

National Assembly for Wales
Research paper

Unemployment Briefing

April 2013

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Enquiry no: 13/0931

Paper number: 13 /029

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Research paper

Unemployment Briefing

April 2013

Gareth Thomas

This briefing paper provides a statistical overview of unemployment trends.

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

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Unemployment Briefing: April 2013

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

Measure	Latest figure	Change since previous	
		Month/quarter	Year
Number of ILO unemployed people in Wales (December 2012 - February 2013)	120,000	↓ Decrease of 3,000 since last quarter	↓ Decrease of 11,000
ILO unemployment rate in Wales (December 2012 - February 2013)	8.2%	↓ Decrease of 0.2 percentage points since last quarter	↓ Decrease of 0.7 percentage points
Claimant count in Wales (March 2013)	77,400	↓ Decrease of 300 since last month	↓ Decrease of 2,600
Claimant count rate in Wales (March 2013)	5.3%	→ Same as last month	↓ Decrease of 0.2 percentage points

Source: Office for National Statistics, [Regional Labour Market Statistics – April 2013 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 December 2012 to February 2013, the male ILO rate was 8.9%, which has decreased from 9.8% the previous year. The female ILO rate was 7.3%, which has decreased from 7.8% since the previous year. *Figure 2.1;*
- Wales had the second highest ILO unemployment rate of the UK nations in December 2012 to February 2013 behind Northern Ireland. *Figure 3.1* and
- In January 2012 to December 2012, 50,000 people aged 16-24 were ILO unemployed; the ILO rate for 16-24 year olds was 23.6%. *Table 6.1 and Figure 6.1.*

Claimant count

- In March 2013 21,500 people in Wales had been claiming JSA for over 12 months. This has increased by 4,300 since the previous March. *Figure 5.2;*
- The claimant count for the 18-24 age group was 24,290 in March 2013. This has decreased by 730 since the previous month and decreased by 4,165 since the previous March. *Table 6.2;* and
- The Assembly Constituencies with the highest claimant count rates in March 2013 (based on unofficial estimates) were Blaenau Gwent (11.2%) and Merthyr Tydfil and Rhymney (9.6%). The lowest claimant count rate estimates were in Ceredigion (2.9%) and Brecon and Radnorshire (3.0%). *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.

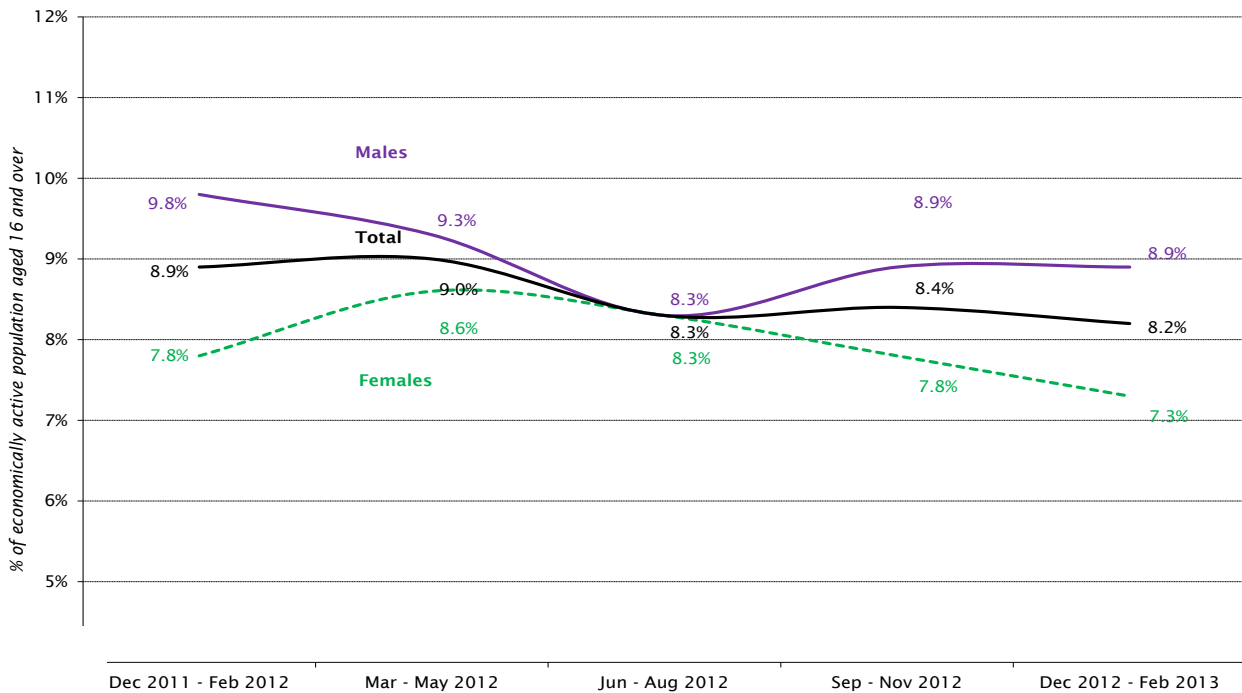
Seasonally adjusted and non-seasonally adjusted data

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

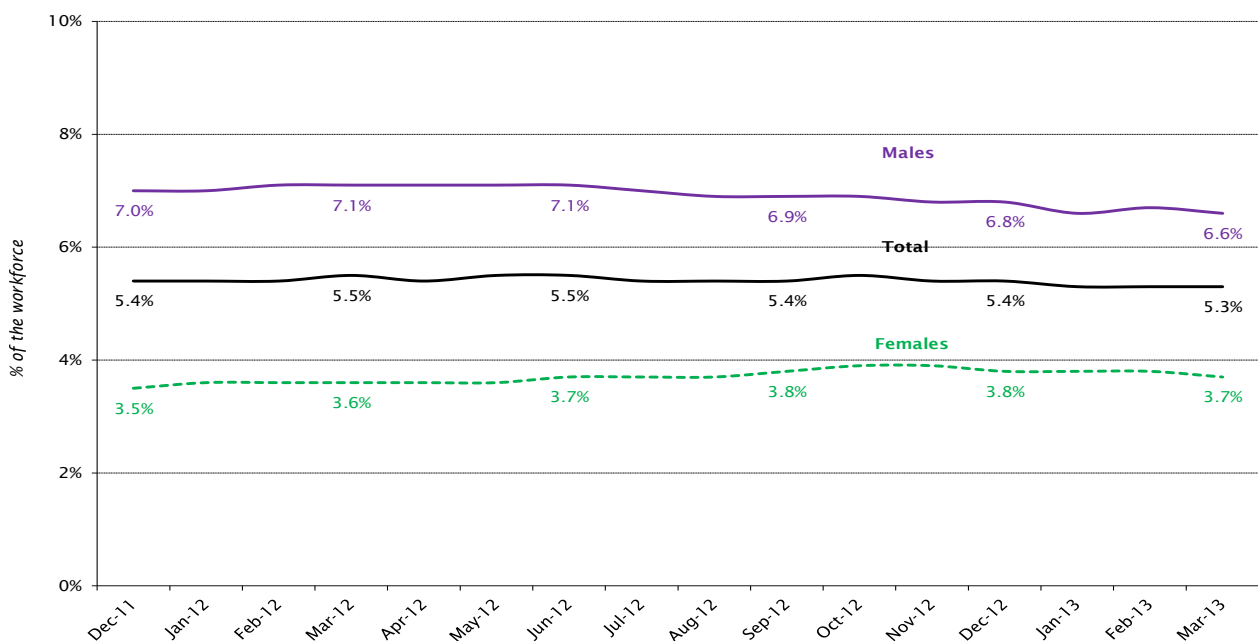
This section provides information on unemployment rates in Wales by gender for the two main measures of unemployment.

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



Source: Office for National Statistics, [Regional Labour Market Statistics – April 2013 Headline indicators for Wales: Table 1 – Summary of LFS headline indicators](#)

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

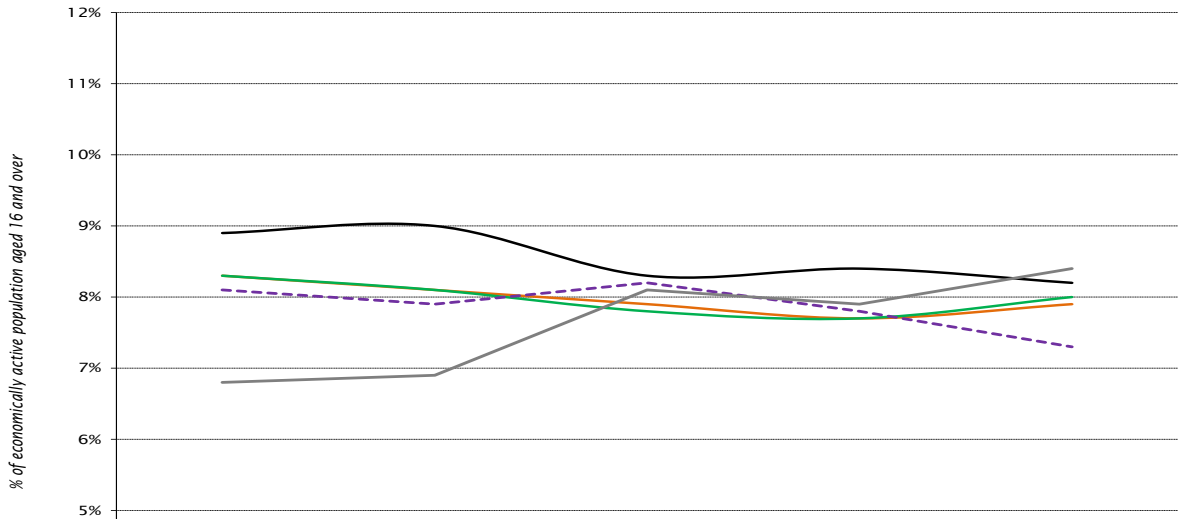


Source: Office for National Statistics, [NOMIS Official Labour Market Statistics](#)

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.

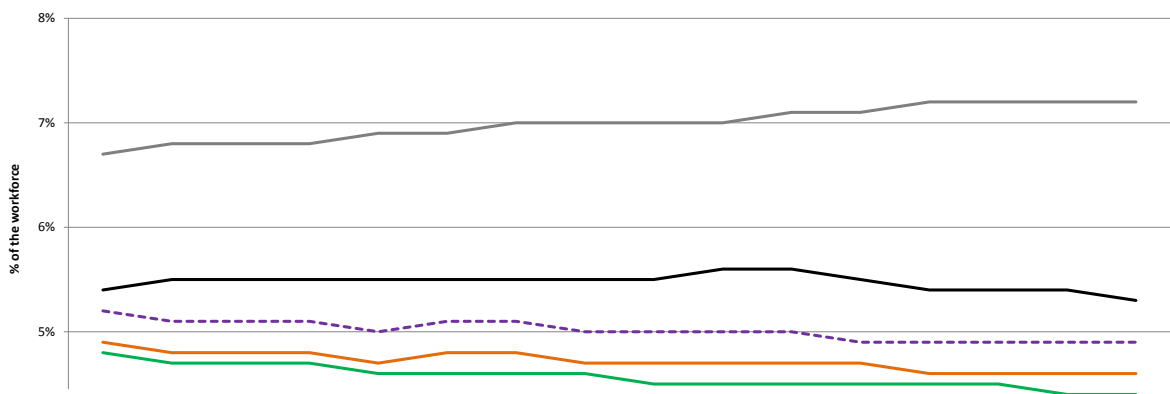
Figure 3.1: ILO unemployment rates for UK nations, seasonally adjusted



	Dec 2011 to Feb 2012	Mar to May 2012	Jun to Aug 2012	Sep to Nov 2012	Dec 2012 to Feb 2013
Wales	8.9%	9.0%	8.3%	8.4%	8.2%
United Kingdom	8.3%	8.1%	7.9%	7.7%	7.9%
England	8.3%	8.1%	7.8%	7.7%	8.0%
Scotland	8.1%	7.9%	8.2%	7.8%	7.3%
Northern Ireland	6.8%	6.9%	8.1%	7.9%	8.4%

Source: Office for National Statistics, [Regional Labour Market Statistics – April 2013 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



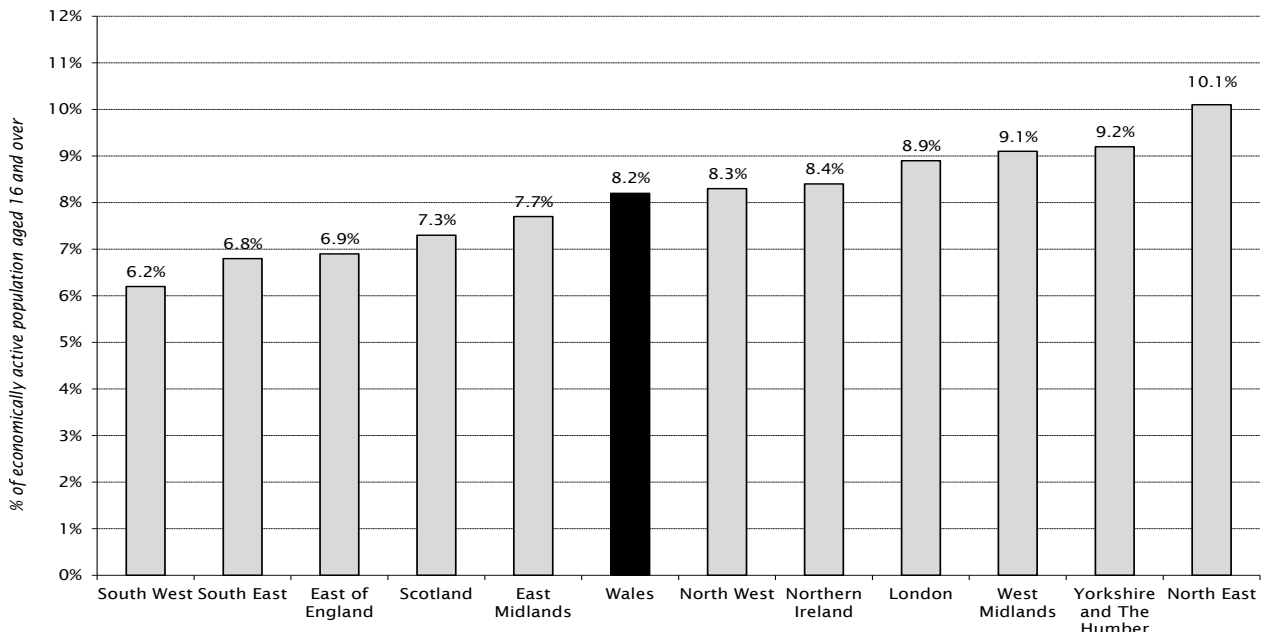
	December 2011	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	January 2013	February 2013	March 2013
Wales	5.4%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.6%	5.6%	5.5%	5.4%	5.4%	5.4%	5.3%
United Kingdom	4.9%	4.8%	4.8%	4.8%	4.7%	4.8%	4.8%	4.7%	4.7%	4.7%	4.7%	4.7%	4.6%	4.6%	4.6%	4.6%
England	4.8%	4.7%	4.7%	4.7%	4.6%	4.6%	4.6%	4.6%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.4%	4.4%
Scotland	5.2%	5.1%	5.1%	5.1%	5.0%	5.1%	5.1%	5.0%	5.0%	5.0%	5.0%	4.9%	4.9%	4.9%	4.9%	4.9%
Northern Ireland	6.7%	6.8%	6.8%	6.8%	6.9%	6.9%	7.0%	7.0%	7.0%	7.0%	7.1%	7.1%	7.2%	7.2%	7.2%	7.2%

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

4. Unemployment rates in UK regions and nations

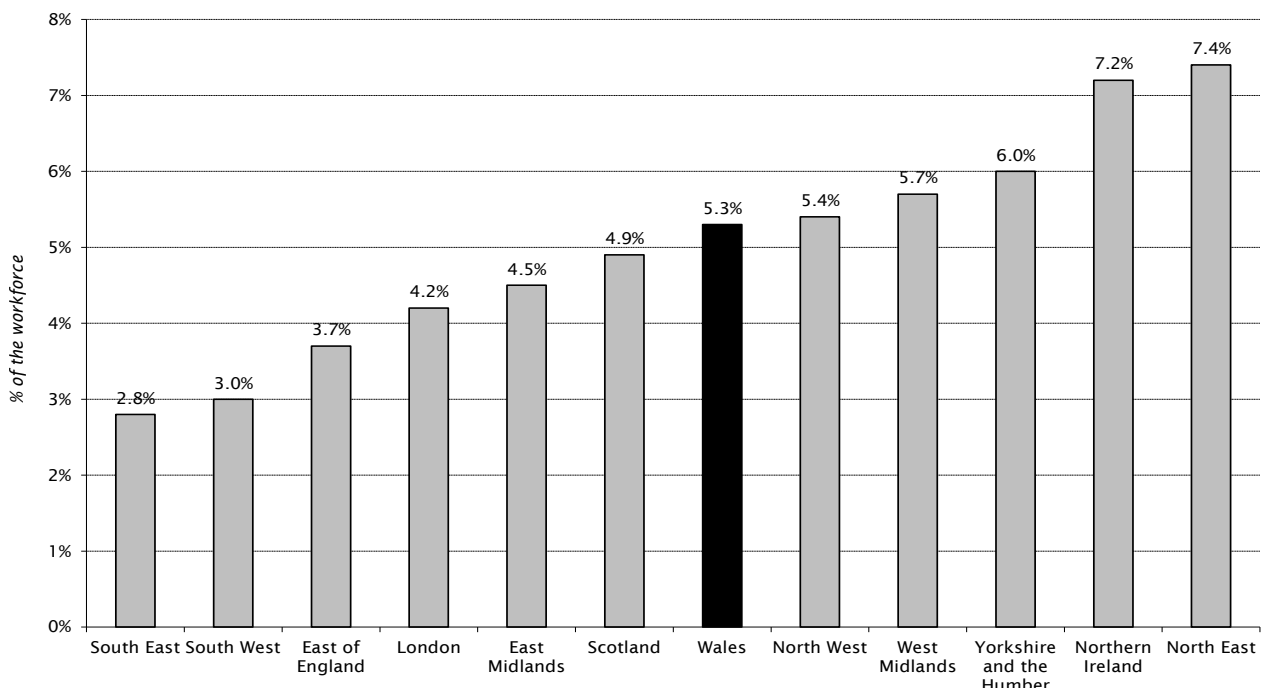
This section provides information on the latest unemployment rates in Wales compared to the UK nations and regions for the two main unemployment measures.

Figure 4.1: ILO unemployment rates (December 2012 to February 2013) (seasonally adjusted)



Source: Office for National Statistics, [Regional Labour Market Statistics - April 2013 Summary of headline indicators - Table 1](#)

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



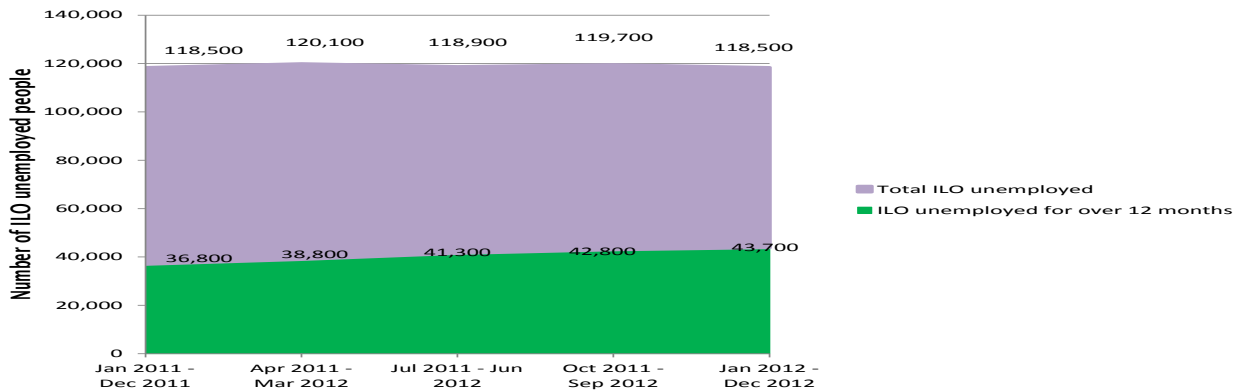
Source: Office for National Statistics, [Regional Labour Market Statistics - April 2013 Summary of headline indicators - Table 2](#)

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.

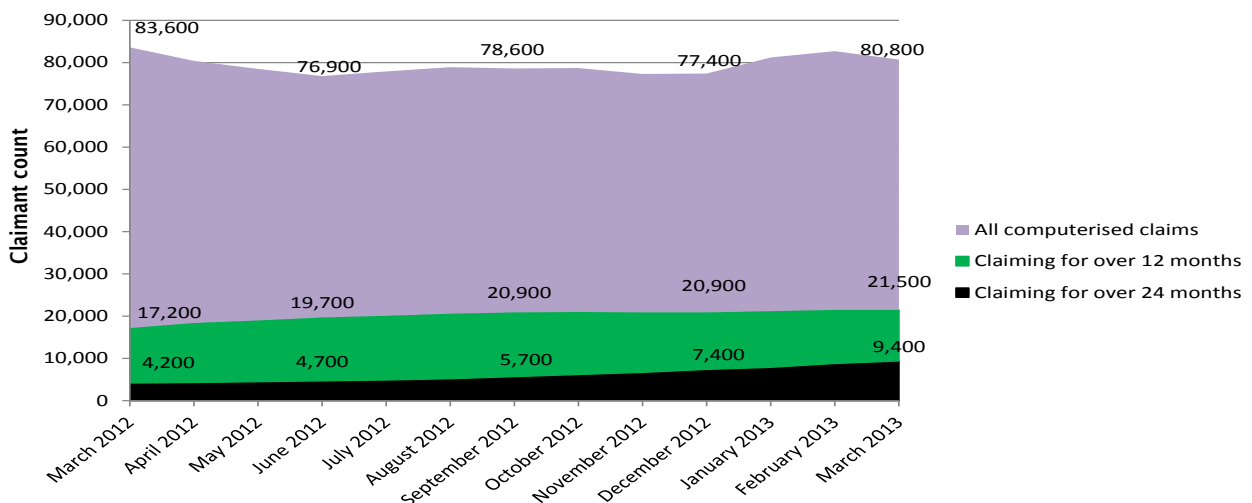
Figure 5.1: ILO unemployment in Wales by duration of unemployment (not seasonally adjusted)



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)



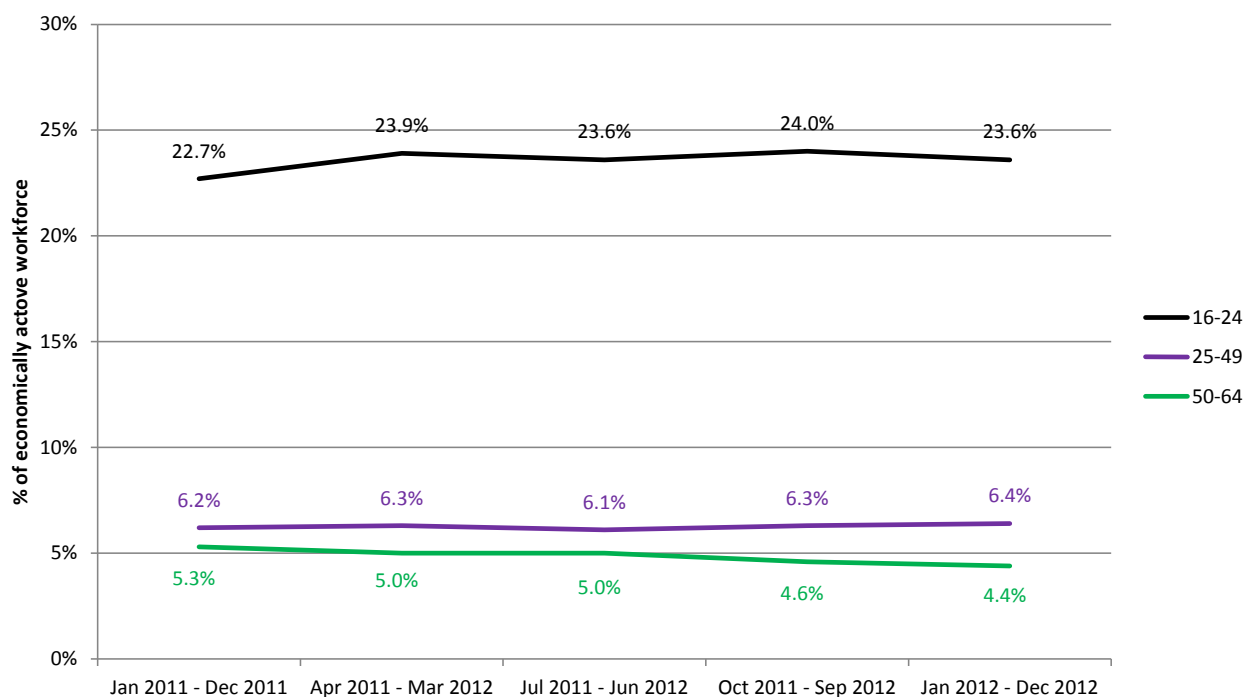
Source: Office for National Statistics, [Regional Labour Market Statistics - April 2013 Headline indicators for Wales: Table 8 - Claimant Count by Age and Duration \(Computerised claims only\)](#)

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](#)

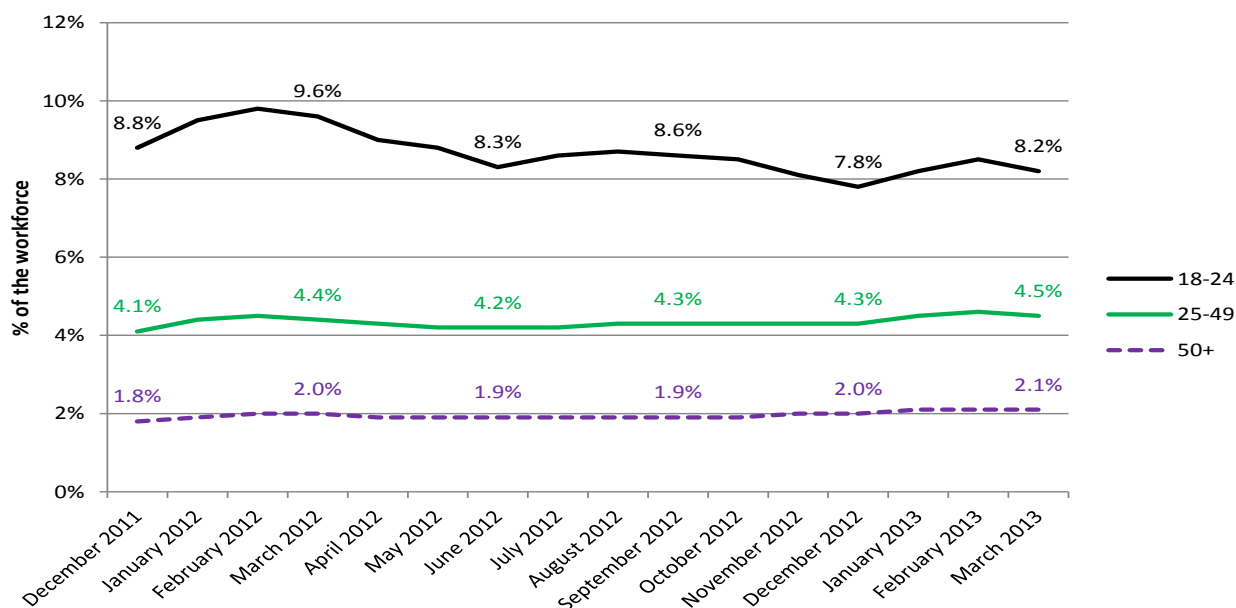
Table 6.1: Number of ILO unemployed people by age group (not seasonally adjusted)

	Age group (years)		
	16-24	25-49	50-64
Jan 2011 - Dec 2011	49,100	49,100	19,500
Apr 2011 - Mar 2012	50,700	49,900	18,700
Jul 2011 - Jun 2012	50,300	49,000	18,700
Oct 2011 - Sep 2012	50,900	50,700	17,200
Jan 2012 - Dec 2012	50,000	50,700	16,900

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)



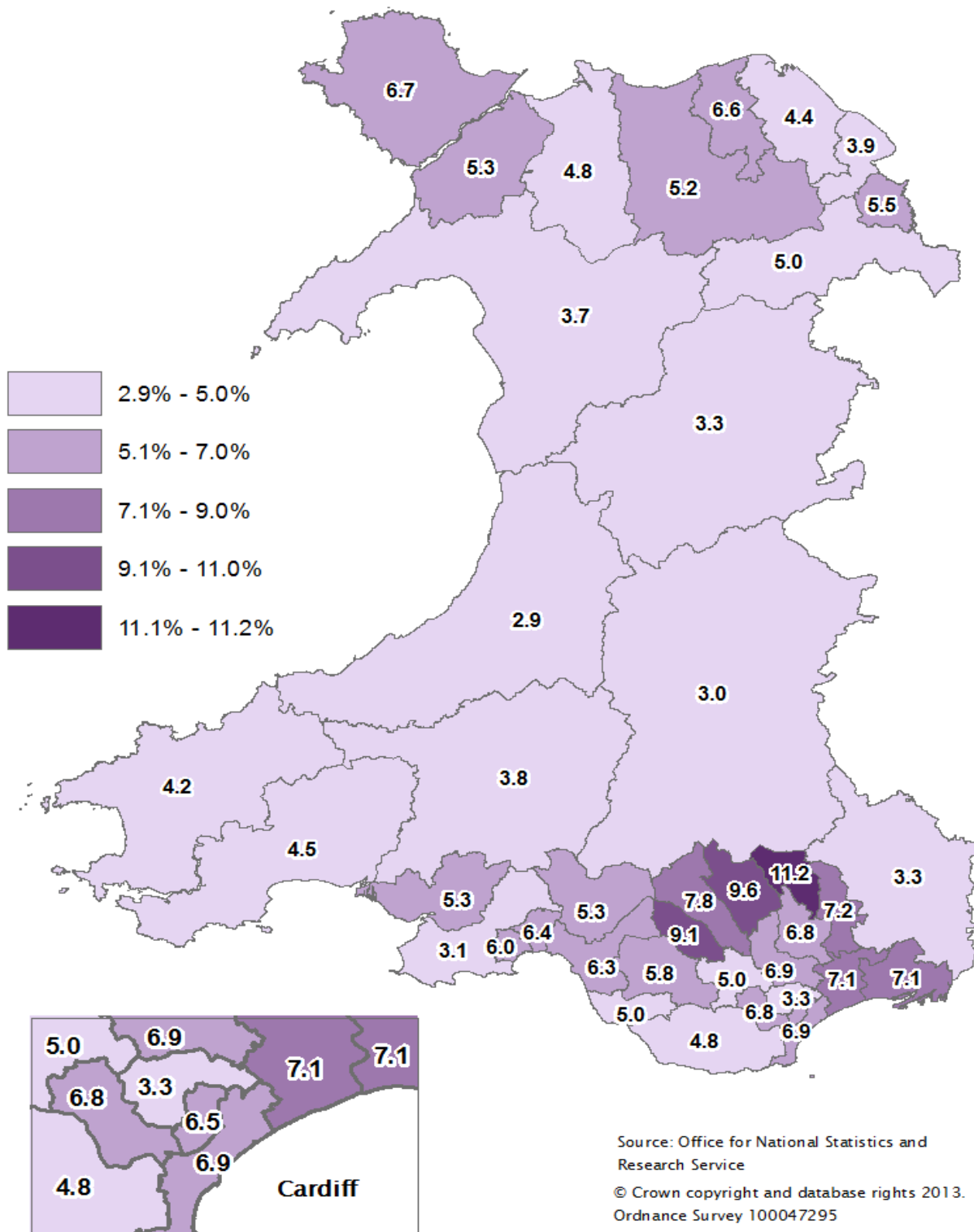
Source: Office for National Statistics, [NOMIS Official Labour Market Statistics: Labour Market Profile Wales](#)

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

	18-24	25-49	50+
December 2011	26,160	39,635	10,650
January 2012	28,200	43,140	11,550
February 2012	29,110	43,835	11,760
March 2012	28,455	43,290	11,680
April 2012	26,770	41,985	11,520
May 2012	25,920	41,090	11,360
June 2012	24,665	40,830	11,180
July 2012	25,370	41,275	11,150
August 2012	25,625	41,915	11,230
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

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

Map 7.2: Unofficial claimant count rates by Assembly Constituency, March 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, January - December 2012 (not seasonally adjusted) (a)

Constituency	Number ILO unemployed	ILO unemployment rate	Constituency rank for ILO unemployment rate
Aberavon	2,148	7.5	22
Aberconwy	1,285	5.6	31
Alyn and Deeside	2,269	5.6	31
Arfon	2,017	7.2	23
Blaenau Gwent	4,673	15.3	2
Brecon and Radnorshire	1,087	3.3	40
Bridgend	3,304	8.4	16
Caerphilly	3,045	7.6	21
Cardiff Central	4,550	13.5	3
Cardiff North	4,010	7.9	17
Cardiff South and Penarth	6,948	11.7	7
Cardiff West	4,967	10.5	10
Carmarthen East and Dinefwr	1,104	3.7	39
Carmarthen West and South Pembrokeshire	1,666	5.0	34
Ceredigion	1,333	4.0	37
Clwyd South	3,273	8.5	15
Clwyd West	2,198	6.3	26
Cynon Valley	5,812	18.8	1
Delyn	1,333	3.9	38
Dwyfor Meirionnydd	1,188	4.1	36
Gower	1,711	4.7	35
Islwyn	3,676	10.5	10
Llanelli	2,557	6.9	24
Merthyr Tydfil and Rhymney	3,741	11.6	8
Monmouth	2,251	6.0	27
Montgomeryshire	1,903	5.8	30
Neath	2,309	6.9	24
Newport East	4,401	10.8	9
Newport West	3,106	7.8	19
Ogmore	2,712	8.6	14
Pontypridd	3,987	9.7	13
Preseli Pembrokeshire	2,194	6.0	27
Rhondda	3,689	11.8	5
Swansea East	3,650	9.9	12
Swansea West	4,084	11.8	5
Torfaen	5,028	13.0	4
Vale of Clwyd	2,672	7.8	19
Vale of Glamorgan	3,564	7.9	17
Wrexham	1,999	5.9	29
Ynys Mon	1,647	5.1	33

Source: Office for National Statistics, [Regional Labour Market Statistics – April 2013: 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, March 2013 (not seasonally adjusted) (a), (b)

Constituency	Claimant count	Claimant count rate	Constituency rank for claimant count rate
Aberavon	1,877	6.3	16
Aberconwy	1,238	4.8	28
Alyn and Deeside	1,674	3.9	32
Arfon	1,496	5.3	22
Blaenau Gwent	3,535	11.2	1
Brecon and Radnorshire	960	3.0	39
Bridgend	1,884	5.0	24
Caerphilly	2,838	6.9	8
Cardiff Central	2,777	6.5	14
Cardiff North	1,477	3.3	35
Cardiff South and Penarth	3,704	6.9	9
Cardiff West	3,040	6.8	10
Carmarthen East and Dinefwr	1,209	3.8	33
Carmarthen West and South Pembrokeshire	1,587	4.5	29
Ceredigion	958	2.9	40
Clwyd South	1,744	5.0	25
Clwyd West	1,722	5.2	23
Cynon Valley	2,383	7.8	4
Delyn	1,490	4.4	30
Dwyfor Meirionnydd	1,006	3.7	34
Gower	1,132	3.1	38
Islwyn	2,425	6.8	11
Llanelli	1,942	5.3	21
Merthyr Tydfil and Rhymney	3,313	9.6	2
Monmouth	1,290	3.3	36
Montgomeryshire	1,012	3.3	37
Neath	1,771	5.3	20
Newport East	2,658	7.1	6
Newport West	2,894	7.1	7
Ogmore	2,026	5.8	18
Pontypridd	1,932	5.0	26
Preseli Pembrokeshire	1,468	4.2	31
Rhondda	2,702	9.1	3
Swansea East	2,414	6.4	15
Swansea West	2,119	6.0	17
Torfaen	2,754	7.2	5
Vale of Clwyd	2,070	6.6	13
Vale of Glamorgan	2,268	4.8	27
Wrexham	1,931	5.5	19
Ynys Mon	2,112	6.7	12

Source: Research Service and Office for National Statistics, [Regional Labour Market Statistics - April 2013: 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 ILO claimant count rate is ranked as 40.