

Unemployment, Worklessness and Vacancies in the Tees Valley

Information and Forecasting

'Unemployment, Worklessness and Vacancies in the Tees Valley' aims to provide the latest information on the local labour market, including unemployment and vacancies, employment and worklessness. Data are mainly as published by the Office for National Statistics.

Latest Unemployment and Labour Market Report - August 2010

This report presents the latest labour market data available covering unemployment, employment rates, worklessness (people on benefits) and vacancies.

The main part of the report provides data from the 'claimant unemployment count' which is updated monthly and gives August 2010 figures. Overall unemployment (which meets the International Labour Organisation definition of unemployment) is not available at a sub-regional level for August the latest Annual Population Survey estimates equivalent to them are shown in Table 9 and relate to the year ended December 2009.

Please note:-

The population figures used to calculate residence-based proportions (rates) have changed from working age (16-59 f/64m) to aged 16-64 for both males and females. This change affects rates for all dates so rates for all dates will differ to those in previous reports.

Key points arising from the claimant count analysis:

Latest claimant count unemployment figures showed there was a very slight increase in unemployment in the Tees Valley in August - 69 more claimants in August than in July. The unemployment rate remained at 5.7%.

The regional claimant count unemployment figures also rose between July (77,867) and August (78,514) and the rate rose from 4.6% to 4.7%.

Likewise the claimant count unemployment figures rose nationally between July (1,383,990) and August (1,397,008) however the rate remained at 3.6%.

Middlesbrough had the highest unemployment rate in the Tees Valley of 7.2% while Darlington had the lowest with 4.4%. Darlington was the only district in the Tees Valley which saw unemployment fall between July and August.

There continued to be a wide variation in unemployment proportions across the Tees Valley at ward level. The lowest unemployment rate in the sub-region was in the Stockton ward Northern Parishes which had an unemployment rate of 1.2%. The highest was in the Middlesbrough ward of Middlehaven which had an unemployment rate of 16.9%.

Unemployment

Unemployment can be measured in a number of different ways and from a number of different sources. The strict definition would involve using the International Labour Organisation (ILO) definition of people unemployed and seeking work within the following two weeks. In Great Britain this would mean using the Annual Population Survey or Labour Force Survey (LFS) in order to measure unemployment.

However these are neither up-to-date at sub-regional levels (latest annual data is year ending December, 2009)) nor do they provide sufficient analyses at low geographic levels (eg districts) mainly due to the sampling errors involved. For information we publish data from the latest available Annual Population Survey and these are shown in Table 9.

In order to gain an insight into the most recent unemployment situation National Statistics publish figures based on the claimant count - these are effectively the same as Job Seekers Allowance (JSA) benefit claimants. The advantages of this as a source are that the claimant count is updated monthly, is very up-to-date (most recent figures are August 2010) and data can be produced for very small geographies (down to ward level). The main disadvantage of this source is that figures are based on people of working age claiming benefit and this excludes people who may be seeking work or unemployed but who are ineligible to claim benefit for various reasons.

Unemployment by Borough

Table 1 shows official claimant count unemployment numbers and residence-based proportions (based on residents of working age) as published by National Statistics.

Table 1 Unemployment in the Tees Valley – August 2010

	Male		Female		Total		Change in total unemployed from:	
	no.	%	no.	%	no.	%	last month	last year
Darlington	2,027	6.4	769	2.4	2,796	4.4	-101	-429
Hartlepool	2,819	9.9	1,113	3.8	3,932	6.8	5	60
Middlesbrough	4,906	10.7	1,676	3.6	6,582	7.2	70	242
Redcar & Cleveland	3,715	8.8	1,265	2.9	4,980	5.8	3	-142
Stockton-on-Tees	4,490	7.3	1,597	2.5	6,087	4.9	92	-540
Tees Valley	17,957	8.6	6,420	3.0	24,377	5.7	69	-809
North East	56,488	6.7	22,026	2.6	78,514	4.7	647	-6,858
Great Britain	973,296	5.0	423,712	2.2	1,397,008	3.6	13,018	-151,670

Source: National Statistics (NOMIS)

Unemployment Trends

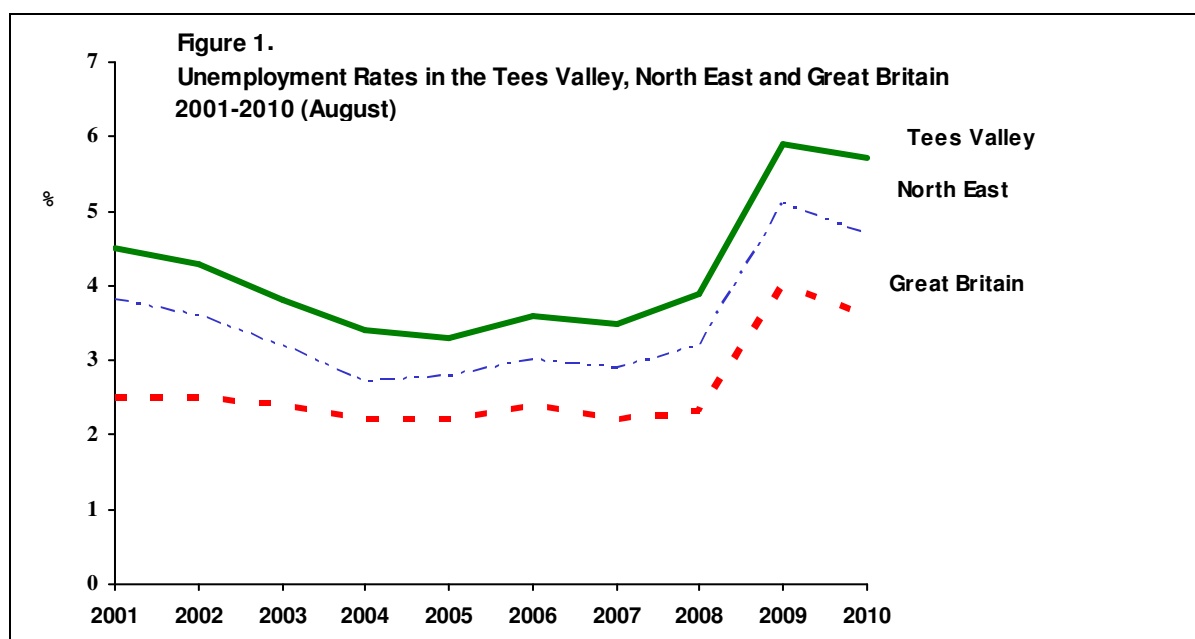
Table 2 and Figures 1 and 2 show official claimant count unemployment rates for August each year from 2001. Rates have been calculated on a consistent basis throughout using the new residence based proportions (based on residents of working age) as published by National Statistics.

Table 2 Percentage Unemployed
(Percentage – August each year)

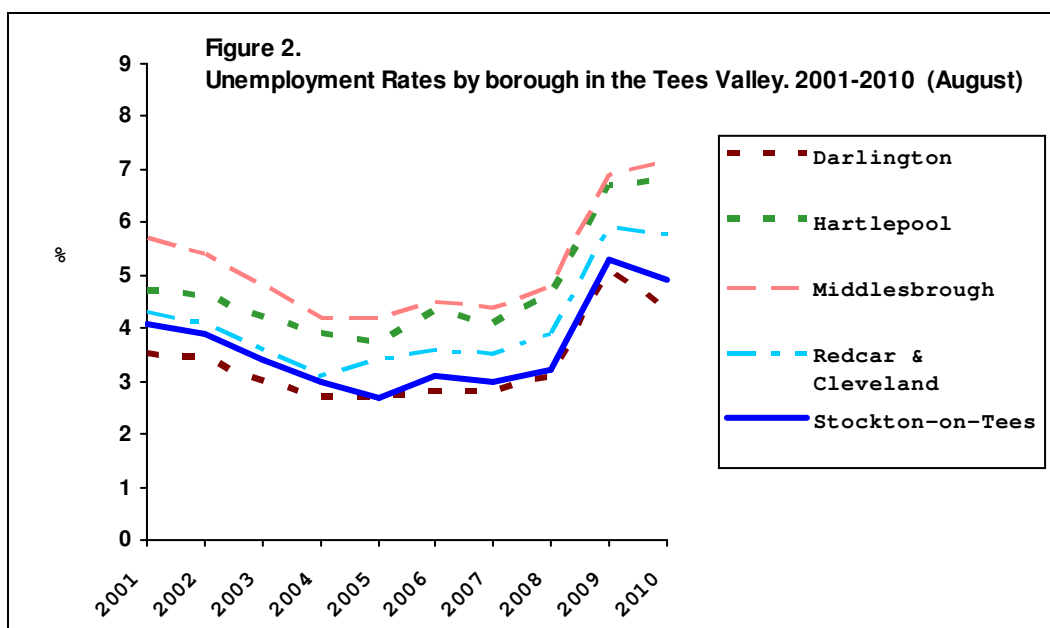
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Darlington	3.5	3.4	3.0	2.7	2.7	2.8	2.8	3.1	5.1	4.4
Hartlepool	4.7	4.6	4.2	3.9	3.7	4.3	4.1	4.6	6.7	6.8
Middlesbrough	5.7	5.4	4.8	4.2	4.2	4.5	4.4	4.8	6.9	7.2
Redcar & Cleveland	4.3	4.1	3.6	3.1	3.4	3.6	3.5	3.9	5.9	5.8
Stockton-on-Tees	4.1	3.9	3.4	3.0	2.7	3.1	3.0	3.2	5.3	4.9
Tees Valley	4.5	4.3	3.8	3.4	3.3	3.6	3.5	3.9	5.9	5.7
North East	3.8	3.6	3.2	2.7	2.8	3.0	2.9	3.2	5.1	4.7
Great Britain	2.5	2.5	2.4	2.2	2.2	2.4	2.2	2.3	4.0	3.6

Source: National Statistics (NOMIS)

Generally, trends in unemployment have followed a similar pattern in the Tees Valley to those regionally and nationally though always above.



Borough rates also follow similar trends although their relative positions change little. Middlesbrough has generally had the highest unemployment rate in the Tees Valley and Darlington or Stockton-on-Tees the lowest.



Unemployment by Age and Duration

Table 3 shows the share of unemployed by age group and the duration of unemployed. A definition of long-term unemployment used for monitoring purposes is often the share of the unemployed out of work for over 6 months and this is shown in the penultimate column.

Table 3 Unemployed by Age & Duration – August 2010
(Percentage of all unemployed)

	Total under 20 yrs	Total under 25 yrs	Unemployed over 6 months	Unemployed over 1 year
Darlington	8.1	27.8	35.0	15.6
Hartlepool	7.4	29.7	35.1	17.5
Middlesbrough	8.2	30.8	40.3	21.8
Redcar & Cleveland	8.9	31.0	40.5	23.4
Stockton-on-Tees	8.7	31.1	37.1	18.6
Tees Valley	8.3	30.4	38.1	19.9
North East	9.3	30.9	35.6	16.0
Great Britain	9.0	29.2	36.8	17.8

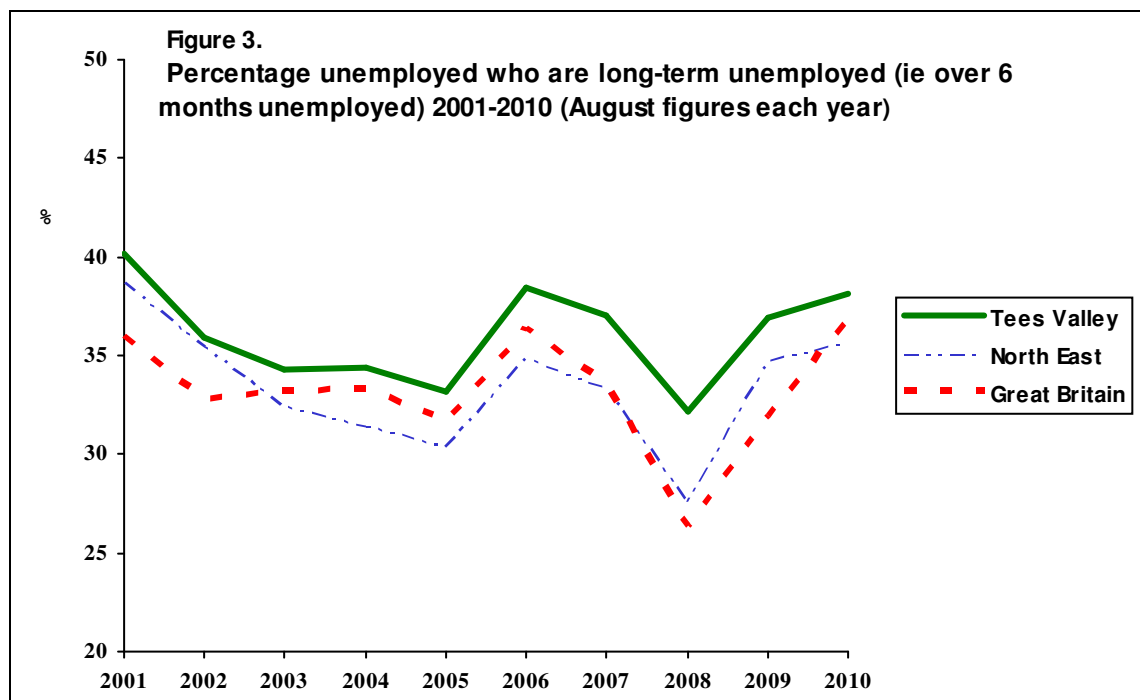
*NB. % under 25 includes those under 20 and % over 1 year includes those over 6 months.
Source: National Statistics (NOMIS)*

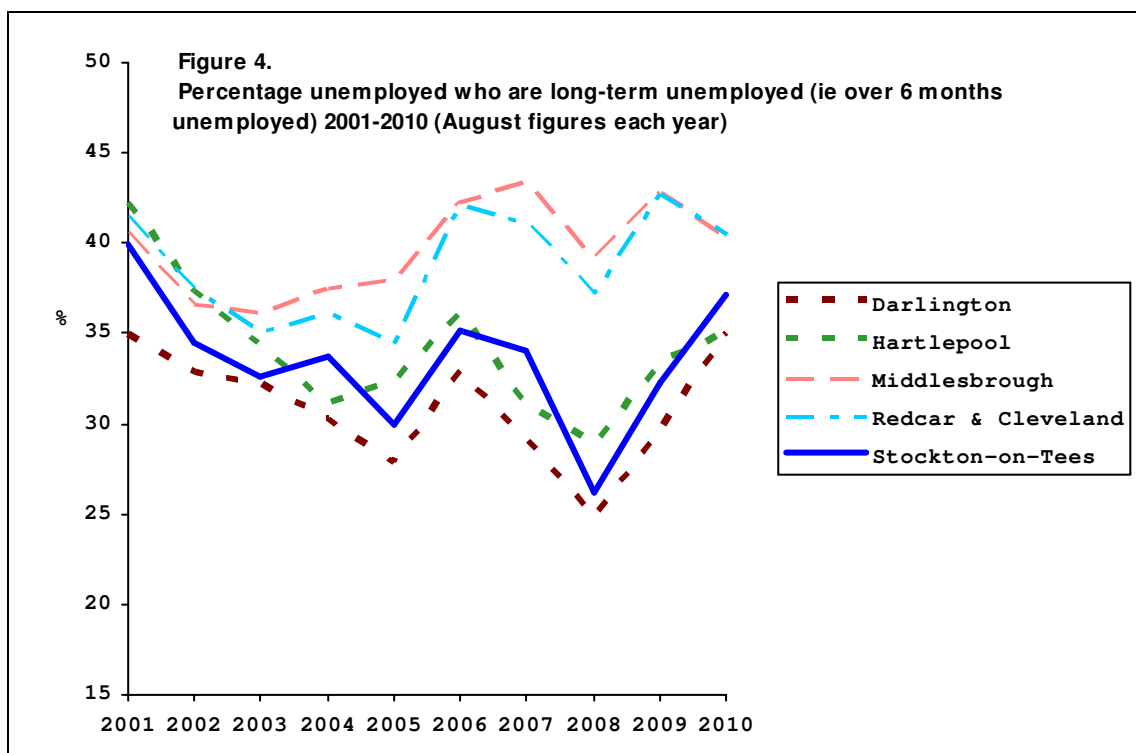
Long-term unemployment has long been a problem in the Tees Valley and the trend in the proportion of unemployed by length of time unemployed is shown in Table 4. Note the percentages relate to the proportion of all unemployed.

Table 4 Percentage Long-term unemployed (over 6 months) in August each year 2001-2010.

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Darlington	34.9	32.8	32.2	30.3	27.8	32.9	29.2	24.9	29.7	35.0
Hartlepool	42.2	37.4	34.4	31.1	32.4	36.2	31.1	28.8	33.4	35.1
Middlesbrough	40.6	36.6	36.2	37.5	37.9	42.3	43.4	39.2	42.8	40.3
Redcar & Cleveland	41.5	37.5	35.0	36.1	34.4	42.1	41.1	37.2	42.7	40.5
Stockton-on-Tees	39.9	34.5	32.6	33.7	29.9	35.2	34.1	26.2	32.3	37.1
Tees Valley	40.2	35.9	34.3	34.4	33.2	38.4	37.0	32.2	36.9	38.1
North East	38.6	35.4	32.4	31.4	30.3	34.8	33.3	27.5	34.7	35.6
Great Britain	36.0	32.8	33.2	33.3	31.7	36.4	33.6	26.4	32.0	36.8

Source: National Statistics (NOMIS)





Unemployment by Ward - TVU Figures

One of the advantages of using the claimant count unemployment figures is that it allows comparative ward level information to be produced. National Statistics publish numbers unemployed by ward and TVU use estimates of the working age population to calculate percentage rates. These are published in full on the TVU website at www.teesvalleyunlimited.gov.uk whilst Table 5 shows the highest and lowest rates by district for the Tees Valley.

Please note that the population figures used to calculate the ward unemployment figures still use the working age population 16-59 for females and 16-64 for males.

Table 5 Unemployed by Ward (TVU Rates) - August 2010

	Highest Ward	%	Lowest Ward	%
Darlington	Central	9.6	Hummersknott Park West	1.5
Hartlepool	Stranton	14.2	Elwick	1.6
Middlesbrough	Middlehaven	16.9	Marton Marton West	2.2
Redcar & Cleveland	Grangetown	14.2	West Dyke	2.5
Stockton-on-Tees	Stockton Town Centre	13.8	Northern Parishes	1.2
Tees Valley	Middlehaven	16.9	Northern Parishes	1.2

Source: National Statistics (NOMIS)

Unfilled Vacancies

In September 2001 statistics relating to vacancies at jobcentres were withdrawn due to distortions in the data caused by changes in administrative processes for dealing with them. In June 2005 some vacancy datasets were restored mainly to provide an insight into jobcentre performance.

Although these statistics have not been restored to the 'ONS Labour Market Statistics First Release' due to concerns over their appropriateness as a labour market indicator, vacancy statistics can still be useful for cross-sectional analyses as an indicator of the types of jobs currently available, eg by occupation, industry or local area, rather than absolute measures of the number of vacancies or of changes in these over time.

Only data on live unfilled vacancies are included here since these are the vacancies for which a jobseeker can actively apply.

Table 6 gives information on the number of live unfilled vacancies and unemployed per vacancy. Job Centre Plus vacancies represent approximately 30-40% of all actual vacancies therefore unemployed per vacancy figures should be used as a statistical comparison only. Data on the number and proportion of full-time vacancies are also included.

Table 6 Analysis of Live Unfilled Vacancies – August 2010

	Number Unemployed	Number of unfilled vacancies		Unfilled vacancies that are full-time vacancies	
		Number	Unemployed per vacancy	Number	% of all vacancies
Darlington	2,796	748	3.7	531	71.0
Hartlepool	3,932	233	16.9	134	57.5
Middlesbrough	6,582	542	12.1	422	77.9
Redcar & Cleveland	4,980	472	10.6	306	64.8
Stockton-on-Tees	6,087	658	9.3	400	60.8
Tees Valley	24,377	2,653	9.2	1,793	67.6
North East	78,514	12,833	6.1	8,948	69.7
Great Britain	1,397,008	280,216	5.0	209,470	74.8

Source: National Statistics (NOMIS)

Tables 7 and 8 show the distribution of vacancies by industry group and occupation as a proportion of all vacancies.

Table 7 Percentage Vacancies by Industry Group (August 2010)

	All Vacancies	Percentage vacancies by Industry Group %						
		Manufacturing Energy Water etc	Constr- uction	Services:				
				Distrib- ution, Transport etc	Finance etc	Public Admin etc	Other	All Services
Darlington	748	0.7	1.6	18.4	68.4	9.4	1.5	97.7
Hartlepool	233	4.3	1.3	39.5	44.6	7.3	3.0	94.4
Middlesbrough	542	2.4	3.5	13.5	63.8	15.3	1.5	94.1
Redcar & Cleveland	472	2.1	1.1	12.9	60.6	20.6	2.8	96.8
Stockton-on-Tees	658	2.9	3.0	17.9	60.2	14.1	1.8	94.1
Tees Valley	2,653	2.1	2.2	18.2	62.0	13.6	1.9	95.6
North East	12,833	6.4	2.5	17.9	54.9	14.1	4.2	91.1
Great Britain	280,216	4.3	3.0	15.3	58.5	14.2	4.7	92.8

Source: National Statistics (NOMIS)

Table 8 Percentage Vacancies by Occupation Group (August 2010)

	All Vacancies	% vacancies by occupation:						
		Professional Managers & senior etc	Associate & technical	Admin & secretarial	Skilled trades	Personal services & sales	Process, plant & machine ops etc	Elementary and other occupations etc
Darlington	748	6.8	21.7	7.1	5.1	38.4	5.7	15.2
Hartlepool	233	5.6	17.6	2.1	12.9	43.8	5.2	12.9
Middlesbrough	542	7.0	25.6	8.3	11.3	36.5	5.4	5.9
Redcar & Cleveland	472	3.8	18.0	11.2	5.7	44.1	8.7	8.5
Stockton-on-Tees	658	4.0	18.4	5.5	5.9	45.9	10.9	9.4
Tees Valley	2,653	5.5	20.7	7.2	7.4	41.3	7.4	10.5
North East	12,833	6.3	20.7	3.3	9.8	35.6	10.5	13.9
Great Britain	280,216	6.7	16.7	4.2	9.8	30.7	15.6	16.3

Source : National Statistics (NOMIS)

Annual Population Survey Unemployment Trend

As stated earlier the claimant count does not include all unemployed people – only those who are eligible to claim benefits. A stricter definition of unemployment is the ILO definition of people seeking work. The latest figures available for this definition are shown in Table 9. Note that this information is derived from the APS and the latest figures are from survey results for the year to end December 2009. This data is updated quarterly.

Table 9 APS Unemployment Rates 2004-2009

	2004	2005	2006	2007	2008	2009
Darlington	2.7	3.8	3.8	6.4	5.7	8.4
Hartlepool	8.4	6.5	8.7	11.0	10.5	13.9
Middlesbrough	9.2	7.9	7.3	6.8	9.5	11.3
Redcar & Cleveland	5.3	6.3	7.0	6.7	9.0	10.1
Stockton-on-Tees	6.1	5.0	5.0	6.3	8.0	8.9
Tees Valley	6.3	5.9	6.2	7.2	8.5	10.2
North East	5.9	5.7	7.0	6.2	7.6	9.7
Great Britain	2.7	3.8	3.8	6.4	5.7	8.4

Source: National Statistics (APS) – as % of working age population (males and females 16-64)

Proportion of Working Age on Out-of Work Benefits/Worklessness

Another important indicator of the state of the local labour market relates to issues of worklessness generally. These include JSA (equivalent to the claimant count), incapacity benefit, lone parents on income support and others on income related benefit. Table 10 shows the percentage of the working age population on out of work benefits.

Data are averaged out over latest 4 quarters (data for February, May, August and November 2009) and divided by the working age population averaged over 4 quarters from the latest quarter available (currently Nov 2009) back in time. This indicator is used as a National Indicator (NI-152).

Table 10 Percentage of working age on Out-of-Work Benefits 2001-2009.
(Average of 4 quarters each year*)

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Darlington	16.5	16.4	16.0	15.3	15.2	15.0	14.7	14.8	16.5
Hartlepool	24.8	24.2	23.2	22.0	21.5	21.1	20.8	20.9	22.3
Middlesbrough	23.7	23.1	22.8	22.0	21.3	21.2	20.5	20.4	22.1
Redcar & Cleveland	21.0	20.4	19.7	18.7	18.1	17.8	17.4	17.0	18.8
Stockton-on-Tees	17.1	16.5	16.0	15.2	14.6	14.4	14.1	14.1	15.9
Tees Valley	20.3	19.7	19.2	18.3	17.8	17.6	17.1	17.1	18.8
North East	19.7	19.3	18.5	17.8	17.1	16.6	16.2	16.1	17.6
Great Britain	13.4	13.3	13.1	12.5	12.5	12.3	12.1	11.9	13.4

Source: National Statistics (Nomis)

* Latest 4 quarters are Feb, May, Aug and Nov 2009. Previous years represent same 4 quarters for those periods.

An alternative view of worklessness may be gained by simply measuring the total percentage of people of working age without work for whatever reason including those people not seeking work and economically active of working age. These figures have been produced by TVU – rates are as a proportion of the working age population and Table 11 shows the rate of total ‘worklessness’ for the Tees Valley districts.

Please note that these figures are still based on working age population 16-59 for females and 16-64 for males.

Table 11 Worklessness – August 2010.

	August 2010		% for August	
	Number	Rate %	2009	2008
Darlington	15,930	26.4	27.2	25.3
Hartlepool	18,620	33.7	33.6	32.2
Middlesbrough	32,800	37.1	38.1	36.1
Redcar & Cleveland	27,000	33.1	32.8	31.0
Stockton-on-Tees	34,690	29.2	29.6	27.7
Tees Valley	129,030	31.9	32.3	30.4
Great Britain		25.8	27.9	25.2

Source: TVU

Employment Rates

The key aim of local economic policies is to get more people of working age into work. The trend in employment rates is shown in Table 12 from 2004-2009. Note that this information is derived from the APS and the latest figures are from survey results for the year to end December 2009. This data is updated quarterly.

Employment rates are used as a National Indicator (NI-151).

Table 12 Overall Employment Rates 2004-2009

	2004	2005	2006	2007	2008	2009
Darlington	74.1	72.8	73.4	71.6	72.1	68.4
Hartlepool	63.2	64.7	64.7	63.9	65.2	60.3
Middlesbrough	63.5	65.2	65.6	65.4	62.4	62.3
Redcar & Cleveland	69.1	66.5	68.7	67.8	64.4	63.0
Stockton-on-Tees	71.0	72.3	70.8	70.0	68.1	68.9
Tees Valley	68.4	68.6	68.8	68.0	66.3	65.0
North East	68.1	68.9	68.8	69.5	68.5	66.2
Great Britain	72.6	72.7	72.5	72.5	72.2	70.7

Source: National Statistics (APS) as % of working age population (males and females 16-64)

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Sources: National Statistics [via the National On-line Manpower Information System (NOMIS) – www.nomisweb.co.uk] and Tees Valley Unlimited www.teesvalleyunlimited.gov.uk).

TVU WEBSITE

Further information on economic issues, employment and unemployment, as well as back copies of Unemployment in the Tees Valley can be obtained from the TVU's website. The address is www.teesvalleyunlimited.gov.uk. Other statistics eg population, census data etc, are also available for a wide range of geographies.