

UK Employment Insight

April
2012

Employment

UK

Insight

January

February

March

April

May

June

July

August

Sept

October


Nov

December


Employment Insight Information Source

This Employment Insight contains the latest estimates for employment, unemployment, economic inactivity, claimant count, average earnings, labour productivity, vacancies and labour disputes. The estimates are used by a wide range of users, particularly across government and the media, to monitor developments in the labour market. All estimates discussed in this Statistical Bulletin are for the United Kingdom and are seasonally adjusted except where otherwise stated. Most of the figures discussed in this Employment Insight are obtained from surveys of households or businesses and are therefore estimates, not precise figures.


Key indicators from February to April 2012:




The employment rate for those aged from 16 to 64 was 70.4 per cent, up 0.1 on the quarter. There were 29.17 million people in employment aged 16 and over, up 53,000 on the quarter.



The unemployment rate was 8.3 per cent of the economically active population, down 0.1 on the quarter. There were 2.65 million unemployed people, down 35,000 on the quarter. This is the first quarterly fall in unemployment since the three months to May 2011.



The inactivity rate for those aged from 16 to 64 was 23.1 per cent, down 0.1 on the quarter. There were 9.27 million economically inactive people aged from 16 to 64, down 25,000 on the quarter.



Total pay (including bonuses) rose by 1.1 per cent on a year earlier, down 0.2 on the three months to January 2012. Regular pay (excluding bonuses) rose by 1.6 per cent on a year earlier, unchanged on the three months to January 2012.

Summary

Between September-November 2011 and December-February 2012, unemployment and economic inactivity fell and employment increased. T

he employment rate for those aged from 16 to 64 for the three months to February 2012 was 70.4 per cent, up 0.1 on the quarter. The number of people in employment aged 16 and over increased by 53,000 on the quarter but fell by 57,000 on the year to reach 29.17 million. The number of part-time workers increased by 80,000 on the quarter to reach 7.94 million but the number of full-time workers fell by 27,000 to reach 21.23 million. The number of employees and self-employed people who were working part-time because they could not find a full-time job increased by 89,000 on the quarter to reach 1.40 million, the highest figure since comparable records began in 1992.

The unemployment rate for the three months to February 2012 was 8.3 per cent of the economically active population, down 0.1 on the quarter. The total number of unemployed people fell by 35,000 over the quarter to reach 2.65 million. These are the first quarterly falls in the unemployment level and rate since March-May 2011. The number of unemployed men fell by 43,000 to reach 1.51 million but the number of unemployed women increased by 8,000 to reach 1.14 million, the highest figure since the three months to November 1987. The number of people unemployed for up to twelve months fell by 61,000 on the quarter to reach 1.77 million, but the number of people unemployed for over 12 months increased by 26,000 to reach 883,000, the highest figure since the three months to September 1996.

The inactivity rate for those aged from 16 to 64 for the three months to February 2012 was 23.1 per cent, down 0.1 on the quarter. The number of economically inactive people aged from 16 to 64 fell by 25,000 over the quarter to reach 9.27 million. This quarterly fall in economic inactivity was mainly due to a fall of 61,000 in the number of retired people below the age of 65 to reach 1.47 million, the lowest figure since the three months to November 2007. There were 1.61 million people claiming Jobseeker's Allowance (JSA) in March 2012, up 3,600 on February. The number of people claiming JSA for up to six months fell by 13,100 on the month to reach 893,800. This series has now fallen for nine consecutive months and it has decreased by 81,600 since March 2011.

The whole economy earnings annual growth rate for total pay was 1.1 per cent in the three months to February 2012, down 0.2 on the three months to January 2012. Bonus payments were lower in January and February 2012 than in the first two months of 2011, particularly in the finance and business services sector. The annual growth rate for total private sector pay fell from 1.6 per cent to 1.2 per cent.

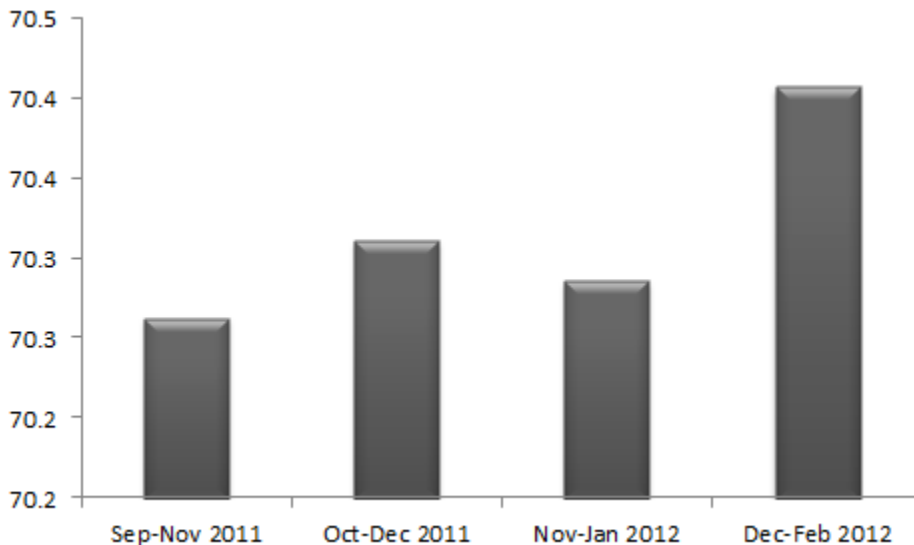
Employment

The employment rate for men aged from 16 to 64 was 75.5 per cent, up 0.4 percentage points on the previous quarter. The corresponding employment rate for women was 65.3 per cent, down 0.1 on the previous quarter.

The number of people in employment was 29.17 million in the three months to February 2012, up 53,000 from the three months to November 2011 but down 57,000 on a year earlier. The number of people in full-time employment was 21.23 million in the three months to February 2012, down 27,000 from the three months to November 2011. Of this total, 13.57 million were men and 7.67 million were women. The number of people in part-time employment was 7.94 million in the three months to February 2012, up 80,000 from the three months to November 2011. Of this total, 2.07 million were men and 5.86 million were women.

The number of people employed in the public sector was 5.94 million in December 2011, down 37,000 from September 2011. The number of people employed in the private sector in December 2011 was 23.17 million, up 45,000 from September 2011.

Employment
%



Source: Labour Force Survey - Office for National Statistics

UK Employment Insight

ONS publishes estimates of employment by both country of birth and by nationality. The number of non-UK born people in employment is greater than the number of non-UK nationals in employment, as the non-UK born series includes many UK nationals. The estimates relate to the number of people in employment rather than the number of jobs. These statistics have sometimes been incorrectly interpreted as indicating the proportion of new jobs that are taken by foreign migrants. The number of UK nationals in employment was 26.61 million in the three months to December 2011, down 166,000 on a year earlier. The number of non-UK nationals in employment was 2.58 million, up 166,000 from a year earlier. The employment rate for UK nationals aged from 16 to 64 was 70.8 per cent in the three months to December 2011, down 0.1 percentage point on a year earlier. The corresponding employment rate for non-UK nationals was 67.4 per cent, down 0.5 percentage points on a year earlier. The number of UK born people in employment was 25.07 million in the three months to December 2011, down 208,000 on a year earlier. The number of non-UK born people in employment was 4.12 million, up 212,000 from a year earlier. The employment rate for UK born people aged from 16 to 64 was 71.3 per cent in the three months to December 2011, virtually unchanged on a year earlier. The corresponding employment rate for non-UK born people was 66.4 per cent, down 1.0 percentage point on a year earlier.

Employment by country of birth and nationality, changes on year between December to February 2012



Source: Labour Force Survey - Office for National Statistics

Actual hours worked

Actual hours worked measures the number of hours worked in the economy. Total hours worked per week were 928.8 million in the three months to February 2012, up 12.5 million from the three months to November 2011. Average weekly hours worked in the three months to February 2012 were 31.8, up 0.3 from the three months to November 2011.



Source: Labour Force Survey - Office for National Statistics

Earnings In February 2012:

Earnings measures the money received in return for work done, gross of tax. The estimates relate to Great Britain and include salaries but not unearned income, benefits in kind or arrears of pay. Average total pay (including bonuses) was £462 per week in February 2012. In the three months to February 2012 total pay rose by 1.1 per cent on a year earlier, down 0.2 from the three months to January. Average regular pay (excluding bonuses) was £439 per week in February 2012. In the three months to February 2012 regular pay rose by 1.6 per cent on a year earlier, unchanged from the three months to January.

Unemployment - December to February 2012:

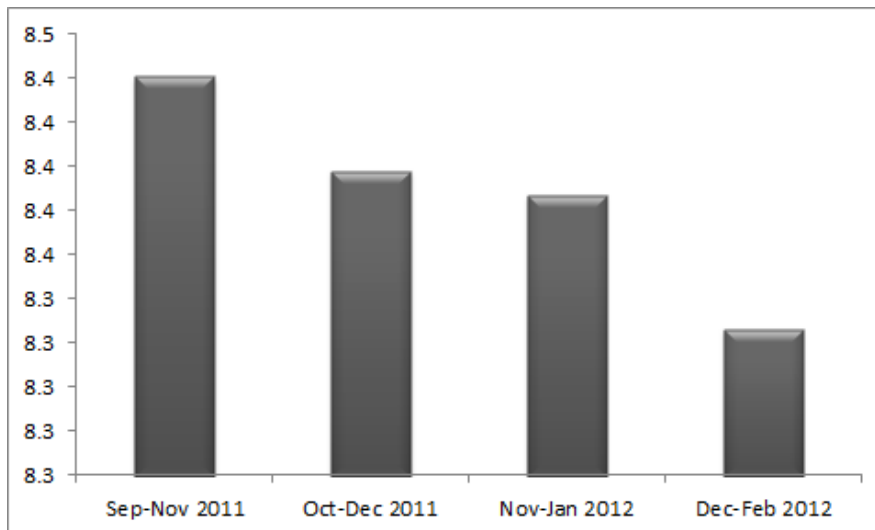
Unemployment measures people without a job who have been actively seeking work and are available to start work if a job is offered. The unemployment rate was 8.3 per cent in the three months to February 2012, down 0.1 percentage point from the three months to November 2011 but up 0.5 from a year earlier. Unemployment rates are calculated, in accordance with international guidelines, as the number of unemployed people divided by the economically active population (defined as those in employment plus those who are unemployed).

The number of unemployed people was 2.65 million in the three months to February 2012, down 35,000 from the three months to November 2011 but up 172,000 from a year earlier. The number of unemployed men was 1.51 million in the three months to February 2012, down 43,000 from the three months to November 2011. The number of unemployed women was 1.14 million in the three months to February 2012, up 8,000 from the three months to November 2011. The number of people unemployed for over one year was 883,000 in the three months to February 2012, up 26,000 from the three months to November 2011. The number of people unemployed for over two years was 423,000 in the three months to February 2012, down 1,000 from the three months to November 2011.

The unemployment rate for the European Union (EU) was 10.2 per cent of the economically active population in February 2012. The EU country with the highest unemployment rate was Spain, at 23.6 per cent, and the EU country with the lowest unemployment rate was Austria, at 4.2 per cent. The unemployment rate for Japan was 4.5 per cent in February 2012. The unemployment rate for the United States was 8.2 per cent in March 2012.

Unemployment rate (aged 16+)

%



Source: Labour Force Survey - Office for National Statistics

Young people in the labour market

From December to February 2012:

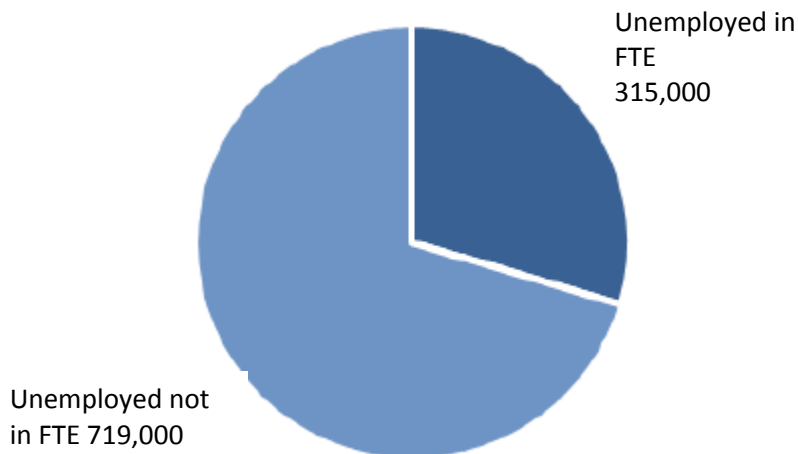
In the three months to February 2012, there were 3.63 million 16 to 24 years olds in employment, down 13,000 from the three months to November 2011. There were 2.63 million economically inactive 16 to 24 year olds (most of whom were in full-time education), up 12,000 on the three months to November 2011.

There were 1.03 million unemployed 16 to 24 year olds, down 9,000 from the three months to November 2011. The unemployment rate for 16 to 24 year olds was 22.2 per cent in the three months to February 2012, down 0.1 percentage point from the three months to November 2011. In accordance with international guidelines, unemployment rates are calculated as the number of unemployed people divided by the economically active population (defined as those in employment plus those who are unemployed).

Movements in youth unemployment rates can therefore be affected by changes to the economically active population, which can result from changes in the number of young people who are economically inactive because they are in full-time education. In accordance with international guidelines, people in full-time education are included in the youth unemployment estimates if they have been looking for work within the last four weeks and are available to start work within the next two weeks. Excluding people in full-time education, there were 719,000 unemployed 16 to 24 year olds in the three months to February 2012, down 11,000 from the three months to November 2011.

The corresponding unemployment rate was 20.5 per cent of the economically active population for 16 to 24 year olds not in full-time education, down 0.2 percentage points from the three months to November 2011.

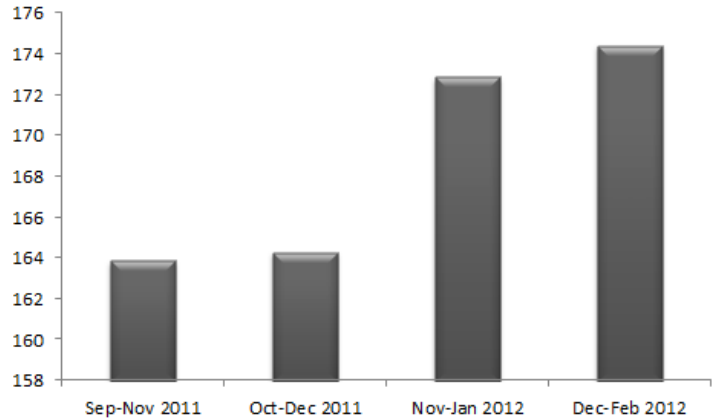
Young people (aged 16 to 24) in the labour market for December to February 2012



Redundancies

The redundancies estimates measure the number of people who have been made redundant or have taken voluntary redundancy. In the three months to February 2012, 174,000 people had become redundant in the three months before the Labour Force Survey interviews, up 11,000 from the three months to November 2011 and up 47,000 from a year earlier. The redundancy rate was 7.0 per 1,000 employees, up 0.5 on the previous quarter and up 1.9 on a year earlier.

Thousands

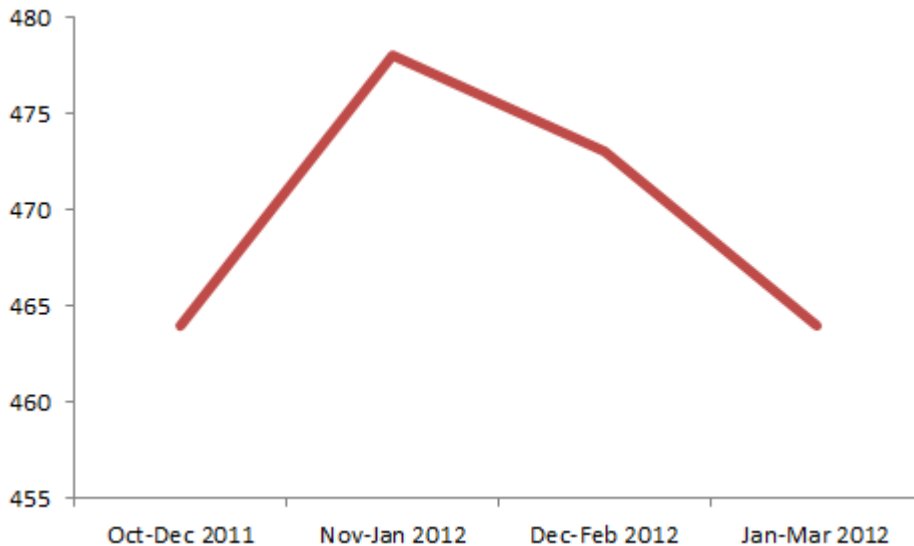


Source: Labour Force Survey - Office for National Statistics

Vacancies

Vacancies are defined as positions for which employers are actively seeking to recruit outside their business or organisation. There were 464,000 job vacancies in the three months to March 2012, unchanged on the three months to December 2011 but down 19,000 on a year earlier. There were 1.8 vacancies per 100 employee jobs in the three months to March 2012, unchanged on the previous quarter but down 0.1 on the year.

Thousands



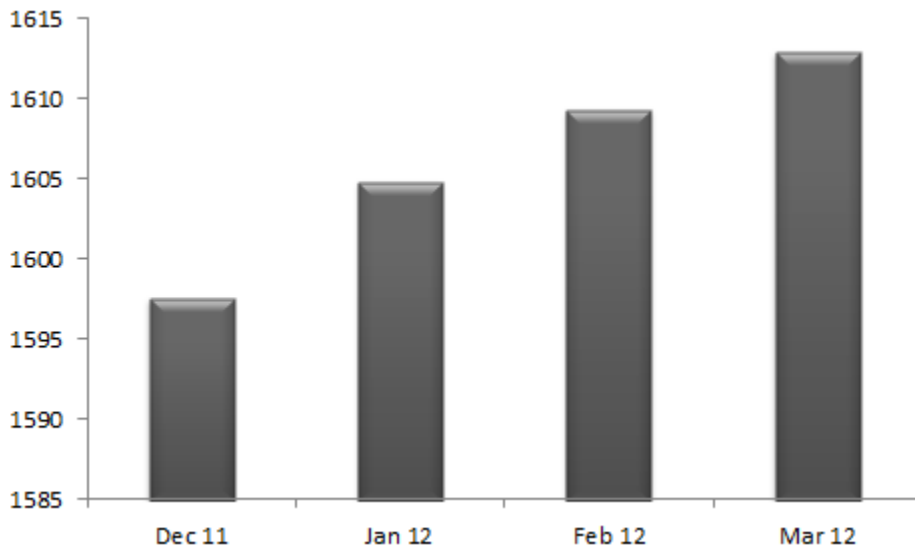
Source: Labour Force Survey - Office for National Statistics

The Claimant Count

The claimant count measures the number of people claiming Jobseeker's Allowance (JSA) and differs from unemployment (which measures people who meet the internationally agreed definition of unemployment). The claimant count can be affected by changes to the overall benefits system. For example, from late 2008 until mid-2011 changes in eligibility rules for Lone Parent Income Support resulted in fewer lone parents (predominantly women) being able to claim that benefit resulting in more lone parents claiming JSA while they look for work. From April 2011, the Dept. for Work and Pensions has been re-assessing claimants of Incapacity Benefit (IB) resulting in some people who have been declared ineligible for IB claiming JSA while they look for work. The effect of this exercise on monthly changes in the claimant count is likely to be small.

The claimant count in March 2012 was 1.61 million, up 3,600 on the previous month and up 145,200 on a year earlier. The claimant count rate was 4.9 per cent, unchanged on the previous month but up 0.4 percentage points from a year earlier.

Thousands





TM

resource
manage