

National Assembly for Wales

Unemployment Briefing December 2011

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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National Assembly for Wales

Unemployment Briefing
December 2011

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Research
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Unemployment Briefing: December 2011

Introduction

Unemployment statistics are published each month by the Office for National Statistics (ONS). This paper is released shortly after the ONS data and aims to provide a brief summary of the latest unemployment situation in Wales and the UK.

Section 1 contains headline figures and analysis. Additional information is provided in sections 2 to 6.

As well as information relating to the International Labour Organisation (ILO) and claimant count measures. This paper also includes unofficial residence-based claimant count rates for Assembly Constituencies. These are an alternative measure to those published by the ONS. Due to a slight change in methodology, the unofficial claimant count rates in this briefing are not comparable with those contained in issues previous to August 2010. Further information is available in the Technical Annex.

1: Headlines

ILO unemployment ¹

- In August to October 2011, the ILO unemployment rate in Wales was 9.1 per cent. This has risen from 8.6 per cent in August to October 2010. *Figure 2.1*;
- In August to October 2011, the number of ILO unemployed in Wales was 133,000. This has increased by 11,000 since the previous quarter and increased by 8,000 since the previous year;
- The male ILO rate was 10.8 per cent, compared to 7.2 per cent for females. *Figure 2.1*;
- The ILO rate in Wales was the highest of the four UK nations. *Table 3.1*;
- Wales had the fifth highest ILO rate of the twelve UK nations and regions. *Figure 4.1*; and
- In April 2010 to March 2011, 49,200 people aged 16-24 were ILO unemployed; the ILO rate for 16-24 year olds was 22.4 per cent. *Table 5.1 and Figure 5.1*

Claimant count ²

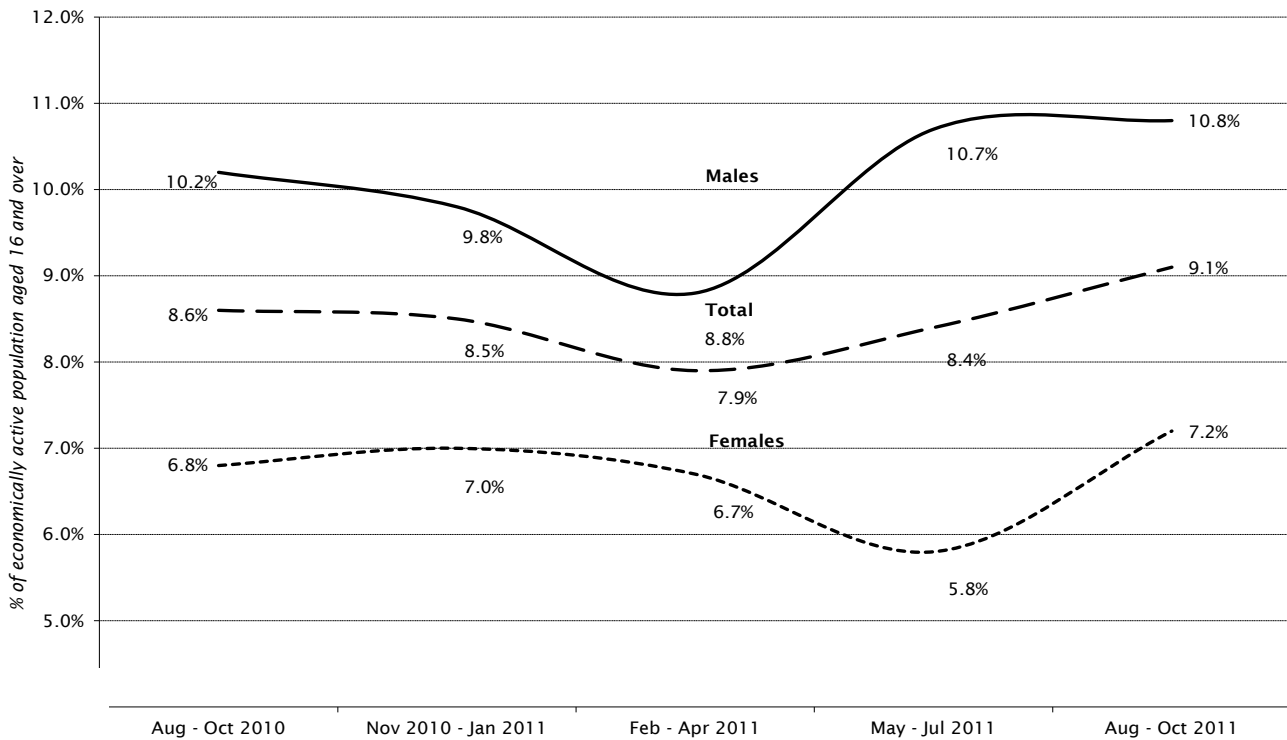
- In November 2011, the total claimant count rate in Wales was 5.5 per cent. This compares to 5.1 per cent in November 2010. *Figure 2.2*;
- The claimant count total in Wales has decreased by 300 since the previous month and increased by 6,900 since the previous November;
- At 6.9 per cent, Northern Ireland had the highest claimant count rate out of the UK nations. Wales had the second highest rate. *Table 3.2*;
- In November 2011, Wales' claimant count rate was ranked sixth highest out of the twelve UK nations and regions. *Figure 4.2*;
- The claimant count for the 18-24 age group has decreased by 465 since the previous month and increased by 3,440 since the previous November. *Table 5.2*; and
- The Assembly Constituencies with the highest claimant count rates in October 2011 (based on unofficial estimates) were Blaenau Gwent (11.7 per cent) and Merthyr Tydfil and Rhymney (11.3 per cent). The lowest claimant count rate estimates were in Montgomeryshire (3.1 per cent) Gower and Ceredigion (both 3.2 per cent). *Table 6.2*.

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 Research Service (see the Technical Annex).

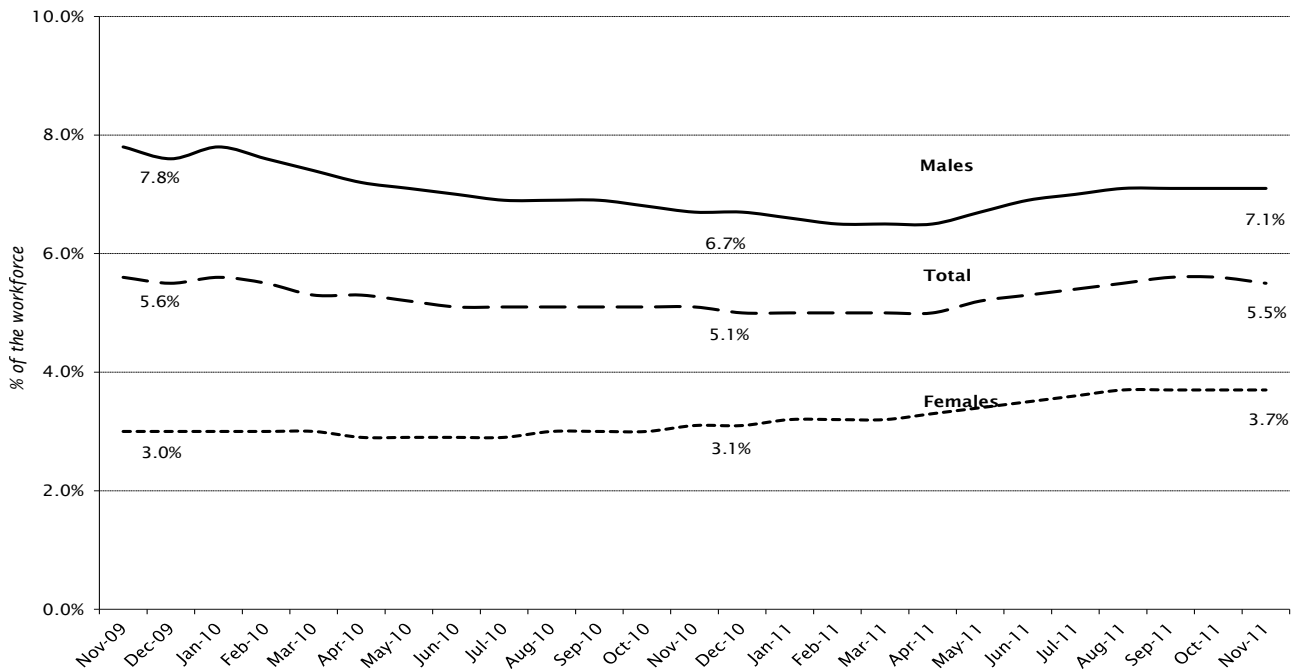
2: Unemployment statistics for Wales ³

Figure 2.1: ILO unemployment rates



Source: Office for National Statistics

Figure 2.2: Claimant count rates



Source: Office for National Statistics

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

3: Unemployment statistics for UK nations

Table 3.1: ILO unemployment rates

August to October	Wales	England	Scotland	Northern Ireland	UK
2011	9.1	8.3	8.5	6.9	8.3
2010	8.6	8.0	8.5	7.6	7.9
2009	8.8	7.8	6.9	6.6	7.9

Source: Office for National Statistics/ Stats Wales

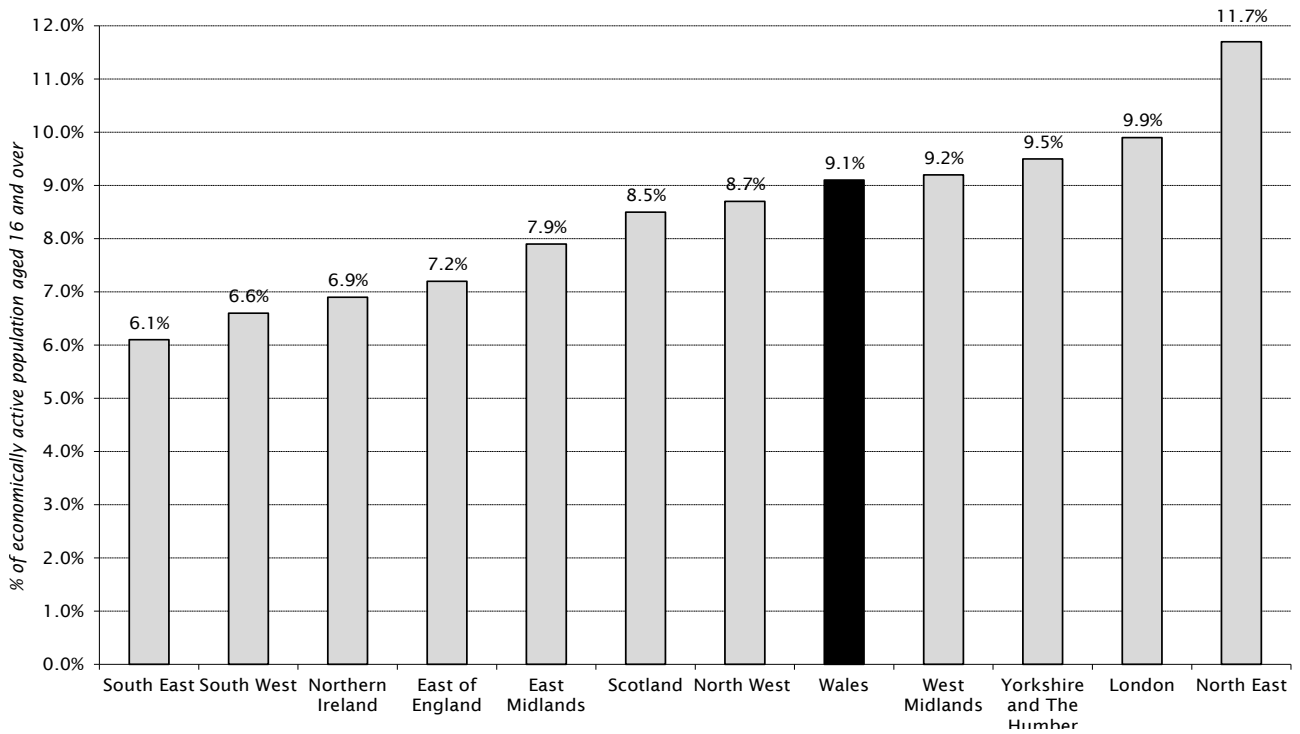
Table 3.2: Claimant count rates

November	Wales	England	Scotland	Northern Ireland	UK
2011	5.5	4.8	5.3	6.9	5.0
2010	5.1	4.4	5.1	6.6	4.5
2009	5.6	4.9	5.1	6.1	5.0

Source: Office for National Statistics/ Stats Wales

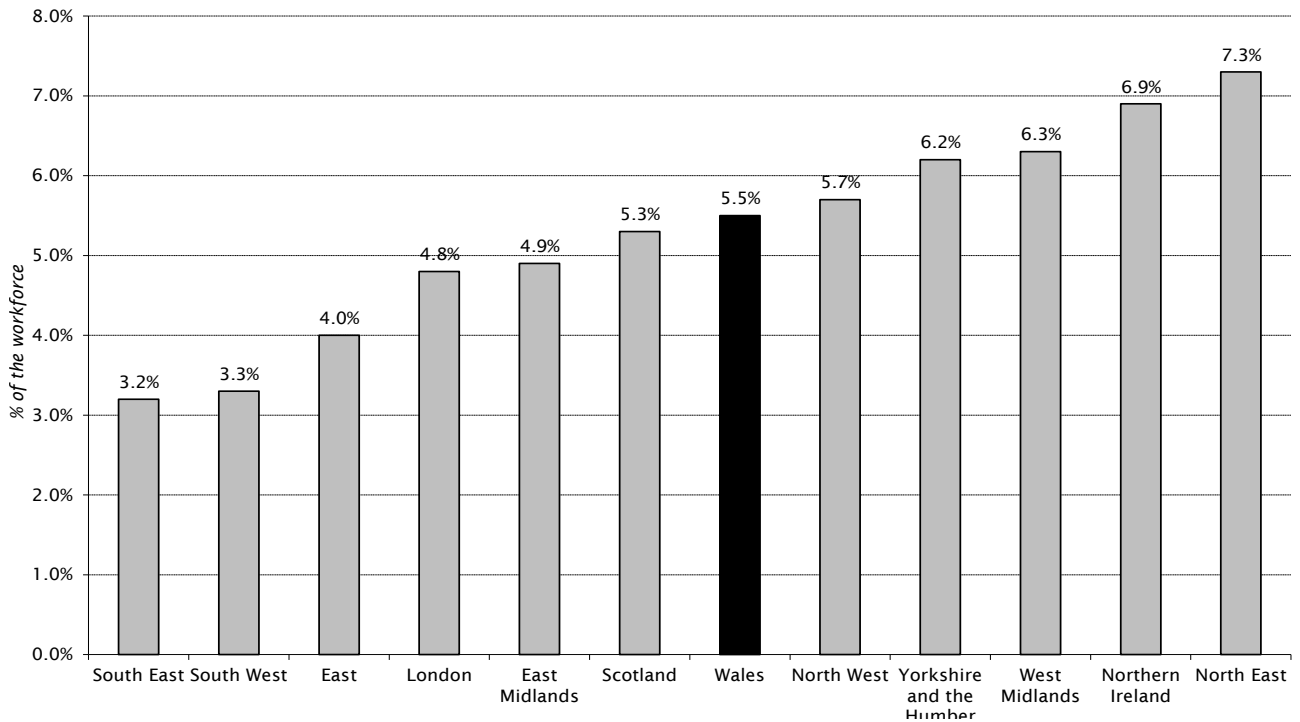
4: Unemployment statistics for UK nations and regions

Figure 4.1: ILO unemployment rates (August to October 2011)



Source: Office for National Statistics

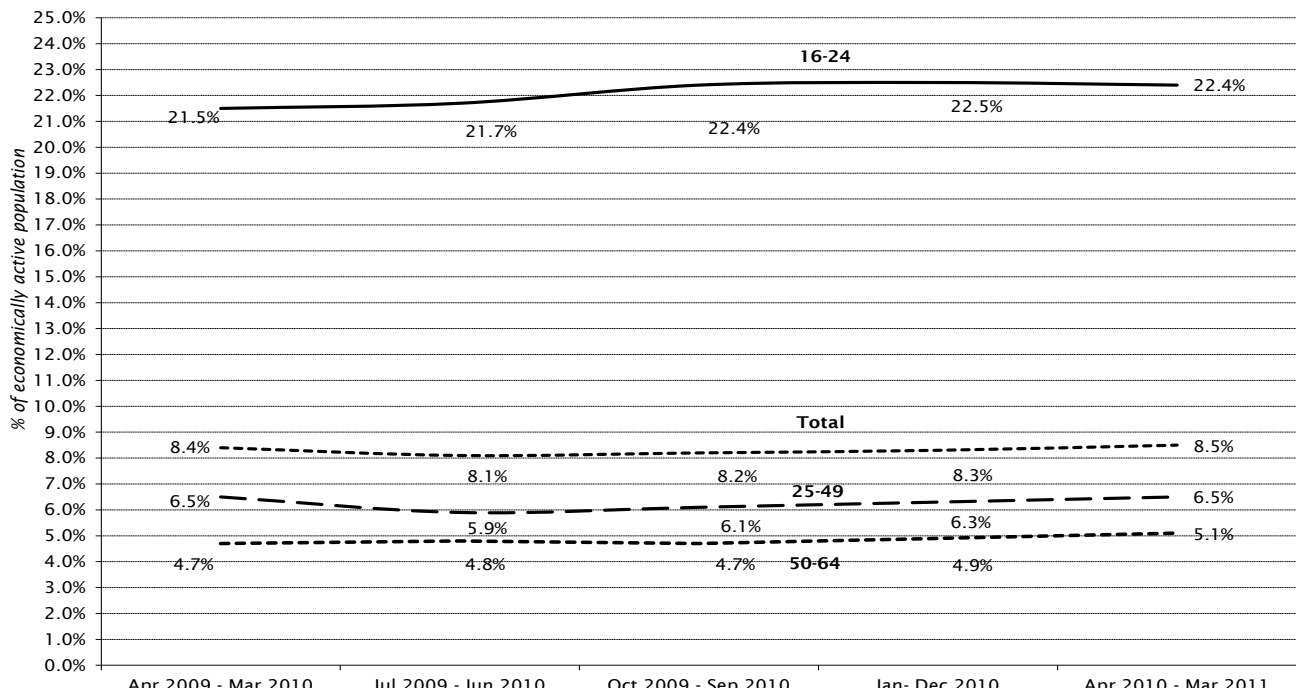
Figure 4.2: Claimant count rates (November 2011)



Source: Office for National Statistics

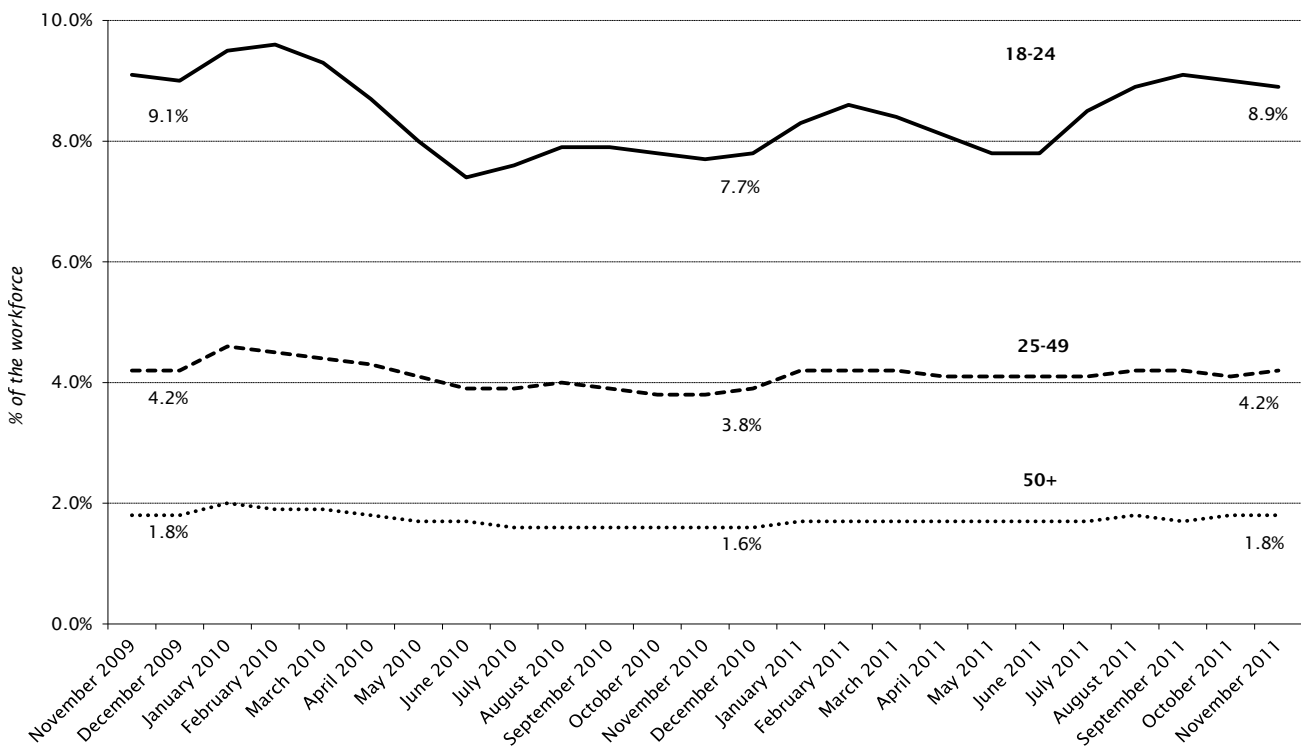
5. Unemployment by age group

Figure 5.1: ILO unemployment rates by age group



Source: Stats Wales

Figure 5.2: Claimant count rate by age group (not seasonally adjusted)



Source: Office for National Statistics

Table 5.1: ILO unemployment level by age group

	16-24	25-49	50-64	16 and over
Apr 2009 - Mar 2010	49,400	51,500	16,700	117,800
Jul 2009 - Jun 2010	50,100	46,500	17,100	114,200
Oct 2009 - Sep 2010	50,600	47,900	16,900	115,800
Jan - Dec 2010	50,000	49,600	17,700	117,900
Apr 2010 - Mar 2011	49,200	51,200	18,500	119,600

Source: Stats Wales

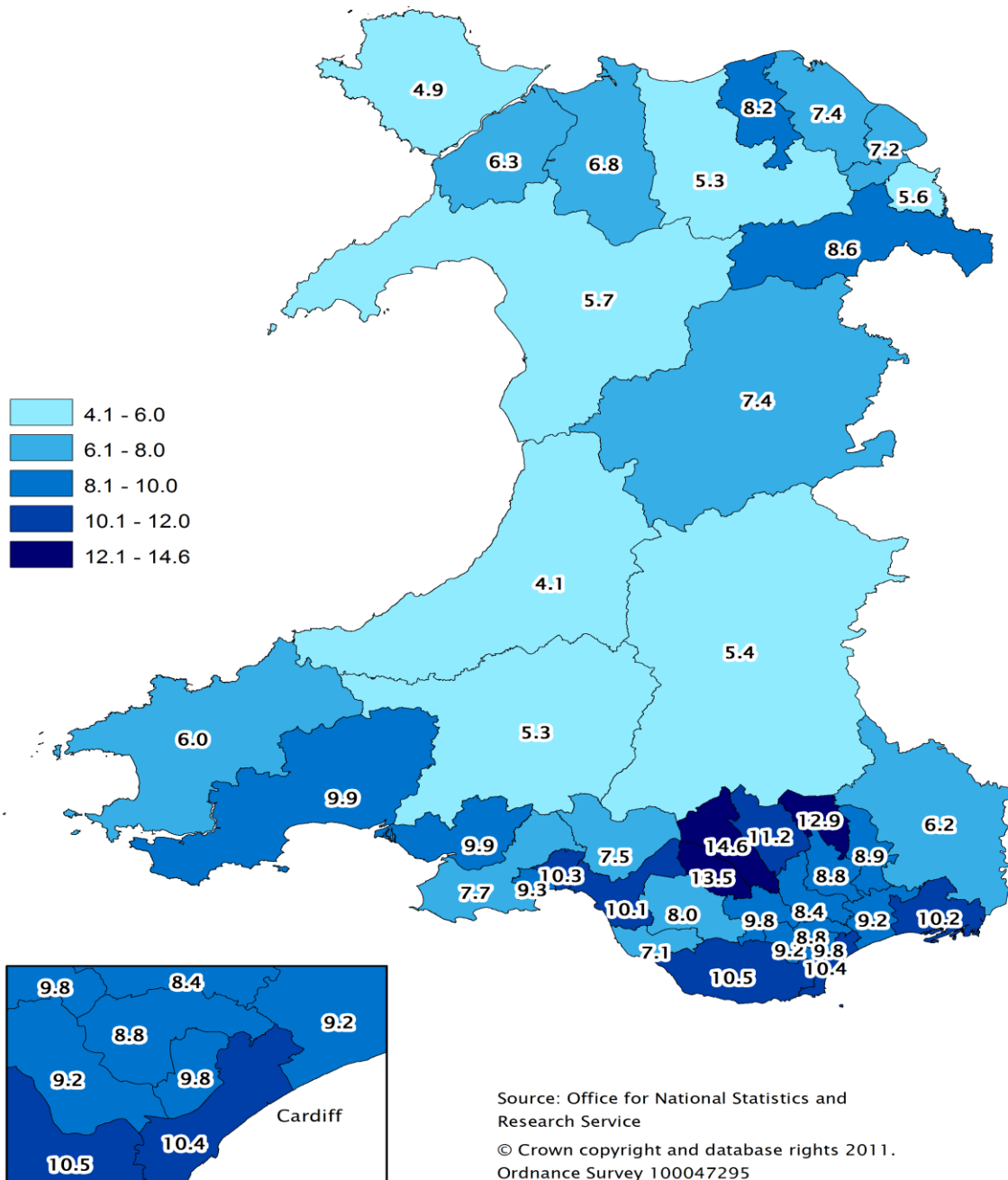
Table 5.2: Claimant count level by age group

	<i>Not seasonally adjusted</i>		
	18-24	25-49	50+
November 2009	26,935	39,800	10,665
December 2009	26,630	40,210	10,675
January 2010	28,210	42,920	11,460
February 2010	28,695	42,500	11,250
March 2010	27,610	41,060	10,795
April 2010	25,925	40,175	10,680
May 2010	23,850	38,275	10,085
June 2010	22,115	36,835	9,695
July 2010	22,725	36,790	9,420
August 2010	23,560	37,240	9,420
September 2010	23,640	36,440	9,190
October 2010	23,130	35,515	9,200
November 2010	22,975	36,185	9,330
December 2010	23,150	37,165	9,530
January 2011	24,645	40,000	10,190
February 2011	25,685	40,050	10,185
March 2011	25,185	39,275	10,045
April 2011	24,090	38,760	9,970
May 2011	23,335	38,505	9,850
June 2011	23,185	38,215	9,925
July 2011	25,335	39,055	10,080
August 2011	26,645	39,640	10,220
September 2011	27,170	39,340	10,115
October 2011	26,880	39,105	10,220
November 2011	26,415	39,180	10,400

Source: Office for National Statistics

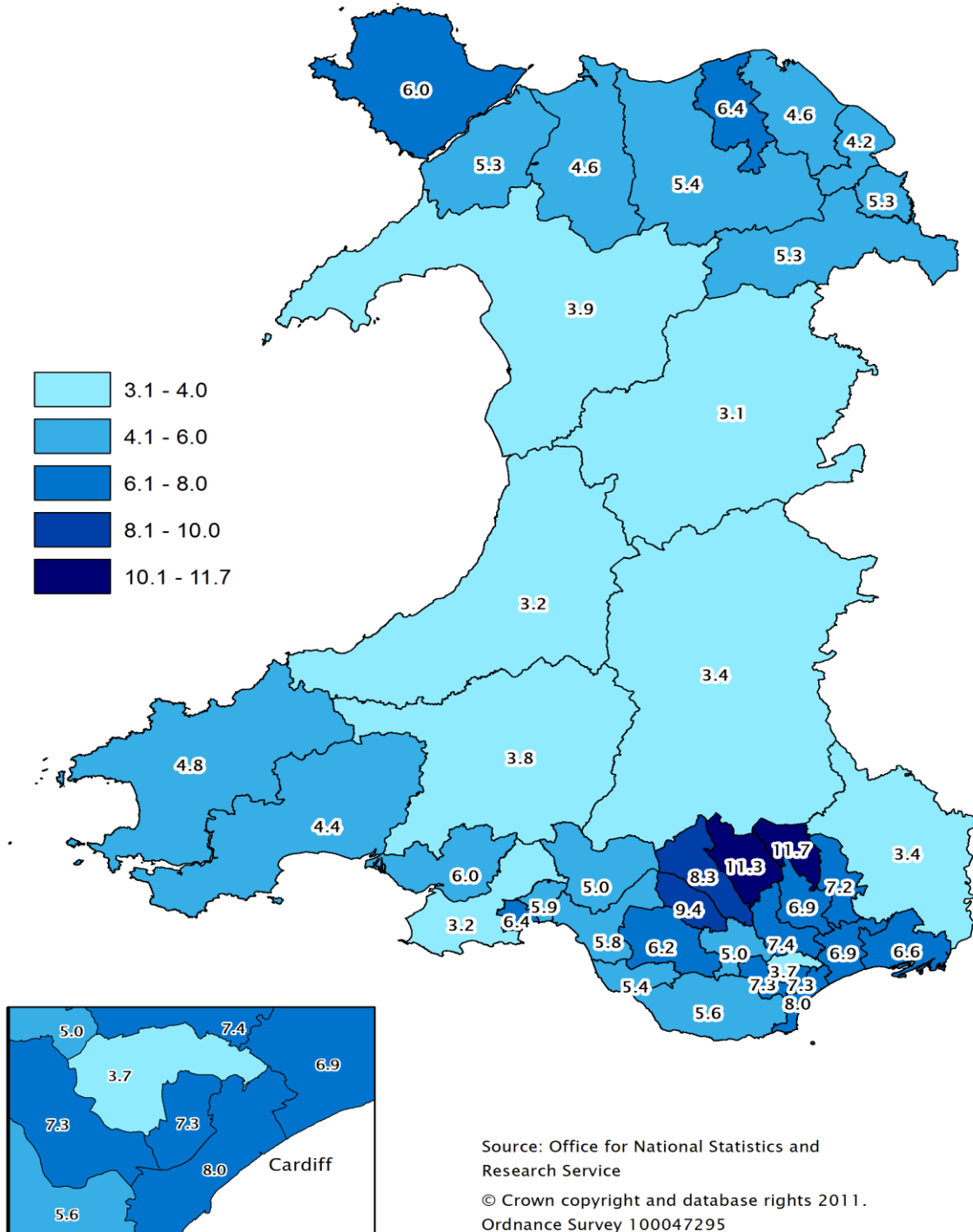
6: Unemployment statistics for Assembly constituencies

Map 6.1: ILO unemployment rates by Assembly constituency (April 2010 to March 2011)⁴



⁴ Latest available data (not seasonally adjusted). The rate is the number of ILO unemployed persons as a percentage of the economically active population aged 16 and over.

Map 6.2: Unofficial claimant count rates by Assembly Constituency, November 2011 ⁵



⁵ Source: Research Service. Claimants of Job Seekers Allowance as a **percentage** of the economically active population aged between 16 and 64. See technical annex for details.

Table 6.1 Claimant count by Assembly Constituency, November 2011

not seasonally adjusted

Constituency	Men	Women	People
Aberavon	973	507	1,480
Aberconwy	810	302	1,112
Alyn and Deeside	1,108	582	1,690
Arfon	969	374	1,343
Blaenau Gwent	2,163	1,070	3,233
Brecon and Radnorshire	707	347	1,054
Bridgend	1,233	576	1,809
Caerphilly	1,847	864	2,711
Cardiff Central	2,017	714	2,731
Cardiff North	1,106	447	1,553
Cardiff South and Penarth	2,562	1,100	3,662
Cardiff West	2,075	863	2,938
Carmarthen East and Dinefwr	739	367	1,106
Carmarthen West and South Pembrokeshire	992	415	1,407
Ceredigion	706	313	1,019
Clwyd South	1,182	546	1,728
Clwyd West	1,171	477	1,648
Cynon Valley	1,530	745	2,275
Delyn	975	537	1,512
Dwyfor Meirionnydd	703	276	979
Gower	737	341	1,078
Islwyn	1,466	710	2,176
Llanelli	1,295	600	1,895
Merthyr Tydfil and Rhymney	2,135	1,001	3,136
Monmouth	803	423	1,226
Montgomeryshire	629	295	924
Neath	1,039	489	1,528
Newport East	1,525	716	2,241
Newport West	1,788	805	2,593
Ogmore	1,390	622	2,012
Pontypridd	1,285	546	1,831
Preseli Pembrokeshire	1,030	457	1,487
Rhondda	1,720	776	2,496
Swansea East	1,376	633	2,009
Swansea West	1,405	556	1,961
Torfaen	1,788	788	2,576
Vale of Clwyd	1,431	603	2,034
Vale of Glamorgan	1,821	708	2,529
Wrexham	1,247	506	1,753
Ynys Mon	1,196	539	1,735

Source: Office for National Statistics

Table 6.2: Unofficial residence-based claimant count rates by Assembly Constituency, November 2011 (a)

not seasonally adjusted

Constituency	Men	Women	People
Aberavon	6.8	4.5	5.8
Aberconwy	6.3	2.7	4.6
Alyn and Deeside	5.1	3.2	4.2
Arfon	7.0	3.2	5.3
Blaenau Gwent	14.2	8.6	11.7
Brecon and Radnorshire	4.2	2.5	3.4
Bridgend	6.7	3.8	5.4
Caerphilly	9.3	5.2	7.4
Cardiff Central	9.9	4.2	7.3
Cardiff North	4.9	2.3	3.7
Cardiff South and Penarth	10.3	5.2	8.0
Cardiff West	9.7	4.6	7.3
Carmarthen East and Dinefwr	4.7	2.8	3.8
Carmarthen West and South Pembrokeshire	5.8	2.8	4.4
Ceredigion	4.0	2.2	3.2
Clwyd South	6.5	3.7	5.3
Clwyd West	7.1	3.4	5.4
Cynon Valley	10.3	6.0	8.3
Delyn	5.3	3.6	4.6
Dwyfor Meirionnydd	5.0	2.5	3.9
Gower	4.1	2.2	3.2
Islwyn	8.5	5.0	6.9
Llanelli	7.5	4.1	6.0
Merthyr Tydfil and Rhymney	14.0	8.0	11.3
Monmouth	4.1	2.6	3.4
Montgomeryshire	3.8	2.2	3.1
Neath	6.2	3.6	5.0
Newport East	8.1	4.7	6.6
Newport West	8.7	4.6	6.9
Ogmore	7.7	4.4	6.2
Pontypridd	6.5	3.2	5.0
Preseli Pembrokeshire	6.0	3.2	4.8
Rhondda	11.6	6.7	9.4
Swansea East	7.5	4.1	5.9
Swansea West	8.3	4.1	6.4
Torfaen	9.2	4.9	7.2
Vale of Clwyd	8.5	4.1	6.4
Vale of Glamorgan	7.5	3.4	5.6
Wrexham	7.0	3.4	5.3
Ynys Mon	7.6	4.2	6.0

Source: Research Service

(a) Claimants of Job Seekers Allowance as a percentage of the economically active population aged 16 to 64. See technical annex for details.

Technical Annex: Definitions of unemployment data

ILO unemployment

Definition: ILO (International Labour Organisation) unemployment is 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**. The figures have also been adjusted by ONS to take account of seasonal factors.

Availability by age group and geographical area: The sample based nature of the LFS means that data for different age groups and areas within Wales (such as Assembly Constituencies and local authorities) is not available on a rolling three-monthly basis. Data for age groups, Assembly Constituencies and local authorities is only available on a rolling twelve-monthly basis, updated once a quarter.

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 apart from those containing figures for Assembly Constituencies; and
2. Unofficial claimant count rates. The UK Parliamentary Constituencies introduced for the 2010 general election are the **same** as Assembly Constituencies. Claimant count **proportions for constituencies** are available from the Office for National Statistics (ONS). The ONS claimant count proportions use the population aged 16 to 64 as a denominator and so take no account of differences between areas in the proportion that are economically active.

Claimant count **rates for Assembly Constituencies** have been calculated by the Research Service, expressing the number of claimants as a percentage of the economically active population aged 16 to 64 who are resident in the constituency. This produces an alternative measure of unemployment to those published by the ONS. The proportion of economically active residents in each constituency is derived from the 2001 Census of Population and then applied to the 2008 resident population estimates of the number aged 16-64, as produced by the ONS.

This is a change from the methodology used from May to July 2010, when the number of claimants was expressed as a percentage of the economically active residents **of working age** derived from the 2001 Census of Population and the 2008 population estimates. Prior to May 2010, the number of claimants was expressed as a percentage of economically active residents aged 16 and over, derived exclusively from the 2001 Census of Population. These changes are in line with new methodologies adopted by the House of Commons Library.

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. The figures have also been adjusted by ONS to take account of seasonal factors (apart from those shown in Maps 5.1 and 5.2, and Tables 5.1 and 5.2).

Availability by age group and geographical area: Claimant count statistics are available on a monthly basis by age group, and also across a broad range of smaller administrative areas, including Assembly Constituencies, local authorities 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.