

## **Official unemployment statistics for the Lancashire County Council 12-authority area, the broader Lancashire 14-authority sub-region and the Lancashire West and East Lancashire parts of the sub-region - January 2015 to December 2015**

### **Unemployment and labour market summary**

Unemployment has fallen substantially in the UK and the Lancashire sub-regions since the peaks following the 2008/09 recession and 16+ unemployment rates are back to pre-recession levels. For the Lancashire sub-regions, however, as unemployment has decreased, economic *inactivity* for persons aged 16+ has increased at a far greater pace than the rise in 16+ employment, which is contrary to the UK.

### **Unemployment and yearly change**

Official unemployment in the UK for the year from January 2015 to December 2015 totalled 1,723,800 persons with an unemployment rate of 5.3% (+/- 0.1%). The rates for the Lancashire-14 area at 4.2% (+/- 0.8%), the Lancashire-12 area at 3.5% (+/- 1.0%) and the Lancashire West sub-region at 3.7% (+/- 0.9%) are lower than the UK unemployment rate in statistical terms.

The rates were 5.1% (+/- 1.2%) within East Lancashire and 5.3% (+/- 0.3%) for the North West region. Owing to the overlapping confidence intervals, these two rates cannot be said to be higher or lower than the UK rate of 5.3% (+/- 0.1%).

Unemployment at the UK level has fallen by -303,100 persons (-15.0%) over the year, falling from 2,026,900 to 1,723,800 people. The UK rate fell by -0.9 percentage points, from 6.2% (+/- 0.1%) to 5.3% (+/- 0.1%) over the year and is back to pre-recession levels, which ranged between 5.1% and 5.3% in 2007.

Unemployment rates have fallen by a greater extent in the Lancashire sub-regions than at the UK level over the previous year. Rates have dropped by -4.1 percentage points within East Lancashire and by -1.1 percentage points in the Lancashire West sub-region. Overall therefore the Lancashire-14 rate declined by -2.1 percentage points. The fall was greater in the Lancashire-12 area at -2.6 percentage points.

Employment has also picked up over the previous year within Lancashire, particularly with East Lancashire, although the 16+ employment rates for the Lancashire-14 area and the Lancashire West sub-region remain lower than the UK rate in statistical terms.

### **Change in unemployment, employment and economic *inactivity* since recent peaks/lows**

Since the recent peak in UK unemployment, for the year ending June 2012 of 2,576,700 people (8.1%, +/-0.1%), the total has fallen by -852,900 people (-33.1%), or a third, and the unemployment rate has reduced by -2.8 percentage points to 5.3% (+/- 0.1%) as at the year ending December 2015.

Unemployment numbers have fallen by greater percentages in the Lancashire sub-regions since their respective peaks, than at the UK level. Since the year ending December 2012, the number unemployed is lower by -28,300 (-48.6%) within the Lancashire-14 area and by -25,600 persons (-

55.7%) in the Lancashire-12 area. For the Lancashire West sub-region, unemployment has reduced by -20,000 persons (-54.3%) since the year ending March 2012 and within East Lancashire unemployment is lower by -12,300 (-48.4%) since the year ending September 2014.

Unemployment rates have decreased by -3.9 percentage points in the Lancashire-14 area and by -4.4 percentage points in the Lancashire-12 area since the year ending December 2012. Since the year ending March 2012, the Lancashire West unemployment rate has dropped by -4.1 percentage points, however, the Lancashire West unemployment rate peaked slightly later than the unemployment numbers, at 8.0% (+/- 1.3%) for the year ending December 2012 and has fallen by a slightly greater -4.3 percentage points since this later date. The unemployment rate for East Lancashire has fallen by -5.5 percentage points since the year ending September 2014.

For the year ending December 2015, the unemployment rates for the Lancashire-12 area at 3.5% (+/- 1.0%), the Lancashire West sub-region at 3.7% (+/- 0.9%) and the Lancashire-14 area at 4.2% (+/- 0.8%) are lower than the UK rate in statistical terms.

Since the post-recession low-point, for the year ending March 2010, UK [16+ employment](#) has increased almost consistently, rising by +2,178,600 people (+7.5%) and the 16+ UK employment rate has gone up by +1.8 percentage points to 59.8% (+/- 0.2%) for the year ending December 2015, when employment totaled 31,071,000 persons. This is a peak number for this dataset, but not a peak rate – a UK 16+ employment rate of 60.0% (+/- 0.2%) was recorded on two occasions in 2008.

The 16+ employment rates for the Lancashire-14 area of 57.4% (+/- 1.4%) and the Lancashire West sub-region of 57.0% (+/- 1.9%) for the year ending December 2015 are statistically lower than the UK 16+ employment rate of 59.8% (+/- 0.2%).

Owing to the wide and overlapping confidence intervals, the estimated 16+ employment rates for the Lancashire-12 area of 58.3% (+/- 2.1%), and the East Lancashire estimate of 58.1% (+/- 2.1%) are not statistically lower the UK 16+ employment rate.

In contrast to the UK, the number of employed persons aged 16+ has not grown as fast within the Lancashire-14 area and numbers remain below previous peaks, estimated for the year ending March 2011, by -3,900 persons (-0.7%) in the Lancashire-12 area and by -8,300 persons (-1.3%) in the Lancashire West sub-region.

For the Lancashire-14 area, despite growing less rapidly than the UK, 16+ employment, estimated at 680,100 persons for the year ending December 2015, is above the previous peak, for the year ending March 2011, for the first time, by +2,700 people (+0.4%). Similarly, the 16+ employment number, estimated at 243,600 for East Lancashire, for the year ending December 2015, is greater than the previous peak for the year ending March 2013, for the first time, by +2,100 persons (+0.9%).

This UK 16+ employment figure of 31,071,000 persons for the year ending December 2015 is +1,568,700 (+5.3%) greater than the previous peak of 29,502,300, estimated for the year ending September 2008, just as the 2008/09 recession was taking hold.

The [economic inactivity rate for persons aged 16+](#) at the UK level has declined by -0.6 percentage points from the peak of 37.5% (+/- 0.2%) estimated for the year ending September 2011, following

the recession, to 36.9% (+/- 0.2) for the year ending December 2015. This rate is only slightly above the low for the series, of 36.7% (+/- 0.2%) estimated for the year ending September 2008, just as the recession was taking hold, and for the year ending June 2007, prior to the recession.

The number of economically *inactive* persons aged 16+ in the UK has risen slightly, by +1.2% (+231,800 persons) between the year ending September 2011 and the year ending December 2015 to 19,172,100 persons. This is a peak number, but not a peak rate.

The 16+ economically *inactive* rate for the UK has fallen by -0.6 percentage points, owing to the denominator (the 16+ population figure) increasing by a greater +2.8% (+1,431,700 persons) over the period.

The 16+ economic *inactivity* rates for the Lancashire-12 area, of 39.5% (+/- 2.1%), the Lancashire-14 area, of 40.1% (+/- 1.4%), and the Lancashire West sub-region, of 40.8% (+/- 1.9%), were statistically higher than the UK estimated 16+ economic *inactivity* rate of 36.9% (+/- 0.2%) for the year ending December 2015.

The Lancashire West estimated 16+ economic *inactivity* rate is amongst the highest in the series (since the year ending December 2004). The rates for both the Lancashire-12 area and the Lancashire-14 area are also towards the high end of their respective ranges within the series.

Owing to the wide and overlapping confidence intervals, the estimated 16+ economic *inactivity* rate for East Lancashire at 38.8% (+/- 2.1%) is not statistically higher than the UK rate of 36.9% (+/- 0.2%). The East Lancashire rate has improved dramatically over the last two years.

By contrast to the UK, the number of 16+ economically *inactive* persons reached low points in the Lancashire sub-regions at the end of 2011 and in mid-2012 and *inactive* numbers have increased by much greater percentages in the Lancashire sub-regions since these dates.

The number of economically *inactive* persons aged 16+ has risen by +12.0% (+33,500 people) in the Lancashire West sub-region, estimated since the low point for the year ending December 2011. Numbers have increased by +10.3% (+35,000 people) in the Lancashire-12 area, by +8.8% (+38,400 persons) in the Lancashire-14 area and by +9.0% (+13,400 persons) within East Lancashire, since the year ending June 2012. For comparison, the number of 16+ economically *inactive* persons has increased by just 1.2% at the UK level since the year ending September 2011 and the 16+ employment number has risen by 6.8%.

### **Change in the UK population aged 16 and over since the year ending June 2012**

The 16+ population in the UK is estimated to have increased by +1,160,900 persons (+2.3%) between the year ending June 2012 and December 2015. The percentage increases are lower than the UK in the Lancashire-14 area (+1.5%, +17,800 persons), the Lancashire-12 area (+1.1%, +10,700 people) and the Lancashire West sub-region (+1.0%, +7,800 persons), but greater within East Lancashire (+2.4%, +9,900 persons). These 16+ population changes will impact upon the 16+ employment rates and the 16+ economically active and inactive rates.

## **Revisions to the dataset**

Please note that the Office of National Statistics (ONS) revised the Annual Population Survey datasets in March 2015 back to the year ending December 2004 as a result of the reweighting of the population estimates following the 2011 Census. As a result, the numbers and rates relating to individual labour market indicators, such as unemployment, employment, economic activity and economic inactivity for previously published data (from the year ending December 2004 to the year ending September 2014) may have changed. Data from the year ending December 2014 incorporate the reweighted revisions. Further information is contained within the [2011 Census-based reweighting of Annual Population Survey estimates document](#), published by the ONS in March 2015.

## **Notes concerning the analysis and interpretation of the dataset**

Owing to some unexpected changes to the figures within East Lancashire released in recent datasets, this report again contains a greater overview of the labour market, including analysis of employment, economic activity (those employed and unemployed) and economic *inactivity* figures, in addition to the usual unemployment statistics. Please note that local data below the regional level is less accurate and can be volatile, owing to the smaller sample sizes and this may explain some of the variation in data. These figures should be viewed as estimates, rather than definitive data and caution applied in their interpretation. It is also advisable to revisit subsequent releases of these datasets in the future to ascertain if the trends continue, or whether some of the figures may be a result of statistical anomalies.

## **Analysing Annual Population Survey data change between two time periods and between two areas**

Please note that the difference in the rates and numbers sourced from the Annual Population Survey between two time periods for the same geographic area, and between two time periods for different geographies, may not be statistically significant, owing to the wide confidence intervals associated with the data and differences in the sample sizes. A statistical calculation is required to determine if numbers and rates are statistically different between two time periods and between geographies over time. Owing to time constraints, these calculations have not been carried out in this report and caution should be applied when interpreting the results. Details of variation over time have been provided as a rough indication of change only.

## **Analysing change in data sourced from the Annual Population Survey within a 12 month period**

Please note that calculating any change in figures from data sourced from the Annual Population Survey within a 12 month period is not methodologically robust as the results are drawn from the same sample cohort. Any figures meeting this criteria have been provided for information only.

## **Background and definitions**

The figures in this report are estimates, sourced from the Annual Population Survey (APS) / Labour Force Survey (LFS), published by the Office of National Statistics (ONS) via the National Online

Manpower Information System ([N.O.M.I.S](#)) website. The data is published quarterly, but each dataset covers a twelve month period, for example, from April 2014 to March 2015; July 2014 to June 2015; October 2014 to September 2015, or January 2015 to December 2015.

For the year to December 2015, there were 246,383 people surveyed in the United Kingdom, with 4,746 of these interviews taking place in the Lancashire-14 area. Broken down by the individual authorities, over half (2,592) of the Lancashire interviews were undertaken in the two unitary authorities of Blackburn with Darwen (1,391) and Blackpool (1,201). The remaining numbers varied between 260 interviews in Preston to just 101 in Ribble Valley. With such a relatively small number of survey interviews being undertaken in Lancashire local authorities, the district results tend to have a wider margin of error associated with the data. The analysis in this report uses higher geographies at the sub-regional and county level to reduce the margins of error.

Unemployment should not be confused with economic *inactivity*. People who are classified as being unemployed are involved in the labour market and are actively seeking employment and are deemed to be economically active. Official unemployment as measured in the UK meets the International Labour Organisation (ILO) definition. This defines unemployed people as being those persons aged 16 and over without a job, who have been actively seeking work in the past four weeks and are available to start work in the next two weeks, or people who are out of work, have found a job and are waiting to start it in the next two weeks. This definition is used by the Statistical Office of the European Union (Eurostat), the Organisation for Economic Co-operation and Development (OECD), and most other countries. Unemployment rates are calculated, in accordance with international guidelines, as the number of unemployed people divided by the economically active population (those in employment plus those who are unemployed).

People who are categorised as being economically *inactive* in the UK are defined as persons aged 16 and over without a job, who have not sought work in the last four weeks and/or are not available to start work in the next two weeks. The main economically inactive groups are students, people looking after family and home, long term sick and disabled, temporarily sick and disabled, retired people and discouraged workers. A [video podcast](#) produced by the Office of National Statistics provides further explanation about these labour market statistics and rates.

## **Unemployment in the UK and Lancashire sub-regions and yearly change**

Official unemployment in the UK for the year from January 2015 to December 2015 totalled 1,723,800 persons with an unemployment rate of 5.3% (+/- 0.1%). The rates for the Lancashire-14 area at 4.2% (+/- 0.8%), the Lancashire-12 area at 3.5% (+/- 1.0%) and the Lancashire West sub-region at 3.7% (+/- 0.9%) are lower than the UK unemployment rate in statistical terms. Table U1 and Figures U1 and U2 refer.

For the year ending December 2015, the unemployment rates were 5.1% (+/- 1.2%) within East Lancashire and 5.3% (+/- 0.3%) for the North West region. Owing to the overlapping confidence intervals, these two rates cannot be said to be higher or lower than the UK rate of 5.3% (+/- 0.1%). Table U1 and Figures U1 and U2 refer.

Unemployment at the UK level has fallen by -303,100 persons (-15.0%) between the year ending December 2014 and the year ending December 2015, falling from 2,026,900 to 1,723,800 people.

The UK unemployment rate fell by -0.9 percentage points, from 6.2% (+/- 0.1%) to 5.3% (+/- 0.1%) over the year. The UK rate has dropped to pre-recession levels, which ranged between 5.1% and 5.3% in 2007.

**Table U1: Official unemployment estimates from the Annual Population Survey <sup>(1)</sup> - persons aged 16+ for the year January 2015 to December 2015 and yearly changes (from year to December 2014)**

Table U1	Total unemployment estimates – for year from January 2015 to December 2015				Change since year to December 2014		
	Area	Total number of persons unemployed (2) (3)	All persons aged 16+ economically active Denominator (3)	Unemployment rate for all persons 16+ (3)	With confidence interval ±% given below (4)	Number	%
<b>Lancashire-12 area <sup>(6)</sup></b>	20,400	575,500	3.5	1.0	-13,800	-40.4	-2.6
East Lancashire <sup>(7)</sup>	13,100	256,700	5.1	1.2	-8,900	-40.5	-4.1
Lancashire West <sup>(8)</sup>	16,800	453,300	3.7	0.9	-5,000	-22.9	-1.1
<b>Lancashire-14 area <sup>(9)</sup></b>	29,900	710,000	4.2	0.8	-13,900	-31.7	-2.1
North West	187,200	3,499,500	5.3	0.3	-57,900	-23.6	-1.8
England	1,423,800	27,692,000	5.1	0.1	-277,500	-16.3	-1.1
Great Britain	1,671,400	31,918,100	5.2	0.1	-300,000	-15.2	-1.0
<b>United Kingdom</b>	1,723,800	32,794,800	5.3	0.1	-303,100	-15.0	-0.9

Notes: [1] Yearly estimates (produced quarterly).

[2] Unemployment numbers for some related geographies may not sum exactly, owing to rounding.

[3] The unemployment numbers and associated denominators (economically active populations aged 16+) in the table are rounded to the nearest 100, therefore the rates when calculated from the rounded figures may not match the actual published rates (which are calculated from unrounded figures).

[4] Confidence intervals = 95% confidence interval of percentage figure. To obtain the full potential range of the unemployment rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage unemployment rate.

[5] Change in the unemployment rate: please note that although the number unemployed may not have changed, a change in the unemployment rate may occur owing to a change in the economically active denominator between dates.

[6] The Lancashire County Council 12-authority area figure is an amalgamation of the 12 Lancashire districts.

[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale and Blackburn with Darwen unitary authority.

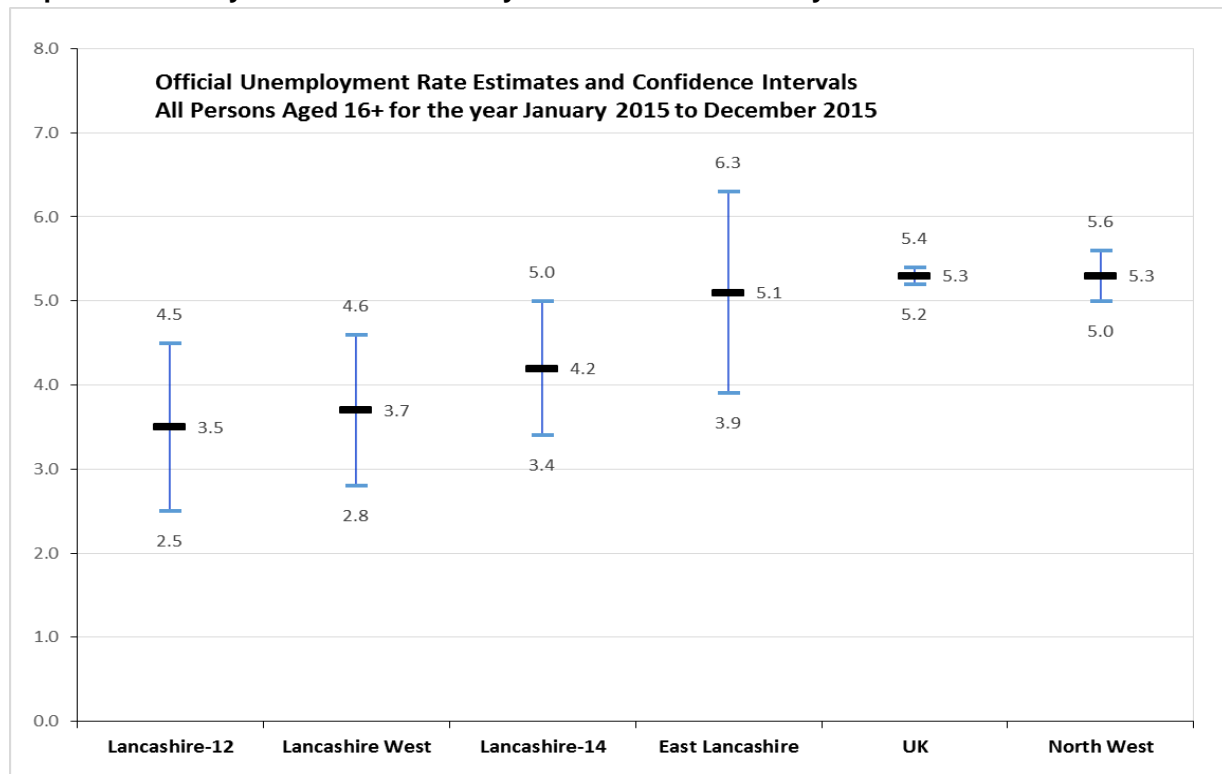
[8] Lancashire West includes Chorley, Fylde, Lancaster, Preston, South Ribble, West Lancashire and Wyre and Blackpool unitary authority.

[9] The Lancashire 14-authority sub-region figure includes the 12 local authorities within the Lancashire County Council area and the two unitary authorities of Blackburn with Darwen and Blackpool.

Source: Annual Population Survey – Office for National Statistics – via the National On-line Manpower Information System (N.O.M.I.S.).

Since the recent peak in UK unemployment, for the year ending June 2012 of 2,576,700 people (8.1%, +/-0.1%), the total has fallen by -852,900 people (-33.1%), or a third, and the unemployment rate has reduced by -2.8 percentage points to 5.3% (+/- 0.1%). Table U2 and Figures U1 and U2 refer.

**Figure U1: Official estimates of unemployment rates (with confidence intervals) from the Annual Population Survey/Labour Force Survey – All Persons – January 2015 to December 2015**



Source: Official unemployment estimates from the Annual Population Survey / Labour Force Survey, Office for National Statistics via the National On-line Manpower Information System (N.O.M.I.S.).

Figure U2 shows that the fluctuation in the unemployment rate at the UK level is much less than that recorded for the Lancashire sub-regions since 2009/2010. Tables U1 and U2 and Figure U2 refer.

Unemployment rates have fallen by a greater extent in the Lancashire sub-regions than at the UK level over the previous year, where nationally, the rate dropped by -0.9 percentage points. Rates have decreased by -4.1 percentage points within East Lancashire and by -1.1 percentage points in the Lancashire West part of the sub-region. Overall therefore the unemployment rate for the Lancashire-14 area has declined by -2.1 percentage points. The fall was greater in the Lancashire-12 area however, at -2.6 percentage points. Table U1 and Figures U1 and U2 refer.

### **Analysis of yearly change in unemployment and related labour market indicators within East Lancashire**

Within East Lancashire, the number of unemployed persons decreased considerably, by -8,900 persons (-40.5%), or more than two fifths over the year – and the number employed has risen markedly, by +25,700 (+11.8%). This has impacted upon the economically active denominator (those employed and unemployed) for East Lancashire, which rose by +16,800 people (+25,700 employed persons -8,900 unemployed persons). Please note that totals may not sum exactly, owing to rounding. The magnitude of the fall in the number unemployed has resulted in a sharp decrease to the unemployment rate of -4.1 percentage points to 5.1% (+/- 1.2%), despite the 16+

economically active denominator rising by +7.0% (+16,800 persons). For comparison, the UK 16+ economically active denominator increased by +1.0% over the year.

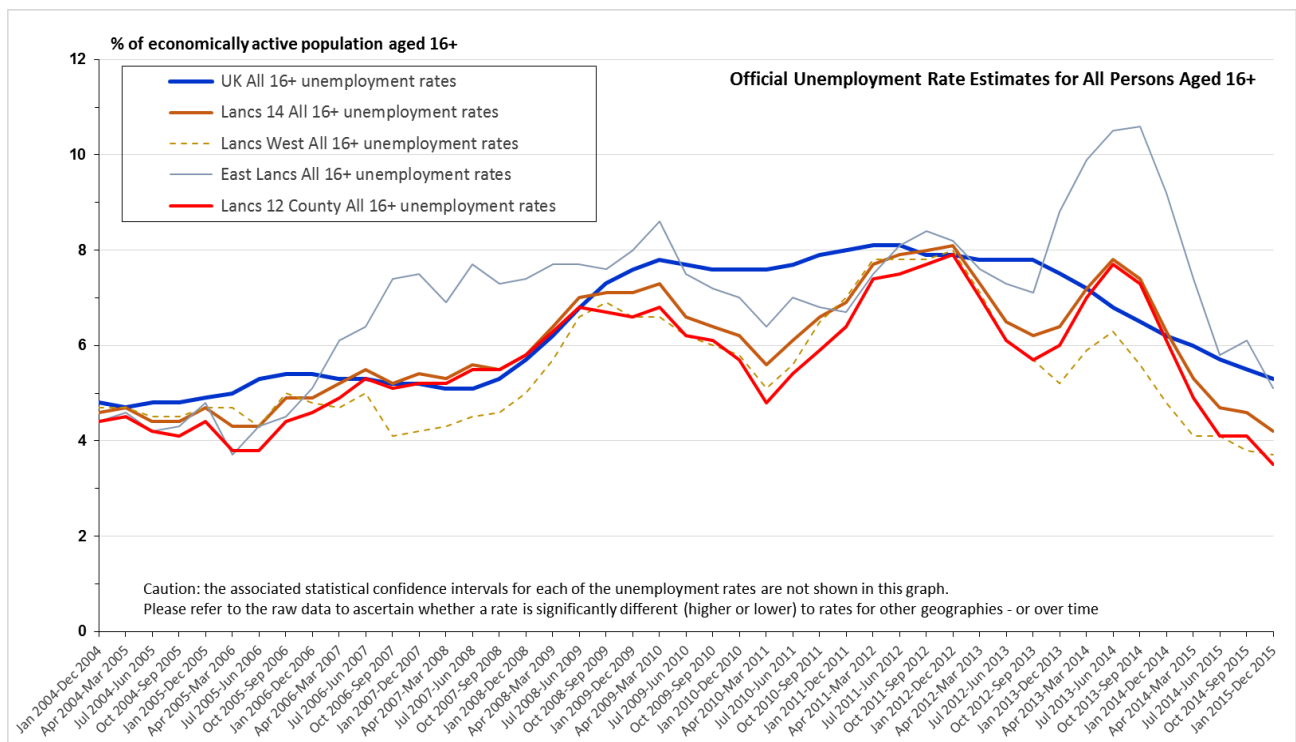
For the year ending December 2015, unemployment within East Lancashire is lower than levels estimated in early 2007, just prior to the financial crisis, standing at 13,100 people with an unemployment rate of 5.1% (+/- 1.2%). Owing to the overlapping confidence intervals with the UK rate, the East Lancashire unemployment rate cannot be said to be higher or lower than the UK rate of 5.3% (+/- 0.1%). Table U1 and Figures U1 and U2 refer.

The number of **employed persons aged 16+** within East Lancashire rose markedly over the year, by +25,700 (+11.8%) and the 16+ employment rate increased by +6.2 percentage points, from 51.9% (+/- 2.2%) to 58.1% (+/- 2.1%). Owing to this rise, the East Lancashire 16+ employment rate was not statistically lower than the UK 16+ employment rate of 59.8% (+/- 0.2%) for the year ending December 2015.

The number of **people aged 16+ who are economically inactive** has also fallen over the last year within East Lancashire, by -17,700 people (-9.8%) and the 16+ economically *inactive* rate has decreased by -4.1 percentage points to 38.8% (+/- 2.1%). Owing to the number and rate falling over the year, the East Lancashire 16+ economically *inactive* rate is no longer statistically higher than the UK 16+ economically *inactive* rate of 36.9% (+/- 0.2%) as at the year ending December 2015.

The population aged 16+ in East Lancashire is estimated to have fallen by -900 persons (-0.2%) over the year, which may have impacted slightly upon the 16+ employment rate, the 16+ economically active rate and the 16+ economically *inactive* rate for the area. For comparison, the 16+ population at the UK level was estimated to have grown by +0.6% over the year.

**Figure U2: Official yearly unemployment rates (produced quarterly) – all persons – for the year ending December 2004 to the year ending December 2015**





Note: Unemployment rates have been reproduced without their associated (+/-) confidence intervals and are therefore indicative only. Analysis of the source data with confidence intervals is required to assess the potential deviations from the central rates and determine whether any differences are statistically significant.

Source: Office for National Statistics Annual Population Survey via the National On-line Manpower Information System.

### **Analysis of yearly change in unemployment and related labour market indicators in the Lancashire West sub-region**

Within the Lancashire West sub-region, unemployment has fallen by -5,000 persons (-22.9%) on the previous year, or more than a fifth – and the number employed has risen by +8,400 persons (+2.0%). The impact on the 16+ economically active denominator (those employed and unemployed) was therefore to increase the total by +3,400 persons, or +0.8% (+8,400 employed persons (+) - 5,000 unemployed persons). Please note that totals may not sum owing to rounding. The result of these changes has been to lower the unemployment rate, by -1.1 percentage points, to 3.7% (+/- 0.9%), which is the lowest rate in this series (since the year ending December 2015). Within the Lancashire West sub-region, both economic *inactivity* and employment have risen as unemployment has fallen.

The number of [employed persons aged 16+](#) within the Lancashire West sub-region rose by +8,400 (+2.0%) over the year and the 16+ employment rate rose by 0.2 percentage points, from 56.8% (+/- 1.8%) to 57.0% (+/- 1.9%). The rate has only risen by 0.2 percentage points because the 16+ population (the 16+ employment rate denominator) within the Lancashire West sub-region is estimated to have increased by +11,900 persons (+1.6%) over the year, which was only slightly less than the rate of the increase in employment numbers (+2.0%). The Lancashire West 16+ employment rate of 57.0% (+/- 1.9%) was statistically lower than the UK 16+ employment rate of 59.8% (+/- 0.2%) for the year ending December 2015.

The number of [people aged 16+ who are economically inactive](#) has risen markedly over the last year within the Lancashire West sub-region, by +8,500 people (+2.8%) and the 16+ economically *inactive* rate has risen by +0.4 percentage points to 40.8% (+/- 1.9%) for the year ending December 2015, which is the third highest in the series (ignoring the +/- confidence intervals).

The Lancashire West rise in 16+ economic *inactivity* is opposite to the fall within East Lancashire, which recorded a decrease of -9.8% in the number of *inactive* people and a reduction of -4.1 percentage points in the economically *inactive* rate over the year. For comparison, the UK 16+ economically *inactive* rate fell by -0.2 percentage points over the year. This situation arose because the number of economically *inactive* people rose only marginally, by +0.1%, whilst the overall growth in the 16+ population was much stronger at +0.6%.

The population aged 16+ in the Lancashire West sub-region is estimated to have increased notably, by +11,900 persons (+1.6%), over the year, which may have impacted upon the 16+ employment rate, the 16+ economically active rate and the 16+ economically *inactive* rate for the area. For comparison, the 16+ population at the UK level was estimated to have grown by +0.6% over the year, but fallen only slightly, by -0.2% (-900 persons) within East Lancashire. Overall therefore, the 16+ population rose by +0.9% (+11,100 people) in the Lancashire-14 area over the year. Please note that totals may not sum owing to rounding.

### **Analysis of yearly change in unemployment and related labour market indicators within the Lancashire-14 area**

Within the Lancashire-14 area, unemployment fell by -13,900 persons (-31.7%), or almost a third, to 29,900 persons over the year – and the number employed rose by +34,100 persons (+5.3%). The result of these changes has been to lower the unemployment rate, by -2.1 percentage points, to 4.2% (+/- 0.8%), which is the lowest rate in the series (since the year ending December 2004). It is the lowest rate since mid-2006, prior to the 2008/09 recession and the 2007 financial crisis when the rate was estimated at 4.3% (+/- 0.7%) for the years ending March 2006 and June 2006.

The percentage fall in unemployment numbers in the Lancashire-14 area (-31.7%) was greater than the UK drop (-15.0%) and the fall in the unemployment rate in the Lancashire-14 area of -2.1 percentage points was larger than the UK drop of -0.9 percentage points. The decrease in unemployment within East Lancashire of -8,900 persons (-40.5%) was greater than the fall in the Lancashire West sub-region of -5,000 (-22.9%) over the previous year.

The number employed rose markedly within East Lancashire (+25,700, +11.8%) but less so within the Lancashire West sub-region (+8,400 people, +2.0%) over the year, therefore 16+ employment has risen by +34,100 (+5.3%) in the Lancashire-14 area. For comparison, 16+ employment at the UK level rose by +2.0%, or +617,100 persons over the year. The 16+ employment rate increased by +2.4 percentage points, from 55.0% (+/- 1.4%) to 57.4% (+/- 1.4%) in the Lancashire-14 area over the year. Despite this rise, the 16+ employment rate for the Lancashire-14 area was statistically lower than the UK 16+ employment rate of 59.8% (+/- 0.2%) for the year ending December 2015.

The changes to unemployment and employment have impacted upon the 16+ economically active denominator (those employed and unemployed) for the Lancashire-14 area, which rose by +20,200 people, or +2.9% (+34,100 employed persons (+) - 13,900 unemployed) over the year to 59.9% (+/- 1.4%). This outturn was predominantly the result of the reductions to unemployment in both the East Lancashire and the Lancashire West sub-regions over the year and the marked increase to employment in East Lancashire (and to a lesser extent in the Lancashire West sub-region). Despite the rise, the 16+ economically active rate of 59.9% (+/- 1.4%) for the Lancashire-14 area was statistically lower than the UK 16+ economically active rate of 63.0% (+/- 0.2%) for the year ending December 2015. Table U1 and Figures U1 and U2 refer.

The number of people aged 16+ who are economically inactive in the Lancashire-14 area decreased by -9,100 persons (-1.9%) over the previous year and the 16+ economically *inactive* rate fell by -1.2 percentage points to 40.1% (+/- 1.4%) for the year ending December 2015. This is the result of the number of economically *inactive* people aged 16+ rising by +8,500 persons (+2.8%) within the Lancashire West sub-region and decreasing by -17,700 people (-9.8%) within East Lancashire. For comparison, the UK 16+ economically *inactive* rate fell by a lower -0.2 percentage points over the year. This situation arose because the number of economically *inactive* people rose only marginally, by +0.1%, whilst the overall growth in the 16+ population was much stronger at +0.6%. The 16+ economically *inactive* rate for the Lancashire-14 area of 40.1% (+/- 1.4%) was statistically higher than the UK 16+ economically *inactive* rate of 36.9% (+/- 0.2%) for the year ending December 2015.

The population aged 16+ in the Lancashire-14 area rose by +11,100 persons (+0.9%) over the year. The 16+ population at the UK level was estimated to have grown by a slightly lower

percentage of +0.6%. The increase in the 16+ population in the Lancashire-14 area was the result of an increase in the Lancashire West sub-region of +11,900 people (+1.6%), minus the fall of -900 persons (-0.2%) within East Lancashire.

### **Analysis of yearly change in unemployment and related labour market indicators within the Lancashire-12 area**

Within the Lancashire-12 area, unemployment decreased by a notable -13,800 persons (-40.4%), or two-fifths, over the year, and the number employed has risen substantially, by +25,900 (+4.9%). The unemployment rate fell notably, by -2.6 percentage points, to 3.5% (+/- 1.0%) and 20,400 unemployed persons over the year in the Lancashire-12-area. These changes have impacted upon the 16+ economically active denominator (those employed and unemployed) for the Lancashire-12 area, which rose by +12,100 people, or +2.1% (+25,900 employed persons (+) -13,800 unemployed persons) over the year. Please note that figures may not sum exactly, owing to rounding. The reduced unemployment numbers now represent a lower percentage of a greater economically active denominator. Table U1 and Figures U1 and U2 refer.

For the year ending December 2015, unemployment within the Lancashire-12 area was the lowest in the series (since the year ending December 2004) and lower than levels estimated in the autumn of 2006, prior to the 2007 financial crisis and the 2008/09 recession, standing at 20,400 people with an unemployment rate of 3.5% (+/- 1.0%). The Lancashire-12 area unemployment rate was statistically lower than the UK rate of 5.3% (+/- 0.1%) for the year ending December 2015. Table U1 and Figures U1 and U2 refer.

The number of [employed persons aged 16+](#) within the Lancashire-12 area rose markedly over the year, by +25,900 (+4.9%) and the 16+ employment rate increased by +2.1 percentage points, from 56.2% (+/- 2.0%) to 58.3% (+/- 2.0%). Owing to this rise, the 16+ employment rate for the Lancashire-12 area can no longer be said to be statistically lower than the UK 16+ employment rate of 59.8% (+/- 0.2%) for the year ending December 2015, although the central employment rate for the Lancashire-12 area remains lower than the UK rate.

The number of [people aged 16+ who are economically inactive](#) has fallen over the last year within the Lancashire-12-area, by -2,800 people (-0.7%) and the 16+ economically *inactive* rate has decreased by -0.7 percentage points. These are lower percentage decreases than estimated within the Lancashire-14 area, which recorded an fall of -1.9% in the number of *inactive* people aged 16+ and a drop of -1.2 percentage points in the 16+ economically *inactive* rate over the year. For comparison, the UK 16+ economically *inactive* rate fell by a lower -0.2 percentage points over the year. This situation arose because the number of economically *inactive* people rose only marginally, by +0.1%, whilst the overall growth in the 16+ population was much stronger at +0.6%.

Economic *inactivity* of persons aged 16+ also fell markedly within East Lancashire over the last year, by -17,700 persons (-9.8%), and the 16+ economic *inactive* rate fell by -4.1 percentage points. This was greater than the reduction in the Lancashire-12 area. By contrast, 16+ economic *inactivity* rose in the Lancashire West sub-region, by +8,500 persons (+2.8%) and the 16+ economic *inactive* rate increased by +0.4 percentage points.

The 16+ economically *inactive* rate for the Lancashire-12 area of 39.5% (+/- 2.1%) was statistically higher than the UK 16+ economically *inactive* rate of 36.9% (+/- 0.2%) for the year ending December 2015.

The population aged 16+ in the Lancashire-12 area is estimated to have risen by +9,300 persons (+1.0%) over the year. For comparison, the 16+ population at the UK level was estimated to have grown by +0.6% over the year.

### UK and Lancashire 16+ unemployment change since the most recent peak (or low) and changes to employment, economic activity and economic inactivity

Since the 2008/09 recession, with the exception of East Lancashire, unemployment in the UK, North West and the remaining Lancashire sub-regions peaked at some point during 2012 (e.g. for the year ending June 2012). For East Lancashire, however, unemployment peaked roughly two years later, for the year ending September 2014, with very high rates and numbers. Table U2 and Figure U2 refer.

### Changes in UK unemployment and Lancashire unemployment since recent lows/peaks

UK unemployment peaked for the year ending June 2012 at 2,576,700 people (8.1%, +/-0.1%) and has since fallen by -852,900 people (-33.1%), or a third, which has reduced the UK unemployment rate by -2.8 percentage points, from 8.1% (+/- 0.1%) to 5.3% (+/- 0.1%) as at the year ending December 2015. Tables U2 and U3 and Figure U2 refer.

**Table U2: Official unemployment estimates from the Annual Population Survey (1) – persons aged 16+ for the year January 2015 to December 2015 and changes since the previous recent peak (if applicable)**

Table U2	Total unemployment estimates - for year from January 2015 to December 2015				Change since previous recent peak (if applicable)		
	Area	Total number of persons unemployed (2) (3)	All persons aged 16+ economically active Denominator (3)	Unemployment rate for all persons 16+ (3)	With confidence interval ±% given below (4)	Number	%
Lancashire- 12 area (6)	20,400	575,500	3.5	1.0	-25,600 Dec 12	-55.7 Dec 12	-4.4 Dec 12
East Lancashire (7)	13,100	256,700	5.1	1.2	-12,300 Sept 14	-48.4 Sept 14	-5.5 Sept 14
Lancashire West (8)	16,800	453,300	3.7	0.9	-20,000 Mar 12	-54.3 Mar 12	-4.1 Mar 12 -4.3 Dec 12
Lancashire-14 area (9)	29,900	710,000	4.2	0.8	-28,300 Dec 12	-48.6 Dec 12	-3.9 Dec 12
North West	187,200	3,499,500	5.3	0.3	-117,200 Mar 12	-38.5 Mar 12	-3.5 Mar 12
United Kingdom	1,723,800	32,794,800	5.3	0.1	-852,900 June 12	-33.1 June 12	-2.8 June 12

Notes: [1] Yearly estimates (produced quarterly).

[2] Unemployment numbers for some related geographies may not sum exactly, owing to rounding.

[3] The unemployment numbers and associated denominators (economically active populations aged 16+) in the table are rounded to the nearest 100, therefore the rates when calculated from the rounded figures may not match the actual published rates (which are calculated from unrounded figures).

[4] Confidence intervals = 95% confidence interval of percentage figure. To obtain the full potential range of the unemployment rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage unemployment rate.

[5] Change in the unemployment rate: please note that although the number unemployed may not have changed, a change in the unemployment rate may occur owing to a change in the economically active denominator between dates.

[6] The Lancashire County Council 12-authority area figure is an amalgamation of the 12 Lancashire districts.

[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale and Blackburn with Darwen unitary authority.

[8] Lancashire West includes Chorley, Fylde, Lancaster, Preston, South Ribble, West Lancashire and Wyre and Blackpool unitary authority.

[9] The Lancashire 14-authority sub-region figure includes the 12 local authorities within the Lancashire County Council area and the two unitary authorities of Blackburn with Darwen and Blackpool.

N/A signifies not applicable as the peak or greatest figures have been estimated for the latest dataset.

\* Calculating any change in figures from data sourced from the Annual Population Survey within a 12 month period is not methodologically robust as the results are drawn from the same sample cohort. Figures provided for information only.

Source: Annual Population Survey – Office for National Statistics – via the National On-line Manpower Information System (N.O.M.I.S.).

Unemployment numbers have fallen by greater percentages in the Lancashire sub-regions since their respective peaks, than at the UK level. Unemployment did however reach very high levels within East Lancashire for the year ending September 2014, which should be borne in mind when making comparisons.

Since the year ending December 2012, the number of unemployed persons is lower by -28,300 (-48.6%) within the Lancashire-14 area and by -25,600 persons (-55.7%) in the Lancashire-12 area. For the Lancashire West sub-region, unemployment has reduced by -20,000 persons (-54.3%) since the year ending March 2012 and within East Lancashire, unemployment is lower by -12,300 (-48.4%) since the year ending September 2014.

**Table U3: Official unemployment from the Annual Population Survey (1) – persons aged 16+ for the year July 2011 to June 2012 and changes to the year ending December 2015**

Table U3	total unemployment estimates - for year from July 2011 to June 2012				change since year to June 2012		
	Area	Total number of persons unemployed (2) (3)	All persons aged 16+ economically active Denominator (3)	Unemployment rate for all persons 16+ (3)	With confidence interval ±% given below (4)	Number	%
<b>Lancashire-12 area (6)</b>	<b>45,300</b>	<b>599,800</b>	<b>7.5</b>	<b>1.3</b>	<b>-24,900</b>	<b>-55.0</b>	<b>-4.0</b>
East Lancashire (7)	20,900	260,200	8.1	1.5	-7,800	-37.3	-3.0
Lancashire West (8)	36,700	470,500	7.8	1.2	-19,900	-54.2	-4.1
<b>Lancashire-14 area (9)</b>	<b>57,700</b>	<b>730,700</b>	<b>7.9</b>	<b>0.9</b>	<b>-27,800</b>	<b>-48.2</b>	<b>-3.7</b>
North West	304,200	3,477,900	8.7	0.4	-117,000	-38.5	-3.4
<b>United Kingdom</b>	<b>2,576,700</b>	<b>31,839,000</b>	<b>8.1</b>	<b>0.1</b>	<b>-852,900</b>	<b>-33.1</b>	<b>-2.8</b>

Notes: [1] Yearly estimates (produced quarterly).

[2] Unemployment numbers for some related geographies may not sum exactly, owing to rounding.

[3] The unemployment numbers and associated denominators (economically active populations aged 16+) in the table are rounded to the nearest 100, therefore the rates when calculated from the rounded figures may not match the actual published rates (which are calculated from unrounded figures).

[4] Confidence intervals = 95% confidence interval of percentage figure. To obtain the full potential range of the unemployment rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage unemployment rate.

[5] Change in the unemployment rate: please note that although the number unemployed may not have changed, a change in the unemployment rate may occur owing to a change in the economically active denominator between dates.

[6] The Lancashire County Council 12-authority area figure is an amalgamation of the 12 Lancashire districts.

[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale and Blackburn with Darwen unitary authority.

[8] Lancashire West includes Chorley, Fylde, Lancaster, Preston, South Ribble, West Lancashire and Wyre and Blackpool unitary authority.

[9] The Lancashire 14-authority sub-region figure includes the 12 local authorities within the Lancashire County Council area and the two unitary authorities of Blackburn with Darwen and Blackpool.

Unemployment rates have decreased by -3.9 percentage points in the Lancashire-14 area and by -4.4 percentage points in the Lancashire-12 area since the year ending December 2012. Since the year ending March 2012, the Lancashire West unemployment rate has dropped by -4.1 percentage points, however, the Lancashire West unemployment rate peaked slightly later than the unemployment numbers, at 8.0% (+/- 1.3%) for the year ending December 2012 and has fallen by a slightly greater -4.3 percentage points since this later date. The unemployment rate for East Lancashire has fallen by -5.5 percentage points since the year ending September 2014.

For the year ending December 2015, the unemployment rates for the Lancashire-12 area at 3.5% (+/- 1.0%), the Lancashire West sub-region at 3.7% (+/- 0.9%) and the Lancashire-14 area at 4.2% (+/- 0.8%) are lower than the UK rate in statistical terms.

### **Changes in 16+ employment within the UK and Lancashire sub-regions since previous peaks/lows**

Employment of persons aged 16+ in the UK is higher than the pre-recession peak of 29,502,300 people, estimated for the year ending September 2008, by +1,568,700 persons (+5.3%) at 31,071,000 people for the year ending December 2015. This is a peak number for this dataset, but not a peak rate – a UK 16+ employment rate of 60.0% (+/- 0.2%) was estimated slightly earlier on two occasions in 2008, for the year ending March 2008 and the year ending June 2008. The UK 16+ employment rate of 59.8% (+/- 0.2%) for the year ending December 2015 is therefore lower than the previous peak (ignoring the +/- confidence intervals) by 0.2 percentage points.

As a result of the recession, UK 16+ employment fell by -609,900 persons, from 29,502,300 people for the year ending September 2008, just as the recession was taking hold, to the post-recession low of 28,892,400 for the year ending March 2010. Since this date, UK 16+ employment has increased by +2,178,600 people (+7.5%) and the 16+ UK employment rate has risen by +1.8 percentage points to 59.8% (+/- 0.2%) for the year ending December 2015.

Contrary to the UK, where 16+ employment has increased almost consistently since the year ending March 2010 to reach the peak total for the year ending December 2015, employment numbers remain below their respective previous peaks (estimated for the year ending March 2011), in both the Lancashire-12 area (by -3,900 people) and the Lancashire West sub-region (by -8,300 persons).

Similar to the UK, however, 16+ employment numbers are now greater than the previous peaks, estimated for the year ending March 2011, in the Lancashire-14 area (by +2,700 persons), and for the year ending March 2013 in the East Lancashire sub-region (by +2,100 people). These figures represent peak totals for the series (since the year ending December 2004). Within East Lancashire, 16+ employment has increased markedly, by +32,800 persons (15.6%) from the recent low of 210,800 people estimated for the year ending March 2014.

For the year ending December 2015, the central 16+ employment rates (ignoring the +/- confidence intervals) for all the Lancashire sub-regions are, however, lower than their previous highs in this series (since the year ending December 2004). The Lancashire-12 rate is lower by -1.5 percentage points, the Lancashire-14 rate lower by -0.9 percentage points, the East Lancashire

rate lower by -1.0 percentage point and the Lancashire West rate lower by -2.4 percentage points (and by -3.0 percentage points from the high for the series – for the year ending December 2004).

Within East Lancashire, the estimated 16+ employment numbers peaked for the year ending December 2015 at 243,600 persons. This figure was +2,100 (+0.9%) greater than the previous peak estimated for the year ending March 2013 at 241,500 persons. The East Lancashire 16+ employment rate at 58.1% (+/- 2.1%) for the year ending December 2015, however, remains below the previous peak for the series of 58.4% (+/- 2.1%) estimated for the year ending December 2012 (and for the year ending June 2012) by -0.3 percentage points (ignoring the +/- confidence intervals). The 16+ employment rate within East Lancashire is -1.0 percentage point lower than the series peak, estimated at 59.1% (+/- 1.3%) for the year ending December 2004.

For the year ending December 2015, the 16+ employment number was estimated at 436,500 people in the Lancashire West sub-region. This figure was -8,300 persons (-1.9%) lower than the previous peak, estimated at 444,800 people for the year ending March 2011. The 16+ employment rate for the Lancashire West sub-region, estimated at 57.0% (+/- 1.9%) for the year ending December 2015, was lower by -2.4 percentage points since the year ending March 2011 (ignoring the +/- confidence intervals), but -3.0 percentage points lower since the previous high for the series of 60.0% (+/- 1.6%), estimated for the year ending June 2008.

The estimated 16+ employment numbers also peaked within the Lancashire-14 area at 680,100 persons for the year ending December 2015. This figure was +2,700 (+0.4%) greater than the previous peak, estimated for the year ending March 2011, at 677,400 persons. The 16+ employment rate in the Lancashire-14 area at 57.4% (+/- 1.4%) for the year ending December 2015, however, remains below the previous peak within the series of 58.3% (+/- 1.3%) estimated for the year ending March 2011, by -0.9 percentage points (ignoring the +/- confidence intervals).

For the Lancashire-12 area, the 16+ employment number was estimated at 555,100 persons for the year ending December 2015. This figure was -3,900 persons (-0.7%) below the previous peak, estimated for the year ending March 2011, at 559,000 people. The 16+ employment rate for the Lancashire-12 area, estimated at 58.3% (+/- 2.1%) for the year ending December 2015, was -1.5 percentage points lower than the previous peak rate of 59.8% (+/- 1.9%) also estimated for the year ending March 2011 (ignoring the +/- confidence intervals).

### **Changes in 16+ economic activity within the UK and Lancashire sub-regions since previous peaks/lows**

Changes to the UK unemployment and employment numbers for persons aged 16+ have impacted upon the UK 16+ economically active rate denominator (those employed and unemployed). The 16+ economically active rate for the UK reached a low point for the series of 62.5% (+/-0.2%) for the year ending September 2011, following the 2008/09 recession. This was largely the result of low employment numbers at this time.

Since the year ending September 2011, the UK 16+ economically active rate has risen by +0.6 percentage points to 63.1% (+/- 0.2%) for the year ending December 2015. This is mainly the result of an increase in 16+ employment of +1,968,100 people (+6.8%) and a fall in 16+ unemployment of -768,200 persons (-30.8%). The number of economically active persons aged

16+ therefore increased by +1,199,900 people (+3.8%), from 31,594,900 persons as at the year ending September 2011, to 32,794,800 persons for the year ending December 2015. This is the peak number of economically active persons aged 16+ in the UK, but not a peak rate – a UK rate of 63.3% (+/- 0.2%) was estimated for both the year ending June 2007 and the year ending September 2008.

Contrary to the UK, where the 16+ economically active rate reached a low point for the ending September 2011, the 16+ economically active rate for the Lancashire West sub-region reached a peak for the series of 62.9% (+/-1.7%) for the year ending December 2011, following the 2008/09 recession. This was a result of relatively high employment at this time in the sub-region and high unemployment totals (and low economic *inactivity*).

Since the year ending December 2011, the Lancashire West 16+ economically active rate has fallen by -3.7 percentage points to 59.2% (+/- 1.9%), which is one of the lowest rates in the series for the sub-region. This has been the result of a decrease in 16+ employment of -4,500 people (-1.0%) and a fall in 16+ unemployment of -16,200 persons (-49.1%) since December 2011. The number of economically active persons aged 16+ therefore fell in the Lancashire West sub-region by -20,700 people (-4.4%), from 474,000 persons as at the year ending December 2011, to 453,300 persons for the year ending December 2015. Please note that totals may not sum exactly, owing to rounding.

Again, contrary to the UK, where the 16+ economically active rate reached a low point for the ending September 2011, the 16+ economically active rate for the East Lancashire sub-region reached a peak for the series of 63.7% (+/-2.1%) for the year ending December 2012, following the 2008/09 recession. This was the result of near peak employment levels at this time in the sub-region and relatively high unemployment totals (and low economic *inactivity*).

Within East Lancashire, the 16+ economically active rate has fallen by -2.5 percentage points since the year ending December 2012 to 61.2% (+/- 2.1%) for the year ending December 2015. This has been the result of an increase in 16+ employment of +2,900 people (+1.2%) and a fall in 16+ unemployment of -8,500 persons (-39.4%) since December 2012. The number of economically active persons aged 16+ therefore fell in East Lancashire by -5,500 people (-2.1%), from 262,200 persons as at the year ending December 2012, to 256,700 persons for the year ending December 2015. Please note that totals may not sum exactly, owing to rounding. The East Lancashire rate has however increased notably since recent lows for the year ending March 2014.

The figures for the Lancashire-14 area reflect changes within both the Lancashire West and East Lancashire sub-regions. Economic activity for persons aged 16+ peaked in the Lancashire West sub-region for year ending December 2011, but for the year ending December 2012 within East Lancashire. For the Lancashire-14 area, the 16+ economically active rate peaked for the year ending June 2012 at 62.6% (+/- 1.3%). This was the result of high employment levels and near peak unemployment levels at this time.

The 16+ economic activity rate for the Lancashire-14 area is lower by -2.7 percentage points since the year ending June 2012, dropping to 59.9% (+/- 1.4%) for the year ending December 2015. This has been the result of a slight increase in 16+ employment of +7,100 people (+1.1%) and a fall in 16+ unemployment of -27,800 persons (-48.2%) since June 2012. The number of economically



active persons aged 16+ therefore fell in the Lancashire-14 area by -20,700 people (-2.8%), from 730,700 persons as at the year ending June 2012, to 710,000 persons for the year ending December 2015.

For the Lancashire-12 area, the 16+ economically active rate reached a peak for the series of 63.8% (+/-1.9%) for the year ending June 2012, following the 2008/09 recession. This was the result of both relatively high employment and unemployment levels at this time in the area. This was opposite to the UK, where the 16+ economically active rate reached a low point for the ending September 2011.

The Lancashire-12 area 16+ economically active rate is lower by -3.3 percentage points since the year ending June 2012, falling to 60.5% (+/- 2.1%) for the year ending December 2015. This has been the result of only a marginal rise in 16+ employment of +500 people (+0.1%) and a substantial fall in 16+ unemployment of -24,900 persons (-55.5%) since June 2012. The number of economically active persons aged 16+ therefore fell in the Lancashire-12 area by -24,300 people (-4.1%), from 599,800 persons as at the year ending June 2012, to 575,500 persons for the year ending December 2015. Please note that totals may not sum exactly, owing to rounding.

### **Changes in 16+ economic *inactivity* within the UK and Lancashire sub-regions since previous peaks/lows**

The [economic \*inactivity\* rate for persons aged 16+](#) at the UK level has declined by -0.6 percentage points from the peak of 37.5% (+/- 0.2%) estimated for the year ending September 2011, following the recession, to 36.9% (+/- 0.2) for the year ending December 2015.

By contrast, the economic *inactivity* rates (and numbers) for persons aged 16+ within the Lancashire sub-regions are now near their highest levels, having increased quite markedly since their respective recent low points in 2011 and 2012. Despite the relatively high rate, the East Lancashire 16+ economic *inactivity* rate has fallen sharply, however, by -5.8 percentage points, from recent extreme peak rates recorded within the last two years.

Rates are higher by +3.3 percentage points in the Lancashire-12 area and by +2.7 percentage points in the Lancashire-14 area since the recent lows, estimated for the year ending June 2012, in these two areas and by +3.7 percentage points in the Lancashire West sub-region since the year ending December 2011 (slightly earlier). The 16+ economic *inactivity* rate for East Lancashire is higher by +2.3 percentage points since the year ending June 2012 (the low point for the number of 16+ economically *inactive* persons within East Lancashire), but greater by +2.5 percentage points since the year ending December 2012, the low point for the East Lancashire 16+ economically *inactive* rate. These increases contrast to the fall in the UK rate of -0.6 percentage points since the year ending September 2011.

For the Lancashire West sub-region, the recent low point was estimate to have occurred slightly earlier, for year ending December 2011. The Lancashire West rate is +3.7 percentage points greater since this time. The 16+ economic *inactivity* rate for East Lancashire is higher by +2.3 percentage points since the year ending June 2012 (the low point for the number of 16+ economically *inactive* persons within East Lancashire), but is greater by +2.5 percentage points since the year ending December 2012, the low point for the East Lancashire 16+ economically

*inactive rate*. These increases contrast to the fall in the UK rate of -0.6 percentage points since the year ending September 2011.

The number of economically *inactive* persons aged 16+ in the UK has risen by +1.2% (+231,800 persons) since the year ending September 2011, which is much lower than the percentage increases of +10.3% (+35,000 people) in the Lancashire-12 area, +8.8% (+38,400 persons) in the Lancashire-14 area and +9.0% (+13,400 persons) within East Lancashire, since the year ending June 2012 for these three Lancashire sub-regions. Numbers have risen by +12.0% (+33,500 people) in the Lancashire West sub-region, estimated since the low point for the year ending December 2011.

### **Change in the UK population aged 16 and over since the year ending June 2012 (UK unemployment peak).**

The population aged 16 and over in the UK is estimated to have increased by +1,160,900 persons (+2.3%) between the year ending June 2012 and the year ending December 2015. For the Lancashire-14 area, the 16+ population has risen by +17,800 persons (+1.5%) since the year ending June 2012, which is lower than the UK percentage increase. The Lancashire-14 figure conceals a lower percentage rise of +1.0% (+7,800 persons) in the Lancashire West sub-region over the period and a greater percentage increase of +2.4% (+9,900 persons) within East Lancashire. The 16+ population has risen by +10,700 people (+1.1%) in the Lancashire-12 area, which again is lower than the UK percentage increase since the year ending June 2012. These 16+ population changes will impact upon the 16+ employment rate and the 16+ economically active and inactive rates.

Table U3 and figure U2 above show how unemployment has changed within the Lancashire sub-regions since the UK peak in unemployment for the year ending June 2012. The UK unemployment rate has dropped of -2.8 percentage points since the year ending June 2012. All of the Lancashire sub-regions have recorded greater falls in their respective unemployment rates over the same period (ignoring the +/- confidence intervals), ranging from -3.0 percentage points to -4.1 percentage points.

Of the Lancashire sub-regions, East Lancashire recorded the lowest drop (ignoring the +/- confidence intervals) in its unemployment rate since the year ending June 2012, falling by -3.0 percentage points, to 5.1% (+/- 1.2%). The East Lancashire unemployment rate did peak much higher and later in the series at 10.6% (+/- 1.8%) for the year ending September 2014. The East Lancashire unemployment rate has dropped by -5.5 percentage points since the year ending September 2014 (ignoring the +/- confidence intervals). The Lancashire West unemployment rate fell the greatest amount (ignoring the +/- confidence intervals) since the year ending June 2012, falling by -4.1 percentage points to 3.7% (+/- 0.9%) for the year ending December 2015. For the Lancashire-14 area, the unemployment rate fell by -3.7 percentage points (ignoring the +/- confidence intervals) since the year ending June 2012 to 4.2% (+/- 0.8%) for the year ending December 2015. For the Lancashire-12 area, the unemployment rate dropped by -4.0 percentage points (ignoring the +/- confidence intervals) between the year ending June 2012 and the year ending December 2015 to 3.5% (+/- 1.0%).

## UK and Lancashire 16+ unemployment and change since December 2004

The unemployment numbers and rates change and fluctuate over time. The following figures provide a snapshot of how unemployment has altered between two points in time – for the year ending December 2004 and the year ending December 2015. They do not address the highs, peaks or low points during this time period. Table U4 and Figure U2 refer.

### **Analysing Annual Population Survey data change between two time periods and between two areas**

Please note that the difference in the rates and numbers sourced from the Annual Population Survey between two time periods for the same geographic area, and between two time periods for different geographies, may not be statistically significant, owing to the wide confidence intervals associated with the data and differences in the sample sizes. A statistical calculation is required to determine if numbers and rates are statistically different between two time periods and between geographies over time. Owing to time constraints, these calculations have not been carried out in this report and caution should be applied when interpreting the results. Details of variation over time have been provided as a rough indication of change only.

Unemployment numbers are now estimated to be greater within East Lancashire by more than a fifth, and the unemployment rate higher by just under a sixth, than for the year ending December 2004. Within the Lancashire West sub-region, however, unemployment numbers are estimated to be lower than for the year ending December 2004 by just under a fifth and the rate by just over a fifth. Overall, this has resulted in a slight fall in the number unemployed in the Lancashire-14 area (-5.1%) and a drop in the rate by almost a twelfth (-0.4 percentage points). For the Lancashire-12 area, the falls in the unemployment rate and numbers are greater, with the total dropping by over a sixth and the unemployment rate decreasing by a fifth since the year ending December 2004.

The number of unemployed persons aged 16+ in the UK, estimated at 1,723,800 people for the year ending December 2015, is +21.5%, or +304,600 people greater than the 1,419,200 persons for the year ending December 2004. The UK unemployment rate at 5.3% (+/- 0.1%) for the year ending December 2015 is +0.5 percentage points higher than the rate of 4.8% (+/- 0.1%) estimated for the year ending December 2004. Table U4 and Figure U2 refer.

The number of unemployed people within East Lancashire, estimated at 13,100 people for the year ending December 2015, is more than a fifth higher (+21.3%, +2,300 persons) than the 10,800 persons total estimated for the year ending December 2004. This is similar to the percentage increase (+21.5%) in the number of people unemployed at the UK level over the period. The unemployment rate for East Lancashire at 5.1% (+/- 1.2%) for the year ending December 2015 is +0.7 percentage points higher than the rate of 4.4% (+/- 0.7%) estimated for the year ending December 2004. For the year ending December 2015, unemployment in East Lancashire is lower than levels estimated in early 2007, just prior to the financial crisis. Table U4 and Figure U2 refer.

The number unemployed in the Lancashire West sub-region, estimated at 16,800 people for the year ending December 2015, is the lowest in the series (since the year ending December 2004). The latest figure is more than a sixth lower (-18.8%, -3,900 persons) than the 20,700 persons estimated for the year ending December 2004. The Lancashire West unemployment rate of 3.7%

(+/- 0.9%) for the year ending December 2015 is also the lowest in the series (since the year ending December 2015). The rate for the year ending December 2015 is -1.0 percentage point lower than the rate of 4.7% (+/ 0.6%) estimated for the year ending December 2004. This is opposite to the rise of +0.7 percentage points in the unemployment rate within East Lancashire, and the +0.5 percentage point increase at UK level.

**Table U4: Official unemployment estimates from the Annual Population Survey (1) – persons aged 16+ for the year January 2004 to December 2004 and changes to the year ending December 2015**

Table U4	total unemployment estimates - for year from January 2004 to December 2004				change since year to December 2004		
	Area	Total number of persons unemployed (2) (3)	All persons aged 16+ economically active Denominator (3)	Unemployment rate for all persons 16+ (3)	With confidence interval ±% given below (4)	Number	%
<b>Lancashire-12 area (6)</b>	<b>24,800</b>	<b>556,900</b>	<b>4.4</b>	<b>0.5</b>	<b>-4,400</b>	<b>-17.7</b>	<b>-0.9</b>
East Lancashire (7)	10,800	244,600	4.4	0.7	2,300	21.3	0.7
Lancashire West (8)	20,700	440,600	4.7	0.6	-3,900	-18.8	-1.0
<b>Lancashire-14 area (9)</b>	<b>31,500</b>	<b>685,200</b>	<b>4.6</b>	<b>0.4</b>	<b>-1,600</b>	<b>-5.1</b>	<b>-0.4</b>
North West	152,900	3,279,900	4.7	0.2	34,300	22.4	0.6
<b>United Kingdom</b>	<b>1,419,200</b>	<b>29,749,500</b>	<b>4.8</b>	<b>0.1</b>	<b>304,600</b>	<b>21.5</b>	<b>0.5</b>

Notes: [1] Yearly estimates (produced quarterly).

[2] Unemployment numbers for some related geographies may not sum exactly, owing to rounding.

[3] The unemployment numbers and associated denominators (economically active populations aged 16+) in the table are rounded to the nearest 100, therefore the rates when calculated from the rounded figures may not match the actual published rates (which are calculated from unrounded figures).

[4] Confidence intervals = 95% confidence interval of percentage figure. To obtain the full potential range of the unemployment rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage unemployment rate.

[5] Change in the unemployment rate: please note that although the number unemployed may not have changed, a change in the unemployment rate may occur owing to a change in the economically active denominator between dates.

[6] The Lancashire County Council 12-authority area figure is an amalgamation of the 12 Lancashire districts.

[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale and Blackburn with Darwen unitary authority.

[8] Lancashire West includes Chorley, Fylde, Lancaster, Preston, South Ribble, West Lancashire and Wyre and Blackpool unitary authority.

[9] The Lancashire 14-authority sub-region figure includes the 12 local authorities within the Lancashire County Council area and the two unitary authorities of Blackburn with Darwen and Blackpool.

Source: Annual Population Survey – Office for National Statistics – via the National On-line Manpower Information System (N.O.M.I.S.).

The fall in the Lancashire West unemployment rate of -1.0 percentage point (ignoring the +/- confidence intervals) is marginally greater than the -0.9 percentage point drop estimated for the Lancashire-12 area since the year ending December 2004 and the decrease of 0.4 percentage points estimated for the Lancashire-14 area over the period.

The magnitude of the decrease in unemployment within the Lancashire West sub-region (-3,900 persons (-18.8%)) between the two points in time compared to the increase within East Lancashire (+2,300 (+21.3%)) has impacted upon the Lancashire-14 area as a whole over the period. Table U4 and Figure U2 refer.

The number of unemployed persons in the Lancashire-14 area, estimated at 29,900 people for the year ending December 2015, is the lowest in the series. The figure is slightly lower (-1,600 persons (-5.1%)) than the 31,500 persons estimated for the year ending December 2004. The unemployment rate for the Lancashire-14 area of 4.2% (+/- 0.8%) for the year ending December

2015 is also the lowest in the series (since the year ending December 2004). The rate is lower than the rate of 4.6% (+/- 0.4%) estimated for the year ending December 2004 by -0.4 percentage points. Table U4 and Figure U2 refer.

The number unemployed within the Lancashire-12 area, estimated at 20,400 people for the year ending December 2015 is the lowest in the series (since the year ending December 2004). The figure is now lower (-17.7%, -4,400 persons) than the 24,800 persons estimated for the year ending December 2004. The unemployment rate in the Lancashire-12 area of 3.5% (+/- 1.0%) for the year ending December 2015 is also the lowest in the series (since the year ending December 2004). The rate is -0.9 percentage points lower than the rate of 4.4% (+/- 0.5%) estimated for the year ending December 2004 (ignoring the +/- confidence intervals). Table U4 and Figure U2 refer.

**Graph download in PDF format**

**Labour market overview graphs for each of Lancashire sub-regions which relate to this report are also available to [download in PDF format via this link](#). These place the unemployment figures into the wider labour market context. The graphs depict the associated labour market numbers since December 2004 for unemployment, employment, economic activity and economic *inactivity*. The 16+ population figures, as well as the relevant unemployment rate for each sub-region are also provided.**

Last updated **July 2016** by [Paul Ayre](#) with data for **January 2015 to December 2015**