

National Assembly for Wales
Research paper

Unemployment Briefing

January 2014

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



Research
Service

The National Assembly for Wales is the democratically elected body that represents the interests of Wales and its people, makes laws for Wales and holds the Welsh Government to account.

The Research Service provides expert and impartial research and information to support Assembly Members and committees in fulfilling the scrutiny, legislative and representative functions of the National Assembly for Wales.

Research Service briefings are compiled for the benefit of Assembly Members and their support staff. Authors are available to discuss the contents of these papers with Members and their staff but cannot advise members of the general public. We welcome comments on our briefings; please post or email to the addresses below.

An electronic version of this paper can be found on the National Assembly website at: www.assemblywales.org/research

Further hard copies of this paper can be obtained from:

Research Service
National Assembly for Wales
Cardiff Bay
CF99 1NA

Email: Research.Service@wales.gov.uk

Twitter: [@NAWRResearch](https://twitter.com/NAWRResearch)

Blog: assemblyinbrief.wordpress.com

© National Assembly for Wales Commission Copyright 2013

The text of this document may be reproduced free of charge in any format or medium providing that it is reproduced accurately and not used in a misleading or derogatory context. The material must be acknowledged as copyright of the National Assembly for Wales Commission and the title of the document specified.

Enquiry no: 14/0179

Paper number: 14/005

National Assembly for Wales
Research paper

Unemployment Briefing

January 2014

Gareth Thomas

This briefing paper provides a statistical overview of unemployment trends.

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

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



Research
Service

Unemployment Briefing: January 2014

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 relating to the International Labour Organisation (ILO) and claimant count measures. Additional information is provided in sections 2 to 7. These sections cover comparative information on unemployment rates between genders, age groups, and between Wales and the other UK nations and regions. Additionally, information and analysis on long-term unemployment, and the latest unemployment figures for Assembly Constituencies is provided.

The Research Service is able to provide **Assembly Members and their staff** with more detailed analyses in relation to unemployment and long-term labour market trends on request. If you would like us to do this, please contact Gareth Thomas on 029 2089 8917 or at garethdavid.thomas@wales.gov.uk

1. Headline Figures

Table 1.1: Headline unemployment figures (seasonally adjusted)

Measure	Latest figure	Change since previous	
		Month/quarter	Year
Number of ILO unemployed people in Wales (September - November 2013)	108,000	↓ Decrease of 12,000 since last quarter	↓ Decrease of 16,000
ILO unemployment rate in Wales (September - November 2013)	7.2%	↓ Decrease of 0.9 percentage points since last quarter	↓ Decrease of 1.2 percentage points
Claimant count in Wales (December 2013)	65,500	↓ Decrease of 1,100 since last month	↓ Decrease of 13,100
Claimant count rate in Wales (December 2013)	4.5%	↓ Decrease of 0.1 percentage points since last month	↓ Decrease of 0.9 percentage points

Source: Office for National Statistics, [Regional Labour Market Statistics – January 2014 Headline indicators for Wales: Table 1 – Summary of LFS headline indicators](#) and [Table 7: Claimant Counts and Rates](#)

Labour Force Survey and ILO Unemployment

- In September to November 2013, the male ILO rate was 7.8%, which has decreased from 8.9% since the previous year. The female ILO rate was 6.5%, which has decreased from 7.8% since the previous year. *Figure 2.1;*
- At 7.2%, the ILO unemployment rate in Wales was 0.1 percentage point above the UK in September to November 2013. The Welsh ILO unemployment rate in September to November 2013 is the lowest seen since October to December 2008. *Figure 3.1 and*
- In October 2012 to September 2013, 48,400 people aged 16-24 were ILO unemployed; the ILO rate for 16-24 year olds was 22.5%. *Table 6.1 and Figure 6.1.*

Claimant count

- In December 2013 19,400 people in Wales had been claiming JSA for over 12 months. This has decreased by 1,500 since the previous December. Of those claiming JSA for over 12 months, 10,100 have been claiming for over 24 months, an increase of 2,700 since the previous December. *Figure 5.2;*
- The claimant count for the 18-24 age group was 18,115 in December 2013. This has decreased by 540 since the previous month and decreased by 5,010 since the previous December. *Table 6.2;* and
- The Assembly Constituencies with the highest claimant count rates in December 2013 (based on unofficial estimates) were Blaenau Gwent (8.4%) and Merthyr Tydfil and Rhymney (7.4%). The lowest claimant count rate estimates were in Brecon and Radnorshire (2.0%) Gower and Montgomeryshire (both 2.2%). *Table 7.2.*

ILO Unemployment

The **International Labour Organisation (ILO) definition of unemployment is the primary measure used in the UK and internationally**, and UK figures are derived by the Office for National Statistics (ONS) from the Labour Force Survey. In the UK people who are classed as ILO unemployed are **those who are without a job, are available to start work in the next two weeks, who have been seeking a job in the last four weeks or are waiting to start a job already obtained.**

The ILO unemployment rate is the number of ILO unemployed people as a percentage of the economically active population (this includes people who are in employment and those who are defined as ILO unemployed).

Claimant Count

The claimant count measures people who are claiming Jobseeker's Allowance (JSA). It is lower than the ILO definition, because some unemployed people are either not entitled to claim benefits, or choose not to do so. **It is the most up-to-date unemployment measure, particularly for smaller areas.**

The claimant count rate is calculated in three ways in this paper:

- **For all figures and tables except those for age groups and Assembly Constituencies it has been calculated using the workplace based claimant count rate** which is used by the ONS in its Regional Labour Market Statistics publication. **This is the number of JSA claimants resident in an area as a percentage of the number of workforce jobs plus JSA claimants in an area.**
- **For age groups, claimant count rates are calculated by the ONS as a percentage of the population of the relevant age group.** They are not seasonally adjusted, and therefore take no account of factors such as labour market recruitment patterns. They also do not take account of differences in economic activity levels between areas.
- **For Assembly Constituencies, the claimant count rates are calculated unofficially by the Research Service using the same methodology as the House of Commons Library.** They are calculated by expressing the number of JSA claimants as a percentage of the economically active population aged between 16 and 64 residing in the constituency. The population figures are estimates based on the 2011 Census. **Following publication of data from the 2011 Census this methodology has changed. Therefore the figures in this paper are not comparable with those in previous editions.** Further detail can be found in House of Commons Library, [*Unemployment by constituency: change in methodology 2013*](#). Further changes are expected in future months.

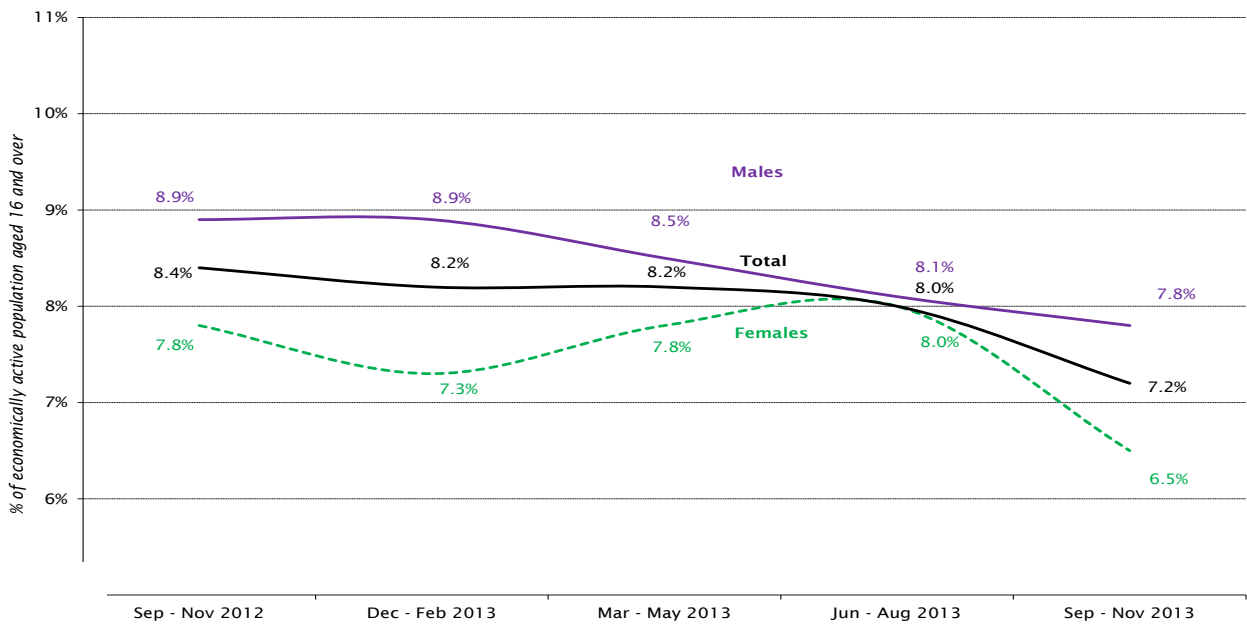
Seasonally adjusted and non-seasonally adjusted data

Headline ILO unemployment and claimant count data for Wales and the other UK nations and regions is seasonally adjusted by the ONS. This means that it is statistically adjusted to remove seasonal factors such as holidays and labour market recruitment patterns. For example, a large number of people leave full-time education and enter the labour market in the summer. To make it easier to identify labour market trends the ONS seasonally adjusts this data. **Other unemployment data such as that for age groups and Assembly Constituencies is not seasonally adjusted by the ONS.**

2. Unemployment rates in Wales

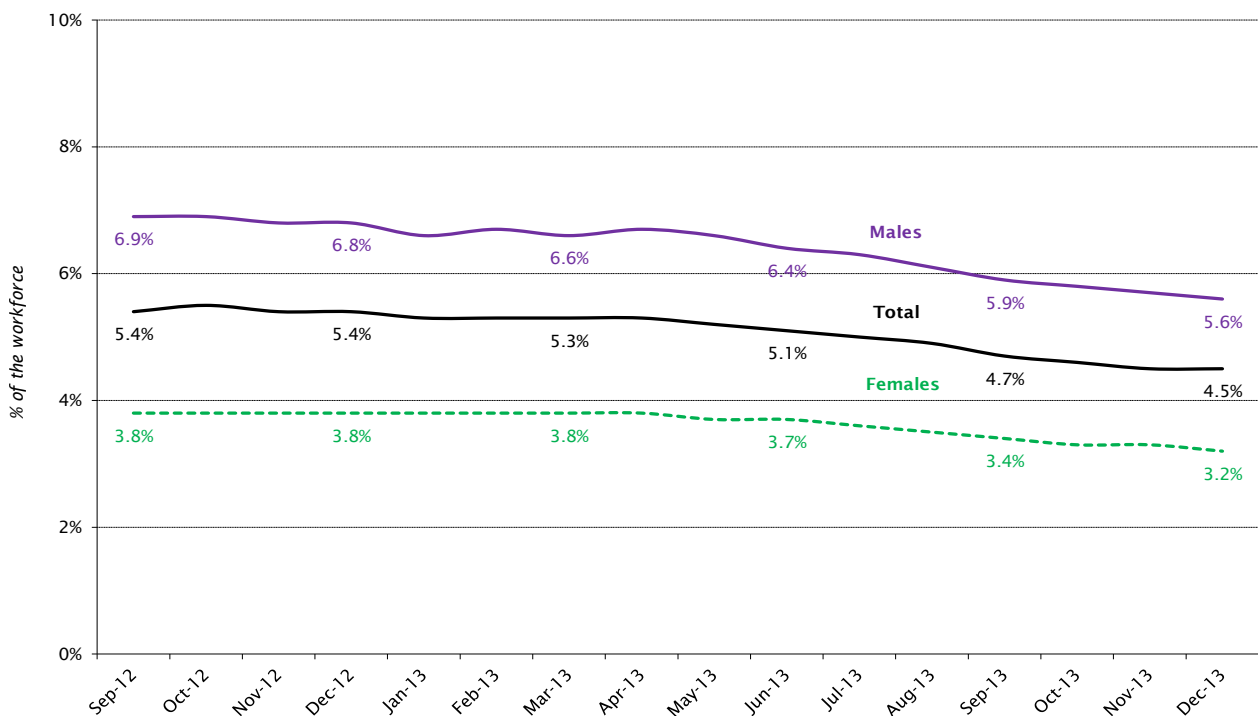
This section provides information on unemployment rates in Wales by gender for the two main measures of unemployment.

Figure 2.1: ILO unemployment rates for Wales, by gender (seasonally adjusted)



Source: Office for National Statistics, [Regional Labour Market Statistics – January 2014 Headline indicators for Wales: Table 1 – Summary of LFS headline indicators](#)

Figure 2.2: Claimant count rates for Wales, by gender (seasonally adjusted)

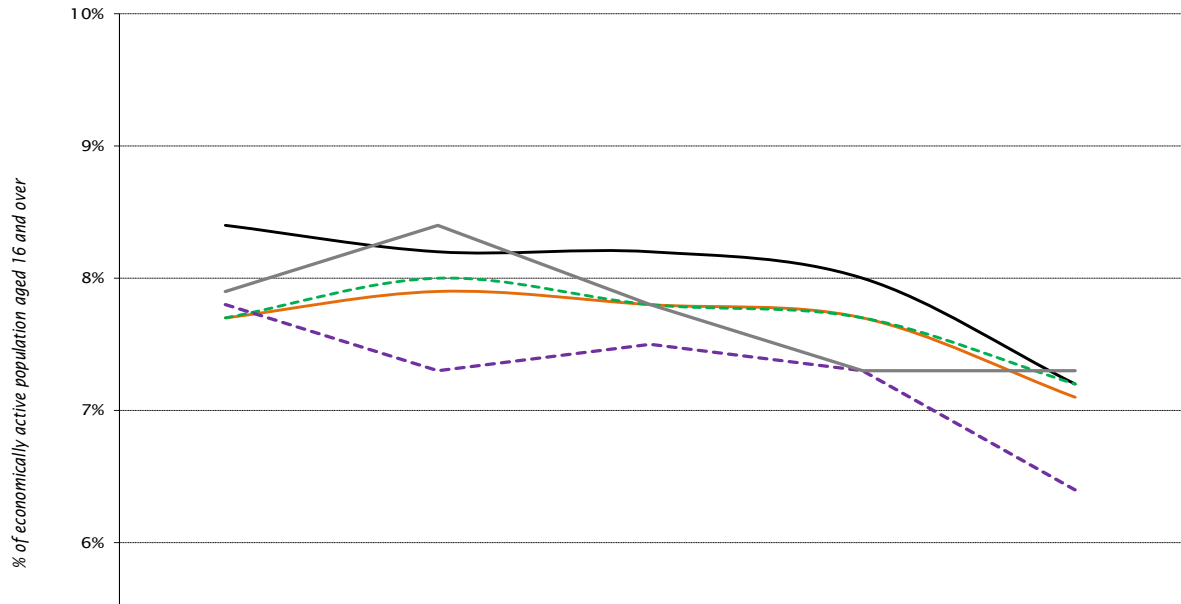


Source: Office for National Statistics, [Claimant Count and Vacancies Series](#)

3. Unemployment statistics for UK nations

This section provides comparative information on unemployment rates in Wales and the UK nations for the two main measures of unemployment.

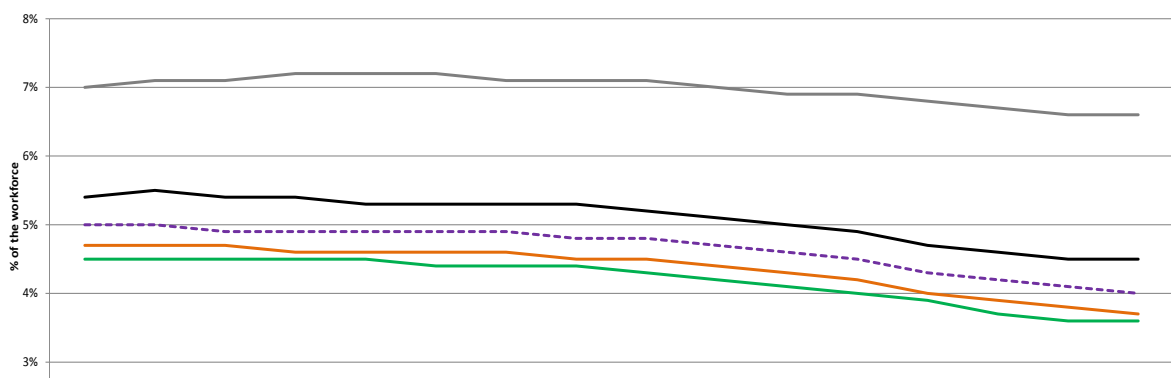
Figure 3.1: ILO unemployment rates for UK nations, seasonally adjusted



	Sep to Nov 2012	Dec to Feb 2013	Mar to May 2013	Jun to Aug 2013	Sep to Nov 2013
— Wales	8.4%	8.2%	8.2%	8.0%	7.2%
— United Kingdom	7.7%	7.9%	7.8%	7.7%	7.1%
— England	7.7%	8.0%	7.8%	7.7%	7.2%
— Scotland	7.8%	7.3%	7.5%	7.3%	6.4%
— Northern Ireland	7.9%	8.4%	7.8%	7.3%	7.3%

Source: Office for National Statistics, [Regional Labour Market Statistics – January 2014 Summary of headline indicators – Table 1](#) and Stats Wales, [ILO Unemployment rates by UK country/English region](#)

Figure 3.2: Claimant count rates for UK nations



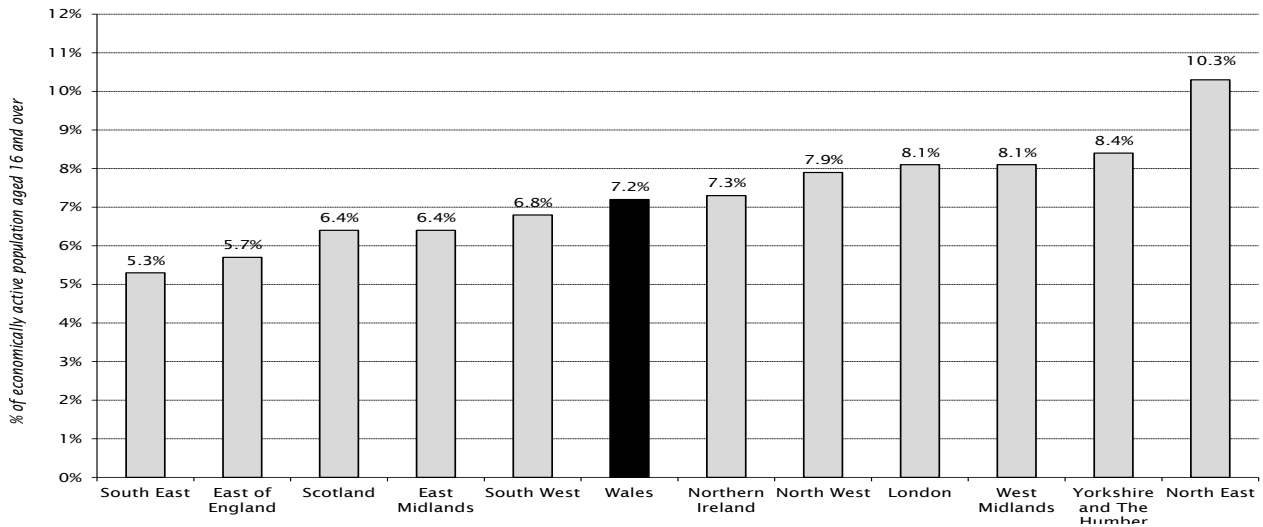
	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013	April 2013	May 2013	June 2013	July 2013	August 2013	September 2013	October 2013	November 2013	December 2013
— Wales	5.4%	5.5%	5.4%	5.4%	5.3%	5.3%	5.3%	5.3%	5.2%	5.1%	5.0%	4.9%	4.7%	4.6%	4.5%	4.5%
— United Kingdom	4.7%	4.7%	4.7%	4.6%	4.6%	4.6%	4.6%	4.5%	4.5%	4.4%	4.3%	4.2%	4.0%	3.9%	3.8%	3.7%
— England	4.5%	4.5%	4.5%	4.5%	4.5%	4.4%	4.4%	4.4%	4.3%	4.2%	4.1%	4.0%	3.9%	3.7%	3.6%	3.6%
— Scotland	5.0%	5.0%	4.9%	4.9%	4.9%	4.9%	4.9%	4.8%	4.8%	4.7%	4.6%	4.5%	4.3%	4.2%	4.1%	4.0%
— Northern Ireland	7.0%	7.1%	7.1%	7.2%	7.2%	7.2%	7.1%	7.1%	7.1%	7.0%	6.9%	6.9%	6.8%	6.7%	6.6%	6.6%

Source: Office for National Statistics, [Claimant Count and Vacancies Series](#)

4. Unemployment rates in UK regions and nations

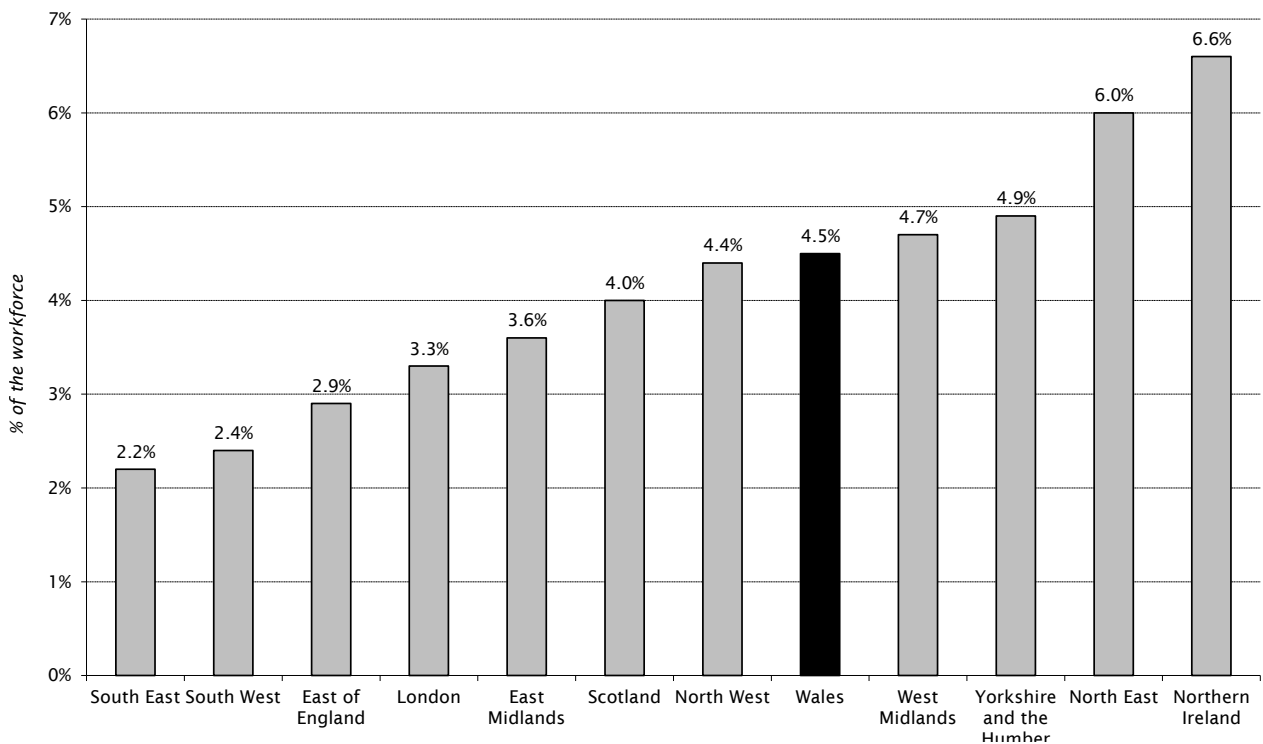
This section provides information on the latest unemployment rates in Wales compared to the UK nations and regions for the two main unemployment measures.

Figure 4.1: ILO unemployment rates (September to November 2013) (seasonally adjusted)



Source: Office for National Statistics, [Regional Labour Market Statistics - January 2014 Summary of headline indicators - Table 1](#)

Figure 4.2: Claimant count rates (December 2013) (seasonally adjusted)



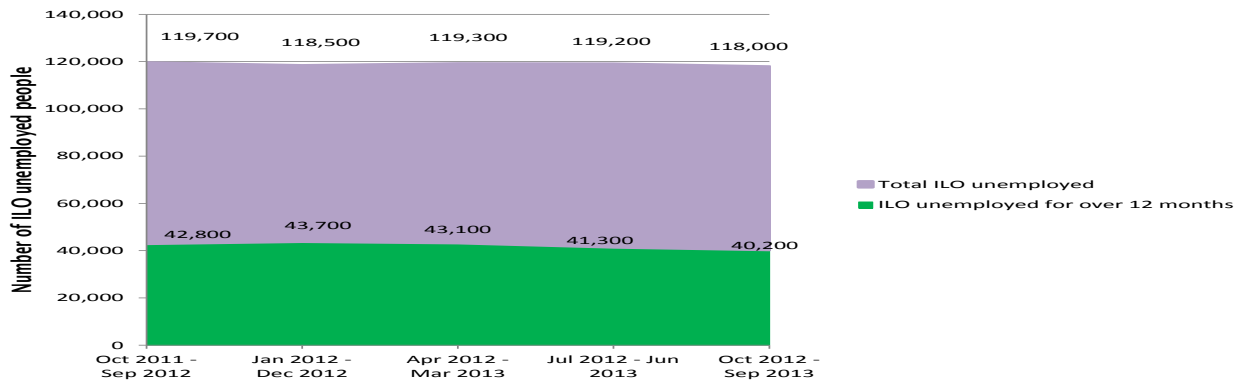
Source: Office for National Statistics, [Regional Labour Market Statistics - January 2014 Summary of headline indicators - Table 2](#)

5. Long-term unemployment in Wales

This section provides analysis of the number of people that are classed as long-term unemployed for both main measures of unemployment.

Statistics relating to the duration of unemployment using the ILO measure are published by the Welsh Government. This data is available on a rolling twelve-monthly basis, updated once a quarter.

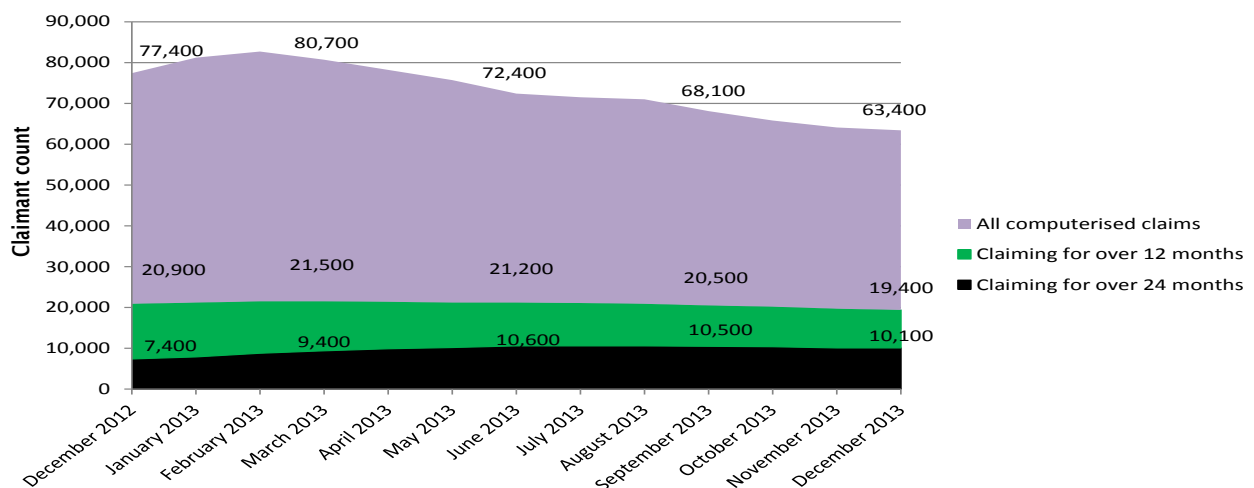
Figure 5.1: ILO unemployment in Wales by duration of unemployment (not seasonally adjusted)



Source: Stats Wales, [Long Term Unemployment by Area and Year](#)

The ONS publishes data to show the number of JSA claimants that have been claiming for over 12 and 24 months. The figures for those claiming JSA for over 12 months include those claiming for over 24 months. **These figures are not seasonally adjusted, and are for computerised claims as only these claims are analysed by the ONS in terms of duration. For these reasons comparisons cannot be made with the claimant count statistics in the other sections of this paper.**

Figure 5.2: Claimant count in Wales by duration of computerised claims (not seasonally adjusted)



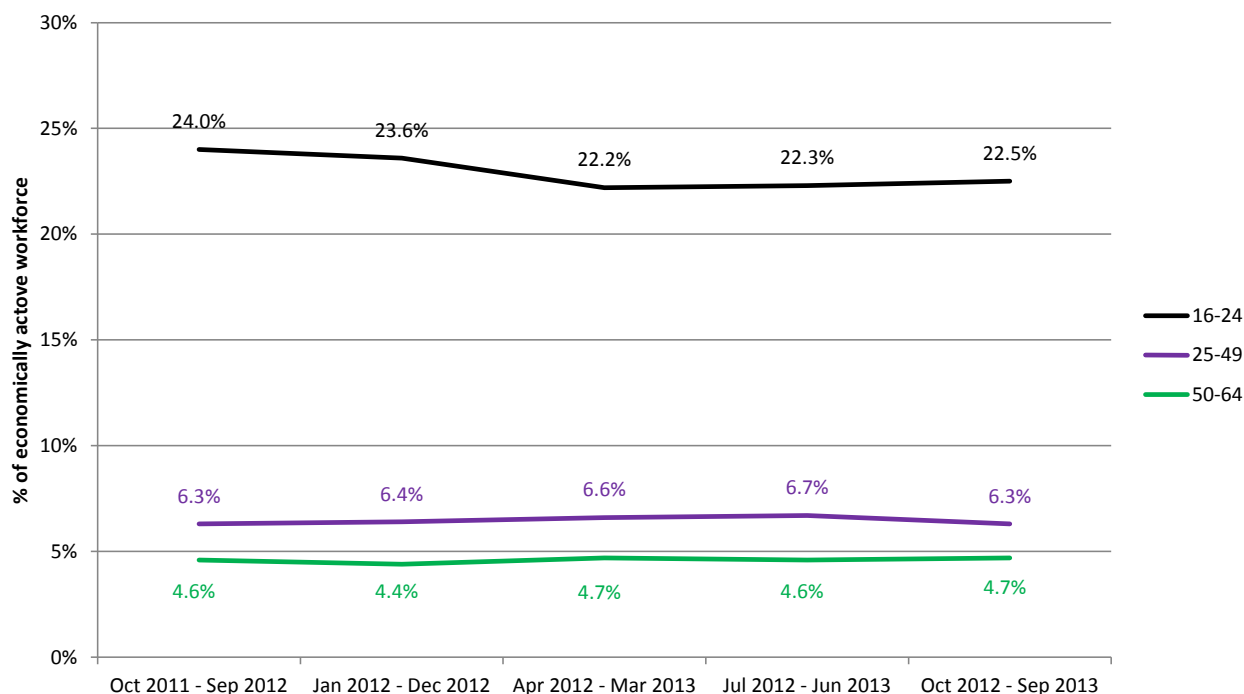
Source: Office for National Statistics, [Regional Labour Market Statistics – January 2014 Headline indicators for Wales: Table 8 – Claimant Count by Age and Duration \(Computerised claims only\)](#)

6. Unemployment by age group

This section of the paper gives information on the number and percentage of unemployed people in Wales for the two main measures of unemployment, by age group.

The sample based nature of the Labour Force Survey means that ILO unemployment statistics for different age groups and areas within Wales such as Assembly Constituencies are not available on a rolling three-monthly basis. This data is available on a rolling twelve-monthly basis, updated once a quarter.

Figure 6.1: ILO unemployment rates by age group (not seasonally adjusted)



Source: Office for National Statistics, [NOMIS Official Labour Market Statistics](#)

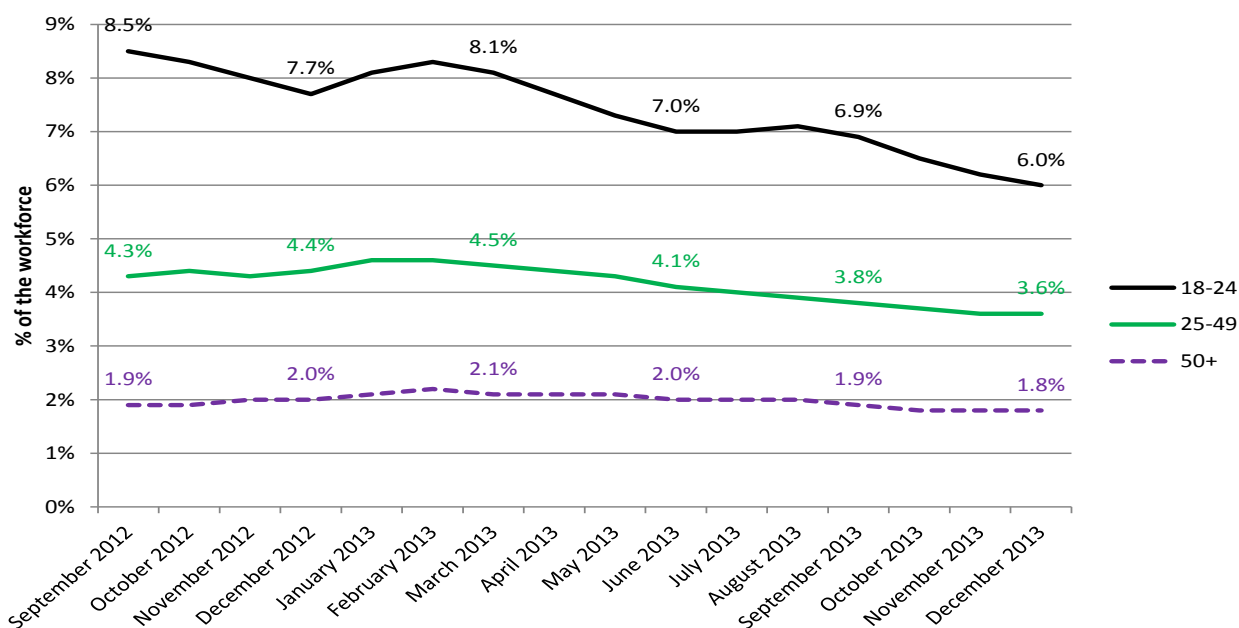
Table 6.1: Number of ILO unemployed people by age group (not seasonally adjusted)

	Age group (years)		
	16-24	25-49	50-64
Oct 2011 - Sep 2012	50,900	50,700	17,200
Jan 2012 - Dec 2012	50,000	50,700	16,900
Apr 2012 - Mar 2013	47,000	53,500	17,900
Jul 2012 - Jun 2013	46,900	53,700	17,500
Oct 2012 - Sep 2013	48,400	50,700	18,100

Source: Office for National Statistics, [NOMIS Official Labour Market Statistics](#)

Claimant count rates by age group are calculated by the Office for National Statistics as a percentage of the population, and do not take into account whether people are economically active or not. **They are also not seasonally adjusted, and so are not comparable with the claimant count rates in the rest of the paper.**

Figure 6.2: Claimant count rate by age group (not seasonally adjusted)



Source: Office for National Statistics, [NOMIS Official Labour Market Statistics: Labour Market Profile Wales](#)

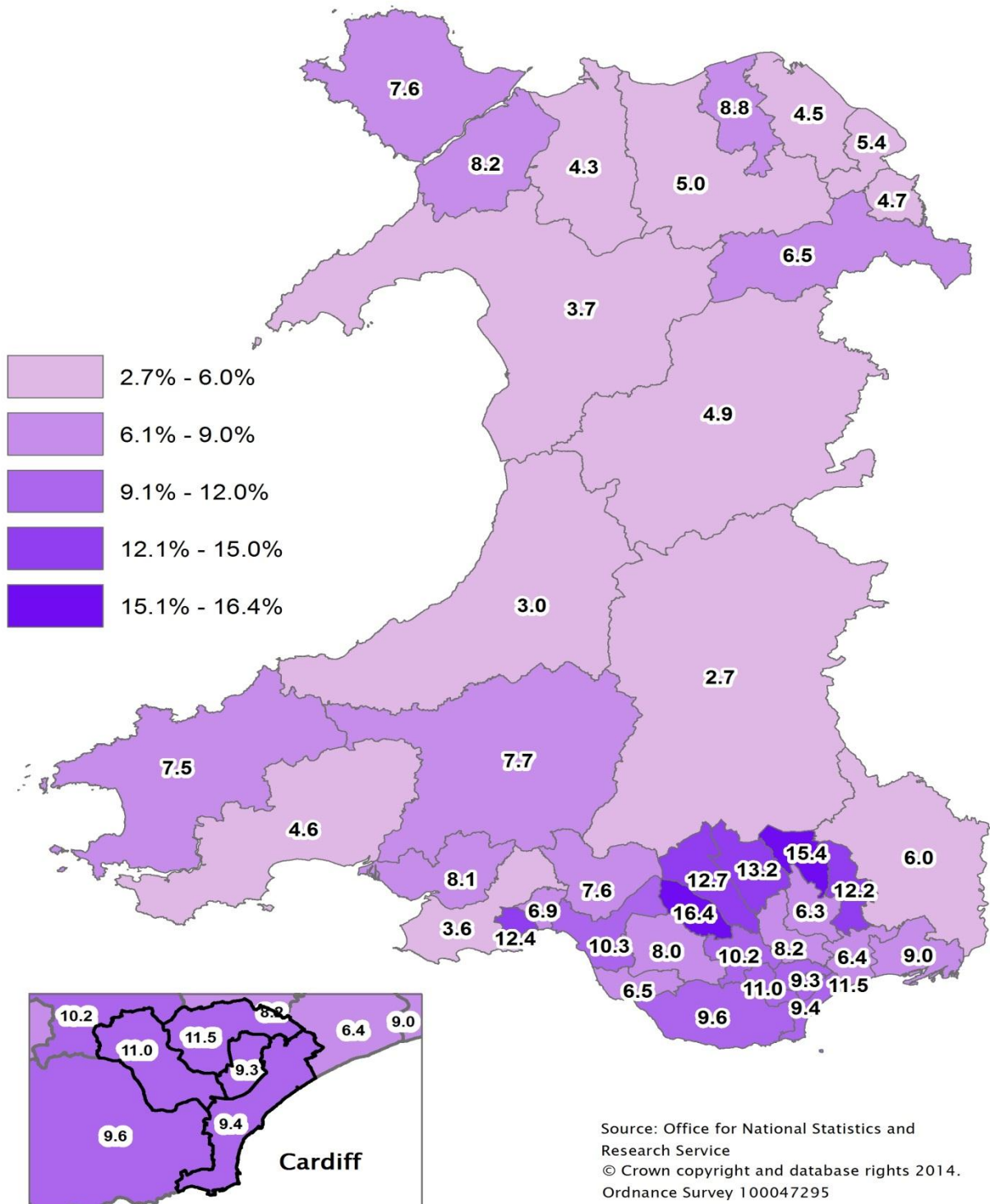
Table 6.2: Number of people claiming Jobseekers Allowance, by age group (not seasonally adjusted)

	18-24	25-49	50+
September 2012	25,500	41,825	11,190
October 2012	25,010	42,070	11,505
November 2012	23,870	41,705	11,620
December 2012	23,125	42,280	11,870
January 2013	24,270	44,360	12,495
February 2013	25,020	44,865	12,720
March 2013	24,290	43,815	12,530
April 2013	23,050	42,685	12,410
May 2013	22,005	41,505	12,120
June 2013	20,875	39,665	11,770
July 2013	21,070	38,785	11,580
August 2013	21,235	38,150	11,575
September 2013	20,575	36,475	11,045
October 2013	19,630	35,305	10,790
November 2013	18,655	34,615	10,750
December 2013	18,115	34,530	10,745

Source: Office for National Statistics, [NOMIS Official Labour Market Statistics: Labour Market Profile Wales](#)

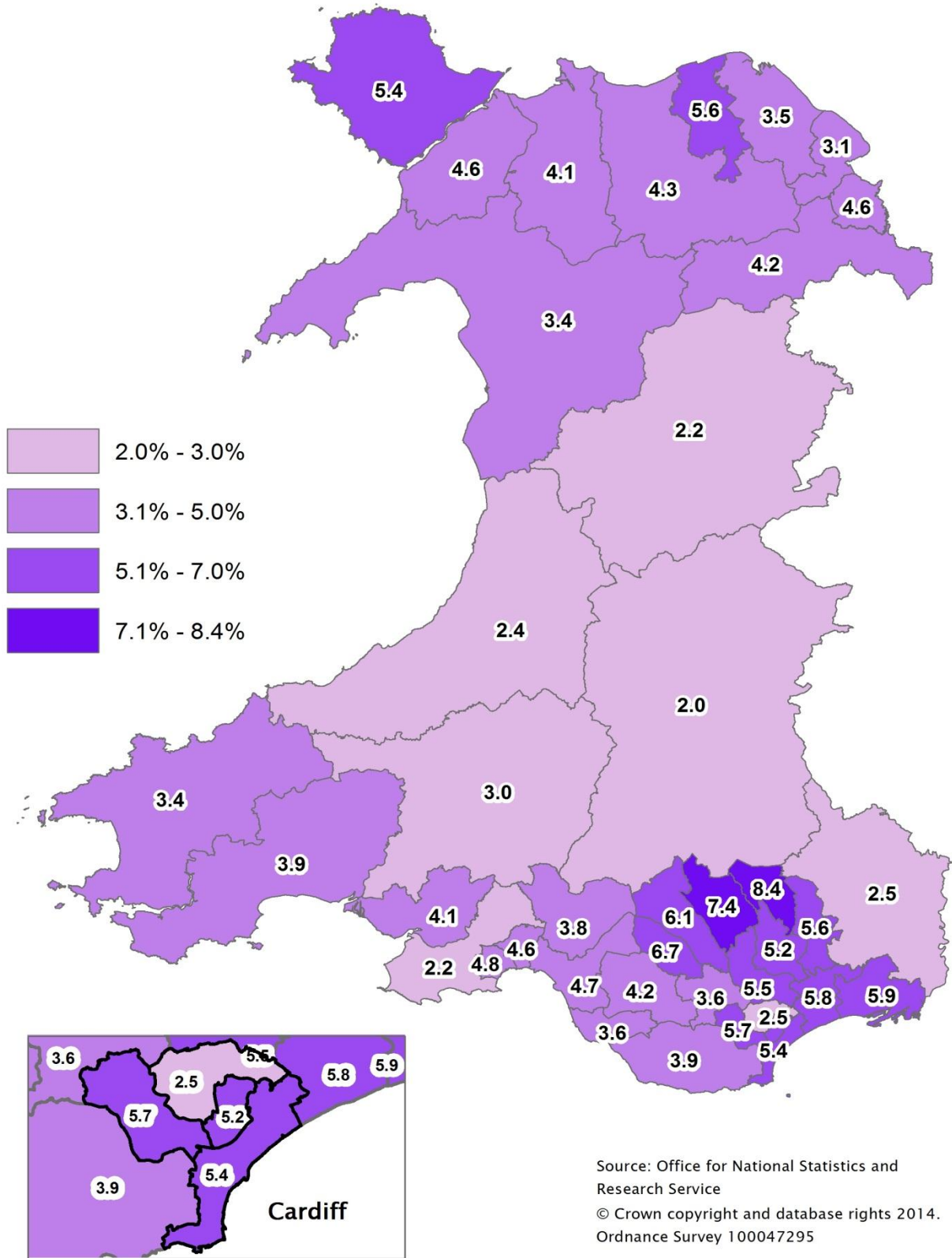
7: Unemployment statistics for Assembly Constituencies

Map 7.1: ILO unemployment rates by Assembly constituency (October 2012 to September 2013)¹



¹ 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 7.2: Unofficial claimant count rates by Assembly Constituency, December 2013²



² Source: Research Service. Claimants of Job Seekers Allowance as a **percentage** of the economically active population aged between 16 and 64. See page 4 for details.

The tables in this section of the paper show the latest figures for the number and percentage of unemployed people in Assembly Constituencies for the two main measures of unemployment, and also the ranking of each Constituency's unemployment rate.

Table 7.1: ILO unemployment numbers, rates and rank by Assembly Constituency, October 2012 – September 2013 (not seasonally adjusted) (a)

Constituency	Number ILO unemployed	ILO unemployment rate	Constituency rank for ILO unemployment rate
Aberavon	3,245	10.3	9
Aberconwy	1,062	4.3	36
Alyn and Deeside	2,258	5.4	30
Arfon	2,343	8.2	16
Blaenau Gwent	4,764	15.4	2
Brecon and Radnorshire	900	2.7	40
Bridgend	2,609	6.5	25
Caerphilly	3,439	8.2	16
Cardiff Central	3,539	9.3	13
Cardiff North	5,579	11.5	7
Cardiff South and Penarth	5,493	9.4	12
Cardiff West	6,300	11.0	8
Carmarthen East and Dinefwr	2,446	7.7	20
Carmarthen West and South Pembrokeshire	1,538	4.6	34
Ceredigion	1,006	3.0	39
Clwyd South	2,445	6.5	25
Clwyd West	1,653	5.0	31
Cynon Valley	3,693	12.7	4
Delyn	1,514	4.5	35
Dwyfor Meirionnydd	1,055	3.7	37
Gower	1,203	3.6	38
Islwyn	2,238	6.3	28
Llanelli	3,104	8.1	18
Merthyr Tydfil and Rhymney	4,218	13.2	3
Monmouth	2,312	6.0	29
Montgomeryshire	1,597	4.9	32
Neath	2,408	7.6	21
Newport East	3,409	9.0	14
Newport West	2,565	6.4	27
Ogmore	2,641	8.0	19
Pontypridd	4,215	10.2	10
Preseli Pembrokeshire	2,686	7.5	23
Rhondda	5,496	16.4	1
Swansea East	2,940	6.9	24
Swansea West	4,189	12.4	5
Torfaen	4,790	12.2	6
Vale of Clwyd	2,950	8.8	15
Vale of Glamorgan	4,462	9.6	11
Wrexham	1,673	4.7	33
Ynys Mon	2,432	7.6	21

Source: Office for National Statistics, [Regional Labour Market Statistics – January 2014: Table LI02 Local Indicators for Parliamentary Constituencies](#)

Note:

- (a) The Assembly Constituency with the highest ILO unemployment rate is ranked as 1, and the Assembly Constituency with the lowest ILO unemployment rate is ranked as 40.

Table 7.2: Claimant count and unofficial residence-based claimant count rates and rank by Assembly Constituency, December 2013 (not seasonally adjusted) (a), (b)

Constituency	Claimant count	Claimant count rate	Constituency rank for claimant count rate
Aberavon	1,393	4.7	16
Aberconwy	1,054	4.1	24
Alyn and Deeside	1,332	3.1	33
Arfon	1,307	4.6	17
Blaenau Gwent	2,661	8.4	1
Brecon and Radnorshire	643	2.0	40
Bridgend	1,345	3.6	29
Caerphilly	2,241	5.5	10
Cardiff Central	2,233	5.2	13
Cardiff North	1,122	2.5	35
Cardiff South and Penarth	2,888	5.4	12
Cardiff West	2,557	5.7	7
Carmarthen East and Dinefwr	936	3.0	34
Carmarthen West and South Pembrokeshire	1,379	3.9	25
Ceredigion	801	2.4	37
Clwyd South	1,479	4.2	22
Clwyd West	1,425	4.3	20
Cynon Valley	1,861	6.1	4
Delyn	1,188	3.5	30
Dwyfor Meirionnydd	916	3.4	32
Gower	777	2.2	39
Islwyn	1,869	5.2	14
Llanelli	1,503	4.1	23
Merthyr Tydfil and Rhymney	2,547	7.4	2
Monmouth	957	2.5	36
Montgomeryshire	688	2.2	38
Neath	1,275	3.8	27
Newport East	2,189	5.9	5
Newport West	2,392	5.8	6
Ogmore	1,494	4.2	21
Pontypridd	1,408	3.6	28
Preseli Pembrokeshire	1,214	3.4	31
Rhondda	1,976	6.7	3
Swansea East	1,741	4.6	18
Swansea West	1,676	4.8	15
Torfaen	2,153	5.6	9
Vale of Clwyd	1,767	5.6	8
Vale of Glamorgan	1,832	3.9	26
Wrexham	1,611	4.6	19
Ynys Mon	1,703	5.4	11

Source: Research Service and Office for National Statistics, [Regional Labour Market Statistics – January 2014: Table JSA02 Claimant count for Parliamentary Constituencies](#)

Note:

- (a) Claimants of Jobseekers Allowance as a percentage of the economically active population aged 16 to 64. See page 4 for details. **For Assembly Constituencies, the claimant count rates are calculated unofficially by the Research Service using the same methodology as the House of Commons Library.** They are calculated by expressing the number of JSA claimants as a percentage of the economically active population aged between 16 and 64 residing in the constituency. The population figures are estimates based on the 2011 Census. **Following publication of data from the 2011 Census this methodology has changed. Therefore the figures in this paper are not comparable with those in previous editions.** Further detail can be found in House of Commons Library, [Unemployment by constituency: change in methodology 2013](#).
- (b) The Assembly Constituency with the highest claimant count rate is ranked as 1, and the Assembly Constituency with the lowest claimant count rate is ranked as 40.