

Financial Scrutiny Unit Briefing

Labour Market update: February 2015

19 February 2015

15/10

Andrew Aiton

A briefing on the Office for National Statistics' February 2015 Regional Labour Market release for Scotland.



The Scottish Parliament
Pàrlamaid na h-Alba

CONTENTS

LABOUR MARKET DASHBOARD..... 3

LABOUR FORCE SURVEY 4

 UNEMPLOYMENT 4

 EMPLOYMENT..... 5

 ECONOMIC INACTIVITY 6

CLAIMANT COUNT 7

Fig. 1: Claimant Count by Parliamentary Constituency: January 2014..... 8

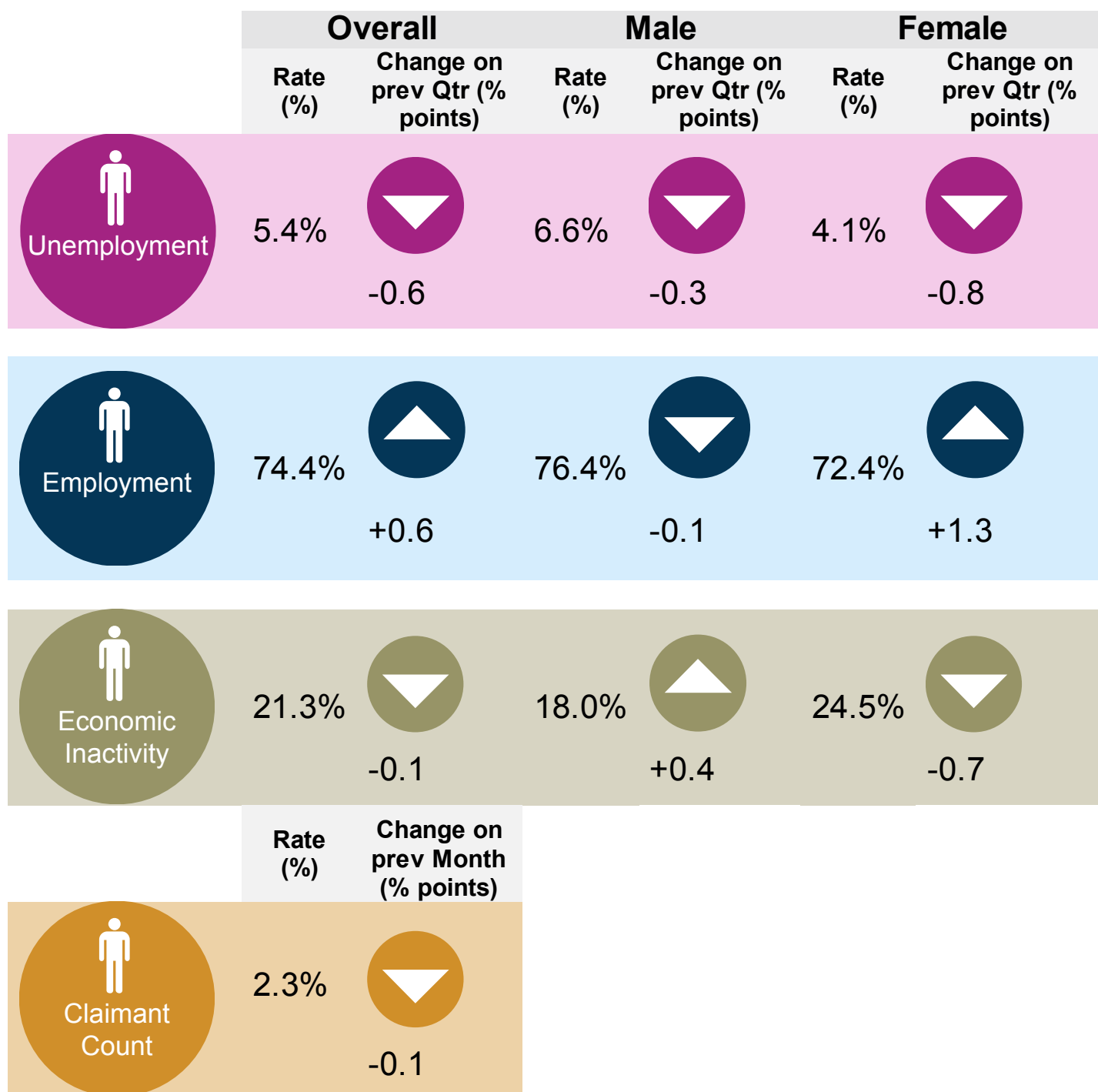
Table 9: Claimant Count by Parliamentary Constituency..... 9

GUEST INDICATOR: EMPLOYMENT IN-DEPTH.....12

SOURCES.....14

RELATED BRIEFINGS.....16

LABOUR MARKET DASHBOARD



*All figures are seasonally adjusted.

LABOUR FORCE SURVEY

The Labour Force Survey (LFS) records the official unemployment rate along with a wide variety of other labour market statistics. It surveys a sample group of 60,000 households throughout the UK, including approximately 6,000 in Scotland. LFS figures are therefore estimates based on this sample.

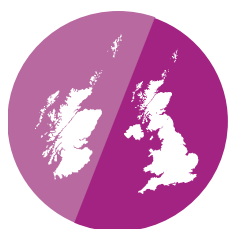
UNEMPLOYMENT



International Labour Organisation's definition

Level: Any individual aged 16 and over without a job who has been actively seeking work within the last four weeks and is available to start work within the next two weeks

Rate: Number of unemployed individuals as a proportion of the total number of economically active people, which includes both the unemployed and those in work.



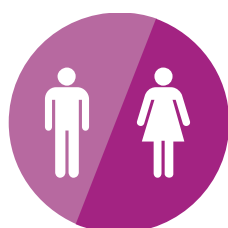
Scotland and UK comparison

- The Scottish unemployment rate fell by 0.6 percentage points to 5.4% for the three months to December 2014.
- The UK unemployment rate fell 0.3 percentage points on the previous quarter to 5.7%.
- Over the year the UK saw a fall in unemployment of 1.5 percentage points, compared to 1.8 points for Scotland

Table 1 Unemployment (16+)

Seasonally Adjusted

	Amount (thousands)	Quarter change (thousands)	Year change (thousands)	Rate	Quarter change (% points)	Year change (% points)
Scotland	149	-15	-48	5.4%	-0.6	-1.8
UK	1,862	-97	-486	5.7%	-0.3	-1.5



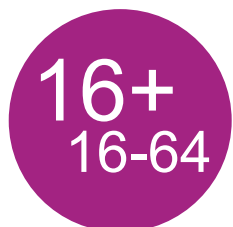
Unemployment by Gender

- Over the quarter in Scotland the decrease in the level of unemployment was mainly accounted for by women.
- The unemployment rate for men in Scotland is 0.6 percentage points higher than the UK. While for women it is 1.3 percentage points lower.

Table 2 Unemployment by Gender (16+)

Seasonally Adjusted

		Amount (thousands)	Quarter change (thousands)	Year change (thousands)	Rate	Quarter change (% points)	Year change (% points)
Scotland	Men	94	-5	-14	6.6%	-0.3	-1.0
	Women	55	-10	-34	4.1%	-0.8	-2.6
UK	Men	1,039	-47	-281	6.0%	-0.3	-1.6
	Women	822	-50	-205	5.4%	-0.3	-1.4



Unemployment by Age

- The unemployment rate for 16-24 year-olds in Scotland has decreased over the year by 6.8 percentage points and is the lowest it has been since 2008 (Oct-Dec 2008 13.0%).
- The decrease in unemployment for the 16-24 year old represents the biggest drop in the rate since 2001 when the data was first available

Table 3 Unemployment rates by age

Not Seasonally Adjusted

	16- 24		25 - 34		35 - 49		50 - 64	
	Rate	Year change (% points)	Rate	Year change (% points)	Rate	Year change (% points)	Rate	Year change (% points)
Scotland¹	14.5%	-6.8	4.7%	-1.9	2.6%	-1.4	4.2%	0.0
UK	16.1%	-3.7	5.0%	-1.4	3.6%	-1.1	3.4%	-0.9

EMPLOYMENT



International Labour Organisation's definition:

Level: Any individual aged 16 and over who is undertaking one hour or more a week of paid work

Rate: Number of people in employment expressed as a percentage of all people aged 16-64

Scotland and UK comparison

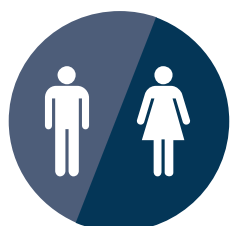
- The number of people aged 16 and over in employment in Scotland increased by 20,000 compared to the previous three months period.
- The employment rate in Scotland has increased to 74.4% which is the highest rate since 2007 (Apr-Jun 2007 74.9%).
- The UK rate has increased over the year at a lower rate than in Scotland and is 1.2 percentage points lower than the Scottish rate.

Table 4 Employment (amount 16+, rate 16-64)

Seasonally Adjusted

	Amount (thousands)	Quarter change (thousands)	Year change (thousands)	Rate	Quarter change (% points)	Year change (% points)
Scotland	2,625	+20	+63	74.4%	+0.6	+1.7
UK	30,896	+103	+608	73.2%	+0.2	+1.2

Employment by Gender



- Employment levels and rates are higher for men than for women at both Scottish and UK levels.
- In Scotland the increase in employment over the quarter was driven by an extra 20,000 women becoming employed.
- The Scottish employment rate for men is 1.6 percentage points lower than the UK while the rate for women is 3.9 percentage points higher than the UK.

¹ These statistics on unemployment by age are not of sufficient quality to be published by the ONS as National Statistics and are published as experimental statistics

Table 5 Employment by Gender (Amount 16+, rates 16-64)

Seasonally Adjusted

		Amount (thousands)	Quarter change (thousands)	Year change (thousands)	Rate	Quarter change (% points)	Year change (% points)
Scotland	Men	1,324	+1	+15	76.4%	-0.1	+0.7
	Women	1,301	+20	+49	72.4%	+1.3	+2.6
UK	Men	16,427	+38	+288	78.0%	0.0	+1.0
	Women	14,469	+65	+320	68.5%	+0.4	+1.4

ECONOMIC INACTIVITY



International Labour Organisation's definition:

Level: Any individual aged 16 to 64 who is not in employment and has not looked for work in the last four weeks and is unable to start work within the next two weeks.

Rate: Number of people economically inactive expressed as a percentage of all people aged 16-64



Scotland and UK comparison

- The economic inactivity rate for Scotland fell over both the quarter and the year.
- The Scottish economic inactivity rate is 1.0 percentage points lower than the UK.

Table 6 Inactivity (16-64)

Seasonally Adjusted

	Amount (thousands)	Quarter change (thousands)	Year change (thousands)	Rate	Quarter change (% points)	Year change (% points)
Scotland	727	-5	-9	21.3%	-0.1	-0.2
UK	9,052	+22	+6	22.3%	0.0	0.0

Economic Inactivity by Gender



- Economic inactivity rates are higher for women than for men.
- The fall in economic activity is mainly due to the reduction in the number of economically inactive women
- Over the year the number of economically inactive women has decreased by 11,000 with the number of men increasing by 2,000.
- The Scottish economic inactivity rate for men is 1.1 percentage points higher than the UK while the rate for women in Scotland is 3.0 percentage points lower than the UK.

Table 7 Economic Inactivity by Gender (16-64)

					Seasonally Adjusted		
		Amount (thousands)	Quarter change (thousands)	Year change (thousands)	Rate	Quarter change (% points)	Year change (% points)
Scotland	Men	300	+7	+2	18.0%	+0.4	+0.1
	Women	428	-12	-11	24.5%	-0.7	-0.6
UK	Men	3,418	+47	+80	16.9%	+0.2	+0.3
	Women	5,635	-25	-74	27.5%	-0.1	-0.4

CLAIMANT COUNT



The Claimant Count records the number of people claiming Jobseekers Allowance (JSA) and National Insurance Credits at Jobcentre Plus local offices. This is not an official measure of unemployment but does provide accurate information on the labour market at a local level.

Scotland and UK comparison



- The seasonally adjusted claimant count rate for December in Scotland fell 0.1 percentage points from December.
- The UK seasonally adjusted claimant count rate is 2.0%, which is a decrease of 0.1 percentage points from December.
- The Scottish claimant count rate is 0.3 percentage points lower than the UK rate.

Table 8 Claimant Count (16-64)

				Seasonally Adjusted		
	Amount	Month change	Year change	Rate	Month change (% points)	Year change (% points)
Scotland	81,100	-3,200	-29,200	2.3%	-0.1	-0.9
UK	823,000	-38,600	-383,500	2.0%	-0.1	-0.9



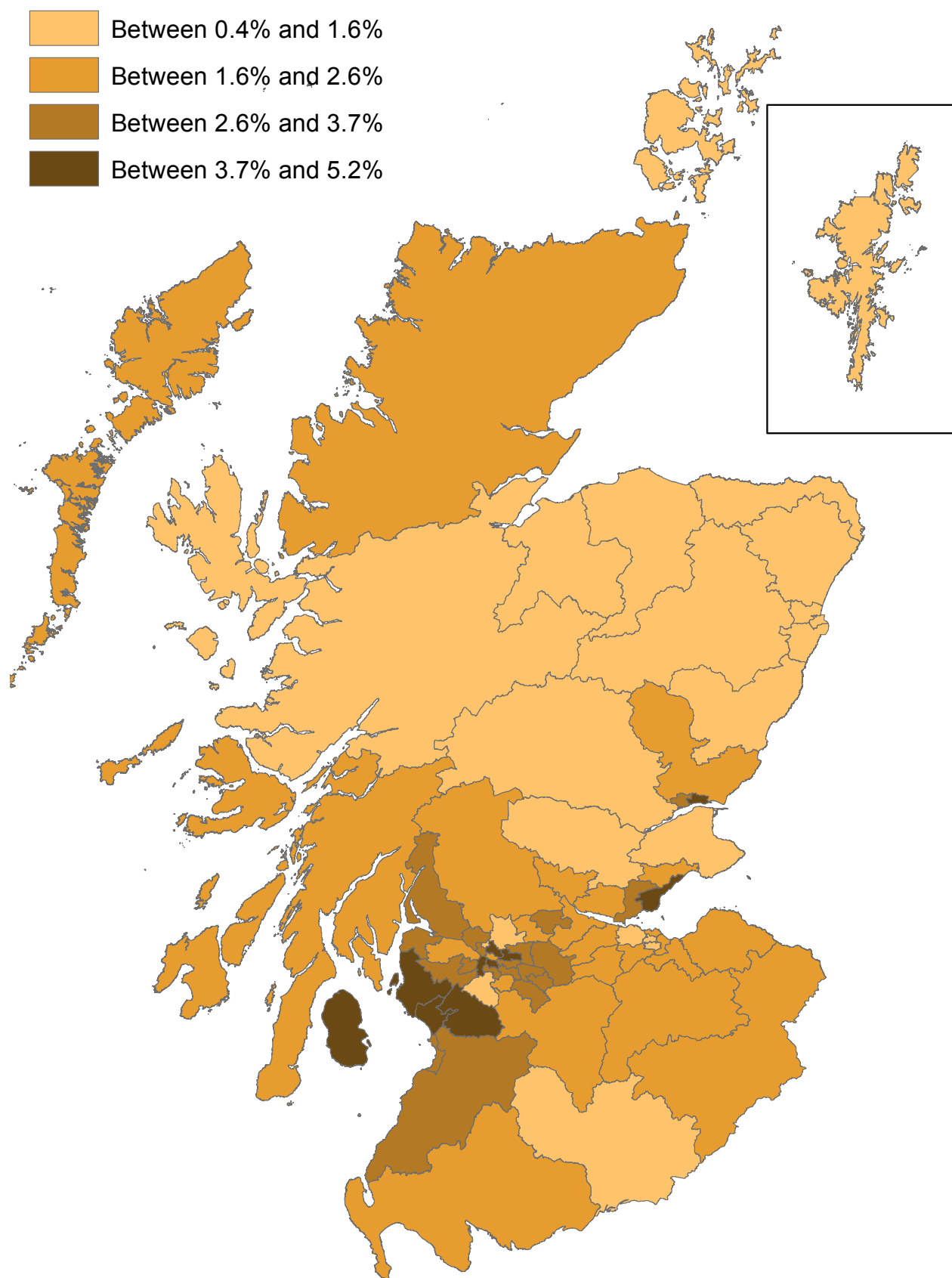
Claimant count by Parliamentary Constituency

Fig. 1 shows claimant count by parliamentary constituency.

Table 9 shows data on the not seasonally adjusted claimant count for each Scottish Parliament constituency.

- Over the year all constituencies have registered a decrease in the claimant count rate. The average decrease in the claimant count rate is 0.9 percentage points.
- Carrick, Cumnock and Doon Valley saw the biggest decreases over the year with a fall of 1.6 percentage points however the constituency is still above the Scottish average of 2.4%.

Fig. 1: Claimant Count by Parliamentary Constituency: January 2015



Based on OS material with the permission of OS. SPCB 10039291

Table 9: Claimant Count by Parliamentary Constituency

Claimant Count by Parliamentary Constituency				Not Seasonally Adjusted			
	January 2015			Monthly Change		Annual Change	
	Number	Rate	Rank (1=highest Rate)	Number	Rate (% points)	Number	Rate (% points)
Aberdeen Central	719	1.1	64	44	0.1	-315	-0.5
Aberdeen Donside	545	1.0	65	45	0.1	-252	-0.5
Aberdeen South and North Kincardine	407	0.8	70	28	0.1	-163	-0.3
Aberdeenshire East	272	0.5	72	35	0.0	-64	-0.2
Aberdeenshire West	215	0.4	73	20	0.0	-59	-0.2
Airdrie and Shotts	1,674	3.6	11	117	0.2	-661	-1.4
Almond Valley	1,038	1.9	47	129	0.3	-563	-1.0
Angus North and Mearns	666	1.5	54	36	0.1	-139	-0.3
Angus South	748	1.7	52	-4	0.0	-139	-0.3
Argyll and Bute	784	2.1	43	29	0.1	-384	-1.1
Ayr	1,445	3.1	20	15	0.0	-452	-1.0
Banffshire and Buchan Coast	618	1.3	61	81	0.2	-222	-0.5
Caithness, Sutherland and Ross	982	2.3	37	31	0.1	-274	-0.6
Carrick, Cumnock and Doon Valley	1,500	3.1	20	58	0.1	-762	-1.6
Clackmannanshire and Dunblane	1,156	2.6	29	56	0.1	-471	-1.1
Clydebank and Milngavie	1,432	3.2	19	72	0.1	-407	-0.9
Clydesdale	1,116	2.4	34	31	0.0	-309	-0.7
Coatbridge and Chryston	1,348	2.9	25	24	0.0	-584	-1.3
Cowdenbeath	1,421	3.1	20	92	0.2	-401	-0.9
Cumbernauld and Kilsyth	1,006	2.4	34	47	0.1	-313	-0.8
Cunninghame North	1,808	4.3	2	110	0.3	-536	-1.3
Cunninghame South	1,869	4.3	2	99	0.2	-612	-1.4
Dumbarton	1,337	2.8	26	32	0.0	-605	-1.3
Dumfriesshire	781	1.6	53	74	0.1	-418	-0.9

Claimant Count by Parliamentary Constituency				Not Seasonally Adjusted			
	January 2015			Monthly Change		Annual Change	
	Number	Rate	Rank (1=highest Rate)	Number	Rate (% points)	Number	Rate (% points)
Dundee City East	1,739	3.8	8	82	0.2	-471	-1.0
Dundee City West	1,792	3.4	15	52	0.1	-596	-1.1
Dunfermline	1,075	2.3	37	112	0.3	-440	-0.9
East Kilbride	1,044	2.2	40	50	0.1	-427	-0.8
East Lothian	836	1.8	50	24	0.1	-308	-0.6
Eastwood	382	0.9	67	30	0.0	-96	-0.3
Edinburgh Central	969	1.5	54	34	0.1	-495	-0.7
Edinburgh Eastern	1,338	2.5	31	70	0.1	-753	-1.5
Edinburgh Northern and Leith	1,665	2.5	31	109	0.2	-609	-0.9
Edinburgh Pentlands	1,059	2.2	40	22	0.1	-314	-0.6
Edinburgh Southern	580	1.0	65	25	0.0	-268	-0.5
Edinburgh Western	755	1.5	54	38	0.0	-301	-0.6
Ettrick, Roxburgh and Berwickshire	790	1.9	47	95	0.2	-326	-0.8
Falkirk East	1,268	2.5	31	76	0.2	-595	-1.1
Falkirk West	1,420	2.8	26	79	0.1	-637	-1.3
Galloway and West Dumfries	1,068	2.4	34	86	0.1	-434	-1.0
Glasgow Anniesland	1,825	3.7	10	33	0.0	-399	-0.8
Glasgow Cathcart	1,699	3.3	17	62	0.1	-366	-0.7
Glasgow Kelvin	1,546	2.2	40	18	0.0	-350	-0.5
Glasgow Maryhill and Springburn	2,451	5.2	1	42	0.1	-441	-0.9
Glasgow Pollok	2,249	4.3	2	90	0.1	-520	-1.1
Glasgow Provan	2,050	4.1	6	64	0.1	-541	-1.1
Glasgow Shettleston	1,840	3.6	11	76	0.1	-493	-1.0
Glasgow Southside	1,848	3.9	7	56	0.1	-393	-0.8
Greenock and Inverclyde	1,673	3.4	15	265	0.5	-356	-0.8
Hamilton, Larkhall and Stonehouse	1,564	3.3	17	71	0.2	-495	-1.0

Claimant Count by Parliamentary Constituency				Not Seasonally Adjusted			
	January 2015			Monthly Change		Annual Change	
	Number	Rate	Rank (1=highest Rate)	Number	Rate (% points)	Number	Rate (% points)
Inverness and Nairn	527	0.9	67	22	0.0	-468	-0.9
Kilmarnock and Irvine Valley	2,009	3.8	8	103	0.2	-504	-1.0
Kirkcaldy	2,075	4.2	5	137	0.2	-645	-1.3
Linlithgow	1,240	2.1	43	136	0.2	-637	-1.1
Mid Fife and Glenrothes	1,161	2.6	29	98	0.2	-403	-1.0
Midlothian North and Musselburgh	1,026	2.0	46	25	0.1	-577	-1.1
Midlothian South, Tweeddale and Lauderdale	824	1.8	50	43	0.1	-526	-1.1
Moray	711	1.4	59	83	0.2	-211	-0.4
Motherwell and Wishaw	1,765	3.6	11	95	0.2	-476	-1.0
Na h-Eileanan Siar	378	2.3	37	28	0.2	-104	-0.6
North East Fife	608	1.3	61	20	0.1	-236	-0.5
Orkney Islands	115	0.9	67	4	0.1	-28	-0.2
Paisley	1,720	3.6	11	90	0.2	-720	-1.5
Perthshire North	616	1.4	59	39	0.1	-264	-0.6
Perthshire South and Kinrossshire	584	1.2	63	37	0.0	-333	-0.7
Renfrewshire North and West	771	1.9	47	78	0.2	-305	-0.7
Renfrewshire South	1,172	2.8	26	105	0.3	-416	-1.0
Rutherglen	1,535	3.1	20	106	0.2	-515	-1.0
Shetland Islands	91	0.6	71	16	0.1	-45	-0.3
Skye, Lochaber and Badenoch	681	1.5	54	39	0.1	-210	-0.4
Stirling	1,007	2.1	43	68	0.1	-443	-0.9
Strathkelvin and Bearsden	753	1.5	54	34	0.0	-201	-0.4
Uddingston and Bellshill	1,523	3.1	20	73	0.1	-608	-1.3
Scotland	84,304	2.4		4,541	0.1	-29,404	-0.9
UK	852,934	2.1		29,054	0.1	-389,978	-0.9

GUEST INDICATOR: EMPLOYMENT IN-DEPTH



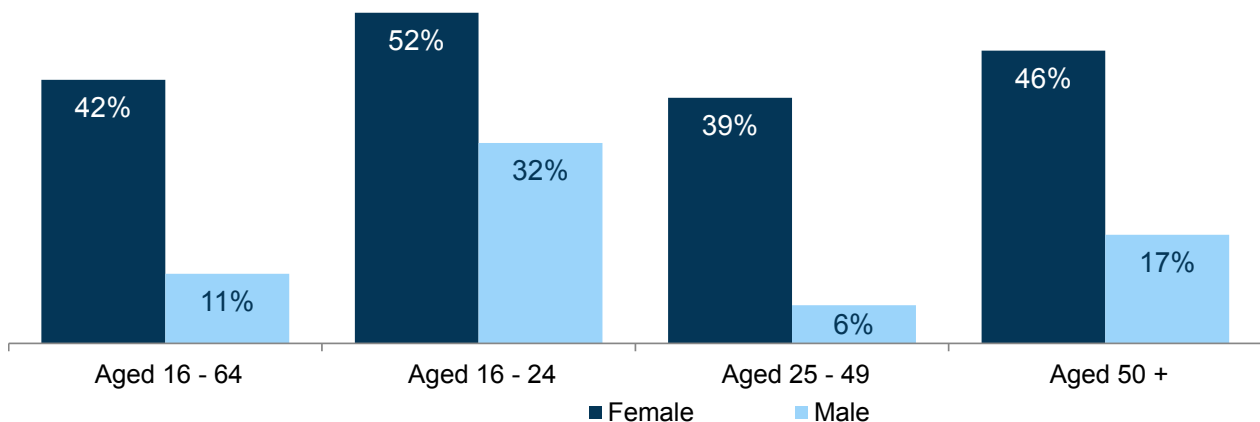
The Scottish Government states that “*Scotland is outperforming the UK with higher employment*” with the number of people in employment in Scotland now standing at 2,625,000 or 74.4% of 16-64. This is the highest rate since 2007 (Apr-Jun 2007 74.9%). Employment varies by group, area and type of employment

Part-time Employment

The latest available data from the Annual Population Survey (APS) estimates that around 26% of people aged 16-64 work part time. When broken down by gender around 11% of men and 42% of women work part-time.

Looking at the age breakdown 42% of 16-24 year olds in employment are working part-time compared to 22% of 25-49 year olds working part-time. The gender breakdown shows 52% of the women aged 16-24 work part-time while 32% of men in that age bracket work part-time

Fig 2: Proportion of people in part-time employment by age and gender - Oct 2013-Sep 2014



Second Jobs

The APS shows that since 2008 the number of people with second jobs has increased by 2%. However when looking at the gender breakdown it shows that this has been driven by an increase of 8% for women with the number of men with second jobs decreasing by 6%.

The number of people who have a second job as a proportion of the total workforce has increased from 3.9% in 2008 to 4.0% in 2014.

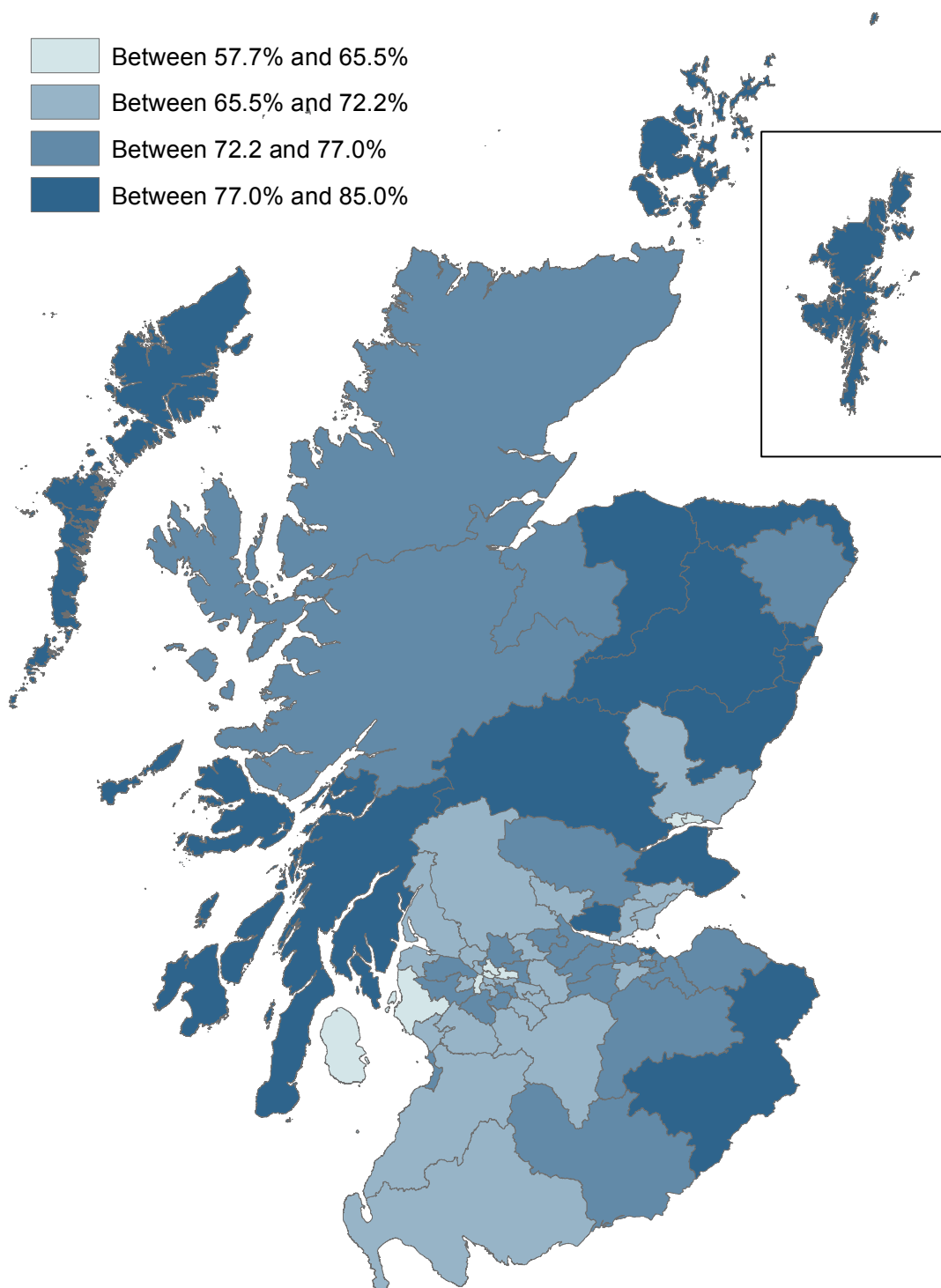
When looking at the gender breakdown there has been a 0.1 percentage point decrease in the proportion of men with second jobs while there has been a 0.4 percentage points increase in the proportion of women with a second job.

Employment by constituency

Employment across Scotland varies significantly. The Orkney Islands have the highest rates of employment in the country at 85% while the Glasgow Kelvin constituency has the lowest rate of employment in Scotland at 58%.

Glasgow Kelvin has seen the biggest decrease in the rate of employment falling by 14 percentage points between 2007 and 2014. Glasgow Provan has seen the biggest increase in the rate of employment seeing a 10 percentage point increase over the same period.

Fig 3: Employment by Scottish Parliament Constituency - Oct 2013-Sep 2014



Based on OS material with the permission of OS. SPCB 10039291

SOURCES

Scottish Government, *Scottish employment level at record high*, [Online]. Available at: <http://news.scotland.gov.uk/News/Scottish-employment-level-at-record-high-1612.aspx> [Accessed 18 February 2015]

Office for National Statistics. (2015a) *Labour Market Statistics*, February 2015 [Online]. Available at: <http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/february-2015/index.html> [Accessed 18 February 2015]

Office for National Statistics. (2015b) *Regional Labour Market Statistics*, February 2015 [Online]. Available at: <http://www.ons.gov.uk/ons/rel/lms/labour-market-statistics/february-2015/index.html> [Accessed 18 February 2015]

Office for National Statistics. (2015c) *Claimant Count* [Online]. Available at: <https://www.nomisweb.co.uk/> [Accessed 18 February 2015]

Office for National Statistics. (2015d) *Annual Population Survey* [Online]. Available at: <https://www.nomisweb.co.uk/> [Accessed 18 February 2015]

THIS PAGE IS INTENTIONALLY BLANK

RELATED BRIEFINGS

[SB 13-86 Labour Market January 2015 update](#)

[SB 13-80 Labour Market Statistics](#)

[Labour Market visualisations page on the Scottish Parliament website](#)

Scottish Parliament Information Centre (SPICe) Briefings are compiled for the benefit of the Members of the Parliament and their personal staff. Authors are available to discuss the contents of these papers with MSPs and their staff who should contact Andrew Aiton on extension 85188 or email andrew.aiton@scottish.parliament.uk. Members of the public or external organisations may comment on this briefing by emailing us at spice@scottish.parliament.uk. However, researchers are unable to enter into personal discussion in relation to SPICe Briefing Papers. If you have any general questions about the work of the Parliament you can email the Parliament's Public Information Service at sp.info@scottish.parliament.uk.

Every effort is made to ensure that the information contained in SPICe briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated or otherwise amended to reflect subsequent changes.

Published by the Scottish Parliament Information Centre, The Scottish Parliament, Edinburgh,
EH99 1SP

www.scottish.parliament.uk