

National Assembly for Wales

Unemployment Briefing February 2010

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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Unemployment Briefing
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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 5.

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 that are currently only available for parliamentary constituencies.

1: Headlines

ILO unemployment ¹

- In October to December 2009, the ILO unemployment rate in Wales was 8.6 per cent. This compares to 7.0 per cent in October to December 2008. *Figure 2.1*;
- In October to December 2009, the number of ILO unemployed in Wales was 122,000. This has decreased by 2,000 since the previous quarter but increased by 21,000 since the previous year;
- The male ILO rate was 9.8 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*; and
- Wales had the fifth highest ILO rate of the twelve UK nations and regions. *Figure 4.1*.

Claimant count ²

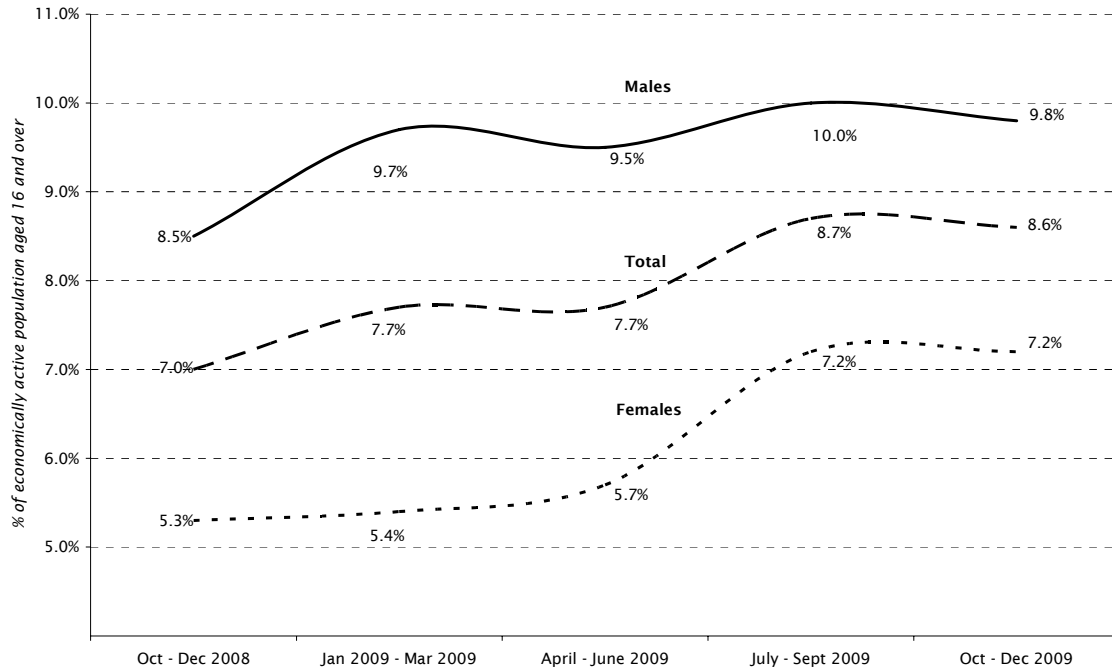
- In January 2010, the total claimant count rate in Wales was 5.7 per cent. This compares to 4.7 per cent in January 2009. *Figure 2.2*;
- The claimant count total in Wales has increased by 1,100 since the previous month and by 14,900 since the previous January.
- At 6.4 per cent, Northern Ireland had the highest claimant count rate out of the UK nations. Wales had the second highest rate. *Table 3.2*;
- In January 2010, Wales' claimant count rate was ranked sixth highest out of the twelve UK nations and regions. *Figure 4.2*; and
- The Assembly Constituencies with the highest claimant count rates (based on unofficial estimates) were Blaenau Gwent (12.6 per cent) and Merthyr Tydfil and Rhymney (12.0 per cent). The lowest claimant count rate estimates were in Ceredigion and Montgomeryshire (both with 3.3 per cent). *Table 5.2*.

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 (see the Technical Annex).

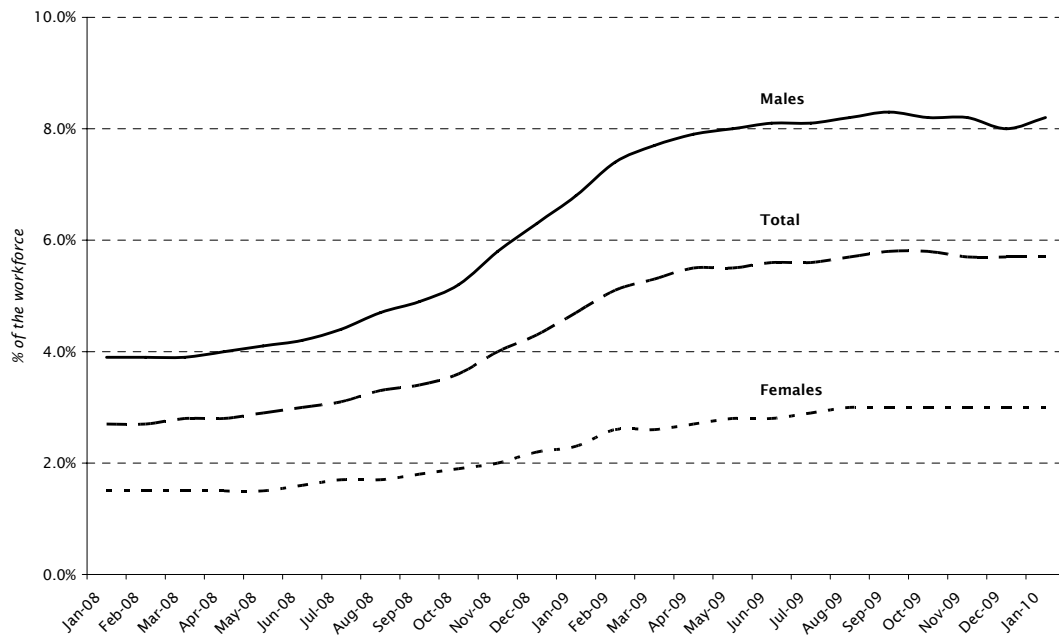
2: Unemployment statistics for Wales³

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

October to December	Wales	England	Scotland	Northern Ireland	UK
2009	8.6	7.9	7.6	6.0	7.8
2008	7.0	6.5	5.3	5.3	6.4
2007	5.0	5.3	4.9	4.2	5.2

Source: Office for National Statistics/ Stats Wales

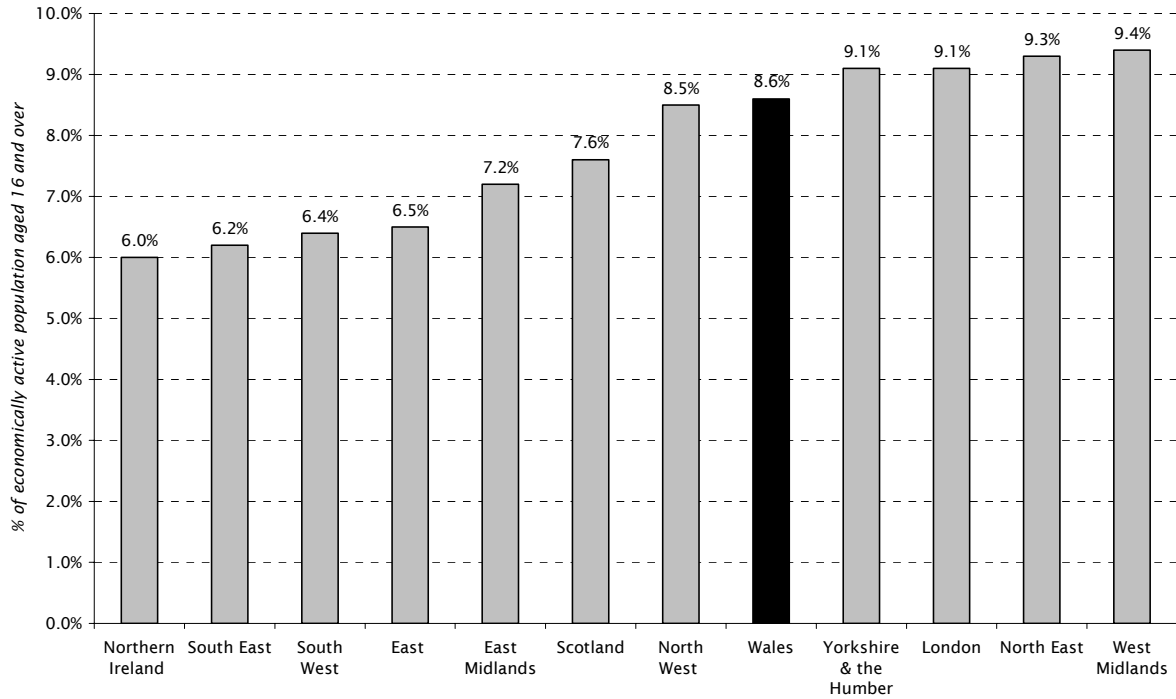
Table 3.2: Claimant count rates

January	Wales	England	Scotland	Northern Ireland	UK
2010	5.7	5.0	5.0	6.4	5.0
2009	4.7	3.8	3.7	4.5	3.9
2008	2.7	2.4	2.5	2.7	2.5

Source: Office for National Statistics/ Stats Wales

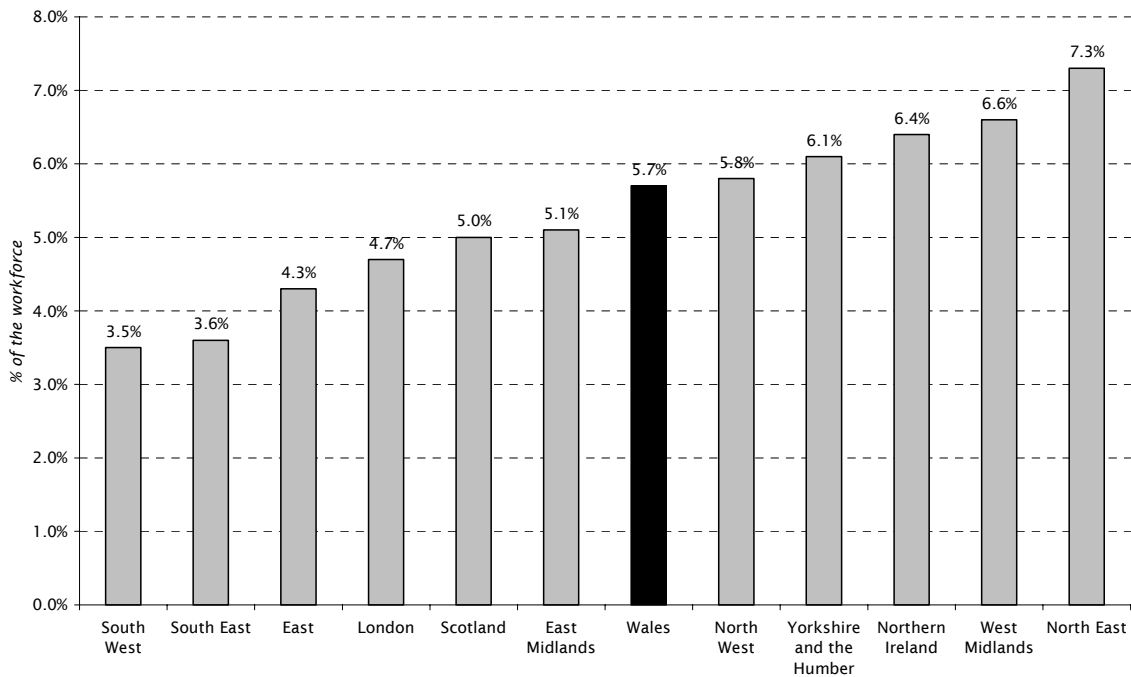
4: Unemployment statistics for UK nations and regions

Figure 4.1: ILO unemployment rates (October 2009 to December 2009)



Source: Office for National Statistics

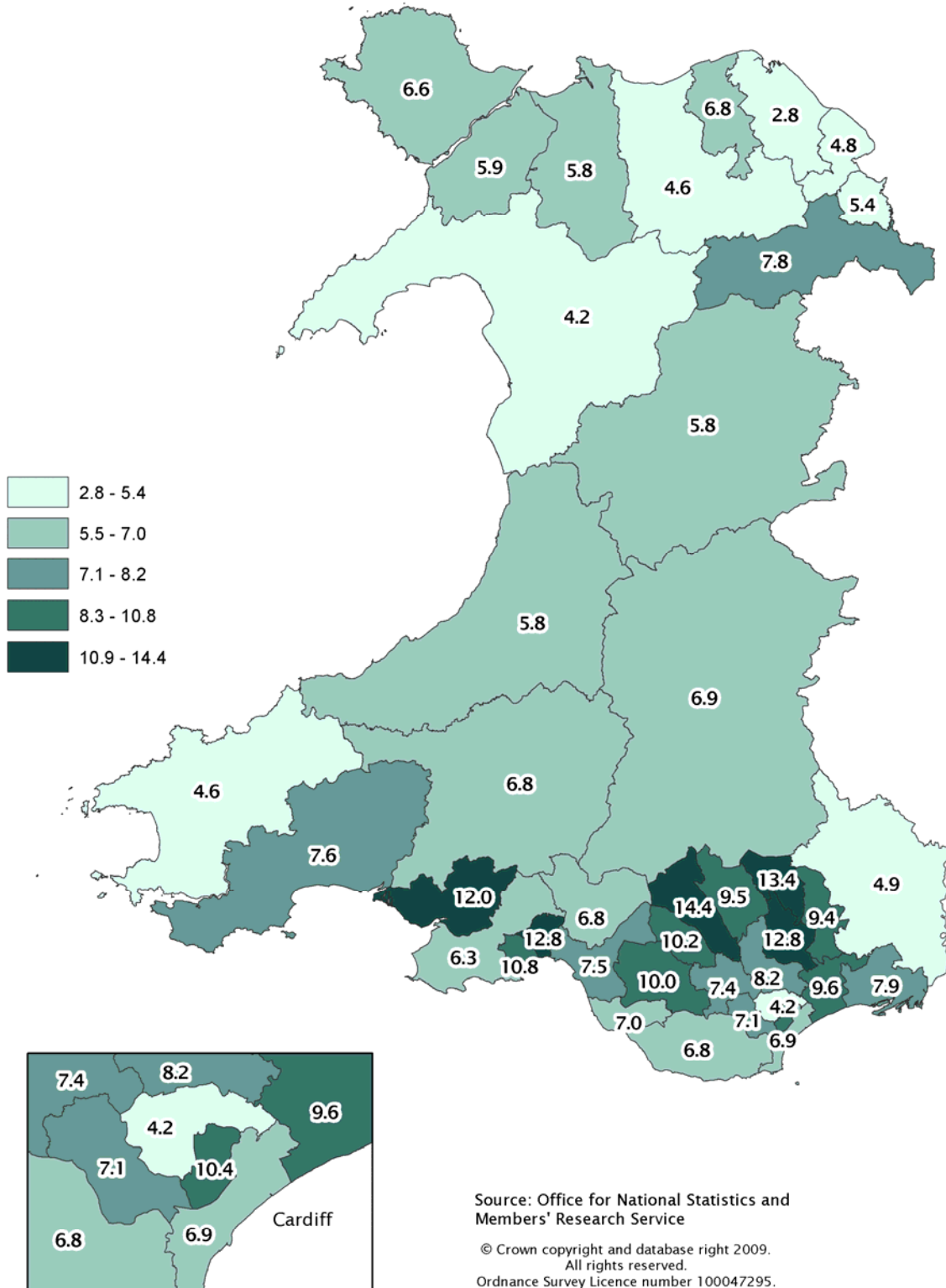
Figure 4.2: Claimant count rates (January 2010)



Source: Office for National Statistics

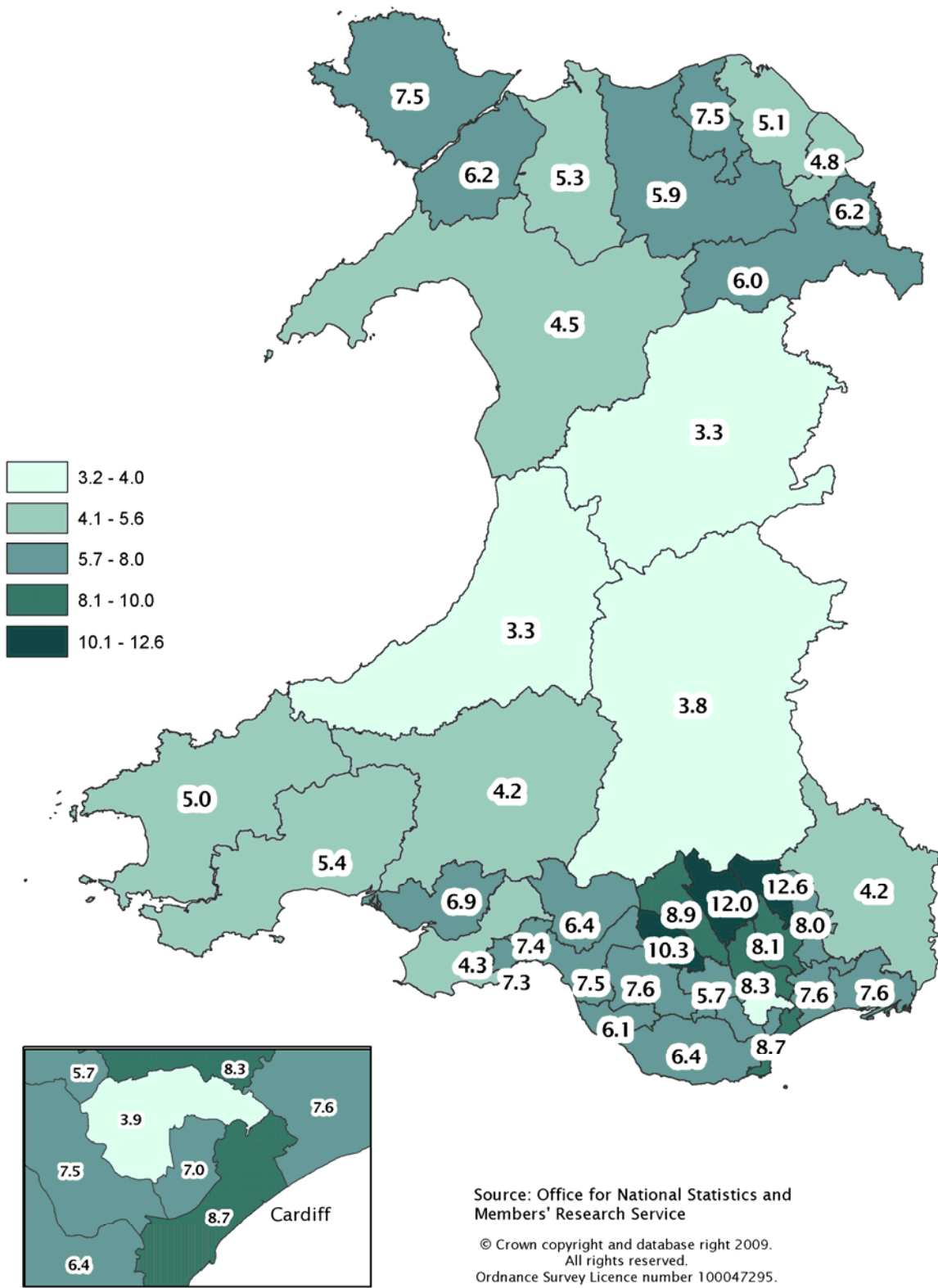
5: Unemployment statistics for Assembly constituencies

Map 5.1: ILO unemployment rates by Assembly constituency (July 2008 to June 2009) ⁴



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

Map 5.2: Unofficial claimant count rates by Assembly Constituency, January 2010⁵



⁵ Source: Members' Research Service. 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.

Table 5.1 Claimant count by Assembly Constituency, January 2010

	<i>not seasonally adjusted</i>		
Constituency	Men	Women	People
Aberavon	1,396	437	1,833
Aberconwy	1,003	287	1,290
Alyn and Deeside	1,392	518	1,910
Arfon	1,221	323	1,544
Blaenau Gwent	2,578	897	3,475
Brecon and Radnorshire	830	332	1,162
Bridgend	1,428	499	1,927
Caerphilly	2,267	709	2,976
Cardiff Central	1,782	592	2,374
Cardiff North	1,135	354	1,489
Cardiff South and Penarth	2,636	860	3,496
Cardiff West	2,162	680	2,842
Carmarthen East and Dinefwr	861	325	1,186
Carmarthen West and South Pembrokeshire	1,234	428	1,662
Ceredigion	761	267	1,028
Clwyd South	1,442	469	1,911
Clwyd West	1,333	428	1,761
Cynon Valley	1,828	585	2,413
Delyn	1,277	437	1,714
Dwyfor Meirionnydd	866	302	1,168
Gower	1,072	358	1,430
Islwyn	1,862	593	2,455
Llanelli	1,633	458	2,091
Merthyr Tydfil and Rhymney	2,523	787	3,310
Monmouth	1,106	395	1,501
Montgomeryshire	696	250	946
Neath	1,398	487	1,885
Newport East	1,977	593	2,570
Newport West	2,035	675	2,710
Ogmore	1,801	557	2,358
Pontypridd	1,514	478	1,992
Preseli Pembrokeshire	1,154	390	1,544
Rhondda	2,154	624	2,778
Swansea East	1,847	551	2,398
Swansea West	1,627	520	2,147
Torfaen	2,193	617	2,810
Vale of Clwyd	1,715	527	2,242
Vale of Glamorgan	2,054	672	2,726
Wrexham	1,465	511	1,976
Ynys Mon	1,610	534	2,144
Source: Nomis			

Table 5.2: Unofficial residence-based claimant count rates by Assembly Constituency, January 2010 (a)

	<i>not seasonally adjusted</i>		
Constituency	Men	Women	People
Aberavon	10.3	4.0	7.5
Aberconwy	7.7	2.6	5.3
Alyn and Deeside	6.4	2.9	4.8
Arfon	9.2	2.8	6.2
Blaenau Gwent	16.9	7.3	12.6
Brecon and Radnorshire	4.9	2.4	3.8
Bridgend	8.3	3.5	6.1
Caerphilly	11.6	4.4	8.3
Cardiff Central	10.0	3.7	7.0
Cardiff North	5.7	1.9	3.9
Cardiff South and Penarth	12.3	4.5	8.7
Cardiff West	10.8	3.8	7.5
Carmarthen East and Dinefwr	5.5	2.5	4.2
Carmarthen West and South Pembrokeshire	7.4	3.0	5.4
Ceredigion	4.4	1.9	3.3
Clwyd South	8.2	3.3	6.0
Clwyd West	8.3	3.1	5.9
Cynon Valley	12.4	4.8	8.9
Delyn	7.0	2.9	5.1
Dwyfor Meirionnydd	6.0	2.6	4.5
Gower	6.1	2.3	4.3
Islwyn	11.2	4.4	8.1
Llanelli	9.9	3.3	6.9
Merthyr Tydfil and Rhymney	16.7	6.4	12.0
Monmouth	5.8	2.4	4.2
Montgomeryshire	4.4	2.0	3.3
Neath	8.6	3.7	6.4
Newport East	10.8	3.9	7.6
Newport West	10.7	4.1	7.6
Ogmore	10.4	4.1	7.6
Pontypridd	8.1	3.0	5.7
Preseli Pembrokeshire	6.9	2.8	5.0
Rhondda	14.4	5.3	10.3
Swansea East	10.6	3.7	7.4
Swansea West	10.2	3.8	7.3
Torfaen	11.5	3.9	8.0
Vale of Clwyd	10.8	3.8	7.5
Vale of Glamorgan	8.9	3.4	6.4
Wrexham	8.4	3.5	6.2
Ynys Mon	10.2	4.2	7.5

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 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.

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 rolling three-monthly basis. Data for Assembly Constituencies 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. 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. 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).

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.

