

Funding the Future

The Bank of England is stagnating the economy. Unless R...

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In the real world, rather than in that of elections, there is data in employment out this morning.

The [Office for National Statistics has published](#) these charts:

3. Latest indicators at a glance

Job vacancies

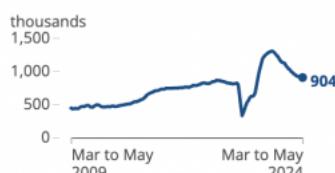
Number of job vacancies

Quarterly change: ▼-12,000
Since Jan-Mar 2020: ▲108,000

Vacancies decreased on the quarter but are above pre-pandemic levels.

Source: Vacancy Survey from ONS

[Read more](#)



Nominal Earnings

Average Weekly Earnings annual growth rates - nominal pay

Annual growth in both total (including bonuses) and regular (excluding bonuses) earnings continue to be strong, but not as strong as recent periods

Source: MWSS from ONS

[Read more](#)



Real Earnings

Average Weekly Earnings annual growth rates - real pay (using CPIH)

In recent periods, annual growth in both real total (including bonuses) and regular (excluding bonuses) earnings has risen on the year

Source: MWSS from ONS

[Read more](#)



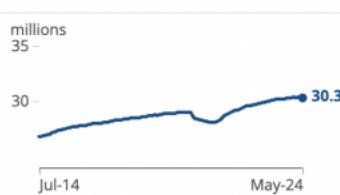
Payrolled employees

The number of payrolled employees

Monthly change: ▼-3,000
Since Feb 2020: ▲1,296,000

The number of payrolled employees is now well above pre-pandemic levels.

Source: PAYE RTI from HMRC



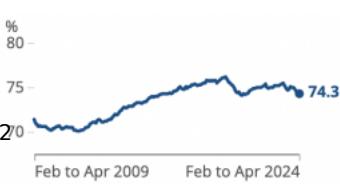
Employment rate

Employment rate (all aged 16 to 64)

Quarterly change: ▼-0.5pps
Since Dec-Feb 2020: ▼-1.9pps

The employment rate is down on the quarter and down on the year, and is still below pre-pandemic rates.

Note: Due to increased volatility of LFS



The summary is that the Bank of England is getting its way: unemployment is rising, as it wants.

Wages are, for now, sticky, but that is unsurprising: there is always a lag between rising unemployment and wages.

The number of people unable to work is also rising.

And so the number of people available to work is falling.

Put all that together and what do you get? Stagnation, at best.

So much for Rachel Reeves' talk of growth when the Bank of England is determined it should not happen by keeping interest rates high and investment rates low as a result.

When will Reeves take on the Bank? I doubt that she ever will.

So will Labour ever deliver on its plans? Right now, there seems to be not a hope that they can.