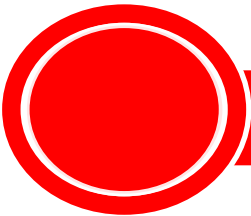
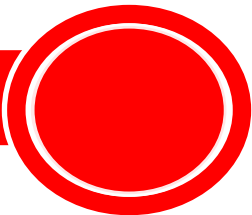


UK Employment Insight

May
2012

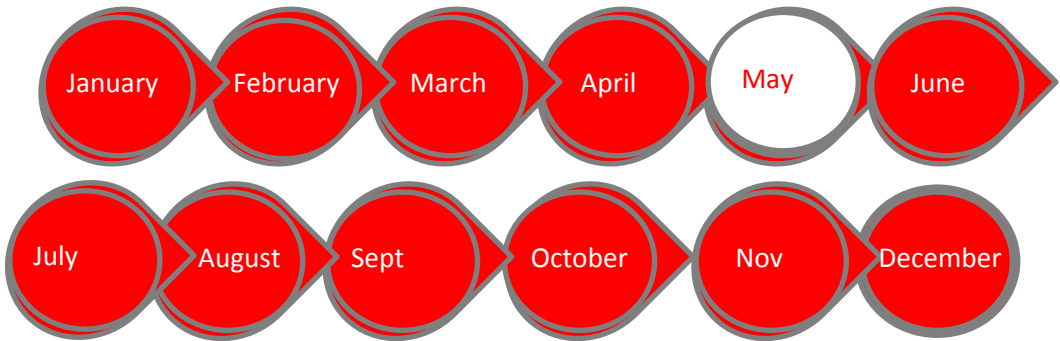
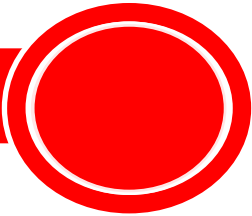
Employment



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 February to April 2012:




The employment rate for those aged from 16 to 64 was 70.5 per cent, up 0.2 on the quarter. There were 29.23 million people in employment aged 16 and over, up 105,000 on the quarter. The quarterly increase in employment was entirely due to more part-time workers.



The unemployment rate was 8.2 per cent of the economically active population, down 0.2 on the quarter. There were 2.63 million unemployed people, down 45,000 on the quarter.



The inactivity rate for those aged from 16 to 64 was 23.0 per cent, down 0.1 on the quarter. There were 9.25 million economically inactive people aged from 16 to 64, down 35,000 on the quarter.



Total pay (including bonuses) rose by 0.6 per cent on a year earlier. This is the lowest growth rate since March-May 2009 and it is down 0.5 on the three months to February 2012. Regular pay (excluding bonuses) rose by 1.6 per cent on a year earlier, unchanged on the three months to February 2012.

Summary

Between October-December 2011 and January-March 2012, unemployment and economic inactivity fell and employment increased. The employment rate for those aged from 16 to 64 for the three months to March 2012 was 70.5 per cent, up 0.2 on the quarter. The number of people in employment aged 16 and over increased by 105,000 on the quarter but fell by 7,000 on the year to reach 29.23 million. The number of part-time workers increased by 118,000 on the quarter to reach 7.99 million (the highest figure since comparable records began in 1992) but the number of full-time workers fell by 13,000 to reach 21.24 million.

The number of people (excluding unpaid family workers and government supported trainees) who were working part-time because they could not find a full-time job increased by 73,000 on the quarter to reach 1.42 million, the highest figure since comparable records began in 1992. The number of self-employed people increased by 89,000 over the quarter to reach 4.16 million, the highest figure since comparable records began in 1992.

The unemployment rate for the three months to March 2012 was 8.2 per cent of the economically active population, down 0.2 on the quarter. The total number of unemployed people fell by 45,000 over the quarter to reach 2.63 million, but the number of people unemployed for over one year increased by 27,000 to reach 887,000, the highest figure since the three months to September 1996.

In the three months to March 2012, 33.8 per cent of all unemployed people had been out of work for over a year. The economic inactivity rate for those aged from 16 to 64 for the three months to March 2012 was 23.0 per cent, down 0.1 on the quarter. T

he number of economically inactive people aged from 16 to 64 fell by 35,000 over the quarter to reach 9.25 million. This quarterly fall in economic inactivity was mainly due to a fall of 59,000 in the number of retired people below the age of 65 to reach 1.47 million. The economic inactivity rate for women aged from 16 to 64 fell by 0.1 on the quarter to reach 29.0 per cent, the lowest figure since comparable records began in 1971. The female inactivity rate has generally been falling since comparable records for this series began in January-March 1971, when it was 44.5 per cent.

The number of people claiming Jobseeker's Allowance (JSA) fell by 13,700 between March and April 2012, but increased by 106,600 on the year, to reach 1.59 million. This is the second consecutive monthly fall in this series and the largest fall since July 2010. The number of people claiming JSA for up to six months fell by 27,200 on the month and by 128,400 on the year to reach 858,800.

The whole economy earnings annual growth rate for total pay was 0.6 per cent in the three months to March 2012. This is the lowest growth rate since the three months to May 2009 and it is down 0.5 on the three months to February 2012. This fall in the annual growth rate was due to lower bonuses across the private sector, particularly within the finance and business services and manufacturing sectors.

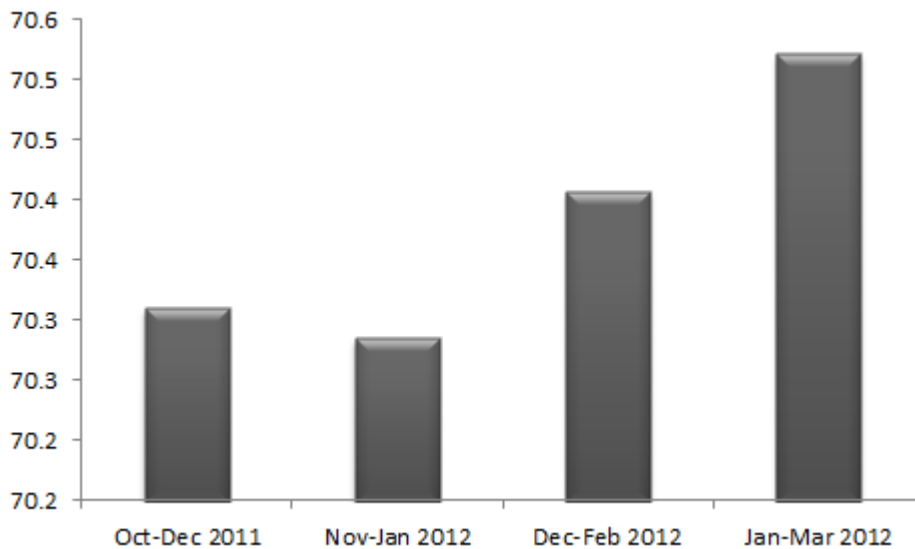
Employment

The employment rate for men aged from 16 to 64 was 75.6 per cent, up 0.3 percentage points on the previous quarter. The corresponding employment rate for women was 65.5 per cent, up 0.1 on the previous quarter.

The number of people in employment was 29.23 million in the three months to March 2012, up 105,000 from the three months to December 2011 but down 7,000 on a year earlier. The number of people in full-time employment was 21.24 million in the three months to March 2012, down 13,000 from the three months to December 2011. Of this total, 13.56 million were men and 7.68 million were women. The number of people in part-time employment was 7.99 million in the three months to March 2012, up 118,000 from the three months to December 2011. Of this total, 2.11 million were men and 5.88 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
%

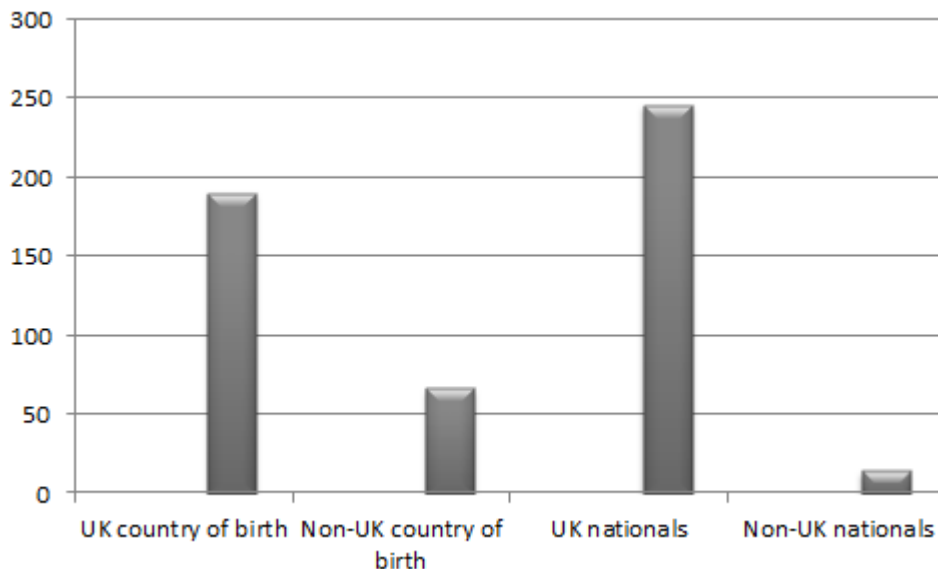


Source: Labour Force Survey - Office for National Statistics

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 26.59 million in the three months to March 2012, down 43,000 on a year earlier. The number of non-UK nationals in employment was 2.55 million, up 49,000 from a year earlier.

The employment rate for UK nationals aged from 16 to 64 was 70.7 per cent in the three months to March 2012, unchanged on a year earlier. The corresponding employment rate for non-UK nationals was 66.3 per cent, down 1.4 percentage points on a year earlier. The number of UK born people in employment was 25.08 million in the three months to March 2012, down 8,000 on a year earlier. The number of non-UK born people in employment was 4.06 million, up 16,000 from a year earlier. The employment rate for UK born people aged from 16 to 64 was 71.2 per cent in the three months to March 2012, up 0.2 percentage points on a year earlier. The corresponding employment rate for non-UK born people was 65.4 per cent, down 1.9 on a year earlier.

Employment by country of birth and nationality, changes on year between January to March 2012



Labour disputes

These estimates measure disputes (ie, strikes) connected with terms and conditions of employment. In March 2012, there were 29,000 working days lost from eleven stoppages. In the twelve months to March 2012, there were 1.38 million working days lost from 135 stoppages.

Actual hours worked

Actual hours worked measures the number of hours worked in the economy. Total hours worked per week were 925.8 million in the three months to March 2012, up 8.4 million from the three months to December 2011. Average weekly hours worked in the three months to March 2012 were 31.7, up 0.1 from the three months to December 2011.



Earnings In March 2012:

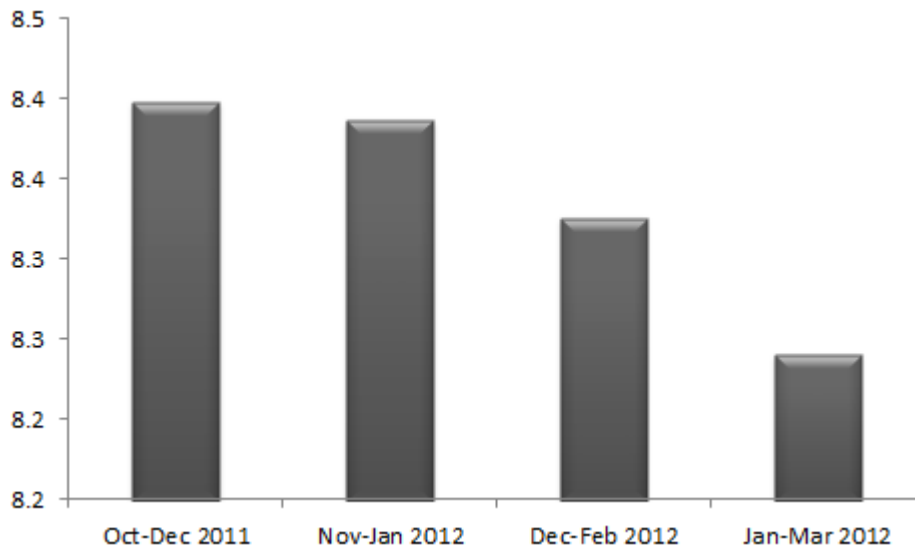
Average total pay (including bonuses) was £464 per week in March 2012. In the three months to March 2012 total pay rose by 0.6 per cent on a year earlier, down 0.5 from the three months to February. Average regular pay (excluding bonuses) was £441 per week in March 2012. In the three months to March 2012 regular pay rose by 1.6 per cent on a year earlier, unchanged from the three months to February.

Unemployment - January to March 2012:

The number of unemployed people was 2.63 million in the three months to March 2012, down 45,000 from the three months to December 2011 but up 170,000 from a year earlier. The number of unemployed men was 1.51 million in the three months to March 2012, down 42,000 from the three months to December 2011. The number of unemployed women was 1.12 million in the three months to March 2012, down 3,000 from the three months to December 2011. The number of people unemployed for over one year was 887,000 in the three months to March 2012, up 27,000 from the three months to December 2011. The number of people unemployed for over two years was 428,000 in the three months to March 2012, up 5,000 from the three months to December 2011.

The unemployment rate for the European Union (EU) was 10.2 per cent of the economically active population in March 2012. The EU country with the highest unemployment rate was Spain, at 24.1 per cent, and the EU country with the lowest unemployment rate was Austria, at 4.0 per cent. The unemployment rate for Japan was 4.5 per cent in March 2012. The unemployment rate for the United States was 8.1 per cent in April 2012.

Unemployment rate (aged 16+)
%



Young people in the labour market

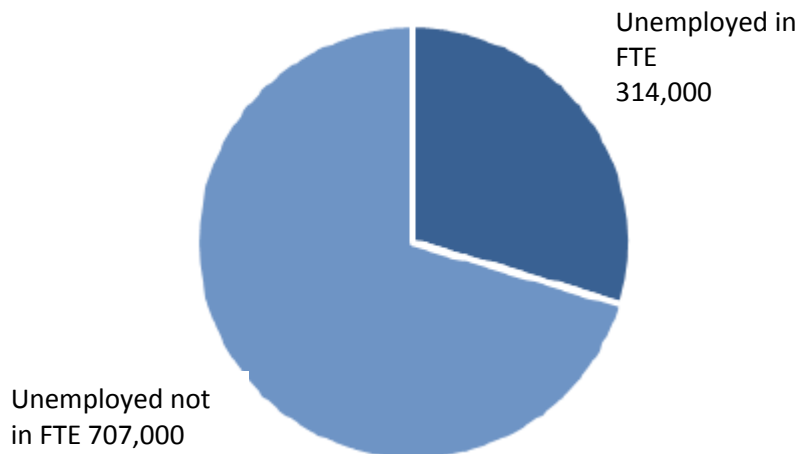
From January to March 2012:

In the three months to March 2012, there were 3.63 million 16 to 24 years olds in employment, up 2,000 from the three months to December 2011. There were 2.64 million economically inactive 16 to 24 year olds (most of whom were in full-time education), up 5,000 on the three months to December 2011. There were 1.02 million unemployed 16 to 24 year olds, down 17,000 from the three months to December 2011.

The unemployment rate for 16 to 24 year olds was 21.9 per cent in the three months to March 2012, down 0.3 percentage points from the three months to December 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 707,000 unemployed 16 to 24 year olds in the three months to March 2012, down 24,000 from the three months to December 2011. The corresponding unemployment rate was 20.3 per cent of the economically active population for 16 to 24 year olds not in full-time education, down 0.4 percentage points from the three months to December 2011.

Young people (aged 16 to 24) in the labour market for January to March 2012

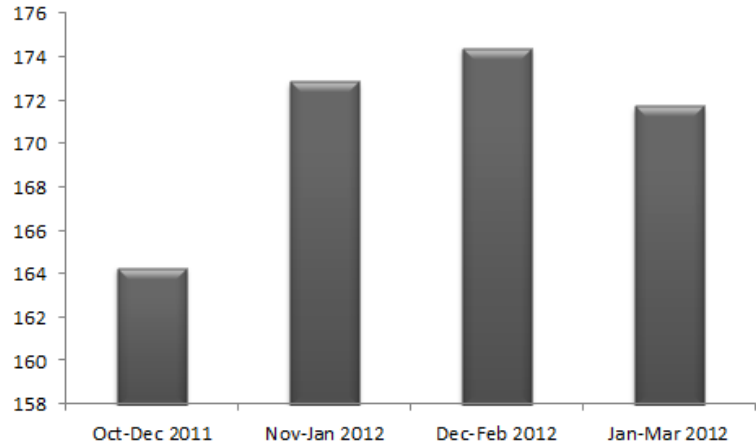


Source: Labour Force Survey - Office for National Statistics

Redundancies

The redundancies estimates measure the number of people who have been made redundant or have taken voluntary redundancy. In the three months to March 2012, 172,000 people had become redundant in the three months before the Labour Force Survey interviews, up 7,000 from the three months to December 2011 and up 49,000 from a year earlier. The redundancy rate was 6.9 per 1,000 employees, up 0.3 on the previous quarter and up 2.0 on a year earlier.

Thousands

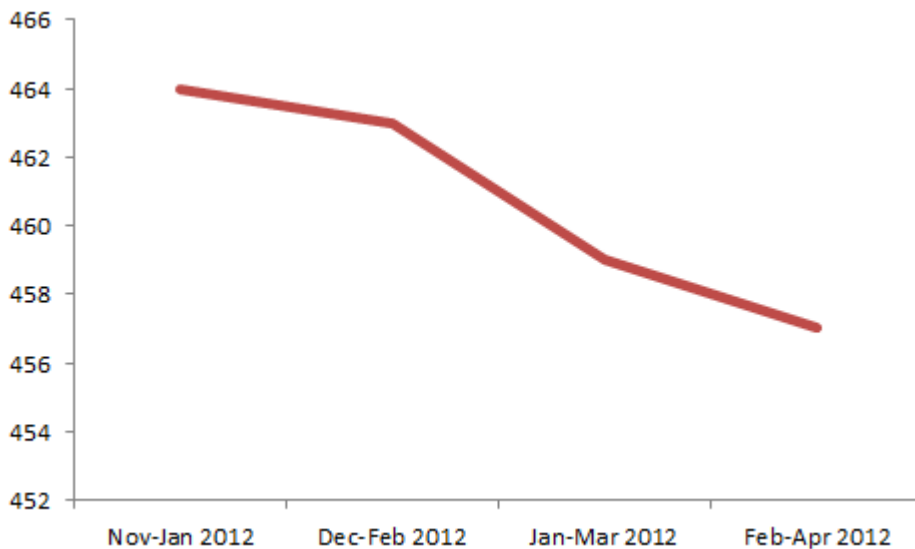


Source: Labour Force Survey - Office for National Statistics

Vacancies

Vacancies are defined as positions for which employers are actively seeking to recruit outside their business or organisation. There were 457,000 job vacancies in the three months to April 2012, down 7,000 on the three months to January 2012 and down 12,000 on a year earlier. There were 1.7 vacancies per 100 employee jobs in the three months to April 2012, virtually unchanged on the previous quarter and 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 April 2012 was 1.59 million, down 13,700 on the previous month but up 106,600 on a year earlier. The claimant count rate was 4.9 per cent, unchanged on the previous month but up 0.3 percentage points from a year earlier.

Thousands

