Regional Labour Market, November 2014

Coverage: UK
Date: 12 November 2014
Geographical Area: Local Authority and County
Theme: Labour Market

Key Points

- The employment rate in Great Britain was highest in the East of England and the South East (76.5%) and lowest in the North East (69.0%).
- The unemployment rate in Great Britain was highest in the North East (9.2%) and lowest in the South East (4.6%).
- The inactivity rate in Great Britain was highest in Wales (25.8%) and lowest in the East of England (19.4%).
- The Claimant Count rate in Great Britain was highest in the North East (4.7%) and lowest in the South East (1.6%).

In this bulletin:

This bulletin shows the latest key 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

Claimant Count for October 2014.

Also in this release

Annual Population Survey estimates for the period July 2013 to June 2014.
Overview of regional labour market published 12 November 2014

The employment rate estimates for those aged 16 to 64, for the three months to September 2014, compared to the three months to June 2014, showed very few large movements for the regions and countries of the UK.

The largest increase in the employment rate estimate was for the North West, at 0.7 percentage points. The employment rate estimate for the North West has been increasing steadily over the last year, although the pattern of increase has been slower than suggested by the latest estimate.

The largest decrease in the employment rate estimate was for the North East, at 0.9 percentage points. The employment rate in the North East has been generally increasing for more than a year. It is not yet clear whether the latest estimate is lower due to normal variability of the estimates, or a change in the underlying pattern.

The employment rate for Wales has been falling from record highs since late 2013, but the latest estimates suggest that this level may now be levelling off. With the exception of Wales, the other regions have employment rates that have generally been increasing recently, or are fairly flat, all having increased over the past twelve months.

Employment rates remain higher in the East of England and South East, at 76.5% and South West, at 76.3%, than the rest of the UK.

The employment levels for the North West, Yorkshire and The Humber and London are all at record highs, with many other regions close to record highs. Despite this, the rates for many regions remain below previous records, due to increasing population levels. For London however, the employment rate is at a record high, of 72.3%.

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

The largest decreases in the unemployment rate estimates, for the three months to September 2014, compared to the three months to June 2014, were for London, at 1.0 percentage point and the North West, at 0.7 percentage points.

Along with these, all regions of the UK are showing decreases, compared with a year ago.

The unemployment rate for the North East remains the highest in the UK, at 9.2%, followed by Yorkshire and The Humber and the West Midlands, at 7.2%.

The Claimant Count for October 2014, compared with September 2014, is showing decreases in the count for both men and women, across most regions of the UK. The exception is in Northern Ireland, where the count for women was unchanged on September.
Employment

The employment rate for people aged from 16 to 64 for the UK was 73.0%, for the period July 2014 to September 2014.

The regions with the highest rate in Great Britain were the East of England and the South East, both at 76.5%, followed by the South West, at 76.3%. The region with the lowest rate was the North East, at 69.0%, followed by Wales, at 69.1%, and the West Midlands, at 69.8%.

The region with the largest increase in the employment rate on the previous period (April 2014 to June 2014), was the North West, with an increase of 0.7 percentage points, followed by Scotland, London, and Yorkshire and The Humber, all with an increase of 0.4 percentage points and the East Midlands, with an increase of 0.2 percentage points. The North East had the largest decrease in the employment rate, with a decrease of 0.9 percentage points, followed by the West Midlands and the South East, both with decreases of 0.1 percentage points. The UK rate increased by 0.2 percentage points.

Figure 1: Employment Rates, July to September 2014, Seasonally Adjusted

Over the year, the regions with the largest increase in the employment rate were London, with an increase of 2.5 percentage points, followed by the North West, with an increase of 2.2 percentage points and the East Midlands and the South West, both with an increase of 1.8 percentage points. The only decrease in the employment rate was in Wales, at 1.2 percentage points. The South
East had the smallest increase of 0.4 percentage points, followed by the East of England, at 1.0 percentage point.

**Unemployment**

The unemployment rate for people aged 16 and over for the UK was 6.0%, for the period July 2014 to September 2014.

The region with the highest rate in Great Britain was the North East, at 9.2%, followed by the West Midlands and Yorkshire and The Humber, at 7.2% and Wales, at 6.6%. The regions with the lowest rate were the South East, at 4.6%, followed by the South West, at 4.7% and the East of England, at 4.9%.

The regions with the largest decrease in the unemployment rate on the previous period (April 2014 to June 2014), were London, at 1.0 percentage point, followed by the North West, at 0.7 percentage points and Yorkshire and The Humber, the West Midlands and the South West, all at 0.5 percentage points. There were only two regions with an increase in the unemployment rate; the South East and the East Midlands, both at 0.2 percentage points. The unemployment rate in Wales and the North East remained unchanged. The UK rate decreased by 0.3 percentage points.
Over the year, all regions showed a decrease in the unemployment rate. The largest decreases were in London, at 2.7 percentage points, the West Midlands, at 2.2 percentage points and the North West, at 2.0 percentage points.

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

**Workforce Jobs (First published on 17 September 2014)**

Workforce Jobs increased in 9 of the 11 regions of Great Britain between March 2014 and June 2014, with Wales showing the only decrease, of 15,000. In the South West, there was no change.
The largest increase of 112,000 was in London, followed by the West Midlands, which increased by 54,000.

The East Midlands had the highest proportion of jobs in the production sector, at 14.0%, whilst London had the lowest proportion, at 2.9%. For the service sector, London had the highest proportion, at 91.9%, whilst the East Midlands had the lowest proportion, at 78.3%.

**Figure 3: Workforce Jobs by broad industry group, June 2014, Seasonally Adjusted**

Source: Office for National Statistics

**Download chart**

[XLS](#)  [XLS format](#) (21.5 Kb)
Jobseeker's Allowance

The seasonally adjusted Claimant Count rate for the UK was 2.8% in October 2014, down 0.1 percentage point from September 2014, with the level down by 20,400.

The region with the highest rate in Great Britain was the North East, at 4.7%, down 0.1 percentage point from the previous month. The next highest rates were in Yorkshire and The Humber, at 3.8% and Wales at 3.7%.

The region with the lowest rate was the South East, at 1.6%. The next lowest rates were seen in the South West, at 1.7% and the East of England, at 2.0%.

Figure 4: Claimant Count Rates, October 2014, Seasonally Adjusted

Source: Work and Pensions
Local Authority Labour Market Indicators

For the period July 2013 to June 2014, the local authorities with the highest employment rate in Great Britain, were Eden in Cumbria, at 87.0%, Dacorum in Hertfordshire, at 85.4% and North Dorset, at 85.2%. Liverpool, at 59.4%, was the only local authority with a rate lower than 60%.

For the period July 2013 to June 2014, the local authority with the highest unemployment rate in Great Britain, was Middlesbrough, at 13.2%, followed by Liverpool, at 12.8% and Kingston upon Hull, at 12.6%. There were 7 local authorities with a rate of less than 3%: Stratford-on-Avon and South Northamptonshire, at 2.7%, Eden in Cumbria and Uttlesford, at 2.8% and Mole Valley, Elmbridge in Surrey and South Lakeland, at 2.9%.

In October 2014, the local authorities with the lowest proportion of the population, aged from 16 to 64 years, claiming Jobseeker’s Allowance in Great Britain, were the Isles of Scilly, at 0.0%, followed by 12 local authorities, at 0.6% and a further 16 local authorities, at 0.7%. These were followed by a further 60 local authorities, with a proportion of 1.0% or less. It was highest in Wolverhampton, at 5.1%, followed by Kingston upon Hull and Middlesbrough, both at 5.0% and Birmingham and South Tyneside, both at 4.7%. There were a further 9 local authorities in Great Britain, with a proportion of 4.0% or more.
Figure 5: Claimant Count Map

Oct 2014

Contains Ordnance Survey data © Crown copyright and database right 2014.

Source: Work and Pensions

Download map

PNG format
(80.2 Kb)
An interactive version of this map showing Claimant Count proportions by local authority over time is available. This map also shows Claimant Count proportions for males, females, 18 to 24 year olds and those claiming over 12 months.

The job density of an area is the number of jobs per head, of resident population, aged 16 to 64. In 2012, the highest jobs density in Great Britain was the City of London, at 77.46 and the lowest was East Renfrewshire, at 0.38. Westminster (4.25), Camden (2.11) and Tower Hamlets, Islington and Kensington and Chelsea (all 1.30), all in London, were the next highest jobs densities. The highest jobs density outside London was Watford at 1.25. After East Renfrewshire, the lowest jobs densities were Lewisham (0.39) and Waltham Forest and East Dunbartonshire, both at 0.43, followed by Newham and Haringey, both at 0.44.

Index of Tables

LFS headline indicators (Employment, unemployment and inactivity):

Headline Indicators for All Regions (HI00) (7.39 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) (2.24 Mb Excel sheet)

Headline Indicators for North West (HI02) (1.99 Mb Excel sheet)

Headline Indicators for Yorkshire and The Humber (HI03) (2.42 Mb Excel sheet)

Headline Indicators for East Midlands (HI04) (2.58 Mb Excel sheet)

Headline Indicators for West Midlands (HI05) (2.42 Mb Excel sheet)

Headline Indicators for East of England (HI06) (2.38 Mb Excel sheet)

Headline Indicators for London (HI07) (2.02 Mb Excel sheet)

Headline Indicators for South East (HI08) (1.99 Mb Excel sheet)

Headline Indicators for South West (HI09) (1.99 Mb Excel sheet)

Headline Indicators for Wales (HI10) (2.24 Mb Excel sheet)

Headline Indicators for Scotland (HI11) (2.42 Mb Excel sheet)

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

Local Indicators for Unitary and Local Authorities (LI01) (245.5 Kb Excel sheet)
Local Indicators for Parliamentary Constituencies (LI02) (311.5 Kb Excel sheet)

Local Indicators for Constituencies of the Scottish Parliament (LI02.1) (114 Kb Excel sheet)

Local Indicators for Travel-to-Work Areas (LI03) (175.5 Kb Excel sheet)

Local Indicators for NUTS3 areas (LI04) (152.5 Kb Excel sheet)

Local Indicators for Local Enterprise Partnerships (LI05) (100.5 Kb Excel sheet)

The following tables contain local Claimant Count data for all regions:

Claimant Count by Unitary and Local Authority (JSA01) (256 Kb Excel sheet)

Claimant Count by Parliamentary Constituency (JSA02) (623 Kb Excel sheet)

Claimant Count by Constituencies of the Scottish Parliament (JSA02.1) (123 Kb Excel sheet)

Claimant Count by Local Enterprise Partnership (JSA03) (101.5 Kb Excel sheet)

Other tables:

Summary of Headline Indicators (S01) (73 Kb Excel sheet)

Sampling Variability and Revisions Summary (S02) (61 Kb Excel sheet)

Claimant Count Denominators (S03) (69 Kb Excel sheet)

Model Based Estimates of Unemployment (M01) (2.21 Mb Excel sheet)

Estimates of Employment by Age (Experimental Statistics) (X01) (6.85 Mb Excel sheet)

Estimates of Unemployment by Age (Experimental Statistics) (X02) (6.81 Mb Excel sheet)

Estimates of Inactivity by Age (Experimental Statistics) (X03) (6.83 Mb Excel sheet)

Background notes

1. This Month’s Bulletin
   There are no changes to this month’s bulletin.

2. Next Month’s Bulletin
   Reclassification of Network Rail
   On 17 December 2013, ONS published an article explaining the decision to reclassify Network Rail from the private sector to the public sector from October 2002 onwards (except for the
period from April 2003 to March 2004 where it is classified to the private sector). This decision results from new guidance in the 2010 European System of Accounts (ESA10). The article explained that the classification decision would be implemented from 1 September 2014 when ESA10 came into force.

Consequently, Network Rail will be reclassified from the private sector to the public sector in the estimates of Public Sector Employment (PSE) in next month's release, resulting in revisions to the PSE estimates.

**Other changes planned for next month’s release**

In addition to the revisions resulting from the re-classification of Network Rail, there will be further revisions to estimates of Public Sector Employment back to the start of the time series in 1999. These revisions will take account of late information, updates to seasonal factors, and re-referencing of survey estimates.

Also in next month’s release, ONS plans to make revisions to estimates of Workforce Jobs going back several years. These revisions will be caused by benchmarking to the latest estimates from the annual Business Register and Employment Survey (BRES), updating seasonal factors and taking on board late information.

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. Further information for dates of roll out to Universal Credit can be found in List of Jobcentre Plus Offices under Universal Credit. (90.6 Kb Pdf)

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 in 2012 by ONS, 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, and
- 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.

A new data table (61.5 Kb Excel sheet) has been introduced in the National Labour Market Release providing an indicative representation of the Claimant Count including experimental Universal Credit statistics. There is also a guidance document (16.5 Kb Pdf) to accompany this.
4. **Publication Policy**
   A list of the job titles of those given pre-publication access to the contents of this Statistical Bulletin is available on the website.

5. **Quality Issues**
   One indication of the reliability of the key 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 Kb Excel sheet) available with this bulletin and show the size of revisions over the last five years. 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 (i.e. 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 the website. Further information about the Labour Force Survey (LFS) is available from:
   - the LFS User Guide, and
   - LFS Performance and Quality Monitoring Reports.

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

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 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**
   ONS has published commentary, analysis and policy on 'Special Events' which may affect statistical outputs. For full details go to the Special Events page on the ONS 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; and
- 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.

Copyright

© Crown copyright 2014

You may use or re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit www.nationalarchives.gov.uk/doc/open-government-licence/ or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

This document is also available on our website at www.ons.gov.uk.

Statistical contacts

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone</th>
<th>Department</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bob Watson</td>
<td>+44 (0)1633 455070</td>
<td>Regional and local data/Claimant Count</td>
<td><a href="mailto:bob.watson@ons.gsi.gov.uk">bob.watson@ons.gsi.gov.uk</a></td>
</tr>
<tr>
<td>Nicholas Palmer</td>
<td>+44 (0)1633 455839</td>
<td>Regional and national Labour Force Survey</td>
<td><a href="mailto:nicholas.palmer@ons.gsi.gov.uk">nicholas.palmer@ons.gsi.gov.uk</a></td>
</tr>
<tr>
<td>Mark Williams</td>
<td>+44 (0)1633 456728</td>
<td>Workforce Jobs</td>
<td><a href="mailto:mark.williams@ons.gsi.gov.uk">mark.williams@ons.gsi.gov.uk</a></td>
</tr>
</tbody>
</table>
Next Publication Date:
17 December 2014

Issuing Body:
Office for National Statistics

Media Contact Details:
Telephone: 0845 604 1858
(8.30am-5.30pm Weekdays)

Emergency out of hours (limited service): 07867 906553

Email:
media.relations@ons.gsi.gov.uk