Indicators |  |  |
| Unemployment rate |  |  |
| VAT/PAYE registered enterprise births |  |  |
| VAT/PAYE registered enterprises |  |  |
| Workforce jobs |  | |
| Businesses Innovation Active (FG indicator) |  | |
| Employment above ¾ UK median wage (FG indicator) |  | |
| Gender Pay Gap (FG indicator) |  | |
| Employment (FG indicator) |  | |
| Disability employment, unemployment and inactivity |  | |
| Disability and employment |  | |
| Disability pay gap |  | |
| Ethnicity pay gap |  | |
| PAYE real time information |  | |
| Hours worked |  | |
| Universal credit |  | |
| Coronavirus job retention scheme |  |  |
| People on furlough (National Survey for Wales) |  | |
| Self-employment income support scheme |  |  |

5.5 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 5.3.

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.

5.6 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.

5.7 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:

- Focused the release on labour market data to provide users with a clear picture of how the pandemic is affecting the labour market.
- Used additional sources of data (e.g. HMRC PAYE data and the Coronavirus Job Retention Scheme) to illustrate the impact of the coronavirus pandemic in a timely way.
- Improved visuals by de-cluttering and standardising charts and tables.
- Added in information about statistical significance to clearly communicate to users the uncertainty in the data.
- Added in key points to each section so that users don't need to read the whole of each section for the key messages.
- Expanded the coverage of topics to include workforce jobs.

Expanded the coverage of topics to include workforce jobs 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.

5.8 Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural wellbeing of Wales. The Act puts in place seven wellbeing 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 wellbeing goals, and (b) lay a copy of the national indicators before Senedd Cymru. Under section 10(8) of the Well-being of Future Generations Act, where the Welsh Ministers revise the national indicators, they must as soon as reasonably practicable (a) publish the indicators as revised and (b) lay a copy of them before the Senedd. These national indicators were laid before the Senedd in 2021. The indicators laid on 14 December 2021 replace the set laid on 16 March 2016. This release includes the following national indicator:

- (21) percentage of people in employment

Information on the indicators, along with narratives for each of the well-being goals and associated technical information is available in the [Wellbeing 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.

5.9 Further details

Links

This document is available on our website: <https://gov.wales/labour-market-overview>

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

18 January 2022 (Headline)

20 January 2022 (Labour Market Overview 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.

Open Government Licence

All content is available under the [Open Government Licence v3.0](#), except where otherwise stated.

