

# THE REAL LEVEL OF UNEMPLOYMENT 2012

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## **Key points**

- *This report provides a new assessment of the scale of unemployment across Britain. It considers not only the men and women included in the official 'claimant count' but also the very large numbers diverted onto other benefits or out of the benefits system altogether.*
- *An alternative set of 'real unemployment' figures is presented for every district. The figures draw on several official sources.*
- *For Britain as a whole in April 2012, the new figures point to more than 3.4 million unemployed. This compares to just 1.5 million on the claimant count and 2.5 million according to the Labour Force Survey – the government's two official measures of unemployment. The difference is attributable to extensive hidden unemployment.*
- *An estimated 900,000 unemployed have been diverted onto incapacity benefits. These are men and women with health problems who claim incapacity benefits instead of unemployment benefits. They do not represent fraudulent claims.*
- *Hidden unemployment is disproportionately concentrated in the weakest local economies, where claimant unemployment is already highest. The effect has been to mask the true scale of labour market disparities between the best and worst parts of the country.*
- *In the worst affected districts, the real rate of unemployment is often around 15 per cent. Knowsley in Merseyside tops the list with a real rate of unemployment estimated at 16.8 per cent.*
- *The older industrial areas of the Midlands, the North, Scotland and Wales mostly have the highest rates of unemployment. In large parts of the south of England the rate is still only 3-4 per cent.*
- *Comparisons with similar data for earlier years shows that Britain was still a long way off full employment before the 2008/9 recession. Full employment is now still further away and the real rate of unemployment is higher than at any time since 1997.*
- *The report casts serious doubt on the likely impact of the Coalition government's reforms, notably the Work Programme and Universal Credit, which are founded on the assumption that unemployment can be brought down by encouraging the unemployed to find work. The evidence points to large and continuing shortfalls in job opportunities away from the most prosperous parts of southern England.*



## THE REAL LEVEL OF UNEMPLOYMENT 2012

### Introduction

In the wake of recession, unemployment has re-surfaced as a major political issue in the UK. There is a consensus that unemployment is far too high; the disagreements are about the most effective ways to bring the numbers down.

But just *how much* unemployment is there?

In the UK there are two official measures of unemployment – the claimant count and the Labour Force Survey measure. In mid-2012 these point to divergent figures – 1.6m and 2.5m respectively. And neither of these figures is comprehensive. The problem is that in the UK there are well-developed mechanisms that divert the unemployed between different parts of the benefits system, notably from unemployment benefits to incapacity benefits, or out of the benefits system entirely. Some of these men and women are counted in the official unemployment figures, but others are completely missed.

The shortcomings of official unemployment statistics are most acute at the local level, for example in the figures for individual local authorities. The claimant count data available at this scale is plentiful, but the claimant count is the very narrowest measure of unemployment, missing huge numbers just about everywhere. The Labour Force Survey doesn't help much either because, being based on a survey with small sample sizes in many places, the figures for local areas are subject to a wide margin of error and can be erratic from year to year. The consequence is that no official figures offer a reliable guide to unemployment levels in different parts of the country.

This report assesses the real level of unemployment in 2012. It plugs the key gap in official measures of unemployment and provides alternative – and more robust – estimates of unemployment across all Britain's regions and districts.

The report is the fourth in a series that has now been published at five-yearly intervals since 1997<sup>1</sup>. It deploys essentially the same methods as in the earlier studies, with a number of modest refinements. The central question however remains the same: *what is the real level of unemployment?*

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<sup>1</sup> C Beatty, S Fothergill, T Gore and A Herrington (1997) *The Real Level of Unemployment*, CRESR, Sheffield Hallam University  
C Beatty, S Fothergill, T Gore and A Green (2002) *The Real Level of Unemployment 2002*, CRESR, Sheffield Hallam University  
C Beatty, S Fothergill, T Gore and R Powell (2007) *The Real Level of Unemployment 2007*, CRESR, Sheffield Hallam University

## How unemployment becomes hidden

### *The visible part: Claimant count*

The claimant count is the number of people claiming unemployment benefits – these days Jobseeker's Allowance (JSA) but also a few who sign on as unemployed but do not qualify for JSA and instead only receive National Insurance credits. The claimant count has a number of strengths: it is available monthly, it is very up-to-date (the figures are only four weeks old when they are released) and it provides information for small areas such as districts and wards. It is also a complete count, not a sample survey, so the figures are extremely reliable.

The trouble is that the number of people claiming unemployment benefits falls well short of the totality of the unemployment problem. One issue is that the claimant count is heavily dependent on social security rules: the tighter the rules (ie the more restrictive the access to JSA) the lower the claimant count. Another issue is that JSA is only one of the benefits available to support men and women without jobs. Depending on the detailed rules and payment rates, there is the potential for diversions to other parts of the benefits system. In the UK context, what in practice has happened is that there has been a major diversion from unemployment onto incapacity benefits.

For at least twenty years it has been entirely uncontroversial to observe that the claimant count understates the true level of unemployment. The trouble is that this has not stopped many uninformed commentators – and quite a few who should know better – continuing to quote the claimant count as if it were a reasonably accurate guide.

### *Visible nationally but not locally: LFS unemployed*

Since 1997 the officially preferred measure of unemployment has been derived from the Labour Force Survey (LFS). With something of a lag, this has also become the measure of unemployment most frequently quoted by the national media.

The LFS is a large sample survey of households across the country that is then grossed-up to provide a range of estimates for the population as a whole. The LFS uses the International Labour Organisation (ILO) definition of unemployment which counts anyone who:

- Is out of work
- And is available to start work in the next two weeks
- And has looked for work in the last four weeks

LFS unemployment data becomes available more slowly than the claimant count, around three months in arrears. In recent years the Labour Force Survey has indicated that, across Britain as a whole, there are nearly one million additional unemployed over and above the claimant count.

In theory, the ILO measure of unemployment from the Labour Force Survey is independent of benefits status. It includes many of the unemployed who are ineligible to receive Jobseeker's Allowance and don't therefore bother to sign on, who are consequently omitted from the claimant count. These include, for example, the unemployed who are disqualified from the means-tested 'income-based' version of Jobseeker's Allowance by virtue of other household income or savings.

In practice, labour market behaviour and thereby the extent to which individuals meet the ILO criteria is not independent of the benefit system. In particular, if the benefit that an individual claims (such as Incapacity Benefit) does not require them to look for work, and if they think there is no suitable work available for them, they will generally give up looking and thereby fail to meet all the ILO criteria. They will therefore drop out of the LFS-based unemployment figures.

An equally significant drawback is that because the LFS unemployment figures are based on a sample survey the data for small areas, such as local authority districts, is poor. The margin of error on the published unemployment rate for a district can often be plus or minus two percentage points, which matters a great deal when the rates are themselves generally below 10 per cent. An LFS unemployment rate for a district of say 5 per cent therefore often only tells us that the true rate of unemployment is somewhere between 3 and 7 per cent – hardly a very good guide or a basis for comparisons between places.

The unreliability of the local LFS unemployment data forces most commentators on local trends back onto the claimant count.

#### *Hidden: the diversion onto incapacity benefits*

The largest distortion to both official measures of unemployment is the diversion of men and women onto incapacity benefits.

Incapacity benefits are paid to non-employed men and women of working age who are deemed too ill or disabled to be required to look for work. This differentiates them from JSA claimants, who all have to demonstrate that they are looking for work. In benefit terms these are two distinct groups: unemployment benefits and incapacity benefits cannot be claimed by the same individuals at the same time.

In this context the term 'incapacity benefits' actually refers to a group of related benefits. Employment and Support Allowance (ESA) is the newest, introduced for new claimants in 2008. ESA is gradually replacing Incapacity Benefit, Income Support paid on grounds of disability, and Severe Disablement Allowance, but the change-over for existing claimants will not be completed until 2014.

Across Britain as a whole, incapacity claimants are by some margin the largest group of working-age benefit claimants. Moreover, their numbers are nearly four times greater than thirty years ago and it is impossible to explain the increase in health terms alone, especially at a time when general standards of health have slowly been improving, albeit with the smallest improvements among the most disadvantaged groups.

The relevance of incapacity benefits to the measurement of unemployment is that for the jobless who suffer from health problems or disabilities the differential in benefit payment rates creates an incentive to claim incapacity benefits rather than Jobseeker's Allowance. The longer-term rates of payment are higher than for Jobseeker's Allowance, but the principal difference is in the extent of means testing. For all JSA claimants, benefit payments are means tested after six months, and for many claimants it is means tested from day one. In contrast, incapacity benefits have until very recently not been means tested for the majority of claimants. In addition, being an incapacity claimant involves a great deal less hassle: you don't have to sign on every fortnight, and you don't have to prove that you are looking for work.

Thus, for example, a long-term unemployed man in his fifties with a wife in work and a small pension from a former employer will not generally be entitled to means-tested JSA. In essence, his wife's earnings and his pension reduce or eliminate his JSA entitlement. But if he has sufficient National Insurance credits to be entitled to Incapacity Benefit itself (or more recently the contributions-based version of ESA), which most men with a work history will have, he will receive a weekly sum irrespective of his wife's earnings or in most circumstances of his pension as well.

The absence of means testing of incapacity benefits is only just beginning to change. From the end of April 2012, men and women within the 'work-related activity group' on ESA (ie those deemed to be able to return to work eventually) who have been claiming ESA for twelve months will find that, for the first time, their entitlement is means-tested. This is a major departure that can eventually be expected to have a big impact on incapacity claimant numbers. The change is too recent, however, to impact on the unemployment numbers presented in this report.

Of course, the unemployed cannot simply opt to claim incapacity benefits. They have to demonstrate a requisite degree of ill health or disability. The gatekeepers determining access to incapacity benefits are medical practitioners – in the first instance the claimant's own GP but after three months doctors working on behalf of the government agency Jobcentre Plus. The test applied by Jobcentre Plus examines ability to undertake certain basic physical tasks rather than an inability to do all possible kinds of work in all possible circumstances. In its current form – the Work Capability Assessment, introduced in 2008 – the test is significantly more stringent but the process of applying it to claimants who qualified under the old rules is not scheduled for completion until 2014.

However, many unemployed people have picked up injuries over the course of their working life and there is the effect on physical capabilities of illness, disease and simply getting older. On top of this, mental health problems such as stress and depression are quite widespread. In practice, therefore, many of the unemployed with health problems or disabilities – fewer since the introduction of the Work Capability Assessment, more in earlier years – are able to claim incapacity benefits rather than JSA. In doing so, they drop out of the claimant unemployment figures.

At the same time most of these men and women drop out of the wider Labour Force Survey measure of unemployment as well. This is because they no longer look for work. Incapacity benefits – including the new Employment and Support Allowance – have never made job-



seeking a condition of benefit receipt. Even the ESA claimants placed in the work-related activity group, who in theory should be able to return to work when their health improves, are only required to engage in activity to *prepare* for paid employment, such as training, rehabilitation or part-time voluntary work.

Surveys suggest that fewer than five per cent of incapacity claimants actually look for work<sup>2</sup>. In practice, most incapacity claimants take a dim view of their job prospects. In some cases this is because they feel their health isn't good enough or their disability too severe, in others because they take stock of their options and come to the conclusion that they would be unlikely to find work. For many, remaining on incapacity benefits is simply a more secure way forward. Indeed, there is a widespread fear among incapacity claimants that to look for work would actually bring their status as incapacity claimants into question.

The net result is that the very large numbers claiming incapacity benefits hide unemployment. They are hidden both from the claimant count and from the Labour Force Survey measure of unemployment.

This does not imply, of course, that the health problems or disabilities are anything less than real, or that the benefit claims are in any way fraudulent. The point is that ill health or disability is not necessarily always an insuperable obstacle to employment. Where jobs are readily available, many men and women with health problems or disabilities do in fact hold down employment. The Labour Force Survey, for example, shows that out of a total of more than six million men and women of working age who report a long-term work-limiting health problem or disability, around three million are in work. But where jobs are in short supply, the men and women with health problems or disabilities are one of the prime groups that struggles to maintain a foothold in a competitive labour market.

The distribution of incapacity claimants around the country underlines this point. There are exceptional concentrations in places such as South Wales, Merseyside, North East England and Clydeside, where incapacity claimants often account for more than 10 per cent of the entire working age population. These are places where standards of health have long been known to be below the national average, but a generation or more ago the incapacity claimant rates in these places were far lower. What these places have in common is that they all experienced large-scale job losses in the 1980s and 90s, especially from mining and manufacturing, which triggered a big increase in incapacity numbers and created an imbalance in local labour markets that has persisted right through to the present day. Conversely, in nearly all of the south and east outside London, where the economy is stronger, the proportion claiming incapacity benefits remains well below 5 per cent. This pattern is exactly what could be expected as a result of the diversion of men and women onto incapacity benefits in areas where jobs have been harder to find.

The hidden unemployed on incapacity benefits are *those who might reasonably be expected to have been in work in a fully-employed economy*.

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<sup>2</sup> See for example C Beatty, S Fothergill, D Houston, R Powell and P Sissons (2009) *Women on Incapacity Benefits*, CRESR Sheffield Hallam University and Dept of Geography, University of Dundee. This also includes survey data on men.

## Measuring 'real unemployment'

The 'real level of unemployment', as defined in this report, is the sum of three elements:

- The claimant count unemployed
- The additional LFS unemployed
- The hidden unemployed among incapacity claimants

This part of the report explains how each of these elements is measured – *the reader who is less interested in the technical detail may wish to skip this section and move directly to the findings.*

The first element – **the claimant count** – is straightforward. Reliable figures for every district are published monthly by the Office for National Statistics from Jobcentre Plus records. The figures used here are for April 2012, the most recent available at the time of writing.

The second element – **the additional LFS unemployed** – is conceptually straightforward but reliable measurement is complicated by the fact that the data comes from a sample survey. As we noted earlier, the district figures are subject to an important margin of error. They are prone to erratic fluctuations from year to year and do not always bear much relationship to the more robust (though narrower) claimant count. In the published data there also appears to be no consistent relationship between the scale of the additional LFS unemployment in each district and the local claimant count.

Only the regional and national LFS unemployment rates can be considered to be reasonably reliable. The figures on real unemployment presented here therefore take account of the additional unemployed identified by the Labour Force Survey by making a flat-rate addition to each district's claimant unemployment based on the percentage point excess, by region and by sex, of the LFS unemployment rate over the claimant count rate. The figures used here are for the three months January-March 2012, again the most recent available at the time of writing.

The third element – **the hidden unemployed among incapacity claimants** – is unavoidably more difficult to measure. The previous reports in this series have used a sophisticated benchmarking approach to measure this element of unemployment and the same method has been deployed here. For each district, a 'benchmark' incapacity claimant rate has been generated that reflects:

- The proportion of men and women claiming incapacity benefits in parts of southern England immediately prior to the 2008/9 recession. This is intended to reflect what is achievable in areas at or close to full employment.
- The underlying deviation in rates of incapacitating ill health between each district and the level in this part of southern England. Here we use historic figures, before the data became contaminated by the diversion from unemployment.

The sum of these components generates a benchmark figure for each district that represents the 'full employment incapacity claimant rate'. Excesses over this benchmark are deemed to be a form of hidden unemployment. The calculation has been carried out separately for men and for women using data for November 2011, once more the most recent available at the time of writing.

To illustrate how the benchmarking approach works take the example of Glasgow, where in November 2011 14.2 per cent of all men of working age were incapacity claimants – one of the highest claimant rates in Britain. By comparison, just prior to the recession in February 2008 the corresponding rate in the fully-employed parts of southern England was 4.1 per cent<sup>3</sup>. This is our guide to what has been shown to be achievable in the context of a fully-employed labour market. Glasgow has however always had a rather higher level of incapacitating ill health than this fully-employed part of the South. We estimate that this adds a further 3.3 per cent to the city's incapacity claimant rate among men. This figure is taken from the 1981 Census, before the diversion to incapacity benefits got seriously underway<sup>4</sup>. The benchmark for men in Glasgow – the estimated 'full-employment incapacity claimant rate' – therefore comes in at 7.4 per cent (ie 4.1 plus 3.3 per cent). The difference between this benchmark and the actual level of incapacity claims – a difference of 6.8 percentage points or 14,100 men – is our estimate of hidden unemployment among male incapacity claimants in Glasgow.

The fundamentals of this benchmarking approach are tried and tested<sup>5</sup>. Its strength is that it takes account not only of what has been shown to be possible, in term of claimant rates, in fully-employed parts of Britain but also adjusts for underlying differences in the extent of incapacitating ill-health.

The main weakness of the benchmarking approach is arguably that the data on underlying differences in incapacitating ill-health, from the 1981 Census, is now very dated. In this application the figures have therefore been cross-checked against a second measure of health – Standardised Mortality Rates (SMRs), which measure the death rate in each area after adjusting for the age structure of the local population. SMRs are widely regarded as the single most objective measure of health, and annual data for local authority districts is available from the 1990s onwards, though SMRs provide only a proxy for the extent of ill health among the working age population.

The data shows that in all local authority districts the SMR has fallen, which points to rising standards of health. However, the differences between the SMRs in the fully-employed parts of the South and in the rest of the country have not altered in a consistent way.

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<sup>3</sup>The figure here is an average for seven counties – Berkshire, Buckinghamshire, Hampshire (minus Portsmouth and Southampton), Hertfordshire, Oxfordshire, Surrey and West Sussex

<sup>4</sup>The figure is the difference between Glasgow and the fully-employed part of southern England in the proportion of men aged 16+ whose economic status was recorded as 'permanently sick' in the 1981 Census. In a small number of mainly rural districts an adjustment has been made to deduct for the location of large psychiatric institutions which have virtually all subsequently closed. Where 1981 data is unavailable on the later boundaries the figures used are population-weighted averages of constituent districts or part-districts.

<sup>5</sup>In addition to the earlier reports in this series, see C Beatty and S Fothergill (2005) 'The diversion from 'unemployment' to 'sickness' across British regions and districts', *Regional Studies*, vol 39, pp 837-854.

Broadly, the areas that had a high SMR (and therefore poor health) in the early 1990s are the same as the areas that still have high SMRs. This suggests that the geography of underlying ill-health has not changed a great deal, and that this particular element of the benchmarking approach remains robust.

## The real level of unemployment 2012: national overview

Table 1 shows our estimates of the real level of unemployment in April 2012<sup>6</sup> for Great Britain as a whole.

**Table 1: The real level of unemployment, Great Britain, April 2012**

|                               |                  |                  |                  | % of working age |            |            |
|-------------------------------|------------------|------------------|------------------|------------------|------------|------------|
|                               | Male             | Female           | Total            | Male             | Female     | Total      |
| Claimant count                | 1,048,000        | 507,000          | 1,555,000        | 5.3              | 2.6        | 4.0        |
| Additional LFS unemployed     | 399,000          | 585,000          | 985,000          | 2.0              | 3.0        | 2.5        |
| Hidden on incapacity benefits | 430,000          | 470,000          | 900,000          | 2.2              | 2.4        | 2.3        |
| <b>REAL UNEMPLOYMENT</b>      | <b>1,880,000</b> | <b>1,560,000</b> | <b>3,440,000</b> | <b>9.6</b>       | <b>8.0</b> | <b>8.8</b> |

Sources : ONS, DWP, Census of Population

In April 2012 the claimant count measure of unemployment stood at 1.55m. Around 1.05m, or two-thirds of the total on the claimant count, were men. At the same time the wider Labour Force Survey measure of unemployment (which in this table is the sum of the claimant count and the additional LFS unemployed) stood at just over 2.5m, of which 1.45m were men.

In contrast, we estimate that the real level of unemployment was over 3.4m – more than twice as high as the claimant count and more than one-third higher than the wider Labour Force Survey measure. Men account for nearly 1.9m on our real unemployment measure, and women for more than 1.5m. The figure of more than 3.4m on the real unemployment

<sup>6</sup> As noted in the preceding section, the figures use April 2012 claimant count data but the other elements are based on slightly earlier data.

measure represents an unemployment rate, expressed as a proportion of the working age population, of 8.8 per cent<sup>7</sup>.

The additional Labour Force Survey unemployed account for just under 1m. Although this represents a large addition to the claimant count it is important to remember that the inclusion of these men and women among the ranks of the unemployed is entirely uncontroversial. Officially, the LFS figures are the government's preferred measure of unemployment. Approaching six-out-of-ten of the additional LFS unemployed are women.

We estimate that a further 900,000 unemployed are hidden on incapacity benefits. Our figures indicate that 430,000 of these are men and 470,000 women. These are huge numbers: in total they account for more than a quarter of all the unemployed. However, these hidden unemployed on incapacity benefits actually represent only 35 per cent of the headline total of 2.55m working age incapacity claimants across Britain as a whole. In effect, we estimate that even in the context of full employment across the whole country, 1.65m men and women would remain incapacity claimants.

The resulting estimates of 'real unemployment', combining all three elements – claimant count, additional LFS unemployed and diverted to incapacity benefits – are necessarily subject to a margin of error. They are however much more complete than either of the two official measures of unemployment currently in use.

Even so, it could be argued that there are still omissions. For example, if an unemployed person does not claim benefit (and is therefore excluded from the unemployment and incapacity claimant counts) and if they do not look for work because they think there is little chance of finding work (which would exclude them from the LFS unemployment count) they will be omitted from the figures presented here as well. 'Real unemployment' should perhaps be regarded as a *minimum* estimate of the true scale of unemployment.

## The scale and incidence of hidden unemployment

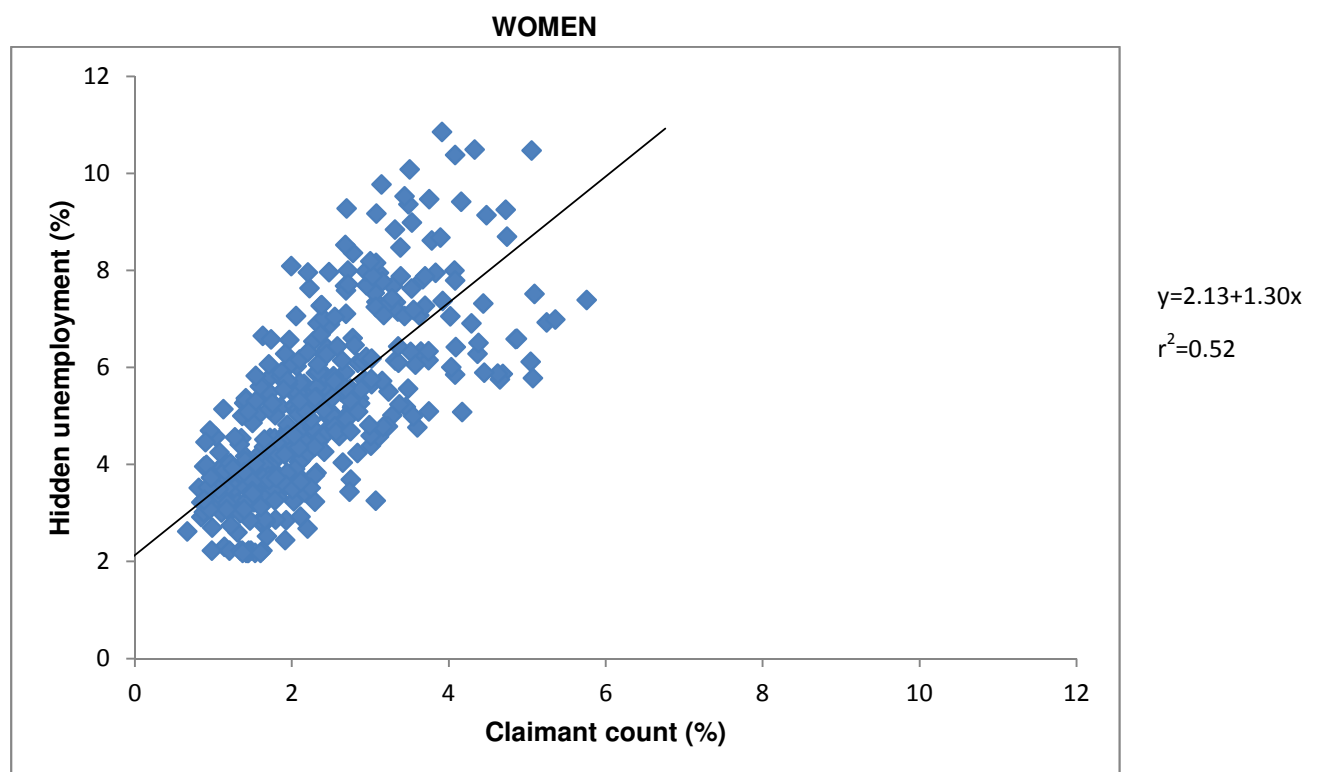
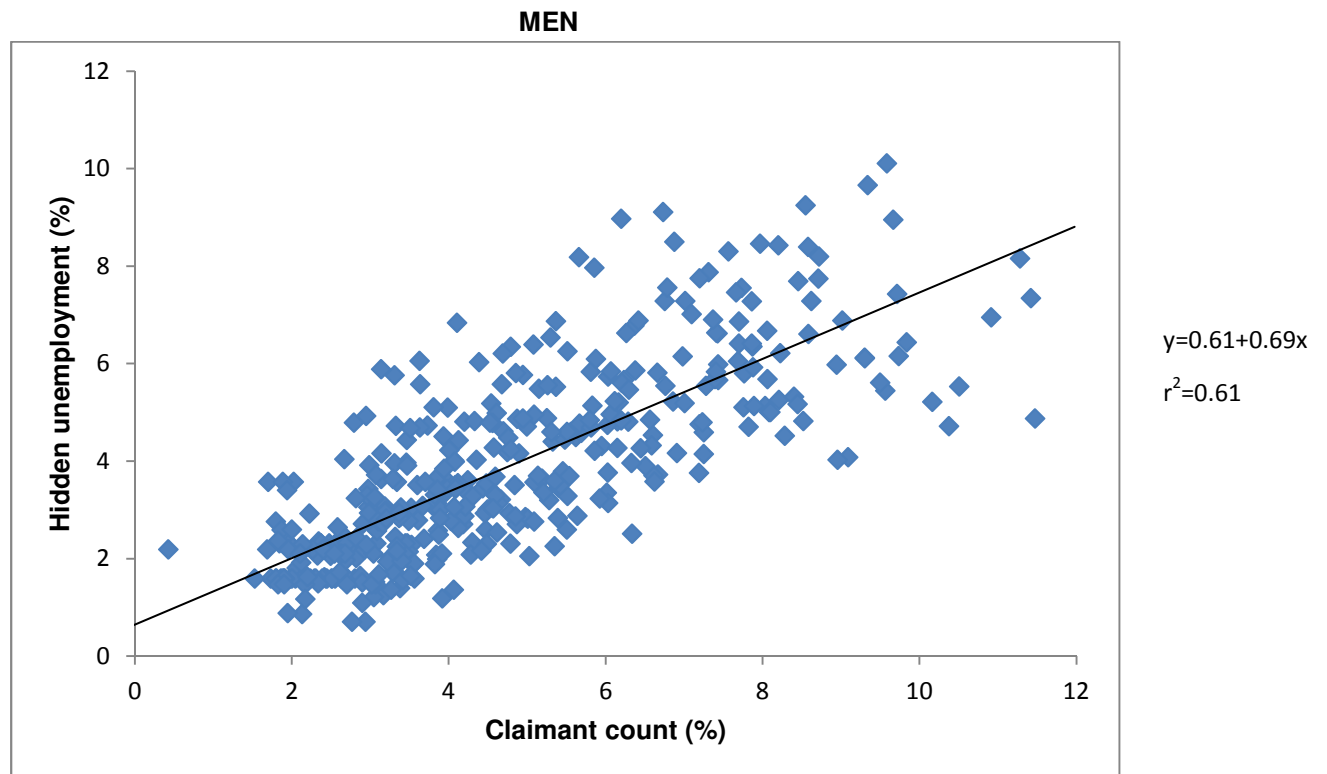
An important feature of the estimates of real unemployment is that the scale of hidden unemployment varies a great deal around the country. This is illustrated by Figure 1, which shows the relationship between hidden unemployment and the claimant count, by district<sup>8</sup>, for men and women.

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<sup>7</sup> The unemployment rates used throughout the present report are expressed as a percentage of the working age population defined as all 16-64 year olds. This is now the government's preferred definition of the 'working age population' and, in particular, reflects the on-going increase in the age at which women become eligible to receive state pension. The 2007 report in this series used an earlier definition of the working age population – 16-64 year old men plus 16-59 year old women. The 2002 and 1997 reports in the series used the (substantially smaller) economically active population as the denominator. The effect is to lower all the unemployment rates in the present 2012 report and the unemployment rates quoted here cannot therefore be compared with those in the three earlier reports.

<sup>8</sup> The statistics here and elsewhere in the report are for pre-2009 districts. The creation of unitary counties in parts of England in 2009 obscures important local differences, notably in Durham and Northumberland.

Figure 1: Relationship between hidden and claimant unemployment by district, April 2012



Sources: ONS, DWP, Census of Population

These diagrams show a very clear relationship: the higher the claimant unemployment rate, the greater the scale of hidden unemployment. For men, an increase of one percentage point in the claimant unemployment rate is associated with an increase of around 0.7 percentage points in hidden unemployment. For women, an increase of one percentage point in claimant unemployment is associated with a 1.3 percentage point increase in hidden unemployment.

In simple terms, what these relationships show is not only that the claimant count hides immense unemployment but also that the hidden unemployment is greatest in the weakest local economies where claimant unemployment is highest.

Table 2 lists the twenty districts with the highest rates of hidden unemployment in Britain. In the very worst districts – Knowsley in Merseyside and Easington in County Durham – hidden unemployment accounts for 10 per cent of the entire working age population. In all the other districts on this list, hidden unemployment accounts for at least 8 per cent. All but one of the worst 20 districts lie north of a line from the Severn to the Wash (the exception is Islington in north London, which comes in at number 20).

**Table 2: GB districts with the highest hidden unemployment, April 2012**

|     |                       | % of working age |
|-----|-----------------------|------------------|
| 1.  | Knowsley              | 10.1             |
| 2.  | Easington             | 10.1             |
| 3.  | Neath Port Talbot     | 9.9              |
| 4.  | Blackpool             | 9.8              |
| 5.  | Liverpool             | 9.0              |
| 6.  | Glasgow               | 8.9              |
| 7.  | Inverclyde            | 8.8              |
| 8.  | Blaenau Gwent         | 8.7              |
| 9.  | Hartlepool            | 8.7              |
| 10. | Halton                | 8.7              |
| 11. | Barrow-in-Furness     | 8.7              |
| 12. | Blackburn with Darwen | 8.6              |
| 13. | West Dunbartonshire   | 8.5              |
| 14. | Rochdale              | 8.5              |
| 15. | Burnley               | 8.4              |
| 16. | Merthyr Tydfil        | 8.3              |
| 17. | Wirral                | 8.2              |
| 18. | Hyndburn              | 8.1              |
| 19. | Middlesbrough         | 8.0              |
| 20. | Islington             | 8.0              |

Sources: ONS, DWP, Census of Population

The vast majority of the districts with the highest hidden unemployment cover older industrial areas. A notable exception is Blackpool, a seaside resort, though one that has traditionally served an older industrial hinterland in the North West and beyond.

By contrast, hidden unemployment is much lower across most of southern and eastern England outside London – typically just 2-3 per cent.

In these estimates the incidence of hidden unemployment around the country primarily reflects the scale of the diversion onto incapacity benefits. By contrast, the additional LFS unemployed are more evenly spread: at the regional scale the additional LFS unemployment only varies from 1.6 per cent of the working age population (in the West Midlands) to 3.5 per cent (in London), with most of the regions clustered round the GB average of 2.5 per cent.

In effect, both the claimant and LFS measures of unemployment have hidden the true scale of labour market distress in the weakest local economies where it has been incapacity benefits, rather than unemployment benefits, that have absorbed so much of the excess labour supply.

### **The regional and local level of real unemployment**

Table 3 shows the estimated real level of unemployment by region and compares the figures with the claimant count.

What is notable here is that the claimant count is modest in all regions and that the differences between regions are small – less than three percentage points separate the highest and lowest regions (the North East and South East respectively).

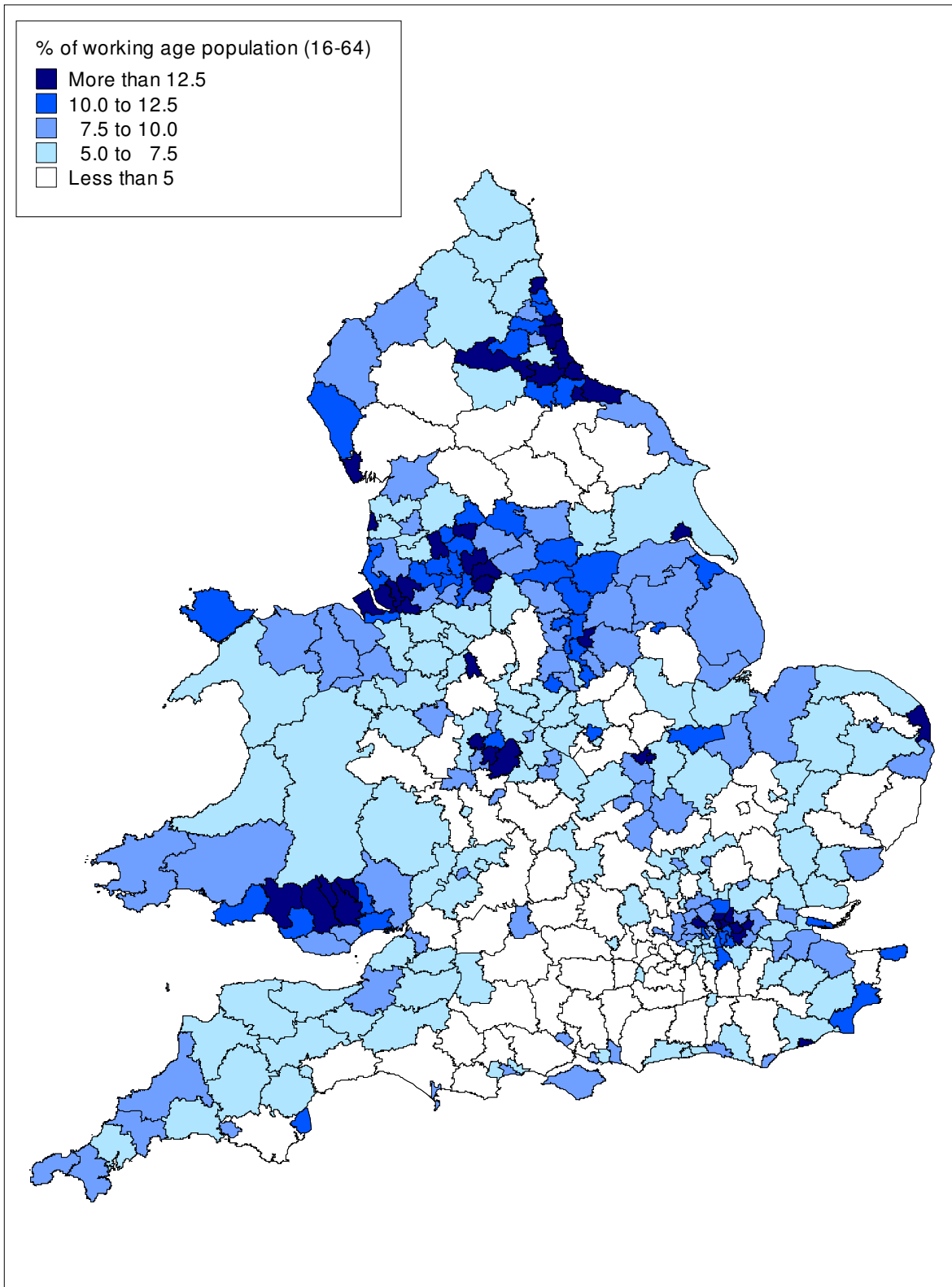
Shifting to real unemployment not only increases the overall level of unemployment but also substantially widens the gap between regions. This reflects the tendency for hidden unemployment to be higher in the places where claimant unemployment is already high. Consequently, on the real unemployment measure, unemployment in the North East is almost six percentage points higher than in the South East.

Figures 2 and 3 map the estimates of real unemployment by district. These illustrate the extent to which even the regional averages hide major local disparities.

The maps show how high unemployment remains a defining characteristic of the older industrial areas of northern and western Britain. Places such as the Welsh Valleys, Clydeside, Merseyside and the industrial North East stand out as having exceptionally high levels of unemployment. In this respect the figures here confirm what claimant unemployment data has been showing for many years, but the real unemployment data exposes the extent to which the problem in these places is far worse than official statistics have suggested. Unemployment in these parts of Britain is typically well in excess of 10 per cent.

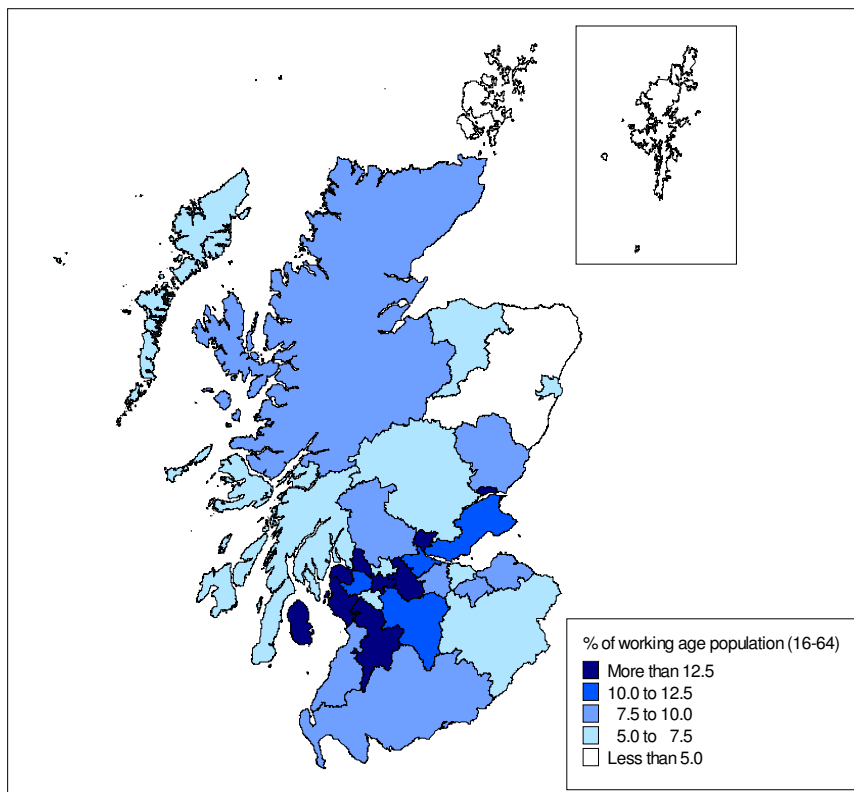


**Figure 2: Estimated real unemployment, England and Wales, April 2012**



Sources: ONS, DWP, Census of Population

**Figure 3: Estimated real unemployment, Scotland, April 2012**



Sources: ONS, DWP, Census of Population

**Table 3: Unemployment by region, April 2012**

|                          | % of working age |                   |
|--------------------------|------------------|-------------------|
|                          | Claimant Count   | Real unemployment |
| North East               | 5.5              | 11.8              |
| North West               | 4.6              | 11.1              |
| Wales                    | 4.2              | 10.3              |
| Scotland                 | 4.2              | 9.9               |
| London                   | 4.3              | 9.9               |
| Yorkshire and the Humber | 4.8              | 9.1               |
| West Midlands            | 4.8              | 9.1               |
| East Midlands            | 3.9              | 8.3               |
| East of England          | 3.2              | 6.8               |
| South West               | 2.8              | 6.8               |
| South East               | 2.6              | 6.0               |
| <b>GREAT BRITAIN</b>     | <b>4.0</b>       | <b>8.8</b>        |

Sources : ONS, DWP, Census of Population

Britain's older industrial areas are joined by a number of other places in having high unemployment. These include a number of coastal districts and some inner urban areas. London too has high unemployment – though not quite as high as the older industrial areas of the North, Scotland and Wales – but London's unemployment tends to be concentrated in particular boroughs, which above all reflects residential segregation between the richer and poorer areas of the city.

At the other end of the spectrum, there is little to suggest that unemployment is more than a marginal issue in large parts of southern and eastern England outside London. Some parts of northern England, such as rural North Yorkshire, also fall into this category. Nowhere has completely escaped the impact of recession, so even the most prosperous local economies now have some unemployment. However, even the real unemployment measure is still below 5 per cent across large areas.

Table 4 lists the districts with the highest and lowest estimated real levels of unemployment. This shows similarities to the list of districts with the highest hidden unemployment (Table 2 earlier) which is to be expected given the very high incidence of hidden unemployment in places where 'visible' claimant unemployment is also high.

Knowsley tops this list, with nearly 17 per cent of the working age population estimated to be unemployed. Knowsley is a metropolitan district in Merseyside with a total population of 150,000, essentially covering the eastern edge of the Liverpool conurbation including places such as Kirkby and Huyton. Liverpool itself comes in at number six on the list with a real unemployment rate of 16 per cent.

The list of districts with the highest real unemployment includes six former coalmining areas – Blaenau Gwent, Merthyr Tydfil and Caerphilly in South Wales, Easington in Durham, Wansbeck in Northumberland and South Tyneside. The list also includes four steel areas – Blaenau Gwent (again), Hartlepool, Middlesbrough and Neath Port Talbot – and three Lancashire mill towns – Rochdale, Burnley and Blackburn. Among Britain's biggest cities, Glasgow as well as Liverpool figures in the top 10.

Taken as the whole, the list of areas with the very highest rates of real unemployment is dominated by older industrial areas in the Midlands, North, Scotland and Wales. Two seaside resorts (Blackpool and Hastings) are exceptions, along with four London boroughs (Newham, Hackney, Haringey and Brent) with large concentrations of poorer residents.

At the other end of the scale, the districts with the very lowest unemployment are all in rural parts of southern England or the Midlands.

**Table 4: GB districts with the highest and lowest real unemployment, April 2012**

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|                |                        | % of working age |
|----------------|------------------------|------------------|
| <b>HIGHEST</b> |                        |                  |
| 1.             | Knowsley               | 16.8             |
| 2.             | Blaenau Gwent          | 16.7             |
| 3.             | Hartlepool             | 16.7             |
| 4.             | Blackpool              | 16.7             |
| 5.             | Easington              | 16.3             |
| 6.             | Liverpool              | 16.1             |
| 7.             | Middlesbrough          | 16.1             |
| 8.             | West Dunbartonshire    | 15.1             |
| 9.             | Merthyr Tydfil         | 14.9             |
| 10.            | Glasgow                | 14.9             |
| 11.            | Newham                 | 14.6             |
| 12.            | Inverclyde             | 14.6             |
| 13.            | Rochdale               | 14.5             |
| 14.            | Hackney                | 14.5             |
| 15.            | Halton                 | 14.4             |
| 16.            | Wolverhampton          | 14.2             |
| 17.            | Wansbeck               | 14.1             |
| 18.            | Haringey               | 14.0             |
| 19.            | Neath Port Talbot      | 14.0             |
| 20.            | North Ayrshire         | 13.9             |
| 21.            | South Tyneside         | 13.8             |
| 22.            | Burnley                | 13.8             |
| 23.            | Hull                   | 13.7             |
| 24.            | Hastings               | 13.5             |
| 25.            | Blackburn with Darwen  | 13.4             |
| 26.            | Sandwell               | 13.4             |
| 27.            | Dundee                 | 13.3             |
| 28.            | Caerphilly             | 13.3             |
| 29.            | Brent                  | 13.2             |
| 30.            | Barrow-in-Furness      | 13.2             |
| <b>LOWEST</b>  |                        |                  |
| 400.           | Winchester             | 3.8              |
| 401.           | South Northamptonshire | 3.8              |
| 402.           | Mole Valley            | 3.8              |
| 403.           | Wokingham              | 3.7              |
| 404.           | Warwick                | 3.7              |
| 405.           | South Cambridgeshire   | 3.7              |
| 406.           | Rutland                | 3.7              |
| 407.           | Hart                   | 3.6              |
| 408.           | Stratford-on-Avon      | 3.4              |

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Sources: ONS, DWP, Census of Population

## The changing level and composition of unemployment

The new estimates of real unemployment for 2012 can be compared with the similar estimates produced previously for 2007, 2002 and 1997<sup>9</sup>. Table 5 presents the absolute numbers for Great Britain as a whole for each of the four years. Figure 4 shows the trends through time, including for the intervening years<sup>10</sup>.

**Table 5: The real level of unemployment, GB, 1997-2012**

|                               | 1997             | 2002             | 2007             | 2012             |
|-------------------------------|------------------|------------------|------------------|------------------|
| Claimant count                | 1,837,000        | 983,000          | 939,000          | 1,555,000        |
| Additional LFS unemployed     | 315,000          | 470,000          | 650,000          | 985,000          |
| Hidden on incapacity benefits | 1,020,000        | 1,150,000        | 1,010,000        | 900,000          |
| <b>REAL UNEMPLOYMENT</b>      | <b>3,180,000</b> | <b>2,600,000</b> | <b>2,600,000</b> | <b>3,444,000</b> |

Sources: ONS, DWP, Census of Population

The estimates reveal a complex picture. Overall, the real level of unemployment is estimated to be higher in 2012 than at any time since 1997 but this hides a long period during the 2000s when the level was quite a lot lower – around 2.6m rather than the current 3.4m. The figures also demonstrate very clearly that even in the mid-2000s, after more than a decade of continuous economic growth, the unemployment problem had far from disappeared. Primarily this reflected the continuing scale of hidden unemployment, especially the numbers of diverted onto incapacity benefits. Even during the good years, Britain never did approach full employment.

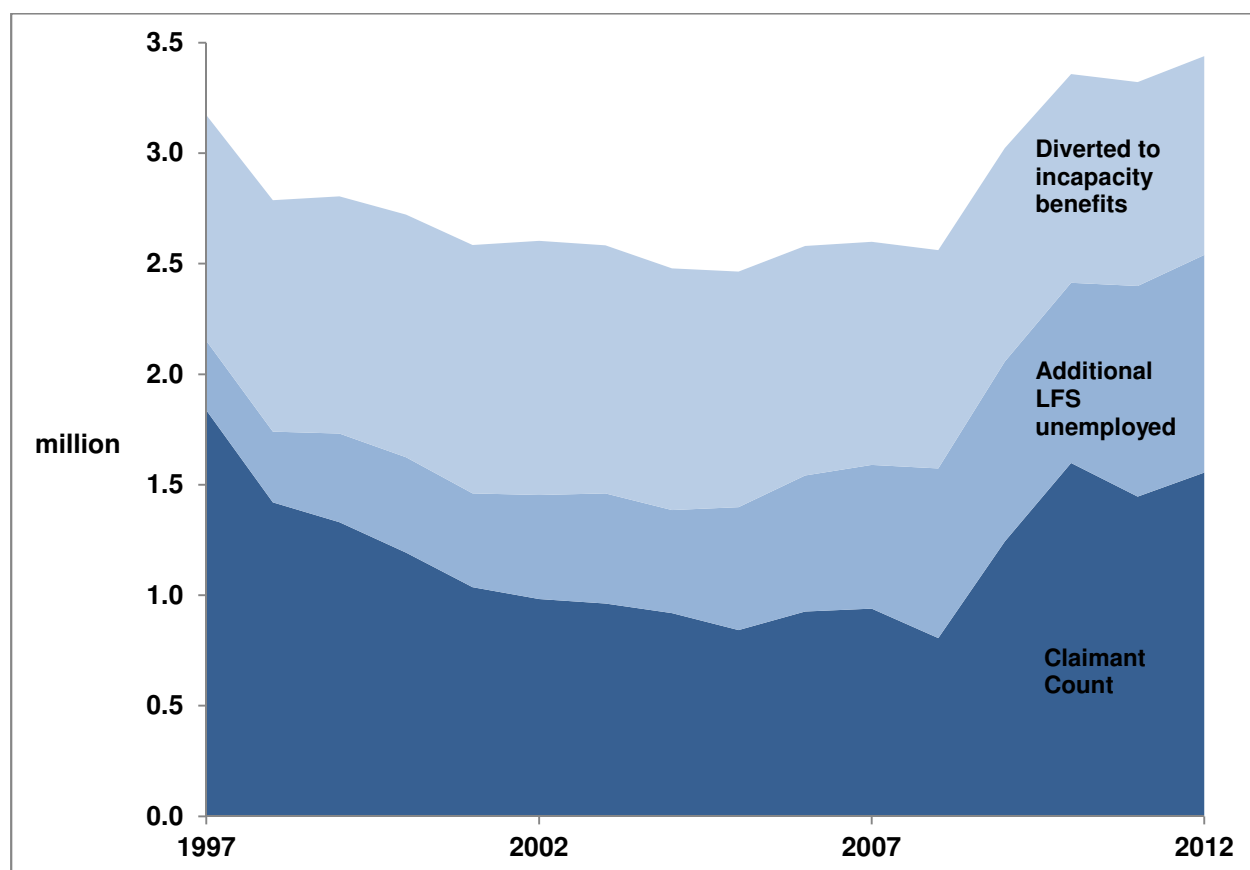
Since 2007 and the onset of recession and slower growth, the real level of unemployment is estimated to have risen by rather more than 800,000. This is an increase that has been reflected in official unemployment figures – the claimant count has risen by rather more than 600,000 and the additional LFS unemployed bring the increase up to 950,000.

The increase in unemployment since 2007 (on whatever measure) is actually surprisingly modest given the scale of the fall in economic output during the 2008/9 recession. However, the figures here suggest the increase occurred on top of a much higher base level of

<sup>9</sup> The earlier years figures used here have been compiled using the same methods as the new figures for 2012. They differ a little from the published figures in the 2002 and 1997 reports because of detailed methodological changes. The 2012 figures use a revised definition of 'working age' for women (16-64 instead of 16-59), which introduces a small discontinuity in comparing absolute numbers in 2012 with earlier years. The 2012 figures are for April, whereas the earlier years figures are for January.

<sup>10</sup> The claimant count and LFS components use the ONS data for each year. The diversion to incapacity benefits in intervening years uses the average annual change between the full estimates for 1997, 2002, 2007 and 2012.

**Figure 4: Trends in unemployment, GB, 1997-2012**



Sources: ONS, DWP, Census of Population

unemployment than was officially recognised. So whilst Britain never did approach full employment, even during the good years, it is now still further away.

The growth in unemployment since 2007 has occurred in all parts of Britain. According to our real unemployment figures, the increase across the GB regions has been in the narrow range of between 1.4 and 2.7 percentage points. At the local scale there is somewhat greater diversity, but the real unemployment estimates suggest that in the vast majority of districts the increase has been between one and three percentage points<sup>11</sup>.

The composition of unemployment has changed substantially over the last fifteen years. Although the real level of unemployment is higher now than in 1997, the numbers on the claimant count measure are still lower than in the late 1990s. This underlines the unreliability of the claimant count as a guide to local levels of unemployment.

The numbers of additional unemployed identified by the Labour Force Survey have increased steadily and substantially – from just over 300,000 in 1997 to almost 1m in 2012. This is a phenomenon that has been widely noted, though it is not well understood. The

<sup>11</sup> Because the district-level unemployment estimates for 2007 and 2012 are each subject to a small margin of error, and because the overall change in real unemployment between the two years averages only two percentage points, the changes in real unemployment in individual districts between 2007 and 2012 are not considered sufficiently robust to be published here.

rising disparity between the LFS and claimant count measures of unemployment represents the additional numbers of men and women without jobs who meet the ILO criteria – available for work and looking for work – but do not claim unemployment benefits. As employment rates rose during the long years of economic growth, more people without jobs are likely to have discovered that their partner's income disqualifies them from means-tested JSA. Jobseeker's Allowance has also fallen in value relative to average earnings, and it comes with strings attached, so some better-off jobseekers may simply not bother to sign on. The rising number of students looking for part-time work will also have boosted the LFS measure of unemployment.

By contrast, the estimated numbers of unemployed hidden on incapacity benefits has remained relatively stable over the last fifteen years, at a little above or below 1m. Partly this reflects the stability in the headline numbers claiming incapacity benefits, which have stayed close to 2.5m for a decade and a half. The estimated number of hidden unemployed among this group rose to a peak of 1.15m in the early 2000s but then slipped to 900,000 in 2012.

The persistence of high numbers of unemployed men and women diverted onto incapacity benefits is one of the more depressing features of the UK labour market. In contrast to claimant unemployment (on JSA), the numbers on incapacity benefits remained stubbornly high during the long period of economic growth up to 2008. This reflected the much greater labour market detachment among most incapacity claimants: not only do they face problems of ill health or disability but a high proportion also have poor qualifications and very long periods out of work. They know they are unlikely to be employers' first choice and a great many give up looking for work.

The numbers on incapacity benefits began to slide only after claimant unemployment reached historically low levels in the early 2000s, and then only very slowly. The falling numbers mainly reflected a reduced on-flow to incapacity benefits – presumably because a stronger economy meant that fewer people with health problems or disabilities were losing their jobs – whereas the off-flow of existing claimants from incapacity benefits remained stubbornly low. The bright-spot was that some of the biggest reductions occurred in the places where the incapacity claimant rate was highest.

Since 2008, welfare reforms which make incapacity benefits more difficult to claim have continued the very gradual downward trajectory in incapacity numbers. As a result, the job losses triggered by the 2008/9 recession and its aftermath have not fed through to an increase in the number of incapacity claimants, which sharply differentiates recent experience from trends in the 1980s and 1990s.

Looking ahead, however, we can now expect to see a sharp fall in the number of unemployed hidden on incapacity benefits. Not only is the more rigorous medical test introduced in 2008 being applied to existing as well as new claimants, but also the time-limiting of entitlement to non-means tested incapacity benefit (these days Employment and Support Allowance) is being introduced for the first time. Beyond twelve months, this will remove the financial incentive for many men and women to claim incapacity benefits instead of unemployment benefits. It will also mean that large numbers of men and women with ill health or disability will in future be denied benefits altogether, instead being required to rely on savings or on other household members for financial support.

A recent report<sup>12</sup> estimated that the effect of the reforms will be to reduce the headline total of incapacity claimants by almost 1m between 2011 and 2014. The report also showed that the largest reductions can be expected in the places where the incapacity claimant rate is highest, which are mostly also the places where the scale of hidden unemployment on incapacity benefits is highest. The resulting increase in claimant unemployment is estimated to be much smaller – around 300,000 – than the reduction in incapacity claimants. This is primarily because of the very large numbers who will be pushed out of the benefits system altogether as a result of the much more widespread application of means-testing.

Looking ahead (and putting aside the trajectory of the national economy), what this means is that in two or three years' time the composition of unemployment is likely to be very different. There will be markedly fewer hidden unemployed on incapacity benefits and rather more on the claimant count. Whether the number of additional LFS unemployed also increases depends on the extent to which the men and women who are pushed out of the benefits system by the incapacity reforms then decide to look for work. Since quite a number of them are likely to take a dim view of their chances of finding work it is reasonable to assume that many won't look for work, in which case they would become hidden even from our measure of 'real unemployment'.

## Unemployment in times of austerity

There are two conflicting views about the nature of unemployment. One is that it reflects deficient demand for labour: that people are unemployed because there aren't enough jobs available to absorb them all. The alternative view, which at times finds favour with Britain's post-2010 Coalition government, is that unemployment reflects failures in labour supply, particularly shortcomings in employability and financial disincentives to work.

Our estimates of the real level of unemployment suggest that the problem is large, persistent and skewed to particular parts of the country. But they do confirm that national economic growth makes a difference: the real level of unemployment was lower in 2007 than in 1997, and if the estimates had extended as far back as the early 1990s, when claimant unemployment reached 3m, it would be clear that the long period of national economic growth from around 1993 onwards reduced unemployment by around 1.5m. So the demand for labour does make a big difference. It is also hard to attribute the increase in unemployment since 2007 to anything other than deficient demand.

But there are limits to what national economic growth alone can achieve. To some extent this was becoming evident in the mid-2000s when the sustained period of growth had achieved full employment in much of the south of England and when new jobs, especially in London, were increasingly filled by migrant workers from abroad.

At this point further progress in bringing down unemployment would have required two things. The first was a stronger revival in job opportunities in the parts of Britain where so

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<sup>12</sup> C Beatty and S Fothergill (2011) *Incapacity benefit reform: the local, regional and national impact*, CRESR, Sheffield Hallam University.



much unemployment remained concentrated – especially but not exclusively in older industrial Britain. This would have required a much more vigorous approach to regional economic development and a re-balancing of the UK economy away from a narrow range of sectors, such as financial services, concentrated in and around London.

The other thing that would have been required was a strengthened package of measures to promote labour market re-engagement by the vast numbers of unemployed parked on incapacity benefits. That the growth in job opportunities in the good years by-passed so many of these men and women is a serious indictment of UK labour market policies. When labour market re-engagement measures were finally introduced it was largely too late.

The danger is that the pendulum has now swung too far towards supply-side policies. Too often the unemployed are blamed for their own unemployment, and too little emphasis is placed on the shortcomings in the wider national and local labour market. A pre-condition of finding a job may be that an individual looks for a job, but if there are simply not enough jobs available to meet the potential labour supply, continuing unemployment will be the result. In a competitive labour market it will be those who are least attractive to employers – especially those with poor health, low skills and long periods out of work – who will be least likely to find work. If they also live in an area where there is high unemployment their problems are compounded.

The Work Programme, for example, which has replaced all previous back-to-work initiatives, aims to reduce unemployment by rectifying shortcomings in skills and motivation. In the difficult local labour markets up and down the country its successes in placing clients in work are likely to be simply at the expense of other jobseekers. The overall level of employment is unlikely to be any higher, and the financial savings to the Treasury will be illusory.

Likewise the introduction of Universal Credit, which will begin to replace all existing working age benefits from 2014 onwards, is primarily intended to ensure that there is always a financial incentive to take up employment. In Britain's weaker local economies this misses the point: for the majority of benefit claimants the financial incentive to work has always been there but the jobs have been in too short supply.

The relevance of the estimates of unemployment presented here is that the scale of the problem is far greater than indicated by official statistics. Furthermore the gap between reality and the official figures is greatest in the least prosperous parts of the country.

The Coalition government's assumption is too often that if men and women look for work they will find work, and that the overall unemployment numbers will come down as a result. The figures presented here show that at best this assumption is only likely to have any relevance in the most prosperous parts of southern England where our figures still point to unemployment rates of just 3 or 4 per cent. In the rest of Britain, the notion that the unemployment problem can be solved simply by encouraging the unemployed to look for work seems distinctly far-fetched.



## APPENDIX

### Estimated real level of unemployment by district, county and region, April 2012

|                                  | Claimant count   |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|----------------------------------|------------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                                  | no               | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| <b>GREAT BRITAIN</b>             | <b>1,554,550</b> | <b>4.0</b>          | <b>980,000</b>            | <b>900,000</b>                  | <b>3,440,000</b>  | <b>8.8</b>          |
| <b>NORTH EAST</b>                | <b>94,250</b>    | <b>5.5</b>          | <b>53,000</b>             | <b>53,000</b>                   | <b>200,000</b>    | <b>11.8</b>         |
| Darlington                       | 3,700            | 5.8                 | 2,000                     | 1,500                           | 7,100             | 11.2                |
| Hartlepool                       | 4,630            | 8.0                 | 1,800                     | 3,200                           | 9,700             | 16.7                |
| Middlesbrough                    | 7,580            | 8.1                 | 2,900                     | 4,600                           | 15,100            | 16.1                |
| Redcar and Cleveland             | 5,740            | 6.7                 | 2,700                     | 2,900                           | 11,400            | 13.2                |
| Stockton-on-Tees                 | 7,260            | 5.8                 | 3,900                     | 3,000                           | 14,100            | 11.3                |
| <b>County Durham</b>             | <b>15,830</b>    | <b>4.8</b>          | <b>10,500</b>             | <b>11,600</b>                   | <b>37,800</b>     | <b>11.4</b>         |
| <i>Chester-le-Street</i>         | <i>1,400</i>     | <i>4.1</i>          | <i>1,100</i>              | <i>900</i>                      | <i>3,400</i>      | <i>9.9</i>          |
| <i>Derwentside</i>               | <i>2,820</i>     | <i>4.9</i>          | <i>1,800</i>              | <i>1,800</i>                    | <i>6,400</i>      | <i>11.2</i>         |
| <i>Durham</i>                    | <i>2,050</i>     | <i>2.9</i>          | <i>2,200</i>              | <i>400</i>                      | <i>4,600</i>      | <i>6.6</i>          |
| <i>Easington</i>                 | <i>3,780</i>     | <i>6.2</i>          | <i>1,900</i>              | <i>4,200</i>                    | <i>9,900</i>      | <i>16.3</i>         |
| <i>Sedgefield</i>                | <i>3,010</i>     | <i>5.5</i>          | <i>1,700</i>              | <i>2,500</i>                    | <i>7,200</i>      | <i>13.2</i>         |
| <i>Teesdale</i>                  | <i>400</i>       | <i>2.6</i>          | <i>500</i>                | <i>200</i>                      | <i>1,100</i>      | <i>7.3</i>          |
| <i>Wear Valley</i>               | <i>2,370</i>     | <i>5.9</i>          | <i>1,300</i>              | <i>1,600</i>                    | <i>5,200</i>      | <i>12.9</i>         |
| <b>Northumberland</b>            | <b>8,410</b>     | <b>4.3</b>          | <b>6,000</b>              | <b>4,100</b>                    | <b>18,600</b>     | <b>9.5</b>          |
| <i>Alnwick</i>                   | <i>620</i>       | <i>3.1</i>          | <i>600</i>                | <i>0</i>                        | <i>1,300</i>      | <i>6.4</i>          |
| <i>Berwick-upon-Tweed</i>        | <i>340</i>       | <i>2.1</i>          | <i>500</i>                | <i>300</i>                      | <i>1,100</i>      | <i>7.1</i>          |
| <i>Blyth Valley</i>              | <i>2,830</i>     | <i>5.4</i>          | <i>1,600</i>              | <i>2,000</i>                    | <i>6,500</i>      | <i>12.4</i>         |
| <i>Castle Morpeth</i>            | <i>980</i>       | <i>3.1</i>          | <i>1,000</i>              | <i>200</i>                      | <i>2,100</i>      | <i>6.8</i>          |
| <i>Tynedale</i>                  | <i>890</i>       | <i>2.4</i>          | <i>1,100</i>              | <i>0</i>                        | <i>2,000</i>      | <i>5.5</i>          |
| <i>Wansbeck</i>                  | <i>2,750</i>     | <i>6.9</i>          | <i>1,200</i>              | <i>1,600</i>                    | <i>5,600</i>      | <i>14.1</i>         |
| <b>Tyne and Wear</b>             | <b>41,110</b>    | <b>5.5</b>          | <b>23,200</b>             | <b>21,900</b>                   | <b>86,200</b>     | <b>11.6</b>         |
| Gateshead                        | 7,010            | 5.7                 | 3,900                     | 4,200                           | 15,100            | 12.2                |
| Newcastle upon Tyne              | 9,800            | 4.8                 | 6,400                     | 3,700                           | 19,900            | 9.7                 |
| North Tyneside                   | 6,550            | 5.1                 | 4,000                     | 3,100                           | 13,600            | 10.6                |
| South Tyneside                   | 7,080            | 7.1                 | 3,100                     | 3,600                           | 13,800            | 13.8                |
| Sunderland                       | 10,670           | 5.7                 | 5,800                     | 7,300                           | 23,800            | 12.7                |
| <b>NORTH WEST</b>                | <b>204,340</b>   | <b>4.6</b>          | <b>122,000</b>            | <b>170,000</b>                  | <b>496,000</b>    | <b>11.1</b>         |
| Blackburn with Darwen            | 4,280            | 4.9                 | 2,400                     | 5,100                           | 11,800            | 13.4                |
| Blackpool                        | 6,020            | 6.9                 | 2,400                     | 6,100                           | 14,500            | 16.7                |
| Halton                           | 4,420            | 5.7                 | 2,100                     | 4,700                           | 11,200            | 14.4                |
| Warrington                       | 4,950            | 3.8                 | 3,500                     | 1,900                           | 10,400            | 8.1                 |
| <b>Cheshire East</b>             | <b>5,900</b>     | <b>2.6</b>          | <b>6,300</b>              | <b>1,500</b>                    | <b>13,600</b>     | <b>6.0</b>          |
| <i>Congleton</i>                 | <i>1,270</i>     | <i>2.2</i>          | <i>1,600</i>              | <i>100</i>                      | <i>2,900</i>      | <i>5.1</i>          |
| <i>Crewe and Nantwich</i>        | <i>2,550</i>     | <i>3.4</i>          | <i>2,100</i>              | <i>800</i>                      | <i>5,500</i>      | <i>7.2</i>          |
| <i>Macclesfield</i>              | <i>2,080</i>     | <i>2.2</i>          | <i>2,600</i>              | <i>600</i>                      | <i>5,200</i>      | <i>5.5</i>          |
| <b>Cheshire West and Chester</b> | <b>7,250</b>     | <b>3.5</b>          | <b>5,700</b>              | <b>4,000</b>                    | <b>16,800</b>     | <b>8.1</b>          |
| <i>Chester</i>                   | <i>2,290</i>     | <i>3.0</i>          | <i>2,100</i>              | <i>1,300</i>                    | <i>5,600</i>      | <i>7.4</i>          |
| <i>Ellesmere Port and Neston</i> | <i>2,140</i>     | <i>4.2</i>          | <i>1,400</i>              | <i>1,700</i>                    | <i>5,200</i>      | <i>10.3</i>         |
| <i>Vale Royal</i>                | <i>2,820</i>     | <i>3.5</i>          | <i>2,200</i>              | <i>1,000</i>                    | <i>6,000</i>      | <i>7.4</i>          |
| <b>Cumbria</b>                   | <b>9,450</b>     | <b>3.1</b>          | <b>8,400</b>              | <b>8,100</b>                    | <b>26,000</b>     | <b>8.4</b>          |
| Allerdale                        | 2,060            | 3.5                 | 1,600                     | 1,500                           | 5,100             | 8.8                 |
| Barrow-in-Furness                | 1,980            | 4.4                 | 1,200                     | 2,700                           | 5,900             | 13.2                |
| Carlisle                         | 2,400            | 3.6                 | 1,800                     | 1,600                           | 5,800             | 8.6                 |
| Copeland                         | 1,640            | 3.7                 | 1,200                     | 1,900                           | 4,800             | 10.7                |
| Eden                             | 440              | 1.4                 | 900                       | 100                             | 1,500             | 4.5                 |
| South Lakeland                   | 930              | 1.5                 | 1,700                     | 300                             | 2,900             | 4.6                 |

|                                 | Claimant count |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|---------------------------------|----------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                                 | no             | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| <b>Greater Manchester</b>       | 85,810         | 5.0                 | 47,100                    | 67,700                          | 200,800           | 11.6                |
| Bolton                          | 8,490          | 5.0                 | 4,600                     | 7,900                           | 21,000            | 12.4                |
| Bury                            | 4,950          | 4.2                 | 3,200                     | 4,100                           | 12,300            | 10.5                |
| Manchester                      | 20,260         | 5.6                 | 9,800                     | 13,100                          | 43,200            | 12.0                |
| Oldham                          | 7,970          | 5.8                 | 3,800                     | 6,300                           | 18,000            | 13.0                |
| Rochdale                        | 7,870          | 6.0                 | 3,600                     | 7,600                           | 19,100            | 14.5                |
| Salford                         | 8,400          | 5.5                 | 4,200                     | 6,400                           | 19,000            | 12.3                |
| Stockport                       | 6,210          | 3.4                 | 4,900                     | 4,400                           | 15,600            | 8.6                 |
| Tameside                        | 7,240          | 5.2                 | 3,800                     | 7,100                           | 18,100            | 12.9                |
| Trafford                        | 4,770          | 3.4                 | 3,800                     | 3,100                           | 11,700            | 8.4                 |
| Wigan                           | 9,650          | 4.9                 | 5,400                     | 7,700                           | 22,800            | 11.5                |
| <b>Lancashire</b>               | 24,430         | 3.3                 | 20,400                    | 20,400                          | 65,000            | 8.7                 |
| Burnley                         | 2,920          | 5.4                 | 1,500                     | 3,000                           | 7,400             | 13.8                |
| Chorley                         | 1,850          | 2.7                 | 1,900                     | 1,100                           | 4,900             | 7.1                 |
| Fylde                           | 1,020          | 2.2                 | 1,300                     | 900                             | 3,100             | 6.8                 |
| Hyndburn                        | 2,070          | 4.1                 | 1,400                     | 2,700                           | 6,200             | 12.1                |
| Lancaster                       | 2,780          | 3.0                 | 2,500                     | 2,200                           | 7,500             | 8.2                 |
| Pendle                          | 2,190          | 3.9                 | 1,500                     | 2,500                           | 6,200             | 10.9                |
| Preston                         | 3,690          | 4.1                 | 2,500                     | 2,200                           | 8,300             | 9.2                 |
| Ribble Valley                   | 510            | 1.4                 | 1,000                     | 300                             | 1,800             | 5.1                 |
| Rossendale                      | 1,690          | 3.9                 | 1,200                     | 1,600                           | 4,500             | 10.3                |
| South Ribble                    | 1,560          | 2.2                 | 1,900                     | 1,300                           | 4,700             | 6.8                 |
| West Lancashire                 | 2,390          | 3.4                 | 1,900                     | 1,300                           | 5,600             | 8.1                 |
| Wyre                            | 1,760          | 2.6                 | 1,800                     | 1,300                           | 4,800             | 7.2                 |
| <b>Merseyside</b>               | 51,840         | 5.9                 | 23,900                    | 49,900                          | 125,700           | 14.3                |
| Knowsley                        | 6,480          | 6.7                 | 2,600                     | 7,100                           | 16,200            | 16.8                |
| Liverpool                       | 21,720         | 7.1                 | 8,400                     | 19,400                          | 49,500            | 16.1                |
| St. Helens                      | 5,760          | 5.1                 | 3,100                     | 5,500                           | 14,400            | 12.7                |
| Sefton                          | 8,850          | 5.2                 | 4,600                     | 7,400                           | 20,800            | 12.3                |
| Wirral                          | 9,030          | 4.7                 | 5,200                     | 10,500                          | 24,800            | 13.0                |
| <b>YORKSHIRE AND THE HUMBER</b> | <b>166,020</b> | <b>4.8</b>          | <b>74,000</b>             | <b>73,000</b>                   | <b>313,000</b>    | <b>9.1</b>          |
| East Riding of Yorkshire        | 6,990          | 3.3                 | 4,500                     | 1,000                           | 12,500            | 5.9                 |
| Kingston upon Hull              | 15,140         | 8.4                 | 3,900                     | 5,700                           | 24,800            | 13.7                |
| North East Lincolnshire         | 6,800          | 6.9                 | 2,100                     | 3,100                           | 12,000            | 12.1                |
| North Lincolnshire              | 5,020          | 5.0                 | 2,200                     | 2,300                           | 9,500             | 9.3                 |
| York                            | 3,470          | 2.5                 | 3,000                     | 0                               | 6,400             | 4.6                 |
| <b>North Yorkshire</b>          | 9,670          | 2.6                 | 7,800                     | 2,000                           | 19,700            | 5.3                 |
| Craven                          | 750            | 2.2                 | 700                       | 0                               | 1,500             | 4.4                 |
| Hambleton                       | 1,120          | 2.1                 | 1,100                     | 0                               | 2,300             | 4.2                 |
| Harrogate                       | 2,070          | 2.1                 | 2,100                     | 0                               | 4,200             | 4.2                 |
| Richmondshire                   | 620            | 1.8                 | 700                       | 0                               | 1,400             | 3.9                 |
| Ryedale                         | 640            | 2.0                 | 700                       | 0                               | 1,300             | 4.1                 |
| Scarborough                     | 2,830          | 4.3                 | 1,400                     | 1,900                           | 6,100             | 9.3                 |
| Selby                           | 1,640          | 3.0                 | 1,100                     | 100                             | 2,900             | 5.4                 |
| <b>South Yorkshire</b>          | 45,380         | 5.2                 | 18,700                    | 27,100                          | 91,200            | 10.5                |
| Barnsley                        | 7,840          | 5.3                 | 3,100                     | 7,300                           | 18,300            | 12.5                |
| Doncaster                       | 10,900         | 5.9                 | 4,000                     | 6,600                           | 21,500            | 11.6                |
| Rotherham                       | 8,750          | 5.4                 | 3,500                     | 6,300                           | 18,600            | 11.4                |
| Sheffield                       | 17,890         | 4.8                 | 8,100                     | 6,900                           | 32,800            | 8.7                 |
| <b>West Yorkshire</b>           | 73,560         | 5.0                 | 31,800                    | 31,800                          | 137,300           | 9.2                 |
| Bradford                        | 19,430         | 5.9                 | 7,000                     | 9,500                           | 36,000            | 11.0                |
| Calderdale                      | 6,740          | 5.2                 | 2,800                     | 3,000                           | 12,600            | 9.6                 |
| Kirklees                        | 12,690         | 4.8                 | 5,700                     | 6,700                           | 25,100            | 9.5                 |
| Leeds                           | 25,030         | 4.5                 | 11,800                    | 4,600                           | 41,400            | 7.5                 |
| Wakefield                       | 9,670          | 4.6                 | 4,500                     | 8,000                           | 22,200            | 10.5                |

|                           | Claimant count |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|---------------------------|----------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                           | no             | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| <b>EAST MIDLANDS</b>      | <b>112,700</b> | <b>3.9</b>          | <b>66,000</b>             | <b>63,000</b>                   | <b>241,000</b>    | <b>8.3</b>          |
| Derby                     | 8,750          | 5.4                 | 3,700                     | 4,900                           | 17,300            | 10.7                |
| Leicester                 | 13,060         | 6.3                 | 4,700                     | 6,900                           | 24,800            | 11.9                |
| Nottingham                | 14,510         | 6.5                 | 5,000                     | 6,100                           | 25,600            | 11.5                |
| Rutland                   | 330            | 1.4                 | 500                       | 0                               | 900               | 3.7                 |
| <b>Derbyshire</b>         | <b>16,770</b>  | <b>3.5</b>          | <b>11,200</b>             | <b>11,600</b>                   | <b>39,600</b>     | <b>8.2</b>          |
| Amber Valley              | 2,680          | 3.5                 | 1,800                     | 1,500                           | 6,000             | 7.7                 |
| Bolsover                  | 1,890          | 4.0                 | 1,100                     | 2,300                           | 5,300             | 11.1                |
| Chesterfield              | 2,920          | 4.5                 | 1,500                     | 2,700                           | 7,100             | 11.1                |
| Derbyshire Dales          | 760            | 1.8                 | 1,000                     | 200                             | 1,900             | 4.5                 |
| Erewash                   | 3,140          | 4.4                 | 1,600                     | 1,400                           | 6,200             | 8.6                 |
| High Peak                 | 1,880          | 3.1                 | 1,400                     | 800                             | 4,100             | 6.8                 |
| North East Derbyshire     | 2,050          | 3.3                 | 1,400                     | 1,600                           | 5,100             | 8.3                 |
| South Derbyshire          | 1,450          | 2.4                 | 1,400                     | 1,100                           | 3,900             | 6.5                 |
| <b>Leicestershire</b>     | <b>10,380</b>  | <b>2.5</b>          | <b>9,500</b>              | <b>2,700</b>                    | <b>22,700</b>     | <b>5.4</b>          |
| Blaby                     | 1,340          | 2.3                 | 1,400                     | 0                               | 2,700             | 4.6                 |
| Charnwood                 | 2,820          | 2.5                 | 2,500                     | 900                             | 6,300             | 5.6                 |
| Harborough                | 870            | 1.7                 | 1,200                     | 0                               | 2,100             | 3.9                 |
| Hinckley and Bosworth     | 1,810          | 2.7                 | 1,500                     | 500                             | 3,900             | 5.7                 |
| Melton                    | 760            | 2.4                 | 700                       | 0                               | 1,500             | 4.8                 |
| North West Leicestershire | 1,760          | 3.1                 | 1,300                     | 1,000                           | 4,000             | 7.0                 |
| Oadby and Wigston         | 1,020          | 2.7                 | 900                       | 300                             | 2,200             | 5.8                 |
| <b>Lincolnshire</b>       | <b>15,030</b>  | <b>3.5</b>          | <b>10,000</b>             | <b>8,900</b>                    | <b>33,800</b>     | <b>7.8</b>          |
| Boston                    | 1,340          | 3.7                 | 800                       | 1,200                           | 3,300             | 9.3                 |
| East Lindsey              | 2,780          | 3.3                 | 1,900                     | 3,200                           | 7,900             | 9.4                 |
| Lincoln                   | 3,290          | 5.4                 | 1,400                     | 1,800                           | 6,500             | 10.6                |
| North Kesteven            | 1,480          | 2.3                 | 1,500                     | 200                             | 3,200             | 4.8                 |
| South Holland             | 1,690          | 3.4                 | 1,200                     | 700                             | 3,500             | 7.0                 |
| South Kesteven            | 2,330          | 2.8                 | 1,900                     | 800                             | 5,000             | 6.1                 |
| West Lindsey              | 2,120          | 3.9                 | 1,300                     | 1,000                           | 4,400             | 8.0                 |
| <b>Northamptonshire</b>   | <b>16,170</b>  | <b>3.6</b>          | <b>10,100</b>             | <b>6,700</b>                    | <b>32,900</b>     | <b>7.4</b>          |
| Corby                     | 2,150          | 6.1                 | 800                       | 1,600                           | 4,600             | 12.9                |
| Daventry                  | 1,300          | 2.5                 | 1,200                     | 400                             | 2,800             | 5.5                 |
| East Northamptonshire     | 1,540          | 2.9                 | 1,200                     | 400                             | 3,200             | 6.0                 |
| Kettering                 | 2,310          | 4.0                 | 1,300                     | 1,200                           | 4,800             | 8.3                 |
| Northampton               | 5,950          | 4.2                 | 3,200                     | 2,100                           | 11,300            | 8.0                 |
| South Northamptonshire    | 790            | 1.4                 | 1,300                     | 100                             | 2,100             | 3.8                 |
| Wellingborough            | 2,130          | 4.4                 | 1,100                     | 900                             | 4,100             | 8.6                 |
| <b>Nottinghamshire</b>    | <b>17,710</b>  | <b>3.5</b>          | <b>11,400</b>             | <b>14,600</b>                   | <b>43,600</b>     | <b>8.7</b>          |
| Ashfield                  | 3,470          | 4.6                 | 1,700                     | 3,200                           | 8,300             | 11.2                |
| Bassetlaw                 | 2,390          | 3.4                 | 1,600                     | 3,000                           | 7,000             | 9.8                 |
| Broxtowe                  | 2,510          | 3.4                 | 1,700                     | 1,300                           | 5,500             | 7.4                 |
| Gedling                   | 2,690          | 3.7                 | 1,700                     | 1,500                           | 5,800             | 8.1                 |
| Mansfield                 | 3,040          | 4.8                 | 1,500                     | 3,600                           | 8,100             | 12.7                |
| Newark and Sherwood       | 2,120          | 3.0                 | 1,600                     | 2,000                           | 5,800             | 8.1                 |
| Rushcliffe                | 1,490          | 2.1                 | 1,600                     | 0                               | 3,100             | 4.3                 |
| <b>WEST MIDLANDS</b>      | <b>167,080</b> | <b>4.8</b>          | <b>57,000</b>             | <b>92,000</b>                   | <b>316,000</b>    | <b>9.1</b>          |
| Herefordshire             | 2,890          | 2.7                 | 1,800                     | 1,500                           | 6,200             | 5.7                 |
| Stoke-on-Trent            | 8,370          | 5.4                 | 2,600                     | 8,600                           | 19,500            | 12.6                |
| Telford and Wrekin        | 4,680          | 4.5                 | 1,700                     | 3,200                           | 9,700             | 9.2                 |
| <b>Shropshire</b>         | <b>5,010</b>   | <b>2.8</b>          | <b>2,900</b>              | <b>1,600</b>                    | <b>9,600</b>      | <b>5.4</b>          |
| <i>Bridgnorth</i>         | <i>760</i>     | <i>2.3</i>          | <i>500</i>                | <i>300</i>                      | <i>1,600</i>      | <i>4.9</i>          |
| <i>North Shropshire</i>   | <i>1,110</i>   | <i>3.0</i>          | <i>600</i>                | <i>300</i>                      | <i>2,000</i>      | <i>5.4</i>          |
| <i>Oswestry</i>           | <i>830</i>     | <i>3.3</i>          | <i>400</i>                | <i>400</i>                      | <i>1,700</i>      | <i>6.7</i>          |

|                                   | Claimant count |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|-----------------------------------|----------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                                   | no             | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| <i>Shrewsbury and Atcham</i>      | 1,790          | 3.0                 | 1,000                     | 500                             | 3,300             | 5.5                 |
| <i>South Shropshire</i>           | 520            | 2.1                 | 400                       | 100                             | 1,000             | 4.2                 |
| <b>Staffordshire</b>              | 14,830         | 2.8                 | 8,600                     | 9,400                           | 32,700            | 6.2                 |
| Cannock Chase                     | 2,340          | 3.8                 | 1,000                     | 1,900                           | 5,200             | 8.5                 |
| East Staffordshire                | 2,200          | 3.2                 | 1,100                     | 1,400                           | 4,700             | 6.9                 |
| Lichfield                         | 1,540          | 2.5                 | 1,000                     | 600                             | 3,100             | 5.1                 |
| Newcastle-under-Lyme              | 2,400          | 3.0                 | 1,300                     | 2,000                           | 5,700             | 7.1                 |
| South Staffordshire               | 1,710          | 2.6                 | 1,100                     | 700                             | 3,500             | 5.2                 |
| Stafford                          | 1,800          | 2.2                 | 1,300                     | 700                             | 3,800             | 4.8                 |
| Staffordshire Moorlands           | 1,190          | 2.0                 | 1,000                     | 700                             | 2,800             | 4.8                 |
| Tamworth                          | 1,650          | 3.3                 | 800                       | 1,400                           | 3,900             | 7.7                 |
| <b>Warwickshire</b>               | 8,590          | 2.5                 | 5,700                     | 4,000                           | 18,100            | 5.3                 |
| North Warwickshire                | 1,010          | 2.5                 | 700                       | 400                             | 2,000             | 5.1                 |
| Nuneaton and Bedworth             | 3,110          | 4.0                 | 1,300                     | 2,400                           | 6,800             | 8.8                 |
| Rugby                             | 1,540          | 2.6                 | 1,000                     | 900                             | 3,400             | 5.8                 |
| Stratford-on-Avon                 | 1,080          | 1.5                 | 1,200                     | 200                             | 2,500             | 3.4                 |
| Warwick                           | 1,850          | 2.0                 | 1,500                     | 100                             | 3,400             | 3.7                 |
| <b>West Midlands (Met County)</b> | 111,950        | 6.6                 | 28,000                    | 58,500                          | 198,400           | 11.7                |
| Birmingham                        | 50,240         | 7.5                 | 11,100                    | 24,500                          | 85,900            | 12.8                |
| Coventry                          | 10,320         | 4.9                 | 3,400                     | 6,400                           | 20,100            | 9.6                 |
| Dudley                            | 10,150         | 5.3                 | 3,200                     | 5,500                           | 18,800            | 9.8                 |
| Sandwell                          | 13,810         | 7.5                 | 3,100                     | 7,800                           | 24,700            | 13.4                |
| Solihull                          | 4,670          | 3.6                 | 2,100                     | 2,000                           | 8,800             | 6.9                 |
| Walsall                           | 10,650         | 6.7                 | 2,600                     | 5,300                           | 18,500            | 11.7                |
| Wolverhampton                     | 12,110         | 7.9                 | 2,500                     | 7,000                           | 21,600            | 14.2                |
| <b>Worcestershire</b>             | 10,770         | 3.1                 | 5,700                     | 4,900                           | 21,400            | 6.1                 |
| Bromsgrove                        | 1,280          | 2.2                 | 900                       | 100                             | 2,300             | 4.0                 |
| Malvern Hills                     | 950            | 2.1                 | 700                       | 500                             | 2,200             | 5.0                 |
| Redditch                          | 2,030          | 3.9                 | 900                       | 1,400                           | 4,300             | 8.3                 |
| Worcester                         | 2,410          | 3.8                 | 1,000                     | 1,100                           | 4,500             | 7.2                 |
| Wychavon                          | 1,780          | 2.5                 | 1,200                     | 500                             | 3,500             | 4.8                 |
| Wyre Forest                       | 2,320          | 3.8                 | 1,000                     | 1,300                           | 4,600             | 7.6                 |
| <b>EAST OF ENGLAND</b>            | <b>118,280</b> | <b>3.2</b>          | <b>84,000</b>             | <b>49,000</b>                   | <b>252,000</b>    | <b>6.8</b>          |
| Bedford                           | 4,260          | 4.1                 | 2,400                     | 1,400                           | 8,000             | 7.7                 |
| Luton                             | 6,430          | 4.9                 | 3,000                     | 3,300                           | 12,700            | 9.7                 |
| Peterborough                      | 6,340          | 5.6                 | 2,600                     | 4,100                           | 13,000            | 11.5                |
| Southend-on-Sea                   | 5,450          | 5.3                 | 2,300                     | 3,100                           | 10,900            | 10.6                |
| Thurrock                          | 4,230          | 4.0                 | 2,400                     | 800                             | 7,500             | 7.1                 |
| <b>Central Bedfordshire</b>       | 4,410          | 2.7                 | 3,700                     | 1,000                           | 9,300             | 5.6                 |
| <i>Mid Bedfordshire</i>           | 1,830          | 2.0                 | 2,000                     | 0                               | 3,900             | 4.3                 |
| <i>South Bedfordshire</i>         | 2,580          | 3.4                 | 1,700                     | 1,000                           | 5,400             | 7.0                 |
| <b>Cambridgeshire</b>             | 9,090          | 2.2                 | 9,300                     | 3,300                           | 21,400            | 5.3                 |
| Cambridge                         | 1,780          | 1.9                 | 2,200                     | 200                             | 4,100             | 4.3                 |
| East Cambridgeshire               | 1,170          | 2.2                 | 1,200                     | 200                             | 2,500             | 4.8                 |
| Fenland                           | 2,220          | 4.0                 | 1,300                     | 1,800                           | 5,300             | 9.5                 |
| Huntingdonshire                   | 2,600          | 2.4                 | 2,500                     | 1,100                           | 6,100             | 5.7                 |
| South Cambridgeshire              | 1,320          | 1.4                 | 2,100                     | 0                               | 3,400             | 3.7                 |
| <b>Essex</b>                      | 27,380         | 3.1                 | 20,400                    | 10,600                          | 58,600            | 6.6                 |
| Basildon                          | 4,490          | 4.0                 | 2,600                     | 3,100                           | 10,200            | 9.0                 |
| Braintree                         | 2,610          | 2.9                 | 2,100                     | 900                             | 5,600             | 6.1                 |
| Brentwood                         | 1,000          | 2.1                 | 1,100                     | 0                               | 2,100             | 4.4                 |
| Castle Point                      | 1,640          | 3.0                 | 1,200                     | 900                             | 3,800             | 6.9                 |
| Chelmsford                        | 2,990          | 2.7                 | 2,500                     | 100                             | 5,600             | 5.1                 |
| Colchester                        | 3,430          | 2.8                 | 2,800                     | 400                             | 6,600             | 5.4                 |

|                              | Claimant count |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|------------------------------|----------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                              | no             | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| Epping Forest                | 2,280          | 2.9                 | 1,800                     | 600                             | 4,700             | 5.9                 |
| Harlow                       | 2,500          | 4.7                 | 1,200                     | 1,400                           | 5,100             | 9.7                 |
| Maldon                       | 950            | 2.4                 | 900                       | 400                             | 2,300             | 5.8                 |
| Rochford                     | 1,190          | 2.3                 | 1,200                     | 200                             | 2,600             | 4.9                 |
| Tendring                     | 3,550          | 4.2                 | 1,900                     | 2,600                           | 8,100             | 9.6                 |
| Uttlesford                   | 750            | 1.6                 | 1,100                     | 0                               | 1,900             | 3.9                 |
| <b>Hertfordshire</b>         | <b>18,290</b>  | <b>2.6</b>          | <b>16,100</b>             | <b>5,500</b>                    | <b>40,000</b>     | <b>5.6</b>          |
| Broxbourne                   | 1,970          | 3.4                 | 1,300                     | 900                             | 4,200             | 7.3                 |
| Dacorum                      | 2,300          | 2.5                 | 2,100                     | 900                             | 5,200             | 5.7                 |
| East Hertfordshire           | 1,760          | 2.0                 | 2,000                     | 0                               | 3,800             | 4.2                 |
| Hertsmere                    | 1,550          | 2.4                 | 1,400                     | 900                             | 3,900             | 6.1                 |
| North Hertfordshire          | 1,990          | 2.5                 | 1,800                     | 400                             | 4,200             | 5.3                 |
| St Albans                    | 1,580          | 1.8                 | 2,000                     | 0                               | 3,600             | 4.1                 |
| Stevenage                    | 2,330          | 4.4                 | 1,200                     | 1,200                           | 4,700             | 8.8                 |
| Three Rivers                 | 1,100          | 2.0                 | 1,300                     | 0                               | 2,400             | 4.2                 |
| Watford                      | 1,830          | 3.2                 | 1,300                     | 700                             | 3,900             | 6.7                 |
| Welwyn Hatfield              | 1,880          | 2.4                 | 1,700                     | 500                             | 4,100             | 5.3                 |
| <b>Norfolk</b>               | <b>18,160</b>  | <b>3.4</b>          | <b>12,100</b>             | <b>11,000</b>                   | <b>41,400</b>     | <b>7.7</b>          |
| Breckland                    | 2,480          | 3.1                 | 1,800                     | 1,200                           | 5,500             | 6.9                 |
| Broadland                    | 1,470          | 1.9                 | 1,700                     | 400                             | 3,600             | 4.7                 |
| Great Yarmouth               | 3,620          | 6.0                 | 1,400                     | 2,500                           | 7,500             | 12.5                |
| King's Lynn and West Norfolk | 2,840          | 3.3                 | 1,900                     | 2,500                           | 7,300             | 8.5                 |
| North Norfolk                | 1,540          | 2.7                 | 1,300                     | 1,200                           | 4,100             | 7.1                 |
| Norwich                      | 4,600          | 4.5                 | 2,300                     | 2,700                           | 9,700             | 9.4                 |
| South Norfolk                | 1,610          | 2.2                 | 1,700                     | 500                             | 3,700             | 5.1                 |
| <b>Suffolk</b>               | <b>14,250</b>  | <b>3.2</b>          | <b>10,100</b>             | <b>5,000</b>                    | <b>29,300</b>     | <b>6.6</b>          |
| Babergh                      | 1,300          | 2.6                 | 1,200                     | 100                             | 2,500             | 5.0                 |
| Forest Heath                 | 1,000          | 2.4                 | 900                       | 200                             | 2,200             | 5.2                 |
| Ipswich                      | 4,390          | 5.2                 | 1,900                     | 2,100                           | 8,400             | 10.0                |
| Mid Suffolk                  | 1,250          | 2.1                 | 1,300                     | 200                             | 2,800             | 4.7                 |
| St Edmundsbury               | 1,740          | 2.7                 | 1,500                     | 400                             | 3,600             | 5.5                 |
| Suffolk Coastal              | 1,490          | 2.0                 | 1,700                     | 0                               | 3,200             | 4.3                 |
| Waveney                      | 3,080          | 4.4                 | 1,600                     | 2,000                           | 6,600             | 9.5                 |
| <b>LONDON</b>                | <b>231,930</b> | <b>4.3</b>          | <b>191,000</b>            | <b>111,000</b>                  | <b>534,000</b>    | <b>9.9</b>          |
| <b>Inner London</b>          | <b>109,760</b> | <b>4.9</b>          | <b>79,400</b>             | <b>56,700</b>                   | <b>246,100</b>    | <b>11.0</b>         |
| Camden                       | 5,420          | 3.0                 | 6,300                     | 4,000                           | 15,800            | 8.8                 |
| Hackney                      | 10,630         | 6.9                 | 5,400                     | 6,100                           | 22,200            | 14.5                |
| Hammersmith and Fulham       | 5,020          | 4.1                 | 4,400                     | 3,300                           | 12,700            | 10.3                |
| Haringey                     | 10,250         | 6.5                 | 5,600                     | 6,300                           | 22,200            | 14.0                |
| Islington                    | 7,120          | 4.9                 | 5,200                     | 6,500                           | 18,800            | 12.8                |
| Kensington and Chelsea       | 3,220          | 2.7                 | 4,200                     | 2,400                           | 9,800             | 8.3                 |
| Lambeth                      | 12,140         | 5.7                 | 7,500                     | 4,800                           | 24,500            | 11.6                |
| Lewisham                     | 10,690         | 5.7                 | 6,700                     | 5,000                           | 22,400            | 11.9                |
| Newham                       | 11,590         | 7.2                 | 5,700                     | 6,100                           | 23,300            | 14.6                |
| Southwark                    | 10,940         | 5.2                 | 7,500                     | 4,200                           | 22,600            | 10.7                |
| Tower Hamlets                | 10,950         | 6.3                 | 6,200                     | 3,900                           | 21,000            | 12.0                |
| Wandsworth                   | 6,480          | 3.0                 | 7,600                     | 100                             | 14,200            | 6.6                 |
| Westminster                  | 5,180          | 2.7                 | 6,800                     | 4,000                           | 16,100            | 8.3                 |
| <b>Outer London</b>          | <b>122,180</b> | <b>3.9</b>          | <b>112,000</b>            | <b>54,000</b>                   | <b>288,300</b>    | <b>9.1</b>          |
| Barking and Dagenham         | 7,380          | 6.4                 | 4,100                     | 3,500                           | 15,000            | 13.0                |
| Barnet                       | 6,910          | 3.0                 | 8,100                     | 2,500                           | 17,500            | 7.6                 |
| Bexley                       | 4,700          | 3.2                 | 5,200                     | 2,200                           | 12,100            | 8.3                 |
| Brent                        | 9,980          | 5.8                 | 6,100                     | 6,600                           | 22,600            | 13.2                |
| Bromley                      | 6,070          | 3.0                 | 7,100                     | 1,600                           | 14,800            | 7.4                 |
| Croydon                      | 10,880         | 4.8                 | 8,100                     | 4,100                           | 23,100            | 10.1                |

|                        | Claimant count |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|------------------------|----------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                        | no             | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| Ealing                 | 9,140          | 4.1                 | 7,800                     | 4,600                           | 21,600            | 9.8                 |
| Enfield                | 10,260         | 5.4                 | 6,800                     | 5,900                           | 23,000            | 12.0                |
| Greenwich              | 8,260          | 5.4                 | 5,500                     | 5,600                           | 19,300            | 12.5                |
| Harrow                 | 4,210          | 2.7                 | 5,400                     | 2,000                           | 11,700            | 7.6                 |
| Havering               | 5,590          | 3.7                 | 5,300                     | 2,400                           | 13,300            | 8.8                 |
| Hillingdon             | 5,300          | 3.0                 | 6,300                     | 2,900                           | 14,500            | 8.2                 |
| Hounslow               | 5,070          | 3.1                 | 5,900                     | 3,500                           | 14,500            | 8.8                 |
| Kingston upon Thames   | 1,960          | 1.7                 | 4,200                     | 0                               | 6,200             | 5.2                 |
| Merton                 | 3,990          | 2.7                 | 5,200                     | 100                             | 9,300             | 6.4                 |
| Redbridge              | 7,010          | 3.9                 | 6,300                     | 1,500                           | 14,800            | 8.3                 |
| Richmond upon Thames   | 1,960          | 1.5                 | 4,600                     | 0                               | 6,500             | 5.1                 |
| Sutton                 | 3,560          | 2.8                 | 4,600                     | 900                             | 9,000             | 7.0                 |
| Waltham Forest         | 9,950          | 6.5                 | 5,400                     | 4,100                           | 19,500            | 12.7                |
| <b>SOUTH EAST</b>      | <b>143,380</b> | <b>2.6</b>          | <b>131,000</b>            | <b>54,000</b>                   | <b>328,000</b>    | <b>6.0</b>          |
| Bracknell Forest       | 1,710          | 2.2                 | 1,900                     | 300                             | 3,900             | 4.9                 |
| Brighton and Hove      | 6,530          | 3.6                 | 4,300                     | 4,300                           | 15,200            | 8.4                 |
| Isle of Wight          | 3,300          | 3.9                 | 2,000                     | 2,100                           | 7,400             | 8.8                 |
| Medway                 | 7,410          | 4.4                 | 4,100                     | 4,300                           | 15,800            | 9.4                 |
| Milton Keynes          | 6,640          | 4.1                 | 3,900                     | 2,800                           | 13,300            | 8.2                 |
| Portsmouth             | 5,350          | 3.7                 | 3,500                     | 1,900                           | 10,700            | 7.4                 |
| Reading                | 3,800          | 3.5                 | 2,600                     | 1,300                           | 7,700             | 7.1                 |
| Slough                 | 5,690          | 3.3                 | 4,100                     | 3,400                           | 13,200            | 7.7                 |
| Southampton            | 3,420          | 3.9                 | 2,100                     | 1,800                           | 7,300             | 8.3                 |
| West Berkshire         | 1,780          | 1.8                 | 2,400                     | 100                             | 4,300             | 4.3                 |
| Windsor and Maidenhead | 1,810          | 1.9                 | 2,300                     | 0                               | 4,100             | 4.3                 |
| Wokingham              | 1,420          | 1.3                 | 2,600                     | 0                               | 4,000             | 3.7                 |
| <b>Buckinghamshire</b> | <b>6,370</b>   | <b>2.0</b>          | <b>7,500</b>              | <b>400</b>                      | <b>14,400</b>     | <b>4.6</b>          |
| Aylesbury Vale         | 2,200          | 2.0                 | 2,700                     | 0                               | 4,900             | 4.4                 |
| Chiltern               | 960            | 1.7                 | 1,300                     | 0                               | 2,300             | 4.2                 |
| South Bucks            | 620            | 1.5                 | 1,000                     | 0                               | 1,700             | 4.0                 |
| Wycombe                | 2,590          | 2.5                 | 2,500                     | 400                             | 5,500             | 5.2                 |
| <b>East Sussex</b>     | <b>9,880</b>   | <b>3.3</b>          | <b>7,300</b>              | <b>5,600</b>                    | <b>22,800</b>     | <b>7.5</b>          |
| Eastbourne             | 2,330          | 4.0                 | 1,400                     | 1,400                           | 5,100             | 8.8                 |
| Hastings               | 3,280          | 6.0                 | 1,300                     | 2,800                           | 7,400             | 13.5                |
| Lewes                  | 1,500          | 2.6                 | 1,400                     | 700                             | 3,600             | 6.2                 |
| Rother                 | 1,420          | 2.9                 | 1,200                     | 700                             | 3,300             | 6.7                 |
| Wealden                | 1,350          | 1.6                 | 2,000                     | 0                               | 3,400             | 4.0                 |
| <b>Hampshire</b>       | <b>16,990</b>  | <b>2.1</b>          | <b>19,600</b>             | <b>5,200</b>                    | <b>41,900</b>     | <b>5.1</b>          |
| Basingstoke and Deane  | 2,360          | 2.2                 | 2,600                     | 400                             | 5,400             | 5.0                 |
| East Hampshire         | 1,070          | 1.5                 | 1,700                     | 100                             | 2,800             | 4.1                 |
| Eastleigh              | 1,590          | 2.0                 | 1,900                     | 400                             | 3,900             | 5.0                 |
| Fareham                | 1,310          | 1.9                 | 1,700                     | 0                               | 3,000             | 4.3                 |
| Gosport                | 1,670          | 3.3                 | 1,200                     | 1,100                           | 4,000             | 7.8                 |
| Hart                   | 700            | 1.2                 | 1,400                     | 0                               | 2,100             | 3.6                 |
| Havant                 | 2,670          | 3.8                 | 1,700                     | 1,900                           | 6,300             | 8.9                 |
| New Forest             | 1,900          | 1.8                 | 2,500                     | 400                             | 4,900             | 4.7                 |
| Rushmoor               | 1,640          | 2.6                 | 1,500                     | 600                             | 3,700             | 6.0                 |
| Test Valley            | 1,100          | 1.6                 | 1,700                     | 300                             | 3,100             | 4.4                 |
| Winchester             | 980            | 1.4                 | 1,700                     | 0                               | 2,700             | 3.8                 |
| <b>Kent</b>            | <b>30,190</b>  | <b>3.4</b>          | <b>21,500</b>             | <b>14,100</b>                   | <b>66,200</b>     | <b>7.4</b>          |
| Ashford                | 2,060          | 2.9                 | 1,700                     | 900                             | 4,700             | 6.5                 |
| Canterbury             | 2,520          | 2.5                 | 2,400                     | 0                               | 5,000             | 4.9                 |
| Dartford               | 2,010          | 3.2                 | 1,500                     | 500                             | 4,000             | 6.5                 |
| Dover                  | 2,780          | 4.3                 | 1,600                     | 1,600                           | 6,000             | 9.2                 |
| Gravesham              | 2,860          | 4.5                 | 1,500                     | 1,500                           | 5,900             | 9.2                 |



|                              | Claimant count |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|------------------------------|----------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                              | no             | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| Maidstone                    | 2,550          | 2.7                 | 2,300                     | 500                             | 5,400             | 5.6                 |
| Sevenoaks                    | 1,330          | 1.9                 | 1,700                     | 300                             | 3,300             | 4.7                 |
| Shepway                      | 2,780          | 4.5                 | 1,500                     | 2,000                           | 6,300             | 10.2                |
| Swale                        | 3,600          | 4.3                 | 2,000                     | 2,600                           | 8,300             | 9.8                 |
| Thanet                       | 4,900          | 6.2                 | 1,900                     | 2,900                           | 9,800             | 12.4                |
| Tonbridge and Malling        | 1,650          | 2.2                 | 1,800                     | 800                             | 4,200             | 5.7                 |
| Tunbridge Wells              | 1,150          | 1.7                 | 1,600                     | 500                             | 3,300             | 4.9                 |
| <b>Oxfordshire</b>           | <b>7,600</b>   | <b>1.8</b>          | <b>10,300</b>             | <b>900</b>                      | <b>18,700</b>     | <b>4.4</b>          |
| Cherwell                     | 1,680          | 1.8                 | 2,200                     | 800                             | 4,700             | 5.1                 |
| Oxford                       | 2,670          | 2.4                 | 2,700                     | 100                             | 5,400             | 4.8                 |
| South Oxfordshire            | 1,160          | 1.4                 | 2,000                     | 0                               | 3,100             | 3.8                 |
| Vale of White Horse          | 1,190          | 1.6                 | 1,800                     | 0                               | 3,000             | 4.0                 |
| West Oxfordshire             | 900            | 1.4                 | 1,600                     | 0                               | 2,500             | 3.9                 |
| <b>Surrey</b>                | <b>12,040</b>  | <b>1.7</b>          | <b>17,400</b>             | <b>700</b>                      | <b>30,100</b>     | <b>4.2</b>          |
| Elmbridge                    | 1,170          | 1.4                 | 2,000                     | 0                               | 3,200             | 3.8                 |
| Epsom and Ewell              | 760            | 1.6                 | 1,200                     | 200                             | 2,100             | 4.5                 |
| Guildford                    | 1,600          | 1.7                 | 2,200                     | 100                             | 3,900             | 4.3                 |
| Mole Valley                  | 690            | 1.3                 | 1,200                     | 0                               | 1,900             | 3.8                 |
| Reigate and Banstead         | 1,670          | 1.9                 | 2,200                     | 100                             | 3,900             | 4.4                 |
| Runnymede                    | 850            | 1.5                 | 1,400                     | 0                               | 2,300             | 4.0                 |
| Spelthorne                   | 1,300          | 2.2                 | 1,400                     | 100                             | 2,800             | 4.7                 |
| Surrey Heath                 | 940            | 1.7                 | 1,300                     | 100                             | 2,300             | 4.3                 |
| Tandridge                    | 940            | 1.8                 | 1,200                     | 100                             | 2,300             | 4.5                 |
| Waverley                     | 1,040          | 1.4                 | 1,800                     | 0                               | 2,800             | 3.9                 |
| Woking                       | 1,080          | 1.8                 | 1,500                     | 0                               | 2,600             | 4.2                 |
| <b>West Sussex</b>           | <b>11,460</b>  | <b>2.3</b>          | <b>11,800</b>             | <b>4,100</b>                    | <b>27,500</b>     | <b>5.6</b>          |
| Adur                         | 1,050          | 2.8                 | 900                       | 600                             | 2,600             | 7.0                 |
| Arun                         | 2,340          | 2.7                 | 2,100                     | 1,200                           | 5,700             | 6.5                 |
| Chichester                   | 1,370          | 2.0                 | 1,600                     | 0                               | 3,000             | 4.5                 |
| Crawley                      | 2,230          | 3.1                 | 1,700                     | 1,400                           | 5,400             | 7.5                 |
| Horsham                      | 1,360          | 1.7                 | 2,000                     | 0                               | 3,300             | 4.1                 |
| Mid Sussex                   | 1,140          | 1.4                 | 2,000                     | 0                               | 3,100             | 3.8                 |
| Worthing                     | 1,970          | 3.1                 | 1,500                     | 900                             | 4,400             | 6.9                 |
| <b>SOUTH WEST</b>            | <b>91,790</b>  | <b>2.8</b>          | <b>80,000</b>             | <b>55,000</b>                   | <b>226,000</b>    | <b>6.8</b>          |
| Bath and North East Somerset | 2,500          | 2.1                 | 2,800                     | 700                             | 6,000             | 5.1                 |
| Bournemouth                  | 3,780          | 3.4                 | 2,600                     | 3,400                           | 9,800             | 8.9                 |
| Bristol                      | 12,890         | 4.1                 | 7,500                     | 7,200                           | 27,600            | 8.8                 |
| North Somerset               | 3,330          | 2.6                 | 3,100                     | 2,300                           | 8,800             | 6.7                 |
| Plymouth                     | 6,780          | 3.9                 | 4,200                     | 6,100                           | 17,000            | 9.8                 |
| Poole                        | 1,960          | 2.2                 | 2,100                     | 1,100                           | 5,200             | 6.0                 |
| South Gloucestershire        | 3,830          | 2.2                 | 4,100                     | 600                             | 8,500             | 5.0                 |
| Swindon                      | 4,880          | 3.7                 | 3,200                     | 2,000                           | 10,100            | 7.5                 |
| Torbay                       | 3,670          | 4.6                 | 1,900                     | 3,500                           | 9,100             | 11.3                |
| <b>Cornwall</b>              | <b>9,630</b>   | <b>2.9</b>          | <b>7,800</b>              | <b>8,000</b>                    | <b>25,500</b>     | <b>7.7</b>          |
| <i>Caradon</i>               | <i>1,250</i>   | <i>2.4</i>          | <i>1,200</i>              | <i>1,100</i>                    | <i>3,600</i>      | <i>6.9</i>          |
| <i>Carrick</i>               | <i>1,600</i>   | <i>2.7</i>          | <i>1,400</i>              | <i>400</i>                      | <i>3,400</i>      | <i>5.8</i>          |
| <i>Kerrier</i>               | <i>1,890</i>   | <i>3.0</i>          | <i>1,500</i>              | <i>1,700</i>                    | <i>5,100</i>      | <i>8.1</i>          |
| <i>North Cornwall</i>        | <i>1,370</i>   | <i>2.6</i>          | <i>1,300</i>              | <i>1,500</i>                    | <i>4,100</i>      | <i>7.9</i>          |
| <i>Penwith</i>               | <i>1,270</i>   | <i>3.3</i>          | <i>900</i>                | <i>1,200</i>                    | <i>3,400</i>      | <i>8.7</i>          |
| <i>Restormel</i>             | <i>2,240</i>   | <i>3.5</i>          | <i>1,500</i>              | <i>2,100</i>                    | <i>5,900</i>      | <i>9.2</i>          |
| <b>Wiltshire</b>             | <b>6,140</b>   | <b>2.1</b>          | <b>6,800</b>              | <b>1,800</b>                    | <b>14,900</b>     | <b>5.2</b>          |
| <i>Kennet</i>                | <i>960</i>     | <i>1.9</i>          | <i>1,200</i>              | <i>100</i>                      | <i>2,300</i>      | <i>4.6</i>          |
| <i>North Wiltshire</i>       | <i>1,800</i>   | <i>2.1</i>          | <i>2,000</i>              | <i>400</i>                      | <i>4,200</i>      | <i>5.0</i>          |
| <i>Salisbury</i>             | <i>1,200</i>   | <i>1.7</i>          | <i>1,700</i>              | <i>200</i>                      | <i>3,200</i>      | <i>4.4</i>          |
| <i>West Wiltshire</i>        | <i>2,180</i>   | <i>2.8</i>          | <i>1,900</i>              | <i>1,100</i>                    | <i>5,200</i>      | <i>6.6</i>          |

|                        | Claimant count |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|------------------------|----------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                        | no             | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| <b>Devon</b>           | 10,160         | 2.2                 | 11,000                    | 5,100                           | 26,000            | 5.7                 |
| East Devon             | 1,260          | 1.7                 | 1,800                     | 100                             | 3,200             | 4.3                 |
| Exeter                 | 2,360          | 2.8                 | 2,000                     | 1,000                           | 5,300             | 6.4                 |
| Mid Devon              | 1,030          | 2.2                 | 1,100                     | 500                             | 2,600             | 5.6                 |
| North Devon            | 1,270          | 2.3                 | 1,300                     | 1,200                           | 3,700             | 6.8                 |
| South Hams             | 790            | 1.6                 | 1,200                     | 200                             | 2,200             | 4.3                 |
| Teignbridge            | 1,610          | 2.1                 | 1,800                     | 800                             | 4,200             | 5.5                 |
| Torrige                | 1,160          | 2.9                 | 1,000                     | 800                             | 2,900             | 7.4                 |
| West Devon             | 680            | 2.2                 | 800                       | 500                             | 1,900             | 6.1                 |
| <b>Dorset</b>          | 3,960          | 1.7                 | 5,500                     | 2,900                           | 12,500            | 5.4                 |
| Christchurch           | 470            | 1.8                 | 600                       | 200                             | 1,300             | 5.0                 |
| East Dorset            | 620            | 1.3                 | 1,200                     | 100                             | 1,900             | 3.8                 |
| North Dorset           | 540            | 1.5                 | 900                       | 300                             | 1,800             | 4.8                 |
| Purbeck                | 440            | 1.6                 | 600                       | 200                             | 1,300             | 4.9                 |
| West Dorset            | 760            | 1.4                 | 1,300                     | 400                             | 2,400             | 4.5                 |
| Weymouth and Portland  | 1,130          | 2.9                 | 900                       | 1,700                           | 3,800             | 9.6                 |
| <b>Gloucestershire</b> | 10,680         | 2.9                 | 8,900                     | 4,700                           | 24,200            | 6.5                 |
| Cheltenham             | 2,500          | 3.3                 | 1,800                     | 900                             | 5,200             | 6.9                 |
| Cotswold               | 740            | 1.5                 | 1,200                     | 0                               | 2,000             | 3.9                 |
| Forest of Dean         | 1,550          | 3.0                 | 1,200                     | 800                             | 3,600             | 7.0                 |
| Gloucester             | 3,210          | 4.2                 | 1,800                     | 1,900                           | 6,900             | 9.0                 |
| Stroud                 | 1,520          | 2.2                 | 1,700                     | 800                             | 3,900             | 5.7                 |
| Tewkesbury             | 1,160          | 2.3                 | 1,200                     | 300                             | 2,600             | 5.2                 |
| <b>Somerset</b>        | 7,620          | 2.4                 | 7,700                     | 5,700                           | 21,000            | 6.6                 |
| Mendip                 | 1,610          | 2.4                 | 1,600                     | 800                             | 4,000             | 6.0                 |
| Sedgemoor              | 2,110          | 3.1                 | 1,700                     | 1,600                           | 5,400             | 7.8                 |
| South Somerset         | 1,880          | 2.0                 | 2,300                     | 1,800                           | 6,000             | 6.3                 |
| Taunton Deane          | 1,650          | 2.5                 | 1,600                     | 1,000                           | 4,300             | 6.4                 |
| West Somerset          | 370            | 1.9                 | 500                       | 500                             | 1,300             | 6.6                 |
| <b>WALES</b>           | <b>80,440</b>  | <b>4.2</b>          | <b>50,000</b>             | <b>64,000</b>                   | <b>195,000</b>    | <b>10.3</b>         |
| Anglesey               | 1,830          | 4.4                 | 1,100                     | 1,300                           | 4,200             | 10.2                |
| Blaenau Gwent          | 3,440          | 7.9                 | 1,100                     | 2,600                           | 7,200             | 16.7                |
| Bridgend               | 3,730          | 4.4                 | 2,200                     | 3,900                           | 9,900             | 11.7                |
| Caerphilly             | 6,130          | 5.6                 | 2,900                     | 5,600                           | 14,600            | 13.3                |
| Cardiff                | 10,930         | 4.6                 | 6,200                     | 4,600                           | 21,700            | 9.2                 |
| Carmarthenshire        | 3,570          | 3.2                 | 2,900                     | 4,200                           | 10,700            | 9.7                 |
| Ceredigion             | 970            | 2.0                 | 1,300                     | 800                             | 3,000             | 6.2                 |
| Conwy                  | 2,540          | 3.9                 | 1,700                     | 1,900                           | 6,100             | 9.4                 |
| Denbighshire           | 2,240          | 3.8                 | 1,500                     | 700                             | 4,500             | 7.7                 |
| Flintshire             | 3,180          | 3.3                 | 2,500                     | 2,300                           | 8,000             | 8.4                 |
| Gwynedd                | 2,250          | 3.0                 | 2,000                     | 500                             | 4,700             | 6.4                 |
| Merthyr Tydfil         | 2,360          | 6.6                 | 900                       | 2,000                           | 5,300             | 14.9                |
| Monmouthshire          | 1,530          | 2.9                 | 1,400                     | 1,100                           | 4,000             | 7.5                 |
| Neath Port Talbot      | 3,490          | 4.0                 | 2,300                     | 6,300                           | 12,100            | 14.0                |
| Newport                | 5,300          | 6.0                 | 2,300                     | 3,200                           | 10,900            | 12.2                |
| Pembrokeshire          | 2,500          | 3.6                 | 1,900                     | 2,600                           | 6,900             | 9.9                 |
| Powys                  | 1,990          | 2.5                 | 2,100                     | 1,100                           | 5,200             | 6.6                 |
| Rhondda Cynon Taf      | 7,590          | 5.1                 | 4,000                     | 7,300                           | 18,800            | 12.6                |
| Swansea                | 5,620          | 3.7                 | 3,900                     | 6,200                           | 15,700            | 10.5                |
| Torfaen                | 3,100          | 5.5                 | 1,500                     | 2,100                           | 6,700             | 11.8                |
| Vale of Glamorgan      | 2,870          | 3.7                 | 2,100                     | 1,400                           | 6,300             | 8.2                 |
| Wrexham                | 3,280          | 3.8                 | 2,300                     | 2,600                           | 8,100             | 9.5                 |

|                       | Claimant count |                     | Hidden unemployment       |                                 | Real unemployment |                     |
|-----------------------|----------------|---------------------|---------------------------|---------------------------------|-------------------|---------------------|
|                       | no             | as % of working age | Additional LFS unemployed | Diverted to incapacity benefits | no                | as % of working age |
| <b>SCOTLAND</b>       | <b>144,350</b> | <b>4.2</b>          | <b>76,000</b>             | <b>120,000</b>                  | <b>340,000</b>    | <b>9.9</b>          |
| Aberdeen              | 3,510          | 2.3                 | 3,300                     | 2,900                           | 9,600             | 6.4                 |
| Aberdeenshire         | 2,310          | 1.5                 | 3,500                     | 1,000                           | 6,800             | 4.2                 |
| Angus                 | 2,220          | 3.2                 | 1,500                     | 1,500                           | 5,200             | 7.6                 |
| Argyll and Bute       | 1,840          | 3.3                 | 1,200                     | 1,100                           | 4,100             | 7.4                 |
| Clackmannanshire      | 1,870          | 5.6                 | 700                       | 1,700                           | 4,300             | 13.0                |
| Dumfries and Galloway | 3,400          | 3.7                 | 2,000                     | 2,900                           | 8,300             | 9.1                 |
| Dundee                | 5,600          | 5.9                 | 2,100                     | 4,900                           | 12,600            | 13.3                |
| East Ayrshire         | 4,690          | 6.0                 | 1,700                     | 3,400                           | 9,800             | 12.6                |
| East Dunbartonshire   | 1,750          | 2.7                 | 1,500                     | 1,100                           | 4,300             | 6.6                 |
| East Lothian          | 2,040          | 3.3                 | 1,400                     | 1,200                           | 4,600             | 7.5                 |
| East Renfrewshire     | 1,350          | 2.4                 | 1,200                     | 900                             | 3,500             | 6.2                 |
| Edinburgh             | 11,770         | 3.4                 | 7,600                     | 5,300                           | 24,700            | 7.2                 |
| Eilean Siar           | 540            | 3.4                 | 300                       | 200                             | 1,100             | 6.8                 |
| Falkirk               | 4,530          | 4.5                 | 2,200                     | 3,700                           | 10,500            | 10.5                |
| Fife                  | 10,750         | 4.6                 | 5,200                     | 7,800                           | 23,800            | 10.1                |
| Glasgow               | 24,740         | 6.0                 | 9,100                     | 27,800                          | 61,600            | 14.9                |
| Highland              | 3,990          | 2.8                 | 3,100                     | 4,300                           | 11,300            | 8.1                 |
| Inverclyde            | 2,970          | 5.8                 | 1,100                     | 3,400                           | 7,500             | 14.6                |
| Midlothian            | 2,170          | 4.2                 | 1,200                     | 1,500                           | 4,900             | 9.4                 |
| Moray                 | 1,440          | 2.6                 | 1,200                     | 1,000                           | 3,600             | 6.5                 |
| North Ayrshire        | 5,560          | 6.5                 | 1,900                     | 4,500                           | 11,900            | 13.9                |
| North Lanarkshire     | 12,050         | 5.6                 | 4,700                     | 10,200                          | 26,900            | 12.6                |
| Orkney Islands        | 210            | 1.6                 | 300                       | 100                             | 500               | 4.3                 |
| Perth and Kinross     | 2,250          | 2.4                 | 2,000                     | 1,300                           | 5,600             | 6.0                 |
| Renfrewshire          | 5,730          | 5.1                 | 2,500                     | 5,400                           | 13,600            | 12.2                |
| Scottish Borders      | 2,190          | 3.1                 | 1,600                     | 1,400                           | 5,100             | 7.3                 |
| Shetland Islands      | 230            | 1.6                 | 300                       | 100                             | 700               | 4.6                 |
| South Ayrshire        | 3,000          | 4.3                 | 1,500                     | 2,400                           | 7,000             | 10.0                |
| South Lanarkshire     | 9,330          | 4.6                 | 4,500                     | 8,300                           | 22,200            | 10.9                |
| Stirling              | 1,920          | 3.3                 | 1,300                     | 1,200                           | 4,500             | 7.7                 |
| West Dunbartonshire   | 3,950          | 6.6                 | 1,300                     | 3,700                           | 9,000             | 15.1                |
| West Lothian          | 4,480          | 3.9                 | 2,500                     | 3,800                           | 10,800            | 9.5                 |

Sources: ONS, DWP, Census of Population



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*The real level of unemployment 2012*

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