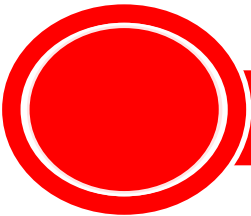
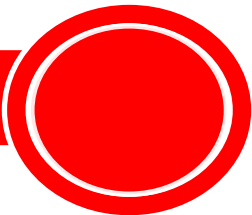


UK Employment Insight

February
2012

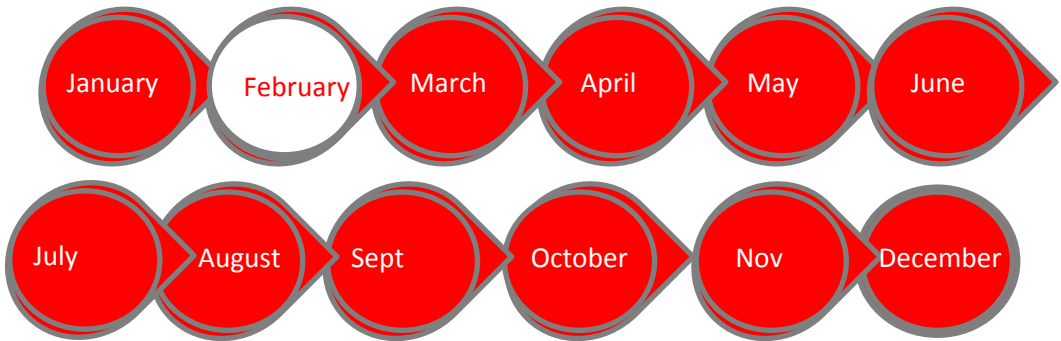
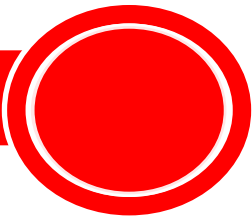
Employment



UK




Insight




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 October to December 2011:




The employment rate for those aged from 16 to 64 was 70.3 per cent, up 0.1 on the quarter. There were 29.13 million people in employment aged 16 and over, up 60,000 on the quarter.



The unemployment rate was 8.4 per cent of the economically active population, up 0.1 on the quarter. There were 2.67 million unemployed people, up 48,000 on the quarter. The unemployment rate has not been higher since 1995.



The inactivity rate for those aged from 16 to 64 was 23.1 per cent, down 0.2 on the quarter. There were 9.29 million economically inactive people aged from 16 to 64, down 78,000 on the quarter.



Total pay (including bonuses) rose by 2.0 per cent on a year earlier, unchanged on the three months to November 2011.

Summary

The employment rate for those aged from 16 to 64 for the three months to December 2011 was 70.3 per cent, up 0.1 percentage point on the quarter. The number of people in employment aged 16 and over increased by 60,000 on the quarter and by 7,000 on the year to reach 29.13 million. The quarterly increase in employment was mainly due to an increase of 90,000 in the number of part-time employees to reach 6.61 million.

The number of full-time employees fell by 26,000 on the quarter, to reach 18.24 million and the number of self-employed people fell by 10,000 on the quarter to reach 4.08 million. The number of people in other categories of employment increased by 6,000 over the quarter to reach 200,000. The number of employees and self-employed people who were working part-time because they could not find a full-time job increased by 83,000 on the quarter to reach 1.35 million, the highest figure since comparable records began in 1992.

The unemployment rate for the three months to December 2011 was 8.4 per cent of the economically active population, up 0.1 on the quarter. The unemployment rate was last higher in the three months to November 1995. The total number of unemployed people increased by 48,000 over the quarter to reach 2.67 million. This was the smallest quarterly increase in unemployment since the three months to June 2011. The number of unemployed people aged from 16 to 24 increased by 22,000 over the quarter to reach 1.04 million; this figure includes 307,000 people in full-time education who were looking for work.

The inactivity rate for those aged from 16 to 64 for the three months to December 2011 was 23.1 per cent, down 0.2 on the quarter. The number of economically inactive people aged from 16 to 64 fell by 78,000 over the quarter to reach 9.29 million. This quarterly fall in economic inactivity was mainly due to a fall of 52,000 in the number of people in the long-term sick category to reach 2.11 million, the lowest figure since the three months to May 1995. There were 1.60 million people claiming Jobseeker's Allowance (JSA) in January 2012, up 6,900 on December 2011. The number of men claiming JSA increased by 5,400 on the month to reach 1.07 million and the number of women claiming JSA increased by 1,500 on the month to reach 531,700 – the highest figure since July 1995.

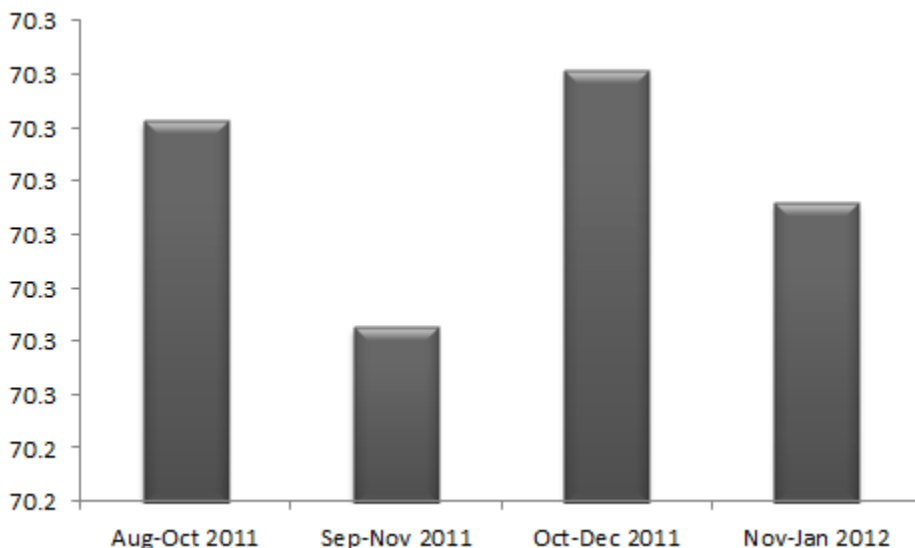
The whole economy earnings annual growth rate for total pay (including bonuses) was 2.0 per cent in the three months to December 2011, unchanged on the three months to November. The annual growth rate for the private sector increased from 2.1 per cent to 2.3 per cent and the public sector growth rate fell from 1.9 per cent to 1.7 per cent, the lowest figure since comparable records began in 2001. The annual growth rate for the public sector, excluding financial corporations, fell from 1.4 per cent to 1.1 per cent, the lowest figure since comparable records began in 2001. However, in December 2011, average weekly pay for the private sector (£462 per week) was lower than the total public sector (£477 per week) and the public sector excluding financial corporations (£466 per week).

Employment

The employment rate for men aged from 16 to 64 was 75.2 per cent, up 0.1 percentage point on the previous quarter. The corresponding employment rate for women was 65.4 per cent, down 0.1 on the previous quarter.

The number of people in employment was 29.12 million in the three months to January 2012, up 9,000 from the three months to October 2011 but down 44,000 on a year earlier. The number of people in full-time employment was 21.23 million in the three months to January 2012, down 50,000 from the three months to October 2011. Of this total, 13.56 million were men and 7.68 million were women. The number of people in part-time employment was 7.88 million in the three months to January 2012, up 59,000 from the three months to October 2011. Of this total, 2.02 million were men and 5.87 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.



Source: Labour Force Survey - Office for National Statistics

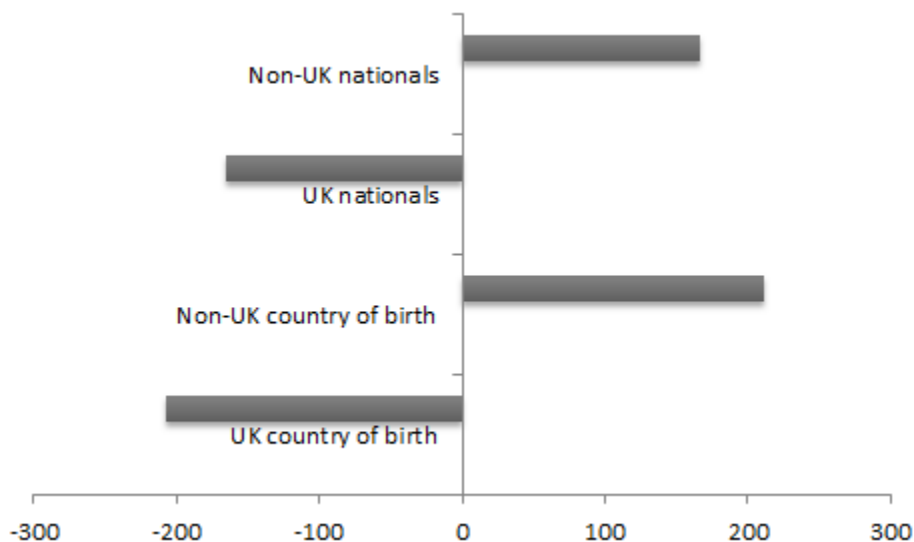
UK Employment Insight

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 points on a year earlier.

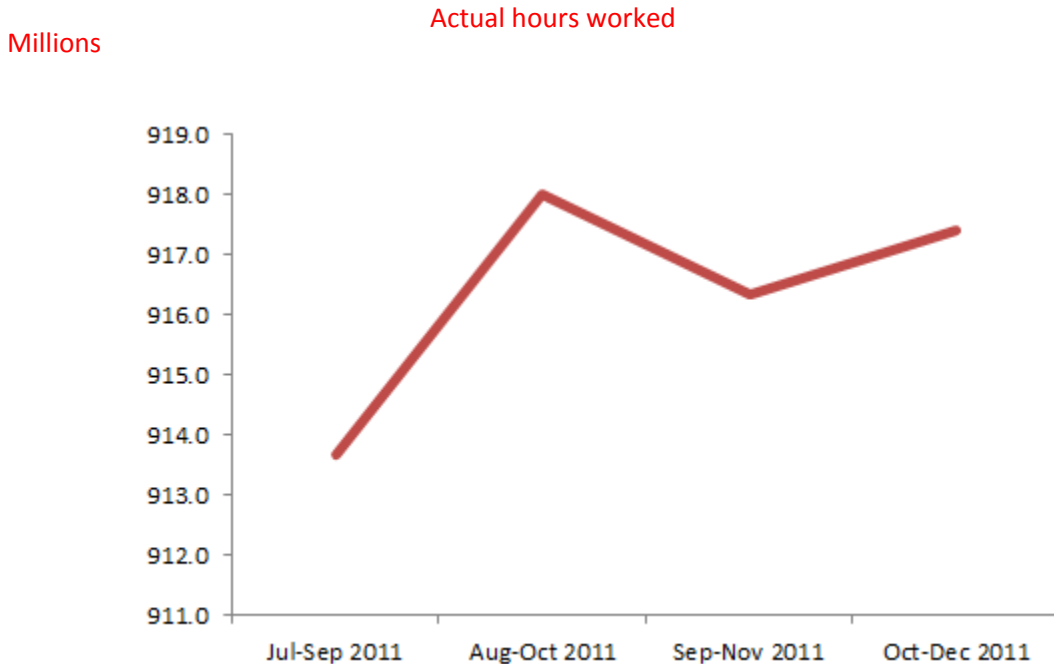
Employment by country of birth and nationality, changes on year between October to December 2011.



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 917.4 million in the three months to December 2011, up 3.7 million from the three months to September 2011. Average weekly hours worked in the three months to December 2011 were 31.5, up 0.1 from the three months to September 2011.



Source: Labour Force Survey - Office for National Statistics

Earnings

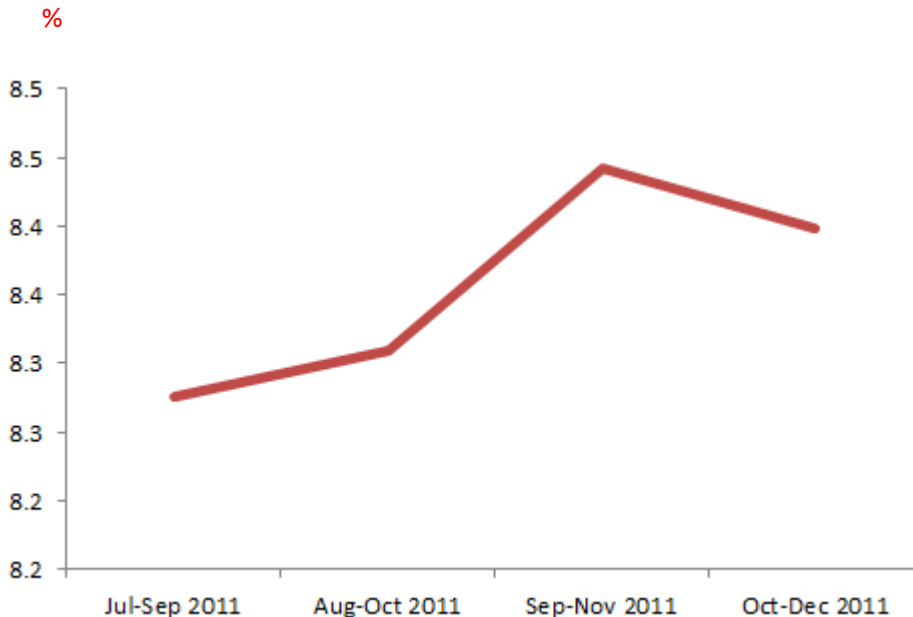
Earnings measures the money received in return for work done, gross of tax. The estimates relate to Great Britain and include salaries but not unearned income, benefits in kind or arrears of pay. Average total pay (including bonuses) was £465 per week in December 2011. In the three months to December 2011 total pay rose by 2.0 per cent on a year earlier, unchanged from the three months to November. Average regular pay (excluding bonuses) was £439 per week in December 2011. In the three months to December 2011 regular pay rose by 2.0 per cent on a year earlier, up 0.1 from the three months to November.

Unemployment - October to December 2011:

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 8.4 per cent in the three months to December 2011, up 0.1 percentage point from the three months to September 2011 and 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 2.67 million in the three months to December 2011, up 48,000 from the three months to September 2011 and up 179,000 from a year earlier. The number of unemployed men was 1.55 million in the three months to December 2011, up 16,000 from the three months to September 2011. The number of unemployed women was 1.12 million in the three months to December 2011, up 32,000 from the three months to September 2011. The number of people unemployed for over one year was 860,000 in the three months to December 2011, down 8,000 from the three months to September 2011. The number of people unemployed for over two years was 423,000 in the three months to December 2011, up 1,000 from the three months to September 2011.

Unemployment rate (aged 16+)



Young people in the labour market

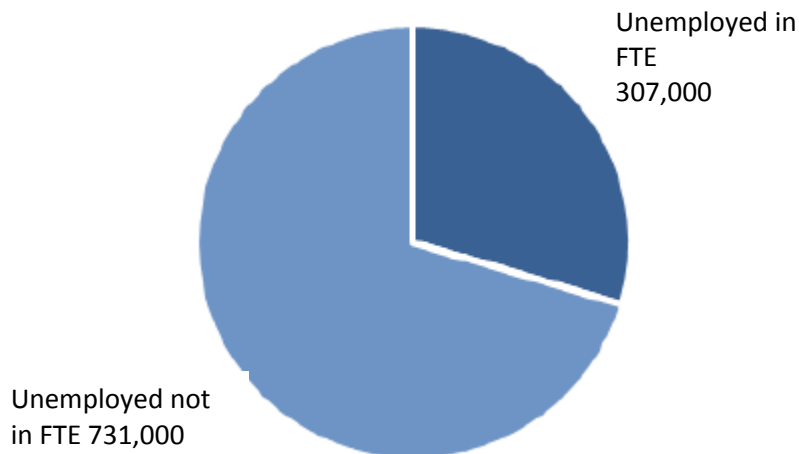
From October to December 2012:

In the three months to December 2011, there were 3.63 million 16 to 24 years olds in employment, up 11,000 from the three months to September 2011. There were 2.63 million economically inactive 16 to 24 year olds (most of whom were in full-time education), down 42,000 on the three months to September 2011. There were 1.04 million unemployed 16 to 24 year olds, up 22,000 from the three months to September 2011.

The unemployment rate for 16 to 24 year olds was 22.2 per cent in the three months to December 2011, up 0.3 percentage points from the three months to September 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 731,000 unemployed 16 to 24 year olds in the three months to December 2011, up 1,000 from the three months to September 2011. The corresponding unemployment rate was 20.7 per cent of the economically active population for 16 to 24 year olds not in full-time education, up 0.1 percentage point from the three months to September 2011.

Young people (aged 16 to 24) in the labour market from October to December 2011

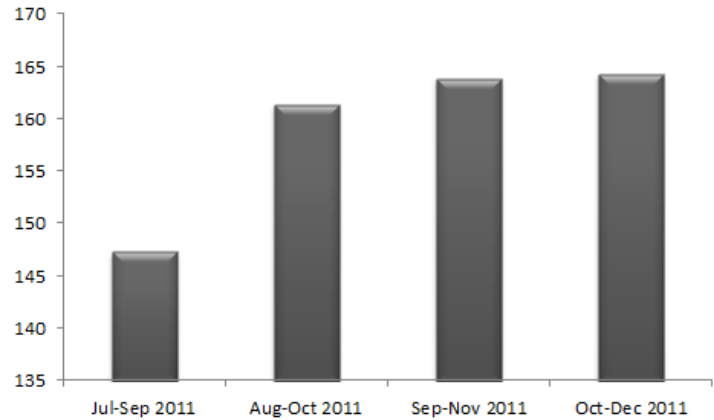


Source: Labour Force Survey - Office for National Statistics

Redundancies

The redundancies estimates measure the number of people who have been made redundant or have taken voluntary redundancy. In the three months to December 2011, 164,000 people had become redundant in the three months before the Labour Force Survey interviews, up 17,000 from the three months to September 2011 and from a year earlier. The redundancy rate was 6.6 per 1,000 employees, up 0.8 on the previous quarter and up 0.7 on a year earlier.

Thousands

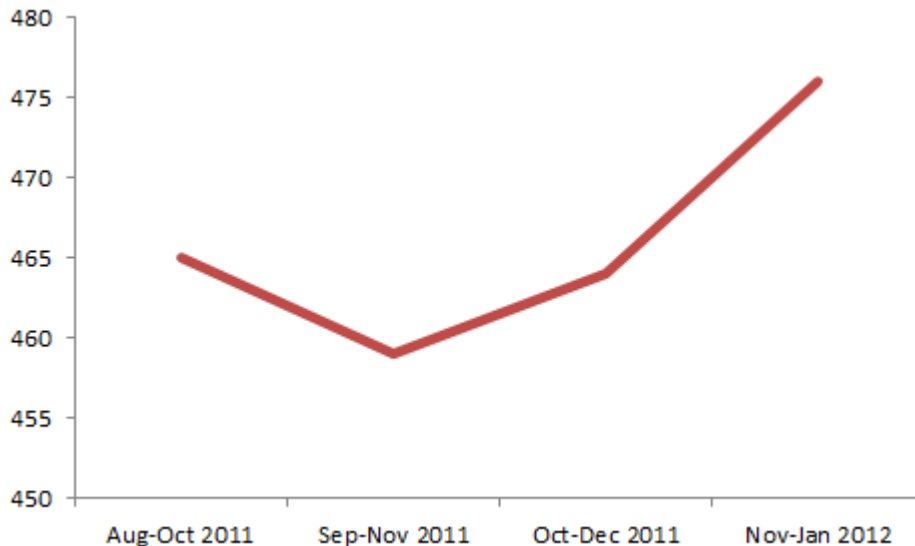


Source: Labour Force Survey - Office for National Statistics

Vacancies

Vacancies are defined as positions for which employers are actively seeking to recruit outside their business or organisation. There were 476,000 job vacancies in the three months to January 2012, up 11,000 on the three months to October 2011 but down 21,000 on a year earlier. There were 1.8 vacancies per 100 employee jobs in the three months to January 2012, unchanged on the previous quarter but down 0.1 percentage point on the year.

Thousands



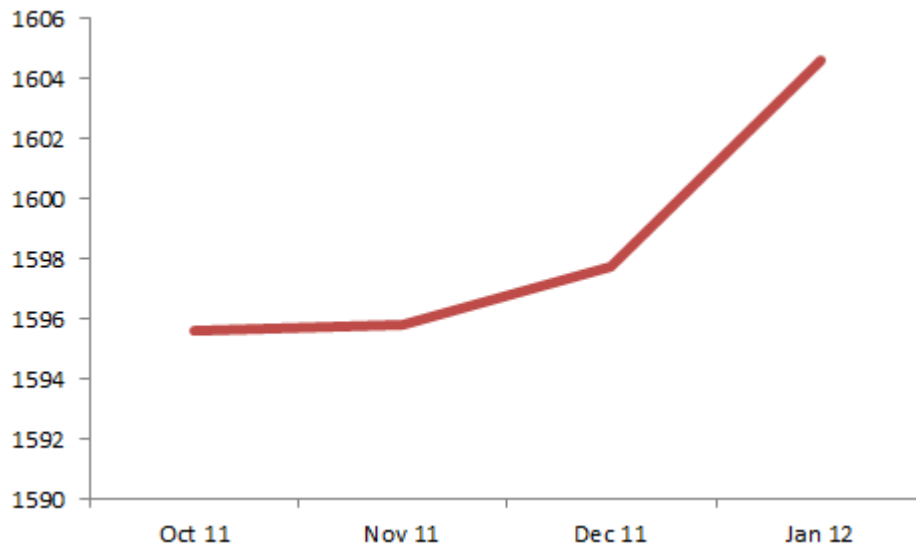
Source: Labour Force Survey - Office for National Statistics

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 January 2012 was 1.60 million, up 6,900 on the previous month and up 146,300 on a year earlier. The claimant count rate was 5.0 per cent, unchanged on the previous month but up 0.5 percentage points from a year earlier.

Thousands





resource
manage