

## **National Assembly for Wales**

### **Unemployment Briefing January 2010**

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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# **National Assembly for Wales**

Unemployment Briefing  
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# Unemployment Briefing: January 2010

## **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. Additional information is provided in sections 2 to 5.**

As well as information relating to the International Labour Organisation (ILO) and claimant count measures, this paper also includes unofficial residence-based claimant count rates for Assembly Constituencies. These are an alternative measure to those published by the ONS that are currently only available for parliamentary constituencies.



## 1: Headlines

### ILO unemployment <sup>1</sup>

- Between September and November 2009, the ILO unemployment rate in Wales was 8.5 per cent. This compares to 6.9 per cent between September and November 2008. *Figure 2.1;*
- Between September and November 2009, the number of ILO unemployed in Wales was 121,000. This has decreased by 8,000 since the previous quarter but increased by 21,000 since the previous year;
- The male ILO rate was 9.7 per cent, compared to 7.0 per cent for females. *Figure 2.1;*
- The ILO rate in Wales was the highest of the four UK nations. *Table 3.1;* and
- Wales had the fifth highest ILO rate of the twelve UK nations and regions. *Figure 4.1.*

### Claimant count <sup>2</sup>

- In December 2009, the total claimant count rate in Wales was 5.6 per cent. This compares to 4.3 per cent in December 2008. *Figure 2.2;*
- The claimant count total in Wales has fallen by some 1,300 since the previous month but has risen by some 18,200 since the previous December.
- At 6.3 per cent, Northern Ireland had the highest claimant count rate out of the UK nations. Wales had the second highest rate. *Table 3.2;*
- In December 2009, Wales' claimant count rate was ranked joint fifth highest out of the twelve UK nations and regions. *Figure 4.2;* and
- The Assembly Constituencies with the highest claimant count rates (based on unofficial estimates) were Blaenau Gwent (11.9 per cent) and Merthyr Tydfil and Rhymney (11.5 per cent). The lowest claimant count rate estimates were in Ceredigion and Montgomeryshire (both with 3.2 per cent). *Table 5.2.*

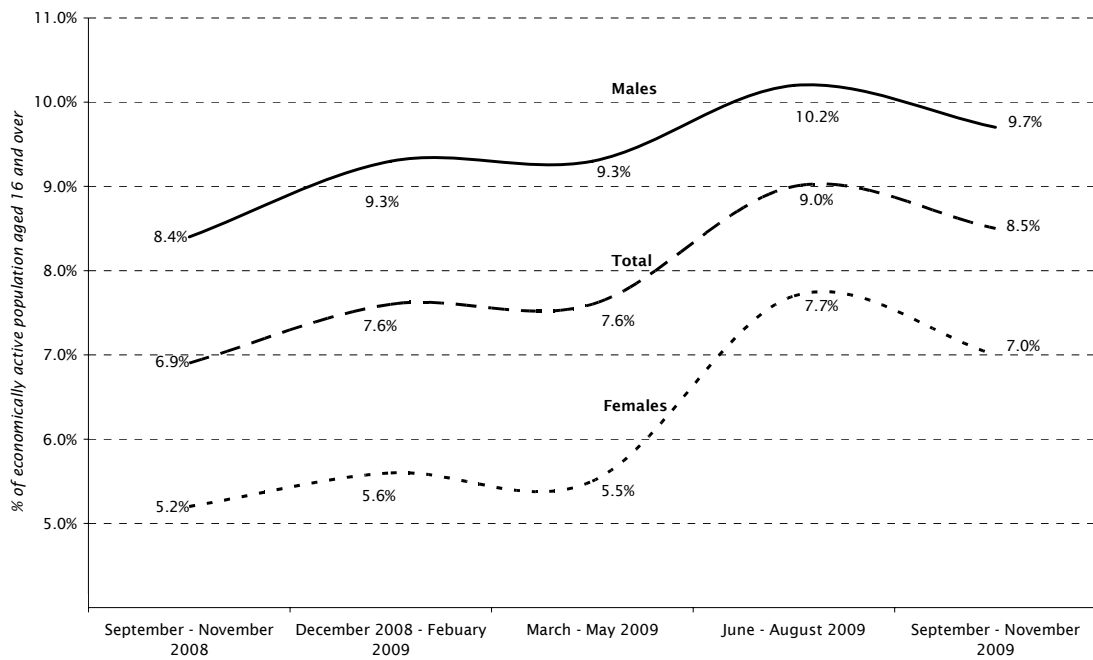
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<sup>1</sup> The **International Labour Organisation (ILO)** unemployment rate is the number of ILO unemployed persons as a percentage of the economically active population aged 16 and over. It includes those who are out of work and want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next two weeks. It is derived from a household survey carried out by the Office for National Statistics each quarter and is the primary measure of unemployment.

<sup>2</sup> The **claimant count** measures only those people who are claiming Jobseeker's Allowance. It is lower than the ILO definition, because some unemployed people are either not entitled to claim benefits, or choose not to do so. Rates for Assembly Constituencies are unofficial estimates produced by the Members' Research Service.

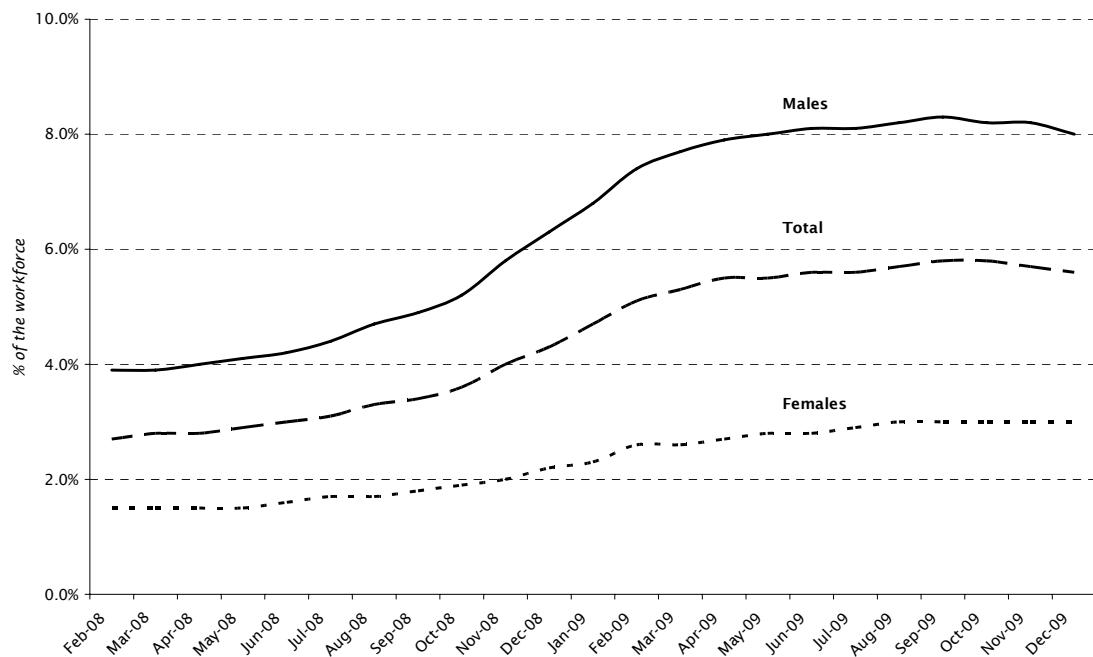
## 2: Unemployment statistics for Wales <sup>3</sup>

Figure 2.1: ILO unemployment rates



Source: Office for National Statistics

Figure 2.2: Claimant count rates



Source: Office for National Statistics

<sup>3</sup> See Technical Annex for definitions of unemployment data used in this paper.



### 3: Unemployment statistics for UK nations

Table 3.1: ILO unemployment rates

	Wales	England	Scotland	Northern Ireland	UK
September 2009 to November 2009	8.5	7.9	7.4	6.8	7.8
September 2008 to November 2008	6.9	6.3	5.2	4.3	6.2
September 2007 to November 2007	5.0	5.4	4.9	4.4	5.3

Source: Office for National Statistics/ Stats Wales

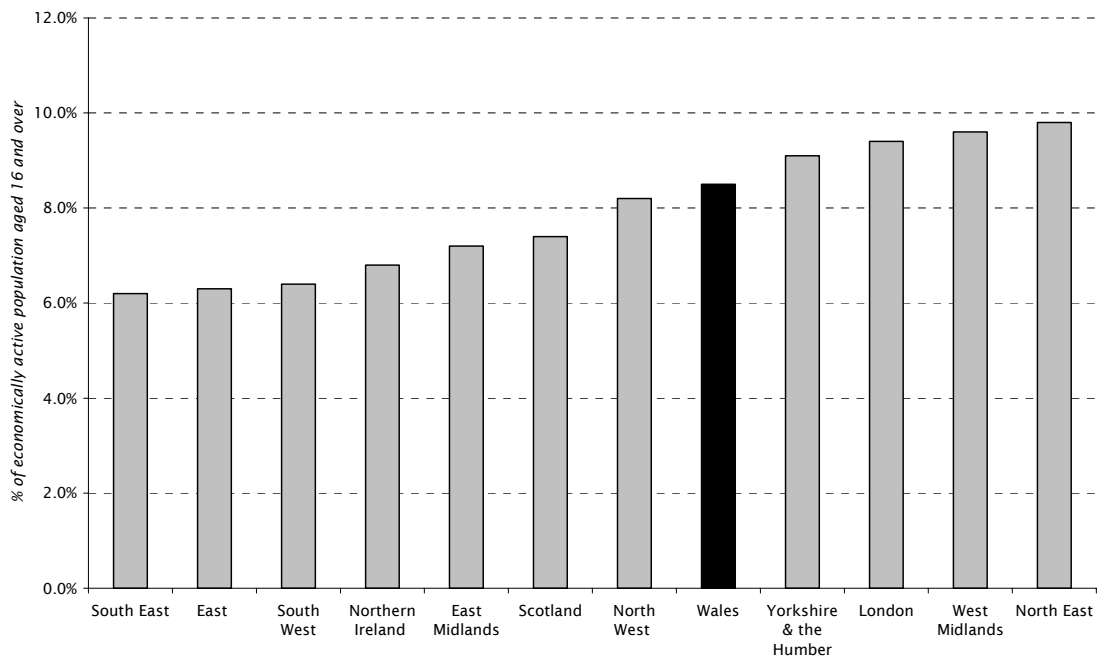
Table 3.2: Claimant count rates

	Wales	England	Scotland	Northern Ireland	UK
2009 (December)	5.6	4.9	4.9	6.3	5.0
2008 (December)	4.3	3.6	3.6	4.2	3.6
2007 (December)	2.7	2.5	2.6	2.7	2.5

Source: Office for National Statistics/ Stats Wales

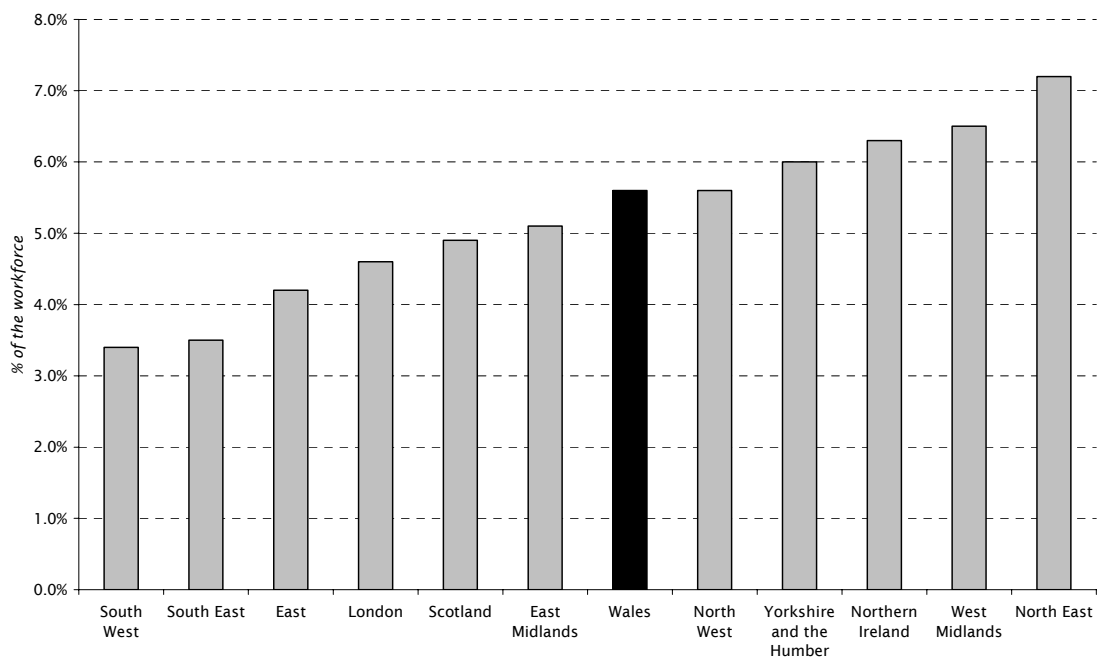
## 4: Unemployment statistics for UK nations and regions

Figure 4.1: ILO unemployment rates (September 2009 – November 2009)



Source: Office for National Statistics

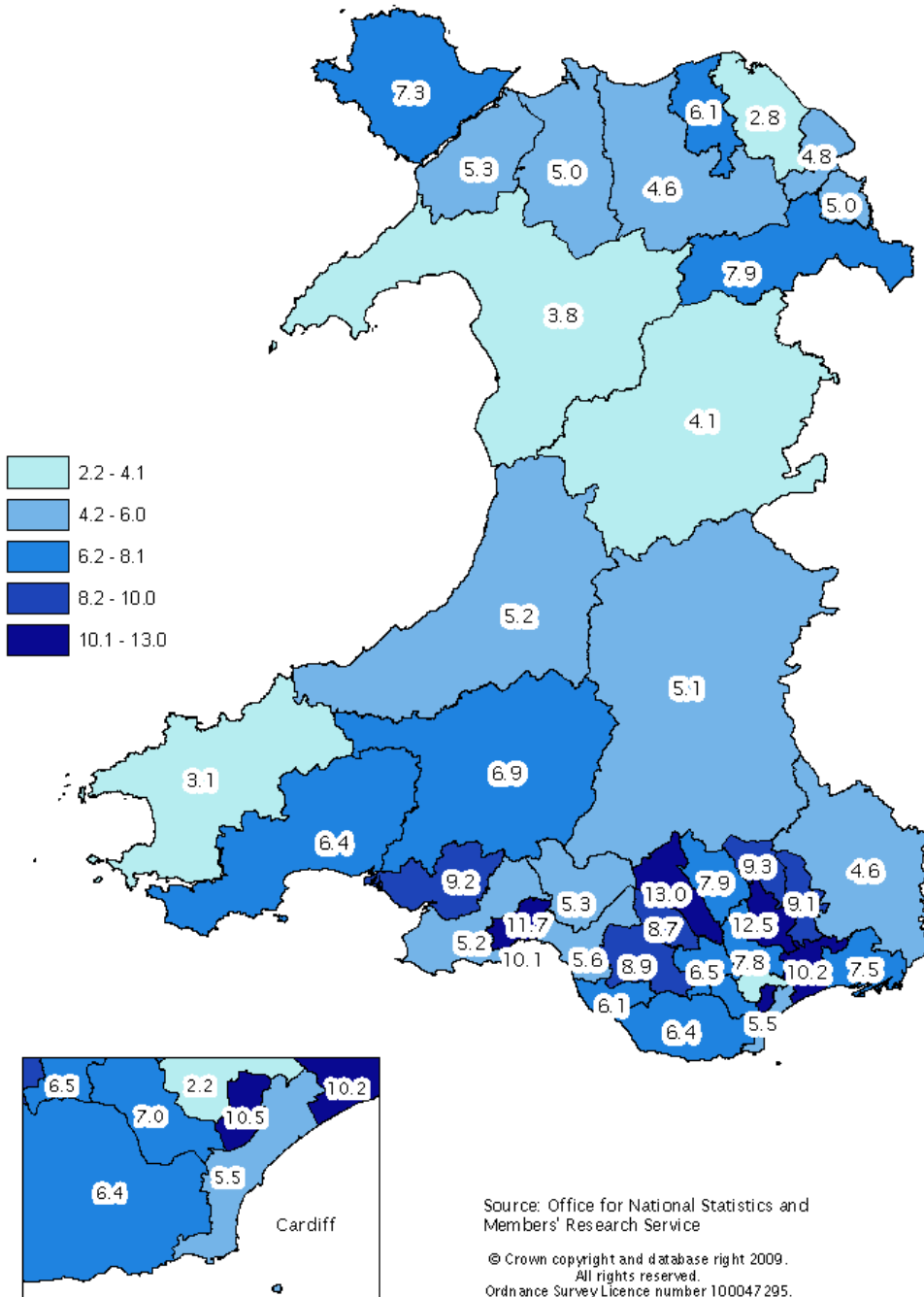
Figure 4.2: Claimant count rates (December 2009)



Source: Office for National Statistics

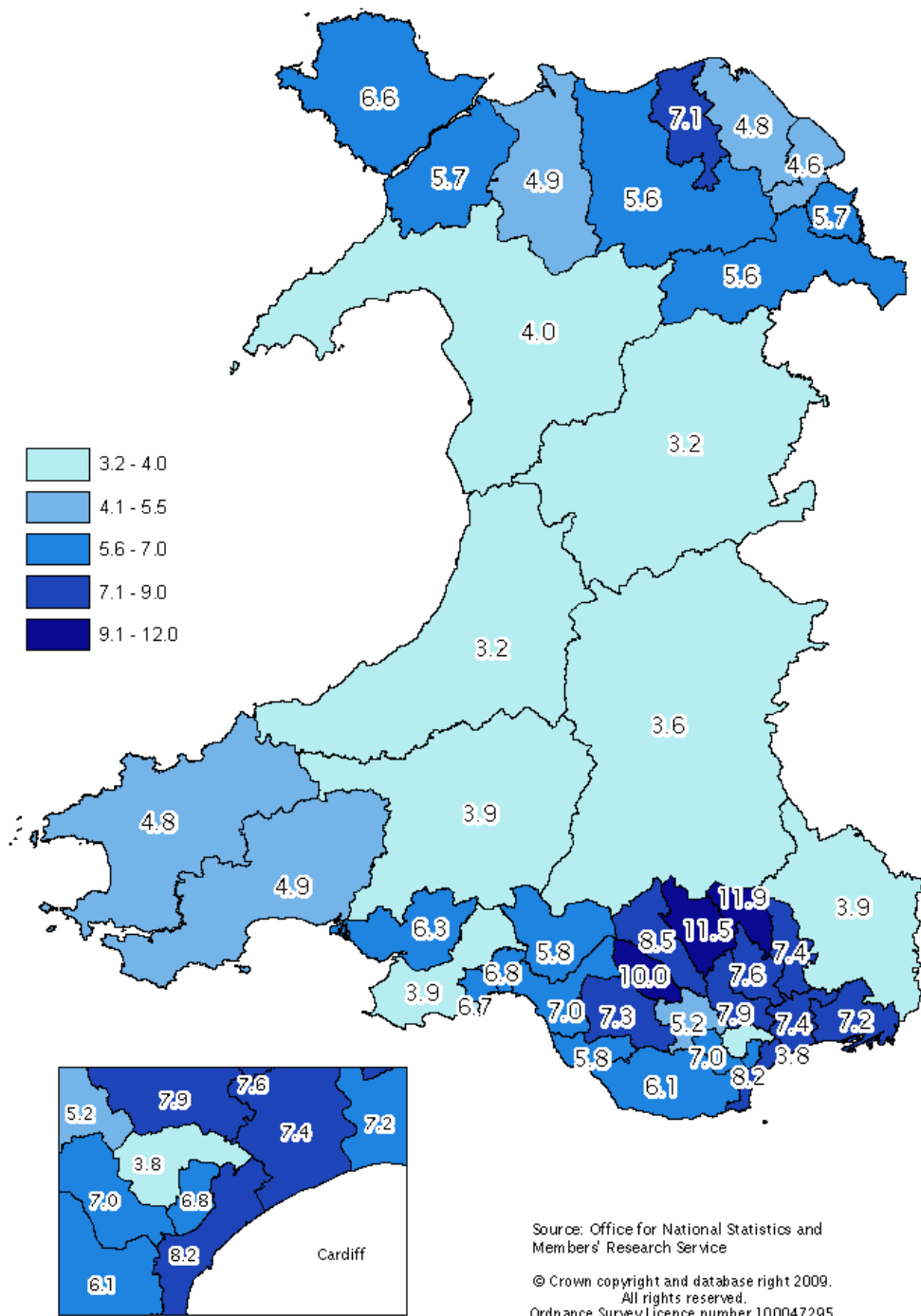
## 5: Unemployment statistics for Assembly constituencies

Map 5.1: ILO unemployment rate by Assembly constituency (April 2008 – March 2009)<sup>4</sup>



<sup>4</sup> Latest available data. The rate is the number of ILO unemployed persons employed as a percentage of the economically active population aged 16 and over.

Map 5.2: Unofficial claimant count rates by Assembly Constituency, December 2009 <sup>5</sup>



<sup>5</sup> Source: Members' Research Service. Claimants of Job Seekers Allowance as a **percentage** of the economically active population aged 16 and over as derived from the 2001 Census of Population.

**Table 5.1 Claimant count by Assembly Constituency, December 2009**

*not seasonally adjusted*

<b>Constituency</b>	<b>Men</b>	<b>Women</b>	<b>People</b>
Aberavon	1,284	416	1,700
Aberconwy	950	249	1,199
Alyn and Deeside	1,358	477	1,835
Arfon	1,122	300	1,422
Blaenau Gwent	2,429	843	3,272
Brecon and Radnorshire	794	317	1,111
Bridgend	1,368	463	1,831
Caerphilly	2,180	652	2,832
Cardiff Central	1,727	573	2,300
Cardiff North	1,105	354	1,459
Cardiff South and Penarth	2,512	789	3,301
Cardiff West	2,032	642	2,674
Carmarthen East and Dinefwr	821	292	1,113
Carmarthen West and South Pembrokeshire	1,172	357	1,529
Ceredigion	736	261	997
Clwyd South	1,342	434	1,776
Clwyd West	1,266	394	1,660
Cynon Valley	1,755	546	2,301
Delyn	1,168	429	1,597
Dwyfor Meirionnydd	768	260	1,028
Gower	985	308	1,293
Islwyn	1,736	553	2,289
Llanelli	1,499	420	1,919
Merthyr Tydfil and Rhymney	2,422	746	3,168
Monmouth	997	372	1,369
Montgomeryshire	667	244	911
Neath	1,251	465	1,716
Newport East	1,861	579	2,440
Newport West	1,988	650	2,638
Ogmore	1,728	546	2,274
Pontypridd	1,367	435	1,802
Preseli Pembrokeshire	1,102	363	1,465
Rhondda	2,064	610	2,674
Swansea East	1,663	523	2,186
Swansea West	1,489	476	1,965
Torfaen	1,991	604	2,595
Vale of Clwyd	1,659	476	2,135
Vale of Glamorgan	1,972	624	2,596
Wrexham	1,377	459	1,836
Ynys Mon	1,427	449	1,876

Source: Nomis

**Table 5.2: Unofficial residence-based claimant count rates by Assembly Constituency, December 2009 (a)**

*not seasonally adjusted*

<b>Constituency</b>	<b>Men</b>	<b>Women</b>	<b>People</b>
Aberavon	9.4	3.8	7.0
Aberconwy	7.3	2.2	4.9
Alyn and Deeside	6.3	2.7	4.6
Arfon	8.4	2.6	5.7
Blaenau Gwent	15.9	6.9	11.9
Brecon and Radnorshire	4.6	2.3	3.6
Bridgend	8.0	3.2	5.8
Caerphilly	11.2	4.0	7.9
Cardiff Central	9.7	3.6	6.8
Cardiff North	5.6	1.9	3.8
Cardiff South and Penarth	11.7	4.2	8.2
Cardiff West	10.2	3.5	7.0
Carmarthen East and Dinefwr	5.3	2.3	3.9
Carmarthen West and South Pembrokeshire	7.0	2.5	4.9
Ceredigion	4.3	1.8	3.2
Clwyd South	7.6	3.0	5.6
Clwyd West	7.9	2.9	5.6
Cynon Valley	11.9	4.4	8.5
Delyn	6.4	2.9	4.8
Dwyfor Meirionydd	5.4	2.3	4.0
Gower	5.6	2.0	3.9
Islwyn	10.4	4.1	7.6
Llanelli	9.1	3.1	6.3
Merthyr Tydfil and Rhymney	16.0	6.0	11.5
Monmouth	5.2	2.3	3.9
Montgomeryshire	4.2	1.9	3.2
Neath	7.7	3.5	5.8
Newport East	10.1	3.8	7.2
Newport West	10.4	4.0	7.4
Ogmore	10.0	4.0	7.3
Pontypridd	7.3	2.7	5.2
Preseli Pembrokeshire	6.6	2.6	4.8
Rhondda	13.8	5.1	10.0
Swansea East	9.5	3.5	6.8
Swansea West	9.4	3.5	6.7
Torfaen	10.4	3.8	7.4
Vale of Clwyd	10.4	3.4	7.1
Vale of Glamorgan	8.6	3.2	6.1
Wrexham	7.9	3.1	5.7
Ynys Mon	9.0	3.5	6.6

Source: Members' Research Service

(a) Claimants of Job Seekers Allowance as a percentage of the economically active population aged 16 and over as derived from the 2001 Census of Population.

## Technical Annex: Definitions of unemployment data

### ILO unemployment

*Definition:* ILO (International Labour Organisation) unemployment is a count of the number of those who are out of work and want a job, have actively sought work in the last four weeks and are available to start in the next two weeks; plus those who are out of work, have found a job and are waiting to start in the next two weeks.

*Methodology used for calculating rates:* ILO rates are calculated as a percentage of the population aged 16 and over who are economically active. Economically active people are those who are either in work or are unemployed under the ILO definition.

*Source:* The number of ILO unemployed is derived from the Labour Force Survey (LFS). The LFS is a sample survey of around 60,000 UK households carried out by the Office for National Statistics (ONS). The ONS states that quarter on quarter changes at regional level are particularly subject to sampling variability and **should be interpreted in the context of changes over several quarters rather than in isolation.**

*Geographical availability:* The sample based nature of the LFS means that data for areas within Wales (such as Assembly Constituencies and local authorities) is not available on a quarterly basis. Data for Assembly Constituencies is only available on an annual basis.

*Usage:* ILO unemployment is now the headline unemployment indicator for the UK. It is a more encompassing measure of unemployment than the claimant count and enables international comparison of rates. The definition is used by most other countries, as well as Eurostat (the Statistical Office of the European Union), and the OECD (Organisation for Economic Co-operation and Development).

## Claimant Count

*Definition:* The claimant count measures the number of people who are claiming Jobseekers Allowance.

*Methodology used for calculating rates:* Two methods have been used in this paper;

1. Workplace based rates. These rates have been calculated as the number of claimants resident in each area as a percentage of workforce jobs plus the claimant count. This approach is used for all figures and tables **not focussing** on Assembly Constituencies; and
2. Unofficial claimant count rates. Official Claimant count rates or proportions are not available for the Assembly Constituency boundaries that came into effect in May 2007. Claimant count **proportions for Parliamentary Constituencies** are available from the Office for National Statistics (ONS). The ONS claimant count proportions use the population of working age as a denominator and so take no account of differences between areas in the proportion that are economically active. Residence-based claimant count **rates for Assembly Constituencies** have been calculated by the Members' Research Service, expressing the number of claimants as a percentage of the economically active population aged 16 and over who are resident in the constituency. This produces an alternative measure of unemployment to those published by the Office for National Statistics. The number of economically active residents in each constituency is derived from the 2001 Census of Population results for the revised Assembly Constituency boundaries produced by the Office for National Statistics.

*Source:* The claimant count comes from the administrative records of Jobcentre Plus. It is always lower than the ILO measure of unemployment because some unemployed people are either not entitled to claim Jobseekers allowance, or choose not to do so.

*Geographical availability:* It is available across a broad of smaller administrative areas, including Assembly constituencies and wards.

*Usage:* Although it only provides a partial picture, the greater coverage and timeliness of the claimant count is useful to maintain a picture of the labour market at a local level.









