

National Assembly for Wales

Unemployment Briefing December 2009

This briefing paper provides a statistical overview of unemployment trends.

Information is included on Assembly constituencies, Wales and UK nations and regions.



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CF99 1NA

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National Assembly for Wales

Unemployment Briefing
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Leon Goberman

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Unemployment Briefing: December 2009

Headlines: ILO unemployment ¹

- Between August and October 2009, the ILO unemployment rate in Wales was 8.8 per cent. This compares to 6.6 per cent between August and October 2008. *Figure 1.1*;
- Between August and October 2009, the number of ILO unemployed in Wales was 125,000. This has increased by 9,000 since the previous quarter and by 30,000 since the previous year;
- The male ILO rate was 9.8 per cent, compared to 7.6 per cent for females. *Figure 1.1*;
- The ILO rate in Wales was the highest of the four UK nations. *Table 2.1*; and
- Wales had the fifth highest ILO rate out of the twelve UK nations and regions. *Figure 3.1*.

Headlines: Claimant count ²

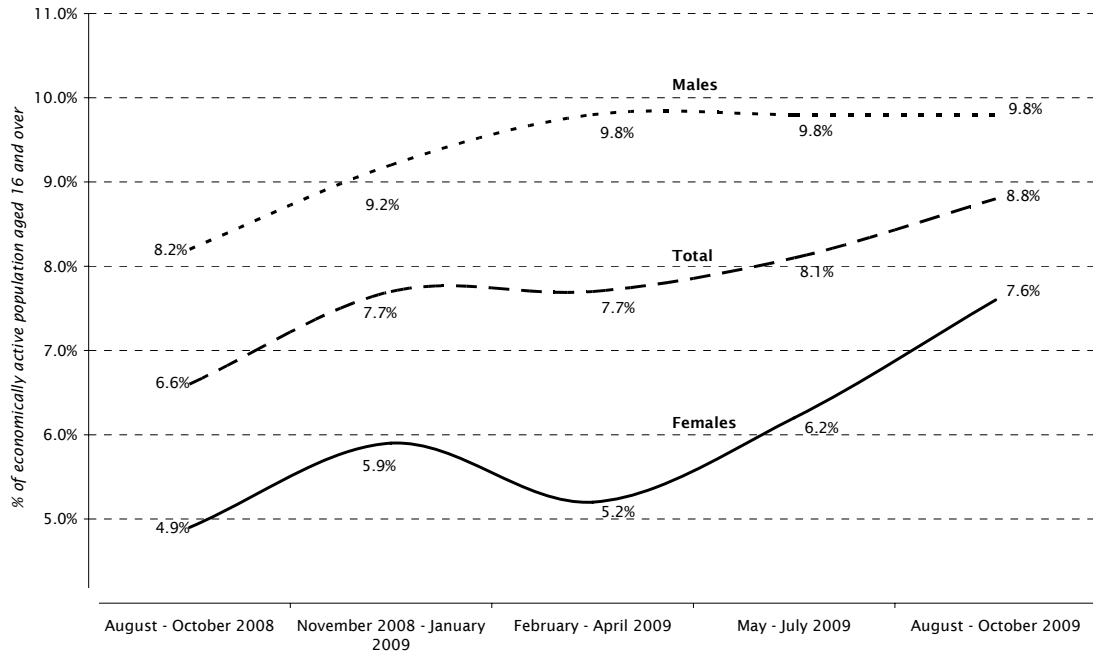
- In November 2009, the total claimant count rate in Wales was 5.7 per cent. This compares to 4.0 per cent in November 2008. *Figure 1.2*;
- The claimant count total in Wales has fallen by some 500 since the previous month and risen by some 24,700 since the previous November.
- At 6.2 per cent, Northern Ireland had the highest claimant count rate out of the UK nations. Wales had the second highest rate. *Table 2.2*;
- In November 2009, Wales' claimant count rate was ranked sixth highest out of the twelve UK nations and regions. *Figure 3.2*; and
- The Assembly Constituencies with the highest claimant count rate (based on unofficial estimates) were Blaenau Gwent (12.0 per cent) and Merthyr Tydfil and Rhymney (11.7 per cent). The lowest claimant count rate estimates were in Ceredigion (3.0 per cent) and Montgomeryshire (3.3 per cent). *Table 4.2*.

¹ The **International Labour Organisation (ILO)** unemployment rate is the number of ILO unemployed persons as a percentage of the economically active population aged 16 and over. It includes those who are out of work and want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next two weeks. It is derived from a household survey carried out by the Office for National Statistics each quarter and is the primary measure of unemployment.

² The **claimant count** measures only those people who are claiming Jobseeker's Allowance. It is lower than the ILO definition, because some unemployed people are either not entitled to claim benefits, or choose not to do so. Rates for Assembly Constituencies are unofficial estimates produced by the Members' Research Service.

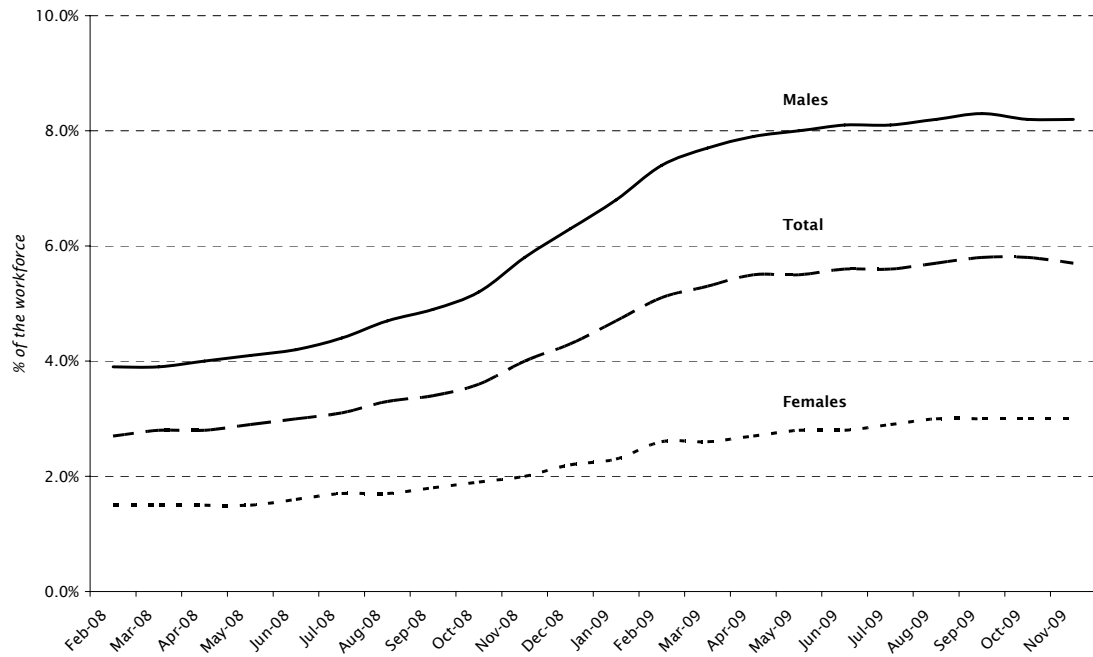
1: Summary unemployment statistics for Wales ³

Figure 1.1: ILO unemployment rates



Source: Office for National Statistics

Figure 1.2: Claimant count rates



Source: Office for National Statistics

³ See Technical Annex for definitions of unemployment data used in this paper.

2: Summary unemployment statistics for UK nations

Table 2.1: ILO unemployment rates

| | Wales | England | Scotland | Northern Ireland | UK |
|-----------------------------|-------|---------|----------|---------------------|------|
| August 2009 to October 2009 | 8.8% | 8.0% | 6.9% | 6.6% | 7.9% |
| August 2008 to October 2008 | 6.6% | 6.1% | 5.0% | 4.4% | 6.0% |
| August 2007 to October 2007 | 5.0% | 5.4% | 4.6% | 4.1% | 5.3% |

Source: Office for National Statistics

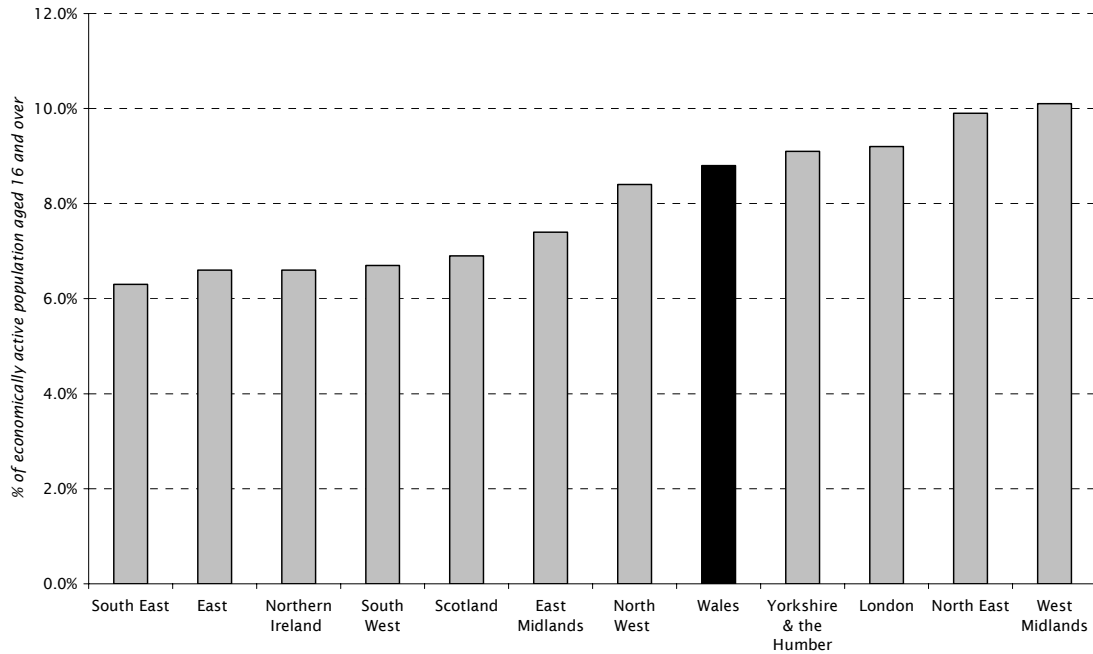
Table 2.2: Claimant count rates

| | Wales | England | Scotland | Northern Ireland | UK |
|-----------------|-------|---------|----------|---------------------|------|
| 2009 (November) | 5.7% | 5.0% | 4.9% | 6.2% | 5.0% |
| 2008 (November) | 4.0% | 3.3% | 3.3% | 4.0% | 3.4% |
| 2007 (November) | 2.8% | 2.5% | 2.6% | 2.7% | 2.5% |

Source: Office for National Statistics

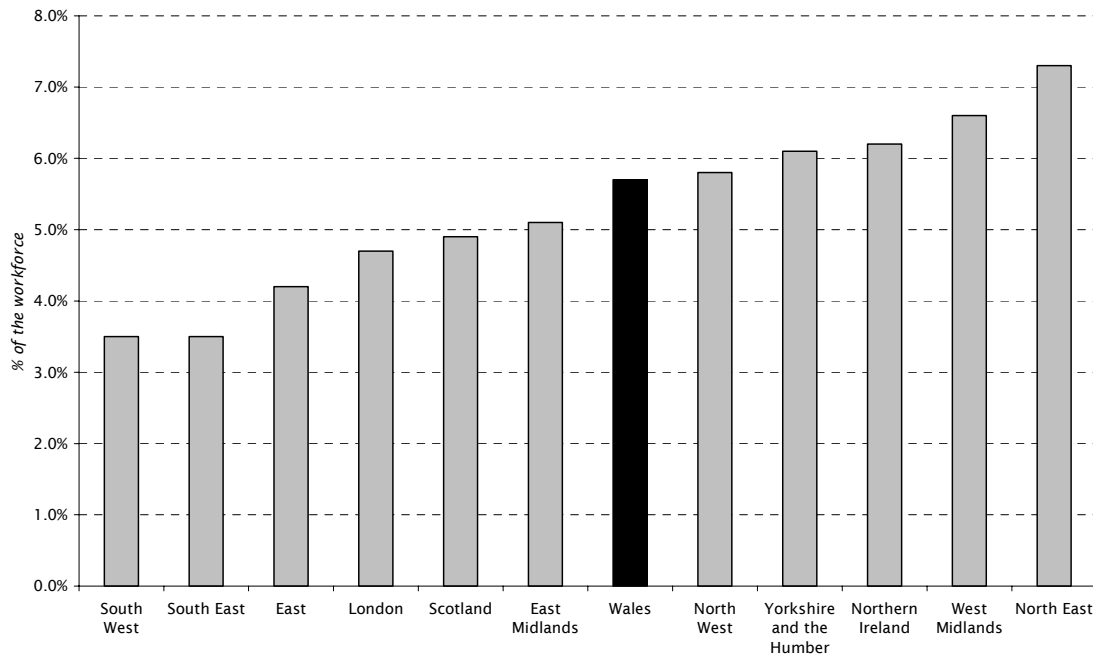
3: Summary unemployment statistics for UK nations and regions

Figure 3.1: ILO unemployment rates (August 2009 – October 2009)



Source: Office for National Statistics

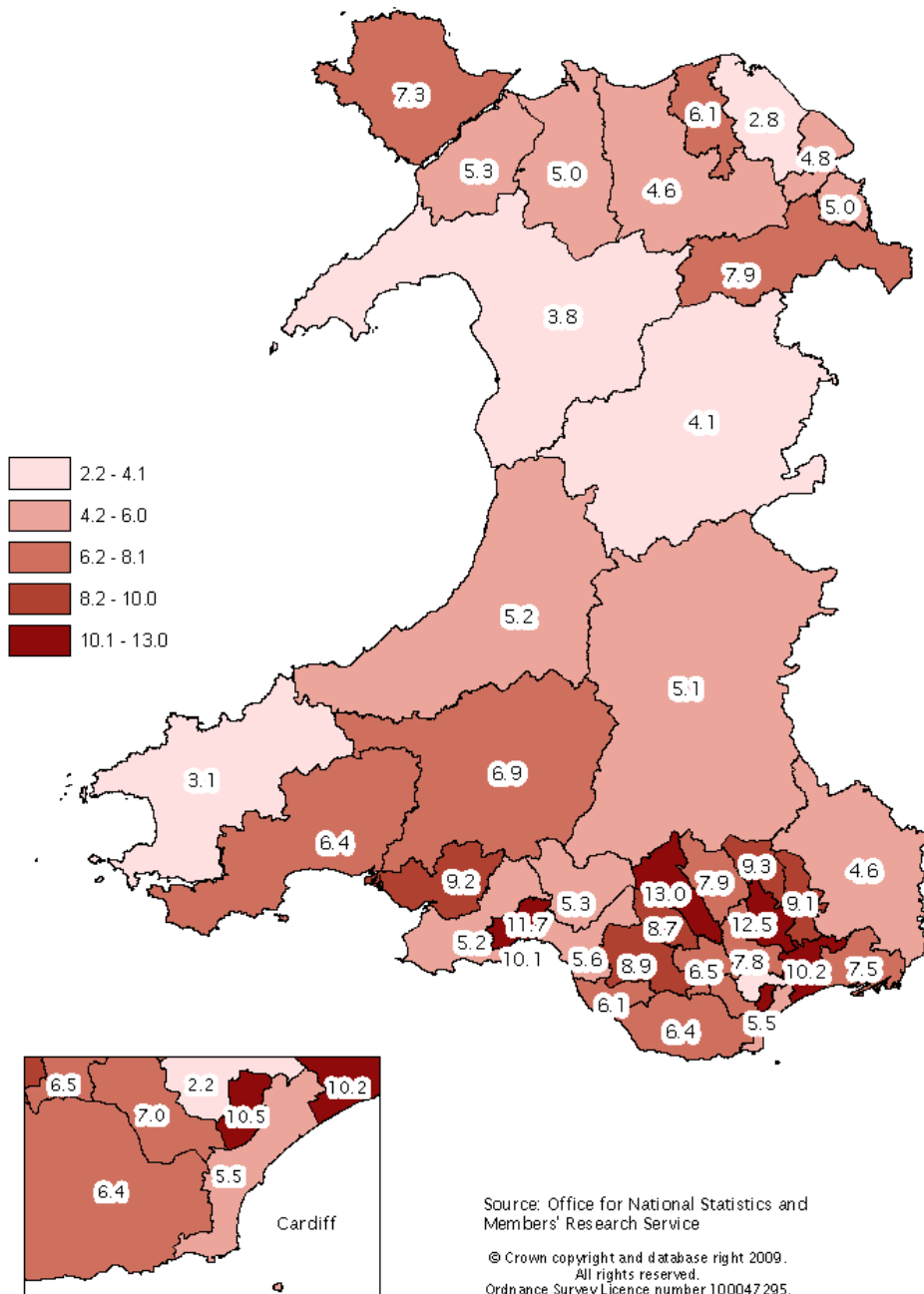
Figure 3.2: Claimant count rates (November 2009)



Source: Office for National Statistics

4: Summary statistics for Assembly constituencies

Map 4.1: ILO unemployment rate by Assembly constituency (April 2008 – March 2009)⁴



Source: Office for National Statistics and Members' Research Service
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⁴ Latest available data. The rate is the number of ILO unemployed persons employed as a percentage of the economically active population aged 16 and over.

Table 4.1 Claimant count by Assembly Constituency, November 2009

not seasonally adjusted

| Constituency | Men | Women | People |
|---|------------|--------------|---------------|
| Aberavon | 1,324 | 452 | 1,776 |
| Aberconwy | 946 | 246 | 1,192 |
| Alyn and Deeside | 1,360 | 507 | 1,867 |
| Arfon | 1,041 | 303 | 1,344 |
| Blaenau Gwent | 2,467 | 844 | 3,311 |
| Brecon and Radnorshire | 778 | 319 | 1,097 |
| Bridgend | 1,342 | 472 | 1,814 |
| Caerphilly | 2,123 | 682 | 2,805 |
| Cardiff Central | 1,742 | 570 | 2,312 |
| Cardiff North | 1,123 | 377 | 1,500 |
| Cardiff South and Penarth | 2,529 | 837 | 3,366 |
| Cardiff West | 2,046 | 675 | 2,721 |
| Carmarthen East and Dinefwr | 785 | 277 | 1,062 |
| Carmarthen West and South Pembrokeshire | 1,115 | 332 | 1,447 |
| Ceredigion | 692 | 252 | 944 |
| Clwyd South | 1,318 | 441 | 1,759 |
| Clwyd West | 1,227 | 386 | 1,613 |
| Cynon Valley | 1,729 | 568 | 2,297 |
| Delyn | 1,152 | 419 | 1,571 |
| Dwyfor Meirionydd | 674 | 236 | 910 |
| Gower | 983 | 336 | 1,319 |
| Islwyn | 1,688 | 551 | 2,239 |
| Llanelli | 1,515 | 412 | 1,927 |
| Merthyr Tydfil and Rhymney | 2,477 | 751 | 3,228 |
| Monmouth | 1,016 | 372 | 1,388 |
| Montgomeryshire | 672 | 267 | 939 |
| Neath | 1,296 | 456 | 1,752 |
| Newport East | 1,828 | 590 | 2,418 |
| Newport West | 1,966 | 644 | 2,610 |
| Ogmore | 1,794 | 583 | 2,377 |
| Pontypridd | 1,382 | 455 | 1,837 |
| Preseli Pembrokeshire | 1,053 | 349 | 1,402 |
| Rhondda | 2,010 | 634 | 2,644 |
| Swansea East | 1,694 | 540 | 2,234 |
| Swansea West | 1,520 | 484 | 2,004 |
| Torfaen | 1,978 | 601 | 2,579 |
| Vale of Clwyd | 1,623 | 449 | 2,072 |
| Vale of Glamorgan | 1,948 | 677 | 2,625 |
| Wrexham | 1,331 | 480 | 1,811 |
| Ynys Mon | 1,356 | 427 | 1,783 |

Source: Nomis

Table 4.2: Unofficial residence-based claimant count rates by Assembly Constituency, November 2009 (a)

not seasonally adjusted

| Constituency | Men | Women | People |
|---|------------|--------------|---------------|
| Aberavon | 9.7 | 4.2 | 7.3 |
| Aberconwy | 7.2 | 2.2 | 4.9 |
| Alyn and Deeside | 6.3 | 2.8 | 4.7 |
| Arfon | 7.8 | 2.6 | 5.4 |
| Blaenau Gwent | 16.1 | 6.9 | 12.0 |
| Brecon and Radnorshire | 4.6 | 2.3 | 3.5 |
| Bridgend | 7.8 | 3.3 | 5.8 |
| Caerphilly | 10.9 | 4.2 | 7.8 |
| Cardiff Central | 9.8 | 3.6 | 6.9 |
| Cardiff North | 5.6 | 2.0 | 3.9 |
| Cardiff South and Penarth | 11.8 | 4.4 | 8.3 |
| Cardiff West | 10.2 | 3.7 | 7.1 |
| Carmarthen East and Dinefwr | 5.0 | 2.2 | 3.7 |
| Carmarthen West and South Pembrokeshire | 6.7 | 2.3 | 4.7 |
| Ceredigion | 4.0 | 1.8 | 3.0 |
| Clwyd South | 7.5 | 3.1 | 5.5 |
| Clwyd West | 7.7 | 2.8 | 5.4 |
| Cynon Valley | 11.7 | 4.6 | 8.5 |
| Delyn | 6.3 | 2.8 | 4.7 |
| Dwyfor Meirionydd | 4.7 | 2.1 | 3.5 |
| Gower | 5.6 | 2.2 | 4.0 |
| Islwyn | 10.1 | 4.0 | 7.4 |
| Llanelli | 9.2 | 3.0 | 6.4 |
| Merthyr Tydfil and Rhymney | 16.4 | 6.1 | 11.7 |
| Monmouth | 5.3 | 2.3 | 3.9 |
| Montgomeryshire | 4.3 | 2.1 | 3.3 |
| Neath | 8.0 | 3.4 | 5.9 |
| Newport East | 9.9 | 3.8 | 7.2 |
| Newport West | 10.3 | 3.9 | 7.4 |
| Ogmore | 10.4 | 4.2 | 7.7 |
| Pontypridd | 7.4 | 2.8 | 5.3 |
| Preseli Pembrokeshire | 6.3 | 2.5 | 4.6 |
| Rhondda | 13.4 | 5.3 | 9.8 |
| Swansea East | 9.7 | 3.7 | 6.9 |
| Swansea West | 9.6 | 3.6 | 6.8 |
| Torfaen | 10.3 | 3.8 | 7.3 |
| Vale of Clwyd | 10.2 | 3.2 | 6.9 |
| Vale of Glamorgan | 8.5 | 3.4 | 6.1 |
| Wrexham | 7.7 | 3.2 | 5.6 |
| Ynys Mon | 8.6 | 3.4 | 6.2 |

Source: Members' Research Service

(a) Claimants of Job Seekers Allowance as a percentage of the economically active population aged 16 and over as derived from the 2001 Census of Population.

Technical Annex: Definitions of unemployment data

ILO unemployment

Definition: ILO (International Labour Organisation) unemployment is a count of the number of those who are out of work and want a job, have actively sought work in the last four weeks and are available to start in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next two weeks.

Methodology used for calculating rates: ILO rates are calculated as a percentage of the population aged 16 and over who are economically active. Economically active people are those who are either in work or are unemployed under the ILO definition.

Source: The number of ILO unemployed is derived from the Labour Force Survey (LFS). The LFS is a sample survey of around 60,000 UK households carried out by the Office for National Statistics (ONS). The ONS states that quarter on quarter changes at regional level are particularly subject to sampling variability and **should be interpreted in the context of changes over several quarters rather than in isolation.**

Geographical availability: The sample based nature of the LFS means that data for areas within Wales (such as Assembly Constituencies and local authorities) is not available on a quarterly basis. Data for Assembly Constituencies is only available on an annual basis.

Usage: ILO unemployment is now the headline unemployment indicator for the UK. It is a more encompassing measure of unemployment than the claimant count and enables international comparison of rates. The definition is used by most other countries, as well as Eurostat (the Statistical Office of the European Union), and the OECD (Organisation for Economic Co-operation and Development).

Claimant Count

Definition: The claimant count measures the number of people who are claiming Jobseekers Allowance.

Methodology used for calculating rates: Two methods have been used in this paper;

1. Workplace based rates. These rates have been calculated as the number of claimants resident in each area as a percentage of workforce jobs plus the claimant count. This approach is used for all figures and tables **not focussing** on Assembly Constituencies; and
2. Unofficial claimant count rates. Official Claimant count rates or proportions are not available for the Assembly Constituency boundaries that came into effect in May 2007. Claimant count **proportions for Parliamentary Constituencies** are available from the Office for National Statistics (ONS). The ONS claimant count proportions use the population of working age as a denominator and so take no account of differences between areas in the proportion that are economically active. Residence-based claimant count **rates for Assembly Constituencies** have been calculated by the Members' Research Service, expressing the number of claimants as a percentage of the economically active population aged 16 and over who are resident in the constituency. This produces an alternative measure of unemployment to those published by the Office for National Statistics. The number of economically active residents in each constituency is derived from the 2001 Census of Population results for the revised Assembly Constituency boundaries produced by the Office for National Statistics.

Source: The claimant count comes from the administrative records of Jobcentre Plus. It is always lower than the ILO measure of unemployment because some unemployed people are either not entitled to claim Jobseekers allowance, or choose not to do so.

Geographical availability: It is available across a broad of smaller administrative areas, including Assembly constituencies and wards.

Usage: Although it only provides a partial picture, the greater coverage and timeliness of the claimant count is useful to maintain a picture of the labour market at a local level.

