

Labour market statistics: November 2011



Coverage: UK

Date: 16 November 2011

Geographical Area: UK and GB

Theme: Labour Market

For July to September 2011:

- The employment rate for those aged from 16 to 64 was 70.2 per cent, down 0.4 on the quarter. There were 29.07 million people in employment aged 16 and over, down 197,000 on the quarter.
- The unemployment rate was 8.3 per cent of the economically active population, up 0.4 on the quarter. There were 2.62 million unemployed people, up 129,000 on the quarter. The unemployment rate is the highest since 1996 and the number of unemployed people is the highest since 1994.
- The inactivity rate for those aged from 16 to 64 was 23.3 per cent, up 0.1 on the quarter. There were 9.36 million economically inactive people aged from 16 to 64, up 64,000 on the quarter.
- Total pay (including bonuses) rose by 2.3 per cent on a year earlier, down 0.4 on the three months to August 2011 (with both the private and public sectors showing lower pay growth).
- Regular pay (excluding bonuses) rose by 1.7 per cent on a year earlier, down 0.1 on the three months to August 2011.

In this bulletin

This Statistical Bulletin contains the latest estimates for employment, unemployment, economic inactivity, claimant count, average earnings, labour productivity, vacancies and labour disputes. All estimates discussed in this Statistical Bulletin are seasonally adjusted except where otherwise stated.

Regional estimates are available from the [Regional Labour Market Statistical Bulletin](#).

New this month:

Labour Force Survey and Average Weekly Earnings estimates for July to September 2011.

Claimant count estimates for October 2011.

Vacancies estimates for August to October 2011.

Labour disputes estimates for September 2011.

Also in this release:

Revisions to estimates of Average Weekly Earnings back to 2000 resulting from annual review of the seasonal adjustment process.

Summary of labour market statistics published on 16 November 2011

A video explaining this story is available on the [ONS You Tube channel](#).

The **employment rate** for those aged from 16 to 64 for the three months to September 2011 was 70.2 per cent, down 0.4 percentage points on the quarter. The **number of people in employment aged 16 and over** fell by 197,000 on the quarter and by 109,000 on the year to reach 29.07 million. This is the largest quarterly fall in the number of people in employment since the three months to July 2009. The number of employees fell by 305,000 over the quarter to reach 24.79 million. This is the largest quarterly fall in the number of employees since comparable records began in 1992. The number of self-employed people increased by 100,000 on the quarter to reach 4.09 million. This is the highest number of self-employed people since comparable records began in 1992. The number of people in other categories of employment increased by 8,000 over the quarter to reach 194,000.

The **unemployment rate** for the three months to September 2011 was 8.3 per cent of the economically active population, up 0.4 on the quarter. The last time the unemployment rate was higher was in the three months to January 1996. The total **number of unemployed people** increased by 129,000 over the quarter (the largest quarterly increase since the three months to July 2009) to reach 2.62 million. The number of unemployed people has not been higher since the three months to September 1994. The unemployment rate for people aged from 16 to 24 increased by 1.7 percentage points over the quarter to reach 21.9 per cent of the economically active population for that age group. The number of unemployed people aged from 16 to 24 increased by 67,000 over the quarter to reach 1.02 million; this figure includes 286,000 people in full-time education who were looking for part-time work. The unemployment level and rate for people aged from 16 to 24 are the highest since directly comparable records began in 1992. However earlier data, calculated on a slightly different basis, indicates that the level of youth unemployment was higher in the mid-1980s.

The **inactivity rate** for those aged from 16 to 64 for the three months to September 2011 was 23.3 per cent, up 0.1 on the quarter. The **number of economically inactive people** aged from 16 to 64 rose by 64,000 over the quarter to reach 9.36 million. This quarterly increase in economic inactivity was mainly due to an increase of 58,000 in the number of students not active in the labour market to reach 2.30 million.

There were 1.60 million people claiming **Jobseeker's Allowance** (JSA) in October 2011, up 5,300 on September. The claimant count has increased for eight consecutive months. However this is a smaller increase than in previous months and the number of people claiming JSA for up to six months fell by 27,500 between September and October to reach 962,000.

The whole economy **earnings annual growth rate for total pay** (including bonuses) fell by 0.4 percentage points between the three months to August 2011 and the three months to September to reach 2.3 per cent. The annual growth rate for the private sector fell from 2.9 per cent to 2.4 per cent and the public sector growth rate fell from 2.5 per cent to 2.3 per cent.

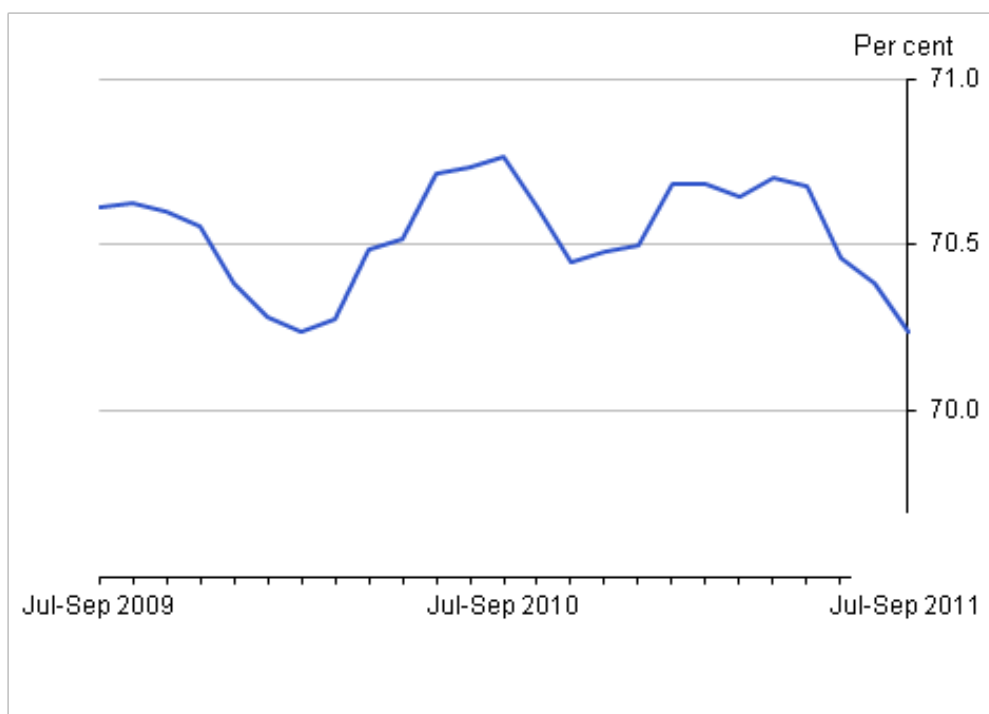
The whole economy **earnings annual growth rate for regular pay** (excluding bonuses) fell by 0.1 percentage point to reach 1.7 per cent in the three months to September 2011.

A [summary of key statistics](#) is available on the website.

Employment

Employment measures the number of people in paid work and differs from the number of jobs because some people have more than one job. A comparison between estimates of employment and jobs is available in an [article published on the website](#) on 14 September 2011. The employment rate for those aged from 16 to 64 was 70.2 per cent in the three months to September 2011, down 0.4 percentage points on the three months to June 2011 and down 0.5 percentage points from a year earlier.

Employment rate (aged 16 to 64), seasonally adjusted



Source: Labour Force Survey - Office for National Statistics

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The employment rate for men aged from 16 to 64 was 75.1 per cent, down 0.7 percentage points on the previous quarter. The corresponding employment rate for women was 65.4 per cent, down 0.2 percentage points on the previous quarter.

The number of people in employment was 29.07 million in the three months to September 2011, down 197,000 from the three months to June 2011 and down 109,000 on a year earlier. The number of people in full-time employment was 21.27 million in the three months to September 2011, down 80,000 from the three months to June 2011. Of this total, 13.58 million were men and 7.68 million were women. The number of people in part-time employment was 7.80 million in the three months to September 2011, down 117,000 from the three months to June 2011. Of this total, 1.96 million were men and 5.84 million were women.

The number of people in public sector employment was 6.04 million in June 2011, down 111,000 from March 2011. The estimate for March 2011 includes 15,000 people employed on a temporary basis in connection with the 2011 Census, but there were only 1,000 people employed in these temporary jobs in June 2011. Excluding people employed in temporary Census posts, the fall in public sector employment between March and June 2011 was 97,000. The number of people in private sector employment in June 2011 was 23.13 million, up 41,000 from March 2011. Further information on public sector employment is available in the [Public Sector Employment Statistical Bulletin](#).

Employment by country of birth and nationality (not seasonally adjusted)

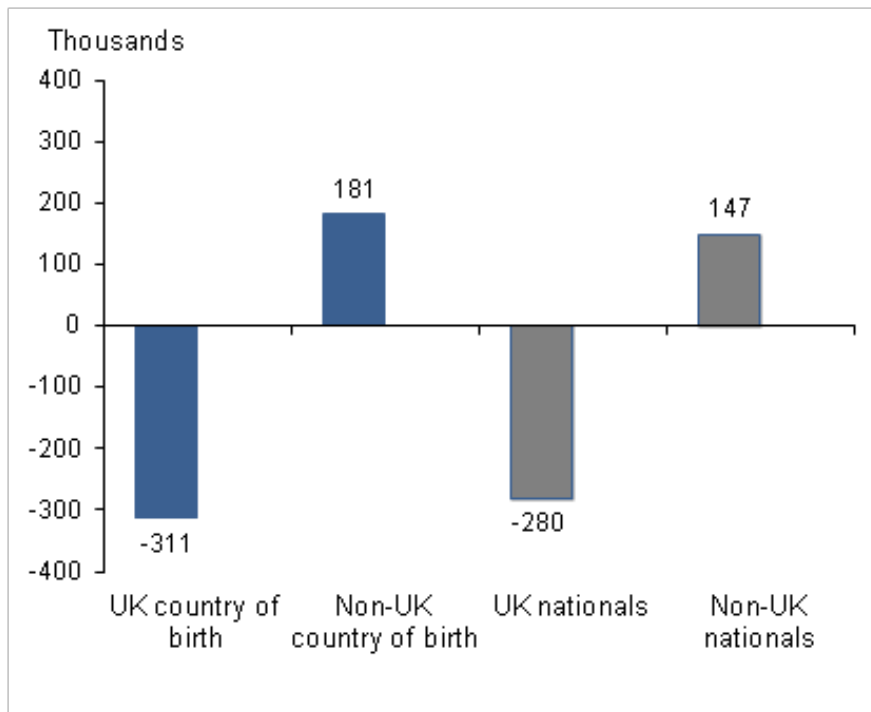
ONS publishes estimates of employment by both country of birth and by nationality. The number of non-UK born people in employment is greater than the number of non-UK nationals in employment, as the non-UK born series includes many UK nationals. The estimates relate to the number of people in employment rather than the number of jobs. These statistics have sometimes been incorrectly interpreted as indicating the proportion of new jobs that are taken by foreign migrants.

The number of UK nationals in employment was 26.60 million in the three months to September 2011, down 280,000 on a year earlier. The number of non-UK nationals in employment was 2.56 million, up 147,000 from a year earlier.

The employment rate for UK nationals aged from 16 to 64 was 70.7 per cent in the three months to September 2011, down 0.6 percentage points on a year earlier. The corresponding employment rate for non-UK nationals was 68.3 per cent, unchanged on a year earlier.

The number of UK born people in employment was 25.08 million in the three months to September 2011, down 311,000 on a year earlier. The number of non-UK born people in employment was 4.08 million, up 181,000 from a year earlier.

The employment rate for UK born people aged from 16 to 64 was 71.1 per cent in the three months to September 2011, down 0.5 percentage points on a year earlier. The corresponding employment rate for non-UK born people was 67.3 per cent, down 0.5 percentage points on a year earlier.

Employment by country of birth and nationality, changes on year (not seasonally adjusted)

Source: Labour Force Survey - Office for National Statistics

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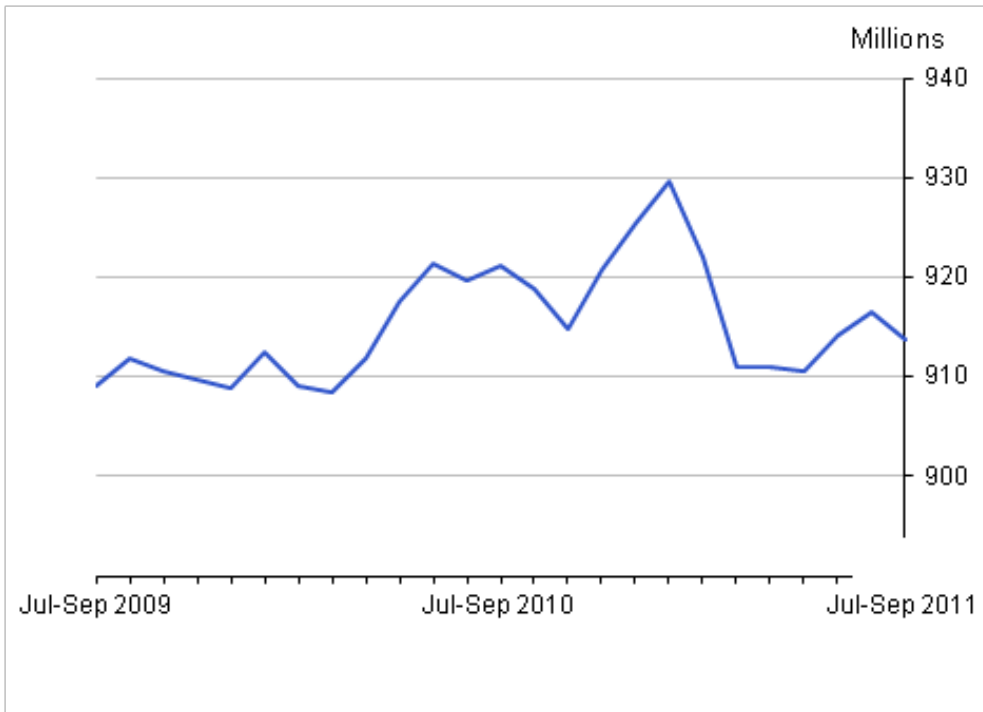
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Actual hours worked

Actual hours worked measures the number of hours worked in the economy. Total hours worked per week were 913.7 million in the three months to September 2011, up 3.0 million from the three months to June 2011. Average weekly hours worked in the three months to September 2011 were 31.5, up 0.3 from the three months to June 2011.

Total weekly hours, seasonally adjusted



Source: Labour Force Survey - Office for National Statistics

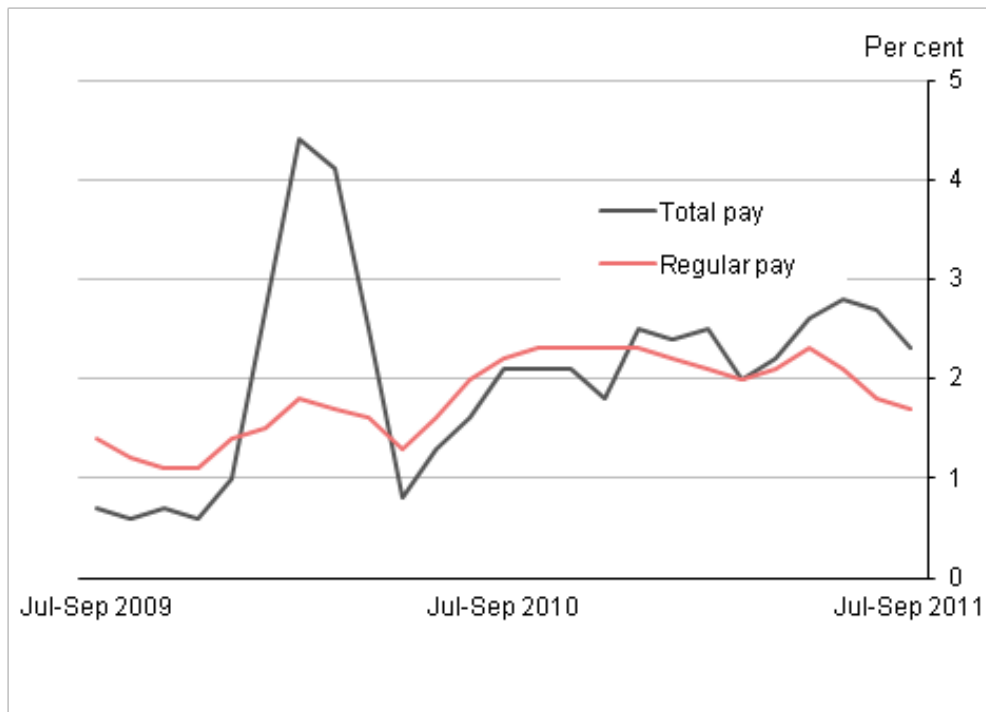
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Earnings

Earnings measures the money received in return for work done, gross of tax. The estimates relate to Great Britain and include salaries but not unearned income, benefits in kind or arrears of pay. Average total pay (including bonuses) was £463 per week in September 2011. In the three months to September 2011 total pay rose by 2.3 per cent on a year earlier, down 0.4 from the three months to August. Average regular pay (excluding bonuses) was £436 per week in September 2011. In the three months to September 2011 regular pay rose by 1.7 per cent on a year earlier, down 0.1 from the three months to August.

GB whole economy average earnings annual growth rates, seasonally adjusted



Source: Monthly Wages and Salaries Survey - Office for National Statistics

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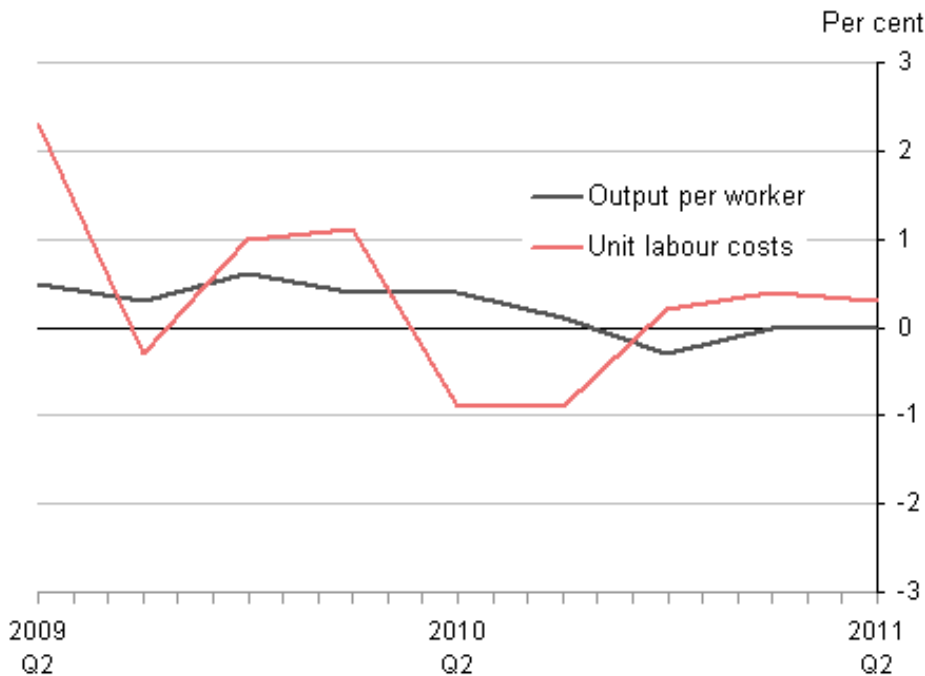
Average total pay (including bonuses) in the **private sector** was £460 per week in September 2011. In the three months to September 2011 total pay in the private sector rose by 2.4 per cent on a year earlier. Average regular pay (excluding bonuses) in the private sector was £426 per week in September 2011. In the three months to September 2011 regular pay in the private sector rose by 1.7 per cent on a year earlier.

Average total pay (including bonuses) in the **public sector** was £477 per week in September 2011. In the three months to September 2011 total pay in the public sector rose by 2.3 per cent on a year earlier. Average total pay in the public sector, excluding financial services, was £468 per week in September 2011. In the three months to September 2011 total pay in the public sector, excluding financial services, rose by 1.8 per cent on a year earlier. Average regular pay (excluding bonuses) in the public sector was £473 per week in September 2011. In the three months to September 2011 regular pay in the public sector rose by 2.0 per cent on a year earlier. Average regular pay in the public sector, excluding financial services, was £466 per week in September 2011. In the three months to September 2011 regular pay in the public sector, excluding financial services, rose by 1.8 per cent on a year earlier.

Labour productivity

Whole economy output per worker is the ratio of output and employment while unit labour costs is the ratio of total labour costs to output. Whole economy output per worker was unchanged between the first and second quarters of 2011. Whole economy unit labour costs increased by 0.3 per cent between the first two quarters of 2011. Further information is available in the [Labour Productivity Statistical Bulletin](#).

Output per worker and unit labour costs, percentage change on quarter (seasonally adjusted)



Source: Office for National Statistics

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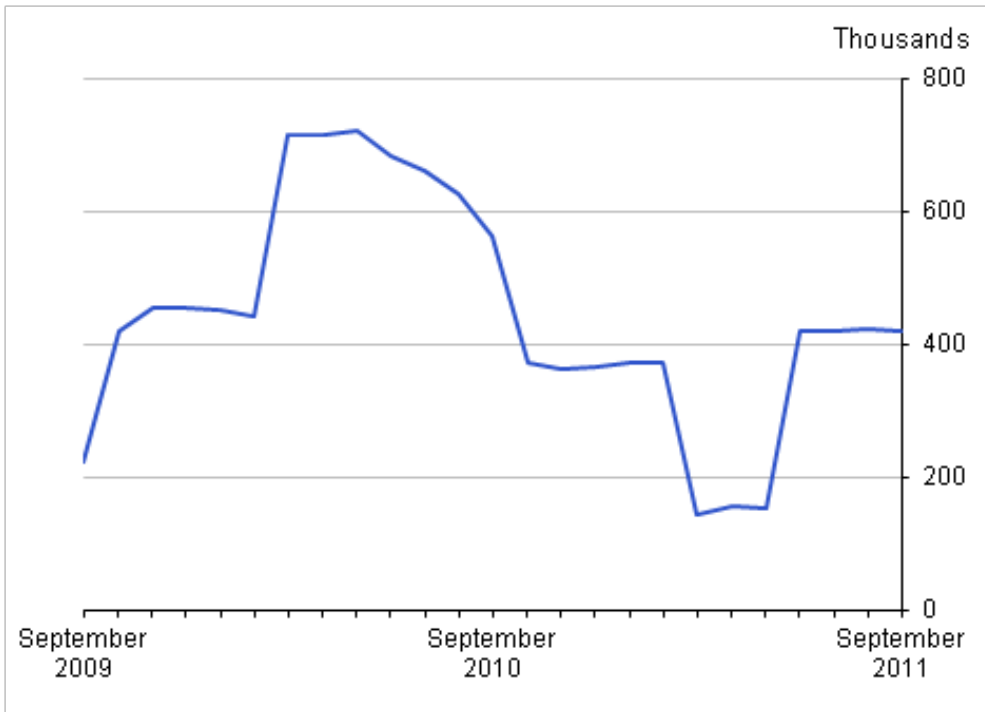
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Labour disputes (not seasonally adjusted)

Labour disputes measures disputes (ie, strikes) connected with terms and conditions of employment. In September 2011, there were 7,000 working days lost from eighteen stoppages. In the twelve months to September 2011, there were 419,000 working days lost from 130 stoppages.

Working days lost cumulative 12 month totals, not seasonally adjusted



Source: Labour Disputes Statistics - Office for National Statistics

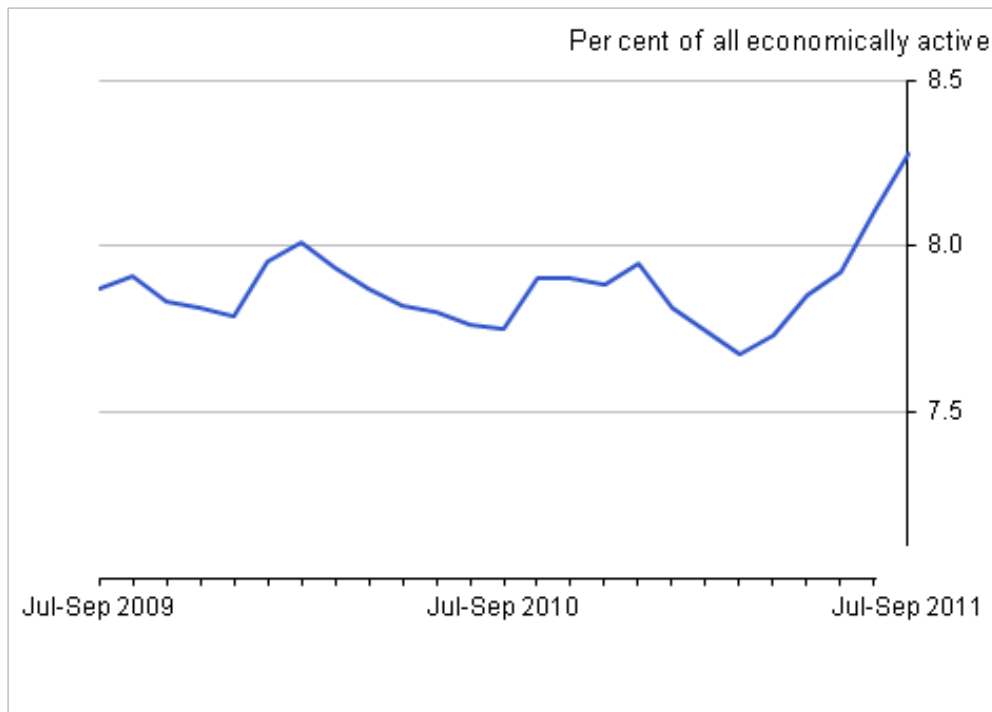
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Unemployment

Unemployment measures people without a job who have been actively seeking work and are available to start work if a job is offered. The unemployment rate was 8.3 per cent in the three months to September 2011, up 0.4 percentage points from the three months to June 2011 and up 0.5 percentage points from a year earlier. Unemployment rates are calculated, in accordance with international guidelines, as the percentage of all economically active people in the relevant population group.

Unemployment rate (aged 16+), seasonally adjusted



Source: Labour Force Survey - Office for National Statistics

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The number of unemployed people was 2.62 million in the three months to September 2011, up 129,000 from the three months to June 2011 and up 172,000 from a year earlier. The number of unemployed men was 1.53 million in the three months to September 2011, up 86,000 from the three months to June 2011. The number of unemployed women was 1.09 million in the three months to September 2011, up 43,000 from the three months to June 2011. The number of people unemployed for over one year was 868,000 in the three months to September 2011, up 31,000 from the three months to June 2011. The number of people unemployed for over two years was 422,000 in the three months to September 2011, up 13,000 from the three months to June 2011.

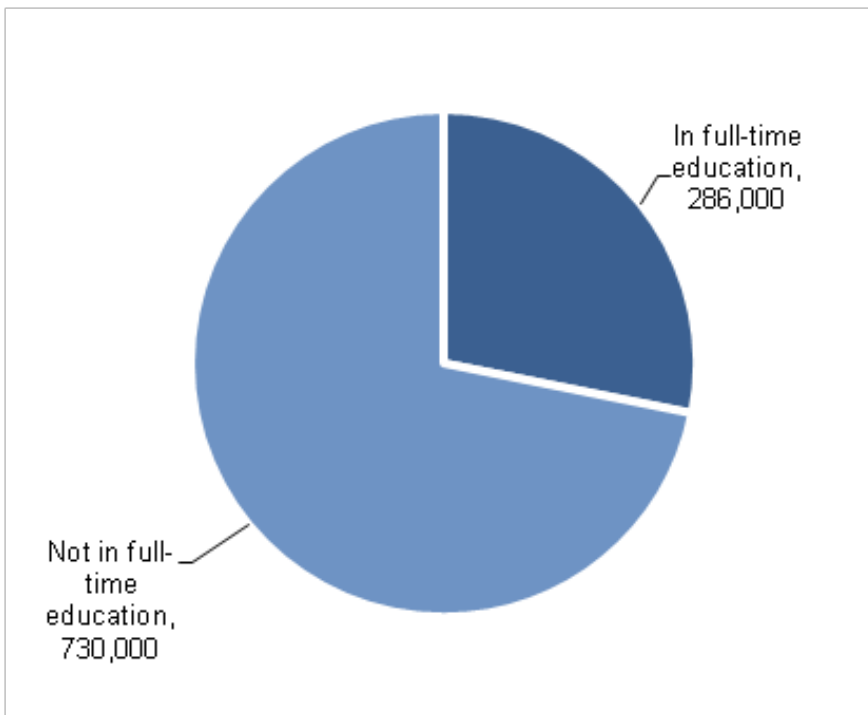
Youth unemployment

The unemployment rate for 16 to 24 year olds was 21.9 per cent of the economically active population for that age group in the three months to September 2011, up 1.7 percentage points from the three months to June 2011. There were 1.02 million unemployed 16 to 24 year olds in the three months to September 2011, up 67,000 from the three months to June 2011.

The number of unemployed 16 to 17 year olds increased by 11,000 on the quarter to reach 217,000 and the number of unemployed 18 to 24 year olds rose by 55,000 on the quarter to reach 799,000.

In accordance with international guidelines, people in full-time education are included in the youth unemployment estimates if they are looking for employment and are available to work. Excluding people in full-time education, there were 730,000 unemployed 16 to 24 year olds in the three months to September 2011, up 58,000 from the three months to June 2011. The unemployment rate for 16 to 24 year olds not in full-time education was 20.6 per cent of the economically active population, up 1.8 percentage points from the three months to June 2011.

Youth unemployment (aged 16 to 24) July to September 2011, seasonally adjusted



Source: Labour Force Survey - Office for National Statistics

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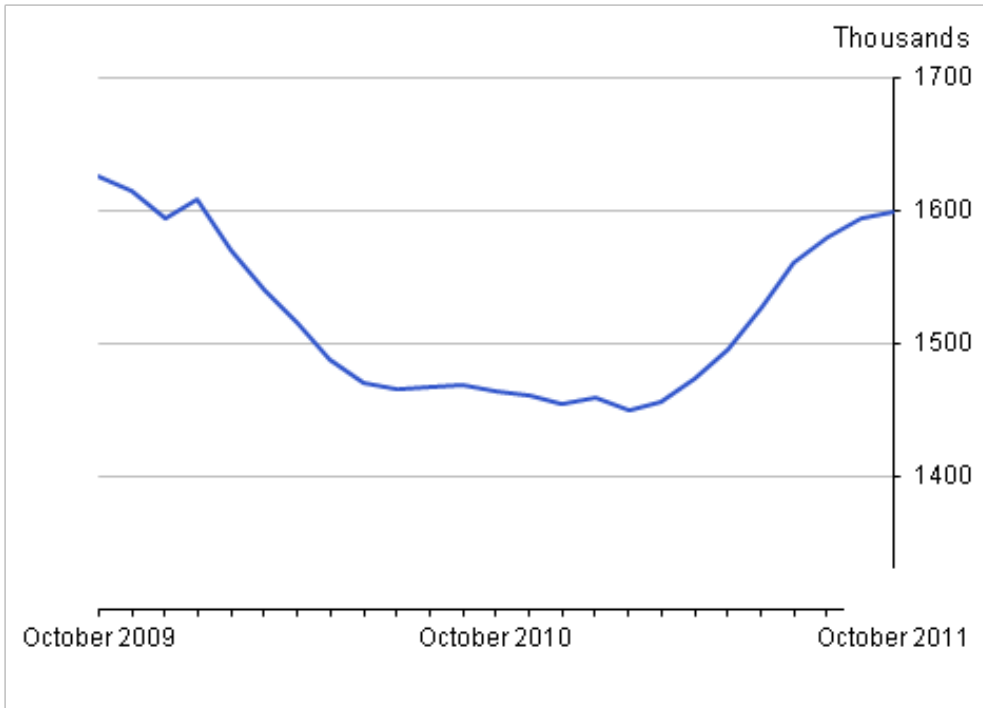
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Claimant count

The claimant count measures the number of people claiming Jobseeker's Allowance (JSA) and differs from unemployment (which measures people who meet the internationally agreed definition of unemployment). The claimant count can be affected by changes to the overall benefits system. For example, from late 2008 until mid-2011 changes in eligibility rules for Lone Parent Income Support resulted in fewer lone parents (predominantly women) being able to claim that benefit resulting in more lone parents claiming JSA while they look for work. From April 2011, the Dept. for Work and Pensions has been re-assessing claimants of Incapacity Benefit (IB) resulting in some people who have been declared ineligible for IB claiming JSA while they look for work. The effect of this exercise on the claimant count so far is likely to have been small.

The claimant count in October 2011 was 1.60 million, up 5,300 on the previous month and up 135,600 on a year earlier. The claimant count rate was 5.0 per cent, unchanged on the previous month but up 0.4 percentage points from a year earlier.

Claimant count, seasonally adjusted



Source: Work and Pensions, Office for National Statistics

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Comparison between unemployment and the claimant count

Unemployment is measured using the Labour Force Survey and estimates are published for three month average rolling time periods. Unemployed people in the UK 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;
- out of work, have found a job and are waiting to start it in the next two weeks

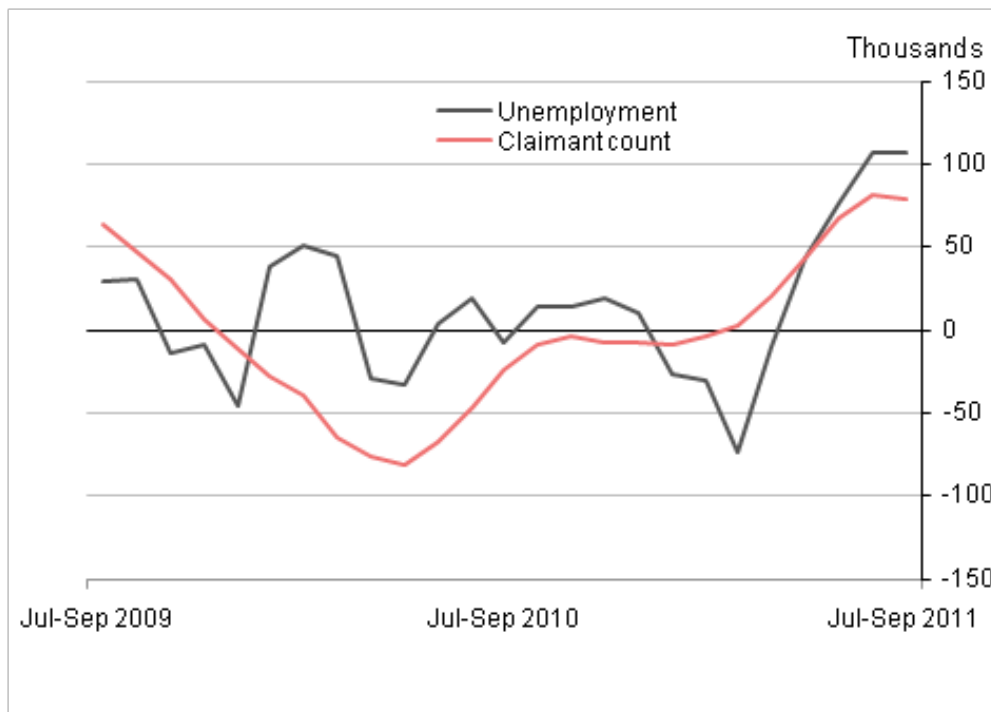
People who meet these criteria are classified as unemployed irrespective of whether or not they claim Jobseeker's Allowance or other benefits.

The claimant count measures the number of people claiming unemployment-related benefits: since October 1996 this has been the number of people claiming Jobseeker's Allowance (JSA). Some JSA claimants will not be classified as unemployed. For example, people in employment working less than 16 hours a week can be eligible to claim JSA depending on their income.

The chart below and the associated spreadsheet compare movements in unemployment and the claimant count for the same three-monthly average time periods. The unemployment estimates shown in this comparison exclude unemployed people aged from 16 to 17 and those aged 65 and over. This provides a more meaningful comparison with the claimant count than total unemployment because people in these age groups are not usually eligible to claim JSA.

When unemployment and the claimant count are compared for the same time periods (three-monthly averages) and for the same age groups (people aged from 18 to 64), the movements in the two series over the latest quarter are fairly close. For this age group, between April-June and July-September 2011, unemployment increased by 107,000 and the claimant count increased by 79,000. The chart below, and the associated spreadsheet, compares quarterly changes in unemployment and the claimant count for people aged from 18 to 64 for the last two years.

Quarterly changes in unemployment and the claimant count for those aged from 18 to 64 (seasonally adjusted)



Source: Work and Pensions, Office for National Statistics

Download chart

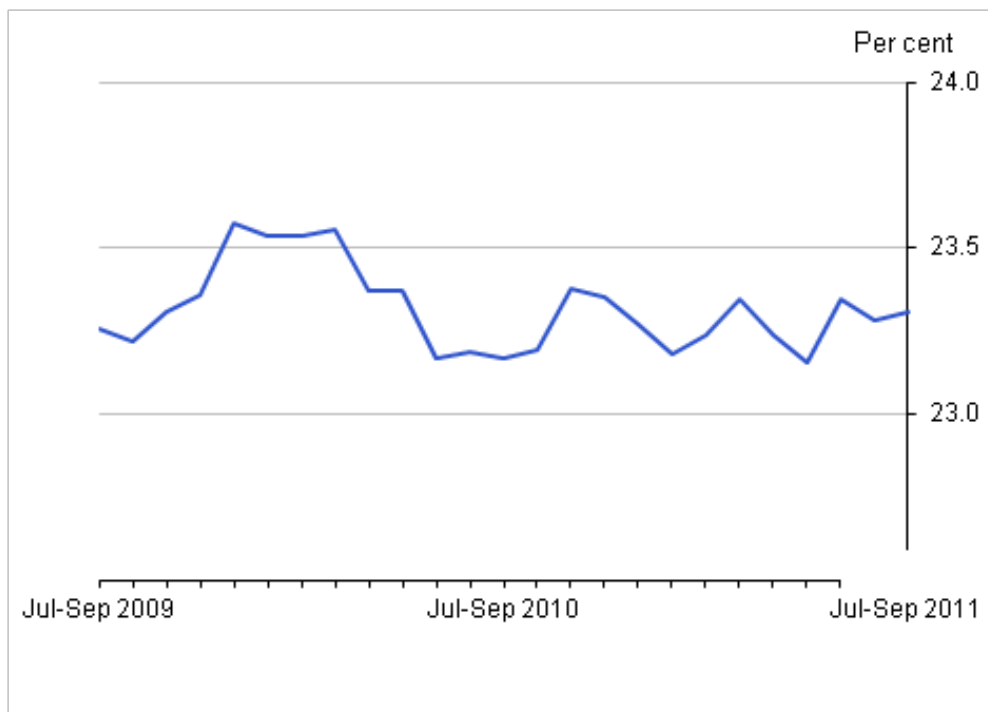
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Economic Inactivity

Economically inactive people are people who are not in work but who do not meet the internationally accepted definition of unemployment because they have not been seeking work and/or they are unable to start work. The economic inactivity rate for those aged from 16 to 64 was 23.3 per cent in the three months to September 2011, up 0.1 percentage point on the three months to June 2011 and from a year earlier. The number of economically inactive people aged from 16 to 64 rose by 64,000 over the quarter and by 92,000 over the year, to reach 9.36 million in the three months to September 2011.

Economic inactivity rate (aged 16 to 64), seasonally adjusted



Source: Labour Force Survey - Office for National Statistics

Download chart

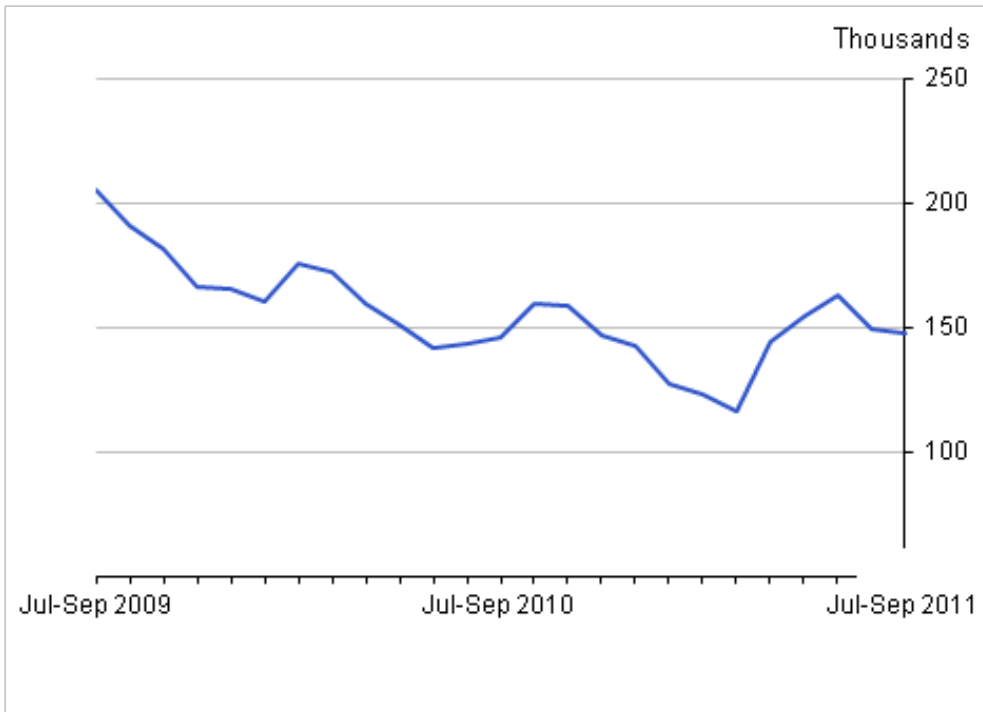
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Redundancies

Redundancies measures the number of people who have been made redundant or have taken voluntary redundancy. In the three months to September 2011, 147,000 people had become redundant in the three months before the Labour Force Survey interviews, down 7,000 from the three months to June 2011 but up 2,000 from a year earlier. The redundancy rate was 5.9 per 1,000 employees, down 0.3 from the previous quarter but virtually unchanged on a year earlier.

Redundancies, seasonally adjusted



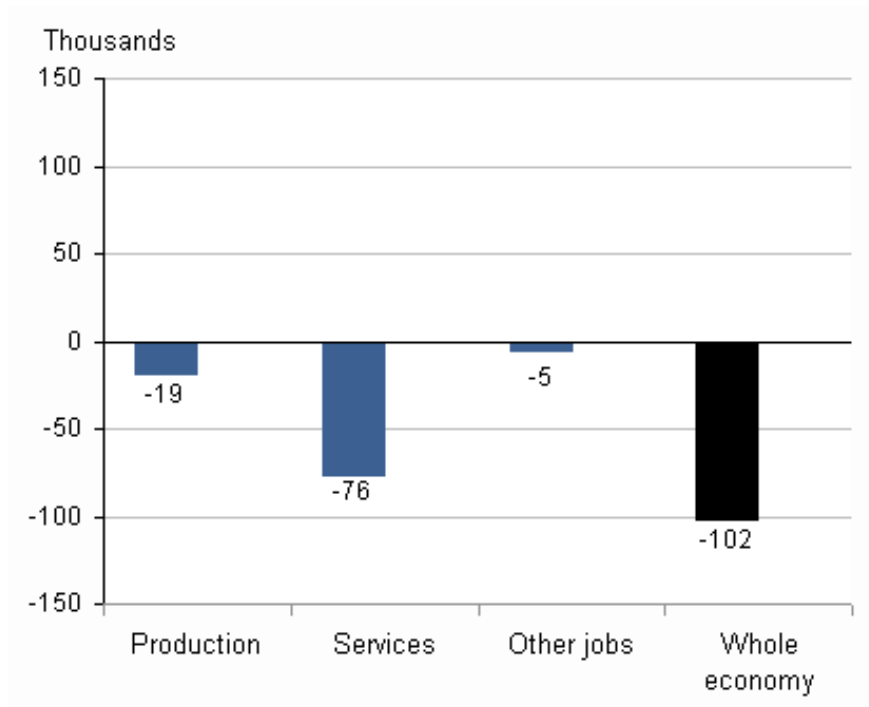
Source: Labour Force Survey - Office for National Statistics

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Jobs

Workforce jobs measures the number of filled jobs in the economy. It differs from the number of people in employment as some people have more than one job. A comparison between estimates of employment and jobs is available in an [article published on the website](#) on 14 September 2011. There were 31.16 million workforce jobs in June 2011, down 102,000 over the quarter and down 41,000 on a year earlier. The sector showing the largest decrease in jobs over the quarter was public administration, etc which decreased by 44,000 to reach 1.66 million.

Workforce jobs changes on quarter between March and June 2011, seasonally adjusted

Source: Office for National Statistics

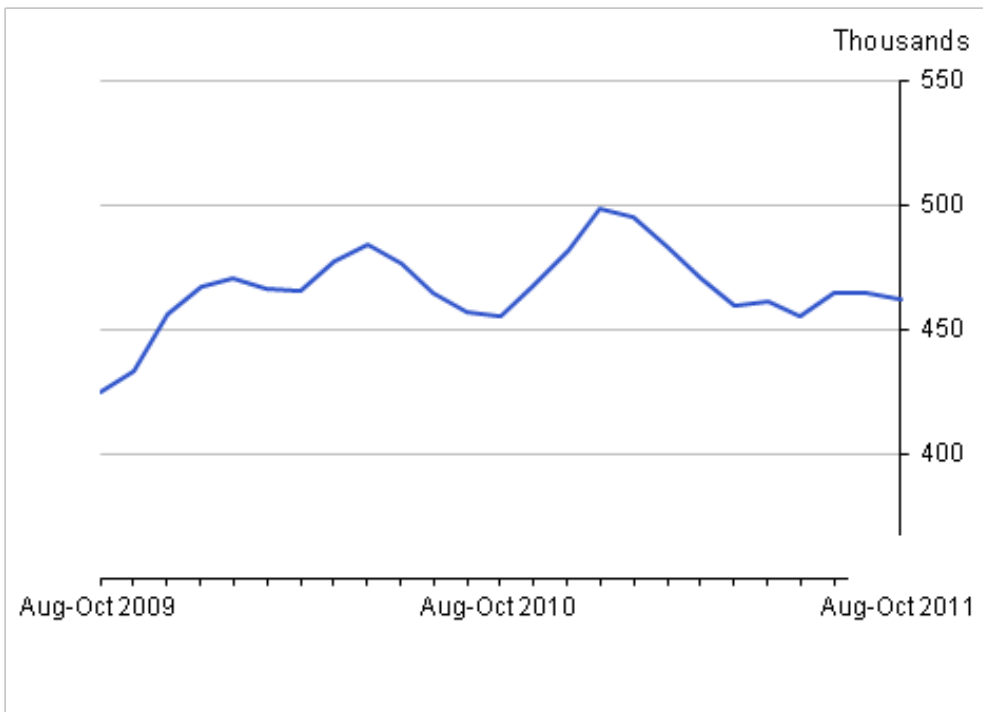
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Vacancies

Vacancies are defined as positions for which employers are actively seeking to recruit outside their business or organisation. There were 462,000 job vacancies in the three months to October 2011, up 7,000 on the three months to July 2011 and up 6,000 on a year earlier. There were 1.8 vacancies per 100 employee jobs in the three months to October 2011, virtually unchanged on both the previous quarter and the year.

Vacancies, seasonally adjusted



Source: Vacancy Survey - Office for National Statistics

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Data tables

A [pdf file](#) is available on the website containing all of the tables which appeared in the old style Labour Market Statistical Bulletin pdf files as published by ONS before the introduction of the new website on 27 August 2011. The data in this pdf file is available in spreadsheet format from [Data Table A01](#). The [Index of Data tables](#) lists all of the regularly published labour market spreadsheets. These spreadsheets can be accessed from hyperlinks within this [Index](#).

Revisions

One indication of the reliability of the key indicators in this Statistical Bulletin can be obtained by monitoring the size of revisions. Data tables [EMP17](#), [UNEM04](#), [JOBS05](#) and [CLA04](#) record the size and pattern of revisions over the last five years. These indicators only report summary measures for revisions. The revised data itself may be subject to sampling or other sources of error. The ONS standard presentation is to show five years worth of revisions (60 observations for a monthly series, 20 for a quarterly series).

Labour market statistics are revised in line with the [revisions policy](#).

Sampling variability and seasonal adjustment

Sampling variability

[Data table A11](#) shows sampling variabilities, calculated on not seasonally adjusted data, for the **Labour Force Survey**. These sampling variability ranges represent '95 per cent confidence intervals'. It is expected that in 95 per cent of samples the range would contain the true value.

The sampling variability of the three month average **vacancies** level (95 per cent confidence interval) is around +/- 1.5 per cent of that level.

The sampling variabilities of the whole economy single month **Average Weekly Earnings** growth rates (95 per cent confidence intervals) are as follows:

+/- 0.6 percentage points excluding bonuses.

+/- 0.7 percentage points including bonuses (April to November)

+/- 0.9 percentage points including bonuses (December to March)

Seasonal adjustment

Like many economic indicators, the labour market is affected by factors that tend to occur at around the same time every year; for example school leavers entering the labour market in July and whether Easter falls in March or April. In order to compare movements other than annual changes in labour market statistics, such as since the previous quarter or since the previous month, the data are seasonally adjusted to remove the effects of seasonal factors and the arrangement of the calendar. All estimates discussed in this Statistical Bulletin are seasonally adjusted except where otherwise stated.

Relevant links

Regional and local area labour market statistics

Regional and local area labour market statistics are available from the [Regional Labour Market Statistical Bulletin](#) and the associated data tables and from the [NOMIS® website](#).

Labour market statistics videos and short stories

A number of videos relating to labour market statistics are available on the [ONS You Tube channel](#). A number of stories relating to labour market statistics are available from [NOMIS®](#).

Summary Quality report

A Summary Quality Report for labour market statistics is available on the [Quality Reports for Business Statistics page](#) of the website.

Statistical contacts

Richard Clegg 01633 455400 (Briefing)

Nick Palmer 01633 455839 (Labour Force Survey)

Jonathan Knight 01633 455253 (Claimant count, vacancies and benefits)

David Matthews 01633 456756 (Workforce jobs & public sector employment)

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Gaganan Awano 01633 456299 (Labour productivity)

James Scruton 01633 456724 (Labour disputes)

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Background notes

1. This month's Statistical Bulletin

There have been revisions to the seasonally adjusted Average Weekly Earnings estimates going back to the start of the series in 2000 as a result of the annual review of the seasonal adjustment process. The main changes are:

- Re-assessing the treatment of the peak bonus months (December to March) in the finance and business services sector. The new seasonal adjustment parameters treat February and March 2009 alone as an exception to the seasonal pattern of the data. This change feeds through into several higher-level aggregates; the private sector, the service sector, and the whole economy.
- Treating the changes to the public sector total pay series taking place in 2009 and 2010 as a break in the seasonal pattern of the data. There were two elements to this; the impact of bonus payments by the publicly owned financial corporations in 2010 and 2011, and a change in the timing of bonus payments of a small number of major bonus payers in the public sector.

Estimates of workforce hours, formerly published at Data Tables HOUR04 and HOUR05, have been discontinued due to insufficient customer demand to justify the costs of producing these estimates.

2. Next month's Statistical Bulletin

There will be revisions to estimates of public sector employment statistics back to the start of the time series in 1999. These revisions will take account of late information, updates to seasonal factors, classification changes and re-referencing of survey estimates.

3. Publication dates up to December 2012

14 December 2011

18 January 2012

15 February 2012

14 March 2012

18 April 2012

16 May 2012

20 June 2012

18 July 2012

15 August 2012

12 September 2012

17 October 2012

14 November 2012

12 December 2012

4. **Publication policy**

Details of the policy governing the release of new data are available from the Media Relations Office (Tel 0845 604 1858).

National Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference.

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