

## **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.

Unemployment figures fell to its lowest level for more than a year. This week the Office for National Statistics revealed the significant decline of 49,000 was due to the drop in youth unemployment. Unemployment fell by 49,000 to 2.51 million in the three months to September, taking the jobless rate to 7.8% from 7.9%. But the ONS said that the claimant count rose by 10,100 last month to 1.58 million, the highest since July.

# Key indicators from July to September 2012:

The employment rate for those aged from 16 to 64 was 71.2 per cent, up 0.2 on April to June 2012 and up 1.0 on a year earlier. There were 29.58 million people in employment aged 16 and over, up 100,000 on April to June 2012 and up 513,000 on a year earlier.

The unemployment rate was 7.8 per cent of the economically active population, down 0.2 on April to June 2012 and down 0.4 on a year earlier. There were 2.51 million unemployed people, down 49,000 on April to June 2012 and down 110,000 on a year earlier.

The inactivity rate for those aged from 16 to 64 was 22.6 per cent, down 0.1 on April to June 2012 and down 0.7 on a year earlier. There were 9.07 million economically inactive people aged from 16 to 64, down 25,000 on April to June 2012 and down 285,000 on a year earlier.

Total pay (including bonuses) rose by 1.8 per cent compared with July to September 2011. Regular pay (excluding bonuses) rose by 1.9 per cent compared with July to September 2011.

## Between April to June 2012 and July to September 2012:

- the number of people in full-time employment increased by 51,000,
- the number of people in part-time employment increased by 49,000,
- the number of unemployed people fell by 49,000, and
- the number of economically inactive people, aged from 16 to 64, fell by 25,000.

# Between July to September 2007 and July to September 2012:

- the number of people in full-time employment fell by 399,000,
- the number of people in part-time employment increased by 713,000,
- the number of unemployed people increased by 865,000, and
- the number of economically inactive people, aged from 16 to 64, fell by 64,000.

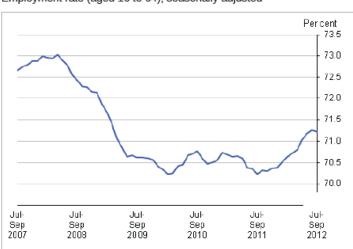
# **Employment**

The employment rate for those aged from 16 to 64 for July to September 2012 was 71.2 per cent, up 0.2 percentage points on April to June 2012 and up 1.0 on a year earlier. The employment rate of 71.2 per cent, for those aged from 16 to 64, is lower than the pre recession peak of 73.0 per cent recorded for March to May 2008. The number of people in employment aged 16 and over increased by 100,000 between April to June and July to September 2012 to reach 29.58 million. This is the smallest quarterly increase in the number of people in employment since the increase of 82,000 between September to November 2011 and December 2011 to February 2012.

The unemployment rate for July to September 2012 was 7.8 per cent of the economically active population, down 0.2 on April to June 2012 and down 0.4 on a year earlier. There were 2.51 million unemployed people in July to September 2012, down 49,000 from April to June 2012 and down 110,000 from a year earlier. The number of unemployed people aged from 16 to 24 fell by 49,000 between April to June and July to September 2012 to reach 963,000; this figure includes 315,000 unemployed young people in full-time education.

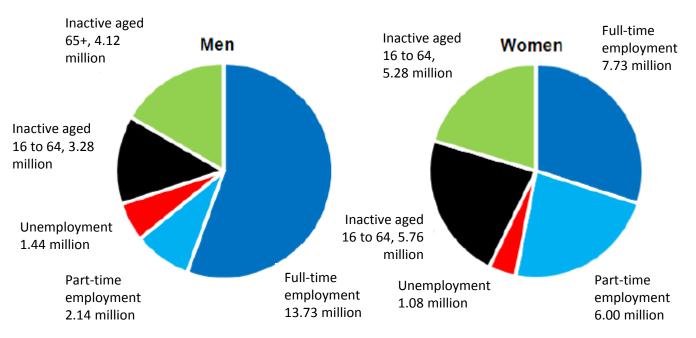
The economic inactivity rate for those aged from 16 to 64 for July to September 2012 was 22.6 per cent, down 0.1 on April to June 2012 and down 0.7 on a year earlier. The number of economically inactive people aged from 16 to 64 fell by 25,000 between April to June and July to September 2012 to reach 9.07 million. The number of people who were economically inactive due to long-term sickness fell by 83,000 between April to June and July to September 2012 to reach 2.04 million.

Changes in number of people in the labour market between July to September 2007 and July to September 2012, seasonally adjusted



Employment rate (aged 16 to 64), seasonally adjusted

# People in the labour market for July to Septembr 2012



The claimant count for October 2012 was 1.58 million, up 10,100 from September 2012 but down 10,900 from a year earlier. The claimant count rate was 4.8 per cent, virtually unchanged from September 2012 and from a year earlier.

In October 2012, excluding a small number of clerically processed claims for which an age breakdown is not available, there were:

- 435,900 people aged from 18 to 24 claiming JSA, down 1,500 from September 2012,
- 886,500 people aged from 25 to 49 claiming JSA, up 9,300 from September 2012, and
- 256,600 people aged 50 and over claiming JSA, up 2,400 from September 2012.

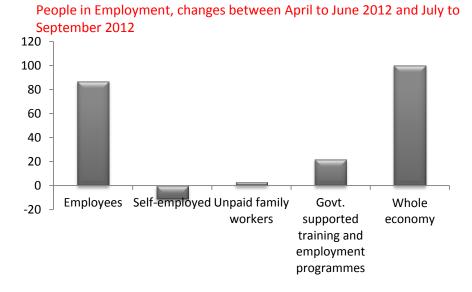
The employment rate for those aged from 16 to 64 was 71.2 per cent for July to September 2012, up 0.2 percentage points from April to June 2012 and up 1.0 from a year earlier.

The employment rate for men aged from 16 to 64 was 76.5 per cent for July to September 2012, up 0.2 percentage points from April to June 2012. The corresponding employment rate for women was 66.0 per cent, up 0.2 from April to June 2012.

The number of people in employment was 29.58 million for July to September 2012, up 100,000 from April to June 2012 and up 513,000 on a year earlier. The number of people in full-time employment was 21.46 million for July to September 2012, up 51,000 from April to June 2012. The number of people in part-time employment was 8.12 million, up 49,000 from April to June 2012.

Between April to June 2012 and July to September 2012:

- The number of employees increased by 87,000 to reach 25.11 million.
- The number of self-employed people fell by 11,000 to reach 4.19 million.
- The number of unpaid family workers increased by 3,000 to reach 112,000.
- The number of people on government supported training and employment programmes classified as being in employment increased by 22,000 to reach 166,000.

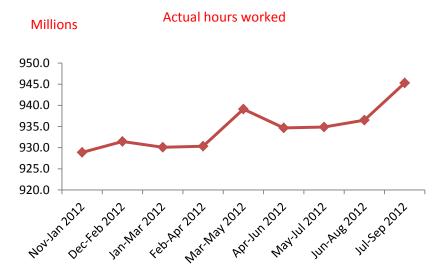


# Labour disputes

These estimates measure disputes (ie, strikes) connected with terms and conditions of employment. In September 2012, there were 10,000 working days lost from 12 stoppages. In the twelve months to September 2012, there were 1.25 million working days lost from 119 stoppages.

## Actual hours worked

Actual hours worked measures the number of hours worked in the economy. Total hours worked per week were 945.3 million for July to September 2012, up 10.6 million from April to June 2012 and up 23.8 million on a year earlier. Average weekly hours worked for July to September 2012 were 32.0, up 0.3 from April to June 2012 and up 0.2 from a year earlier. The estimates for total hours worked and average hours worked can be affected by the arrangement of public holidays. The quarterly increase in hours worked between April to June and July to September 2012 was affected by one more public holiday than usual in the April to June period (due to the Diamond Jubilee).



# Earnings In September 2012:

In September 2012:

- Average total pay (including bonuses) for employees in Great Britain was £471 per week.
- Average regular pay (excluding bonuses) for employees in Great Britain was £444 per week.

Between July to September 2011 and July to September 2012:

- Total pay for employees in Great Britain rose by 1.8 per cent. This annual growth rate of 1.8 per cent was 0.1 percentage points higher than the growth rate in total pay between June to August 2011 and June to August 2012.
- Regular pay for employees in Great Britain rose by 1.9 per cent. This annual growth rate
  of 1.9 per cent was 0.1 percentage points lower than the growth rate in regular pay
  between June to August 2011 and June to August 2012.

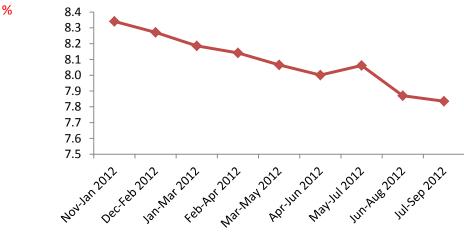
# **Unemployment** - July to September 2012:

The number of unemployed people was 2.51 million for July to September 2012, down 49,000 from April to June 2012 and down 110,000 from a year earlier. The number of unemployed men was 1.43 million for July to September 2012, down 39,000 from April to June 2012. The number of unemployed women was 1.09 million for July to September 2012, down 10,000 from April to June 2012.

For July to September 2012:

- 1.17 million people had been unemployed for up to six months, down 12,000 from April to June,
- 452,000 people had been unemployed for between six and twelve months, down 49,000 from April to June,
- 894,000 people had been unemployed for over one year, up 12,000 from April to June, and
- 443,000 people had been unemployed for over two years, up 21,000 from April to June.

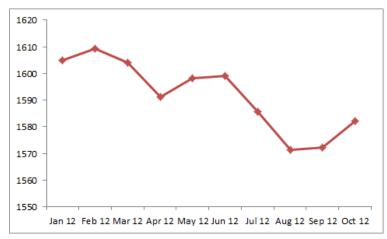




Thousands

#### Claimant count

The claimant count measures the number of people claiming Jobseeker's Allowance (JSA) and differs from unemployment (which measures people who meet internationally agreed definition of unemployment). The claimant count for October 2012 was 1.58 million, up 10,100 from September 2012 but down 10,900 from a year earlier. The claimant count rate was 4.8 per cent, virtually unchanged from September 2012 and from a year earlier.



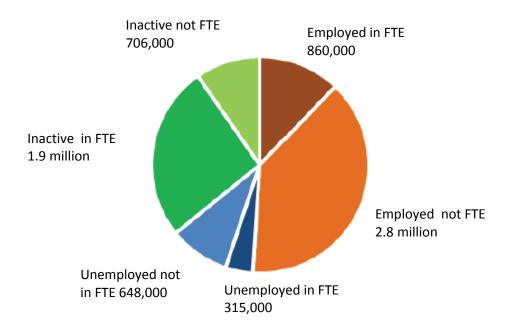
# Young people in the labour market

For July to September 2012:

- There were 3.69 million 16 to 24 years olds in employment, down 4,000 from April to June.
- There were 2.61 million economically inactive 16 to 24 year olds (most of whom were in full-time education), up 40,000 from April to June.
- There were 963,000 unemployed 16 to 24 year olds, down 49,000 from April to June.

The unemployment rate for 16 to 24 year olds was 20.7 per cent for July to September 2012, down 0.8 percentage points from April to June. In accordance with international guidelines, unemployment rates are calculated as the number of unemployed people divided by the economically active population (those in employment plus those who are unemployed). Increasing numbers of young people going into full-time education reduces the size of the economically active population and therefore increases the unemployment rate.

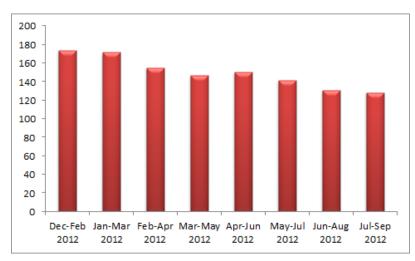
#### Young people (aged 16 to 24) in the labour market for June to August 2012



#### Redundancies

The redundancies estimates measure the number of people who have been made redundant or have taken voluntary redundancy. For July to September 2012, 128,000 people had become redundant in the three months before the Labour Force Survey interviews, down 22,000 from April to June 2012 and down 19,000 from a year earlier. The redundancy rate was 5.1 per 1,000 employees, down 0.9 from April to June 2012 and down 0.7 from a year earlier.

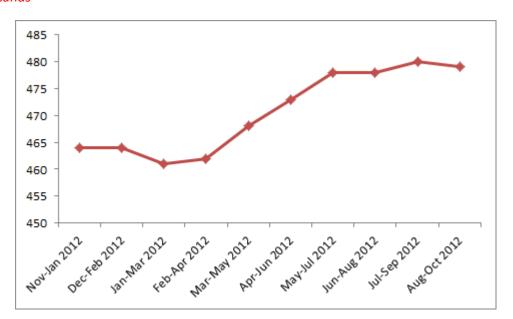
#### Thousands



#### **Vacancies**

Vacancies are defined as positions for which employers are actively seeking to recruit outside their business or organisation. There were 479,000 job vacancies for August to October 2012, up 1,000 from May to July 2012 and up 16,000 on a year earlier. There were 1.8 vacancies per 100 employee jobs for August to October 2012, unchanged from May to July 2012 but up 0.1 on a year earlier.

#### Thousands





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