

Official unemployment figures for the United Kingdom and North West region, for the three month period from July 2018 to September 2018



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# 1 Overview and background information

The latest official unemployment statistics for the UK and North West region are presented within this report. These are the figures that you hear in the news and relate to persons aged 16 and over. The data has been seasonally adjusted. The data is for the three month period from July 2018 to September 2018, sourced from the Labour Market Survey (UK Labour Market Statistical Bulletin) and the Regional Labour Market Statistical Bulletin).

In January 2003, the Office for National Statistics (ONS) changed the 'official' source of unemployment data from figures based on the Claimant Count of persons claiming Jobseeker's Allowance (JSA) to those derived from the Labour Force Survey (LFS).

The LFS uses the International Labour Organisation (ILO) definition of unemployment, which is an internationally recognised and comparable measure of unemployment. The LFS figures are now the official measure of UK unemployment. Fully consistent LFS data are generally only available back to 1992. However, the ONS has produced a set of historical estimates back to 1971, at the UK level only, that are consistent with post-1992 LFS data. These figures are presented in the graph below. Before November 2002, official unemployment numbers and rates were based on the Claimant Count of unemployment-related benefits. Figures are seasonally adjusted. The denominators are comprised of the relevant economically active population (those people employed and unemployed) aged 16 and over.

#### Caution interpreting change in unemployment data

In general, changes in the unemployment numbers (and especially the unemployment rates) between 3 month periods are small, and are not usually greater than the level that is explainable by sampling variability. In practice, this means that small, short-term movements in reported rates (for example, within +/- 0.3 percentage points at the UK level, and within +/- 0.7 percentage points at the NW level) should be treated as indicative, and considered alongside medium and long-term patterns in the series, plus corresponding movements in administrative sources, where available, to give a fuller picture.

# 2 Summary/ Key findings

For the three month period from July 2018 to September 2018, the number of unemployed people totalled 1,381,000 in the United Kingdom and 146,000 persons in the North West region.

The North West unemployment rate of 4.0% was marginally lower than the UK rate of 4.1%.

The UK rate is the second lowest since the spring of 1975. The North West rate is low by historical standards and is below the lowest rate seen prior to the 2008/09 recession of 4.3% (for the three months to August 2004).

#### **Amendment/Correction**

Please note that the above paragraph in the original publication of this article stated

'The UK rate is the joint lowest since early in 1975.'

This was incorrect. The UK rate is the second lowest since the spring of 1975.

The highest regional unemployment rates in the UK for the three months ending September 2018 were estimated to be in Yorkshire and The Humber and the North East (both 5.0%). The lowest rate was estimated in South West of England (2.9%).

The male unemployment rate in the North West (4.4%) has fallen over the last quarter but was greater than the rate for men in the UK (4.2%).

The female unemployment rate in the region at 3.7% also decreased over the last quarter and was lower than the national rate for women of 4.0%.

The unemployment rate for men in the North West (4.4%) was estimated to be higher than the rate for women in the region (3.7%).

Table 1: Official unemployment estimates for the United Kingdom and North West region for the three months from July 2018 to September 2018

-	People aged 16 or over and economically active, seasonally adjusted									
	Unemploy	ment	nt Quarterly change Yearly change							
	number	rate (%)	number	in number (%)	in rate	number	in number (%)	in rate		
All people										
United Kingdom	1,381,000	4.1	21,000	1.6	0.1	-43,000	-3.0	-0.2		
North West	146,000	4.0	-2,000	-1.3	-0.1	-9,000	-5.5	-0.3		
Men										
United Kingdom	750,000	4.2	29,000	4.0	0.1	-20,000	-2.6	-0.2		
North West	84,000	4.4	-1,000	-1.0	-0.1	-7,000	-8.1	-0.5		
Women										
United Kingdom	631,000	4.0	-8,000	-1.2	0.0	-23,000	-3.5	-0.2		
North West	62,000	3.7	-1,000	-1.8	-0.1	-1,000	-1.8	0.0		

Notes: Numbers may not sum owing to rounding. All figures are estimates and monthly and yearly changes should be treated as indicative only.

Source: Office for National Statistics – Labour Force Survey - Statistical Bulletins - UK Labour Market (Summary, table 1) and Regional Labour Market Statistics (data download: table H102).

#### **Quarterly change**

The unemployment rate for all persons increased marginally in the UK over the previous quarter but decreased marginally in the North West region.

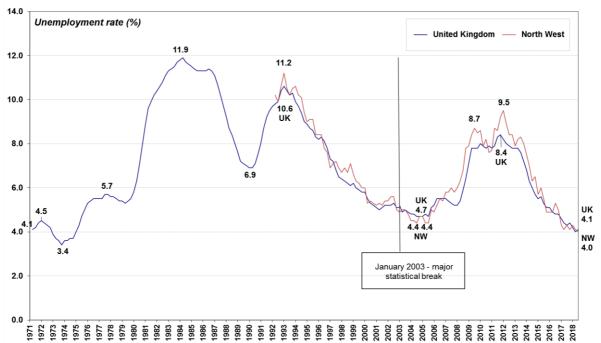
The fall in the total number of persons unemployed in the North West was the result of equal decreases in female and male unemployment. Please note that the all

persons total may not sum owing to rounding. At the UK level, the increase in total unemployment was the result of a rise in male unemployment which was offset by a fall in female unemployment.

Unemployment rose in the UK by 21,000 people (1.6%) over the previous quarter but decreased by 2,000 persons (1.3%) in the North West. The UK unemployment rate increased by 0.1 percentage point over the quarter. In contrast, the North West rate fell by 0.1 percentage point.

The North West quarterly fall of 2,000 unemployed persons was the result of male unemployment reducing by 1,000 women (1.8%) and male unemployment also decreasing by 1,000 men (1.0%).

Figure 1: Official unemployment rates (seasonally adjusted) for the North West and United Kingdom to the three months ending September 2018 – This graph is updated quarterly (not each month).



Note: Owing to the three month survey sample methodology, the latest data should only be compared with estimates from the previous quarter (April 2018 to June 2018 in this instance) and earlier. Source: Office for National Statistics — Labour Force Survey.

The unemployment rate for women in the North West decreased by 0.1 percentage point, to 3.7% over the quarter. The unemployment rate for men in the region also fell by 0.1 percentage point, to 4.4%.

The UK quarterly increase in the number of unemployment persons (21,000) was the result of male unemployment rising by 29,000 men (4.0%) and female unemployment decreasing by 8,000 women (1.2%).

At the UK level, the unemployment rate for all persons rose by 0.1 percentage point over the previous quarter, as did the male rate. The female rate was unchanged.

#### Yearly change

The North West unemployment rate for all persons fell by 0.3 percentage points, over the year. The UK unemployment rate for all persons decreased by a marginally lower 0.2 percentage points. The North West outturn was the result of male unemployment numbers falling by 7,000 men (8.1%) over the previous year, and female unemployment numbers decreasing by 1,000 men (1.8%) on a year earlier.

In the North West, the unemployment rate for males fell by 0.5 percentage points, over year. However, the female rate was unchanged.

Note 1: Please note that a rate can change because of an increase or decrease in the economically active denominator (even if the number unemployed (the numerator) does not change).

At the UK level, the unemployment rates for males, females and all persons all dropped by -0.2 percentage points over the previous year.

The yearly percentage fall for women in the region was 1.8%. This compared to the percentage decrease for UK females of 3.5% over the year.

Male unemployment in the region fell by 8.1% over the year. This was greater than the percentage decrease of 2.6% recorded for unemployed men in the UK.

Note 2: Please note that the change in the number unemployed and the percentage change in the number unemployed in table 1 above reflect the change of the actual unrounded unemployment data (rather than the rounded figures published).

## 3 Data

The data is for the three month period from July 2018 to September 2018, sourced from the Labour Market Survey (UK Labour Market Statistical Bulletin and the Regional Labour Market Statistical Bulletin).

## 4 Related websites

Official unemployment for the Lancashire County Council area and Lancashire sub-regions

Official unemployment data for the Lancashire County Council 12-authority area (the Lancashire-12 area) and the Lancashire 14-authority sub-region (the Lancashire-14 area) are based on 12 month averages (rather than the 3 month averages presented in this article) and are published two to five months behind the headline figures for the UK and regions. The Lancashire and district data is published for the twelve months ending March, June, September and December of each year and is sourced from the Annual Population Survey.

The last in depth analysis by Lancashire County Council's Business Intelligence team of official unemployment statistics for the Lancashire-12 area and the Lancashire-14 area can be found <u>via this link</u>. The report includes figures for the

Lancashire West 8-authority sub-region and the East Lancashire 6-authority sub-region. The analysis of the Lancashire data may not reflect the latest unemployment figures. See below for information on how to access the most up to date figures.

# Official unemployment for districts/unitary authorities within the Lancashire 14-authority sub-region.

Official unemployment data for the 12 individual local authorities within the Lancashire County Council area and the two unitary authorities of Blackburn with Darwen and Blackpool is provided via a model-based methodology that has enhanced the quality of unemployment figures at the local level as defined by the International Labour Organisation (ILO). Again, this dataset is published every three months for the twelve months ending March, June, September and December of each year. The model-based unemployment dataset is only available for total unemployment and is not sub-divided by age or sex.

The last analysis of official model-based unemployment statistics by Lancashire County Council's Business Intelligence team for districts and unitary authorities within the Lancashire-14 area is available via this link. The analysis of the Lancashire data may not reflect the latest official model-based unemployment figures. See below for information on how to access the most up to date figures. The official model-based unemployment statistics for districts may be affected by the roll out of the Universal Credit benefit system as the model-based methodology uses the Claimant Count data to add strength to the unemployment estimates sourced from the Annual Population Survey. The introduction of Universal Credit from 29 April 2013 has resulted in a disconnect between the number of persons claiming Jobseeker's Allowance and the Claimant Count (which were the same until May 2013).

#### Official unemployment data for wards

Official unemployment data is not available at ward level because of insufficient sample size at that geographic level.

#### Source of latest official unemployment statistics and labour market data

The most up to date official unemployment data, together with other labour market variables and population figures are available within the labour market profiles for local authorities via the National Online Manpower Information Service (Nomis) web site.

- Burnley Chorley Fylde Hyndburn Lancaster Pendle Preston Ribble Valley Rossendale South Ribble West Lancashire Wyre Blackburn with Darwen Blackpool
- Lancashire County Council 12-authority area
- Lancashire 14-authority (Local Enterprise Partnership) sub-region