Annual Population Survey 16+ economic *inactivity* estimates for the year July 2015 to June 2016 and change since December 2004

Summary

For the year from July 2015 to June 2016, the UK estimated 16+ economic *inactivity* rate of 36.8%,(+/- 0.2%) for the year ending June 2016 was statistically lower than the North West rate of 38.9% (+/- 0.6%).

Owing to the wide and overlapping confidence intervals, the estimated 16+ economic *inactivity* rates for the Lancashire-12 area, at 37.1% (+/- 2.1%), East Lancashire at 37.8% (+/- 2.1%), for the Lancashire-14 area at 38.4% (+/- 1.4%) and for the Lancashire West area at 38.7% (+/- 1.9%) are not statistically higher the UK rate.

The number economically *inactive* persons aged 16+ in the Lancashire-14 area totalled 452,800 for the year ending June 2016 and 352,500 in the Lancashire-12 area. The totals were 294,500 persons in the Lancashire West area and 158,300 people within East Lancashire.

Change in 16+ economic inactivity since recent peaks/lows

The economic *inactivity* rate for persons aged 16+ at the UK level has declined by -0.7 percentage points, from the peak of 37.5% (+/- 0.2%) estimated for the year ending September 2011, following the recession, to 36.8% (+/- 0.2%) for the year ending June 2016. 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.

By contrast, the economic *inactivity* rates (and numbers) for persons aged 16+ within the Lancashire sub-regions increased markedly from their respective low points in 2011 and 2012, to the recent peaks in 2014 and 2015.

The 16+ economic *inactivity* rates (and numbers) for the Lancashire areas have also fallen substantially since their recent peaks, which occurred more recently in 2014 and 2015, but remain above their respective low points for the series (ignoring the +/- confidence intervals).

The 16+ economic *inactivity* rates have fallen by -6.9 percentage points within East Lancashire, by -3.9 percentage points in the Lancashire-12 area, by -3.2 percentage points in the Lancashire-14 area and by -2.9 percentage points in the Lancashire West area since their recent peaks.

The rates (ignoring the +/- confidence intervals) remain above their recent low points, estimated in 2011 and 2012, by +1.6 percentage points in the Lancashire West sub-region, by +1.5 percentage points within East Lancashire, by +1.0 percentage point in the Lancashire-14 area and by +0.9 percentage points in the Lancashire-12 area. Please note that the difference in the 16+ economic *inactivity* rates may not be statistically significant between the two time periods, owing to the wide confidence intervals associated with the rates.

The number of economically *inactive* persons aged 16+ in the UK has increased by +311,800 persons (+1.6%), from 18,940,300 people for the year ending September 2011, when the peak rate was estimated, to 19,252,100 persons for the year ending June 2016.

By contrast, the number of economically *inactive* persons aged 16+ have reduced considerably from previous peaks estimated for the year ending March 2014 in the Lancashire-12 area, by -8.8% (-34,100 people), and within East Lancashire, by -16.1% (-30,400 people). For the Lancashire-14 area, numbers have fallen by -7.1% (+34,600 people) since the previous peak, estimated for the year ending September 2014, whilst in the Lancashire West area, numbers have decreased by -6.8% (-21,500 people) since the year ending June 2015.

Note: Economic inactivity versus unemployment

Economic *inactivity* should not be confused with unemployment. People who are classified as being unemployed are involved in the labour market and are actively seeking employment (as defined) and are deemed to be economically active. 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.

The economically active population is comprised of those persons aged 16+ who are employed, plus those people who are unemployed aged 16+ (and are actively seeking work). Rates can be calculated for different age groups.

Further Information

The 16+ economically *inactive* rates are an alternative to the headline figures published by the Office of National Statistics, which use the 16-64 populations as denominators for the economically *inactive* indicator. The 16+ economically *inactive* figures have been produced as a quick overview of this age range and for comparability with the headline unemployment rate denominator (the 16+ population who are economically active – i.e. those persons aged 16+ who are employed and those persons aged 16+ who are unemployed). These alternative rates are becoming more relevant as a greater number of people continue to work after the age of 65 and as the population aged 65 and over increases. A <u>video podcast</u> produced by the Office of National Statistics provides further explanation about these labour market statistics and rates.

The change and flux between the various labour market indicators each quarter is complex. Each quarterly dataset of figures, or outturn, is the result of the net change to the 16+ population (people turning 16 and entering the labour market, deaths, plus inward and outward migration from an area), the net flow of people between employment and economic inactivity, plus the net flow of people between employment and unemployment; and the net flow of people between unemployment and economic inactivity. Changes to the rates for each labour market indicator depends on the pace of change to the numbers within each indicator and the rate of change to the denominator for each of the indicators. For example, the 16+ population has grown by 10.1% (+4,774,900 persons) within the UK since the year ending December 2004, whereas the number who are economically *inactive* aged 16+ has increased by 10.6% (+2,996,600 people), therefore, the 16+ economically *inactive* rate has risen by +0.2 percentage points as the 16+ population denominator has increased at a slower pace. Unfortunately, it is not possible to discern the net flows between each of the indicators from the quarterly datasets.

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 (Nomis) website. The data is published quarterly, but each dataset covers a twelve month period, for example, from October 2014 to September 2015, January 2015 to December 2015, April 2015 to March 2016; or July 2015 to June 2016.

For the year to June 2016, there were 236,704 people surveyed in the United Kingdom, with 4,678 of these interviews taking place in the Lancashire-14 area. Broken down by the individual authorities, over half (2,623) of the Lancashire interviews were undertaken in the two unitary authorities of Blackburn with Darwen (1,365) and Blackpool (1,258). The remaining numbers varied between 228 interviews in Preston to just 97 in Ribble Valley. With such a relatively small number of survey interviews being undertaken in Lancashire local authorities, the district results tend to have much wider margins 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.

Interaction between economic activity (those persons employed and those persons unemployed), economic *inactivity* and the population aged 16+.

The labour market is made up of persons who are aged 16+ and who are employed, plus those people who are unemployed aged 16+ (and actively seeking work), and those people who are economically *inactive* aged 16+ (those persons who are not employed and are not actively seeking work).

Internationally agreed definitions for these classifications can be found in a document published by the Office for National Statistics (<u>A guide to labour market statistics</u>). The Office for National Statistics also publish a useful document, <u>Interpreting Labour Market Statistics</u>.

The number of economically *inactive* persons aged 16+, plus the number of economically active persons aged 16+, when summed together, equal the population aged 16+ for an area. The economically *inactive* rate for persons aged 16+, plus the economically active rates for persons aged 16+ for a given area, therefore total 100% when added together. When the 16+ economic *inactivity* rate for an area goes up, the 16+ economically active rate will therefore decline. Similarly, when the 16+ economically active rate rises, the 16+ economically *inactive* rate decreases. When both rates are plotted on a line graph, the lines resemble a mirror reflection of each other.

Revisions - 2011 Census reweighting of the Annual Population Survey estimates

Please note that the Office of National Statistics (ONS) revised the Annual Population Survey (APS) 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. A second revision of the APS datasets took place on 20th March 2016 back to the year ending March 2013. As a result of the March 2016 revisions, 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 March 2013 to the year ending December 2015) may have changed. Data from the year ending March 2016 (published in July 2016) incorporate the March 2016 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, and via the Nomis website, for the March 2016 revisions, published in July 2016.

Analysis of the revised data from the year ending March 2013 and the figures published previously reveal that the revisions to the 16+ economically *inactive* rates ranged from -0.1 to +0.1 percentage points at the UK level. The rates were revised for just two datasets since the year ending March 2013. The revisions to the number of economically *inactive* persons aged 16+ in the UK ranged between -2,200 and +13,300. The increases were from the year ending March 2014. The revisions to the UK 16+ population ranged between -8,800 and +115,000. Again, the positive increases were from the year ending March 2014.

For the Lancashire-14 area, the revisions to the 16+ economically *inactive* rates were positive, of +0.1 percentage point magnitude, which occurred for five datasets since the year ending March 2013. The revisions to the number of economically *inactive* persons aged 16+ in the Lancashire-14 area ranged between -2,600 and +1,000. The three decreases were from the year ending June 2015. The revisions to the 16+ population in the Lancashire-14 area ranged between -6,900 and +800 persons. The decreases were from the year ending March 2015.

In the Lancashire-12 area, the 16+ economically *inactive* rate revisions were of +0.1 percentage point magnitude for eight datasets from the year ending March 2014 to the year ending December 2015. The revisions to the number of economically *inactive* persons aged 16+ in the Lancashire-12 area ranged between -400 and +1,600. The only decreases was for the year ending December 2015. The revisions to the 16+ population in the Lancashire-12 area ranged between -2,300 and +1,800 persons. The three decreases were from the year ending June 2015.

For the Lancashire West 8-authority area, the 16+ economically *inactive* rate revisions were of +0.1 percentage point magnitude for just three datasets from the year ending December 2013 onwards. The revisions to the number of economically *inactive* persons aged 16+ in the Lancashire West area ranged between -1,600 and +500. The three decreases were from the year ending June 2015. The revisions to the 16+ population in the Lancashire West area ranged between -3,200 and +700 persons. The four decreases were from the year ending March 2015.

Within East Lancashire, the 16+ economically *inactive* rates were revised upwards by +0.1 percentage point for nine datasets from the year ending June 2013 and by +0.2 percentage points for the year ending September 2014. The revisions to the number of economically *inactive* persons aged 16+ within East Lancashire ranged between -1,000 and +600. The four decreases were from the year ending March 2015. The revisions to the 16+ population in the Lancashire West area ranged between -3,600 and +200 persons. The five decreases were from the year ending December 2014.

Definition of the geographic areas used in this report

The Lancashire-12 area is comprised of the 12 local authorities that fall within the Lancashire County Council administrative boundary. The Lancashire-14 area incorporates the two additional unitary authorities of <u>Blackburn with Darwen</u> and <u>Blackpool</u> and has the same geographic footprint as the <u>Lancashire Local Enterprise Partnership</u> (LEP) area.

The 12 local authorities within the LCC boundary are <u>Burnley Borough Council</u>, <u>Chorley Borough Council</u>, <u>Fylde Borough Council</u>, <u>Hyndburn Borough Council</u>, <u>Lancaster City Council</u>, <u>Pendle Borough Council</u>, <u>Preston City Council</u>, <u>Ribble Valley Borough Council</u>, <u>Rossendale Borough Council</u>, <u>South Ribble Borough Council</u>, <u>West Lancashire Borough Council</u> and <u>Wyre Borough Council</u>.

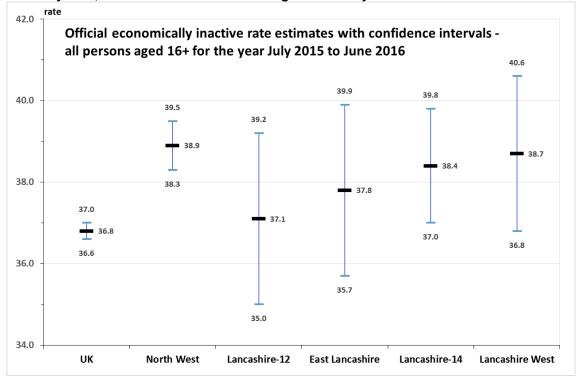
The definition of East Lancashire used in this report includes the six local authorities of Burnley, Hyndburn, Pendle, Ribble Valley, Rossendale and Blackburn with Darwen unitary authority. Please note that other geographic definitions of East Lancashire exist.

The Lancashire West area includes the eight local authorities of Chorley, Fylde, Lancaster, Preston, South Ribble, West Lancashire, Wyre and Blackpool unitary authority.

UK and Lancashire 16+ economic *inactivity* for the year ending June 2016 and yearly change

The UK estimated 16+ economic *inactivity* rate of 36.8%, (+/- 0.2%) for the year ending June 2016 was statistically lower than the North West rate of 38.9% (+/- 0.6%). The UK figure was not statistically lower than the Lancashire-12 rate of 37.1% (+/- 2.1%), the Lancashire-14 rate of 38.4% (+/- 1.4%) and the Lancashire West sub-region rate of 38.7% (+/- 1.9%). Table EI1 and Figures EI1 and EI2 refer.

Figure EI1: Estimates of economically *inactive* rates (with +/- confidence intervals) from the Annual Population Survey for persons aged 16+ within the Lancashire-14 area, the East Lancashire 6-authority sub-region, the Lancashire West 8-authority sub-region, the Lancashire County Council 12-authority area, the North West & United Kingdom for July 2015 to June 2016.



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

The number of economically *inactive* persons aged 16+ at the UK level is estimated to have increased only marginally by +77,000 (+0.4%) over the year, but the *inactivity* rate has fallen by -0.2 percentage points to stand at 36.8% (+/- 0.2%) for the year to June 2016. The UK rate has

fallen owing to the population aged 16+ (the economically *inactive* rate denominator) increasing in the UK at a greater pace (+0.7%, +387,100 people) than the rise in the number of economically *inactive* persons aged 16+ (+0.4%, +77,000 persons).

Table EI1: Economically *inactive* estimates from the Annual Population Survey ⁽¹⁾ – persons aged 16+ for the year July 2015 to June 2016 and changes since the year to June 2015.

Table El1	Economically Inactive estimates – for the year from July 2015 to June 2016				Change since year ending June 2015		
Area	Total number of persons economically Inactive (2) (3)	All persons aged 16+ (denominator)	Economically Inactive rate for all persons 16+ (3)	With confidence interval ±% given below (4)	Number	%	In rate
Lancashire-12 (6)	352,500	949,900	37.1	2.1	-30,400	-7.9	-3.4
East Lancashire (7)	158,300	419,400	37.8	2.1	-11,000	-6.5	-2.8
Lancashire West (8)	294,500	760,800	38.7	1.9	-21,500	-6.8	-2.9
Lancashire-14 (9)	452,800	1,180,100	38.4	1.4	-32,500	-6.7	-2.8
North West	2,236,400	5,745,300	38.9	0.6	-36,700	-1.6	-0.8
England	15,992,200	43,905,100	36.4	0.2	55,300	0.3	-0.2
Great Britain	18,683,300	50,813,200	36.8	0.2	78,100	0.4	-0.1
United Kingdom	19,252,100	52,263,200	36.8	0.2	77,000	0.4	-0.2

Notes [1] Yearly estimates (produced quarterly).

Within Lancashire, economic *inactivity* estimates fell within East Lancashire (-11,000 persons, -6.5%) over the year, and a similar percentage within the Lancashire West part of the sub-region (-21,500 people, -6.8%). Economic *inactivity* therefore decreased in the broader Lancashire-14 area (-32,500 persons, -6.7%). Numbers in the Lancashire-12 area fell by slighter higher percentage (-30,400, -7.9%) than the Lancashire-14 area over the year.

The estimated 16+ economic *inactivity* rate fell in the East Lancashire sub-region by -2.8 percentage points over the year, and similarly by -2.9 percentage points in the Lancashire West sub-region. Overall therefore, the rate in the Lancashire-14 area fell by -2.8 percentage points. In the Lancashire-12 area, the rate dropped by -3.4 percentage points over the year.

^[2] Numbers for some related geographies may not sum exactly when added or subtracted, owing to rounding.

^[3] Economically inactive numbers and associated denominators (populations aged 16+) in the table are rounded to the nearest 100.

^[4] Confidence interval = 95% confidence interval of percent figure. To obtain the full potential range of the economically inactive rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage in the econ inactive rate column

^[5] Change in economically inactive rate: please note that although the number of economically inactive persons may not have changed, a change in the economically inactive rate may occur owing to a change in the population aged 16+ between dates.

^[6] The Lancashire County Council 12-authority area figure is an amalgamation of the twelve Lancashire districts (this does not include Blackpool unitary authority and Blackburn with Darwen unitary authority.)

^[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale districts 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.

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

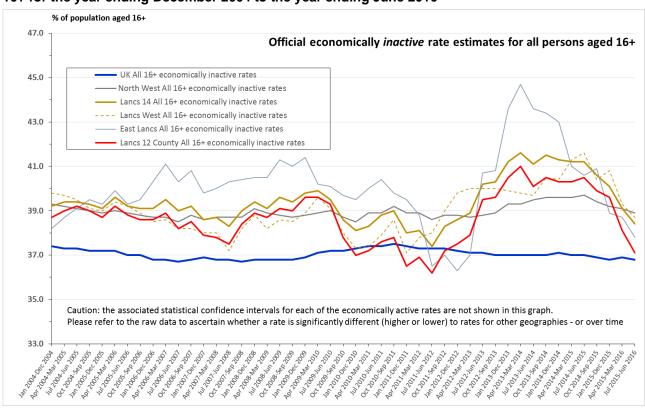


Figure EI2: Estimates of yearly economically *inactive* rates (produced quarterly) for all persons aged 16+ for the year ending December 2004 to the year ending June 2016

Note: Economically active 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: Official for National Statistics Annual Population Survey / Labour Force Survey via the National On-line Manpower Information System (N.O.M.I.S.).

In percentage terms, the rise in the estimated number of 16+ economically *inactive* persons at the UK level of +0.4% was much smaller than the reduction of -6.5% (-11,000 persons) within the East Lancashire sub-region over the previous year, which decreased the 16+ economic *inactivity* rate by -2.8 percentage points to 37.8% (+/- 2.1%) in the area.

Like East Lancashire, the number of economically *inactive* persons aged 16+ within the Lancashire West sub-region fell by -21,500 people (-6.8%) over the previous year, which decreased the 16+ economically *inactive* rate -2.9 percentage points to 38.7% (+/- 1.9%).

Overall therefore, the impact on the Lancashire-14 area was a reduction in the estimated number of economically *inactive* persons aged 16+ of -32,500 persons (-6.7%) which was contrary and of a greater magnitude than the UK percentage rise in the number of +0.4%. The fall in numbers in the Lancashire-14 area resulted in the 16+ economically *inactive* rate decreasing by -2.8 percentage points to 38.4% (+/- 1.4%).

The estimated number of economically *inactive* persons aged 16+ within the Lancashire-12 area fell by -30,400 people (-7.9%) over the previous year. Again, this was contrary and of a greater magnitude than the +0.4% increase in *inactive* numbers at the UK level. The reduction in numbers within the Lancashire-12 area decreased the estimated 16+ economically *inactive* rate by -3.4 percentage points to 37.1% (+/- 2.1%) for the year ending June 2016.

UK and Lancashire 16+ economic inactivity change since the most recent peaks/low points

The economic *inactivity* rate for persons aged 16+ at the UK level has fallen by -0.7 percentage points, from the peak of 37.5% (+/- 0.2%), last estimated for the year ending September 2011, to 36.8% (+/- 0.2%) for the year ending June 2016. Table EI2 and Figure EI2 refer.

Table EI2: Economically *Inactive* estimates from the Annual Population Survey ⁽¹⁾ – persons aged 16+ for the year July 2015 to June 2016 and changes since the previous recent high point

Table El2	Economically Inactive estimates – for the year from July 2015 to June 2016				Change since previous recent peak (if applicable)			
Area	Total number of persons economically Inactive (2) (3)	All persons aged 16+ (denominator)	Economically Inactive rate for all persons 16+ (3)	With confidence interval ±% given below (4)	Number	%	In rate (5)	
Lancashire-12 ⁽⁶⁾	352,500	949,900	37.1	2.1	-34,100 Mar 14	-8.8 Mar 14	-3.9 Mar 14	
East Lancashire (7)	158,300	419,400	37.8	2.1	-30,400 Mar 14	-16.1 Mar 14	-6.9 Mar 14	
Lancashire West (8)	294,500	760,800	38.7	1.9	-21,500 Jun 15	-6.8 Jun 15	-2.9 Jun 15	
Lancashire-14 ⁽⁹⁾	452,800	1,180,100	38.4	1.4	-34,100 Sept 14	-7.1 Sept 14	-3.1 Sept 14 -3.2 Mar 14	
North West	2,236,400	5,745,300	38.9	0.6	-36,700 Jun 15	-1.6 Jun 15	-0.8 Jun 15	
United Kingdom	19,252,100	52,263,200	36.8	0.2	+311,800 Sept 11	+1.6 Sept 11	-0.7 Sept 11	

Notes [1] Yearly estimates (produced quarterly).

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

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

The rate fell by -0.5 percentage points, from 37.5% (+/- 0.2%), estimated for the year ending September 2011, following the recession, to 37.0% (+/- 0.2%) for the year ending June 2013 and remained at about this level until the year ending June 2015 before declining again. The present rate of 36.8% (+/- 0.2%) is only slightly above the low for the series, of 36.7% (+/- 0.2%) estimated

^[2] Economically inactive numbers for some related geographies may not sum exactly when added or subtracted, owing to rounding.

^[3] The economically inactive numbers and associated denominators (populations aged 16+) in the table are rounded to the nearest 100.

^[4] Confidence interval = 95% confidence interval of percent figure. To obtain the full potential range of the economically inactive rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage in the economically inactive rate column.

^[5] Change in employment rate: please note that although the number employed may not have changed, a change in the employment rate may occur owing to a change in the population aged 16+ between dates.

^[6] The Lancashire County Council 12-authority area figure is an amalgamation of the twelve Lancashire districts (this does not include Blackpool unitary authority and Blackburn with Darwen unitary authority.)

^[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale districts 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.

^{*} Calculating any change within 12 months is not methodologically sound as the results are drawn from the same sample cohort. Figures provided for information only.

for the year ending September 2008, just as the recession was taking hold, and for the year ending June 2007, prior to the recession.

Table EI3: Economically *Inactive* estimates from the Annual Population Survey ⁽¹⁾ – persons aged 16+ for the year July 2015 to June 2016 and changes since the previous recent low point

Table El3	Economically Inactive estimates – for the year from July 2015 to June 2016				Change since previous recent low point (if applicable)			
Area	Total number of persons economically Inactive (2) (3)	All persons aged 16+ (denominator)	Economically Inactive rate for all persons 16+ (3)	With confidence interval ±% given below (4)	Number	%	In rate (5)	
Lancashire-12 (6)	352,500	949,900	37.1	2.1	+11,400 Jun 12	+3.3 Jun 12	+0.9 Jun 12	
East Lancashire (7)	158,300	419,400	37.8	2.1	+9,100 Jun 12	+6.1 Jun 12	+1.3 Jun 12 +1.5 Dec 12	
Lancashire West (8)	294,500	760,800	38.7	1.9	+15,000 Dec 11	+5.4 Dec 11	+1.6 Dec 11	
Lancashire-14 (9)	452,800	1,180,100	38.4	1.4	+15,600 Jun 12	+3.6 Jun 12	+1.0 Jun 12	
North West	2,236,400	5,745,300	38.9	0.6	+40,200 Mar 13	+1.8 Mar 13	+0.2 Mar 13 +0.4 Dec 10	
United Kingdom	19,252,100	52,263,200	36.8	0.2	+313,100 Sept 13	+1.7 Sept 13	-0.2 Sept 13 +0.1 Jun 07 & Sept 08	

Notes [1] Yearly estimates (produced quarterly).

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

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

By contrast, the economic *inactivity* rates (and numbers) for persons aged 16+ within the Lancashire areas increased markedly from their respective low points in 2011 and 2012, to the

^[2] Economically inactive numbers for some related geographies may not sum exactly when added or subtracted, owing to rounding.

^[3] The economically inactive numbers and associated denominators (populations aged 16+) in the table are rounded to the nearest 100.

^[4] Confidence interval = 95% confidence interval of percent figure. To obtain the full potential range of the economically inactive rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage in the economically inactive rate column.

^[5] Change in employment rate: please note that although the number employed may not have changed, a change in the employment rate may occur owing to a change in the population aged 16+ between dates.

^[6] The Lancashire County Council 12-authority area figure is an amalgamation of the twelve Lancashire districts (this does not include Blackpool unitary authority and Blackburn with Darwen unitary authority.)

^[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale districts 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.

^{*} Calculating any change within 12 months is not methodologically sound as the results are drawn from the same sample cohort. Figures provided for information only.

recent peaks in 2014 and 2015. The rates (and numbers) have however fallen substantially since these recent peaks but remain above their respective low points for the series (ignoring the +/-confidence intervals). Tables EI2 and EI3 and Figure EI2 refer.

The 16+ economic *inactivity* rates have fallen by -6.9 percentage points within East Lancashire, by -3.9 percentage points in the Lancashire-12 area, by -3.2 percentage points in the Lancashire-14 area and by -2.9 percentage points in the Lancashire West area since recent peaks.

The rates (ignoring the +/- confidence intervals) remain above their recent low points, estimated in 2011 and 2012, by +1.6 percentage points in the Lancashire West sub-region, by +1.5 percentage points within East Lancashire, by +1.0 percentage point in the Lancashire-14 area and by +0.9 percentage points in the Lancashire-12 area. Please note that the difference in the 16+ economic *inactivity* rates may not be statistically significant between the two time periods, owing to the wide confidence intervals associated with the rates. Table EI3 and Figure EI2 refer.

The number of economically *inactive* persons aged 16+ in the UK has increased by +311,800 persons (+1.6%), from 18,940,300 people for the year ending September 2011, when the peak rate was estimated, to 19,252,100 persons for the year ending June 2016. The UK 16+ economically *inactive* rate, however, has decreased by -0.7 percentage points over this period because the UK population aged 16+ (the economically *inactive* denominator) increased at a faster pace of +3.4% (+1,728,000 people) than the increase in the number of 16+ economically *inactive* people in the UK of +1.6% (+311,800 people) since the year ending September 2011. The UK 16+ population increased from 50,535,200 persons for the year ending September 2011, to 52,263,200 people for the year ending June 2016. Tables EI2 and Figure EI2 refer.

By contrast, the number of economically *inactive* persons aged 16+ have reduced considerably from previous peaks estimated for the year ending March 2014 in the Lancashire-12 area, by -8.8% (-34,100 people), and within East Lancashire, by -16.1% (-30,400 people). For the Lancashire-14 area, numbers have fallen by -7.1% (+34,600 people) since the previous peak, estimated for the year ending September 2014, whilst in the Lancashire West area, numbers have decreased by -6.8% (-21,500 people) since the year ending June 2015. Table EI2 and Figure EI2 refer.

The most recent low in terms of the number of economically *inactive* persons aged 16+ in the UK was estimated at 18,939,000 persons for the year ending September 2013. Since this date, the number in the UK has increased by +313,100 persons (+1.7%) to 19,252,100 persons for the year ending June 2016. Table El3 refers.

The UK 16+ economically *inactive* rate has fallen slightly, by -0.2 percentage points, from 37.0% (+/- 0.2%) for the year ending September 2013, to 36.8% (+/- 0.2%) for the year ending June 2016. This is the result of the 16+ population in the UK (the economically *inactive* denominator) rising by a greater percentage +2.1% (+1,060,000 people) than the percentage increase in the number of economically *inactive* persons aged 16+ over the period, of +1.7% (+313,100 persons).

For the Lancashire areas, as at the year ending June 2016, the number of economically *inactive* persons aged 16+ remained above previous low points, estimated for the year ending June 2012, in the Lancashire-14 area, by +15,600 persons (+3.6%), in the Lancashire-12 area, by +11,400

persons (+3.3%) and in East Lancashire, by +9,100 persons (+6.1%). The low point for the Lancashire West area was estimated to have occurred slightly earlier, for the year ending December 2011. Since this date, the number of economically *inactive* persons aged 16+ is estimated to be +15,000 (+5.4%) greater as at the year ending June 2016. Table El3 refers.

East Lancashire recent economically inactive peaks - March 2014 (number and rates)

Within East Lancashire, since the recent peak in the *number* of persons aged 16+ who were economically *inactive*, estimated at 188,700 people for the year ending March 2014, the number is now lower, by -16.1% (-30,400 people) over the period, standing at 158,300 persons for the year ending June 2016. For comparison, at the UK level, the *number* of 16+ economically *inactive* persons had risen, by +1.1% (+217,500 people), since the year ending March 2014. Table EI2 and Figure EI2 refer.

The East Lancashire 16+ economically *inactive* rate at 37.8% (+/- 2.1%) for the year ending June 2016 is -6.9 percentage points lower than the rate of 44.7% (+/- 2.1%) estimated for the year ending March 2014. This change is statistically significant. At the UK level, the 16+ economic *inactivity* rate has reduced by -0.2 percentage points since the year ending March 2014 to stand at 36.8% (+/- 0.2%) for the year to June 2016.

The UK 16+ economically *inactive* rate decreased since the year ending March 2014 because the UK population aged 16+ (the denominator) increased at a faster pace of +1.7% (+884,100 people) than the increase in the number of 16+ economically inactive people in the UK of +1.1% (+217,500 people). The number of economically *inactive* persons aged 16+ in the UK has risen from 19,034,600 persons for the year ending March 2014, to 19,252,100 people for the year ending June 2016. The UK 16+ population increased from 51,379,100 persons for the year ending March 2014, to 52,263,200 people for the year ending June 2016. Table EI2 refers.

The number of economically *inactive* persons aged 16+ within East Lancashire reached a low point in this series for the year ending June 2012, at 149,200 persons. The estimate for the year ending June 2016 is +9,100 persons above the June 2012 estimate. The 16+ economically *inactive* rate for East Lancashire reached the low point in the series of 36.3% (+/ 2.1%) for the year ending December 2012. The rate for the year ending June 2016 in East Lancashire is greater by +1.5 percentage points than the rate for the year ending December 2012. Table El3 and Figure El2 refer.

Lancashire West recent economically *inactive* peaks – June 2015 (number and rate)

In the Lancashire West area, the number of 16+ economically *inactive* persons has decreased by -21,500 people (-6.8%) from the recent peak of 316,000 persons, for the year ending June 2015, to 294,500 people for the year ending June 2016. For comparison, at the UK level, the *number* of 16+ economically *inactive* persons had risen, by +0.4 percentage points (+77,000 people), since the year ending June 2015. Table EI2 and Figure EI2 refer.

The Lancashire West 16+ economically *inactive* rate has fallen by -2.9 percentage points (ignoring the +/- confidence intervals) from the series peak of 41.6% (+/- 1.8%), also for the year ending June 2015, to 38.7% (+/- 1.9%) for the year ending June 2016. In comparison, the UK 16+

economic *inactivity* rate has reduced by -0.2 percentage points since the year ending June 2015, to stand at 36.8% (+/- 0.2%) as at the year ending June 2016.

The UK 16+ economically *inactive* rate decreased because the UK population aged 16+ (the denominator) increased at a faster pace of +0.7% (+387,100 people) since June 2015, compared to the increase in the number of 16+ economically *inactive* people in the UK of +0.4% (+77,000 people).

The number and rates of economically *inactive* people aged 16+ were fairly stable in the Lancashire West sub-region, at or just below 40.0% (+/- 1.8%), from the year ending December 2012 to the year ending June 2014, but have fluctuated since this date.

Within the Lancashire West area, the number of economically *inactive* persons aged 16+ reached the most recent low point for the year ending December 2011, at 279,500 persons. The estimate for the year ending June 2016 is +15,000 persons above the December 2011 estimate. The 16+ economically *inactive* rate in the Lancashire West area reached the low point in the series of 37.1% (+/ 1.7%) for the year ending December 2011. The rate for the year ending June 2016 in the Lancashire West area is greater by +1.6 percentage points than the rate for the year ending December 2011 (ignoring the +/- confidence intervals). Table EI3 and Figure EI2 refer.

Lancashire-14 area - recent economic *inactivity* peak - September 2014 (number) and March 2014 (rate)

For the Lancashire-14 area, which includes the two unitary authorities of Blackburn with Darwen and Blackpool, the number of 16+ economically *inactive* persons has fallen by -7.1% (+34,600 people) since the peak of 487,400 persons, estimated for the year ending September 2014, to 452,800 persons for the year ending June 2016. For comparison, at the UK level, the *number* of 16+ economically *inactive* persons had risen, by +0.8% (+157,200 people), since the year ending September 2014. Table EI2 and Figure EI2 refer.

The 16+ economically *inactive rate* for the Lancashire-14 area peaked slightly earlier, for the year ending March 2014, at 41.6% (+/- 1.4%) and has decreased by -3.2 percentage points to 38.4% (+/- 1.4%) for the year ending June 2016 (ignoring the +/- confidence intervals). Table EI2 and Figure EI2 refer.

In comparison, the UK 16+ economic *inactivity* rate has reduced by -0.2 percentage points since the year ending March 2014 to stand at 36.8% (+/- 0.2%) for the year to June 2016, despite the number of economically inactive persons aged 16+ increasing over the period. The UK rate has decreased because the UK population aged 16+ (the denominator) increased at a faster pace of +1.7% (+884,100 people) since the year ending March 2014, compared to the increase in the number of 16+ economically *inactive* people in the UK of +1.1% (+217,500 people). Tables EI2 and Figure EI2 refer.

The number of economically *inactive* persons aged 16+ in the Lancashire-14 area reached the low point within this series for the year ending June 2012, estimated at 437,200 persons. The figure for the year ending June 2016 of 452,800 persons is +15,600 persons above the June 2012 estimate. The 16+ economically *inactive rate* for the Lancashire-14 area also reached the low point for the year ending June 2012 at 37.4% (+/- 1.3%). The rate of 38.4% (+/- 1.4%) for the year ending June

2016 is +1.0 percentage point greater than for the year ending June 2012 (ignoring the +/-confidence intervals). Table EI3 and Figure EI2 refer.

Lancashire County Council 12-authority area – recent economic *inactivity* peaks - March 2014 (number and rate).

For the Lancashire-12 area, the peak *number* of persons aged 16+ who were economically *inactive* was estimated at 386,600 people for the year ending March 2014. The number has reduced by -8.8% (-34,100 people) to stand at 352,500 persons for the year ending June 2016. For comparison, at the UK level, the *number* of 16+ economically *inactive* persons had risen, by +1.1% (+217,500 people), since the year ending March 2014. Table EI2 and Figure EI2 refer.

Table El4: Economically *Inactive* estimates from the Annual Population Survey (1) – all persons aged 16+ for the year July 2015 to June 2016 and changes since the year to June 2012

Table El4	Economically Inactive estimates – for the year from July 2015 to June 2016				Change since year to June 2012		
Area	Total number of persons economically Inactive (2) (3)	All persons aged 16+ (denominator)	Economically Inactive rate for all persons 16+ (3)	With confidence interval ±% given below (4)	Number	%	In rate
Lancashire-12 (6)	352,500	949,900	37.1	2.1	11,400	3.3	0.9
East Lancashire (7)	158,300	419,400	37.8	2.1	9,100	6.1	1.3
Lancashire West (8)	294,500	760,800	38.7	1.9	6,600	2.3	0.7
Lancashire-14 (9)	452,800	1,180,100	38.4	1.4	15,600	3.6	1.0
North West	2,236,400	5,745,300	38.9	0.6	49,700	2.3	0.3
England	15,992,200	43,905,100	36.4	0.2	230,300	1.5	-0.6
Great Britain	18,683,300	50,813,200	36.8	0.2	273,500	1.5	-0.5
United Kingdom	19,252,100	52,263,200	36.8	0.2	285,200	1.5	-0.5

Notes [1] Yearly estimates (produced quarterly).

The 16+ economically *inactive rate* for the Lancashire-12 area also peaked for the year ending March 2014, estimated at 41.0% (+/- 2.0%). Since this date, the rate has fallen by -3.9 percentage points (ignoring the +/- confidence intervals) to 37.1% (+/- 2.1%) for the year ending June 2016.

^[2] Numbers for some related geographies may not sum exactly when added or subtracted, owing to rounding.

^[3] Economically inactive numbers and associated denominators (populations aged 16+) in the table are rounded to the nearest 100.

^[4] Confidence interval = 95% confidence interval of percent figure. To obtain the full potential range of the economically inactive rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage in the econ inactive rate column.

^[5] Change in economically inactive rate: please note that although the number economically inactive may not have changed, a change in the economically inactive rate may occur owing to a change in the population aged 16+ between dates.

^[6] The Lancashire County Council 12-authority area figure is an amalgamation of the twelve Lancashire districts (this does not include Blackpool unitary authority and Blackburn with Darwen unitary authority.)

^[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale districts 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.)

In comparison, the UK 16+ economic *inactivity* rate has reduced by -0.2 percentage points since the year ending March 2014 to stand at 36.8% (+/- 0.2%) for the year to June 2016, despite the number of economically inactive persons aged 16+ increasing over the period. The UK rate has decreased because the UK population aged 16+ (the denominator) increased at a faster pace of +1.7% (+884,100 people) since the year ending March 2014, compared to the increase in the number of 16+ economically *inactive* people in the UK of +1.1% (+217,500 people). Table EI2 and Figure EI2 refer.

The number of economically *inactive* persons aged 16+ in the Lancashire-12 area reached the low point within this series for the year ending June 2012, estimated at 341,100 persons. The figure for the year ending June 2016 of 352,500 persons is +11,400 persons above the June 2012 estimate. Tables EI3, EI4 and Figure EI2 refer.

The 16+ economically *inactive rate* for the Lancashire-12 area also reached the low point for the year ending June 2012 at 36.2% (+/- 1.9%). The rate of 37.1% (+/- 2.1%) for the year ending June 2016 is +0.9 percentage points greater than for the year ending June 2012 (ignoring the +/- confidence intervals). Tables EI3, EI4 and Figure EI2 refer.

UK and Lancashire 16+ economically inactive change since December 2004

Since December 2004, the number of economically *inactive* persons aged 16+ has risen by +8.5% (+1,513,200 people) within the UK, from 17,738,900 persons for the year ending December 2004, to 19,252,100 people for the year ending June 2016. By comparison, the UK 16+ population is estimated to have increased by a slightly higher percentage of +10.1% (+4,774,900 people) over the period, from 47,488,300 persons for the year ending December 2004, to 52,263,200 people for the year ending June 2016. Table EI5 and Figure EI2 refer.

The UK 16+ economically *inactive* rate of 36.8% (+/- 0.2%) for the year ending June 2016 is lower than the rate of 37.4% (+/- 0.1%) for the year ending December 2004 at the beginning of this series by -0.6 percentage points. This is the result of the number of 16+ economically *inactive* persons in the UK increasing at a lower pace (+8.5%) than the rise in the UK 16+ population (+10.1%).

The 16+ economically *inactive* rates have also fallen across the Lancashire sub-regions since the year ending December 2004; by -0.4 percentage points within East Lancashire; by -1.1 percentage points in the Lancashire West sub-region; by -0.8 percentage points in the Lancashire-14 area; and by -1.6 percentage points in the Lancashire-12 area. Again, these results have arisen owing the number of economically *inactive* persons aged 16+ increasing by smaller percentages in the Lancashire sub-regions than the number of persons aged 16+ (the economically *inactive* rate denominator).

The 16+ economic *inactivity* rate in the UK has fluctuated by 0.8% within this time series (since December 2004). The low rate of 36.7% (+/- 0.2%) was recorded for both the year ending June 2007 and the year ending September 2008. The peak rate of 37.5% (+/- 0.2%) was recorded for the year ending September 2011. The rate decreased to 37.0% (+/- 0.2%) by the year ending September 2013, where it remained for the majority of the time since that date, before dropping to

36.9% (+/- 0.2%) for the year ending September 2015. For the year ending June 2016 the rate had further dropped to 36.8% (+/- 0.2%) just 0.1 percentage point above the series low.

Change in 16+ economic inactivity within East Lancashire since December 2004

Over the period from December 2004, the number of 16+ economically *inactive* persons has risen by +4.6% (+6,900 people) within East Lancashire, from 151,400 persons for the year ending December 2004, to 158,300 people for the year ending June 2016. This is lower than the +8.5% increase at the UK level. By comparison, the East Lancashire 16+ population is estimated to have risen by +5.9% (+23,400 people) over the period, from 396,000 persons for the year ending December 2004, to 419,400 people for the year ending June 2016. Table EI5 and Figure EI2 refer.

Table EI5: Economically *Inactive* estimates from the Annual Population Survey ⁽¹⁾ – persons aged 16+ for the year July 2015 to June 2016 and changes since the year to Dec 2004

Table El5	f	Economically Inactive estimates – for year from July 2015 to June 2016				Change since year to December 2004		
Area	Total number of persons economically Inactive (2) (3)	All persons aged 16+ (denominator)	Economically Inactive rate for all persons 16+ (3)	With confidence interval ±% given below ⁽⁴⁾	Number	%	In rate	
Lancashire-12 (6)	352,500	949,900	37.1	2.1	500	0.1	-1.6	
East Lancashire (7)	158,300	419,400	37.8	2.1	6,900	4.6	-0.4	
Lancashire West (8)	294,500	760,800	38.7	1.9	3,700	1.3	-1.1	
Lancashire-14 (9)	452,800	1,180,100	38.4	1.4	10,600	2.4	-0.8	
North West	2,236,400	5,745,300	38.9	0.6	112,900	5.3	-0.4	
England	15,992,200	43,905,100	36.4	0.2	1,286,100	8.7	-0.6	
Great Britain	18,683,300	50,813,200	36.8	0.2	1,485,500	8.6	-0.4	
United Kingdom	19,252,100	52,263,200	36.8	0.2	1,513,200	8.5	-0.6	

Notes [1] Yearly estimates (produced quarterly).

The East Lancashire 16+ economically *inactive* rate of 37.8% (+/- 2.1%) for the year ending June 2016 is lower than the rate of 38.2% (+/- 1.3%) for the year ending December 2004 at the beginning of this series by -0.4 percentage points. This is the result of the number of 16+

^[2] Numbers for some related geographies may not sum exactly when added or subtracted, owing to rounding.

^[3] Economically inactive numbers and associated denominators (populations aged 16+) in the table are rounded to the nearest 100.

^[4] Confidence interval = 95% confidence interval of percent figure. To obtain the full potential range of the economically inactive rate (including the +/- confidence interval) add and subtract the confidence interval figure from the percentage in the econ inactive rate column.

^[5] Change in economically inactive rate: please note that although the number economically inactive may not have changed, a change in the economically inactive rate may occur owing to a change in the population aged 16+ between dates.

^[6] The Lancashire County Council 12-authority area figure is an amalgamation of the twelve Lancashire districts (this does not include Blackpool unitary authority and Blackburn with Darwen unitary authority.)

^[7] East Lancashire includes Burnley, Hyndburn, Pendle, Ribble Valley and Rossendale districts 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.).

economically *inactive* persons in East Lancashire increasing at a slower pace (+4.6%) than the rise in the 16+ population (+5.9%) within East Lancashire. Please note that the difference in the 16+ economic *inactivity* rates may not be statistically significant between the two time periods, owing to the wide confidence intervals associated with the rates. The -0.4 percentage point fall within East Lancashire is slightly lower than the -0.6 percentage point fall at the UK level.

The 16+ economic *inactivity* rate within East Lancashire has fluctuated by 8.4 percentage points within this time series (since December 2004). The major fluctuations have taken place since 2009. The low rate of 36.3% (+/- 2.1%) was recorded for the year ending December 2012. The peak rate of 44.7% (+/- 2.2%) was recorded for the year ending March 2014. The rate has however fallen dramatically since the high point, to 37.8% (+/- 2.1%) for the year ending June 2016. Table EI5 and Figure EI2 refer.

Change in 16+ economic inactivity in the Lancashire West sub-region since December 2004

The number of 16+ economically *inactive* persons has risen by +1.3%, or +3,700 people in the Lancashire West part of the sub-region since the year ending December 2004. This is lower than the UK average rise of +8.5% and the increase of +4.6% (+6,900 people) estimated within East Lancashire over the period. Table EI5 and Figure EI2 refer.

The number of 16+ economically *inactive* persons in the Lancashire West sub-region has risen from 290,800 people for the year ending December 2004, to 294,500 persons for the year ending June 2016. The Lancashire West 16+ population is estimated to have increased by +4.0% (+29,400 people) over the period, from 731,400 people for the year ending December 2004, to 760,800 persons for the year ending June 2016.

The 16+ economically *inactive* rate in the Lancashire West part of the sub-region of 38.7% (+/-1.9%) for the year ending June 2016 is lower than the rate of 39.8% (+/-1.0%) for the year ending December 2004 by -1.1 percentage point. This is a result of the number of 16+ economically *inactive* persons increasing at a slower pace (+1.3%) than the rise in the 16+ population as a whole (+4.0%) in the Lancashire West sub-region. Please note that the difference in the 16+ economic *inactivity* rates may not be statistically significant between the two time periods, owing to the wide confidence intervals associated with the rates. The -1.1 percentage point fall in the Lancashire West sub-region is a greater fall than the -0.6 percentage point fall in the UK.

The 16+ economic *inactivity* rate in the Lancashire West sub-region has fluctuated by 4.5 percentage points within this time series (since December 2004). The major fluctuations have taken place over the last five years. The low rate of 37.1% (+/- 1.7%) was recorded for the year ending December 2011. The rate then increase for most of the period up to the year ending June 2015 when the peak rate of 41.6% (+/- 1.8%) was estimated. Since then the rate has dropped by 2.9 percentage points to 38.7% (+/- 1.9%), however it is still 1.6 percentage points above the series low. Table EI5 and Figure EI2 refer.

Change in 16+ economic inactivity in the Lancashire-14 area since December 2004

The number of economically *inactive* persons aged 16+ has risen by +2.4%, or +10,600 people, in the Lancashire-14 area since the year ending December 2004. This is lower than the UK average

percentage rise of +8.5% and the 4.6% estimated rise for East Lancashire over the period, but greater than the rise in Lancashire-12 region (+0.1%) and the Lancashire West sub-region (1.3%). Table EI5 and Figure EI2 refer.

The number of economically *inactive* persons aged 16+ in the Lancashire-14 area has risen from 442,200 people for the year ending December 2004, to 452,800 persons for the year ending June 2016. The 16+ population in the Lancashire-14 area is estimated to have increased by +4.7% (+52,700 people) over the period, from 1,127,400 people for the year ending December 2004, to the peak of 1,180,100 persons for the year ending June 2016.

The 16+ economically *inactive* rate for the Lancashire-14 area of 38.4% (+/- 1.4%) for the year ending June 2016 is lower than the rate of 39.2% (+/- 0.8%) for the year ending December 2004 by -0.8 percentage points. This is a result of the number of 16+ economically *inactive* persons increasing at a slower pace (+2.4%) than the rise in the 16+ population as a whole (+4.7%) in the Lancashire-14 area. Please note that the difference in the 16+ economic *inactivity* rates may not be statistically significant between the two time periods, owing to the wide confidence intervals associated with the rates. The -0.8 percentage point fall in the Lancashire-14 area is slightly larger than the -0.6 percentage point fall at the UK level.

The 16+ economic *inactivity* rate in the Lancashire-14 area has fluctuated by 4.2 percentage points within this time series (since December 2004). The major fluctuations have taken place in the last five years or so. The low rate of 37.4% (+/- 1.3%) was recorded for the year ending June 2012. The peak rate of 41.6% (+/- 1.4%) was recorded for the year ending March 2014. Since then the rate has dropped by 3.2 percentage points to 38.4% (+/- 1.4%), however it is still 1.0 percentage point above the series low. Table EI5 and Figure EI2 refer.

Change in 16+ economic inactivity in the Lancashire-12 area since December 2004

The number of economically *inactive* persons aged 16+ has risen by +0.1%, or +500 people in the Lancashire-12 area since the year ending December 2004. This is a lower percentage than UK average rise of +8.5%, and the percentage increase of +2.4%, or +10,600 people, estimated in the Lancashire-14 area. The two unitary authorities of Blackburn with Darwen and Blackpool therefore accounted for 95% of the increase (+10,100 people) in the number of economically *inactive* persons aged 16+ within the Lancashire-14 area (+10,600). Table EI5 and Figure EI2 refer.

Investigation of the 16+ economic *inactivity* estimates for the two unitary authorities reveals that Blackburn with Darwen accounted for 80% of the increase in 16+ economic *inactivity* (out of the two unitary authorities) since the year ending December 2004. 16+ economic *inactivity* has increased by +19.9% (+8,100) people within Blackburn with Darwen unitary authority (or by around a fifth), and by a lower +4.0% (+2,000 persons) within Blackpool between the year ending December 2004 and the year ending June 2016.

The number of economically *inactive* persons aged 16+ in the Lancashire-12 area has risen from 352,000 people for the year ending December 2004, to 352,500 persons for the year ending June 2016. The 16+ population in the Lancashire-12 area is estimated to have increased by +4.5% (+41,000 people) over the period, from 908,900 people for the year ending December 2004, to 949,900 persons for the year ending June 2016. This is a slightly lower percentage increase to that

estimated for the Lancashire-14 area (+4.7%). These increases are however lower than the rise in the 16+ population within the UK of +10.1% since the year ending December 2004.

The 16+ economically *inactive* rate for the Lancashire-12 area of 37.1% (+/- 2.1%) for the year ending June 2016 is lower than the rate of 38.7% (+/- 0.9%) for the year ending December 2004 by -1.6%. This is a result of the number of 16+ economically *inactive* persons increasing at a slower pace (+0.1%) than the rise in the 16+ population as a whole (+4.5%) in the Lancashire-12 area. Please note that the difference in the 16+ economic *inactivity* rates may not be statistically significant between the two time periods, owing to the wide confidence intervals associated with the rates. The -1.6 percentage point drop in the 16+ economically inactive rate in the Lancashire-12 area is larger than the -0.6 percentage point fall at the UK level. Table EI5 and Figure EI2 refer.

The 16+ economic *inactivity* rate in the Lancashire-12 area has fluctuated by 4.8 percentage points within this time series (since December 2004). The major fluctuations have taken place since the year ending March 2010. The low rate of 36.2% (+/- 1.9%) was recorded for the year ending June 2012. The peak rate of 41.0% (+/- 2.0%) was recorded for the year ending March 2014. Since then the rate has dropped by 3.9 percentage points to 37.1% (+/- 2.1%), however it is still 0.9 percentage points above the series low. Table EI5 and Figure EI2 refer.

Labour market graphs

A series of labour market graphs has been produced for each of Lancashire sub-regions which also relate to this report. The labour market graphs depict changes to 16+ population levels, economic activity, employment, economic inactivity and unemployment since the year ending December 2004, as well as the associated 16+ rates for these labour market indicators.

The graphs are available to download in PDF format via this link.

Last updated December 2016 by Darren Webster and <u>Paul Ayre</u> with data for July 2015 to June 2016.