

Statistical bulletin

Regional Labour Market: April 2015

Regional, local authority and parliamentary constituency breakdowns of changes in UK employment, unemployment, economic inactivity and other employment-related statistics.



Release date: 17 April 2015

Next release: 13 May 2015

Table of contents

- 1. Main points
- 2. In this bulletin
- 3. Overview of regional labour market published 17 April 2015
- 4. Employment
- 5. <u>Unemployment</u>
- 6. Workforce Jobs (first published on 18 March 2015)
- 7. Jobseeker's Allowance
- 8. Local authority labour market indicators
- 9. Index of tables
- 10. Background notes

1. Main points

- The employment rate in Great Britain was highest in the South East (77.0%) and lowest in Wales and the North East (69.8%)
- The unemployment rate in Great Britain was highest in the North East (7.7%) and lowest in the South East (4.2%)
- The inactivity rate in Great Britain was highest in Wales (25.5%) and lowest in the South West and the East of England (19.4%)
- The headline Claimant Count rate in Great Britain was highest in the North East (4.0%) and lowest in the South East and the South West (1.3%)

2. In this bulletin

This bulletin shows the latest main labour market statistics for the regions and countries of Great Britain, along with statistics for local authorities, travel-to-work areas and parliamentary constituencies.

Data for Northern Ireland are available separately.

Updated this month

Labour Force Survey estimates for the period December 2014 to February 2015. Claimant Count for March 2015. Annual Population Survey estimates for the period January 2014 to December 2014.

Also in this release

Workforce Jobs estimates for December 2014. Public and private sector employment for December 2014.

3. Overview of regional labour market published 17 April 2015

The employment rate estimates for those aged 16 to 64, for the 3 months to February 2015, compared to the 3 months to November 2014, showed increases for nearly all of the regions and countries of the UK.

The largest increases in the employment rate estimates were for the North West and Wales, at 1.1 percentage points. The only region to show an estimated decrease for the latest period was the East of England, at only 0.1 percentage point.

For all regions, including the East of England, the general pattern is for flat or gently increasing employment rates. With the exception of Wales, the latest employment rate estimates are higher than the same period 1 year ago.

The 3 regions with the highest employment rates continue to be the South East, at 77.0%, South West, at 76.8% and East of England, at 76.5%.

The employment levels for the North West, Yorkshire and The Humber, South East and South West are all at record highs, with most other regions close to record highs.

Regional estimates for the unemployment rate are quite volatile, which needs to be allowed for when considering the pattern of change over time.

There were no large increases in the unemployment rate estimates for the 3 months to February 2015, compared to the 3 months to November 2014.

The largest decreases in the unemployment rate estimates were for the North East and Wales, at 0.8 percentage points and North West, at 0.7 percentage points.

For all regions, the general pattern is for flat or gently falling unemployment rates. All regions are showing decreases in the unemployment rate compared with a year ago.

The unemployment rate for the North East remains the highest in the UK, at 7.7%.

The Claimant Count for March 2015 compared with February 2015, is showing decreases in the count for both men and women across all regions of the UK. However, the rate of decrease in the North East has slowed compared with the rest of the UK.

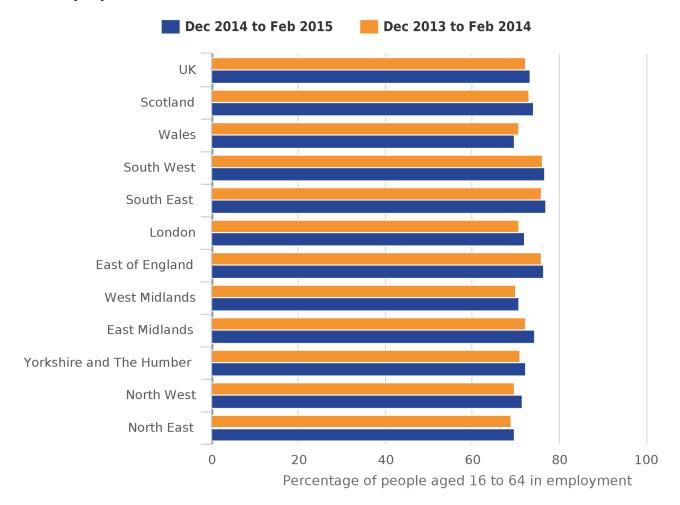
4. Employment

The employment rate for people aged from 16 to 64 for the UK was 73.4%, for the period December 2014 to February 2015.

The regions with the highest rate in Great Britain were the South East, at 77.0%, followed by the South West, at 76.8% and the East of England, at 76.5%. The regions with the lowest rate were Wales and the North East, both at 69.8%, followed by the West Midlands, at 70.8% and the North West, at 71.6%.

The regions with the largest increase in the employment rate on the previous period (September 2014 to November 2014), were Wales and the North West, both with an increase of 1.1 percentage points, followed by the East Midlands, with an increase of 0.7 percentage points and London, with an increase of 0.6 percentage points. The only decrease in the employment rate was in the East of England, with a decrease of 0.1 percentage point. The West Midlands and Scotland remained unchanged. The UK employment rate increased by 0.5 percentage points.

Figure 1: Employment rates by region and comparison year on year, December 2014 to February 2015, seasonally adjusted



Source: Labour Force Survey - Office for National Statistics

Over the year, the regions with the largest increase in the employment rate were the East Midlands, with an increase of 2.1 percentage points, followed by the North West, with an increase of 1.8 percentage points. The only decrease in the employment rate was in Wales, at 1.1 percentage points. The East of England had the smallest increase, of 0.6 percentage points.

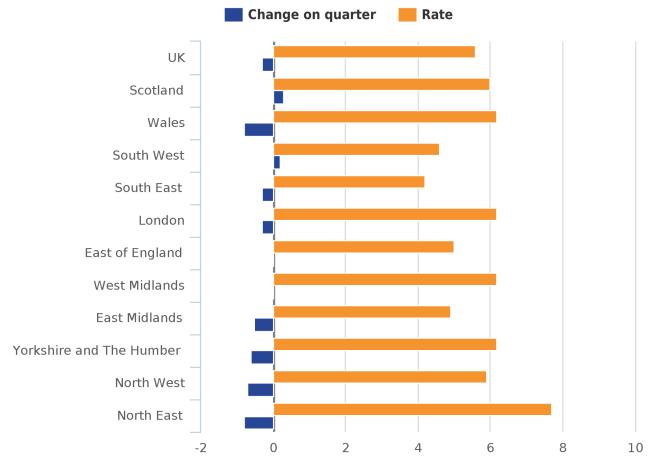
5. Unemployment

The unemployment rate for people aged 16 and over for the UK was 5.6%, for the period December 2014 to February 2015.

The regions with the highest rate in Great Britain were the North East, at 7.7%, followed by the West Midlands, Wales, Yorkshire and The Humber, and London, all at 6.2%. The regions with the lowest rate were the South East, at 4.2%, followed by the South West, at 4.6%.

The regions with the largest decrease in the unemployment rate on the previous period (September 2014 to November 2014), were the North East and Wales, both at 0.8 percentage points, followed by the North West, at 0.7 percentage points and Yorkshire and The Humber, at 0.6 percentage points. There were 2 regions with an increase in the unemployment rate: Scotland, at 0.3 percentage points and the South West, at 0.2 percentage points. The unemployment rate in the East of England and the West Midlands both remained unchanged. The UK rate decreased by 0.3 percentage points.

Figure 2: Unemployment rates by region, December 2014 to February 2015, seasonally adjusted



Percentage of economically active people, aged 16 and over, who are unemployed

Source: Labour Force Survey - Office for National Statistics

Over the year, all regions showed a decrease in the unemployment rate. The largest decreases were in Yorkshire and The Humber, at 2.2 percentage points, the East Midlands, at 2.1 percentage points and the West Midlands, at 2.0 percentage points. The smallest decrease in the unemployment rate was in the South West, at 0.3 percentage points.

An interactive chart showing regional unemployment rates over time is available on our website.

6. Workforce Jobs (first published on 18 March 2015)

Workforce Jobs increased in 7 of the 11 regions of Great Britain between September 2014 and December 2014. The largest increase of 40,000 was in the South East, followed by the South West, which increased by 30,000. The largest decrease of 14,000 was in Yorkshire and The Humber, followed by the East of England and Scotland, which both decreased by 10,000.

The East Midlands had the highest proportion of jobs in the production sector, at 13.7%, whilst London had the lowest proportion, at 2.9%. For the service sector, London had the highest proportion, at 91.8%, whilst Wales had the lowest proportion, at 78.0%.

■Production Dec 2014 North East ■Production Dec 2013 North West Services Dec 2014 Yorkshire and The Humber ■Services Dec 2013 East Midlands ■ Other Dec 2014 West Midlands Other Dec 2013 East of England London South East South West Wales Scotland

Number of Workforce jobs (millions)

Figure 3: Workforce Jobs by broad industry group and by region, December 2014, seasonally adjusted

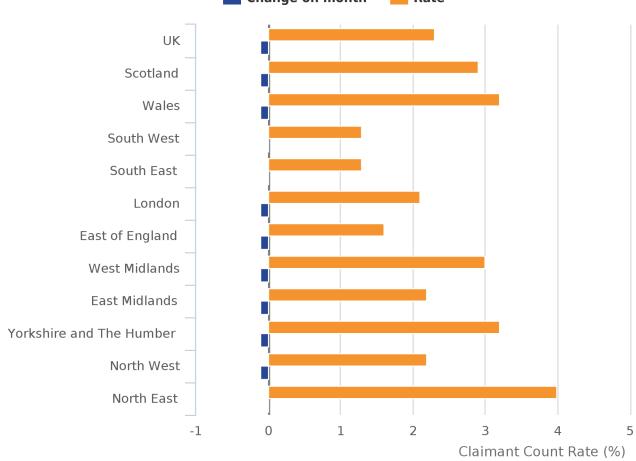
7. Jobseeker's Allowance

The seasonally adjusted headline Claimant Count rate for the UK was 2.3% in March 2015, down 0.1 percentage point from February 2015, with the level down 20,700.

The region with the highest rate in Great Britain was the North East, at 4.0%, remaining unchanged from the previous month. The next highest rates were in Yorkshire and The Humber, and Wales, both at 3.2% and the West Midlands, at 3.0%.

The regions with the lowest rate were the South East and the South West, both at 1.3%, the East of England, at 1.6% and London, at 2.1%.

Figure 4: Claimant Count rates by region, March 2015, seasonally adjusted **Change on month** Rate UK Scotland



Source: Department for Work and Pensions

8. Local authority labour market indicators

Indicators from the Annual Population Survey

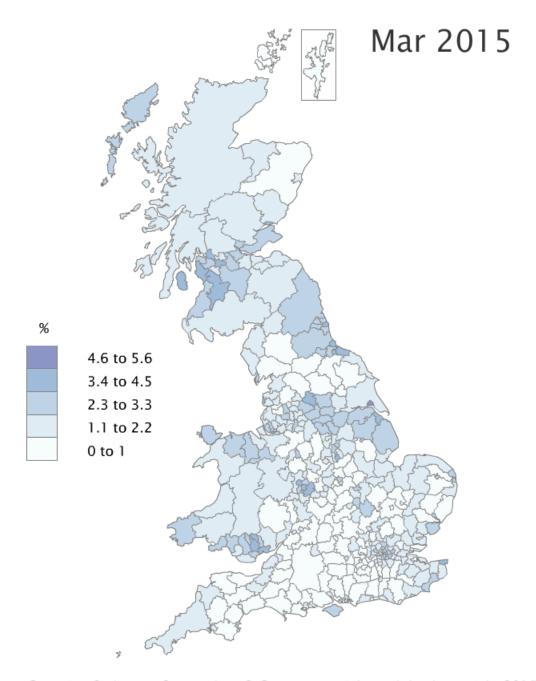
For the period January 2014 to December 2014, the local authorities with the highest employment rate in Great Britain, were the Orkney Islands, at 89.3%, East Northamptonshire, at 86.4%, and Oadby and Wigston, at 85.9%. Liverpool is now the only local authority with an employment rate lower than 60%; at 59.2%.

For the period January 2014 to December 2014, the local authority with the highest unemployment rate in Great Britain, was Middlesbrough, at 12.5%, followed by Liverpool, at 12.0% and Kingston upon Hull, at 11.7%. The local authorities with the lowest unemployment rate were South Northamptonshire and Stratford-on-Avon, both at 2.4%, followed by the Orkney Islands, at 2.7%. These were followed by 3 local authorities, all at 2.8% and a further 10 local authorities, all at 2.9%.

Indicators using Jobseeker's Allowance data

In March 2015, the local authorities with the lowest proportion of the population aged from 16 to 64 years claiming Jobseeker's Allowance in Great Britain, were Harrogate and the Isles of Scilly, both at 0.4%, followed by 9 local authorities, all at 0.5%. There were a further 82 local authorities, with a proportion of less than 1.0%. The proportion was highest in Kingston upon Hull, at 4.8%, followed by Wolverhampton and Birmingham, both at 4.5% and Blaenau Gwent and Middlesbrough, both at 4.4%. There were a further 3 local authorities in Great Britain, all with a proportion of 4.0% or more.

Figure 5: Claimant Count Map



Contains Ordnance Survey data © Crown copyright and database right 2015.

An interactive version of this map showing <u>Claimant Count proportions by local authority</u> over time is available on our website. This map also shows Claimant Count proportions for males, females, 18 to 24 year olds and those claiming for over 12 months.

Job densities

The job density of an area is the number of jobs per head, of resident population, aged 16 to 64. In 2013, the highest jobs density in Great Britain was the City of London, at 81.79 and the lowest was East Renfrewshire, at 0.40. Westminster (4.35), Camden (2.15) and Islington (1.36), all in London, were the next highest jobs densities. The highest jobs density outside London was Watford, at 1.32. After East Renfrewshire, the lowest jobs densities were Lewisham, at 0.41, followed by Barking and Dagenham, at 0.44 and East Dunbartonshire, Waltham Forest, Redbridge and Haringey, all at 0.45.

9. Index of tables

LFS headline indicators (Employment, unemployment and inactivity):

Headline Indicators for All Regions (HI00) (7.45 Mb Excel sheet)

LFS headline indicators (Employment, unemployment and inactivity); Employment and Workforce Jobs estimates; Claimant Count; and Economic Activity and Inactivity estimates for each region are available in the following tables:

Headline Indicators for North East (HI01) (2.27 Mb Excel sheet)

Headline Indicators for North West (HI02) (2.04 Mb Excel sheet)

Headline Indicators for Yorkshire and The Humber (HI03) (2.46 Mb Excel sheet)

Headline Indicators for East Midlands (HI04) (2.61 Mb Excel sheet)

Headline Indicators for West Midlands (HI05) (2.43 Mb Excel sheet)

Headline Indicators for East of England (HI06) (2.4 Mb Excel sheet)

Headline Indicators for London (HI07) (2.05 Mb Excel sheet)

Headline Indicators for South East (HI08) (2.02 Mb Excel sheet)

Headline Indicators for South West (HI09) (2.02 Mb Excel sheet)

Headline Indicators for Wales (HI10) (2.26 Mb Excel sheet)

Headline Indicators for Scotland (HI11) (2.44 Mb Excel sheet)

The following tables contain local labour market indicators for all regions:

Local Indicators for Unitary and Local Authorities (LI01) (246.5 Kb Excel sheet)

Local Indicators for Parliamentary Constituencies (LI02) (311.5 Kb Excel sheet)
Local Indicators for Constituencies of the Scottish Parliament (LI02.1) (115.5 Kb Excel sheet)
Local Indicators for Travel-to-Work Areas (LI03) (176.5 Kb Excel sheet)
Local Indicators for NUTS3 areas (LI04) (175 Kb Excel sheet)
Local Indicators for Local Enterprise Partnerships (LI05) (101.5 Kb Excel sheet)
The following tables contain local Claimant Count data for all regions:
Claimant Count by Unitary and Local Authority (JSA01) (257.5 Kb Excel sheet)
Claimant Count by Parliamentary Constituency (JSA02) (622.5 Kb Excel sheet)
Claimant Count by Constituencies of the Scottish Parliament (JSA02.1) (123.5 Kb Excel sheet)
Claimant Count by Local Enterprise Partnership (JSA03) (102.5 Kb Excel sheet)
Other tables:
Summary of Headline Indicators (S01) (85.5 Kb Excel sheet)
Sampling Variability and Revisions Summary (S02) (61.5 Kb Excel sheet)
Claimant Count Denominators (S03) (69 Kb Excel sheet)
Model Based Estimates of Unemployment (M01) (2.81 Mb Excel sheet)
Estimates of Employment by Age (Experimental Statistics) (X01) (6.86 Mb Excel sheet)

Estimates of Inactivity by Age (Experimental Statistics) (X03) (6.84 Mb Excel sheet)

Regional public and private sector employment (RPUB1) (215 Kb Excel sheet)

10. Background notes

1. This month's bulletin

Table LI03 - Local Indicators for Travel-to-Work areas

This table has not been updated. This is due to the sources used to compile the table moving from geographies based on the 2001 Census to ones based on the 2011 Census. The currently available Travel-to-Work area definitions only use 2001 Census geographic areas.

The table will be updated once new Travel-to-Work areas are released based on the 2011 Census, to reflect these new geographic areas.

2. Next month's bulletin

There are no changes to next month's bulletin.

3. Introduction of Universal Credit

On 29 April 2013, the Department for Work and Pensions (DWP) started a Pathfinder for Universal Credit which created the first jobseeker Universal Credit claimants. This has been extended to further Jobcentre Plus Offices (JCP) across Great Britain. <u>A list of Jobcentres where Universal Credit is available</u> can be found on the GOV.uk website.

Universal Credit will replace a number of means-tested benefits including income-based Jobseeker's Allowance (JSA). It will not replace contributory-based JSA.

The Claimant Count measures the number of people claiming benefits principally for the reason of being unemployed. Since October 1996, it has been a count of the number of people claiming JSA. Following a consultation by us in 2012, it was agreed that, with the introduction of Universal Credit, the Claimant Count would include:

- people claiming contribution-based JSA (which is not affected by the introduction of Universal Credit)
- people claiming income-based JSA during the transition period while this benefit is being gradually phased out
- people claiming Universal Credit who are not earning and who are subject to a full set of labour market jobseeker requirements, that is, required to be actively seeking work and available to start work

Since July 2014, we have published an indicative adjusted Claimant Count including experimental estimates of claimants of Universal Credit as well as JSA claimants at data table CLA03 (71 Kb Excelsheet). From January 2015, these statistics are also published in Table 10(1) of the UK Labour MarketStatistical Bulletin. A version of this table for the North West is included in this release as part of data table HI02 (2.04 Mb Excel sheet). Numbers of claimants of Universal Credit for more detailed geographies are available from the DWP Universal Credit - monthly experimental official statistics.

We will include jobseeker Universal Credit claims in the Claimant Count statistics as soon as possible.

4. Publication policy

A list of the job titles of those given <u>pre-publication access</u> to the contents of this statistical bulletin is available on our website.

5. Quality issues

One indication of the reliability of the main indicators in this bulletin can be obtained by monitoring the size of revisions. These summary measures are available in the Regional Labour Market Sampling Variability spreadsheet (61.5 Kb Excel sheet) available with this bulletin and show the size of revisions over the last 5 years. The revised data itself may be subject to sampling or other sources of error. Our standard presentation is to show 5 years worth of revisions (that is, 60 observations for a monthly series, 20 for a quarterly series).

Further information on the quality of and methods for Workforce Jobs estimates can be found in the Summary Quality Report. (295.4 Kb Pdf)

6. Other quality information

Quality and Methodology Information papers for labour market statistics are available on our website. Further information about the Labour Force Survey (LFS) is available from:

- the LFS User Guide
- LFS Performance and Quality Monitoring Reports

7. Definitions and concepts

An article explaining how <u>unemployment and the Claimant Count (141 Kb Pdf)</u> series are defined and measured and the difference between the two series is available on our website, along with an article to help users <u>interpret labour market statistics</u> and highlight some common misunderstandings. A more detailed <u>Guide to Labour Market Statistics</u> is also available on our website.

8. Sampling variability

Very few statistical revisions arise as a result of "errors" in the popular sense of the word. All estimates, by definition, are subject to statistical "error" but in this context the word refers to the uncertainty.

Some data in the bulletin are based on statistical samples and, as such, are subject to sampling variability. If many samples were drawn, each would give different results. The ranges shown in the Regional Labour Market Sampling Variability spreadsheet (61.5 Kb Excel sheet), available with this bulletin, represent "95% confidence intervals". It is expected that in 95% of samples the range would contain the true value.

9. Special Events

We have published commentary, analysis and policy on "Special Events" which may affect statistical outputs. For full details go to the Special Events page on our website.

10. 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

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 Official Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs
- are well explained and readily accessible
- · are produced according to sound methods
- are managed impartially and objectively in the public interest

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.