

Employment change and structure, 2009-2014

Summary

The 2014 estimate of employment (employees and working owners) in the Lancashire-14 area of 623,500 is just 0.1% higher than in 2009. At the local authority level, Preston and Blackpool, the two areas of Lancashire with high proportions of public-sector workers, recorded reductions of 11.7% and 6.1% respectively. In contrast, increases in excess of 6% over the period were noted in Burnley, South Ribble, West Lancashire and Blackburn with Darwen.

In 2014, 13.5% of total employment in the Lancashire-14 area was classified to the manufacturing sector, whilst for Great Britain the proportion was just 8.2%.

Service activities of one sort or another (sectors G to S) comprise 79.6% of total employment in the Lancashire 14 area and 84.3% at the national level.

Introduction

The most detailed regular count of employees and working owners is the [business register employment survey \(BRES\)](#) conducted by the [office for national statistics \(ONS\)](#). The BRES provides information on employment levels by place of work, classified by detailed industrial sectors, and comparable figures are available for 2009 to 2014. Numbers are published for earlier years, but there are some incompatibilities therefore the focus here is just on the past five years. The BRES includes estimates of working owners who are said to be people who receive drawings or a share of the profits of an organisation but are not paid via [PAYE](#). The results in this article are based upon the current 2007 version of the Standard Industrial Classification (SIC).

The BRES results also include breakdowns for full-time and part-time employees, plus employment numbers by size of enterprise.

A range of free to view figures at local authority level and above is available from the [business register employment survey BRES homepage](#). The county council has access to additional local results, and these have been used in this article after being rounded to the nearest 100.

In today's economy, it is challenging to obtain accurate counts of employment by local geographic area. Modern technology offers new ways of remote working, more people work part-time and may have more than one job, outsourcing, working via an agency, temporary and zero contracts can create discrepancies between a person's geographic paypoint and their actual place of work. Major national and international organisations with large-scale build, design and service contracts can move substantial numbers of workers between projects that are countrywide and beyond. The 2011 census results for [distance travelled to work](#) identify some of the problems associated with where people actually work. The indeterminate 'other' category accounts for around 6-9% of workers in each Lancashire authority. It includes people with no permanently fixed place of work and those working offshore.

These issues mean that the BRES results should be viewed with caution and may contain some local anomalies. BRES is based on a sample survey, so estimates are subject to sampling errors, which need to be taken into account when interpreting the data. In brief, the lower the level of geography and/or industry analysed, the larger the statistical variation.

The Lancashire results

At the national level, the number of people in employment increased by 4.1% to 29.0 million between 2009 and 2014. For the Lancashire-14 area, there was a rise of just 0.1% over the same period to an employment figure of 623,500.

The Lancashire area has a lower proportion of people working in the private sector than the national average of 82.4%. Blackpool and Preston are areas traditionally associated with high levels of public sector workers such as civil servants and local government employees. The two authorities in 2014 had over 30% of their employment allocated to the public sector. In comparison, less than 13% of employment in Pendle district is allocated to the public sector.

Table 1 Employees, working owners and private sector jobs 2014

Area	Employees and Working Owners.	Full-time employees (excludes working owners)	Part-time employees (excludes working owners)	Proportion of working owners	Employees and Working Owners - Change 2009-2014	Percentage of employment in the private sector
Burnley	36,500	24,000	11,700	2.2%	9.9%	80.0%
Chorley	40,400	25,000	14,400	2.5%	-2.2%	81.8%
Fylde	43,500	31,900	10,800	1.9%	2.2%	85.4%
Hyndburn	27,900	19,900	7,500	1.9%	0.9%	83.9%
Lancaster	56,500	34,700	20,500	2.4%	4.6%	80.4%
Pendle	32,000	22,800	8,400	2.6%	3.3%	88.1%
Preston	82,100	54,700	25,900	1.8%	-7.9%	69.8%
Ribble Valley	26,800	18,900	6,900	3.7%	-11.7%	84.9%
Rossendale	21,700	15,200	5,900	2.9%	1.3%	87.3%
South Ribble	54,500	40,300	13,200	1.8%	8.3%	87.0%
West Lancashire	47,000	32,100	13,400	3.1%	7.3%	84.5%
Wyre	31,200	19,600	10,400	3.9%	-9.7%	85.4%
Lancashire-12 area	500,200	339,000	149,100	2.4%	0.1%	81.8%
Blackburn with Darwen	66,200	43,200	21,600	2.2%	6.2%	74.0%
Blackpool	57,100	33,500	23,200	2.4%	-6.1%	69.1%
Lancashire-14 area	623,500	414,700	193,900	2.4%	0.1%	79.8%
North West	3,188,300	2,093,300	996,700	3.1%	2.2%	81.1%
Great Britain	28,989,300	19,090,100	8,860,800	3.6%	4.1%	82.4%

Source ONS: Business Register and Employment Survey

Between 2009 and 2014, five Lancashire authorities recorded decreases in their employment total. In Preston and Blackpool, the two areas with the highest proportions of public-sector employment, yearly reductions of 7.9% and 6.1% respectively were recorded. Wyre district recorded a 9.7% decline, whereas the reduction of 11.7% in Ribble Valley appears to be the result of an administrative anomaly rather than a large actual decline in employment.

In 2014, a large number of employees were removed from the Ribble Valley total in the wholesale sector. Major national and international businesses may allocate substantial job numbers to particular localities for administrative purposes, however the jobs may in reality be located far away from the place where they are counted. This large reduction in Ribble Valley is thought to be an administrative reallocation and did not reflect a big reduction of actual jobs in the district.

Burnley, South Ribble, West Lancashire and Blackburn with Darwen were the four Lancashire authorities with employment increases of more than 6% between 2009 and 2014.

Figure 1 (see separate download on the top right-hand corner of this web page)) presents a visual display of the changes in employment levels for each of the 14 Lancashire authorities between 2009 and 2014. For comparative purposes, it also shows the changes in employment levels in authorities that border the Lancashire area. Different colours highlight areas of growth, decline and localities with only minor changes.

Full-time/part-time employees

The BRES results are available for full and part-time employees which exclude working owners. The 2014 estimates indicate that in the Lancashire-14 area, 66.5% of employees were full-time, whilst for Great Britain the proportion was 65.9%. The Lancashire area has a higher reliance on the manufacturing sector in Lancashire, which has relatively few part-time work opportunities, and this contributes to the slightly higher local tendency towards full-time work.

Employment by industrial sector

Table 2 details employment changes by broad industrial classification groups between 2009 and 2014. In the Lancashire-14 area, some sectors recorded reductions in employment levels over the five-year period, whilst others saw increases. Manufacturing employment declined with a 9.1%, and reductions in excess of 10% were recorded in finance and insurance, public administration and defence, and the arts sector. The large reduction in the agriculture sector is somewhat of an anomaly because the BRES results exclude a large proportion of agriculture workers who are included in a [separate agricultural survey](#).

Professional, scientific and technical, plus business administration and support were two sectors that recorded growth of over 14% between 2009 and 2014.

Table 2 Change in employee and working owner jobs by sector, 2009-2014

Sector	Lancashire-12		Lancashire-14	
Classification	2014	% change 2009-2014	2014	% change 2009-2014
1 : Agriculture, forestry & fishing (A) [1]	500	-33.4%	600	-33.8%
2 : Mining, quarrying & utilities (B,D and E)	6,700	9.7%	7,300	9.5%
3 : Manufacturing (C)	69,300	-10.0%	84,300	-9.1%
4 : Construction (F)	31,600	-2.5%	35,200	-4.0%
5 : Motor trades (Part G)	11,400	4.9%	13,700	7.1%
6 : Wholesale (Part G)	21,600	3.9%	25,500	0.7%
7 : Retail (Part G)	52,200	-4.2%	66,200	-3.0%
8 : Transport & storage (inc. postal) (H)	17,300	0.5%	20,900	0.8%
9 : Accommodation & food services (I)	35,600	4.1%	45,500	2.8%
10 : Information & communication (J)	11,600	0.9%	14,800	5.7%
11 : Financial & insurance (K)	9,000	-17.7%	10,600	-17.7%
12 : Property (L)	7,200	-3.5%	8,800	-5.3%
13 : Professional, scientific & technical (M)	28,900	20.6%	34,600	15.6%
14 : Business administration & support services (N)	32,500	15.6%	37,500	14.1%
15 : Public administration & defence (O)	23,600	-11.6%	32,700	-12.3%
16 : Education (P)	47,400	8.8%	59,300	6.9%
17 : Health (Q)	73,700	5.7%	99,100	9.0%
18 : Arts, entertainment, recreation & other services (R,S,T and U)	19,700	-15.2%	27,200	-14.7%
Total	500,200	0.1%	623,500	0.1%

Source ONS – Business Register and Employment Survey

[1] The above exclude results for agricultural class 01000.

[2] Totals may not sum owing to rounding.

Manufacturing and health are the two large employment sectors where the county has noticeably higher employment concentrations than the national average. In the Lancashire-14-area, 13.5% of people in employment in 2014 were classified to the manufacturing sector, but for Great Britain as a whole it accounted for only 8.2%. The [Lancashire Local Enterprise Partnership](#) is committed to supporting current and future high value manufacturing jobs in the county.

Construction is another sector that is more important for Lancashire than is the norm for the country as a whole.

Service activities of one sort or another (sectors G to S) comprise 79.6% of total employment in the Lancashire 14 area and 84.3% at the national level. Sectors such as information and communication, financial and insurance activities, property, plus professional, scientific and technical activities contain many high value jobs and are areas where the county is under-represented. This adds to the disparity between the economic growth rate in the county and the rest of the country.

Table 3 Combined employee and working owner percentages by industrial sector, 2014

Sector	Lancashire-12	Lancashire-14	North West	Great Britain
1 : Agriculture, forestry & fishing (A) [1]	0.1%	0.1%	1.1%	1.6%
2 : Mining, quarrying & utilities (B,D and E)	1.3%	1.2%	1.0%	1.2%
3 : Manufacturing (C)	13.9%	13.5%	10.0%	8.2%
4 : Construction (F)	6.3%	5.6%	4.6%	4.6%
5 : Motor trades (Part G)	2.3%	2.2%	1.8%	1.8%
6 : Wholesale (Part G)	4.3%	4.1%	3.9%	4.0%
7 : Retail (Part G)	10.4%	10.6%	10.5%	10.0%
8 : Transport & storage (inc postal) (H)	3.5%	3.3%	4.5%	4.4%
9 : Accommodation & food services (I)	7.1%	7.3%	7.1%	7.1%
10 : Information & communication (J)	2.3%	2.4%	2.6%	4.0%
11 : Financial & insurance (K)	1.8%	1.7%	3.0%	3.6%
12 : Property (L)	1.4%	1.4%	1.9%	1.8%
13 : Professional, scientific & technical (M)	5.8%	5.6%	7.7%	8.2%
14 : Business administration & support services (N)	6.5%	6.0%	8.0%	8.5%
15 : Public administration & defence (O)	4.7%	5.2%	4.6%	4.4%
16 : Education (P)	9.5%	9.5%	8.8%	8.9%
17 : Health (Q)	14.7%	15.9%	14.4%	13.1%
18 : Arts, entertainment, recreation & other services (R,S,T and U)	3.9%	4.4%	4.5%	4.4%
Total	100%	100%	100%	100%

Source ONS – Business Register and Employment Survey.

[1] Results for agricultural class 01000 are only included at the North West and GB levels. The Lancashire numbers therefore for the agriculture, forestry and fishing sector only include employment numbers for forestry and fishing

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