Centre for Economic Performance

Occasional Paper

No.77
August 2026

UK national productivity trends: getting the data right – August 2026 update

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Abstract
We compare standard productivity estimates of UK output per worker derived from the Labour Force Survey (LFS) with newly released estimates based on more reliable "Real Time Information" (RTI) administrative data. LFS-based productivity measures have been flat since 2024 Q3, a continuation of disappointing longer-term trends since the Global Financial Crisis. By contrast, RTI-based productivity estimates point to a meaningful productivity pickup. Between 2024 Q3 and 2026 Q2, our baseline administrative estimates indicate that productivity increased by 2.8 per cent, compared with just 0.3 per cent under the LFS-based measure. A divergence in labour input explains these differences. While some of the divergence could in principle reflect definitional and coverage differences between survey and administrative data, we believe that it is due to sampling challenges affecting the LFS, particularly during and since the pandemic. Given that administrative data currently provide the most reliable measure of employee growth, productivity estimates using such data provide a more accurate picture of recent developments.

This paper was produced as part of the Growth Programme. The Centre for Economic Performance is financed by the Economic and Social Research Council.

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Published by
Centre for Economic Performance
London School of Economic and Political Science
Houghton Street
London WC2A 2AE

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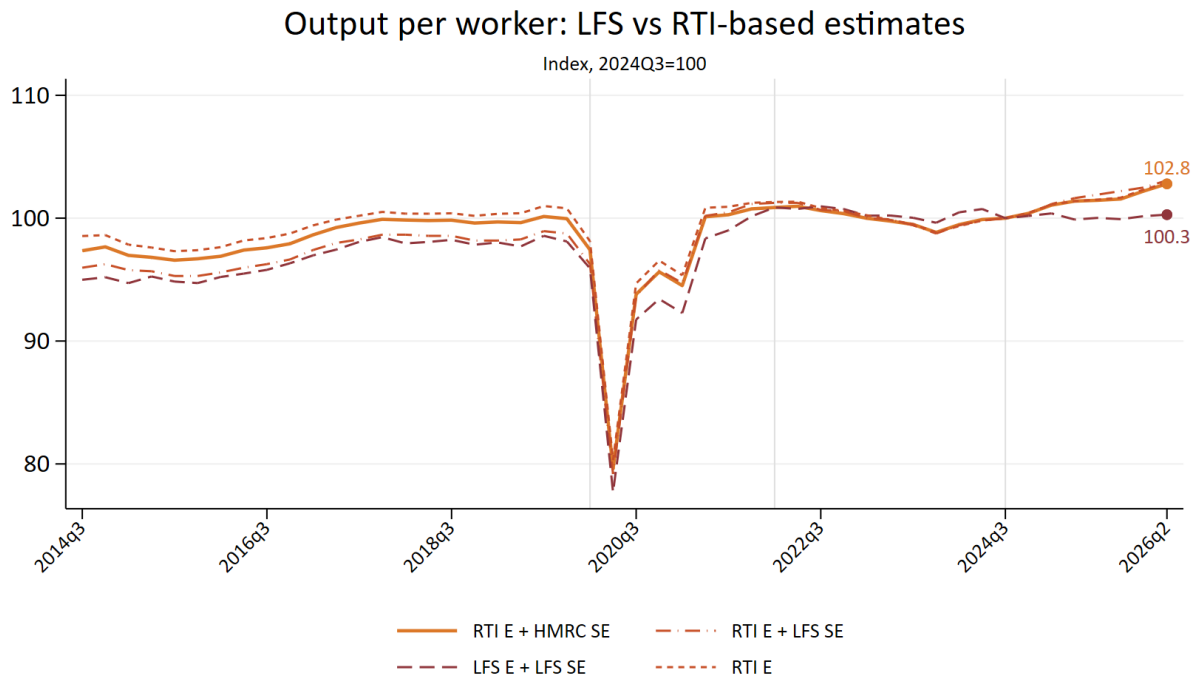
In this technical note, we compare standard productivity estimates of UK output per worker derived using labour inputs sourced from the Labour Force Survey (LFS) with newly released estimates based on more reliable "Real Time Information" (RTI) administrative data. We consider alternative measures of labour input and show, under conservative assumptions, that labour productivity appears to have picked up when using more accurate data.

This report contains updated figures on national productivity trends in the UK. The original paper used data up to 2026 Q1. Below are the productivity trends (Figure 1) and the associated growth rates (Table 1) using updated data for 2026 Q2. For the methodology behind these estimates please refer to: CEP occasional paper No 74. UK national productivity trends: getting the data right.

- Figure 1 shows alternative measures of output per worker (indexed such that 2024 Q3 = 100). All are constructed using the same numerator, inflation-adjusted gross value added ("real GVA"), but four alternative measures of labour input are used in the denominator.
- The LFS-based productivity measure (LFS E + LFS SE) increased by 0.3 per cent between 2024 Q3 and 2026 Q2 ("E" stands for Employees and "SE" for the Self-Employed).
- This was far lower than 2.8 per cent recorded over the same period using our preferred "baseline" measure, based on RTI employees and HMRC self-employment (RTI E + HMRC SE) – a measure constructed using only administrative data for labour inputs.
- The other two administrative estimates based on RTI employees show essentially the same productivity pick up; one uses LFS self-employed instead of HMRC self-employed (RTI E + LFS SE), and the other simply ignores the self-employed and considers only trends in RTI employees (RTI E).
- Table 1 compares growth rates over different periods implied by the four alternative productivity estimates. While different treatments of self-employment in the administrative series produce small differences in productivity growth estimates, all administrative-based estimates suggest that productivity growth has been materially stronger than the LFS-based measure in the period since 2024 Q3. We use RTI E + HMRC SE as our baseline productivity measure, which has seen slightly lower growth than the other two administrative measures.
- This baseline measure implies an annualised productivity growth of 1.6 per cent between 2024 Q3 and 2026 Q2, compared with only 0.3 per cent over the decade preceding 2024 Q3.

Figure 1: Productivity trends (alternative estimates)



Notes: All series use the same real GVA series (Chained Volume Measure), but different labour input measures. "RTI E + HMRC SE" uses RTI employees and HMRC self-employed; "LFS E + LFS SE" uses LFS employees and LFS self-employed; "RTI E + LFS SE" uses RTI employees and LFS self-employed; "RTI E" uses only RTI employees, disregarding self-employment; vertical lines indicate the start of Covid (2020 Q1), Ukraine war (2022 Q1) and the election of the Labour government (2024 Q3), respectively. For sources, see Appendix A.

Table 1: Productivity growth rates (alternative estimates)

	Annualised productivity growth rate (%)		Productivity growth (%)
Workers measure	**2014Q3 to 2024Q3**	**2024Q3 to 2026Q2**	**2024Q3 to 2026Q2**
RTI E + HMRC SE	**0.27**	**1.59**	**2.79**
RTI E + LFS SE	0.41	1.74	3.07
RTI E	0.15	1.63	2.88
LFS E + LFS SE	0.52	0.16	0.28

Notes: Annualised and total productivity growth by selected time windows, as shown. For description of series, see Figure 1 notes. For sources, see Appendix A.