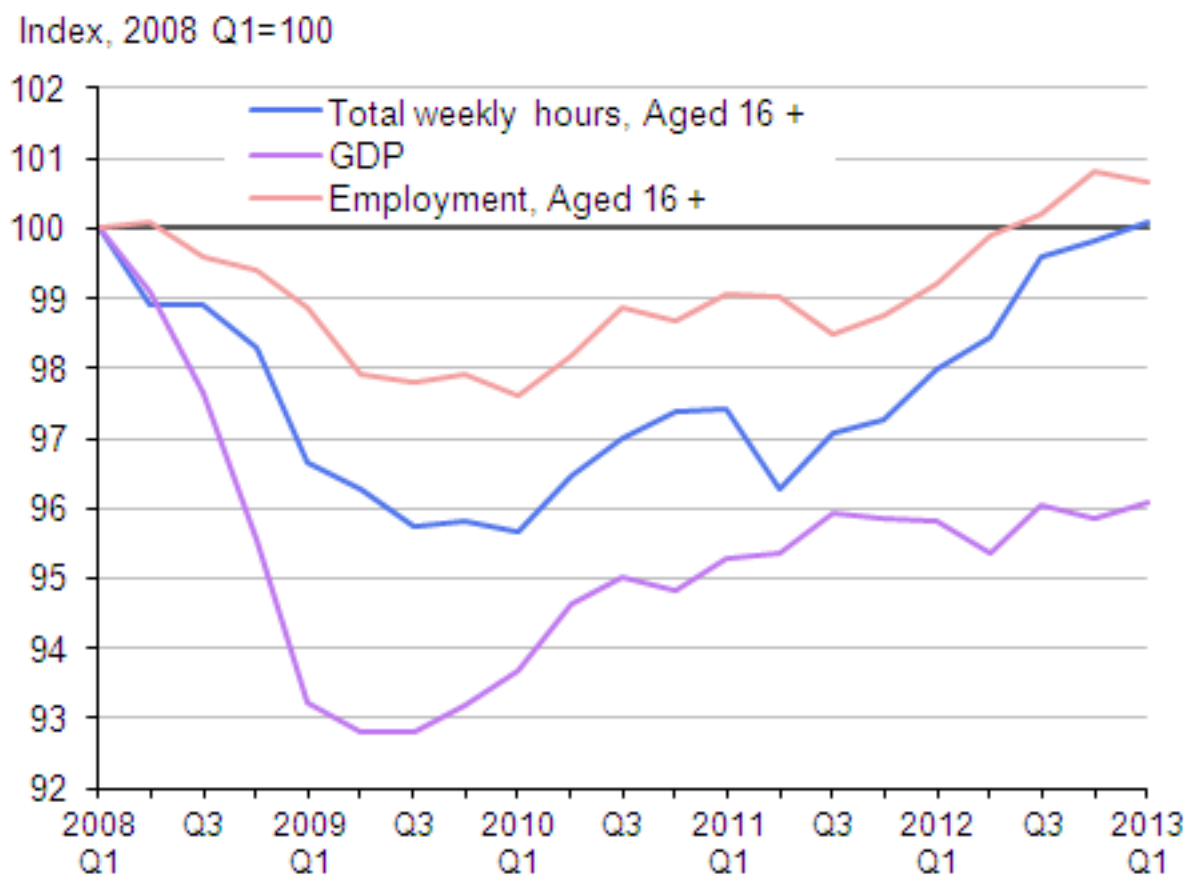


GDP and the Labour Market, 2013 Q1, June GDP Update

Index of output, employment and hours since 2008, seasonally adjusted



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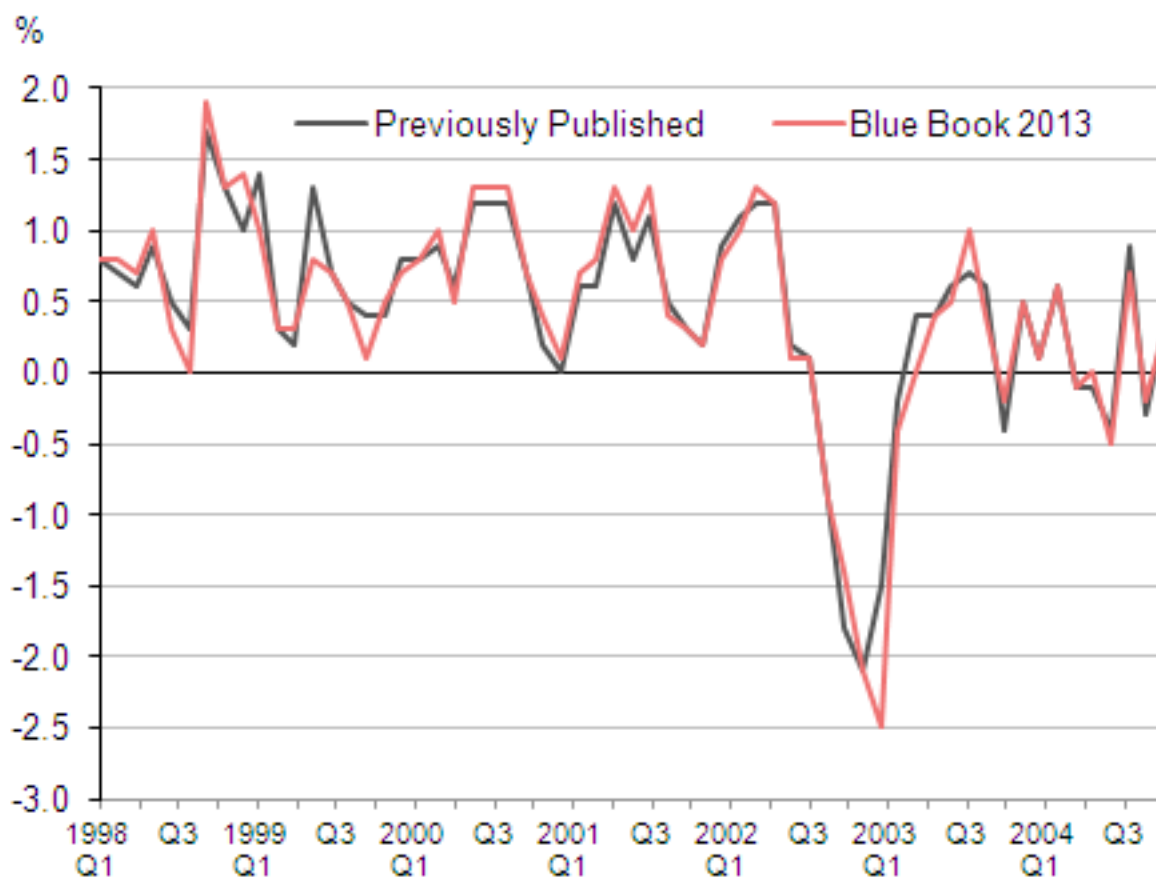
(19.5 Kb)

Gross Domestic Product (GDP) was unrevised in Q1 2013, growing by 0.3% on the quarter, following a contraction of 0.2% in Q4 2012.

In contrast, the labour market levelled off at the start of 2013 following strong increases in employment and hours during 2012. The employment rate was down 0.2 percentage points between the latest two calendar quarters to 71.4%, while the unemployment rate rose 0.1 percentage points to 7.8% of the economically active population. Weekly hours also increased, recovering their pre-recession peak and reaching a record high level.

The labour market has remained resilient relative to the growth of GDP throughout the period since 2008. During the recession itself, employment fell by around 2% peak-to-trough and total hours worked by around 4%. This compares with a much larger fall in GDP of 7.2%.

Blue Book 2013 revisions to real GDP growth (per cent changes on a year earlier)



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(31 Kb)

Each year, the UK national accounts are updated with new information, as well as incorporating methodological and classification changes, and the output from the annual supply and use balancing process. The latest results are published in Blue Book 2013. An article summarising the effects of the Blue Book 2013 changes, [‘Impact of changes in National Accounts and economic commentary for Q1 2013’](#), was released on 27th June 2013.

Due to Blue Book 2013, there have been revisions to quarterly GDP growth rates throughout the period since 1997. The peak-to-trough fall in GDP during the 2008/09 recession is now estimated to be 7.2%, revised from the previous estimate of 6.3%. As a result GDP in the latest quarter remains 3.9% lower than its pre-recession peak (previously estimated to be 2.6% lower). By contrast the level of employment is higher than it was at the pre-recession peak, although the employment rate of 71.4% in Q1 2013 is still below the 73% rate seen in Q1 2008.

Background notes

1. Sources

GDP: chained volume measures, seasonally adjusted, Office for National Statistics (ABMI)

Employment level: All aged 16 and over, seasonally adjusted, Labour Force Survey, Office for National Statistics (MGRZ)

Total weekly hours (millions), seasonally adjusted, Labour Force Survey, Office for National Statistics (YBUS)

Unemployment level: All aged 16 and over, seasonally adjusted, Labour Force Survey, Office for National Statistics (MGSC)

2. Notes

GDP data is from the "[Quarterly National Accounts - Q1 2013](#)" published on the 27 June 2013.

Labour Market data is from the "[Labour Market Statistics - May 2013](#)" published on the 15 May 2013.

3. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk

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