

**Data Management and Analysis Group**

# **Measuring Unemployment**

## **A guide to different sources of data on unemployment**

**DMAG Briefing 2004/9**  
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**Lorna Spence**

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For more information please contact:

Lorna Spence  
Data Management and Analysis Group  
Greater London Authority  
City Hall (5 East)  
The Queen's Walk  
London SE1 2AA

Tel: 020 7983 4658  
[lorna.spence@london.gov.uk](mailto:lorna.spence@london.gov.uk)

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## Summary

*There are a number of different ways to define and measure unemployment. This report provides a reference guide to key measures by outlining their features, strengths and limitations. Data is presented on the basis of each for London and measures are compared and contrasted as at Spring 2001. The report focuses on three commonly used measures: the claimant count, the ILO unemployment measure and the 2001 Census unemployment count. In addition, several alternative approaches are reviewed.*

- The analysis shows that the number of Londoners who are unemployed can range from 150,000 up to 580,000 depending on how narrowly or widely you define unemployment.
- The claimant count emerges as the narrowest measure of unemployment as it only counts those unemployed people who are receiving unemployment-related benefits. In April 2001, 153,000 Londoners were on the claimant count – 4.6 per cent of the labour force. The claimant count is good at providing timely local area data but is poor at covering certain groups of unemployed people, particularly women and young people, and those in higher income households.
- ILO (International Labour Organisation) unemployment is a wider measure that estimates the number of people who are unemployed, actively seeking work and available to start work. This is measured using the Labour Force Survey (LFS) and is the official measure of unemployment in the UK. Quarterly LFS figures for Mar-May 2001, estimated that around 221,000 Londoners were 'ILO' unemployed – 6.1 per cent of the labour force.
- The ILO definition provides a more comprehensive measure of unemployment than the claimant count as it is not dependent on benefit eligibility. However, LFS estimates of ILO unemployment are very poor at London borough level due to small sample size.
- The 2001 Census provides a measure of unemployment that is also based on the ILO definition. The Census measure puts the number of unemployed Londoners at 261,252 – 7.3 per cent of the labour force. The Census unemployment figure is higher than LFS estimates for the same period, reflecting methodological differences.
- The Census can provide detailed data for local areas such as wards and, like the LFS, it uses a fairly comprehensive definition of unemployment that is not dependent on benefits receipt. The main limitation is that Census data is only available every 10 years.
- Mainstream measures of unemployment tend to define unemployment in terms of job seeking (ie people not in work who are actively looking for work). Alternative approaches define unemployment more widely and consider other groups of people as unemployed (eg those who want to work, those diverted into sickness benefits or early retirement). Wider measures put the number unemployed closer to 400,000-600,000.
- Conceptually, alternative approaches, which go beyond job seeking definitions, offer a valuable perspective on measuring unemployment as they acknowledge the fine line between unemployment and economic inactivity. However, practically their application is limited as they tend not to be routinely available at a small area level.

**Table 1 Unemployment measures: summary of features of key data sources**

	<b>Claimant count</b>	<b>Labour Force Survey</b>	<b>2001 Census</b>
2001 Count /estimate <sup>1</sup>	152,100 <i>April 2001</i>	221,000 <i>Mar-May 2001</i>	261,252 <i>April 2001</i>
Scope of definition	Administrative count of benefits claimants	ILO unemployment	ILO unemployment
What it measures	Number of claimants (Jobseeker's Allowance & National Insurance credits)	People unemployed, looking for work and available to start work	People unemployed, looking for work and available to start work
Basis of data collection	Administrative records	Sample survey Interviewer led	Census of population Self-completion forms
Provider	Office for National Statistics	Office for National Statistics	Office for National Statistics
Frequency	Monthly	Monthly/Quarterly/Annual (depending on area level)	Every 10 years
Coverage	100 per cent coverage of claimants. UK wide count.	Annual sample of 156,000 UK households. Mainly private households population (99%)	85 per cent response in London (& imputation). Final Census estimates aim to cover the entire population. Census is UK wide.
Precision of statistical estimates	Excellent - 100 per cent count of claimants	Survey estimates – poor reliability at sub-regional level	Likely to be very good despite imputation. But, Census estimates of ILO unemployment on high side.
Data by:			
Age	✓	✓	✓
Gender	✓	✓	✓
Duration	✓	✓	✓
Ethnicity	✗	✓	✓
Disability/health	✗	✓	✓
Qualifications	✗	✓	✓
Former occupation	✗ discontinued	✓	✓
Related datasets	5% quarterly sample which provides additional data	ONS experimental modelled ILO estimates	None
Lowest geography	Wards	Boroughs	Wards & Output areas (but data more limited for OAs)
Strengths	<ul style="list-style-type: none"> <li>• Timely</li> <li>• Data available for wards</li> <li>• Accurate measure of claimants (100% coverage)</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive measure</li> <li>• Internationally comparable</li> <li>• Wide range of linked variables for analysis</li> <li>• Time series back to 1984</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive measure</li> <li>• Wide range of linked variables for analytical purposes</li> <li>• Excellent local area detail</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>• Very 'narrow' measure, poor coverage of women &amp; young people</li> <li>• Sensitive to changes in benefit regulations</li> <li>• Official 'rates' limited</li> <li>• No data by ethnic group</li> </ul>	<ul style="list-style-type: none"> <li>• Borough level data patchy and poor quality</li> <li>• Even at regional level, high error levels on London data limit analysis (eg by ethnic group)</li> <li>• No ward estimates</li> </ul>	<ul style="list-style-type: none"> <li>• Only available every 10 years</li> <li>• Approximation of ILO unemployment not a precise measure</li> </ul>

<sup>1</sup> Seasonally adjusted figures are presented for claimant count and LFS figures.

# 1. Introduction

## Context and aims

Unemployment statistics are widely used in economic and social research and the issue of how best to define and measure unemployment is the subject of much discussion. In practice, a number of different approaches have emerged based on different data sources - each of which have their relative strengths and weaknesses.

This report aims to demystify the issue by providing a guide to the key measures and latest data for London.

## Defining and measuring unemployment

The issue of defining unemployment is more complex than it might at first appear and goes beyond counting just those who are not in work. Indeed, while around 1.5m Londoners (of working age) are not in employment - of these, only around one in five are counted as unemployed<sup>2</sup> according to the 'official' ILO measure of unemployment. This is because the ILO definition only counts someone as unemployed if they are actively seeking and available for work.

The claimant count is another commonly used unemployment measure, which is narrower still as it only counts unemployed people on benefits. To be eligible for these benefits people have to demonstrate they are actively seeking work.

Some researchers argue that 'job seeking' definitions and measures of unemployment such as these are too narrow and that broader concepts are needed if we are to properly understand the issues of worklessness and labour market exclusion. The premise being that just because someone has given up looking for work it doesn't make them any less unemployed. There is also increasing interest in profiling the size of the labour reserve or the 'potential workforce' (ie those who could/might move into work). This has led to the development of a number of alternative measures of unemployment which go beyond job seeking definitions.

In practice, all these approaches - both mainstream and alternative - have some merits. What is the appropriate definition often depends on the aim of the exercise and why the data is required.

## Scope of the report

This report explains key measures and discusses their relative strengths, weaknesses and key applications. Most analysis relates to mainstream measures reflecting the fact that they are in common use and because data is readily available about them on a regular basis. Less data is available on alternative measures but it is recognised that these provide a valuable perspective. For this reason they are also covered here, albeit in less detail.

## Report structure

**Sections 2-4** cover the three 'mainstream' measures of unemployment: the claimant count, ILO unemployment and the 2001 Census unemployment measure. Each measure is explained along

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<sup>2</sup> Based on Quarterly Labour Force Survey, Sep-Nov 2003 (seasonally adjusted)

with a discussion about the relative strengths and limitations of the data. Summary data on unemployment for London boroughs is presented on the basis of each measure.

**Section 5** compares the measures against each other, and focuses on comparisons of the claimant count with the Census.

**Section 6** introduces some alternative perspectives by exploring broader Labour Force Survey measures and reviews the recent work by Sheffield Hallam University on 'real unemployment'. This section also provides some concluding remarks.

Appendices provide more data, technical notes and advice on where to access data.

Appendix 1 : Series of data tables for reference purposes

Appendix 2: Glossary of key terms

Appendix 3: Guide to the GLA's ward claimant count model

Appendix 4: Useful websites for labour market data

## 2. The claimant count

### Key features of the claimant count

- Measures the number of people claiming unemployment-related benefits
- Based on administrative counts (Jobcentre Plus computer system)
- Available on a monthly basis down to ward level
- Key data available on age, gender and duration
- Strengths: Timely local area detail
- Limitations: Only a partial measure of unemployment counting those in receipt of benefits, very poor coverage of unemployed young people and women
- Data provider: Office for National Statistics

This section provides an overview of the claimant count, its key features and strengths and limitations as a measure of unemployment.

### The claimant count – what it measures

The claimant count is a measure of the number of people claiming unemployment-related benefits – currently Jobseeker's Allowance (JSA) and National Insurance (NI) credits. Jobseeker's Allowance was introduced in October 1996 and replaced Unemployment Benefit and Income Support for unemployed people.

The claimant count was never designed to measure unemployment as it is simply a by-product of the benefits administration system. For this reason, the claimant count is a very narrow measure as it only counts those people who are unemployed **and** claiming benefits.

### What is it based on- Jobseeker's Allowance (JSA)

The claimant count is based on the number of people who are in receipt of JSA (and NI credits). To be entitled to JSA, a claimant must meet a wide range of conditions, specifically a person must:

- be out of work or working on average for less than 16 hours a week<sup>3</sup>
- be available for work (for at least 40 hours per week, unless special circumstances apply)
- be actively seeking work
- enter into a Jobseeker's Agreement with Jobcentre Plus
- be capable of work
- not be in relevant education
- be under pensionable age and be resident in Great Britain

Technically, it is possible for people who are in employment to be eligible for JSA (those in part-time work and on very low incomes). However in practice, the number in this situation is very small, so the vast majority of those on the claimant count are in fact unemployed.

There are two different types of JSA: contribution-based JSA and income-based JSA. People who become unemployed and have paid enough national insurance contributions get

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<sup>3</sup> In the case of income-based JSA, additionally any partner in the family must be working less than 24 hours per week on average.

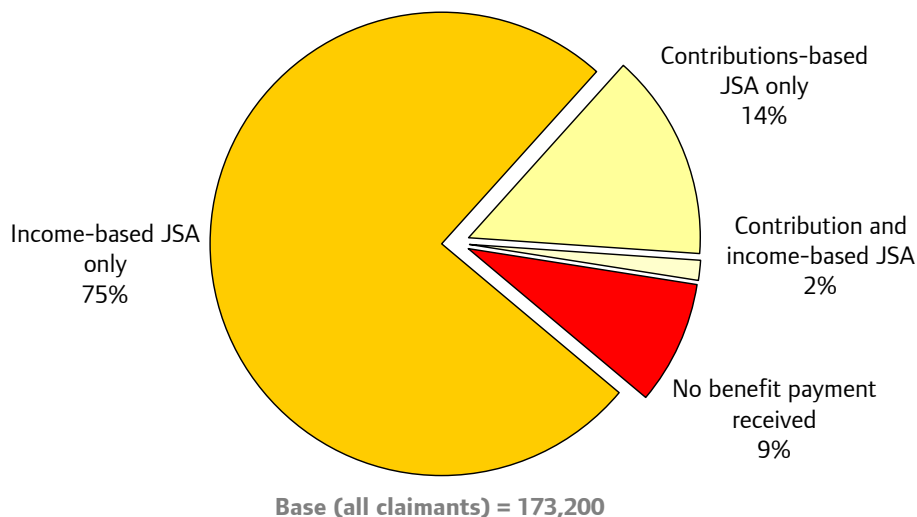
contribution-based JSA for up to six months, regardless of family income. Those who don't qualify for this (or whose needs are not met by this basic rate of JSA) can apply for income-based JSA. This is means-tested (ie is only available to those on low incomes) and is paid for as long as is needed provided the qualifying conditions are met.

Full-time students and people aged 16-17 are generally not eligible for JSA unless special circumstances apply<sup>4</sup>.

### The claimant count and Jobseeker's Allowance

Figure 1 shows all JSA claimants by benefit type. Three-quarters of all claimants are on income-based JSA and 14 per cent are on contribution-based JSA. Around 9 per cent of claimants receive no benefit payment at all and are signing on to obtain National Insurance credits while they are unemployed. Keeping up credits can help maintain access to other state benefits such as the state pension.

**Figure 1 JSA claimants by benefit type, Greater London, August 2003**



Source: Department for Work and Pensions (JSA Quarterly Statistical Enquiry, August 2003)

### What data is available

The claimant count is published by the Office for National Statistics (ONS) every month, about 4/5 weeks after the date of the actual 'count'. At a small area level, data is available on both the number of claimants for one particular day (the stock) as well as the numbers joining and leaving the count (flows). Statistics are also available by gender, age and duration<sup>5</sup> of the claim.

At a regional and national level, additional data is available about JSA claimants on a quarterly basis direct from the Department for Work and Pensions. This includes data on partners and

<sup>4</sup> If both members of a couple are full-time students and they have responsibility for a child, they may be eligible for JSA in the Summer vacation. Similarly, of those aged 16-17, only those who are in a couple and have responsibility for a child could apply or those who would otherwise suffer 'severe hardship'.

<sup>5</sup> On an average month, about 99 per cent of claims are computerised and the remainder are clerically processed. Headline data tend to cover all claims whereas more detailed tables by age and duration are based only on computerised claims. This means that published claimant totals will differ depending on the analysis in question.

dependents of claimants, and more detail on the type and amount of claims. This data is based on a 5 per cent sample of claimants so cannot be generated for small areas such as wards.

Unfortunately, the claimant count does not record data about ethnicity. This remains a problem, particularly in London, where there is a lot of demand for claimant data on ethnicity at a local area level.

### **Coverage**

While the claimant count covers 100 per cent of claimants it fails to cover and count many people who are unemployed – this is the key weakness of the claimant count as a measure of unemployment. Those unemployed people who are not eligible for JSA or don't claim it are missed by the figures.

For example, a lone parent who is unemployed and reliant on state benefits is very likely to be in receipt of Income Support not JSA, due to the design of the benefits system. So in this case, even if they were actively seeking work they would be excluded from the count. Furthermore, those who haven't paid enough NI contributions and whose family income is above a certain threshold (eg via savings or a partner's earnings) would not be eligible for benefit. Comparisons of the claimant count with other unemployment measures suggest that unemployed women and young people are more likely than other groups to be missed by the count. Section 5 explores coverage issues in more detail.

### **Geography and ward boundary issues**

One of the most useful features of claimant count data is that data is available for a wide range of geographies (eg regions, Jobcentre Plus areas, local authorities). The data also go down to ward and postcode sector level which allows detailed local area profiling.

However, less useful is the fact that ward and local authority data is published on the basis of old ward boundaries. At the time of writing, data were available for London boroughs and wards, but related to ward boundaries in place as at 1991. This has been a real problem for users of the data as there have been radical changes to ward boundaries in London since then, and some changes to borough boundaries (Appendix Table A19).

This is all about to change and ONS are about to start publishing claimant count on the basis of current ward boundaries. In the case of London, this means ward boundaries in place as at December 2002, consistent with 2001 Census geographies. At the time of writing, this was planned for March 2004.

### **Claimant count rates and their limitations**

To enable meaningful comparisons of the claimant count between different areas, ONS publish the claimant count data alongside percentage rates or 'proportions'. Currently, the claimant count is published as a percentage of the working age resident population, but only down to local authority area level (See Table 2). These rates have two limitations:

- They are not published for wards. Given the huge variation in rates by ward and the need for local area statistics, this is often a problem for users of the data

- As the percentage rates are population-based, this means they do not control for differences in the size of the labour force in local areas. In an area like London, labour force participation rates (or 'economic activity' rates) vary enormously so it is useful to control for this as comparisons become more meaningful.

### **The GLA's claimant count ward model – provisional borough estimates**

To overcome these limitations, the GLA produces its own ward level and borough claimant count rates for all London boroughs each month. The aim of the model is to produce rates which enable a 'like for like' comparison between local areas across London. The rates express the claimant count as a percentage of the resident economically active population<sup>6</sup> in an area. They are designed to show how likely those active in the labour market are to be claimant unemployed. Figure 2 compares the derivation of ONS and GLA rates, these can be generated for different age and population groups.

**Figure 2 Derivation of claimant count rates by ONS and GLA**

<b>ONS claimant count rate (%)</b>	=	$\frac{\text{Claimant count}}{\text{Population}} \%$
<b>GLA claimant count rate (%)</b>	=	$\frac{\text{Claimant count}}{\text{Persons economically active (excluding full-time students)}} \%$

The GLA's model is currently being revised to take on board new data from the 2001 Census on economic activity, more up to date population data and the move to new ward boundaries (for publishing claimant count statistics). We expect the new model to be fully up and running from May 2004. For more information about the GLA's ward model see Appendix 3. Table 2 provides provisional<sup>7</sup> estimates of claimant rates at borough level, based on the new GLA model. These will be subject to some revision as we refine the new model but serve to give some idea of the difference between the GLA's labour force based rates to ONS's population based rates.

<sup>6</sup> The economically active population comprises all those in employment or unemployed and looking for work (ie the labour force). In the current GLA model, the number economically active relates to people of working age only and excludes full-time students who are economically active.

<sup>7</sup> GLA rates express the claimant count as a percentage of the economically active working age population (excluding full-time students). Provisional rates presented here are based on 2001 Census labour force data but final model estimates will also be linked in with current demographic projections on an annual basis. This will ensure the base reflects changes in population. Claimant data here relate to 1991 boundaries whereas Census data relate to current boundaries. Changes in borough boundaries between 1991/2002 were fairly small in terms of population affected, so while rate calculations are not precise they are reasonably robust for boroughs (City rates have been suppressed due to poor reliability).

**Table 2 Claimant count, comparison of GLA & ONS rates, people of working age, London boroughs, November 2003**

	Claimant count	Claimant count rates (%)		Economic activity rate (%) (LFS 2001/02)
		All claims (Clerical & computerised)	GLA rates (% labour force),	
<i>Base: persons working age</i>				
City of London	104		**	1.9
Barking & Dagenham	3,326		4.9	3.3
Barnet	5,790		4.1	2.8
Bexley	2,798		2.7	2.1
Brent	8,331		7.0	4.6
Bromley	3,735		2.7	2.1
Camden	5,872		6.4	4.0
Croydon	6,078		3.9	2.8
Ealing	5,928		4.1	2.9
Enfield	5,905		4.9	3.4
Greenwich	5,952		6.4	4.3
Hackney	8,197		9.8	5.9
Hammersmith & Fulham	4,603		5.4	3.8
Haringey	7,558		7.7	5.0
Harrow	3,094		3.3	2.3
Havering	2,349		2.3	1.7
Hillingdon	3,707		3.3	2.4
Hounslow	3,112		3.1	2.2
Islington	6,260		7.6	4.9
Kensington & Chelsea	2,960		3.9	2.6
Kingston upon Thames	1,652		2.3	1.7
Lambeth	10,718		7.9	5.5
Lewisham	7,741		6.6	4.5
Merton	2,966		3.2	2.3
Newham	7,274		8.0	4.5
Redbridge	3,918		3.7	2.6
Richmond upon Thames	1,962		2.3	1.7
Southwark	9,716		8.7	5.7
Sutton	1,890		2.1	1.7
Tower Hamlets	8,483		10.8	6.3
Waltham Forest	6,008		6.1	4.1
Wandsworth	5,554		3.9	2.9
Westminster	4,301		4.8	3.2
Inner London	89,341		6.9	4.5
Outer London	78,501		3.8	2.7
Greater London	167,842		5.0	3.5
Great Britain	851,837		3.3	2.4

Source: ONS, Jobcentre Plus administration system, 2001 Census (Standard Table ST028), Annual local area Labour Force Survey, 2001/02

In all cases, GLA rates are higher due to the smaller size of the labour force base relative to the population, though the gap is generally wider for Inner London boroughs where labour force participation is low. Table 2 also shows the extent to which economic activity rates vary across London from as low as 61.1 per cent in Newham up to 86.7 per cent in Sutton. This is why it is important to control for differences in the size of the labour force when calculating rates.

Appendix Tables A1 to A5 provide more data on the claimant count by gender, age and duration.

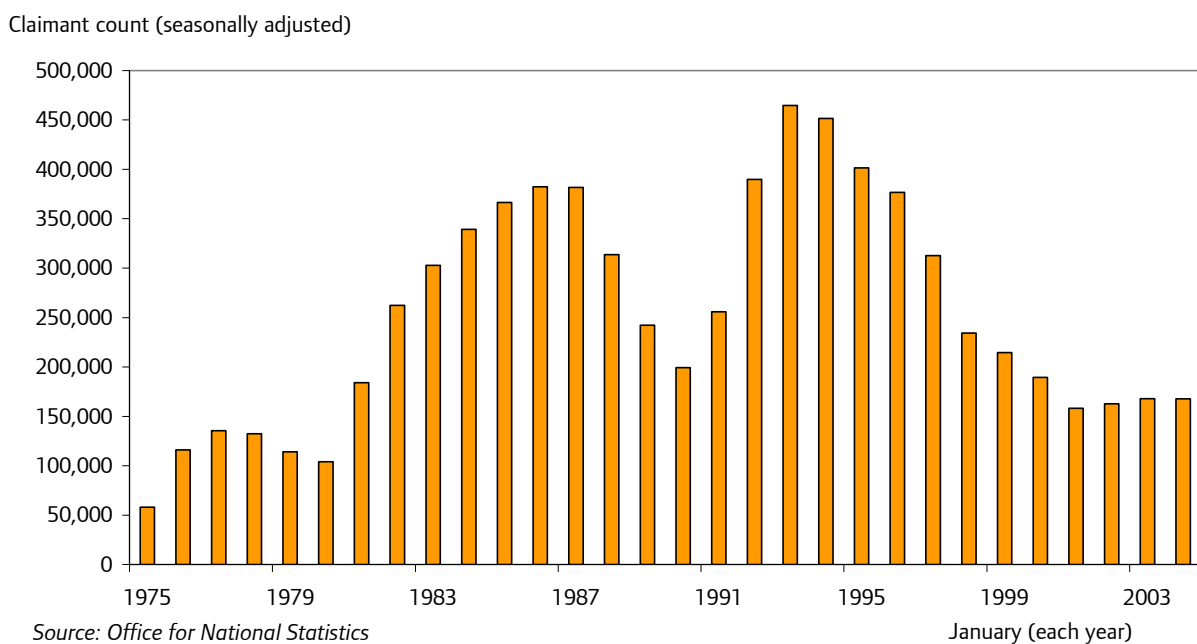
### Time series data and seasonal adjustments

Time series claimant count is available but exactly what is available depends on the analysis in question (eg Geographical area required and whether rates or counts are needed). Three key aspects of claimant count data make meaningful comparisons over time tricky:

- Seasonality - unemployment data is prone to seasonal fluctuations
- Changes to the benefits system which can have a big impact on the count itself, making consistent time series comparisons difficult
- Changes to ward and borough boundaries

To overcome the first two problems, ONS produce headline seasonally adjusted figures at the regional level. These take into account seasonal patterns of claims and previous changes to the way in which claimants are counted. This allows more meaningful comparisons over time. Currently, regional figures are readily<sup>8</sup> available on this basis back to 1975. Figure 3 below illustrates these for London.

**Figure 3 Claimant count, seasonally adjusted, Greater London, 1975-2004**



<sup>8</sup> Currently available via NOMIS – the ONS sponsored website for official labour market statistics.

Seasonal adjusted figures are not available at local area level (ie borough or ward). So users of local area data need to be careful when comparing data over time. In the case of London, ward and borough level claimant counts are currently available back to 1996 on the basis of 1991 ward boundaries.

The fact that the claimant count is published monthly is one of the key strengths of the measure. The timeliness of the measure is particularly useful for those who want to monitor the business cycle. Recent research<sup>9</sup> by ONS concluded that the claimant count emerges as a very useful indicator of labour market turning points – and is particularly fast at reacting to slowdowns in the economy.

### **Overview – strengths and limitations**

The main limitation of the claimant count is that it is a narrow measure of unemployment with especially poor coverage of unemployed women and young people. It is also highly sensitive to changes in benefits regulation.

However, the claimant count does have a number of strengths. First, while the count only has partial coverage of unemployed people, it is a very precise measure of a sub-set of unemployed people (ie claimants), as it is based on administrative counts. Furthermore, as it mainly covers those unemployed people who have to rely on means-tested benefits, it is a useful indicator of poverty. Second, the claimant count is the only indicator of unemployment that is available on a monthly basis down to ward level. No other data source can match this.

For these reasons, in practice, it is likely the GLA and others will continue to rely on the claimant count as a key source of data on unemployment, despite its limited coverage. The claimant count is undoubtedly a very useful measure, but it needs to be used appropriately and interpreted with care.

Section 5 explores this in more detail by comparing the count to Census data on unemployment – this helps identify what groups and areas the count is good and bad at covering.

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<sup>9</sup> Labour Market Turning Points, *Labour Market Trends*, November 2003

### 3. ILO unemployment - The Labour Force Survey

**Key features of ILO unemployment**

- The ILO definition measures those people not in work, actively seeking work and available to start work
- Data is collected via the UK Labour Force Survey and are estimates not counts
- Headline borough level estimates are available annually, but are poor quality
- More detailed data is available but generally only at regional level (eg age, gender, ethnicity and disability)
- Strengths: Comprehensive measure not dependent on benefits, wide scope for analysis at regional and national level
- Limitations: Sub-regional data hugely limited due to sample size. Also no ward level data available
- Data provider: Office for National Statistics

This section provides an overview of the ILO unemployment measure, its key features, strengths and limitations.

#### **ILO unemployment – What is it?**

The International Labour Organisation (ILO) is an agency of the United Nations and ILO unemployment is an internationally agreed measure of unemployment. In essence, ILO unemployment measures those people who are out of work and are looking for work. More specifically, to qualify as ILO unemployed, people must have actively sought work in the last four weeks and be able to start work in the next two weeks. People who are out of work but have found a job and are waiting to start it in the next two weeks are also counted as ILO unemployed.

This definition of unemployment has also been adopted by the Office for National Statistics (ONS) as the official, and only internationally comparable, measure of unemployment in the UK. ILO unemployment is a more comprehensive measure of unemployment than the claimant count as it also includes unemployed people not in receipt of unemployment-related benefits.

#### **ILO unemployment rates**

The ILO unemployment rate (%) measures the proportion of the labour force that are unemployed. The labour force is defined as the economically active population (ie those employed, self-employed and unemployed). These rates are 'residence based' as they relate to where people live (not where they work). Rates can be calculated for various age or population groups.

**Figure 4 Derivation of ILO unemployment rates**

$$\text{ILO Unemployment rate (\%)} = \frac{\text{Persons ILO unemployed}}{\text{Persons economically active}} \%$$

**The Labour Force Survey**

In the UK, the Labour Force Survey (LFS) is used to measure ILO unemployment. The LFS is a large sample survey of households carried out by ONS that provides a wide range of data about the people’s labour market activity. During the interview a number of questions are asked to ascertain whether respondents are unemployed according to the ILO definition.

Like all sample surveys, the LFS produces estimates rather than precise measures and all data are subject to a degree of sampling variability. This can be considerable at local area level (ie London borough) and is one of the main limitations of the LFS.

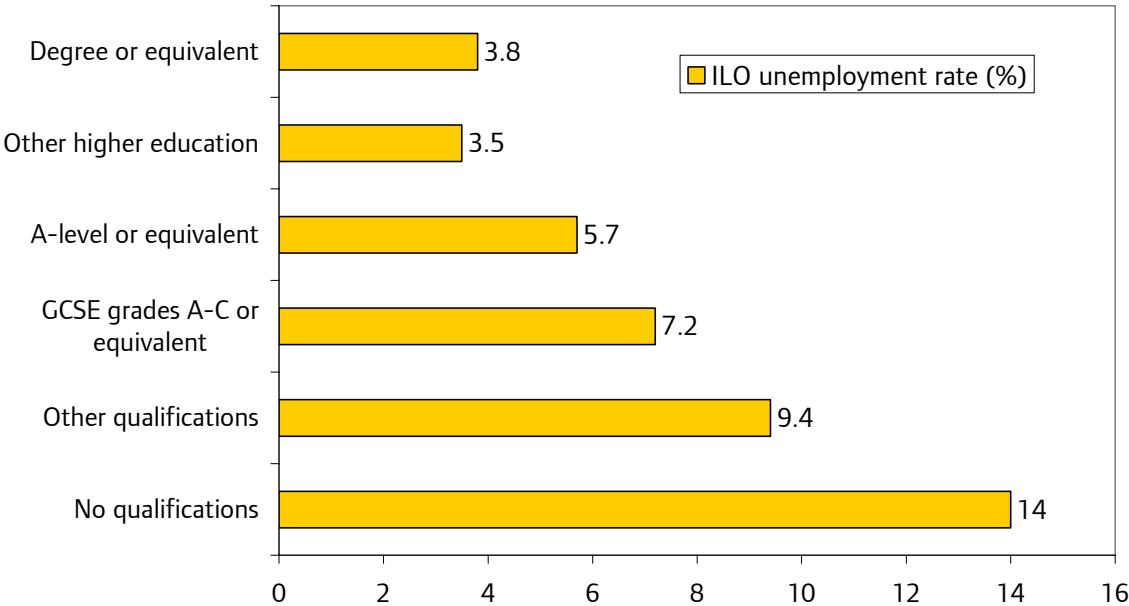
LFS data can be drawn from both quarterly and annual LFS datasets. Quarterly datasets provide more up to date estimates but are primarily designed for national and regional level analysis. The annual LFS dataset is less timely but is better suited to sub-regional analysis as it is based on a larger sample and was specifically designed to produce improved local area estimates.

**What data is available**

As well as asking about unemployment, the LFS collects other information about people’s socio-economic circumstances and demographics. This is one of the key strengths of the LFS and means that unemployment data can be analysed in a wide range of ways. Like the claimant count, ILO unemployment data is readily available on the basis of age, gender and duration of unemployment. These sort of data are published routinely by ONS at a regional level.

However in addition, more detailed unemployment data can be generated using LFS datasets. For example, it is possible to cross-tabulate unemployment by a range of socio-economic variables. Figure 5 provides an example of the type of analysis that can be done and shows ILO unemployment rates by qualifications levels for Londoners.

**Figure 5 Unemployment rates by qualifications, persons working age, Greater London, 2001/02**



Source: Annual local area Labour Force Survey 2001/02

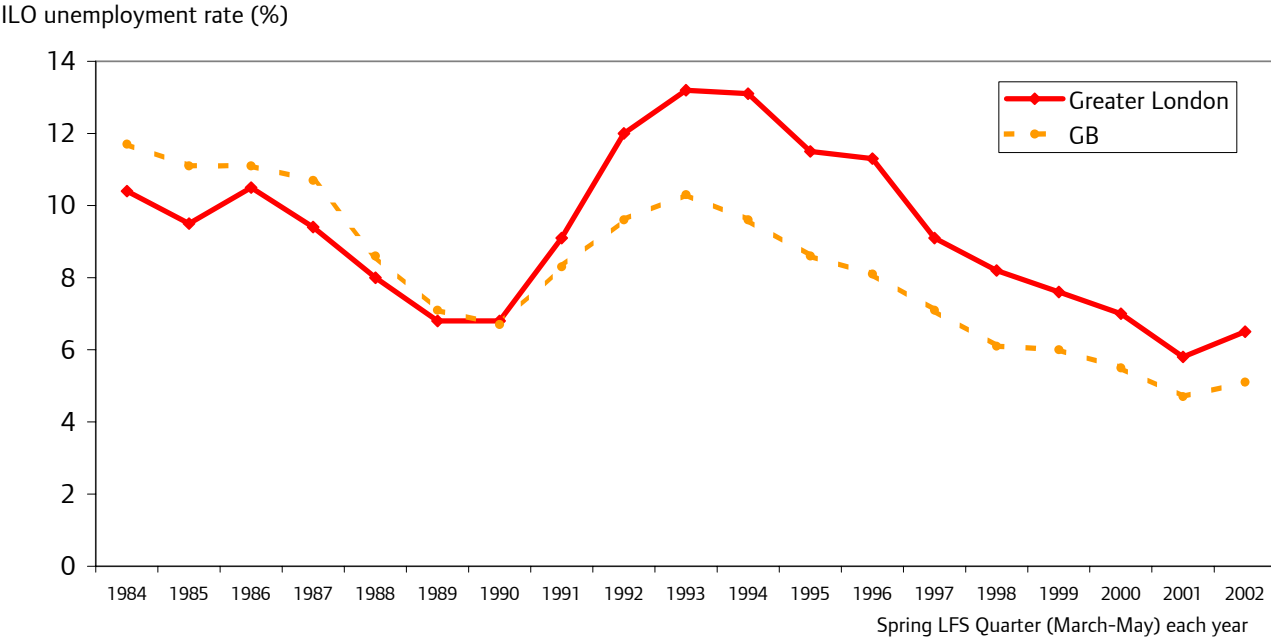
The data show the strong link between educational attainment and unemployment and illustrate how the data can be used to identify the factors associated with unemployment.

LFS datasets have hundreds of different variables so possibilities for analysis are vast. However, at a regional and sub-regional level analysis can become quickly restricted by sample size and reliability issues. Appendix Tables A8-A11 provide baseline LFS data on ILO unemployment for London by age, gender and duration.

**Time series data**

Consistent time series data are available on ILO unemployment is available back to 1984 from the Labour Force Survey (Figure 6). The questions asked on the Labour Force Survey to determine ILO status have been asked in broadly the same way thus enabling comparisons. Trend analysis is possible at a national and regional level but becomes much more limited at a sub-regional level due to sample size issues.

**Figure 6 ILO unemployment rates (%), Persons aged 16+, London and GB, 1984-2002**



Source: Labour Force Survey

**Seasonal adjusted data on ILO unemployment**

Most data available on ILO unemployment are unadjusted. However, ONS do publish some seasonally adjusted ILO unemployment figures on a monthly and quarterly basis. These data are headline data only, available on a regional and national basis split by gender. Annual data don't require seasonal adjustment as they are based on survey data throughout the year.

### Geography and limitations of borough level data

LFS estimates of ILO unemployment are available nationally and for all regions. However, at the local authority level, data availability becomes more limited and generally patchy, largely depending on the analysis in question and sample size considerations. Like most sample surveys, the LFS cannot generate ward estimates.

The latest annual LFS dataset (2001/02) was only able to produce ILO estimates for one third<sup>10</sup> of all local authority areas across the UK.

In the case of the London, estimates of ILO unemployment are currently available for 27 of the 32 London boroughs (from the 2001/02 annual local area LFS dataset).

Data are suppressed by ONS where they feel reliability would be very poor. However, there are still reliability issues for published borough level estimates which all have very high confidence intervals<sup>11</sup> (See Table 3). This limits their practical application and means they need to be interpreted with extreme care and presented appropriately.

Specifically, borough rates should not be compared over time because changes are unlikely to be statistically significant (ie any change between years may be down to sampling variability not down to a real change in the level of unemployment).

### Modelling local area ILO unemployment

The Office for National Statistics recognise the problems in relation to the

**Table 3 ILO unemployment estimates for London boroughs, 2001/02**

	ILO Unemp- loyment	ILO rate (%)	95% confidence interval (+/-)
Persons aged 16+			
City of London	**	**	**
Barking & Dagenham	4,000	6.4	1,600
Barnet	9,000	4.9	3,500
Bexley	**	**	**
Brent	12,000	9.4	3,100
Bromley	6,000	3.9	2,700
Camden	9,000	8.2	2,800
Croydon	10,000	5.7	3,300
Ealing	10,000	6.3	3,700
Enfield	8,000	6.4	3,000
Greenwich	8,000	7.4	2,400
Hackney	11,000	12.2	2,800
Hammersmith & Fulham	6,000	6.4	2,100
Haringey	11,000	10.4	3,300
Harrow	**	**	**
Havering	**	**	**
Hillingdon	6,000	4.1	2,400
Hounslow	6,000	5.6	2,200
Islington	8,000	9.3	2,400
Kensington & Chelsea	7,000	6.1	2,300
Kingston upon Thames	4,000	4.8	1,700
Lambeth	10,000	7.0	3,200
Lewisham	12,000	10.3	3,200
Merton	**	**	**
Newham	11,000	11.7	2,900
Redbridge	8,000	6.8	2,500
Richmond upon Thames	**	**	**
Southwark	12,000	10.7	3,400
Sutton	5,000	5.1	2,000
Tower Hamlets	9,000	12.3	2,100
Waltham Forest	7,000	6.9	2,500
Wandsworth	10,000	6.3	2,600
City of Westminster	8,000	6.1	2,400
Inner London	124,000	8.7	9,800
Outer London	124,000	5.3	10,800
Greater London	248,000	6.6	14,600
Great Britain	1,451,000	5.0	30,400

Source: ONS, Annual local area Labour Force Survey, 2001/02. Data have *not* been adjusted to reflect 2001 Census population data.

<sup>10</sup> ILO unemployment estimates were published for 139 of 408 unitary authorities and local authority districts in Great Britain – from the Annual local area Labour Force Survey dataset, 2001/02.

<sup>11</sup> The 'confidence interval' is a statistical term which is explained in more detail in the Glossary

LFS sample and have been experimenting with modelling ILO unemployment at local area level to improve provision of estimates and to improve reliability of data<sup>12</sup>. The model is based on finding a strong relationship between ILO unemployment (as measured by the LFS) and the claimant count. This relationship is then used as a basis to produce a series of ILO unemployment estimates for local areas. These have better precision than LFS estimates so can be produced for almost all local authority<sup>13</sup> areas, though the error attached to estimates is still high.

This work is still in its early stages, estimates have only been produced up to 1999/2000 and has yet to take on board the 2001 Census results (which will provide yet another input into the model and will alter the population base). The preliminary modelled estimates for London boroughs are presented in Appendix Table A7 and are compared with actual LFS estimates for 1999/2000.

In some cases the modelled rates are quite different from LFS estimates, reflecting the high error attached to estimates. However, the broad pattern of unemployment across London remains similar and the modelled estimates look fairly sensible for London. The one disappointment with the new work is that the error attached to modelled estimates is still very high for boroughs, albeit better than LFS estimates.

ONS are planning to develop and improve this work further and it is likely we will see more modelled estimates in the future. Indeed, if the project is successful, it is possible that modelled unemployment estimates could become 'official statistics' in the future.

### **Overview of strengths and weaknesses**

ILO unemployment is currently the official measure of unemployment in the UK and has three key strengths:

- It is a reasonably comprehensive measure of unemployment.
- The design of the Labour Force Survey means that unemployment can be analysed against a wide range of other variables. This allows analysis of the key factors associated with unemployment, which can help unpick the factors driving rates.
- Consistent time series data is available on ILO unemployment back to 1984

However, LFS analysis can quickly run into problems due to sample size issues. While ILO unemployment estimates are fairly robust at regional and NUTS-2<sup>14</sup> area level (ie Inner and Outer London), they are much less reliable at borough level. Even at the London level, it is difficult to generate reliable estimates for small groups within the population (eg women from some ethnic groups). This general issue and the inability of the LFS to generate local area level estimates at ward level remains its main limitation.

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<sup>12</sup> Development of improved estimation methods for local area unemployment levels and rates, *Labour Market Trends*, January 2003.

<sup>13</sup> Unitary and local authority districts

<sup>14</sup> NUTS areas are explained in the Glossary (Appendix 2).

## 4. 2001 Census measure of unemployment

### Key features of the 2001 Census measure of unemployment

- The Census definition is based on the ILO unemployment measure
- Aims to count those people not in work, actively seeking work and available to start work. The Census offers an approximation of the ILO measure.
- Available down to ward level/output area level
- Key data available for various population groups (eg age, gender, ethnicity)
- Strengths: Comprehensive measure not dependent on benefits plus local area detail available
- Limitations: Only available every 10 years
- Data provider: Office for National Statistics

This section provides an overview of the 2001 Census unemployment measure, its key features and its strengths and limitations.

### The 2001 Census measure of unemployment

The Census of Population aims to provide a count of all people and households in the UK and is carried out every 10 years. In addition to baseline demographic data, the census collects a range of labour market data including data on unemployment. The Census is carried out by the Office for National Statistics.

### The Census definition of unemployment

Like the LFS, the 2001 Census questions on unemployment are based around the International Labour Organisation (ILO) definition and seek to measure the number of people who are unemployed and actively looking for work (or more specifically, those who are not in employment, are available to start work in the next two weeks and have either looked for work in the last four weeks or are waiting to start a new job).

People were classified according to their employment circumstances the week before Census day (29 April 2001) and their ILO status was derived by the answers they provided to four different Census questions. These questions were only asked of adults aged 16-74.

### Precision of estimates

While the LFS and Census use the same ILO unemployment definition, the data is collected in a quite different way. The Labour Force survey is an interviewer led survey which uses a wide range of questions to determine economic status according to ILO definitions. Moreover the LFS is specifically designed to profile labour market participation.

In contrast, 2001 Census data was collected via self-completion forms and far fewer questions were used to determine ILO status. For these reasons, the Labour Force Survey tends to be better at measuring unemployment according to the precise ILO definition, and the Census was intended to provide a best approximation of the ILO measure.

In general, Census measures tend to be higher relative to LFS estimates, this is thought to be explained by the differences in the survey methodologies. This is discussed in more detail in Section 5.

### **Coverage**

The Census aims for complete coverage of the population but in practice only reached about 94 per cent of UK residents<sup>15</sup>. In London, response levels were lower (85 per cent) and were quite variable across boroughs ranging from 64 per cent to 97 per cent. To deal with non-response and under-enumeration, ONS impute<sup>16</sup> the missing values so that the final Census data accurately reflects the size and composition of the population<sup>17</sup>.

While the Census may not have complete coverage and relies on some estimation, relative to sample surveys coverage is very good and enables detailed analysis for small groups within the population.

### **Data available**

A wide range of unemployment data is available from the Census as the questionnaire collects various socio-economic and demographic data about respondents. Currently, standard tables are available from the Census which allow unemployment to be analysed by a range of variables, these include:

- Gender
- Age
- Ethnic group
- Qualifications
- Housing tenure
- Former occupation
- Former industry
- Religion
- Health/limiting long-term illness
- Car ownership

In addition to these areas, special tables can be commissioned on other topics covered by the Census. Figure 7 illustrates the type of analysis that is possible and shows unemployment rates by ethnic group for the London Borough of Tower Hamlets.

More GLA analysis using Census data on unemployment was published recently in another DMAG Briefing: *Unemployment in London: An analysis of 2001 Census data*. This provides more detailed borough level analysis and is available on request<sup>18</sup>.

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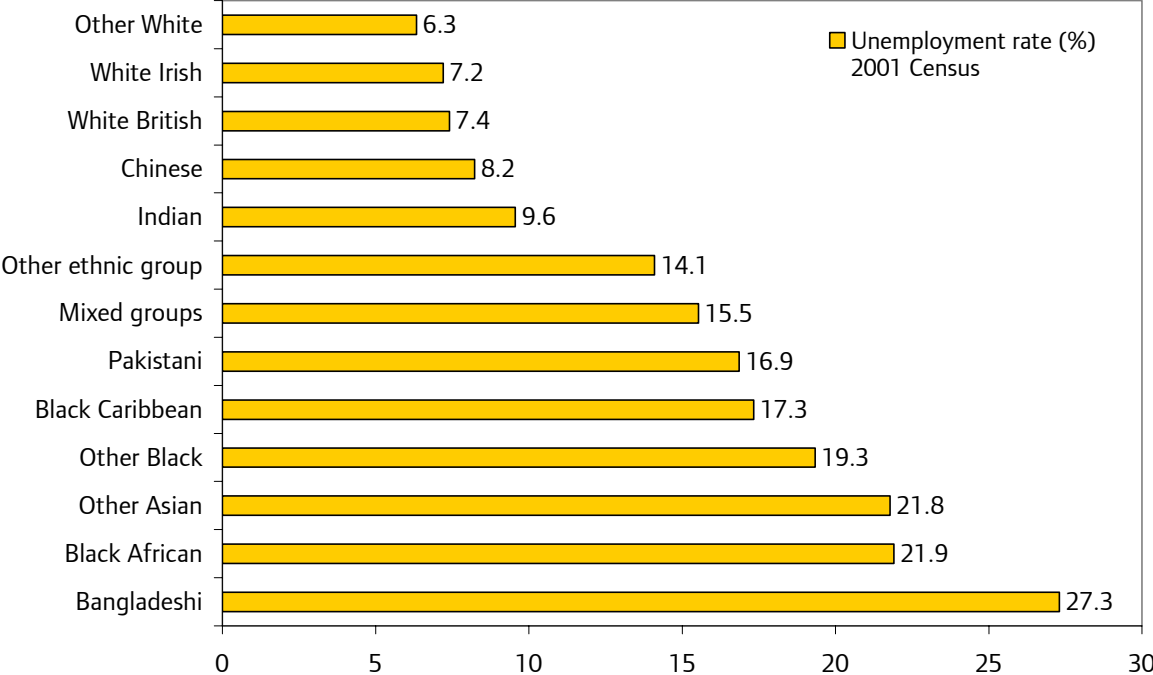
<sup>15</sup> See DMAG Briefing 2002/12 *2001 Census response in London* for more detail on under-enumeration

<sup>16</sup> Imputation is a method of ascribing information about those missed in surveys. Complex modelling and estimation methods are employed to do this.

<sup>17</sup> However, the ONS 2001 mid-year population estimates for London have subsequently been increased by around 120,000 for working age males.

<sup>18</sup> *Unemployment in London, An analysis of 2001 Census data for London*, DMAG Briefing 2003/26.

**Figure 7 Unemployment rates by ethnic group, persons aged 16-74, Tower Hamlets, April 2001**



Source: 2001 Census, Standard Table S108

**Geography**

Due to its wide coverage, Census data is available for very small geographical areas and this is one of its unique characteristics. Some data is even available below ward level for output areas, which are based on postcodes and have an average size of around 125 households. In London, Census data are available on the basis of current ward boundaries (those introduced in May 2002).

This means the Census can often generate unemployment rates that are unavailable from any other source. The data illustrated in Figure 7 is only available from the Census. The claimant count does not record ethnicity so it would not be possible to generate this chart using claimant count rates. Likewise, this chart could not be produced from the LFS as the borough sample is far too small.

The Census offers an unparalleled level of detail at a local area level and this is its major strength.

**Deriving Census unemployment rates**

Unemployment rates based on Census data can be calculated in different ways depending on user requirements (ie they could be population or labour force-based). For the purposes of this report, we have chosen to use a labour force rate - *the number unemployed as a percentage of those economically active in the labour force*. This measure allows us to look at all those people who are in the labour force and examine their chances of being unemployed. This approach is consistent with the derivation of the Labour Force Survey ILO unemployment rate.

**Figure 8 Derivation of Census unemployment rates (%)**

<p><b>Census</b></p> <p><b>Unemployment rate (%)</b></p>	<p><b>=</b></p>	<p><b>Persons unemployed</b></p> <hr style="border: 1px solid black;"/> <p><b>Persons economically active</b></p>	<p><b>%</b></p>
<p><i>Note: Rates can be calculated including or excluding economically active full-time students. Either way, they should be treated consistently (excluded or included in both numerator and denominator).</i></p>			

**Rates and the issue of unemployed full-time students**

When calculating rates it is important to be careful about how full-time students are treated. Adults in full-time education can be counted as unemployed according to the Census if they say they are not in work and that they are actively looking for a job and ready to start one (according to the ILO definition). The Census identified 261,252 Londoners as unemployed – of these, 30,200 were full-time students. This is broadly consistent with Labour Force Survey data for London which also identifies a significant number of full-time students who are ILO unemployed.

If rates were to match LFS ILO rates, students (who were active in the labour market) would be included in both unemployment totals and in the economically active base. However, in practice this is difficult to do because on many published Census tables, economically active students who are unemployed are excluded from census unemployment totals and simply listed separately as ‘economically active students’ (ie there is no further split to identify what proportion are unemployed and employed). So, it is practical to exclude full-time students entirely from most rate calculations, though this does lower unemployment level and rates. In London, the unemployment rate was 7.3 per cent including students and 6.7 per cent excluding them. Appendix Table A13 presents Census unemployment rates for London boroughs – both including and excluding students.

**Strengths and limitations of the Census definition**

The Census may not be able to *precisely* measure ILO unemployment as strictly as the LFS does, but it provides a fair approximation – albeit on the high side. While LFS may offer a more accurate measure of ILO unemployment at the national level it fails to deliver precise estimates at the local level (due to the very high sampling variability of local area LFS estimates). The claimant count provides data down to ward but uses a very narrow measure of unemployment.

However, the Census has the best of both worlds as it:

- uses a fairly comprehensive definition of unemployment
- can provide data for small areas and groups within the population
- can analyse unemployment data against people’s characteristics

Perhaps the key limitation of the Census is that is only available every 10 years and the data is already out of date by the time it is released.

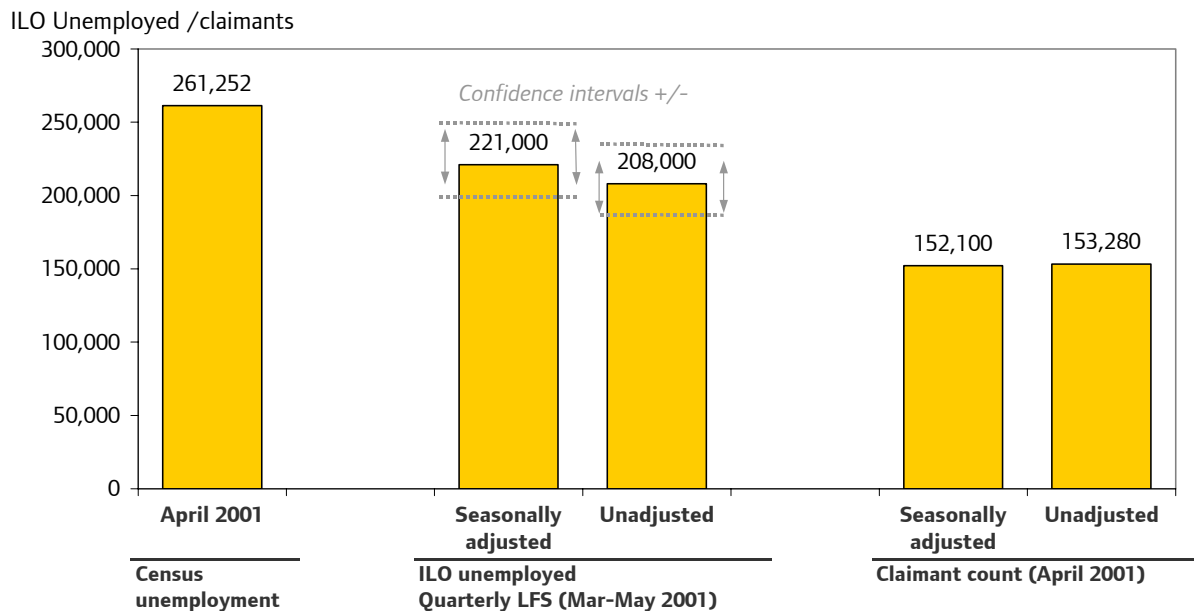
## 5. Comparison of key data sources for London

This section compares unemployment data for London from the three data sources reviewed in sections 2-4:

- The claimant count
- The Labour Force Survey
- 2001 Census

By comparing data at the same point in time, we can gain a better understanding about the coverage of each source and how they relate to each other. Much of this section concentrates on the relationship between the claimant count and the 2001 Census measure of unemployment as more detail is available at a borough level from both these sources. This section firstly explores the methodological differences between the sources and then compares the data.

**Figure 9 Different unemployment measures compared for London, 2001**



Source: 2001 Census, Quarterly Labour Force Survey and Jobcentre Plus administrative system

### Headline totals compared

Figure 9 compares each measure of unemployment for the Spring 2001. It is impossible to get an exact 'like for like' comparison as each data source relates to a slightly different time period and each to a slightly different age group<sup>19</sup>. However the data are robust enough to give an overall picture.

<sup>19</sup> Census data relates to the week before Census day (29 April), LFS data is a three month average and claimant data is a count on the 12th April 2001. Claimant count data are based on those of working age, ILO unemployed on those aged 16+ and Census on those aged 16-74. In practice there are only a small number of people unemployed over retirement age so this does not significantly impact on the broad comparison. The LFS data presented here have been adjusted to be consistent with 2001 Census based population estimates (interim adjustments).

Like the Census, the LFS measures unemployment according to the ILO definition, but produces a higher estimate. In London, the Census figure is around 18 per cent higher than the seasonally adjusted quarterly Labour Force Survey estimate. While it is possible that part of the difference could be explained by the high level of sampling variability attached to regional LFS estimates, it is also likely that some of the difference is driven by methodological differences between the surveys. These are thought to lead to the Census counting more people as unemployed relative to the Labour Force Survey.

The picture in London is also observed nationally. Across England and Wales, the Census unemployment figure was around 13 per cent higher than the Labour Force Survey ILO estimate. This strengthens the argument that methodological differences are driving the gap in the measures.

### **The 2001 Census and the Labour Force Survey: methodological differences**

The two main differences in the way Census and LFS collect data about ILO unemployment are:

- LFS data is collected by interviewers whereas Census data is collected via self-completion forms.
- The LFS interview concentrates on labour market topics and asks more questions than the Census to determine a person's ILO status (though question wording is very similar on the key questions that are common to both surveys).

In the Census, the absence of an interviewer makes it more difficult to ensure that respondents follow correct routings on questionnaires or adhere to guidance notes. This is particularly likely with regard to more complex subject areas such as labour market activity and can have an impact on the quality of responses. For example, in the Census, where respondents fail to tick a box or incorrectly tick multiple boxes, editing and data cleaning rules have to be developed and these can introduce bias. If someone works just a few hours a week, they would be classed as employed on the LFS, whereas in the Census if they failed to answer the question on employment but went on to say they were looking for work - it is possible they would be counted as unemployed.

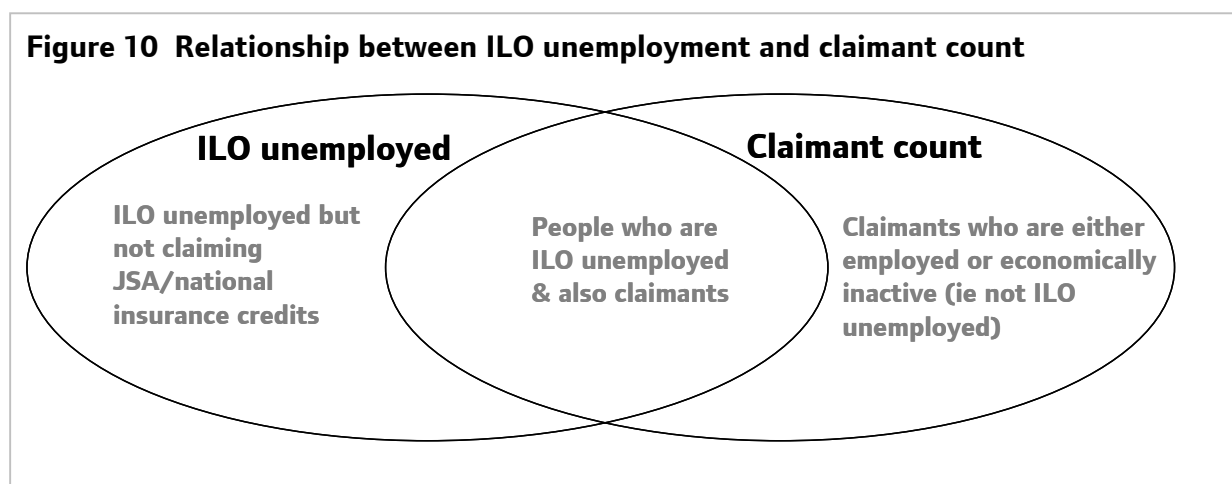
Another issue is the collection of data by proxy – where someone in the household provides data about others in the household. The LFS collects about 30 per cent of data by proxy, but this is likely to be much higher in the Census. This can undermine accuracy of responses. Again, using the example of someone working just a few hours per week, if someone else in the household was providing information about them, it is possible they might not know about their employment, or they may not consider a few hours a week as someone 'being in employment'.

Preliminary work by the Office for National Statistics (ONS) suggests that these methodological differences are likely to lead to the Census over-estimating unemployment relative to the LFS. Groups who might be affected more than others include part-time workers and students. This preliminary research is consistent with the findings on Figure 9. ONS is planning future work on LFS and Census reconciliation that will provide more detail on the reasons behind the differences and the sort of groups affected.

### **Claimant count and ILO measures: methodological differences**

As Figure 9 showed, the claimant count is - by far - the narrowest of all three measures. In April 2001, the count was just over 150,000 – over 100,000 lower than the Census count and 70,000 lower than the LFS estimate.

This is exactly what we would expect given that many people unemployed according to the ILO definition are not claimants. Figure 10 demonstrates the relationship between the claimant unemployed and ILO unemployed.



Groups who are included in the ILO unemployment totals but excluded from the claimant count include all those not claiming or eligible for unemployment-related benefits. Examples of the sort of people this could include are:

- Full-time students not in work but looking for part-time work/vacation work
- People whose partner was working or already claiming benefits
- Young people under 18 not eligible for benefits
- Lone parents unemployed and looking for work but who claim other benefits (eg Income Support)

It is also quite possible that some people who claim unemployment-related benefits would not be unemployed according to the ILO definition. People in this situation would include those:

- In part-time employment with low levels of earnings who are still eligible for JSA
- People who are not in work, receiving benefits but say they are not actively seeking work or available for work.

In the first case, both the LFS and Census would classify the person as in employment not unemployed. In the second example, the person would be classed as economically inactive.

### Comparison of Census and claimant count data

The rest of this section compares data by age, gender and area in order to profile which groups are most likely to be missed by the claimant count but included as ILO unemployed. The analysis is based on the Census ILO measure as the LFS is unable to generate the level of detail necessary for full comparisons.

Census data on unemployment which excludes full-time students who are unemployed has been used to make the most meaningful comparisons. This is because the vast majority of full-time students who are unemployed would be ineligible for Jobseeker's Allowance so would not be included in the claimant count. Excluding them provides a better like for like comparison.

### Comparison of census and claimant count measures by gender

Table 4 compares the claimant and Census counts by gender for London. The data show that the claimant count is very poor at measuring female unemployment. The claimant count comprises around 67 per cent of the Census figure, but for women the figure is only 44 per cent compared with 81 per cent for men.

**Table 4 Census unemployment and claimant count compared by gender, Greater London, 2001**

<i>Base: people working age</i>	2001 Census: Number unemployed	Claimant count (April 2001)	Difference between measures		
			Difference (Census- claimant count)	% difference (% census is higher than CC)	Claimant count as % of Census figure
<b>Persons</b>	<b>227,938</b>	<b>151,610</b>	<b>76,328</b>	<b>50</b>	<b>67</b>
Males (16-64)	139,475	112,397	27,078	24	81
Females (16-59)	88,463	39,213	49,250	126	44

*Source: 2001 Census & Jobcentre Plus administrative system*

*Notes: Census unemployment counts exclude economically active full-time students who were unemployed. Claimant count data presented here relate to computerised claims only (~99% of all claims)*

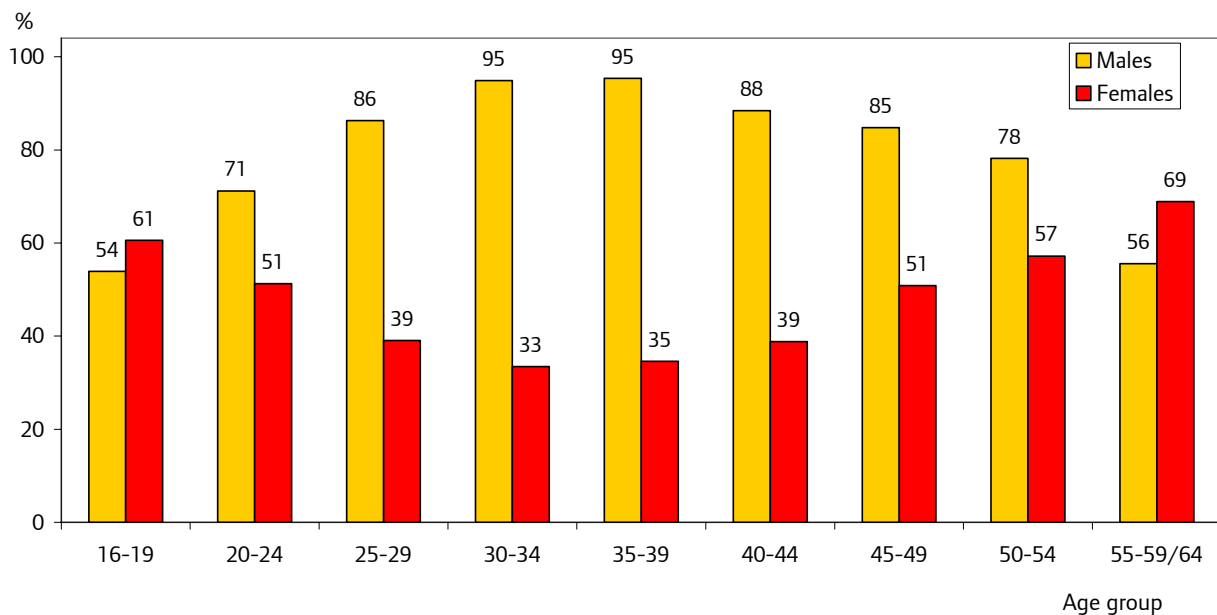
### Claimant and Census measures compared by age and gender

Comparisons by age provide further insight into the issue of who the claimant count is better at counting. Figure 11 compares the claimant and Census counts by gender and age. The chart shows the claimant count as a percentage of the Census count for women and men in different age groups.

Relative to the Census, the claimant count has poor coverage of women across all age groups but coverage is particularly poor for women aged 25 to 44 (33-39 per cent). The majority of women in this group who are unemployed according to the Census are missed by the claimant count.

In contrast, for men, the claimant count has very good coverage of unemployed men in this age group (86-95 per cent). Coverage is poor for men aged 16-19 and those aged 55+.

**Figure 11 Claimant count as a percentage (%) of Census unemployment count by age and gender, Greater London, April 2001**



Source: 2001 Census (Standard Table ST028), Jobcentre Plus administrative system

The differences in coverage levels are likely to reflect the rules and regulations surrounding eligibility for Jobseeker's Allowance – the basis of the claimant count. Factors could include:

- Women in the middle age groups are more likely than men to take time out of the labour market to care for children or to work part-time, this means they will have a poorer NI contributions record, rendering them ineligible for contribution-based Jobseeker's Allowance. The same group may also be ineligible for income-related JSA if they are in a couple and their partner is earning.
- Those unemployed women who are lone parents are far more likely to be claiming Income Support<sup>20</sup> than JSA so many will be missed from the count. However if they are actively seeking work they would be included in the Census count of unemployment.
- The low coverage of unemployed 16-19 year olds is probably due to the fact that most 16-17 year olds who are unemployed are ineligible for JSA.
- The low coverage of unemployed men aged 55+ suggests that many of the men in this age group who are unemployed are not eligible for/or claiming JSA. This could mean they are in receipt of other benefits (eg Incapacity Benefit) or have some other household income rendering them ineligible for income-related JSA (eg men who have taken early retirement from one job, and are receiving an income but who are still looking for work).

<sup>20</sup> The rules for Income Support (IS) and JSA are quite different and lone parents are one of the few groups of unemployed people who can claim IS not JSA (and thereby do not have to meet all of job seeking rules that are part and parcel of JSA). In practice, most unemployed lone parents claim IS not JSA.

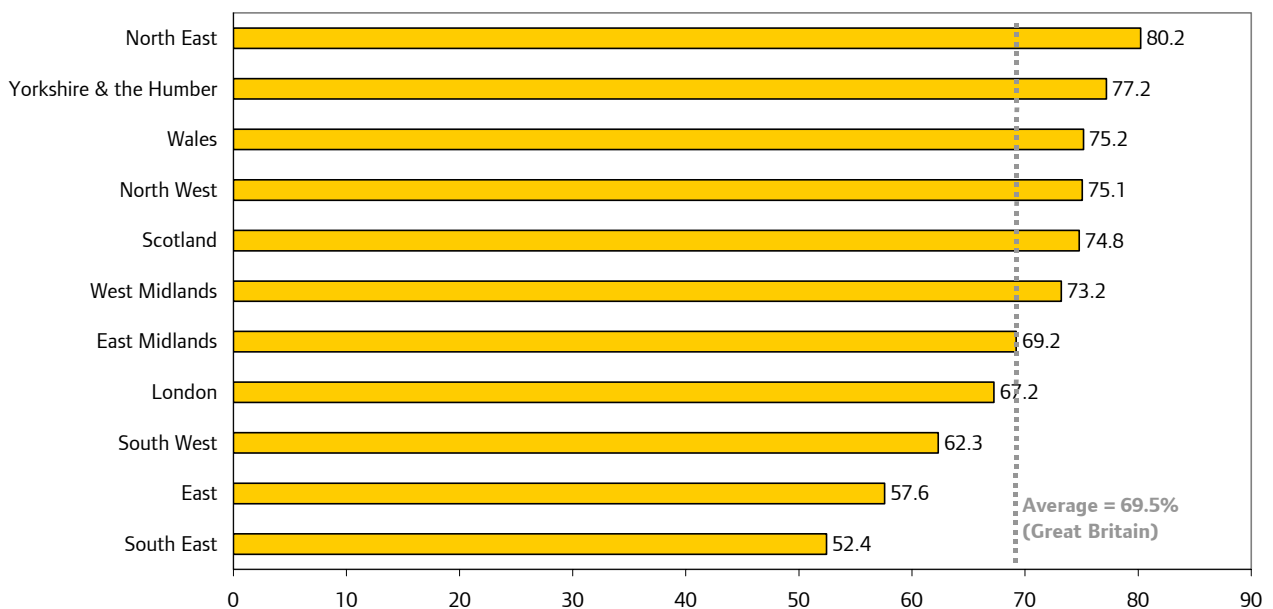
It is difficult to be conclusive about why the figures differ, but what is clear is that the claimant count appears to be quite a good predictor of unemployment for men in the middle age groups and a very poor predictor of unemployment among women and younger people.

To shed further light on these issues, data have also been compared at regional and borough level.

**Claimant and Census measures compared by region**

Figure 12 shows the claimant count as a proportion of the Census measure for GB regions as at April 2001. The chart illustrates a strong North-South divide with coverage being higher in the North and generally poorer in the South. London comes out around average.

**Figure 12 Claimant count as a percentage (%) of the Census unemployment count, Regions, April 2001 (persons working age)**



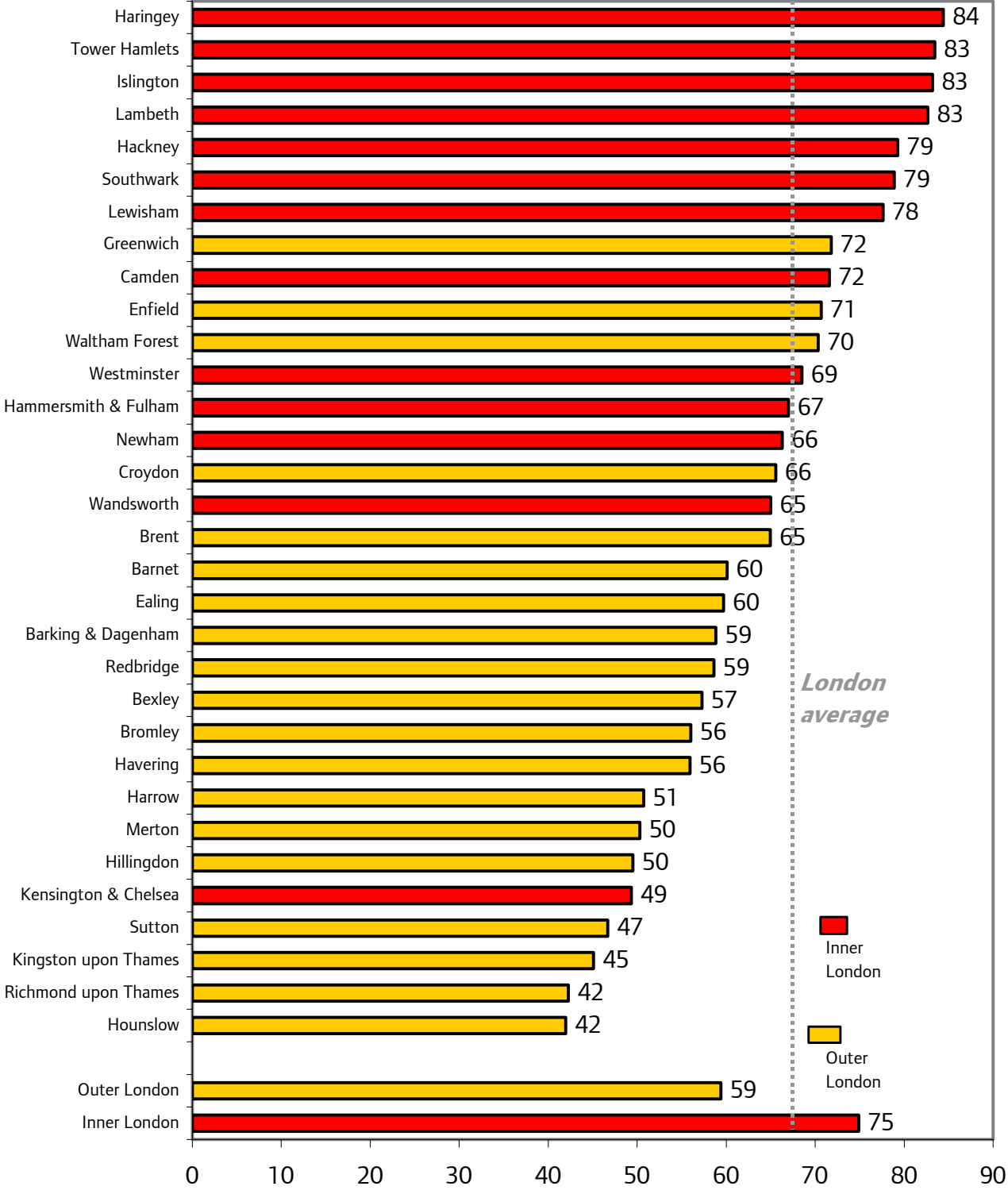
Source: 2001 Census (Standard Table ST028), Jobcentre Plus administrative system

The pattern suggests those unemployed people in the North are more likely to be eligible for and/or more likely to be claiming unemployment-related benefits compared with those in the South.

**Claimant and Census measures compared by London borough**

London’s ‘average’ regional position shown above disguises huge variation at borough level. This is illustrated in Figure 13 which shows the claimant count as a proportion of the Census count in April 2001 for all the London boroughs. As before, the analysis excludes unemployed full-time students from the comparison.

**Figure 13 Claimant count as a percentage (%) of the Census unemployment count, London boroughs, April 2001 (persons working age)**



Source: 2001 Census (Standard Table ST028), Jobcentre Plus administrative system %

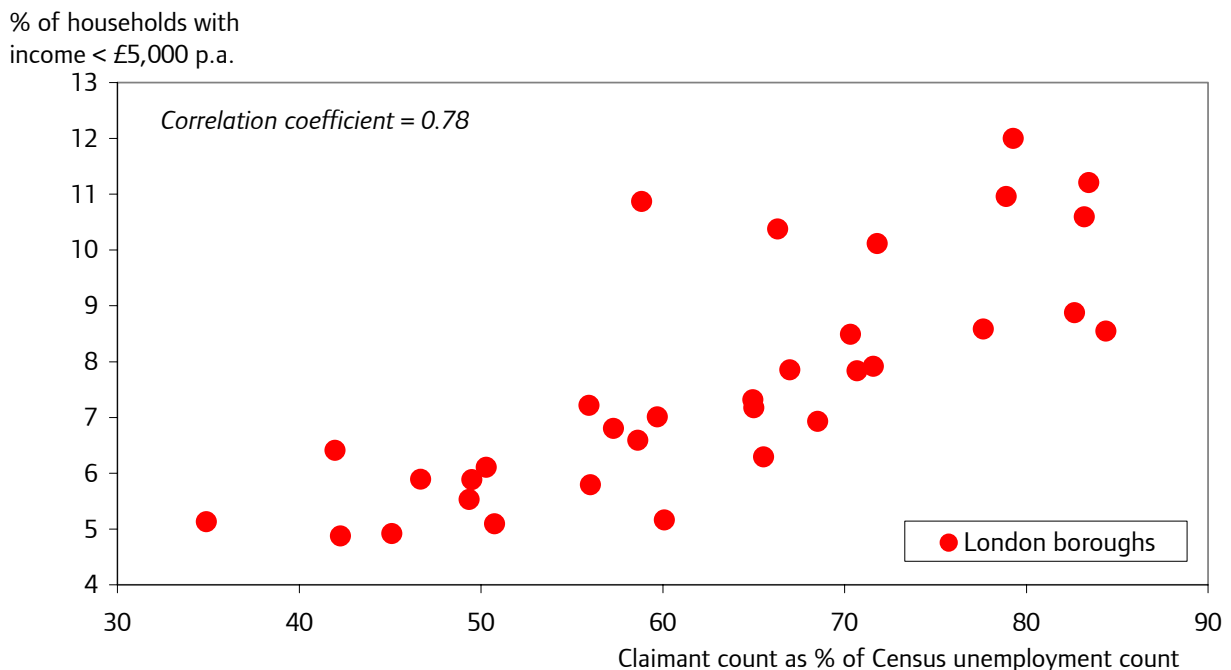
### Claimant and Census measures compared by London borough

The chart shows that the claimant count is typically much closer to the Census count of unemployment across Inner London boroughs compared with the rest of London – with the notable exception of Kensington and Chelsea.

The data suggest that unemployed people in most Inner London boroughs are more likely to be eligible for (and/or more likely to claim) Jobseeker’s Allowance than those in Outer London. This is largely consistent with income patterns across London as the areas where claimant coverage is highest are also the areas characterised by a high proportion of households on very low incomes (thereby improving likelihood of eligibility).

Figure 14 illustrates this by plotting the claimant count coverage percentage (ie claimant count as a percentage of the Census unemployment count) against the proportion of households in each borough on a household income of less than £5,000 per annum<sup>21</sup>. In general, in areas with a higher proportion of low income households, the claimant count is closer to the Census measure. The low claimant count coverage rate in Kensington and Chelsea is consistent with the fact it has a low proportion of low income households relative to other Inner London boroughs.

**Figure 14 Relationship between claimant count coverage and low income households, London Boroughs**



Source: CACI PayCheck 2002, 2001 Census (Standard Table ST028), Jobcentre Plus administrative system

<sup>21</sup> Income estimates based on data from CACI Ltd (PayCheck data 2002)

## **Workless households**

Another factor driving eligibility patterns is whether unemployed people in couples have partners who work or not. If partners are in work and bringing income into the households, eligibility for income-related JSA will be affected, so those whose partners are also out of work are more likely to be eligible. This of course is also related to household income levels.

Analysis of 2001 Census data on workless households<sup>22</sup> shows that people living in Inner London are more likely to live in workless households than those in Outer London (workless households are those where all adults in the household are out of work). So it is likely that people who are unemployed in Inner London are more likely than those in Outer London to share households with others who are out of work – this is consistent with the eligibility patterns for the claimant count.

## **Census and claimant count comparisons by age and gender at borough level**

Comparisons of claimant and census counts have also been carried out by gender at borough level (Appendix Table A17). Consistent with London wide figures, in all boroughs, the gap between claimant and Census figures was much narrower for men than women. On average, the male claimant count was around 81 per cent of the Census male unemployment count. This was generally higher in Inner London (89.7 per cent) than Outer London (72.6 per cent). Rates varied from 51.8 per cent in Richmond up to 102.7 per cent in Haringey – where the male claimant count was actually higher than the Census count.

Since the publication of Census results, ONS has produced revised estimates of borough populations. In the case of Haringey, its population of working age males was increased by 5,100. This could – at least in part - explain the 102.7 per cent figure.

For women, the picture was quite different and across all boroughs, there was a very big gap between claimant count and Census figures. Across Inner London, the female claimant count was 50.7 per cent of the Census count compared with 39.2 per cent in Outer London. At borough level, coverage rates ranged from 26.8 per cent in Hillingdon up to 59.9 per cent in Islington.

Claimant and Census counts have also been compared for young people aged under 25 and a similar pattern emerges of better coverage across Inner London boroughs (Appendix Table A18)

## **Claimant count – good or bad?**

Overall, the comparisons indicate that the claimant count is fairly good at measuring unemployment for men in the middle age groups and poor at measuring unemployment among women and young people. The comparisons also indicate that, the claimant count is better at profiling unemployment in low income areas as opposed to more affluent areas (where fewer people may be eligible or claiming Jobseeker's Allowance).

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<sup>22</sup>*Workless households with dependent children in London: Output area maps from the 2001 Census*, DMAG Briefing 2003/21

### **Overview and borough rankings for different measures**

So far the analysis has demonstrated that each data source (LFS, Census and claimant count)– provides quite different measures of unemployment levels across London. The comparisons also show that choice of measure has some impact on relativities of unemployment between boroughs – in terms of the level of unemployment reported.

Table 5 brings the analysis together and presents unemployment rates and borough rankings for all three measures.

This shows that despite significant differentials in the levels of unemployment between borough on each measure - rankings of highest to lowest are broadly consistent – especially between Census and claimant count. LFS measures are slightly less consistent than the other two, probably reflecting the high levels of error attached to the borough level data.

So, while rates are different on each measure, particularly for Outer London boroughs, the order of highest to lowest is fairly consistent, as is general pattern of unemployment.

**Table 5 Unemployment measures compared, rates and borough rankings, 2001**

<i>Rankings out of 32</i>	Claimant count April 2001		2001 Census measure		LFS 2001/02 ILO unemployment	
	Rate (%)	Ranking	Rate (%)	Ranking	Rate (%)	Ranking
<b>Tower Hamlets</b>	10.0	1	11.8	3	12.3	1
<b>Hackney</b>	9.5	2	11.8	2	12.2	2
<b>Newham</b>	8.3	3	12.3	1	11.7	3
<b>Haringey</b>	8.0	4	9.4	5	10.4	5
<b>Southwark</b>	7.9	5	9.9	4	10.7	4
<b>Islington</b>	7.8	6	9.3	6	9.3	8
<b>Lambeth</b>	7.5	7	9.0	7	7.0	11
<b>Lewisham</b>	6.7	8	8.6	9	10.3	6
Greenwich	6.3	9	8.7	8	7.4	10
<b>Camden</b>	5.8	10	8.0	11	8.2	9
Waltham Forest	5.5	11	7.7	12	6.9	12
Brent	5.3	12	8.1	10	9.4	7
<b>Hammersmith &amp; Fulham</b>	5.0	13	7.4	14	6.4	=14
<b>Westminster</b>	4.9	14	7.0	16	6.1	=19
Enfield	4.7	15	6.6	17	6.4	=14
Barking & Dagenham	4.4	16	7.4	13	6.4	=14
Croydon	3.8	17	5.7	20	5.7	21
<b>Kensington &amp; Chelsea</b>	3.7	18	7.3	15	6.1	=19
Ealing	3.6	19	6.0	18	6.3	=17
<b>Wandsworth</b>	3.6	20	5.4	21	6.3	=17
Redbridge	3.4	21	5.7	19	6.8	13
Barnet	3.2	22	5.2	22	4.9	24
Bexley	2.5	23	4.3	26	**	**
Harrow	2.4	24	4.7	25	**	**
Merton	2.4	25	4.7	24	**	**
Bromley	2.3	26	4.0	28	3.9	27
Havering	2.3	27	4.0	29	**	**
Hounslow	2.1	28	4.9	23	5.6	22
Hillingdon	2.1	29	4.1	27	4.1	26
Sutton	1.7	30	3.6	32	5.1	23
Kingston upon Thames	1.7	31	3.7	31	4.8	25
Richmond upon Thames	1.6	32	3.7	30	**	**
<b>Inner London</b>	6.7	-	8.9	-	8.7	-
Outer London	3.3	-	5.4	-	5.3	-
Greater London	4.6	-	6.7	-	6.6	-

Source: Jobcentre Plus, 2001 Census (ST028), Annual local area Labour Force Survey 2001/02

Notes: Census and claimant rates express counts as a percentage of the labour force (ie 2001 Census counts of the economically active population, excluding full-time students). The LFS ILO rate is based wholly on LFS estimates. \*\* Denotes estimates suppressed due to poor reliability. The Census rates relate to people aged 16-74, LFS rates to persons aged 16+ and claimant count to those of working age.

## 6. Alternative measures of unemployment

Sections 2-5 have explored three of the mainstream measures of unemployment. These measures are all different in terms of the detail but broadly speaking they all define unemployment in terms of job seeking and availability for work.

Some researchers would argue that 'job seeking' definitions of unemployment are too narrow and that broader concepts are needed if we are to properly understand the wider issues of worklessness and labour market exclusion. There is also increasing interest in trying to measure the potential labour supply or the 'labour reserve' which needs an approach that develops and goes beyond job seeking measures

This section reviews two different approaches to developing broader measures of unemployment:

- Broader Labour Force Survey measures
- Sheffield Hallam University's work on 'real unemployment'

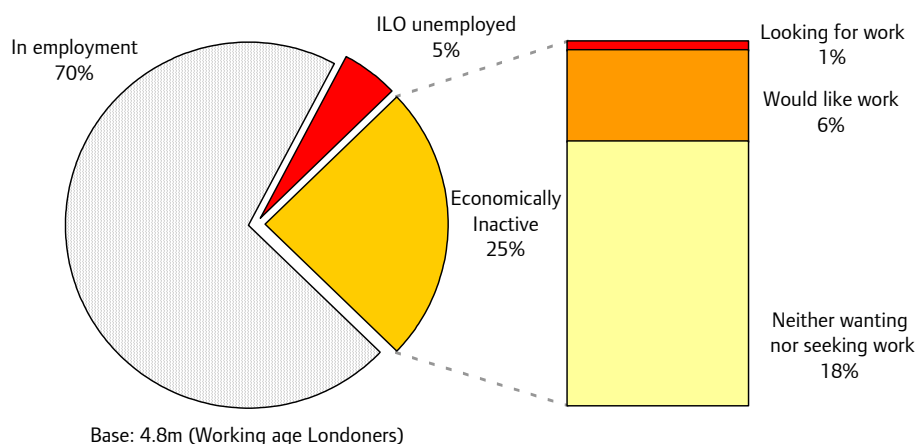
Like the mainstream measures, these approaches have their strengths and limitations. Here, we consider each and review some data for London.

### Alternative Labour Force Survey measures

The Labour Force Survey, can be used to construct wider measures of unemployment and underemployment which go beyond ILO unemployment. These are based on LFS classifications of economic activity and inactivity.

Figure 15 shows working age Londoners by their economic position. Three quarters of working age Londoners are economically active – that is they are either in employment or unemployed. The remainder are classed as economically inactive.

**Figure 15 Economic activity status, working age Londoners, 2001/02**



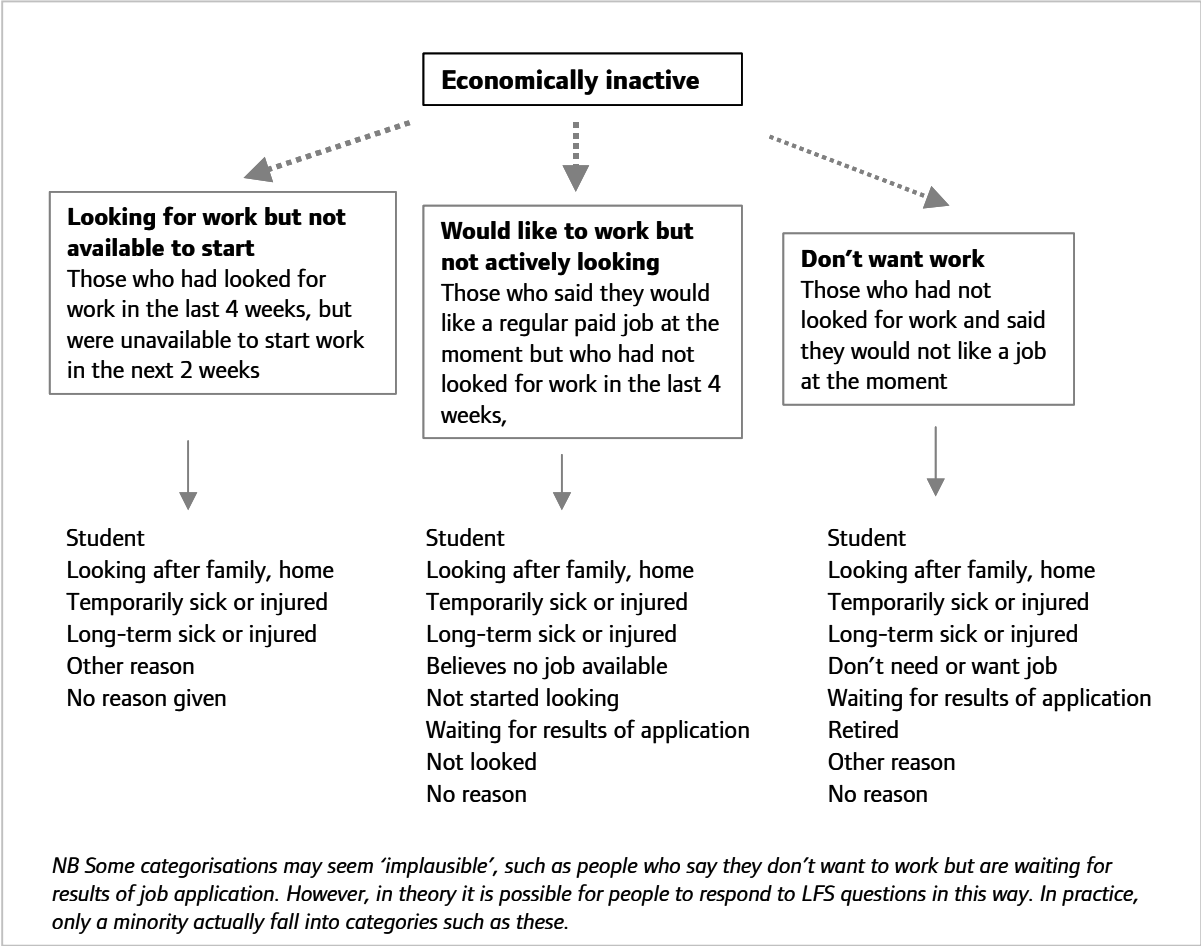
Source: Annual local area Labour Force Survey 2001/02

In essence, the economically inactive population is everyone not in work who is not classed as ILO unemployed (they are not seeking work and/or not available to start work). The main groups who comprise the working age economically inactive population include: students, people caring for families, those in poor health and those who have taken early retirement.

**Economic inactivity and the Labour Force Survey**

In the Labour Force Survey, respondents who are not in work are asked a range of questions about job search, availability to start work, whether they would like work and reasons for not wanting work. The answers to these and a range of other questions are used to categorise all economically inactive people three broad groups: those looking for work but not able to start, those who wanted to work but hadn't been looking and those who didn't want to work. Each of these groups is further divided into sub-groups (24 in all) which relate to reasons why people said they didn't want work, weren't looking for work or weren't available to start work. The full classification is shown below.

**Figure 16 Full ILO classification of Economic Activity used in the Labour Force Survey**



**Deriving alternative measures from the Labour Force Survey**

It is possible to develop wider measures and concepts of unemployment by considering some of these economically inactive groups as unemployed. Alternative measures of unemployment, based on LFS, aim to unpick the economically inactive group and try to distinguish different groups by how close their attachment is to the labour force. Put another way, these alternative

measures try to estimate how likely certain groups are to move into the labour force if the right conditions were there. It is possible to derive a wide range of different measures, depending on the aim of the exercise. Here we consider two key measures and compare them with the baseline ILO measure. These are:

- **Broad ILO unemployment measure**

The core ILO unemployment measure only counts people as unemployed if they are looking for work and available to start in two weeks. The broader measure drops the last condition and refers to all those unemployed who are actively seeking work. So in addition to ILO unemployed, people who are not available to start work immediately but who are actively looking for work are also included.

- **Want to work measure**

This measure additionally considers all those who said they would like to work as unemployed even though they had not been actively looking for work. In many ways, this is the more controversial of the two as the concept of ‘would like to work’ is fairly notional and certainly does not mean this group will necessarily move into work. This point is explored in more detail later.

Table 6 shows data on the basis of both for London and Great Britain. The data show that in London, adopting the broader ILO measures adds around 34,000 to the ILO unemployment total for London – raising the unemployment rate from 6.7 per cent to 7.6 per cent.

**Table 6 Broader measures of unemployment based on LFS, 2001/02**

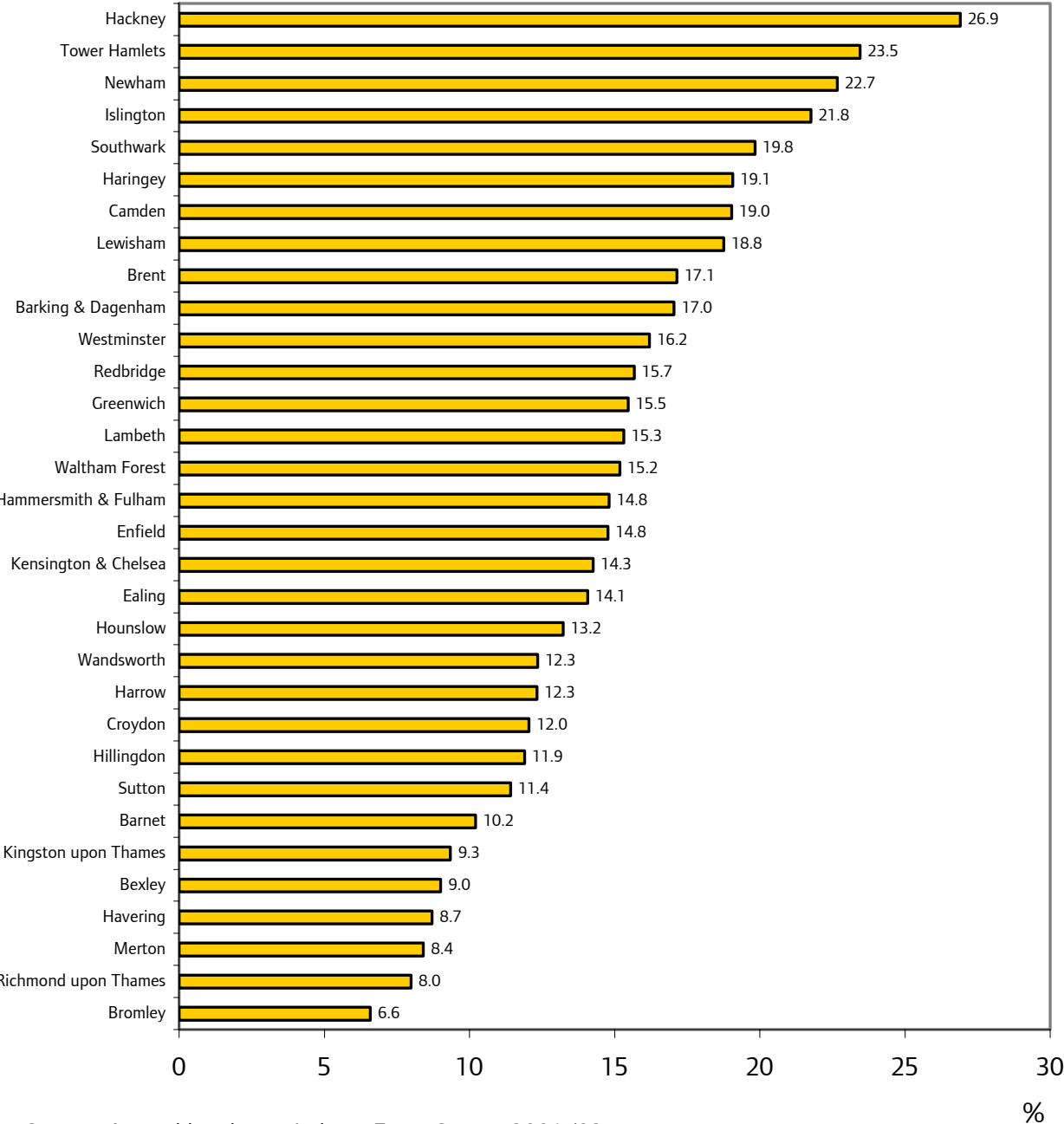
Persons working age	Greater London	Inner London	Outer London	Great Britain
<b>ILO unemployed</b>				
Number ILO unemployed	246,000	123,000	123,000	1,438,000
ILO unemployment rate (%)	6.7	8.8	5.4	5.1
<b>Broad ILO unemployment measure</b>				
ILO unemployment & looking for work	280,000	142,000	138,000	1,638,000
As a % of broad labour force	7.6	10.1	6.0	5.8
<b>'Want to work' measure</b>				
ILO unemployed & looking & would like work	577,000	284,000	293,000	3,563,000
As a % of broad labour force	14.5	18.2	12.0	11.8

Source: Annual local area Labour Force Survey

Notes: Rates express each measure as a percentage of the labour force. In the case of the baseline ILO measure this is the economically active population. In the case of the alternative broader measures the relevant groups (looking, seeking) are added into the economically active denominator to reflect the wider labour force concept.

However, broadening the concept of unemployment to also include those who want to work provides a measure that is more than double the ILO unemployment figure, raising the unemployment rate for London to almost 15 per cent. Figure 17 shows ‘want to work’ rates by borough. Rates mirror the general pattern of unemployment across London, with the highest rates across Inner London. Rates vary from 7 per cent in Bromley up to 27 per cent in Hackney.

**Figure 17 'Want to work' measure expressed as % of broad labour force, persons working age, London boroughs, 2001/02**



Source: Annual local area Labour Force Survey 2001/02

**How useful are these concepts?**

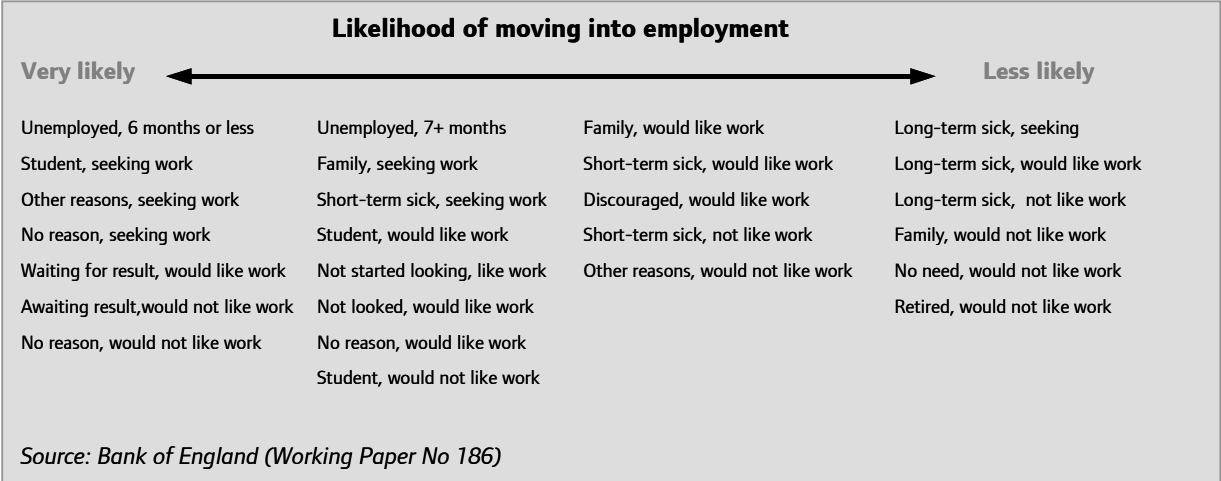
There is a key limitation of the 'want to work' measure which is around the issue of: What does it actually measure? Recent research has shown that 'would like to work' it is actually a very poor predictor of whether people will actually move into the labour force or not. Figure 18 shows the result of research by the Bank of England<sup>23</sup> looking at longitudinal LFS data – this

<sup>23</sup> Ready, willing and able? Measuring labour availability in the UK, Bank of England Working Paper no 186, (2003)

charts the likelihood of people moving into work analysed by how they answered the questions on wanting to work and their economic inactivity.

The analysis shows that those seeking work are far more likely than those not seeking to move into work. This strengthens the case for considering a broader measure of unemployment which - as a minimum - includes those looking for work who are not necessarily available to start.

**Figure 18 Likelihood of moving into employment by reasons for inactivity**



However, the want to work measure is less easily interpreted as there isn't a logical relationship between what people would like and what they will do. Students were the most likely to move into work regardless of how they answered the would like to work question and people suffering from long-term health problems were the least likely to move into work.

Research<sup>24</sup> by ONS found that this was mainly to do with the fact people interpret the 'would like to work' question in quite different ways - some in a realistic way, others in a more notional idealistic way. This means the want to work measure needs very careful interpretation and use. However, despite this drawback, the Bank of England's work does emphasise that some economically inactive groups are as likely to move into work as the unemployed - strengthening the argument for widening analysis of unemployment when considering potential labour supply.

ONS<sup>25</sup> are currently considering how best to improve LFS questions on economic inactivity to improve the want to work measure. Specifically, they are looking at extending the want to work question to ascertain exactly when people are intending to return to work (ie Would they like work now or in a few years time?). It is hoped by introducing the concept of time, that the classification would be more meaningful, thereby widening its application.

<sup>24</sup> How people answer LFS questions about economic inactivity, Office for National Statistics, *Labour Market Trends*, October 2003

<sup>25</sup> Life stages of economic inactivity, Office for National Statistics, *Labour Market Trends*, October 2003

## Sheffield Hallam<sup>26</sup> University's work on 'real unemployment'

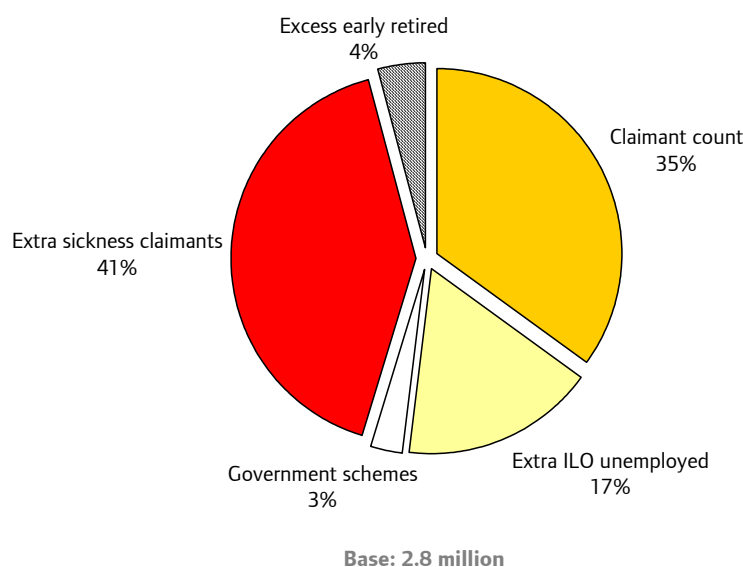
Sheffield Hallam University have also put forward an alternative way of measuring 'real' unemployment. Conceptually, the work is similar to the LFS measures just described, in that it aims to develop a broader measure, though the definitions and method used are quite different.

In essence, their 'real' unemployment measure tries to estimate the number who would have been in work in a fully employed economy, paying particular attention to the many of the 'hidden' unemployed who have been diverted into sickness benefits such as Incapacity Benefit (IB). Their measure considers the following key groups as unemployed:

- Those on the claimant count and extra ILO unemployed over and above the claimant count
- Some of the people on some government schemes
- People pushed into early retirement
- Some of the people who claim sickness benefits (mainly IB)

The premise of their work is that many of the people who have taken early retirement or who are on sickness benefits are part of the potential labour force and would otherwise be in work in a fully employed economy.

**Figure 19 Composition of Sheffield Hallam's 'real' unemployment measure for the UK, January 2002**



Source: Sheffield Hallam University, Centre for Regional Economic and Social Research

Based on this measure, Sheffield Hallam University estimate that the level of 'real' unemployment in the UK was around 2.8m in January 2002 – almost three times higher than the claimant count and two times higher than ILO unemployment. Figure 19 shows how the UK 'real unemployment' figure was comprised – almost 41 per cent of the UK total is made up of the extra sickness claimants

<sup>26</sup> *The real level of unemployment 2002*, Centre for Regional Economic and Social Research, Sheffield Hallam University, October 2002

### **'Real' unemployment rates for London**

In London, 382,000 were unemployed according to the 'real' unemployment measure – a rate of 10.2 per cent, compared with a national rate of 9.5 per cent.

This measure was more than twice as high as the claimant count for London and around 56 per cent higher than the ILO measure for the same period. Table 7 shows estimates of 'real' unemployment for London boroughs

Rates vary from 4.2 per cent in Richmond up to 21 per cent in Tower Hamlets. Rates were generally higher across Inner London though some outer London boroughs also came up high on this measure – such as Barking & Dagenham (14.4 per cent). This reflects patterns of Incapacity Benefit receipt across London.

### **Limitations of the 'real' unemployment estimates**

The work by Sheffield Hallam presents an interesting perspective on measuring potential labour supply. Importantly, it acknowledges the inter-relationship between unemployment and sickness benefits.

However, the work has one key limitation in terms of its coverage. While, the measure gives full consideration to those diverted into sickness benefits who might otherwise (given different labour market conditions) be part of the labour force, it ignores other groups. Specifically, it fails to consider the many women who stay at home to look after their families who might also move into the labour force, given the right conditions. Sheffield Hallam acknowledges this as one of the key limitations of the measure (definitionally).

**Table 7 Sheffield Hallam 'Real' unemployment estimates, London boroughs, January 2002**

	'Real' unemployment rate (% of broad labour force)		
	Persons	Male	Females
City of London	9.5	8.8	10.3
Barking & Dagenham	14.4	16.0	12.2
Barnet	5.9	5.8	6.0
Bexley	7.5	8.1	6.8
Brent	13.4	14.7	11.6
Bromley	6.7	7.4	6.0
Camden	14.2	15.7	11.9
Croydon	7.6	8.3	6.7
Ealing	9.8	10.6	8.7
Enfield	10.8	11.3	10.1
Greenwich	12.0	12.9	10.8
Hackney	18.4	21.1	14.8
Hammersmith & Fulham	11.0	13.1	8.2
Haringey	15.4	16.7	13.3
Harrow	6.5	6.3	6.8
Havering	8.4	8.5	8.3
Hillingdon	6.8	6.7	7.0
Hounslow	8.5	8.7	8.1
Islington	17.7	19.3	15.6
Kensington & Chelsea	6.9	6.7	7.1
Kingston upon Thames	4.8	4.6	4.9
Lambeth	13.3	16.2	9.8
Lewisham	11.8	13.4	9.7
Merton	5.9	6.2	5.5
Newham	18.7	20.1	16.4
Redbridge	8.7	8.8	8.4
Richmond upon Thames	4.2	4.1	4.5
Southwark	16.3	17.7	14.2
Sutton	5.7	6.1	5.3
Tower Hamlets	21.0	23.8	15.9
Waltham Forest	11.1	13.1	8.8
Wandsworth	7.0	7.8	6.0
Westminster	7.9	8.2	7.5
Inner London	13.2	14.8	11.0
Outer London	8.2	8.7	7.6
Greater London	10.2	11.1	8.9
Great Britain	9.5	10.2	8.6

*Source: Sheffield Hallam University, Centre of Regional Economic and Social Research*

Importantly, by failing to give equal weight to different groups, this limits the ability of the measure to provide meaningful regional or area comparisons on a like for like basis. Patterns of sickness benefit receipt are typically higher in older industrial areas in the North. Whereas in London, worklessness among women is a particular issue - London has the highest rates of economic inactivity and unemployment among working age women compared with all other GB regions. For this reason, Sheffield Hallam's measure will inevitably be better suited to measuring hidden unemployment in the North than in London.

So for these reasons, the measure while useful, is not entirely comprehensive as it only considers a sub-set of the potential labour force.

### **How useful are alternative measures of unemployment?**

Conceptually, alternative measures like those presented here are very useful and provide an important perspective on measuring unemployment – especially in London, where rates of economic inactivity are very high in some areas and among certain population groups.

However, in practice, their application is still limited as they are not routinely published and - as demonstrated here - alternative measures like others have important limitations. Furthermore, these measures tend not to be available below borough level. Given the high variation in unemployment at a local area level this limits their day-to-day use.

### **Some concluding remarks**

This report provides an overview of different approaches to measuring unemployment. The analysis shows that while all measures have something to offer they also all have limitations. In practice, which is the best measure(s) to use depends entirely on the aim of the exercise in question, balanced by data availability. This report is intended to provide a guide to help users make informed decisions about these issues. Above all, whatever measure is chosen, it is important to use measures appropriately by playing to their strengths and acknowledging their weaknesses.

Debates about how to define unemployment will roll on, but measures which define unemployment or claimants in terms of their job seeking behaviour, are the ones which are most commonly used and referred to – reflecting the fact that data is readily available about these measures on a regular basis.

However, alternative measures which go beyond job seeking definitions are equally valuable as they acknowledge the importance of the increasingly grey area between unemployment and economic inactivity. In terms of profiling labour market exclusion and poverty it doesn't really matter whether someone is looking for work or not - if being out of work results in the same outcome for them and their families. Furthermore, just because someone has given up looking for work this - in many respects - doesn't make them any less unemployed.

Conceptually, alternative measures are strong but their practical application is likely to remain limited until they are developed further.

#### **More information**

This report has been produced by the Social Exclusion Team of the GLA's Data Management and Analysis Group. If you would like more information about the analysis in this report, please contact: Lorna Spence ([lorna.spence@london.gov.uk](mailto:lorna.spence@london.gov.uk)).

Additionally, more data and analysis on the subject of unemployment is available via the GLA's dedicated data website:

<https://extranet.london.gov.uk/>

## Appendix 1. Data tables

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### A1 Claimant count (computerised and all claims), London boroughs, November 2003

	Computerised claims			All claims			Computerised as % of all (persons)
	Persons	Males	Females	Persons	Males	Females	
City of London	102	75	27	104	76	28	98.1
Barking & Dagenham	3,301	2,329	972	3,326	2,346	980	99.2
Barnet	5,668	3,989	1,679	5,790	4,069	1,721	97.9
Bexley	2,773	1,921	852	2,798	1,938	860	99.1
Brent	8,109	5,847	2,262	8,331	5,976	2,355	97.3
Bromley	3,688	2,608	1,080	3,735	2,637	1,098	98.7
Camden	5,826	4,123	1,703	5,872	4,151	1,721	99.2
Croydon	5,985	4,235	1,750	6,078	4,289	1,789	98.5
Ealing	5,903	4,307	1,596	5,928	4,319	1,609	99.6
Enfield	5,872	4,109	1,763	5,905	4,131	1,774	99.4
Greenwich	5,913	4,169	1,744	5,952	4,197	1,755	99.3
Hackney	7,988	5,707	2,281	8,197	5,838	2,359	97.5
Hammersmith & Fulham	4,549	3,246	1,303	4,603	3,280	1,323	98.8
Haringey	7,491	5,426	2,065	7,558	5,467	2,091	99.1
Harrow	2,936	2,067	869	3,094	2,174	920	94.9
Havering	2,337	1,628	709	2,349	1,634	715	99.5
Hillingdon	3,520	2,488	1,032	3,707	2,604	1,103	95.0
Hounslow	3,057	2,154	903	3,112	2,196	916	98.2
Islington	6,211	4,361	1,850	6,260	4,389	1,871	99.2
Kensington & Chelsea	2,921	1,955	966	2,960	1,973	987	98.7
Kingston upon Thames	1,630	1,161	469	1,652	1,177	475	98.7
Lambeth	10,546	7,565	2,981	10,718	7,664	3,054	98.4
Lewisham	7,621	5,439	2,182	7,741	5,507	2,234	98.4
Merton	2,921	2,078	843	2,966	2,111	855	98.5
Newham	7,141	5,340	1,801	7,274	5,425	1,849	98.2
Redbridge	3,864	2,705	1,159	3,918	2,737	1,181	98.6
Richmond upon Thames	1,938	1,296	642	1,962	1,312	650	98.8
Southwark	9,606	6,862	2,744	9,716	6,921	2,795	98.9
Sutton	1,881	1,326	555	1,890	1,331	559	99.5
Tower Hamlets	8,385	6,387	1,998	8,483	6,453	2,030	98.8
Waltham Forest	5,934	4,406	1,528	6,008	4,458	1,550	98.8
Wandsworth	5,476	3,829	1,647	5,554	3,879	1,675	98.6
Westminster	4,259	2,941	1,318	4,301	2,966	1,335	99.0
Inner London	88,122	63,256	24,866	89,341	63,989	25,352	98.6
Outer London	77,230	54,823	22,407	78,501	55,636	22,865	98.4
Greater London	165,352	118,079	47,273	167,842	119,625	48,217	98.5
Great Britain	843,112	628,782	214,330	851,837	634,743	217,094	99.0

Source: Jobcentre Plus administration system

Notes: On an average month, about 99 percent of claims are computerised claims and the remainder are clerically processed claims. Headline claimant count data relate to all claims whereas more detailed analysis (ie claimants by age and duration) are based on computerised claims only.

## A2 Claimant count and GLA labour force rates, London boroughs, November 2003

	Claimant count			% rates (2001 labour force)		
	Persons	Males	Females	Persons	Males	Females
City of London	104	76	28	**	**	**
Barking & Dagenham	3,326	2,346	980	4.9	6.2	3.3
Barnet	5,790	4,069	1,721	4.1	5.2	2.7
Bexley	2,798	1,938	860	2.7	3.4	1.9
Brent	8,331	5,976	2,355	7.0	9.2	4.4
Bromley	3,735	2,637	1,098	2.7	3.5	1.8
Camden	5,872	4,151	1,721	6.4	8.3	4.1
Croydon	6,078	4,289	1,789	3.9	5.1	2.5
Ealing	5,928	4,319	1,609	4.1	5.5	2.5
Enfield	5,905	4,131	1,774	4.9	6.2	3.3
Greenwich	5,952	4,197	1,755	6.4	8.2	4.1
Hackney	8,197	5,838	2,359	9.8	13.0	6.0
Hammersmith & Fulham	4,603	3,280	1,323	5.4	7.3	3.3
Haringey	7,558	5,467	2,091	7.7	10.4	4.6
Harrow	3,094	2,174	920	3.3	4.2	2.1
Havering	2,349	1,634	715	2.3	2.8	1.6
Hillingdon	3,707	2,604	1,103	3.3	4.2	2.2
Hounslow	3,112	2,196	916	3.1	3.9	2.0
Islington	6,260	4,389	1,871	7.6	9.9	4.9
Kensington & Chelsea	2,960	1,973	987	3.9	4.7	2.9
Kingston upon Thames	1,652	1,177	475	2.3	3.0	1.5
Lambeth	10,718	7,664	3,054	7.9	10.5	4.9
Lewisham	7,741	5,507	2,234	6.6	8.7	4.1
Merton	2,966	2,111	855	3.2	4.1	2.0
Newham	7,274	5,425	1,849	8.0	10.3	4.8
Redbridge	3,918	2,737	1,181	3.7	4.6	2.6
Richmond upon Thames	1,962	1,312	650	2.3	2.7	1.7
Southwark	9,716	6,921	2,795	8.7	11.3	5.5
Sutton	1,890	1,331	559	2.1	2.8	1.4
Tower Hamlets	8,483	6,453	2,030	10.8	13.7	6.5
Waltham Forest	6,008	4,458	1,550	6.1	8.2	3.5
Wandsworth	5,554	3,879	1,675	3.9	5.2	2.5
Westminster	4,301	2,966	1,335	4.8	5.9	3.4
Inner London	89,341	63,989	25,352	6.9	9.1	4.3
Outer London	78,501	55,636	22,865	3.8	5.0	2.5
Greater London	167,842	119,625	48,217	5.0	6.6	3.2
Great Britain	851,837	634,743	217,094	3.3	4.5	1.9

Source: Jobcentre Plus administration system and 2001 Census (Standard table ST028)

Notes: Rates express the claimant count as a percentage of the economically active working age population (excluding full-time students) based on the 2001 Census. Claimant count data relate to 1991 borough boundaries whereas Census data relate to current boundaries. For most boroughs, changes in boundaries between 1991 and 2002 were small so rate calculations are fairly robust. However they are provisional and will be revised again when claimant count is released on the basis of new ward boundaries and when the GLA's new ward model is revised. City rates have been suppressed due to poor reliability.

### A3 Claimant count and official ONS rates, London boroughs, November 2003

	Claimant count			ONS rates (%)		
	Persons	Males	Females	Persons	Males	Females
City of London	104	76	28	1.9	2.4	1.2
Barking & Dagenham	3,326	2,346	980	3.3	4.6	2.0
Barnet	5,790	4,069	1,721	2.8	3.9	1.7
Bexley	2,798	1,938	860	2.1	2.9	1.3
Brent	8,331	5,976	2,355	4.6	6.3	2.7
Bromley	3,735	2,637	1,098	2.1	2.9	1.2
Camden	5,872	4,151	1,721	4.0	5.6	2.4
Croydon	6,078	4,289	1,789	2.8	4.0	1.7
Ealing	5,928	4,319	1,609	2.9	4.0	1.6
Enfield	5,905	4,131	1,774	3.4	4.6	2.1
Greenwich	5,952	4,197	1,755	4.3	5.9	2.6
Hackney	8,197	5,838	2,359	5.9	8.4	3.4
Hammersmith & Fulham	4,603	3,280	1,323	3.8	5.2	2.2
Haringey	7,558	5,467	2,091	5.0	7.0	2.8
Harrow	3,094	2,174	920	2.3	3.1	1.4
Havering	2,349	1,634	715	1.7	2.4	1.1
Hillingdon	3,707	2,604	1,103	2.4	3.3	1.5
Hounslow	3,112	2,196	916	2.2	2.9	1.3
Islington	6,260	4,389	1,871	4.9	6.8	3.0
Kensington & Chelsea	2,960	1,973	987	2.6	3.4	1.8
Kingston upon Thames	1,652	1,177	475	1.7	2.3	1.0
Lambeth	10,718	7,664	3,054	5.5	7.5	3.3
Lewisham	7,741	5,507	2,234	4.5	6.3	2.7
Merton	2,966	2,111	855	2.3	3.2	1.4
Newham	7,274	5,425	1,849	4.5	6.5	2.4
Redbridge	3,918	2,737	1,181	2.6	3.5	1.6
Richmond upon Thames	1,962	1,312	650	1.7	2.2	1.2
Southwark	9,716	6,921	2,795	5.7	7.7	3.4
Sutton	1,890	1,331	559	1.7	2.3	1.0
Tower Hamlets	8,483	6,453	2,030	6.3	8.9	3.2
Waltham Forest	6,008	4,458	1,550	4.1	5.9	2.2
Wandsworth	5,554	3,879	1,675	2.9	4.0	1.8
Westminster	4,301	2,966	1,335	3.2	4.1	2.1
Inner London	89,341	63,989	25,352	4.5	6.3	2.7
Outer London	78,501	55,636	22,865	2.7	3.8	1.6
Greater London	167,842	119,625	48,217	3.5	4.8	2.1
Great Britain	851,837	634,743	217,094	2.4	3.5	1.3

Source: Jobcentre Plus administration system and ONS population estimates

Notes: ONS publish proportions (or rates) which express the claimant count as a proportion of the working age population. Population estimates have been derived from population data for output areas from the 2001 Census, which were published on 30 June 2003 and then adjusted to make them consistent with the 2001 mid-year estimates. Claimant borough level data relates to 1991 borough boundaries.

#### A4 Claimant count by age, London boroughs, November 2003

	Claimants (computerised claims only)								16-24 as % of total
	All	16-19	20-24	25-34	35-44	45-54	55-59	60+	
City of London	102	8	14	29	23	15	12	1	21.6
Barking & Dagenham	3,301	515	545	865	699	449	206	22	32.1
Barnet	5,668	419	908	1,701	1,309	874	413	44	23.4
Bexley	2,773	301	418	662	630	466	255	41	25.9
Brent	8,109	550	1,248	2,618	2,092	1,155	382	64	22.2
Bromley	3,688	342	503	899	894	687	322	41	22.9
Camden	5,826	407	775	1,780	1,528	911	371	54	20.3
Croydon	5,985	578	943	1,578	1,439	956	440	51	25.4
Ealing	5,903	458	894	1,753	1,474	909	354	61	22.9
Enfield	5,872	553	1,082	1,629	1,330	832	393	53	27.8
Greenwich	5,913	678	1,034	1,536	1,331	912	374	48	29.0
Hackney	7,988	650	1,330	2,531	1,925	1,127	366	59	24.8
Hammersmith & Fulham	4,549	362	641	1,365	1,176	691	277	37	22.0
Haringey	7,491	624	1,252	2,288	1,976	967	325	59	25.0
Harrow	2,936	213	473	795	688	510	218	39	23.4
Havering	2,337	244	353	570	481	418	234	37	25.5
Hillingdon	3,520	377	621	854	735	597	272	64	28.4
Hounslow	3,057	306	529	882	644	496	169	31	27.3
Islington	6,211	498	1,032	1,830	1,525	912	355	59	24.6
Kensington & Chelsea	2,921	148	386	835	784	497	240	31	18.3
Kingston upon Thames	1,630	124	207	460	417	280	111	31	20.3
Lambeth	10,546	800	1,595	3,249	2,767	1,578	492	65	22.7
Lewisham	7,621	713	1,350	2,037	1,906	1,145	419	51	27.1
Merton	2,921	195	474	811	662	475	260	44	22.9
Newham	7,141	814	1,304	2,111	1,654	953	253	52	29.7
Redbridge	3,864	356	672	1,043	870	628	260	35	26.6
Richmond upon Thames	1,938	113	213	465	509	408	201	29	16.8
Southwark	9,606	794	1,529	2,674	2,623	1,448	490	48	24.2
Sutton	1,881	166	234	480	451	336	180	34	21.3
Tower Hamlets	8,385	839	1,406	2,648	1,994	1,164	309	25	26.8
Waltham Forest	5,934	544	1,040	1,695	1,359	879	367	50	26.7
Wandsworth	5,476	375	821	1,680	1,389	789	380	42	21.8
Westminster	4,259	300	603	1,205	1,121	704	279	47	21.2
Inner London	88,122	7,332	14,038	26,262	22,391	12,901	4,568	630	24.3
Outer London	77,230	7,032	12,391	21,296	18,014	12,267	5,411	819	25.1
Greater London	165,352	14,364	26,429	47,558	40,405	25,168	9,979	1,449	24.7
Great Britain	843,112	90,719	142,578	216,494	179,422	138,108	66,149	9,642	27.7

Source: Jobcentre Plus administration system

## A5 Claimant count by duration, London boroughs, November 2003

	Duration in weeks, computerised claims only								% claiming > 52 weeks
	All	0-6	7-13	14-26	27-52	53-104	105-156	156+	
City of London	102	14	12	17	30	16	9	4	28.4
Barking & Dagenham	3,301	848	603	722	606	423	40	59	15.8
Barnet	5,668	1,134	1,190	1,264	1,092	731	125	132	17.4
Bexley	2,773	721	592	576	508	284	47	45	13.6
Brent	8,109	1,363	1,412	1,560	1,633	1,268	548	325	26.4
Bromley	3,688	994	725	734	680	388	66	101	15.0
Camden	5,826	1,065	1,082	1,184	1,212	912	183	188	22.0
Croydon	5,985	1,383	1,225	1,227	1,154	735	118	143	16.6
Ealing	5,903	1,374	1,105	1,283	1,175	758	101	107	16.4
Enfield	5,872	1,248	1,156	1,329	1,186	735	100	118	16.2
Greenwich	5,913	1,301	1,104	1,284	1,170	766	136	152	17.8
Hackney	7,988	1,495	1,437	1,689	1,768	1,343	146	110	20.0
Hammersmith & Fulham	4,549	863	841	922	957	741	108	117	21.2
Haringey	7,491	1,396	1,344	1,437	1,482	1,124	367	341	24.5
Harrow	2,936	683	637	658	509	299	58	92	15.3
Havering	2,337	682	495	488	357	242	29	44	13.5
Hillingdon	3,520	891	714	763	682	366	62	42	13.4
Hounslow	3,057	837	695	753	520	215	24	13	8.2
Islington	6,211	1,151	1,152	1,232	1,378	982	123	193	20.9
Kensington & Chelsea	2,921	465	498	602	652	531	76	97	24.1
Kingston upon Thames	1,630	351	318	374	305	210	44	28	17.3
Lambeth	10,546	2,023	1,811	2,162	2,295	1,700	266	289	21.4
Lewisham	7,621	1,521	1,463	1,538	1,565	1,044	205	285	20.1
Merton	2,921	681	583	618	551	367	67	54	16.7
Newham	7,141	1,515	1,408	1,534	1,417	841	234	192	17.7
Redbridge	3,864	924	820	855	702	452	48	63	14.6
Richmond upon Thames	1,938	482	372	419	345	245	37	38	16.5
Southwark	9,606	1,514	1,453	1,911	1,923	1,507	633	665	29.2
Sutton	1,881	399	392	412	325	230	70	53	18.8
Tower Hamlets	8,385	1,413	1,454	1,763	1,814	1,268	337	336	23.1
Waltham Forest	5,934	1,242	1,099	1,216	1,184	898	136	159	20.1
Wandsworth	5,476	1,103	1,065	1,200	1,066	724	150	168	19.0
Westminster	4,259	825	850	831	876	640	109	128	20.6
Inner London	88,122	16,363	15,870	18,022	18,435	13,373	2,946	3,113	22.1
Outer London	77,230	17,538	15,237	16,535	14,684	9,612	1,856	1,768	17.1
Greater London	165,352	33,901	31,107	34,557	33,119	22,985	4,802	4,881	19.8
Great Britain	843,112	227,092	167,139	172,763	145,682	90,022	17,635	22,779	15.5

Source: Jobcentre Plus administration system

## A6 Jobseeker's Allowance claimants by type, London boroughs, August 2003

	JSA claimants by type (000s)		% of all claimants on income-based JSA only
	All claimants	Income-based only	
City of London	**	**	**
Barking & Dagenham	3.8	2.8	74
Barnet	5.6	3.8	68
Bexley	2.6	1.6	62
Brent	8.3	5.9	71
Bromley	4.1	2.7	66
Camden	5.8	4.7	81
Croydon	6.5	4.8	74
Ealing	6.9	5.0	72
Enfield	6.4	4.6	72
Greenwich	5.5	4.6	84
Hackney	8.2	6.5	79
Hammersmith & Fulham	4.8	3.8	79
Haringey	7.7	6.2	81
Harrow	3.5	2.4	69
Havering	2.3	1.2	52
Hillingdon	4.0	2.6	65
Hounslow	3.9	2.5	64
Islington	6.6	5.4	82
Kensington & Chelsea	3.2	2.6	81
Kingston upon Thames	1.5	0.9	60
Lambeth	10.6	8.2	77
Lewisham	8.3	6.7	81
Merton	3.1	2.1	68
Newham	7.9	6.4	81
Redbridge	3.5	2.3	66
Richmond upon Thames	1.8	0.8	44
Southwark	9.7	8.0	82
Sutton	2.6	1.7	65
Tower Hamlets	8.1	7.0	86
Waltham Forest	6.4	5.0	78
Wandsworth	6.0	4.4	73
Westminster	3.8	3.0	79
Inner London	90.9	73.1	80
Outer London	82.3	57.2	70
Greater London	173.2	130.3	75
Great Britain	911.3	640.0	70

Source: Department of Work and Pensions, JSA Quarterly Statistical Enquiry, August 2003

Notes: Numbers are based on a 5% sample of claimants and are subject to a degree of sampling variation. Particularly unreliable data have been suppressed (\*\*). JSA claimants also comprise those who receive contribution-based JSA and those who sign on to receive National Insurance credits but receive no benefit. As these groups are generally smaller than the income-based group, estimates are less reliable at borough level so are not presented here.

## A7 ILO unemployment: LFS compared to modelled estimates, London boroughs, 1999/00

	ILO unemployment, people aged 16+, 1999/2000					
	ONS 'experimental' modelled estimates			Labour Force Survey estimates		
	ILO unemployed	95% confidence interval (+/-)	ILO unemp. rate (%)	ILO unemployed	95% confidence interval (+/-)	ILO unemp. rate (%)
City of London	**		**	**	**	**
Barking & Dagenham	6,000	1,600	8.3	**	**	**
Barnet	9,700	2,200	5.4	10,000	2,900	5.6
Bexley	5,800	1,600	5.3	8,000	2,600	7.3
Brent	11,500	2,600	8.8	10,000	2,900	7.5
Bromley	7,400	2,000	4.8	6000	2,200	3.8
Camden	9,200	2,200	9.1	6,000	2,300	6.5
Croydon	10,400	2,400	6.0	12,000	3,200	6.8
Ealing	10,100	2,400	6.8	11,000	3,100	7.7
Enfield	9,600	2,200	7.3	10,000	2,900	7.5
Greenwich	8,800	2,000	8.3	8,000	2,600	7.4
Hackney	12,000	2,800	13.0	13,000	3,300	13.8
Hammersmith & Fulham	7,300	1,800	8.9	7,000	2,400	8.5
Haringey	12,300	2,800	11.2	11,000	3,000	9.8
Harrow	5,500	1,400	5.0	7,000	2,400	6.0
Havering	6,000	1,600	4.9	**	**	**
Hillingdon	6,000	1,600	4.4	8,000	2,500	5.4
Hounslow	5,800	1,400	5.3	**	**	**
Islington	9,700	2,200	10.9	11,000	3,000	11.8
Kensington & Chelsea	5,600	1,400	6.5	9,000	2,800	10.3
Kingston upon Thames	3,200	800	4.2	**	**	**
Lambeth	14,300	3,400	10.3	13,000	3,300	9.1
Lewisham	11,200	2,600	9.2	13,000	3,400	10.7
Merton	5,000	1,200	4.6	**	**	**
Newham	12,000	2,800	12.4	14,000	3,500	14.3
Redbridge	7,300	1,600	6.3	6,000	2,200	5.0
Richmond upon Thames	3,700	1,000	3.7	**	**	**
Southwark	12,500	3,000	10.2	15,000	3,600	12.2
Sutton	4,000	1,000	3.9	**	**	**
Tower Hamlets	10,600	2,400	12.5	8,000	2,600	9.4
Waltham Forest	8,900	2,000	8.1	8,000	2,700	7.7
Wandsworth	9,400	2,400	6.1	7,000	2,500	4.8
Westminster	8,200	2,000	7.3	8,000	2,600	7.0

Source: Modelled estimates (ONS), LFS estimates based on Labour Force Survey (LADB 1999/2000)

Notes: The 95 per cent confidence interval is a statistical measure which give an idea of how precise each estimate is. The confidence intervals attached to modelled estimates were based on published standard errors and the data attached to the LFS estimates were downloaded direct from NOMIS.

\*\* Data suppressed due to very poor reliability

## A8 ILO unemployment rates by gender, Government Office Regions, 2001/02

	Persons		Males		Females	
	ILO unemployed	ILO rate (%)	ILO unemployed	ILO rate (%)	ILO unemployed	ILO rate (%)
Persons aged 16+						
North East	87,000	7.4	57,000	8.7	31,000	5.7
North West	171,000	5.2	111,000	6.1	60,000	4.1
Yorkshire and the Humber	125,000	5.1	78,000	5.6	47,000	4.3
East Midlands	98,000	4.6	57,000	4.8	41,000	4.4
West Midlands	138,000	5.3	89,000	6.0	50,000	4.3
Eastern	105,000	3.7	56,000	3.5	49,000	3.8
London	248,000	6.6	156,000	7.3	92,000	5.6
South East	140,000	3.3	75,000	3.1	65,000	3.4
South West	96,000	3.7	53,000	3.8	42,000	3.6
Wales	73,000	5.5	45,000	6.1	28,000	4.7
Scotland	170,000	6.7	109,000	7.9	61,000	5.3
Inner London	124,000	8.7	79,000	9.7	45,000	7.3
Outer London	124,000	5.3	77,000	5.8	47,000	4.6
Great Britain	1,451,000	5.0	884,000	5.5	567,000	4.4

Source: Annual local area Labour Force Survey, 2001/02

Notes: Data have not been adjusted to reflect the 2001 Census population data. ILO unemployed people are those who are unemployed, actively seeking work and ready to start work. The unemployment rate is the number ILO unemployed as a percentage of the economically active population.

## A9 ILO unemployment by gender, NUTS-2 areas, 2001/02

Persons aged 16+	Persons		Males		Females	
	ILO unemployed	ILO rate (%)	ILO unemployed	ILO rate (%)	ILO unemployed	ILO rate (%)
<b>Inner London</b>	<b>124,000</b>	<b>8.7</b>	<b>79,000</b>	<b>9.7</b>	<b>45,000</b>	<b>7.3</b>
South Western Scotland	93,000	8.4	60,000	10.0	33,000	6.5
Merseyside	48,000	7.7	33,000	9.5	15,000	5.4
Northumberland and Tyne and Wear	49,000	7.4	33,000	9.2	16,000	5.4
Tees Valley and Durham	39,000	7.2	24,000	8.1	15,000	6.1
West Midlands	88,000	7.2	59,000	8.4	29,000	5.6
Cumbria	15,000	6.6	9,000	6.6	7,000	6.6
East Riding and North Lincolnshire	27,000	6.5	18,000	7.5	10,000	5.3
Cornwall and Isles of Scilly	14,000	6.0	7,000	5.6	7,000	6.4
West Wales and The Valleys	49,000	6.0	30,000	6.7	19,000	5.2
Eastern Scotland	55,000	5.6	35,000	6.6	20,000	4.5
South Yorkshire	34,000	5.5	23,000	6.7	11,000	4.0
<b>Outer London</b>	<b>124,000</b>	<b>5.3</b>	<b>77,000</b>	<b>5.8</b>	<b>47,000</b>	<b>4.6</b>
Highlands and Islands	12,000	5.3	7,000	6.1	**	**
Greater Manchester	62,000	5.0	41,000	5.9	22,000	3.9
West Yorkshire	52,000	5.0	32,000	5.4	21,000	4.5
Lincolnshire	15,000	4.9	6,000	3.5	9,000	6.6
Derbyshire and Nottinghamshire	48,000	4.8	30,000	5.4	18,000	4.1
Devon	25,000	4.7	16,000	5.3	10,000	3.9
East Wales	24,000	4.6	15,000	5.2	9,000	3.9
North Eastern Scotland	11,000	4.5	7,000	5.0	**	**
Leicestershire, Rutland and Northants	35,000	4.2	21,000	4.6	14,000	3.8
Lancashire	28,000	4.1	17,000	4.6	10,000	3.4
Shropshire and Staffordshire	30,000	3.9	18,000	4.2	12,000	3.6
East Anglia	45,000	3.9	24,000	3.8	21,000	4.1
Kent	32,000	3.9	17,000	3.8	15,000	4.0
Cheshire	17,000	3.6	11,000	4.2	6,000	2.8
Bedfordshire and Hertfordshire	31,000	3.6	15,000	3.2	16,000	4.1
Essex	29,000	3.5	17,000	3.5	13,000	3.3
Hampshire and Isle of Wight	31,000	3.3	16,000	3.1	15,000	3.4
Dorset and Somerset	19,000	3.3	10,000	3.2	9,000	3.3
Herts, Worcestershire and Warks	20,000	3.2	12,000	3.4	8,000	2.9
Surrey, East and West Sussex	42,000	3.1	21,000	2.8	21,000	3.5
Gloucs, Wiltshire and North Somerset	37,000	3.1	20,000	3.1	17,000	3.1
North Yorkshire	12,000	3.0	**	**	6,000	3.5
Berkshire, Bucks and Oxfordshire	35,000	3.0	20,000	3.1	15,000	2.8
Greater London	248,000	6.6	156,000	7.3	92,000	5.6
Great Britain	1,451,000	5.0	884,000	5.5	567,000	4.4

Source: Annual local area Labour Force Survey, 2001/02

Notes: The LFS is a sample survey and estimates are subject to a degree of sampling variability, data are rounded to nearest thousand and particularly unreliable estimates are suppressed (\*\*). Data have not been adjusted to reflect the 2001 Census population data. ILO unemployed people are those who are unemployed, actively seeking work and ready to start work. The unemployment rate is the number ILO unemployed as a percentage of the economically active population. NUTS-2 areas are explained in the glossary (Appendix 2)

## A10 ILO Unemployment rates by age and gender, Greater London and GB, 2001/02

	Great Britain		Greater London		Inner London		Outer London	
	ILO unemployed	ILO rate (%)	ILO unemployed	ILO rate (%)	ILO unemployed	ILO rate (%)	ILO unemployed	ILO rate (%)
<b>Persons</b>								
<b>16+</b>	<b>1,451,000</b>	<b>5.0</b>	<b>248,000</b>	<b>6.6</b>	<b>124,000</b>	<b>8.7</b>	<b>124,000</b>	<b>5.3</b>
Working age	1,438,000	5.1	246,000	6.7	123,000	8.8	123,000	5.4
Age 16-19	281,000	16.0	37,000	23.4	14,000	26.9	24,000	21.7
Age 20-24	242,000	9.1	45,000	10.9	23,000	14.2	22,000	8.8
Age 25-34	330,000	4.7	57,000	5.5	30,000	6.9	27,000	4.6
Age 35-49	385,000	3.6	76,000	5.4	42,000	7.7	35,000	4.0
Age 50-59/64	199,000	3.3	30,000	4.6	15,000	7.0	15,000	3.4
<b>Males</b>								
<b>16+</b>	<b>884,000</b>	<b>5.5</b>	<b>156,000</b>	<b>7.3</b>	<b>79,000</b>	<b>9.7</b>	<b>77,000</b>	<b>5.8</b>
Working age	877,000	5.5	154,000	7.4	78,000	9.7	76,000	5.9
Age 16-19	166,000	17.9	23,000	25.9	9,000	32.3	14,000	23.0
Age 20-24	149,000	10.3	28,000	12.5	13,000	14.7	15,000	11.1
Age 25-34	201,000	5.1	37,000	6.2	20,000	8.2	17,000	4.8
Age 35-49	219,000	3.7	46,000	5.7	25,000	8.0	20,000	4.1
Age 50-64	141,000	3.9	21,000	5.5	11,000	8.8	10,000	3.9
<b>Females</b>								
<b>16+</b>	<b>567,000</b>	<b>4.4</b>	<b>92,000</b>	<b>5.6</b>	<b>45,000</b>	<b>7.3</b>	<b>47,000</b>	<b>4.6</b>
Working age	560,000	4.5	92,000	5.8	45,000	7.5	47,000	4.8
Age 16-19	116,000	13.8	14,000	20.2	**	**	10,000	20.2
Age 20-24	93,000	7.6	18,000	9.2	11,000	13.8	7,000	6.0
Age 25-34	129,000	4.3	20,000	4.6	9,000	5.2	10,000	4.2
Age 35-49	165,000	3.4	31,000	5.1	16,000	7.2	15,000	3.9
Age 50-59	58,000	2.4	9,000	3.3	**	**	**	**

Source: Office for National Statistics, Annual local area Labour Force Survey, 2001/02

Notes: The LFS is a sample survey and estimates are subject to a degree of sampling variability, particularly unreliable estimates are suppressed (\*\*). Data have not been adjusted to reflect the 2001 Census population data. ILO unemployed people are those who are unemployed, actively seeking work and ready to start work. The unemployment rate is the number ILO unemployed as a percentage of the economically active population.

## A11 ILO Unemployment by duration, Regions, 2001/02

Persons aged 16+	ILO unemployed	Duration of unemployment, % unemployed for:		
		Less than six months	6 to 24 months	2 years plus
North East	87,000	54.6	25.7	19.7
North West	170,000	55.7	28.4	16.0
Yorkshire & the Humber	125,000	59.8	26.2	14.0
East Midlands	98,000	59.4	28.8	11.8
West Midlands	138,000	58.0	28.1	13.9
Eastern	105,000	66.6	24.5	9.0
<b>London</b>	<b>248,000</b>	<b>58.4</b>	<b>27.1</b>	<b>14.5</b>
-Inner London	124,000	52.2	29.8	18.0
-Outer London	124,000	64.6	24.4	11.0
South East	140,000	73.3	17.5	9.2
South West	96,000	70.3	21.6	8.1
Wales	73,000	63.4	25.3	11.3
Scotland	170,000	61.8	24.5	13.7
Great Britain	1,451,000	61.5	25.4	13.1

Source: Office for National Statistics, Annual local area Labour Force Survey, 2001/02

Notes: The LFS is a sample survey and estimates are subject to a degree of sampling variability. Data have not been adjusted to reflect the 2001 Census population data. ILO unemployed people are those who are unemployed, actively seeking work and ready to start work.

## A12 Census unemployment rates by gender, London boroughs, 2001

	Unemployment (16-74 year olds)			Unemployment rate (%)		
	Persons	Males	Females	Persons	Males	Females
City of London	216	162	54	4.9	6.2	3.0
Barking & Dagenham	5,121	3,174	1,947	7.4	8.3	6.4
Barnet	7,758	4,407	3,351	5.2	5.5	4.9
Bexley	4,530	2,651	1,879	4.3	4.6	4.0
Brent	9,901	6,031	3,870	8.1	9.1	6.9
Bromley	5,672	3,409	2,263	4.0	4.4	3.5
Camden	7,665	4,669	2,996	8.0	9.1	6.7
Croydon	9,163	5,411	3,752	5.7	6.3	5.0
Ealing	8,844	5,322	3,522	6.0	6.7	5.2
Enfield	8,177	5,115	3,062	6.6	7.5	5.4
Greenwich	8,354	5,032	3,322	8.7	9.7	7.6
Hackney	10,143	6,301	3,842	11.8	13.9	9.6
Hammersmith & Fulham	6,447	3,947	2,500	7.4	8.7	6.0
Haringey	9,468	5,820	3,648	9.4	10.9	7.7
Harrow	4,602	2,646	1,956	4.7	5.0	4.3
Havering	4,191	2,546	1,645	4.0	4.4	3.5
Hillingdon	4,800	2,818	1,982	4.1	4.4	3.7
Hounslow	5,137	3,016	2,121	4.9	5.3	4.5
Islington	7,873	4,744	3,129	9.3	10.6	7.9
Kensington & Chelsea	5,844	3,282	2,562	7.3	7.5	7.1
Kingston upon Thames	2,696	1,630	1,066	3.7	4.0	3.2
Lambeth	12,368	7,679	4,689	9.0	10.4	7.3
Lewisham	10,301	6,356	3,945	8.6	9.9	7.1
Merton	4,541	2,692	1,849	4.7	5.2	4.2
Newham	11,437	7,271	4,166	12.3	13.7	10.6
Redbridge	6,236	3,870	2,366	5.7	6.4	4.9
Richmond upon Thames	3,312	1,935	1,377	3.7	4.0	3.3
Southwark	11,307	7,017	4,290	9.9	11.3	8.2
Sutton	3,301	2,001	1,300	3.6	4.1	3.1
Tower Hamlets	9,456	6,555	2,901	11.8	13.8	9.0
Waltham Forest	7,823	4,905	2,918	7.7	8.9	6.3
Wandsworth	7,871	4,719	3,152	5.4	6.3	4.5
Westminster	6,497	3,714	2,783	7.0	7.2	6.7
Inner London	116,893	72,236	44,657	8.9	10.1	7.4
Outer London	114,159	68,611	45,548	5.4	6.0	4.8
Greater London	231,052	140,847	90,205	6.7	7.6	5.8
England	1,188,855	746,976	441,879	5.2	6.0	4.3
England & Wales	1,261,343	794,206	467,137	5.2	6.0	4.3

Source: 2001 Census Key Statistics KS09

Notes: The unemployment rate expresses the number unemployed as a percentage of economically active 16-74 year olds (numbers and rates exclude economically active full-time students).

### A13 Census unemployment rates, excluding/including students, London boroughs, 2001

	Persons aged 16-74 (excluding full-time students)			Persons aged 16-74 (including full-time students)			FT students as % of persons aged 16-74
	Unemployed	Econ. active	Unemp. rate (%)	Unemployed	Econ. active	Unemp. rate (%)	
City of London	215	4,412	4.9	247	4,527	5.5	7.7
Barking & Dagenham	5,121	68,841	7.4	5,673	71,529	7.9	6.5
Barnet	7,758	148,301	5.2	8,828	154,750	5.7	9.7
Bexley	4,530	104,988	4.3	5,007	108,642	4.6	5.3
Brent	9,901	122,890	8.1	11,442	130,138	8.8	11.2
Bromley	5,672	142,898	4.0	6,146	147,646	4.2	5.4
Camden	7,665	95,581	8.0	8,714	100,579	8.7	13.4
Croydon	9,163	160,547	5.7	10,210	166,942	6.1	6.8
Ealing	8,844	147,152	6.0	10,015	153,782	6.5	9.0
Enfield	8,177	124,584	6.6	9,168	130,422	7.0	8.9
Greenwich	8,352	95,862	8.7	9,448	101,035	9.4	9.0
Hackney	10,143	85,628	11.8	11,553	90,776	12.7	11.7
Hammersmith & Fulham	6,447	87,205	7.4	7,092	90,120	7.9	8.8
Haringey	9,468	100,786	9.4	10,794	106,527	10.1	10.9
Harrow	4,602	98,457	4.7	5,290	103,055	5.1	8.9
Havering	4,191	105,798	4.0	4,561	109,100	4.2	4.8
Hillingdon	4,800	116,926	4.1	5,546	122,593	4.5	7.9
Hounslow	5,137	104,613	4.9	5,871	109,492	5.4	8.3
Islington	7,873	84,592	9.3	8,737	88,595	9.9	10.4
Kensington & Chelsea	5,844	79,585	7.3	6,373	81,947	7.8	9.5
Kingston upon Thames	2,696	73,701	3.7	3,317	78,221	4.2	10.7
Lambeth	12,368	138,164	9.0	13,959	144,691	9.6	9.2
Lewisham	10,301	119,943	8.6	11,642	126,217	9.2	9.4
Merton	4,541	96,343	4.7	5,029	99,961	5.0	7.4
Newham	11,437	92,639	12.3	13,483	99,916	13.5	12.8
Redbridge	6,236	108,493	5.7	7,179	113,299	6.3	8.8
Richmond upon Thames	3,312	90,071	3.7	3,643	93,050	3.9	6.9
Southwark	11,307	114,169	9.9	12,969	120,842	10.7	12.6
Sutton	3,301	90,945	3.6	3,620	93,906	3.9	5.3
Tower Hamlets	9,456	79,848	11.8	10,799	84,732	12.7	11.7
Waltham Forest	7,823	101,538	7.7	8,875	106,643	8.3	8.7
Wandsworth	7,871	144,592	5.4	8,837	150,036	5.9	8.2
Westminster	6,497	93,239	7.0	7,185	96,655	7.4	11.2
Inner London	116,893	1,320,390	8.9	132,382	1,386,159	9.6	10.7
Outer London	114,159	2,102,989	5.4	128,870	2,194,226	5.9	7.9
Greater London	231,052	3,423,381	6.7	261,252	3,580,387	7.3	9.0
England & Wales	1,261,343	24,056,863	5.2	1,394,450	25,022,204	5.6	7.0

Source: 2001 Census, Standard Table ST028 and Theme Table TT002

Notes: The unemployment rate expresses the number unemployed as a percentage of those economically active. In this table, rates are shown including and excluding economically active full-time students.

### A14 Census unemployment rates by gender, Regions, 2001

Region	Unemployment (16-74 year olds)			Unemployment rate (%)		
	Persons	Males	Females	Persons	Males	Females
North East	82,987	56,193	26,794	7.7	9.5	5.4
North West	175,549	114,624	60,925	5.9	7.1	4.5
Yorkshire and the Humber	132,508	86,033	46,475	5.9	7.0	4.6
East Midlands	98,670	61,102	37,568	5.1	5.7	4.3
West Midlands	142,782	91,847	50,935	6.0	6.9	4.8
East	101,023	60,902	40,121	3.9	4.2	3.5
Greater London	231,052	140,847	90,205	6.7	7.6	5.8
- Inner London	116,893	72,236	44,657	8.9	10.1	7.4
- Outer London	114,159	68,611	45,548	5.4	6.0	4.8
South East	133,481	80,405	53,076	3.4	3.8	3.1
South West	90,803	55,023	35,780	4.0	4.4	3.5
Wales	72,488	47,230	25,258	6.0	7.1	4.6
England	1,188,855	746,976	441,879	5.2	6.0	4.3
England & Wales	1,261,343	794,206	467,137	5.2	6.0	4.3

Source: 2001 Census Key Statistics KS09

Notes: The unemployment rate expresses the number unemployed as a percentage of economically active 16-74 year olds (economically active full-time students are excluded from the totals and rates).

### A15 Census unemployment rates, highest ranking local authorities in E&W, 2001

Table shows highest 10% - out of 376 unitary and district authorities (London boroughs in bold)

Rank (out of 376)	Local authority area (unitary/district/boroughs)	Persons aged 16-74		
		Unemployed persons	Economically active persons	Unemployment rate (%)
1	<b>Newham</b>	11,437	92,633	12.3
2	<b>Hackney</b>	10,143	85,631	11.8
3	<b>Tower Hamlets</b>	9,456	79,854	11.8
4	Liverpool	19,421	165,639	11.7
5	Middlesbrough	5,919	52,963	11.2
6	South Tyneside	6,834	63,825	10.7
7	Knowsley	6,301	58,927	10.7
8	Kingston upon Hull	10,825	103,325	10.5
9	Birmingham	38,826	389,946	10.0
10	<b>Southwark</b>	11,307	114,164	9.9
11	Manchester	14,316	146,461	9.8
12	Nottingham	10,287	105,548	9.7
13	Hartlepool UA	3,459	36,241	9.5
14	<b>Haringey</b>	9,468	100,786	9.4
15	<b>Islington</b>	7,873	84,590	9.3
16	Redcar & Cleveland UA	5,204	57,942	9.0
17	<b>Lambeth</b>	12,368	138,168	9.0
18	Wolverhampton	8,966	100,426	8.9
19	Sandwell	10,592	121,011	8.8
20	<b>Greenwich</b>	8,354	95,862	8.7
21	North East Lincolnshire	6,045	70,017	8.6
22	Blaenau Gwent	2,315	26,888	8.6
23	<b>Lewisham</b>	10,301	119,952	8.6
24	Great Yarmouth	3,425	39,999	8.6
25	Newcastle upon Tyne	8,943	104,449	8.6
26	Leicester UA	9,704	115,110	8.4
27	Sunderland	9,914	119,857	8.3
28	Copeland	2,543	31,161	8.2
29	Easington	2,882	35,500	8.1
30	Isle of Anglesey	2,253	27,827	8.1
31	Stockton-on-Tees UA	6,447	79,934	8.1
32	<b>Brent</b>	9,901	122,898	8.1
33	<b>Camden</b>	7,665	95,584	8.0
34	Wansbeck	2,142	27,157	7.9
35	Wear Valley	2,066	26,432	7.8
36	<b>Waltham Forest</b>	7,823	101,548	7.7
37	Merthyr Tydfil	1,608	20,961	7.7
38	<b>Barking &amp; Dagenham</b>	5,121	68,849	7.4
	<i>England &amp; Wales</i>	<i>1,261,343</i>	<i>24,056,863</i>	<i>5.2</i>

Source: 2001 Census Key Statistics KS09

Notes: The unemployment rate expresses the number unemployed as a percentage of economically active 16-74 year olds (Economically active full-time students are excluded).

## A16 Census and claimant count compared, age & gender, Greater London, 2001

	2001 Census: Number unemployed	Claimant count (April 2001)	Difference between measures		
			Difference (Census- claimant count)	% difference (% census is higher than CC)	Claimant count expressed as a % of Census figure
<b>Persons</b>					
<b>All 16-59/64</b>	<b>227,938</b>	<b>151,610</b>	<b>76,328</b>	<b>50</b>	<b>67</b>
16-24	49,231	29,942	19,289	64	61
16-19	17,871	10,076	7,795	77	56
20-24	31,360	19,866	11,494	58	63
25-29	35,122	23,420	11,702	50	67
30-34	35,585	24,770	10,815	44	70
35-39	31,213	21,953	9,260	42	70
40-44	24,510	16,668	7,842	47	68
45-49	18,273	13,068	5,205	40	72
50-54	16,261	11,401	4,860	43	70
55-59/64	17,743	10,388	7,355	71	59
<b>Males</b>					
All 16-59/64	139,475	112,397	27,078	24	81
16-24	30,303	19,623	10,680	54	65
16-19	11,259	6,070	5,189	85	54
20-24	19,044	13,553	5,491	41	71
25-29	20,543	17,724	2,819	16	86
30-34	20,937	19,869	1,068	5	95
35-39	18,361	17,511	850	5	95
40-44	14,411	12,747	1,664	13	88
45-49	11,127	9,436	1,691	18	85
50-54	10,008	7,826	2,182	28	78
55-64	13,785	7,661	6,124	80	56
<b>Females</b>					
All 16-59	88,463	39,213	49,250	126	44
16-24	18,928	10,319	8,609	83	55
16-19	6,612	4,006	2,606	65	61
20-24	12,316	6,313	6,003	95	51
25-29	14,579	5,696	8,883	156	39
30-34	14,648	4,901	9,747	199	33
35-39	12,852	4,442	8,410	189	35
40-44	10,099	3,921	6,178	158	39
45-49	7,146	3,632	3,514	97	51
50-54	6,253	3,575	2,678	75	57
55-59	3,958	2,727	1,231	45	69

Source: 2001 Census & Jobcentre plus administrative system

Notes: Census unemployment counts exclude economically active full-time students who were unemployed. Claimant count data presented here relate to computerised claims only (~99% of all claims).

## A17 Claimant count & census compared by gender, London boroughs, April 2001

Base: persons working age	Number unemployed 2001 Census			Claimant count (April 2001)			Claimant count as % of Census figure		
	Persons	Males	Females	Persons	Males	Females	Persons	Males	Females
City of London	215	161	54	75	54	21	34.9	33.5	38.9
Barking & Dagenham	5,072	3,153	1,919	2,984	2,252	732	58.8	71.4	38.1
Barnet	7,585	4,326	3,259	4,558	3,291	1,267	60.1	76.1	38.9
Bexley	4,469	2,629	1,840	2,560	1,834	726	57.3	69.8	39.5
Brent	9,763	5,957	3,806	6,341	4,832	1,509	64.9	81.1	39.6
Bromley	5,573	3,367	2,206	3,122	2,315	807	56.0	68.8	36.6
Camden	7,517	4,622	2,895	5,382	3,898	1,484	71.6	84.3	51.3
Croydon	9,059	5,368	3,691	5,939	4,375	1,564	65.6	81.5	42.4
Ealing	8,722	5,269	3,453	5,208	3,850	1,358	59.7	73.1	39.3
Enfield	8,056	5,057	2,999	5,695	4,190	1,505	70.7	82.9	50.2
Greenwich	8,270	4,998	3,272	5,938	4,346	1,592	71.8	87.0	48.7
Hackney	10,069	6,256	3,813	7,983	5,903	2,080	79.3	94.4	54.6
Hammersmith & Fulham	6,351	3,900	2,451	4,254	3,135	1,119	67.0	80.4	45.7
Haringey	9,380	5,786	3,594	7,915	5,940	1,975	84.4	102.7	55.0
Harrow	4,507	2,595	1,912	2,287	1,637	650	50.7	63.1	34.0
Havering	4,129	2,518	1,611	2,310	1,692	618	55.9	67.2	38.4
Hillingdon	4,717	2,772	1,945	2,335	1,703	632	49.5	61.4	32.5
Hounslow	5,045	2,966	2,079	2,117	1,559	558	42.0	52.6	26.8
Islington	7,773	4,699	3,074	6,467	4,625	1,842	83.2	98.4	59.9
Kensington & Chelsea	5,746	3,252	2,494	2,836	1,947	889	49.4	59.9	35.6
Kingston upon Thames	2,648	1,612	1,036	1,194	874	320	45.1	54.2	30.9
Lambeth	12,236	7,606	4,630	10,114	7,455	2,659	82.7	98.0	57.4
Lewisham	10,199	6,310	3,889	7,918	5,953	1,965	77.6	94.3	50.5
Merton	4,461	2,663	1,798	2,243	1,658	585	50.3	62.3	32.5
Newham	11,360	7,234	4,126	7,533	5,772	1,761	66.3	79.8	42.7
Redbridge	6,152	3,836	2,316	3,607	2,653	954	58.6	69.2	41.2
Richmond upon Thames	3,205	1,887	1,318	1,355	977	378	42.3	51.8	28.7
Southwark	11,180	6,965	4,215	8,821	6,518	2,303	78.9	93.6	54.6
Sutton	3,241	1,978	1,263	1,513	1,132	381	46.7	57.2	30.2
Tower Hamlets	9,396	6,524	2,872	7,841	6,206	1,635	83.5	95.1	56.9
Waltham Forest	7,726	4,877	2,849	5,433	4,086	1,347	70.3	83.8	47.3
Wandsworth	7,763	4,673	3,090	5,047	3,746	1,301	65.0	80.2	42.1
Westminster	6,356	3,659	2,697	4,355	3,143	1,212	68.5	85.9	44.9
Inner London	115,538	71,647	43,891	86,541	64,295	22,246	74.9	89.7	50.7
Outer London	112,400	67,828	44,572	66,739	49,256	17,483	59.4	72.6	39.2
Greater London	227,938	139,475	88,463	153,280	113,551	39,729	67.2	81.4	44.9
England & Wales	1,244,987	787,081	457,906	857,222	653,704	203,518	68.9	83.1	44.4
Great Britain	1,391,586	883,241	508,345	966,885	738,655	228,230	69.5	83.6	44.9

Source: 2001 Census, Jobcentre plus administrative system

Notes: Census unemployment figures quoted here exclude economically active full-time students. Census data relates to borough boundaries in place as at Dec 2002, whereas claimant count data relates to 1991 boundaries. For most boroughs, changes in boundaries between 1991 and 2002 were fairly small and do not affect the comparisons shown here. However, changes in the City and Barking & Dagenham were more significant (shaded in grey for this reason). See table A19 for more information.

## A18 Claimant count & census compared, youth unemployment, London boroughs, 2001

	Number unemployed (2001 Census)			Claimant count (April 2001)			Claimant count as % of Census figure		
	16-24	16-19	20-24	16-24	16-19	20-24	16-24	16-19	20-24
City of London	43	10	33	18	7	11	41.9	70.0	33.3
Barking and Dagenham	1,477	720	757	808	350	458	54.7	48.6	60.5
Barnet	1,485	474	1,011	826	264	562	55.6	55.7	55.6
Bexley	1,194	585	609	565	234	331	47.3	40.0	54.4
Brent	2,047	526	1,521	1,029	286	743	50.3	54.4	48.8
Bromley	1,236	550	686	594	211	383	48.1	38.4	55.8
Camden	1,349	394	955	843	270	573	62.5	68.5	60.0
Croydon	2,082	891	1,191	1,270	481	789	61.0	54.0	66.2
Ealing	1,840	568	1,272	967	298	669	52.6	52.5	52.6
Enfield	1,680	645	1,035	1,099	341	758	65.4	52.9	73.2
Greenwich	1,969	863	1,106	1,452	537	915	73.7	62.2	82.7
Hackney	1,967	660	1,307	1,544	452	1,092	78.5	68.5	83.6
Hammersmith and Fulham	1,186	353	833	706	242	464	59.5	68.6	55.7
Haringey	1,820	639	1,181	1,576	519	1,057	86.6	81.2	89.5
Harrow	1,028	347	681	396	130	266	38.5	37.5	39.1
Havering	1,129	530	599	530	192	338	46.9	36.2	56.4
Hillingdon	1,329	567	762	532	180	352	40.0	31.7	46.2
Hounslow	1,332	478	854	507	169	338	38.1	35.4	39.6
Islington	1,386	518	868	1,061	361	700	76.6	69.7	80.6
Kensington and Chelsea	920	230	690	446	141	305	48.5	61.3	44.2
Kingston upon Thames	542	216	326	187	64	123	34.5	29.6	37.7
Lambeth	2,299	821	1,478	1,774	567	1,207	77.2	69.1	81.7
Lewisham	2,186	832	1,354	1,753	622	1,131	80.2	74.8	83.5
Merton	970	333	637	438	138	300	45.2	41.4	47.1
Newham	2,877	1,026	1,851	1,793	662	1,131	62.3	64.5	61.1
Redbridge	1,405	470	935	722	244	478	51.4	51.9	51.1
Richmond upon Thames	545	182	363	166	50	116	30.5	27.5	32.0
Southwark	2,164	787	1,377	1,739	574	1,165	80.4	72.9	84.6
Sutton	841	385	456	288	99	189	34.2	25.7	41.4
Tower Hamlets	2,331	823	1,508	1,666	556	1,110	71.5	67.6	73.6
Waltham Forest	1,844	642	1,202	1,097	367	730	59.5	57.2	60.7
Wandsworth	1,608	488	1,120	906	259	647	56.3	53.1	57.8
Westminster	1,121	319	802	644	209	435	57.4	65.5	54.2
Inner London	23,256	7,899	15,357	16,469	5,441	11,028	70.8	68.9	71.8
Outer London	25,975	9,972	16,003	13,473	4,635	8,838	51.9	46.5	55.2
Greater London	49,231	17,871	31,360	29,942	10,076	19,866	60.8	56.4	63.3
England & Wales	326,719	145,344	181,375	216,109	85,886	130,223	66.1	59.1	71.8
Great Britain	367,941	165,369	202,572	245,957	98,984	146,973	66.8	59.9	72.6

Source: 2001 Census, Jobcentre plus administrative system

Notes: Census unemployment figures quoted here exclude economically active full-time students. Census data relates to borough boundaries in place as at Dec 2002, whereas claimant count data relates to 1991 borough boundaries. For most boroughs, changes in boundaries between 1991 and 2002 were fairly small and do not affect the comparisons shown here. However, changes in the City and Barking & Dagenham where more significant (shaded in grey for this reason). See table A19 for more information.

## **A19 Effect of inter-censal borough boundary changes on population**

	1991 Census resident pop	Effect of boundary change	Effect of change as % of 1991 population
City of London	4,142	1332	32.2
Barking & Dagenham	143,681	9443	6.6
Barnet	293,564	101	0.0
Bexley	215,615	240	0.1
Brent	243,025	-5920	-2.4
Bromley	290,609	698	0.2
Camden	170,444	87	0.1
Croydon	313,510	-377	-0.1
Ealing	275,257	3339	1.2
Enfield	257,417	-92	0.0
Greenwich	207,650	-1235	-0.6
Hackney	181,248	-83	0.0
Hammersmith & Fulham	148,502	-752	-0.5
Haringey	202,204	-219	-0.1
Harrow	200,100	1133	0.6
Havering	229,492	-234	-0.1
Hillingdon	231,602	294	0.1
Hounslow	204,397	-2983	-1.5
Islington	164,686	-784	-0.5
Kensington & Chelsea	138,394	934	0.7
Kingston upon Thames	132,996	274	0.2
Lambeth	244,834	-1390	-0.6
Lewisham	230,983	1000	0.4
Merton	168,470	14	0.0
Newham	212,170	-1033	-0.5
Redbridge	226,218	-7211	-3.2
Richmond upon Thames	160,732	2662	1.7
Southwark	218,541	629	0.3
Sutton	168,880	53	0.0
Tower Hamlets	161,064	-465	-0.3
Waltham Forest	212,033	-278	-0.1
Wandsworth	252,425	435	0.2
Westminster	174,814	25	0.0
Inner London	2,504,451	-284	0.0
Outer London	4,175,248	-79	0.0
Greater London	6,679,699	-363	0.0

Source: London Research Centre (Population Advice Note 97-5, July 1998)

## A20 Headline comparison of different unemployment measures, London boroughs, 2001

	2001 Census (April 2001)		Claimant count Number (April 2001)	LFS 2001/02	
	Persons unemployed			ILO unemployed 16+	95% confidence interval (+/-)
	Working age	Age 16-74			
City of London	215	216	75	**	**
Barking & Dagenham	5,072	5,121	2,984	4,000	1,600
Barnet	7,585	7,758	4,558	9,000	3,500
Bexley	4,469	4,530	2,560	**	**
Brent	9,763	9,901	6,341	12,000	3,100
Bromley	5,573	5,672	3,122	6,000	2,700
Camden	7,517	7,665	5,382	9,000	2,800
Croydon	9,059	9,163	5,939	10,000	3,300
Ealing	8,722	8,844	5,208	10,000	3,700
Enfield	8,056	8,177	5,695	8,000	3,000
Greenwich	8,270	8,354	5,938	8,000	2,400
Hackney	10,069	10,143	7,983	11,000	2,800
Hammersmith & Fulham	6,351	6,447	4,254	6,000	2,100
Haringey	9,380	9,468	7,915	11,000	3,300
Harrow	4,507	4,602	2,287	**	**
Havering	4,129	4,191	2,310	**	**
Hillingdon	4,717	4,800	2,335	6,000	2,400
Hounslow	5,045	5,137	2,117	6,000	2,200
Islington	7,773	7,873	6,467	8,000	2,400
Kensington & Chelsea	5,746	5,844	2,836	7,000	2,300
Kingston upon Thames	2,648	2,696	1,194	4,000	1,700
Lambeth	12,236	12,368	10,114	10,000	3,200
Lewisham	10,199	10,301	7,918	12,000	3,200
Merton	4,461	4,541	2,243	**	**
Newham	11,360	11,437	7,533	11,000	2,900
Redbridge	6,152	6,236	3,607	8,000	2,500
Richmond upon Thames	3,205	3,312	1,355	**	**
Southwark	11,180	11,307	8,821	12,000	3,400
Sutton	3,241	3,301	1,513	5,000	2,000
Tower Hamlets	9,396	9,456	7,841	9,000	2,100
Waltham Forest	7,726	7,823	5,433	7,000	2,500
Wandsworth	7,763	7,871	5,047	10,000	2,600
Westminster	6,356	6,497	4,355	8,000	2,400
Inner London	115,538	116,893	86,541	124,000	9,800
Outer London	112,400	114,159	66,739	124,000	10,800
Greater London	227,938	231,052	153,280	248,000	14,600
Great Britain	1,391,586	1,409,425	966,885	1,451,000	30,400

Source: 2001 Census, Annual local area Labour Force Survey, Jobcentre Plus administrative system

Notes: Census and LFS data are based on current borough boundaries whereas claimant count data are based on boundaries as at 1991 (See table A19 for data on the impact of inter-censal boundary changes). Census data quoted here exclude economically active full-time students. \*\* Data suppressed due to poor reliability.

## A21 Broad LFS unemployment measures, London boroughs, 2001/02

	Persons, working age			Rates (%)		
	ILO unemployed	Broader ILO unemployment	Want to work measure	ILO unemployment	Broad ILO unemployment	Want to work
City of London	**	**	**	**	**	**
Barking & Dagenham	**	**	13,000	**	**	17.0
Barnet	9,000	11,000	20,000	5.0	5.9	10.2
Bexley	**	**	10,000	**	**	9.0
Brent	12,000	13,000	23,000	9.5	10.4	17.1
Bromley	6,000	6,000	10,000	4.0	4.2	6.6
Camden	9,000	11,000	23,000	8.7	10.2	19.0
Croydon	10,000	11,000	23,000	5.9	6.5	12.0
Ealing	10,000	12,000	24,000	6.6	7.4	14.1
Enfield	8,000	9,000	20,000	6.6	7.0	14.8
Greenwich	8,000	9,000	18,000	7.6	8.3	15.5
Hackney	11,000	13,000	28,000	12.3	14.8	26.9
Hammersmith & Fulham	6,000	7,000	15,000	6.6	8.0	14.8
Haringey	11,000	12,000	21,000	10.8	11.9	19.1
Harrow	**	7,000	14,000	**	6.2	12.3
Havering	**	**	11,000	**	**	8.7
Hillingdon	6,000	6,000	17,000	**	4.6	11.9
Hounslow	6,000	7,000	16,000	5.7	6.4	13.2
Islington	8,000	9,000	21,000	9.2	10.1	21.8
Kensington & Chelsea	7,000	8,000	16,000	6.2	7.5	14.3
Kingston upon Thames	**	**	8,000	**	**	9.3
Lambeth	10,000	12,000	23,000	6.9	8.3	15.3
Lewisham	12,000	14,000	24,000	10.4	11.8	18.8
Merton	**	**	9,000	**	**	8.4
Newham	11,000	13,000	24,000	11.7	13.6	22.7
Redbridge	8,000	8,000	20,000	6.9	7.4	15.7
Richmond upon Thames	**	**	9,000	**	**	8.0
Southwark	12,000	13,000	25,000	11.0	11.8	19.8
Sutton	**	6,000	12,000	**	**	11.4
Tower Hamlets	9,000	9,000	19,000	12.3	12.8	23.5
Waltham Forest	7,000	7,000	17,000	6.9	7.1	15.2
Wandsworth	10,000	11,000	21,000	6.3	6.8	12.3
Westminster	8,000	10,000	24,000	6.3	7.7	16.2
Inner London	123,000	142,000	284,000	8.8	10.1	18.2
Outer London	123,000	138,000	293,000	5.4	6.0	12.0
Greater London	246,000	280,000	577,000	6.7	7.6	14.5
Great Britain	1,438,000	1,638,000	3,563,000	5.1	5.8	11.8

Source: Annual local area Labour Force Survey 2001/02

Notes: The LFS is a sample survey and borough level estimates are subject to a very high level of sampling variability. Particularly unreliable data have been suppressed and are denoted by asterisks \*\*. Data have not been adjusted to reflect the 2001 Census population data. ILO unemployment refers to those who are out of work, actively seeking work and available to start work. Broad ILO unemployment also counts those who are actively seeking but not available to start work. The want to work measure includes all those who are ILO unemployed and economically inactive people who said they would like to work.

## **Appendix 2. Glossary**

### **Confidence Intervals**

As the LFS is a sample survey, all estimates are subject to sampling variability. The degree of variability – or error – attached to an estimate is often expressed through ‘95% confidence intervals’. These allow us to take a view, based on statistical probability theory, about how close an estimate is likely to be to the true population value. For example, if the real number of people who were ILO unemployed in London was 248,000, and we were estimating this figure from the annual LFS dataset – then 95 times out of 100, the LFS estimate of the size of the group would fall in the range of 233,400 to 262,600 or +/-14,600 (the confidence interval). The confidence interval is simply a way of illustrating how reliable an estimate is. On the LFS, in areas where the sample is small or the number unemployed is relatively small, the error attached to estimates will be higher.

### **Economically Active**

The term ‘economically active’ is used to describe those people who are in the labour force and includes both the employed and the unemployed.

### **Economically Inactive**

Economic inactive are those people in the population who are not in the labour force (ie not economically active).

### **ILO unemployment**

A person is defined as ILO unemployed if he or she is not in employment, is available to start work in the next 2 weeks and has either looked for work in the last 4 weeks or is waiting to start a new job.

### **Income Support (IS)**

Income Support is an income related benefit which provides financial help for people who are not required to be available for work, are not in paid work and whose income from all sources is below a minimum level set by Parliament. JSA replaced Income Support for the unemployed in October 1996.

### **Incapacity Benefit**

A social security benefit for people whose sickness or disability means they cannot work. Contributions based.

### **Jobseeker’s Allowance**

Jobseeker’s Allowance (JSA) is a social security benefit paid to unemployed people (or in some instances people working part-time on a low income). To qualify people have to sign a Jobseeker’s Agreement which is a written agreement between the jobseeker and Jobcentre Plus that forms part of the qualifying Conditions. People must demonstrate they are available for work and actively seeking work to qualify. There are two types of JSA:

Contribution-based JSA: Benefit is based on National Insurance contributions and is paid at a personal rate for up to 6 Months

Income-based JSA: Benefit based on claimants’ and dependants’ needs - payable for as long as qualifying conditions are met.

## **NUTS areas**

The Nomenclature of Units for Territorial Statistics (NUTS) provides a single uniform breakdown for producing regional statistics across the European Union. In the case of London, level 1 refers to Greater London, level 2 to Inner and Outer London.

## **Abbreviations**

DWP	Department for Work and Pensions
GLA	Greater London Authority
IS	Income Support
JSA	Jobseeker's Allowance
LFS	Labour Force Survey
ONS	Office for National Statistics
NUTS	The Nomenclature of Units for Territorial Statistics

## **Appendix 3: A guide to the GLA's claimant count unemployment rate model**

### **Introduction**

The claimant count is a count of those people claiming unemployment-related benefits: Jobseeker's Allowance (JSA) and National Insurance credits. The count is a by-product of the benefits administration system. To be eligible for JSA, people must be actively seeking work and available for work. Those who are not eligible for benefits do not appear in the count. Claimant count data is provided on a monthly basis by the Office for National Statistics (ONS) and is available by age, duration and gender. The data is made available by ONS one month after the date of the actual count and is available down to ward level.

ONS produce data on the number of claimants unemployed in a ward, but they do not currently produce ward unemployment rates. To fill this gap, the GLA produces its own rates which are available freely via the web on a monthly basis. These rates are 'residence-based' unemployment rates.

### **GLA estimates of claimant count unemployment rates (%)**

Currently, GLA rates represent the claimant count in a borough or ward as a percentage of economically active residents in that area (excluding economically active full-time students). In terms of profiling local labour markets, the GLA prefers to use a residence-based model as the rates provide an indication of how the resident workforce is faring in the labour market.

### **ONS rates and why there are different to GLA rates**

GLA rates are different from the 'official' claimant count unemployment rates published by ONS at borough and regional level. Like GLA rates, ONS rates are now residence based<sup>27</sup> but they use a different denominator to the GLA. ONS rates express local area claimant count figures as a proportion of the resident working age population (females 16-59, males 16-64). The working age population figures are derived from the mid-year population estimates which are compatible with the recently released 2001 Census results. The GLA prefer to use a measure which controls for differences in the size of the labour force as this provides a better like for like comparison. So for these reasons, GLA rates at borough, regional and national level will differ from those published by ONS. They are generally higher than ONS population based rates.

Of course, the other key difference between the rates is that ONS rates are not available for wards.

### **Health warnings in relation to GLA rates**

There are two main problems with the current GLA unemployment model. First, the labour force base is out of date as economic activity data is currently taken from the 1991 Census of Population. Second, the data are published for 1991 frozen wards which bear little relation to current ward boundaries. At the time of writing, claimant count ward data were still supplied by ONS on the basis of 1991 ward boundaries. ONS are planning to move over to new ward boundaries in March 2004.

### **The new 2004 GLA claimant unemployment model**

To deal with these issues, the GLA is planning a major redesign and update of the claimant unemployment model to take account of new data and to overcome its existing limitations. The target date for this work is May 2004, though exact timing depends on the release of new data by ONS namely: new claimant count data on current ward boundaries (ie those used in 2001 Census output).

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<sup>27</sup> Prior to January 2003, ONS published 'workforce' based claimant count rates. However, these were fairly limited in their application and were replaced by residence based rates.

The new model will use 2001 Census data and the GLA's demographic projections to produce new denominators. We plan to maintain the timely monthly release of summary tables for all 32 borough areas via our extranet. While details of the new model are not yet finalized, one of the main improvements will be that the base will be updated annually by linking the model with the GLA's in house demographic model and economic activity projections.

This should improve on the limitations of the existing model and provide regular and more accurate estimates of inter-censal ward level claimant count rates.

For more information about the GLA's claimant count model, please contact: Lorna Spence on 020 7983 4658.

## Appendix 4: Useful web sites for Labour Market data

	Description	Useful data.....
<b>GLA dedicated data website</b> <a href="https://extranet.london.gov.uk">https://extranet.london.gov.uk</a>	Wide range of GLA data and analysis. Site aims to share information with partner agencies and others. Users must apply to register for the site. Data is free.	<ul style="list-style-type: none"> <li>• GLA monthly claimant rates</li> <li>• Labour Force Survey analysis for London</li> <li>• 2001 Census tables for London</li> <li>• Economic data</li> <li>• DMAG Briefings</li> <li>• Reports and data from GLA Economics</li> </ul>
<b>NOMIS</b> <a href="http://www.nomisweb.co.uk">www.nomisweb.co.uk</a>	NOMIS is run on behalf of ONS and provides a range of official labour market statistics. Users must register to access the full site, but data is free. NOMIS has good functionality with timely data release.	<ul style="list-style-type: none"> <li>• Detailed claimant count data</li> <li>• Range of ILO unemployment data (Labour Force Survey)</li> <li>• Useful borough level labour market profiles</li> </ul>
<b>ONS</b> <a href="http://www.statistics.gov.uk">www.statistics.gov.uk</a>	Main website for the Office for National Statistics. Wide range of data and statistics and links.	<ul style="list-style-type: none"> <li>• Monthly labour market statistics press release for London – provides good summary data for London</li> <li>• Virtual bookshelf, can download wide range of articles and journals (eg <i>Labour Market Trends</i>)</li> </ul>
<b>Department for Work and Pensions (Analytical Division)</b> <a href="http://www.dwp.gov.uk/asd/">www.dwp.gov.uk/asd/</a>	Statistics and research from the DWP	<ul style="list-style-type: none"> <li>• Quarterly Statistical Enquiries providing regional benefits data</li> <li>• Range of useful research reports</li> </ul>
<b>Neighbourhood Statistics</b> <a href="http://www.neighbourhood.statistics.gov.uk">www.neighbourhood.statistics.gov.uk</a>	Official site for local area statistics (eg ward level). Range of demographic, social and economic data.	<ul style="list-style-type: none"> <li>• Latest DWP benefits data</li> </ul>
<b>Data Archive</b> <a href="http://www.data-archive.ac.uk/">http://www.data-archive.ac.uk/</a>	Based at University of Essex. Holding literally thousands of datasets for secondary data users. Quantitative and qualitative.	<ul style="list-style-type: none"> <li>• Labour Force Survey microdatasets</li> <li>• Plus generally good access point for a huge range of labour market data and research</li> </ul>



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Recent *DMAG Briefings*:

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DMAG 2004/2	London's Workers Part 1: 2001 Census results	Eileen Howes
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DMAG 2004/4	DMAG Annual Review 2003	Jackie Maguire/ Rob Lewis
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DMAG 2004/6	Londoners' Qualifications: Analysis of 2001 Census data	Gareth Piggott
DMAG 2004/7	The Parliamentary General Election, 2001	Michael Minors/ Dennis Grenham/ Jackie Maguire
DMAG 2004/8	Constituency Demographic Profiles	Georgia Hay

If you would like copies of previous briefings, please contact Jackie Maguire at the GLA, [jackie.maguire@london.gov.uk](mailto:jackie.maguire@london.gov.uk)

## Contact details for the Data Management and Analysis Group are as follows:

**Rob Lewis (020 7983 4652)** is **Head of the Data Management and Analysis Group**.  
[rob.lewis@london.gov.uk](mailto:rob.lewis@london.gov.uk)

**Bill Armstrong (020 7983 4653)** works in the **Census Team** with particular responsibilities for **commissioned tables, workplace data** and **mapping**. [bill.armstrong@london.gov.uk](mailto:bill.armstrong@london.gov.uk)

**Baljit Bains (020 7983 4613)** works in the **Demography Team** and is responsible for **ethnic demography**, including **ethnic group projections**. [baljit.bains@london.gov.uk](mailto:baljit.bains@london.gov.uk)

**Shen Cheng (020 7983 4889)** works in the **Education Team** and is responsible for school roll projections.  
[shen.cheng@london.gov.uk](mailto:shen.cheng@london.gov.uk)

**Hywel Davies (020 7983 4696)** is responsible for the **SASPAC** project and for the development of **GIS** work. [hywel.davies@london.gov.uk](mailto:hywel.davies@london.gov.uk)

**David Ewens (020 7983 4656)** is responsible for **education research and data analysis** and school roll projections. [david.ewens@london.gov.uk](mailto:david.ewens@london.gov.uk)

**Georgia Hay (020 7983 4347)** works in the **Demography Team** and is responsible for **ward level projections**, the **Demography Extranet** and **borough liaison**. [georgia.hay@london.gov.uk](mailto:georgia.hay@london.gov.uk)

**Giorgio Finella (020 7983 4328)** works in the **Census Team**. [giorgio.finella@london.gov.uk](mailto:giorgio.finella@london.gov.uk)

**Dennis Grenham (020 7983 4532)** works mostly on **statistical compendia, election statistics** and **special publications**. [dennis.grenham@london.gov.uk](mailto:dennis.grenham@london.gov.uk)

**John Hollis (020 7983 4604)** is responsible for the work of the **Demography Team** and the **Social Exclusion Team**, and particularly for **demographic modelling**. [john.hollis@london.gov.uk](mailto:john.hollis@london.gov.uk)

**Eileen Howes (020 7983 4657)** is responsible for the work of the **Census Team**.  
[eileen.howes@london.gov.uk](mailto:eileen.howes@london.gov.uk)

**Ed Klodawski (020 7983 4694)** works in the **Demography Team**. His post is joint with the **London Health Observatory** and specialises in **ethnic** and **health** issues. [edmund.klodawski@london.gov.uk](mailto:edmund.klodawski@london.gov.uk)

**Rachel Leeser (020 7983 4699)** works in the **Social Exclusion Team** with particular responsibilities for **indicators** and **income data**. [rachel.leeser@london.gov.uk](mailto:rachel.leeser@london.gov.uk)

**Alan Lewis (020 7983 4348)** is a member of the **SASPAC Team**. [alan.lewis@london.gov.uk](mailto:alan.lewis@london.gov.uk)

**Jackie Maguire (020 7983 4655)** is responsible to the Group Head and co-ordinates the administrative and financial work of the Group. [jackie.maguire@london.gov.uk](mailto:jackie.maguire@london.gov.uk)

**Michael Minors (020 7983 4654)** is responsible for the work of the **General Statistics and Education Team**. [michael.minors@london.gov.uk](mailto:michael.minors@london.gov.uk)

**Gareth Piggott (020 7983 4327)** works in the **Census Team**. [gareth.piggott@london.gov.uk](mailto:gareth.piggott@london.gov.uk)

**Lorna Spence (020 7983 4658)** is a member of the **Social Exclusion Team**, with particular responsibilities for the **Labour Force Survey, unemployment** and **benefits data**. [lorna.spence@london.gov.uk](mailto:lorna.spence@london.gov.uk)

Please use the above descriptions in deciding whom to contact to assist you with your information needs.