

7 May 2014

Local Area Labour Markets in Scotland

A National Statistics Publication for Scotland

Statistics from the Annual Population Survey 2013

About this publication

The Annual Population Survey (APS) combines results from the Labour Force Survey (LFS) and the English, Welsh and Scottish Labour Force Survey boosts. The boosts increase the sample size which means the APS can provide more robust labour market estimates for local areas compared to the main LFS. The Scottish Government funds the boost to the LFS sample in Scotland, taking the sample size from approximately 5,800 households each year to 20,000 households. The APS is the primary source for information on local labour markets providing headline estimates on employment, unemployment and economic activity.

This is the eleventh publication of the series. It aims to provide reliable and up-to-date headline information for local area labour markets and covers employment, underemployment, inactivity and youth participation in the labour market within Scotland and its local authorities. Results are provided for the calendar years (January to December) 2004 to 2013, based on the data released by the Office for National Statistics (ONS) on 20 March 2014.

The publication is split into two main chapters.

The first chapter examines changes at national and local authority area level for:

- employment across various sub-groups of the population
- different types of work people are employed in and which sub-groups may be driving changes in these
- different industry sectors as well as public/private and the third sectors
- different occupations and occupational skill distributions

The second chapter examines changes at national and local authority area level for those who are not in employment, looking at:

- changes in unemployment across various sub-groups
- changes in economic inactivity across various sub-groups
- reasons for inactivity and willingness to work
- those who have never worked

Disabilities and Equalities analysis

Estimates for the disability equalities groups have not been included in the publication this year due to significant changes made in the April-June 2013 quarter to the questions relating to disability in the survey; This has resulted in a lack of a full year's data for 2013 using a consistent set of questions. A further knock-on effect of these changes will be that data from Apr-Jun 2013 will not be comparable with previous estimates for disabilities. An analysis of disabilities data will be issued after the full-year data-set is available for April 2013-March 2014. Further information on the change to disability related questions in the LFS is available [here](#). Disaggregations for other equalities groups (ethnicity and religion) tend to be unreliable at local authority area level due to the small sample sizes of many of the sub-groups, and are therefore only included in the accompanying web-tables at national or regional level.

Contents

About this publication	1
Disabilities and Equalities analysis.....	2
Summary	7
Section 1: People in Work	9
Country level analysis	9
Local area and sub-group analysis	10
Analysis by gender.....	12
Analysis by age group.....	15
Youth Employment (16-24 year olds).....	17
Analysis by qualification level.....	18
Occupational Skill Level (SOC 2010 Classifications)	21
Work Patterns	23
Employment by Industry and Sector	26
Section 2: People not in work	36
Sub-section A: Unemployment	36
Analysis by age, gender.....	37
Analysis by age and duration	38
Local Authority area level analysis - Model based unemployment.....	39
16 to 19 year olds Not in Employment, Education or Training (NEET).....	40
Sub-Section B: Economic Inactivity	42
Economic Inactivity at Local Authority level	45
Reasons for inactivity	46
Willingness to work	47
Adults who have never worked.	47
Annex A: Associated Tables	50
Annex B: About the Annual Population Survey	60
Annex C: Using APS data	64
Annex D: Confidence intervals	66
Annex E: Concepts and Definitions	68
Annex F: Technical note on APS sample size	70

List of Charts

Chart 1: Employment rates (16-64) by local authority, Scotland, change since 2008	11
Chart 2: Occupational skill level by age group, Scotland, 2013.....	22
Chart 3: Occupational skill level by enrolment in full-time education, 16-24 year olds, Scotland, 2013.....	22
Chart 4: Underemployment levels by gender and work patterns,.....	26
Scotland, 2004 to 2013.....	26
Chart 5: Change in the percentage employed within each industry sector between 2008 and 2013 by gender, Scotland	27
Chart 6: Public and Private employment levels (indexed to 2004), Scotland	32
Chart 7: Change in level of employment by sector and age group over year and since 2008, Scotland, 2013	34
Chart 8: Duration of unemployed by age, Scotland, 2013	39
Chart 9: Inactivity rate for people aged 16-64 by local authority, Scotland, Change from 2008 to 2013.....	46

List of Tables

Table 1: Employment rates and levels by local authority, Scotland, 2008, 2012, 2013	50
Table 2: Employment rates and levels by age-group and local authority, Scotland, 2013	51
Table 3: People with a degree-level qualification as a proportion of those in employment aged 25-64, by local authority, Scotland, 2008-2013	52
Table 4: Underemployment rates and levels by local authority, Scotland, 2008, 2012 and 2013	53
Table 5: Public, Private Sector employment by gender for all aged 16+, by local authority, Scotland, 2013	54
Table 6: Public, Private Sector employment by age group for all aged 16+, Scotland, 2004 to 2013	55
Table 7: Model-based unemployment rates for people aged 16 or over by local authority, Scotland, 2007, 2008, 2012, 2013	56
Table 8: Levels and proportion of 16-19 year olds Not in Education, Employment or Training (NEET), Scotland, 2004-2013	57
Table 9: Economic inactivity rates and levels for population aged 16-64 by local authority, Scotland, 2008, 2012, 2013	58
Table 10: Economically inactive people aged 16-64, by willingness to work and local authority, Scotland, 2008, 2012, 2013	59
Table 11: Local authority area reliability thresholds	66
Table 12: Change in ONS target for economically active adults interviewed by Scottish local authority	72

List of Figures

Figure 1: 16+ working population by employment status, Scotland, 2013	9
Figure 2: Employment rates across Local Authority areas, Scotland 2004-2013	10
Figure 3: Employment rates by gender for Scotland and UK	12
Figure 4: Gender Employment Gap for Scotland and UK, 2004 to 2013	14
Figure 5: Employment rates by age and gender, Scotland	15
Figure 6: Youth Employment across Scotland and compared to UK	17
Figure 7: Employment (16-64) by qualification level, Scotland	19
Figure 8: Work patterns in Scotland in 2013 and changes since 2008	23
Figure 9: Comparison of Public, Private and Third sectors	31
Figure 10: Work patterns in the Private and Public Sector, Scotland 2013	32

Figure 11: Composition of those aged 16+ who were not in work, Scotland, 2013	36
Figure 12: Comparison of unemployment rates by gender in Scotland and UK, 2013	38
Figure 13: Comparison of unemployment rates by age in Scotland and UK, 2013	38
Figure 14: Model Based Unemployment (MBU) across Local Authority areas in Scotland, 2013	40
Figure 15: Percentage of 16-19 year olds NEET by gender, Scotland, 2004-2013	41
Figure 16: Economic Inactivity, Scotland and UK	43
Figure 17: Economic Inactivity by Local Authority, 2013	45
Figure 18: Number of people aged 16 and over who have never worked, Scotland, 2004 – 2013	48

Summary

People in work

- **20 Local Authorities saw increases in their employment rates over the year but 29 saw reductions between 2008 (start of the recession) and 2013**, reflecting the continuing challenging economic circumstances.
- **Dundee City saw the largest decrease in employment rate** across Scotland's local authorities over the year, **down 3.9 percentage points to 61.4%**, while its employment level decreased by 3,500. Over the year, **Dundee has seen a shift out of employment into inactivity (with the level of those who stated they were inactive for other reasons up over 3,000 over this period)**.
- **The employment level (16+) for females in 2013 was 1,198,500**, up 15,800 over the year, and **the highest level seen from the APS since Apr'08-Mar'09**
- **The gap between male and female employment rates in 2013 was 6.9 percentage points, the lowest seen since 2004** (when the APS started) and 3.2 percentage points lower than that in the UK as a whole.
- In 2013, **the employment rate for all adults in Scotland holding a Modern Apprenticeship qualification was 91.1%**, just over 20 percentage points higher than the overall Scotland rate¹.
- In 2013 there were **234,100 workers who were underemployed (9.6%, of all employed people over 16)**, a decrease of 9,300 over the year but an increase of 59,600 since the start of the recession in 2008. Underemployment levels are highest amongst part-time female and full-time male workers.
- The youth employment rate in Scotland decreased by 0.6 percentage point over the year; from 53.2% in 2012 to 52.6% in 2013. **The youth employment rate in Scotland was 2.8 percentage points higher than the UK rate (49.8%) in 2013.**
- A total of 17 local authorities (including Edinburgh) saw a decrease in their youth employment rate, whilst over the same period the remaining 15 saw increases. Edinburgh and Highland both saw large decreases in their youth employment rate (12.5 and 9.1 percentage point decrease respectively), while **Glasgow has seen an increase in its youth employment rate** (up 7.5 percentage points from 34.0% to 41.4%).
 - The decrease in Edinburgh is being driven by an increase in the number of inactive students aged 16-24, up 1,300 from 25,100 to 26,4400, which has increased the inactivity rate for 16-24 year olds in Edinburgh from 39.7% to 47.3% over the year.
 - A similar effect has also been seen in Highland, where the number of inactive students aged 16-24 has increased by 800 from around 3,400 to 4,200, which has increased the inactivity rate for 16-24 years in Highland from 27.4% to 37.0% over the year..

¹ Note that due to changes in the LFS questionnaire, this estimate is based only on those who started their apprenticeships in the year 2000 or later.

People not in work

- Over the year, **the unemployment rate² decreased in 21 local authority areas in Scotland, with 10 of the remaining authorities seeing increases in their unemployment rate, and one seeing no change.**
- In 2013, there were **124,800 people in Scotland over the age of 16 (and not in full-time education) who had never worked, up 19.4% on the level in 2012 (104,500) and up 16.4% on 2008 level (107,200)**
- **The youth unemployment rate (16-24) in Scotland was 20.6%, 0.5 percentage points higher than the rate in the UK (20.1%).** The rate in Scotland has increased by 7.0 percentage points since 2008, higher than the increase of 5.1 percentage points in the UK over the same period.
- **In 2013, 29,000 (11.9%) of 16-19 year olds were not in education, employment or training (NEET).** The level of NEET has **decreased by 4,000 (1.4 percentage points) over the year, driven by a decrease in the number of males who were NEET.**

² Due to the small sample size of the unemployed cohort at local area level, model-based estimates are used to improve quality and reliability of estimates at local authority level. Model-Based estimates use information from the Claimant Count which, as it is an administrative measure, has accurate information all areas. The model is said to borrow strength from the claimant count.

Section 1: People in Work

Country level analysis

Improving participation in Scotland’s labour market is a key driver in meeting the Scottish Government’s overarching Purpose of increasing sustainable economic growth.

The latest trends in Scotland’s labour market are monitored monthly using the rolling quarterly Labour Force Survey (LFS) and data can be accessed on the Office for National Statistics (ONS) website³.

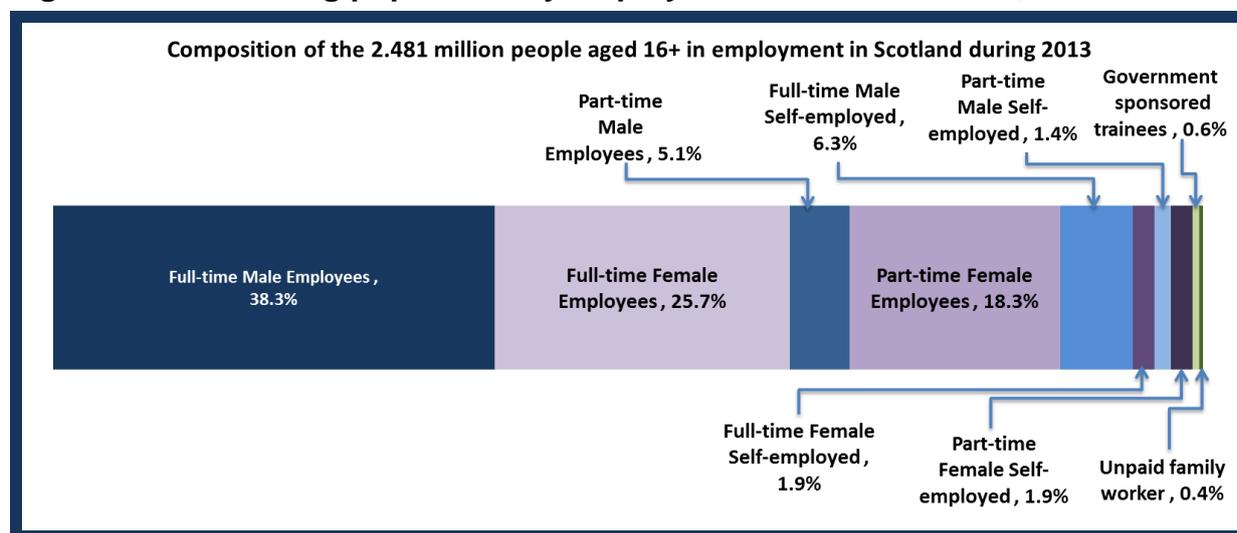
The labour market in Scotland and other countries of the UK have continued to recover from the 2008 recession and the subsequent period of slow or static growth that followed. The recovery in 2013 appears stronger than in previous years (since the 2008 recession), and the latest data from the quarterly LFS indicates that this has continued through into 2014, with record employment levels being seen in Scotland and unemployment rates falling below 7.0 in both Scotland and the UK.

Analysis of the latest headline trends, updated monthly based on the LFS, is available from:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/AnalyticalPapers>

The APS remains the best source for local area labour market trends, as the sample size on quarterly LFS is too small to be used to monitor trends within small sub-groups and within the local authority areas of Scotland.

Figure 1: 16+ working population by employment status, Scotland, 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

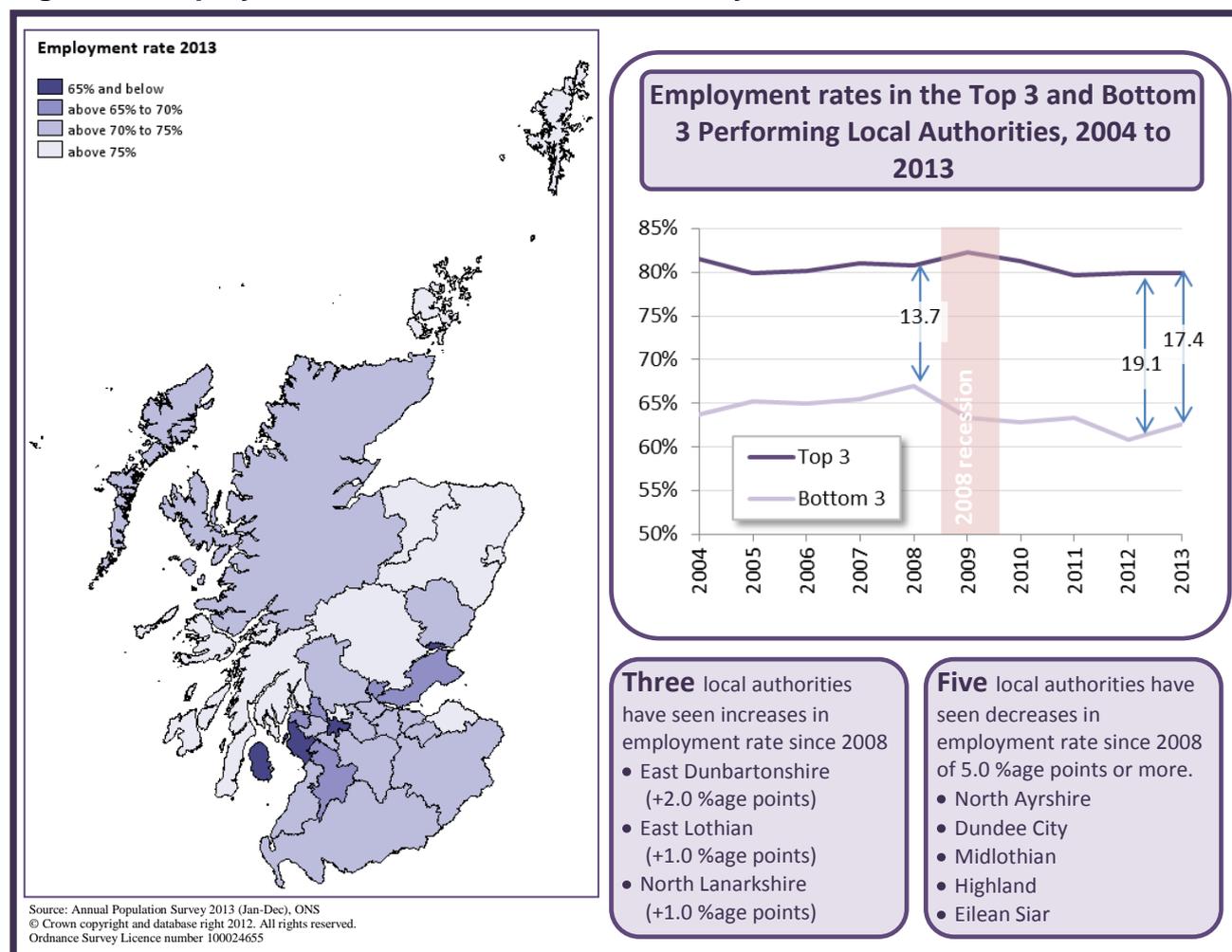
Figure 1 gives an overview of the composition of those aged 16 and over who were resident in Scotland and in employment during January to December 2013.

³ <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm:77-21859>

Local area and sub-group analysis

Employment Rate

Figure 2: Employment rates across Local Authority areas, Scotland 2004-2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

Based on the APS, the employment rate (for those aged 16-64) in Scotland increased over the year by 0.3 percentage point to 71.0% in 2013, while the rate in the UK increased by 0.7 percentage points to 71.3%. Since the 2008 recession, the rate in Scotland has decreased by 2.6 percentage points, a larger decrease than the 0.7 percentage points seen in the UK.

Across the local authority areas of Scotland in 2013:

- The highest employment rates were seen in Shetland Islands, Orkney Islands, and Moray (83.2%, 81.0% and 78.8% respectively)
- The lowest rates were seen in North Ayrshire, Dundee City and Glasgow City (60.1%, 61.4% and 63.3% respectively)
- There are some signs of a geographic trend, with local authority areas in the north generally fairing best, and those in western central belt and south west of Scotland generally fairing worst.

Over the year:

- Employment rates increased in 20 out of 32 local authority areas in Scotland.

- The largest increases were in Argyll and Bute, Inverclyde and Stirling (up 4.6, 4.3 and 3.9 percentage points respectively)
- The largest decreases were in Dundee City, South Lanarkshire and Midlothian (down 3.9, 3.6 and 2.9 percentage points respectively)

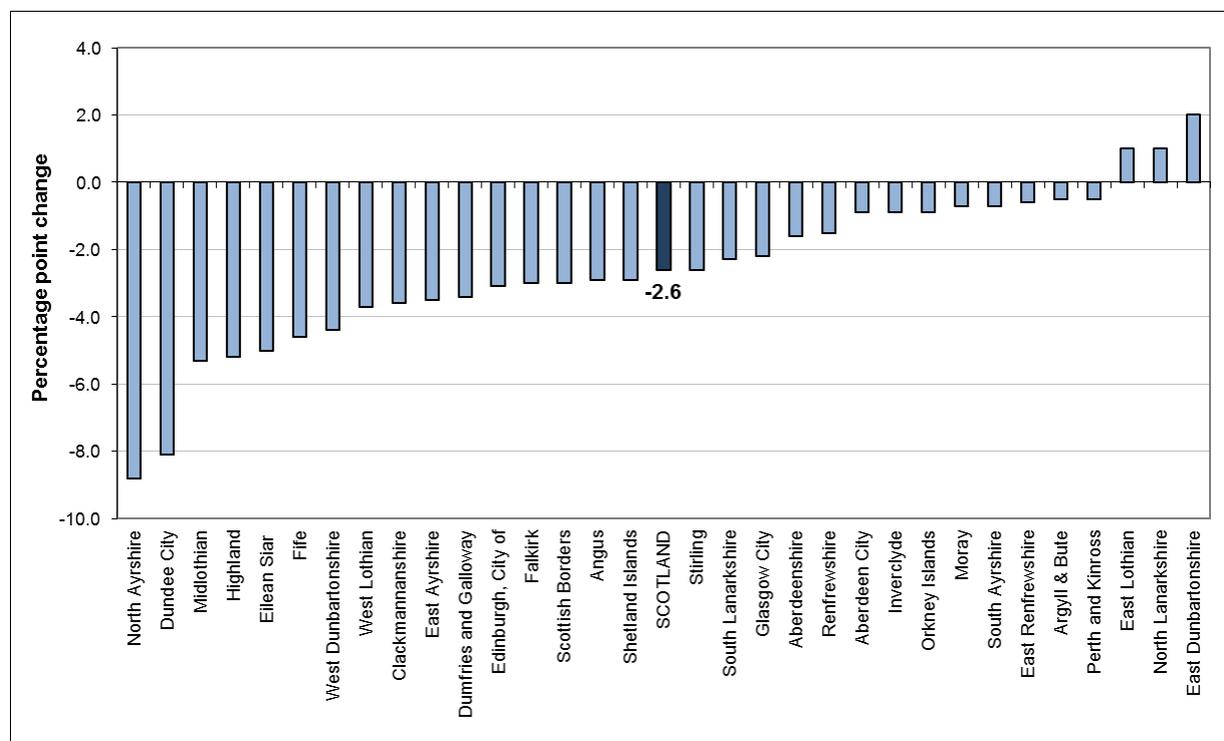
Since the 2008 recession:

- Employment rates have decreased in all but 3 local authority areas in Scotland.
 - Increases were only seen in East Dunbartonshire, East Lothian and North Lanarkshire (up 2.0, 1.0 and 1.0 percentage points respectively)
 - The largest decreases were in North Ayrshire, Dundee City and Midlothian (down 8.8, 8.1 and 5.3 percentage points respectively)

Table 1 in Annex A gives the employment rate for the population aged 16 to 64 in Scotland’s local authorities for 2008, 2012 and 2013. A time-series back to 2004 can be obtained from the web-tables at:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/Local-Authority-Tables>

Chart 1: Employment rates (16-64) by local authority, Scotland, change since 2008



Source: Annual Population Survey, Jan-Dec 2013, ONS

Cohesion

The APS is used to measure progress against the Government’s Cohesion target, which aims to narrow the gap in participation between Scotland’s best and worst performing regions by 2017. Further information on this and other purpose targets and indicators that use the APS to track their progress is available in Annex B and also from the Scotland Performs website at:

<http://www.scotland.gov.uk/About/scotPerforms>

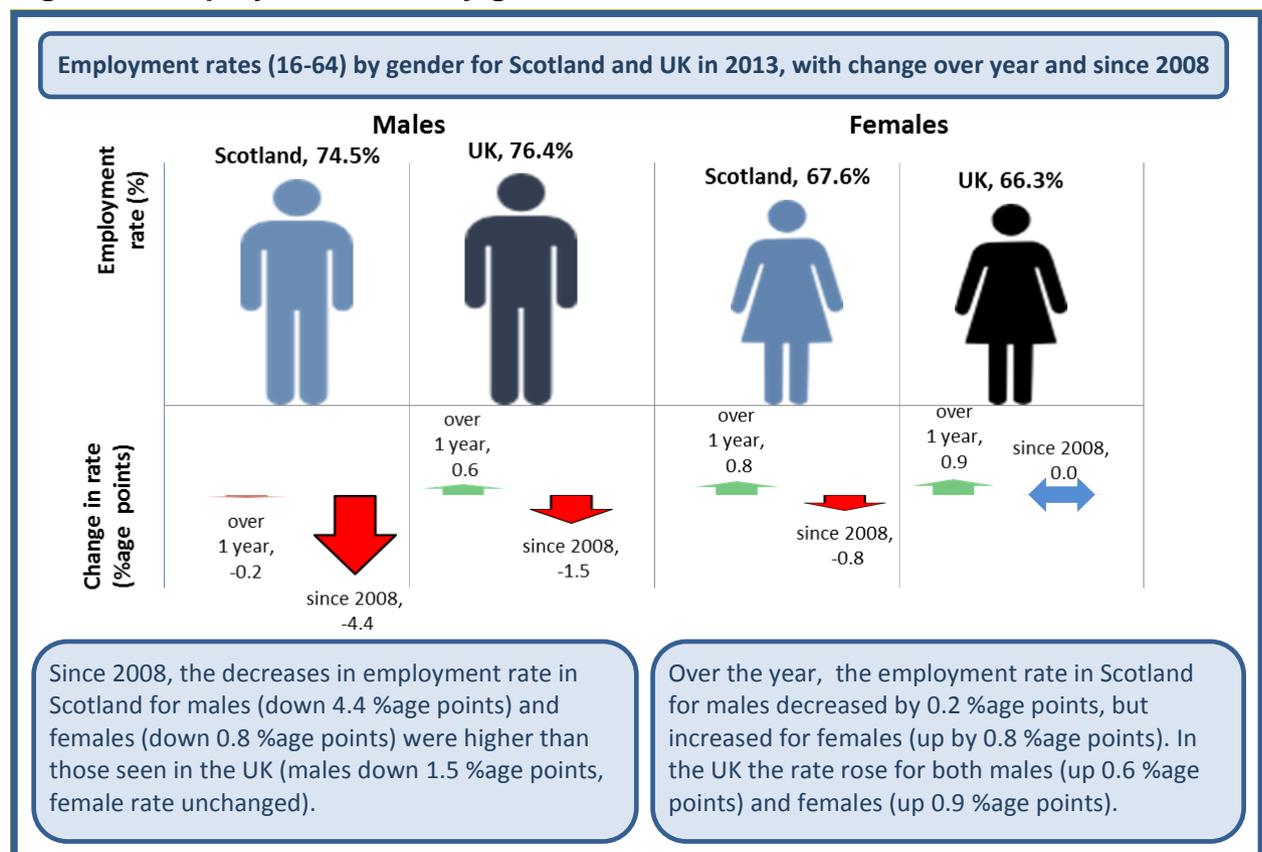
The employment rate in Scotland varies considerably between local authority areas. The gap in employment rates between the top three and bottom three local authorities decreased by 1.7 percentage points between 2012 and 2013. This has been driven by an increase in the employment rate of the three worst performing areas (an increase of 1.7 percentage points over the year). The employment rate in the three best performing areas is unchanged over the year.

Over the past year, the employment rate in Glasgow increased by 3.6 percentage points, which had a relatively large impact on the overall employment rate of the three worst performing areas due to its size.

Over the longer term the difference in employment rates between the best and worst performing areas had reduced from 17.8% in 2004 to a low of 13.7% in 2008, but saw a sharp increase of 5.8 percentage points in 2009 as the impacts of the 2008 recession were seen. The gap reduced slightly between 2009 and 2011 (although these reductions were mainly due to decreases in the employment rates of the three best performing areas), but increased again in 2012. The 2013 data shows a reduction (1.7 percentage points) in the gap on 2012. These trends are illustrated in Figure 2

Analysis by gender

Figure 3: Employment rates by gender for Scotland and UK



Source: Annual Population Survey, Jan-Dec 2013, ONS

Figure 3 compares employment rates for males and females in 2013, showing change over both the year and since the 2008 recession.

- The employment rate for males has decreased more in Scotland than in the UK since the start of the recession in 2008.
- In 2008, the employment rate for males in Scotland (at 78.8%) was 0.9 percentage points higher than in the UK (77.9%), but in 2013 it was 1.9 percentage points lower.
- The employment rate for females has also decreased more in Scotland than in the UK since the start of the recession.
- However, the employment rate for females in Scotland has generally remained higher than in the UK, and in 2013 was 1.2 percentage points higher, although the gap has now halved since 2008.
- The employment level (16+) for females in 2013 was 1,198,500, up 15,800 over the year, and the highest level seen from the APS since April 2008-March 2009
- The employment level (16+) for males in 2013 was 1,282,800, down 2,100 over the year.

The areas with the highest male employment rates in 2013 were Aberdeenshire, Shetland Islands and Moray (86.9%, 85.7% and 82.6% respectively). The areas with the lowest male employment rates were Dundee City, North Ayrshire and Glasgow City (63.1%, 63.4% and 64.8% respectively).

The areas with the highest female employment rates in 2013 were Shetland Islands, Orkney Islands, and East Dunbartonshire (80.5%, 79.4% and 76.0% respectively). The areas with the lowest female employment rates were North Ayrshire, Clackmannanshire and Dundee City (57.2%, 58.4% and 59.7% respectively).

Over the year:

- The employment rate for males in Scotland reduced by 0.2 percentage points to 74.5%, while females saw a 0.8 percentage point increase in their employment rate to 67.6%.
- The employment rate for males increased in 16 local authority areas, but decreased in 15, and one remaining unchanged. Females saw their employment rate increase in 19 local authority areas, with 12 areas seeing decreases, and one remaining unchanged.
- The largest decreases in the overall employment rate were seen in Dundee City, South Lanarkshire and Midlothian (3.9, 3.6 and 2.9 percentage points respectively). The changes in Dundee City and South Lanarkshire, except Midlothian, were driven by reductions in both the female employment rate (down 4.7 and 4.2 percentage points respectively) and the male employment rate (both down 3.0 percentage points). In Midlothian the change was mainly due to a decrease of 3.0 percentage points in the male employment rate.

Since the 2008 recession:

- The employment rate for males and females in Scotland reduced, although the decrease for males was larger (at 4.4 percentage points) than that for females (down 0.8 percentage points).
- The employment rate for males increased in 5 local authority areas, decreasing in the remaining 27. Females saw their employment rate increase in 9 local authority areas, with 21 areas seeing decreases, and 2 remaining unchanged.
- East Dunbartonshire saw the highest increase in the overall employment rate since the 2008 recession (up 2.0 percentage points). This was due to a rise in

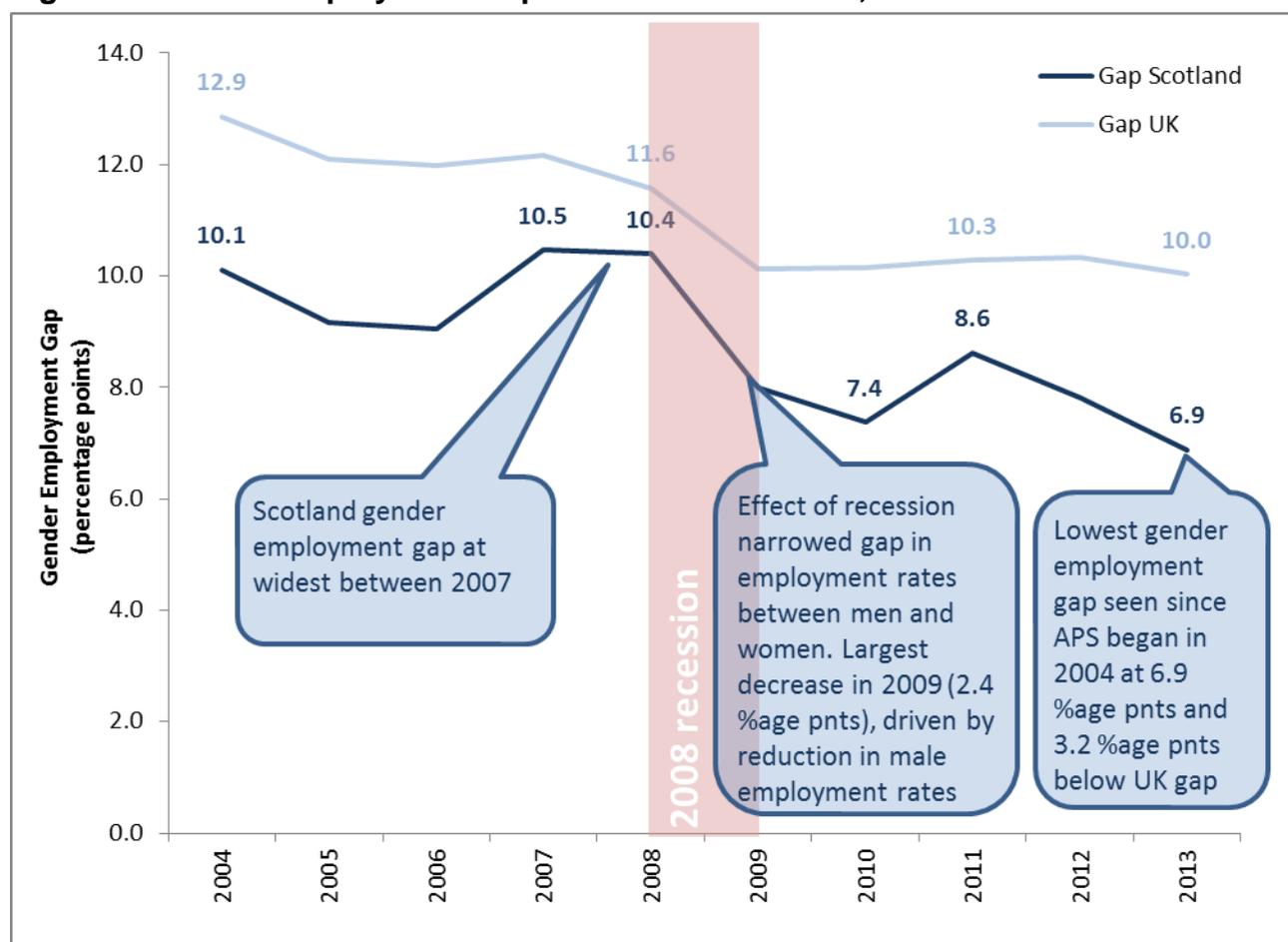
both the female employment rate (up 3.2 percentage points) and the increase the male rate (up 0.8 percentage points).

- The largest decreases in overall employment rates were seen in North Ayrshire, Dundee City and Midlothian. For North Ayrshire and Dundee City, larger reductions than the national average were seen in both their male and female employment rates, whereas in Midlothian the overall decrease was driven solely by greater reduction than the national average in the male employment rate.

Gender Employment Gap:

Figure 4 shows how the gender employment gap has changed over time in Scotland and the UK.

Figure 4: Gender Employment Gap for Scotland and UK, 2004 to 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

- The **gap between male and female employment rates in 2013 was 6.9 percentage points, the lowest seen since 2004** (when the APS started) and 3.2 percentage points lower than that in the UK as a whole.

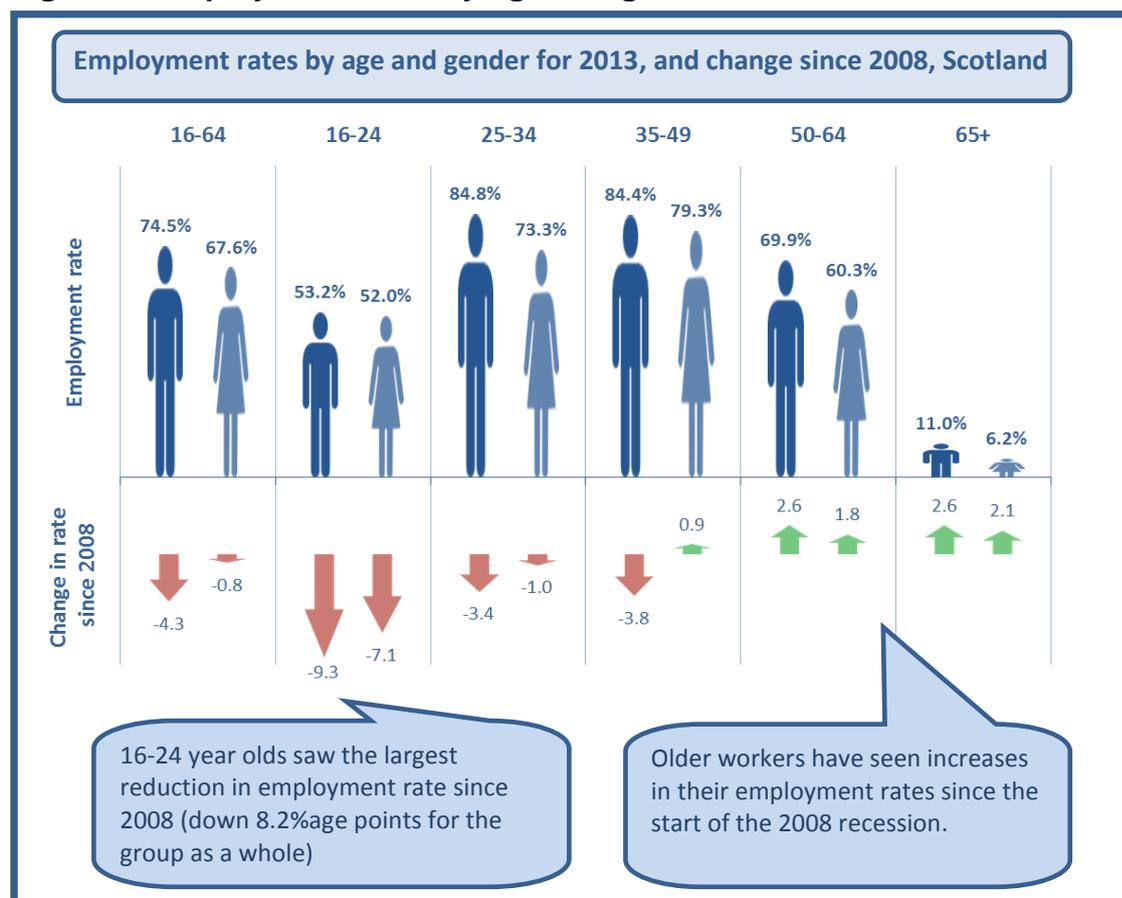
Employment levels and rates by gender for 2004 to 2013 are provided in the web tables.

Analysis by age group

Figure 5 compares the employment rates across age groups and gender in Scotland for 2013 and shows change since the start of the 2008 recession.

The lowest employment rates are seen by those aged 16-24, 50-64 and 65+. 16-24 year olds are more likely than other age groups to be in full-time education, whereas those in the 50-64 and 65+ age groups are more likely to be retired or long-term sick or disabled.

Figure 5: Employment rates by age and gender, Scotland



Source: Annual Population Survey, Jan-Dec 2013, ONS

Over the year:

- All age groups in Scotland saw small increases in their employment rates (between 0.1 and 1.0 percentage points) except for those aged 16-24, who saw a reduction of 0.6 percentage points in their employment rate.
- Those aged 50-64 saw the largest increase over the year, at 1.0 percentage points.
- The 16-64 rate increased marginally over the year by 0.3 percentage points.
- Due to the small sample sizes in many local authority areas when looking at employment rate split by age group, variability can be high and reliability of the estimates can be low. These estimates should be used with caution, but may

provide longer term indications of movement when examined over several years. Statistically significant⁴ changes seen over the year were:

- The increase for 16-24 year olds in East Renfrewshire (up 12.4 percentage points) and the increase for 16-24 year olds in Inverclyde and Stirling, both up 12.9 percentage points.
- The decrease for 16-24 year olds in Edinburgh (down 12.5 percentage points).
- The increase for 35-49 year olds in East Dunbartonshire (up 5.6 percentage points).
- The decrease for 35-49 year olds in Dundee (down 10.1 percentage points).

Since 2008:

- The employment rate for all age groups in Scotland decreased, except for those aged 65+, who saw a 2.4 percentage point increase in their rate. 16-24 year olds saw the largest decrease (down 8.2 percentage points), while the 25-34, 35-49 and 50-64 age groups saw decreases of 2.1, 1.4 and 0.3 percentage points respectively.
- Across all age groups, except older workers (50+), the changes in the employment rate since 2008 are larger for males than for females as illustrated in Figure 5. This may indicate a greater degree of stability in women's employment or that males (or the jobs they hold) react faster to changes in labour market conditions.
- Due to the small sample sizes in many local authority areas when looking at employment rate split by age group, variability can be high and reliability of the estimates can be low. These estimates should be used with caution, but may provide longer term indications of movement when examined over several years. Statistically significant³ changes seen since 2008 were:
 - The decreases for 16-24 year olds in East Ayrshire, Edinburgh, Fife, Glasgow City, North Ayrshire, North Lanarkshire and South Lanarkshire (down 13.8, 16.3, 11.8, 9.9, 14.1, 10.5 and 11.9 percentage points respectively).
 - The decreases for 25-34 year olds in Highland and North Ayrshire, (down 14.8 and 13.0 percentage points respectively)
 - The decreases for 35-49 year olds in Clackmannanshire, Dundee City and North Ayrshire (down 13.3, 17.9 and 7.2 percentage points respectively)
 - The increase for 35-49 year olds in East Renfrewshire and Orkney Islands (up 6.5 and 11.9 percentage points)
 - The increases for 50-64 year olds in East Lothian and Perth and Kinross (up 11.2 and 7.7 percentage points)

Further information for the 16-24 year old group is given in the Youth employment section below.

Employment levels and rates by age for 2013 are provided in Table 2 in Annex A, with full time series data from 2004 to 2013 available in the web tables.

⁴ Refer to Annex D for further information on the meaning of statistical significance and how this is calculated. All references to statistically significant differences are based on a 95% confidence level..

Youth Employment (16-24 year olds)

Estimates of youth employment, unemployment and inactivity in Scotland are released on a monthly basis by the ONS. Secondary analysis from the Scottish Government and a link to the primary ONS regional analysis can be found on the Statistical Briefing section of the Labour Market Statistics section of the Scottish

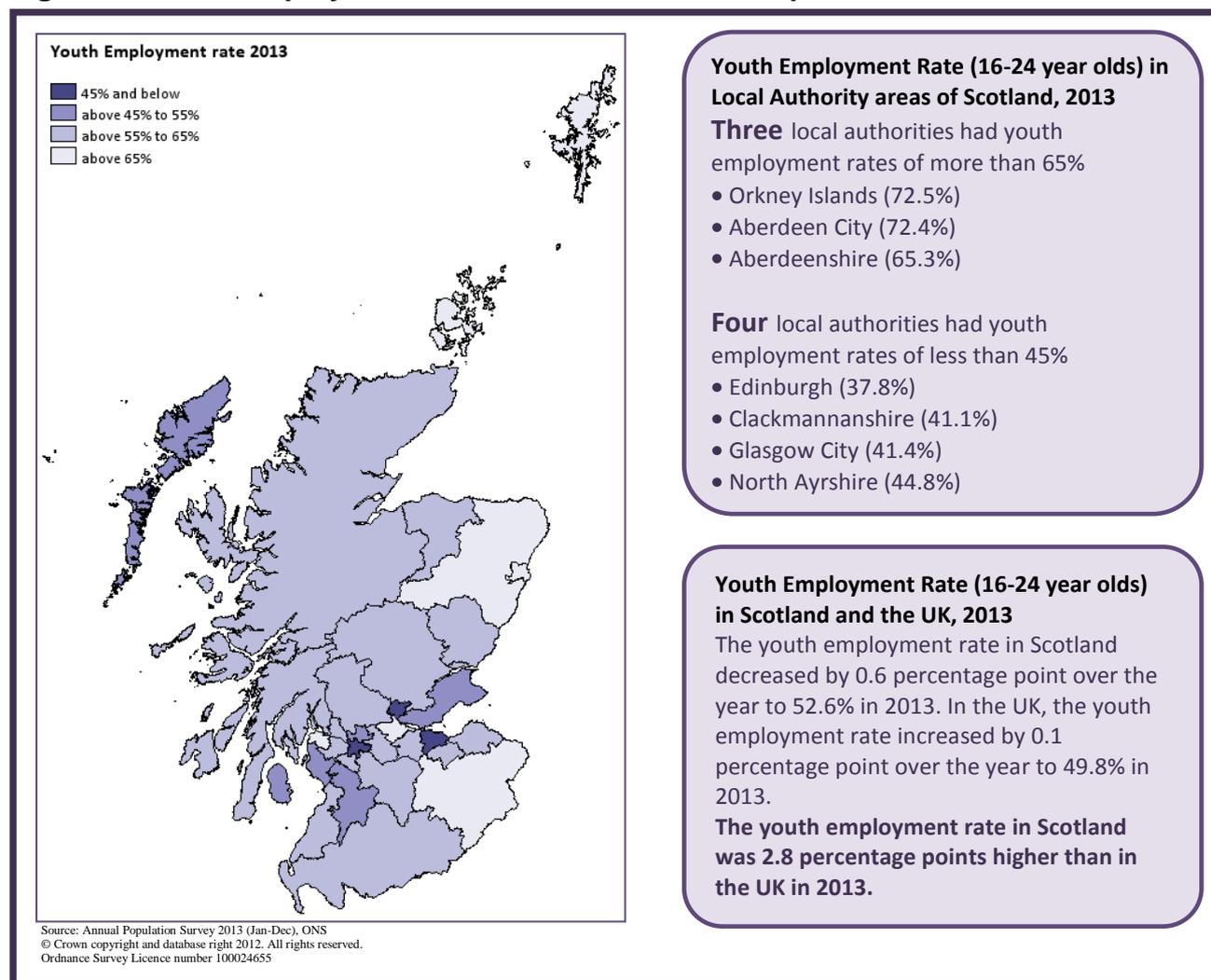
Government website:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/AnalyticalPapers#Youth Unemployment Publications and Briefing Papers>

These estimates are based on rolling quarterly Labour Force Survey (LFS) data. Due to relatively small sample sizes the LFS estimates cannot be broken down to give reliable youth employment estimates by local authority, occupation or industry. However, it is possible to produce this type of analysis using data from the APS.

The youth employment rate in Scotland decreased by 0.6 percentage point over the year; from 53.2% in 2012 to 52.6% in 2013. In the UK, the youth employment rate increased by 0.1 percentage point over the year to from 49.7% in 2012 to 49.8% in 2013. **The youth employment rate in Scotland was 2.8 percentage points higher than in the UK in 2013.**

Figure 6: Youth Employment across Scotland and compared to UK



Source: Annual Population Survey, Jan-Dec 2013, ONS

The largest decreases in youth employment rate over the year were seen in Edinburgh, Eilean Siar and Highland

- In Edinburgh this is being driven by an increase in the number of inactive students aged 16-24, up 1,300 from 25,100 to 26,400, which has increased the inactivity rate for 16-24 year olds in Edinburgh from 39.7% to 47.3% over the year.
- A similar effect has also been seen in Highland, where the number of inactive students aged 16-24 has increased by 800 from around 3,400 to 4,200, which has increased the inactivity rate for 16-24 years in Highland from 27.4% to 37.0% over the year.
- It is not possible to perform a similar analysis for Eilean Siar due to the small sample sizes and changes for many of the inactive groups over the year.

Note that in some local authorities there is a large student population which may be expected to lead to higher inactivity among 16-24 year olds and hence lower employment (and unemployment). 44% (260,000) of 16-24 year olds in Scotland were enrolled in full-time education, slightly higher than in the UK (43%). It is important to note that 32.5% of these full-time students in Scotland were also in employment in 2013 (down 1.6 and 8.1 percentage points over the year and since 2008 respectively). This is higher than the percentage in the UK as a whole, where 25.6% of full-time students were also in employment in 2013 (down 0.5 and 6.6 percentage points over the year and since 2008 respectively). Due to sample size limitations it is not possible to look at local authority employment rates by enrolment in full-time education.

Analysis by disability

Disability analysis is not possible from the APS Jan-Dec 2013 dataset due to significant changes to the disability related questions in the LFS survey in the April-June 2013 quarter. These changes are intended to reflect the respondent's ability to carry out day-to-day activities while taking medication, whereas previously, the question was considered for the situation where the respondent did not take medication. Further analysis will be released once a dataset with a consistent set of questions is available for the full year. Further information is available [here](#).

Analysis by qualification level

There is a strong link between educational attainment and employability. As shown in Figure 7, employment rates in Scotland for those whose highest qualification was HNC/HND or above (SVQ 4 or equivalent and above) in 2013 were almost double those whose highest qualifications were General Standard Grade or lower (Below SVQ level 2 or equivalent) and just over 13 percentage points higher than those whose highest qualifications were Higher, A-Level or Credit Standard Grade or equivalent (SVQ 2 or 3 or equivalent).

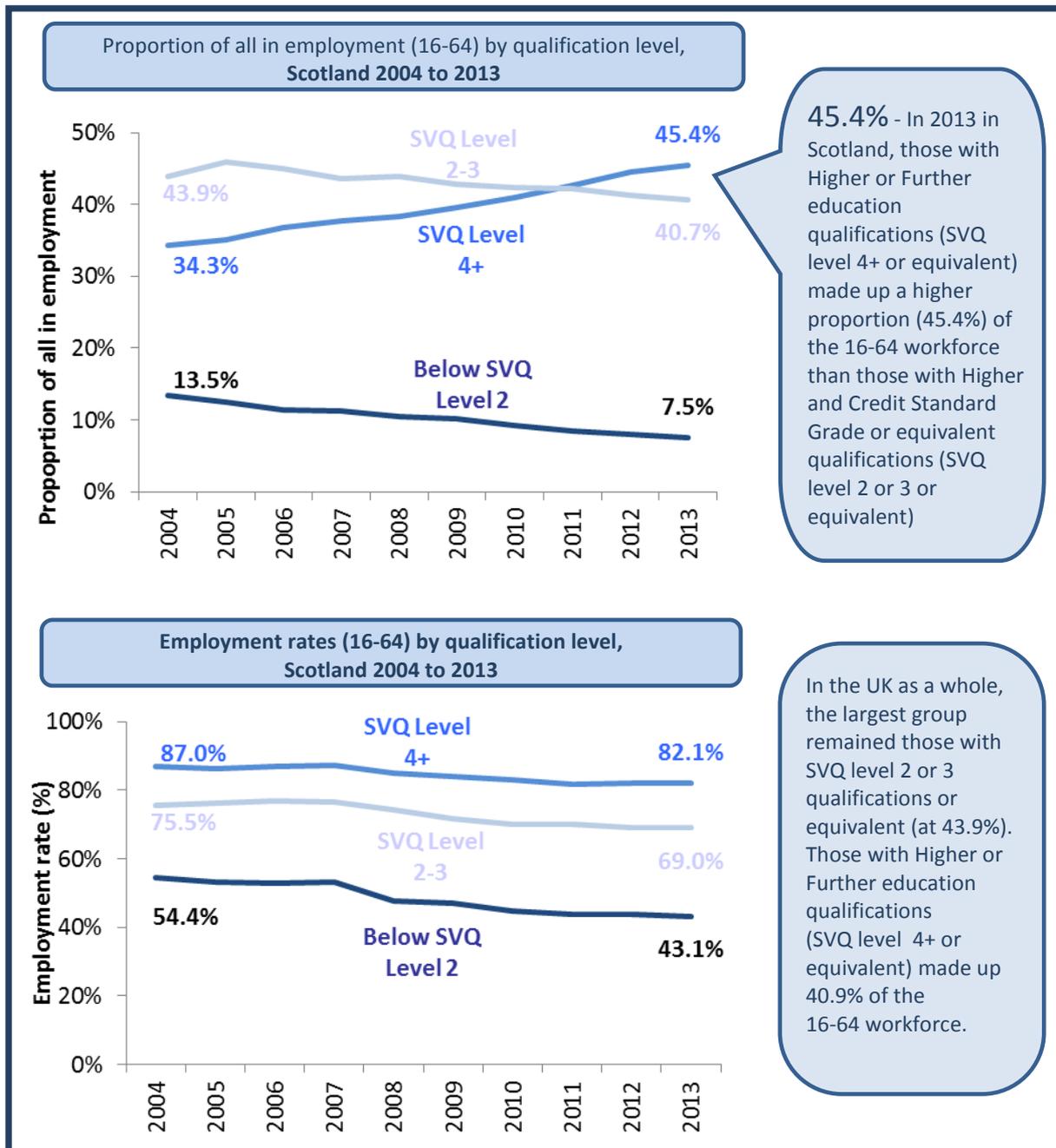
Examining the trends at Scotland level, it can be seen that employment rates across all qualifications levels have been generally flat or decreasing since 2007, but that:

- The proportion of all those aged 16-64 in employment whose highest qualification was HNC/HND or higher (SVQ level 4 and above or equivalent) has increased steadily each year since 2004.
- Those with SVQ level 4 qualifications and above (or equivalent) are now the largest group within the workforce in Scotland, accounting for 45.4% of the

working population aged 16-64, compared to 40.7% for those whose highest qualifications were Higher, A-Level or Credit Standard Grade or equivalent.

- In the UK as a whole those with Further or Higher Education qualifications accounted for 40.9% of the working population aged 16-64, while those with Higher, A-Level or Credit Standard Grade or equivalent was the largest group accounting for 43.9%.

Figure 7: Employment (16-64) by qualification level, Scotland



Source: Annual Population Survey, Jan-Dec 2013, ONS

The proportion of those in employment with qualifications below SVQ Level 2 or equivalent have decreased steadily since 2004 from 13.5% (a level of 322,200) to 7.5% in 2013 (a level of 181,500). However, over this period their employment rate has also dropped from 54.4% to 43.1%. Although the number of people in Scotland (16-64) who have qualifications lower than SVQ 2 or equivalent has decreased by

29% since 2004, the number in this group who are employed has decreased at a faster rate (43.7%) reflecting the increased difficulty that those in this group have in securing employment in competition with those with higher qualifications.

Employment levels and rates by qualification levels for 2013 are provided in the web tables.

Graduates

For the purposes of this chapter, a 'graduate' is defined as a person with a degree-level qualification or higher. The analysis focuses on those aged 25-64 as many young people under 25 may still be working towards a degree level qualification.

Table 3 in Annex A shows graduates as a proportion of those in employment by local authority of residence. Graduates as a proportion of those in employment continued to increase steadily during the economic downturn, from 25.1% in 2008 to 31.6% in 2013.

Interpreting this measure at local authority level is more difficult due to the links with employment and commuting patterns. We would expect to see relatively high percentages in local authorities with high numbers of graduate level jobs (i.e. cities) and in any neighbouring local authorities with good commuting links.

- All the city authorities had relatively high proportions of graduates.
- Edinburgh, East Dunbartonshire and Glasgow City had the highest proportions of graduates in 2013 (49.9%, 45.6% and 42.6% respectively).
- North Ayrshire, Orkney Islands and North Lanarkshire also had the lowest proportions of graduates in 2013 (17.2%, 19.0% and 19.7% respectively).
- All authorities have seen their proportion of graduates increase since 2008, with the exception of East Renfrewshire, which has seen a decrease of 1.4 percentage points. Glasgow City has seen the largest increase in proportion of graduates since 2008 of 14.3 percentage points from 28.3% in 2008.

Taking account of the trends in Table 3 and the web-table for employment rates by qualification level, it can be seen that:

- The number of graduates in employment has continued to rise each year since 2004. In 2013 there were 703,700 graduates aged 16-64 in employment in Scotland, up 17,500 compared to 2012.
- The employment rates for graduates in 2012 was 84.2%, 2.1 percentage points **lower** than in 2008, but **up** just 0.4 percentage point over the year.
- Graduates, similar to those with other qualification levels, have found it more difficult to obtain employment since the recession, but graduate employment rates are still higher than those for all other qualification levels.

Modern Apprentices (MA)

In 2013, the employment rate for all adults holding any apprenticeship qualification (including traditional, trade or MA) in Scotland was 80.4%, 9.4 percentage points higher than the overall rate in Scotland. For those holding a Modern Apprentice⁵ qualification, the employment rate was 91.1%, just over 20 percentage points higher

⁵ Modern Apprenticeships include foundation, advanced and Level 4 and 5 apprenticeships. The estimate given relates only to those who started their apprenticeship in the year 2000 or later.

than the overall Scotland rate. (Note that due to changes in the LFS questionnaire, this estimate is based only on those who started their apprenticeships in the year 2000 or later).

Occupational Skill Level (SOC 2010 Classifications)⁶

The ONS defines occupational skill levels using the following criteria:

Box 1 – Occupational Skill Levels

Skill levels are approximated by the length of time deemed necessary for a person to become fully competent in the performance of the tasks associated with a job. This, in turn, is a function of the time taken to gain necessary formal qualifications or the required amount of work-based training.

Low Skill - requires a general education, signalled via a satisfactory set of school-leaving examination grades.

Typical low skill occupations include: elementary personal service occupations (e.g. bar staff, waiters/waitresses) and elementary cleaning occupations.

Medium-Low Skill - requires knowledge provided via a good general education as above, but will typically have a longer period of work-related training or work experience.

Typical medium-low skill occupations include: sales assistant, retail cashier and healthcare/personal service occupations (e.g. auxiliary nurse, home carer).

Medium-High Skill - requires a body of knowledge associated with a period of post-compulsory education but not to degree level.

Typical medium-high skill occupations include: health associate professional occupations (e.g. nurse, midwife, paramedic) and construction trades.

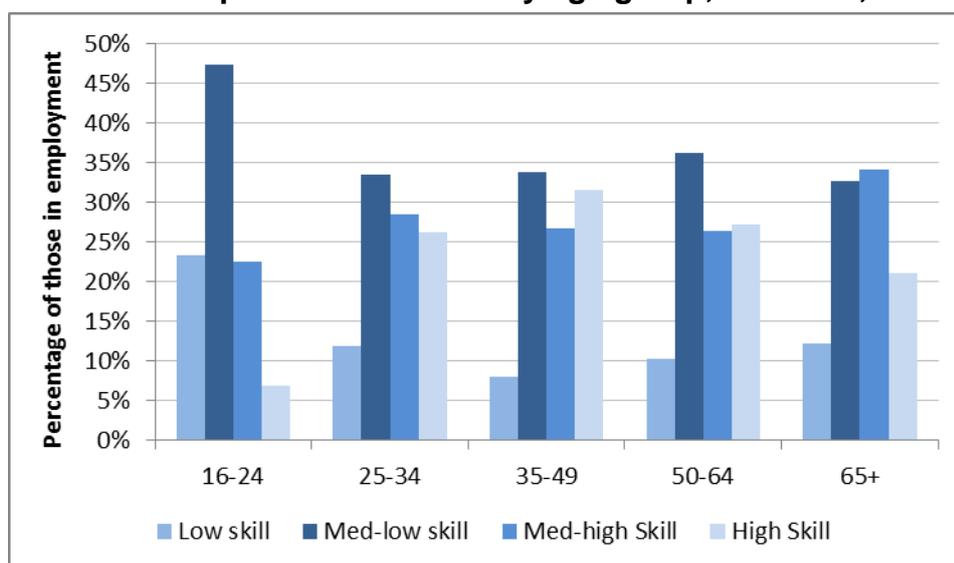
High Skill - requires a degree or equivalent period of relevant work experience.

Typical high skill occupations include: teaching and functional management (e.g. in finance, marketing, public relations, personnel or information technology).

⁶ The Standard Occupation Classification (SOC) 2010 is the latest revision of occupational classification. It accounts for changes in the occupational structure of the workforce and redefines managers in line with the classification more commonly used internationally. Further information and assessments of impacts of the change in classification is available at <http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/soc2010/index.html>

The occupational skill distribution for each of the key age groups in Scotland is shown in Chart 2 below.

Chart 2: Occupational skill level by age group, Scotland, 2013

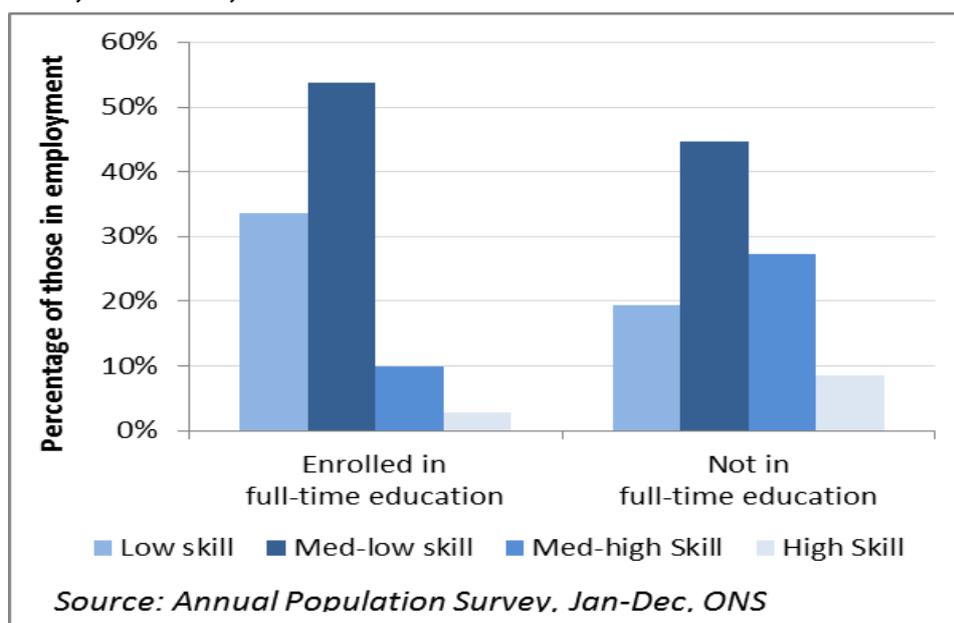


Source: Annual Population Survey, Jan-Dec 2013, ONS

Referring to Chart 2, it can be seen that:

- Distributions are broadly similar across the key age groups.
- About two-thirds of all employees are in medium-low and medium high skilled occupations and a minority (just over 10%) are in low skilled occupations.
- Distribution for the 16-24 year old age group is different.
 - Relatively low percentage of employees in high skill jobs (7%) .
 - Relatively high percentage in low and medium-low skill jobs (23% and 47% respectively).

Chart 3: Occupational skill level by enrolment in full-time education, 16-24 year olds, Scotland, 2013



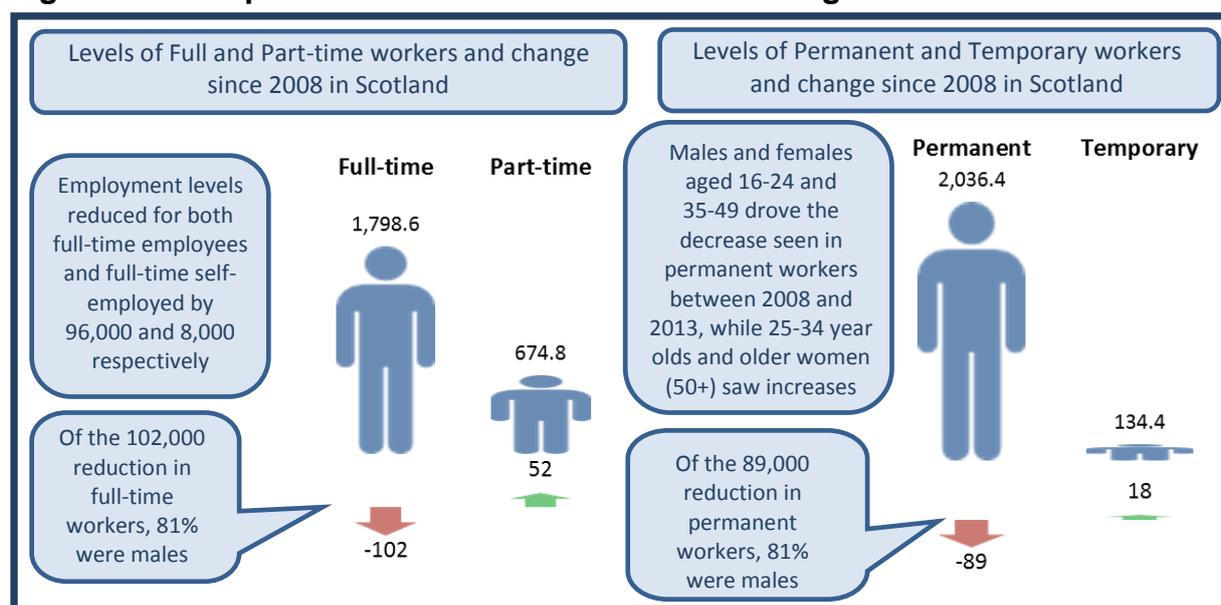
The different distribution for 16-24 year olds may be explained by the fact that it takes time to acquire the relevant qualifications and experience required for high skill occupations. Comparing the occupational skills distribution for the 16-24 year old age group based on whether they are currently enrolled in full-time education or not, highlights some interesting differences as illustrated in Chart 3. The percentage in low and medium-low skill occupations is higher for those enrolled in full-time education, whilst the percentage in medium-high and high skill occupation is lower. Regardless of whether they are enrolled in full-time education or not, young people are most likely to be employed in elementary occupations (kitchen/catering assistants and waiters/waitresses) or sales and customer service occupations. These two occupational groups account for over two-thirds of all employed young people who were in enrolled in full-time education, but just under two-fifths of those not enrolled in full-time education. In addition, the majority (around 90%) of those working young people enrolled in full-time education were employed on a part-time based (to fit around study), compared to about a quarter of those of those not enrolled in full-time education. Those working alongside study are therefore likely to be low-skill choose jobs that have the flexibility to fit around their education and study requirements, but they may still develop some valuable work experience for future careers.

Although the shape of these distributions have been broadly consistent over recent years, examining the decrease in employment levels for 16-24 year olds between 2008 and 2012 shows that:

- Almost all of the decrease was accounted for by those not in full-time education (down 49,200 since 2008, an 18% decrease in level).
- This was mainly due to decreases in employment in medium-low skill occupations (down 30,200, a decrease of 23% in level) and medium-high skill occupations (down 17,100, a decrease of 22% in level).
- In contrast, the employment levels for all 16-24 year olds enrolled in full-time education decreased by 10,400 (a reduction of 11% in level) over the same period.

Work Patterns

Figure 8: Work patterns in Scotland in 2013 and changes since 2008



Source: Annual Population Survey, Jan-Dec

The 2008 recession and subsequent slow recovery has changed the working patterns of many in employment in Scotland.

- In 2013, 72.7% of people in employment (aged 16+) were working full time⁷, compared to 75.3% in 2008 (down 2.6 percentage points). The proportion in part-time employment has risen from 24.7% in 2008 to 27.3% in 2013.
- The number of males working full-time in Scotland was just over 1.11 million. The proportion of males in full-time employment was up by 0.4 percentage points over the year to 87.0% but down 3.0 percentage points since 2008.
- The number of females working full-time in Scotland was just over 685,000. The proportion of females in full-time employment in 2013 was 57.4%, up by 1.0 percentage points over the year but down 1.6 percentage points since 2008.
- Stirling, South Lanarkshire and Glasgow City have seen the largest decreases in their proportions of full-time workers since 2008 (down by 6.1, 5.9 and 5.8 percentage points respectively).
- Eilean Siar, Aberdeen City and East Renfrewshire have seen increases in their proportion in full-time work since 2008 (up 4.3, 3.1 and 0.1 percentage points respectively). All other authorities have seen decreases since 2008.

Levels of self-employment had been rising very gradually in Scotland between 2004 and 2010, but rose more rapidly in 2011 and 2012. In 2013, the level of self-employment dropped back to a level similar to that seen in 2011.

- At the start of the recession in 2008, 268,500 (10.6%) of the 16+ workforce were self-employed.
- By 2012, the level of those self-employed had increased to 301,700 (12.2%), but over the year to 2013 their levels have decreased by 15,800 to 285,900.
 - This was dominated by a decrease in male full-time self-employment, although male part-time self-employment levels also decreased. In contrast, full and part-time self-employment levels for females were almost unchanged over the year.
- By comparison, the level of 16+ employees has decreased from 2,242,600 in 2008 to 2,172,000, a decrease of 70,600.
- Since the recession, the proportion of the workforce who were self-employed has increased in 22 of Scotland's local authority areas, and decreased in the remaining 8 areas.
 - The largest increases in the proportion who were self-employed were seen in Highland, Orkney Islands and Midlothian (up 4.9, 4.9 and 4.4 percentage points respectively).
 - The largest decreases were seen in Moray, Dundee City and North Lanarkshire (down 2.8, 2.6 and 2.3 percentage points respectively).

Levels and percentages for full-time/part-time employment, self-employment and workers with second jobs at Local Authority level are available in the web tables.

⁷ Distinguishing between full-time and part-time working: Respondents to the Labour Force Survey are asked to self-classify their main job as either full-time or part-time. However, people on government supported employment and training programmes that are at college in the reference week are classified, by convention, as part-time. In employer surveys, jobs are generally classified as being full-time if the contracted hours of work are more than 30 hours per week.

As well as examining the overall employment rate and people's working patterns, it is useful to look at those who are underemployed: that is, those who are already in employment, but who would prefer to work more hours than they actually do (see Box 2 for full definition). Underemployment can provide an indication of underutilisation of labour. The term "underemployment" is also used to refer to an under-utilisation of skills, however, this is not simple to measure and views of this type of underemployment may differ between employer and employee. At present, the LFS does not directly gather any information on skills related underemployment.

Box 2 – Definition of underemployment

Underemployment includes all employed persons aged 16 and over who during the reference week were willing to work additional hours, meaning that they:

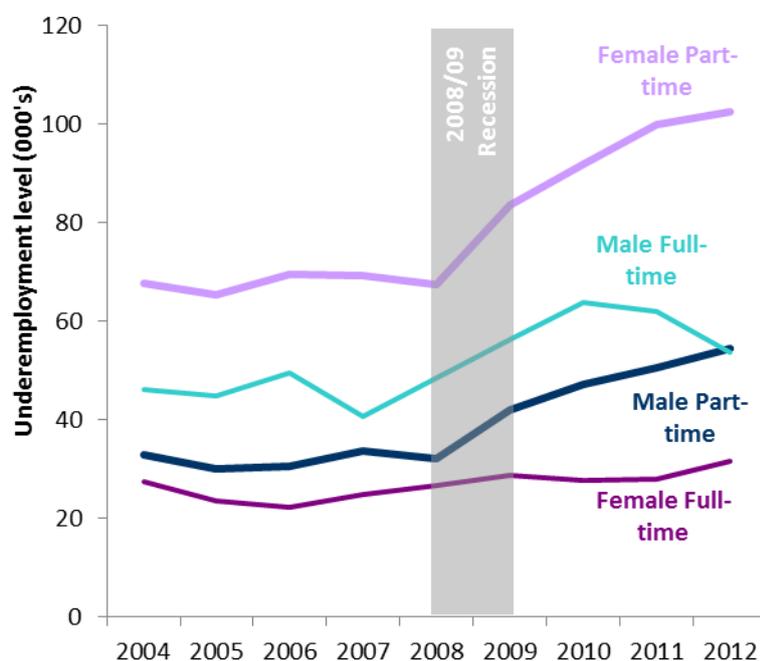
- ◆ wanted another job in addition to their current job(s), or
- ◆ wanted another job with more hours instead of their current job(s), or
- ◆ wanted to increase the total number of hours worked in their current job(s).

Using the definition in Box 2:

- In 2013 there were 234,100 workers who were underemployed (down 9,300 over the year), 9.6% of all employed people over 16 (down 0.4 percentage points over the year).
- The underemployment level has increased by 59,600 since 2008, while the underemployment rate⁸ increased by 2.6 percentage points over the same period.
- Over the year, the underemployment rate for 16-24 year olds decreased by 10,100 (2.6 percentage points).
- Underemployment rates are generally higher for women (this reflects the higher prevalence of part-time work amongst women). In 2013, the underemployment rate for men was 9.0% - up 2.9 percentage points since 2008 – while the rate for women was 10.1% - up 2.2 percentage points since 2008.

⁸ Underemployment rate = Level of those aged 16+ underemployed / Level of 16+ in employment

Chart 4: Underemployment levels by gender and work patterns, Scotland, 2004 to 2013



Source: Annual Population Survey, Jan-Dec, ONS

Chart 4 shows notable changes in underemployment levels between 2012 and 2013 compared with the trend seen since the recession in 2008. Female part-time underemployment in particular fell sharply between 2012 and 2013, down 11,700 (2.1 percentage points). For full-time male workers, the level of underemployment increased by 6,000 (0.5 percentage points) between 2012 and 2013, while the level of female full-time underemployment decreased by 3,000 (0.6 percentage points).

Underemployment data for those aged 16 and over for each local authority in Scotland are given in Table 4 in Annex A. A full time-series back to 2004 is provided in the web tables

Employment by Industry and Sector

Analysis by Industry - Standard Industrial Classification (SIC) 2007

Note that the preferred source for industry employment estimates at local authority level is the Business Register Employment Survey (BRES). Due to the way social surveys and business surveys are collected, there will be differences in estimates from the APS and BRES (industry sector is self-classified in the APS). The latest BRES data for Scotland's Local Authorities is available at:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/DatasetsEmployment>

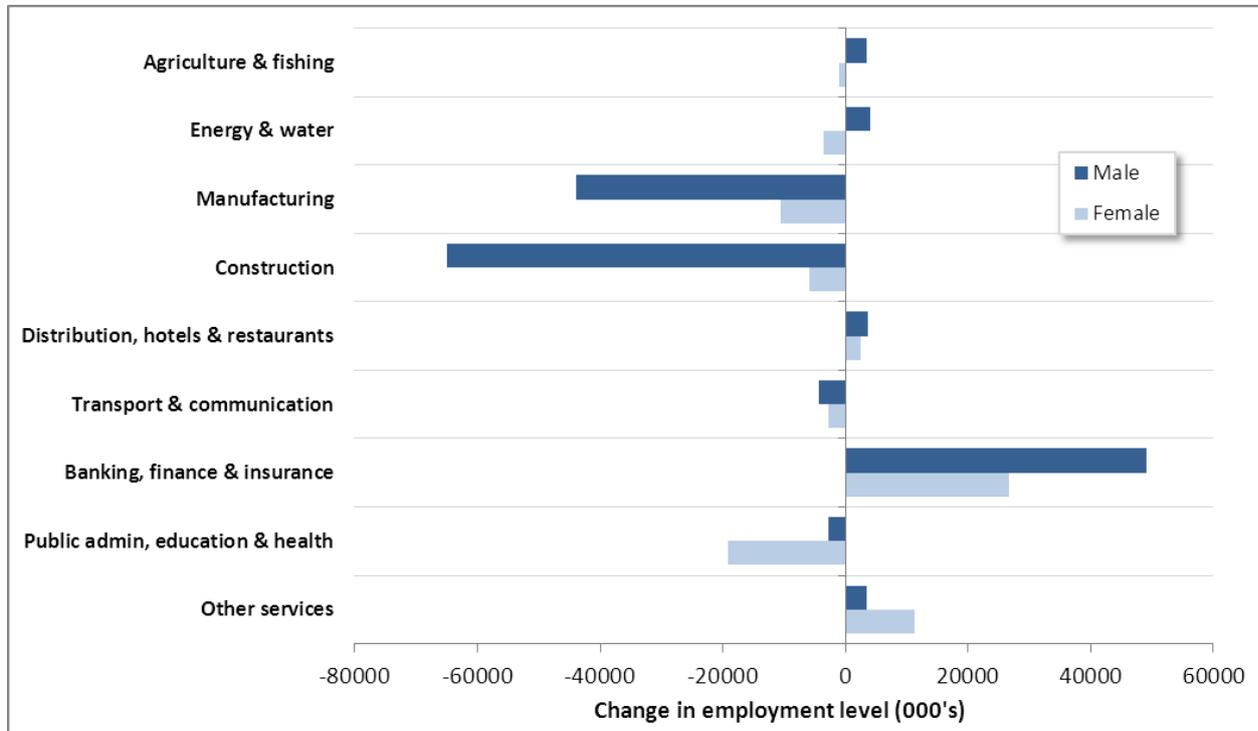
Based on the APS, in Scotland in 2013:

- The largest industry was 'Public administration, education and health', employing 31.2% of all workers. **Note that this is not equivalent to the Public Sector.**
- The smallest industry was 'Agriculture and fishing' with 1.7% of total employment.
- Over the year there have been no statistically significant⁹ changes in the proportions employed within each industry sector.

⁹ Refer to Annex D for further information on the meaning of statistical significance and how this is calculated. All references to statistically significant differences are based on a 95% confidence level.

- Since 2008, there have been statistically significant changes in the proportions employed within 'Manufacturing' (down 1.9 percentage points), 'Construction' (down 2.7 percentage points), 'Banking, finance and insurance' (up 3.3 percentage points) and 'Other services' (up 0.7 percentage points). Chart 5 illustrates these changes broken down by gender.

Chart 5: Change in the percentage employed within each industry sector between 2008 and 2013 by gender, Scotland



Source: Annual Population Survey, Jan-Dec 2013, ONS

- The majority of the change seen in the 'Manufacturing', 'Construction' and 'Banking, finance and insurance' since the start of the recession in 2008 were due to changes in the number of male workers, whereas, the majority of the change seen in 'Other services' sector since the start of the recession in 2008 was due to changes in the number of female workers.

Impact at Local Authority area level between 2008 and 2013:

- The national reduction in 'Manufacturing' was driven by reductions in Fife, Glasgow and South Lanarkshire (down 8,700, 7,700 and 6,100 respectively), which, combined, accounted for just over 40% of the decrease in this sector.
- The largest declines within the 'Construction' sector were seen in Glasgow and Edinburgh (down 10,400 and 8,600 respectively). However, decreases of over 1,000 were seen in 22 areas during this period, indicating a widespread impact.
- Increases in the level of those employed in 'Banking, Finance and Insurance' within Glasgow City, Aberdeen City and Edinburgh (up 17,200, 7,400 and 7,400 respectively) together accounted for just over 40% of the total rise seen at national level in this sector.
- Glasgow City and Aberdeen City (up 5,800 and 3,900 respectively) and North Lanarkshire and Edinburgh (up 3,900 and 3,100 respectively) together accounted for almost all of the total increase seen in employment within 'Other Services'.

Employment data by industry for each local authority in Scotland is provided in the web tables.

Public, Private and Third Sector analysis

Note: There is a difference in headline Public/Private/Third sector employment levels reported in this section to those reported when looking at Public/Private sector only. This is mainly due to a small number of self-employed respondents being classified in categories which are public sector. However, these are correctly classified during the Public/Private only analysis.

Box 3 – Public Sector Employment

The official source for employment in the public sector at national & regional level is the Quarterly Public Sector Employment series (QPSE). This data is based on administrative data from the various government organisations and bodies that make up the public sector and is based on the National Accounts definition of the public sector.

Sources for QPSE in Scotland:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/TrendPublicSectorEmp>

The preferred source for estimates of public sector employment disaggregated by gender or age is the Annual Population Survey (APS). Where estimates are reliable, the APS can provide estimates of public/private sector employment by gender or age-group at local area level. However, it should be noted that due to self-classification, the APS tends to over-estimate the size of the public sector.

This is only the second time that this publication series has presented third sector workforce statistics alongside those for the private and public sectors and helps to place them in the context of the wider workforce figures. The great advantage of the APS data is that it provides a consistent time series since 2004 and provides data on the characteristics of those employed in the sector.

Box 4– Third sector workforce statistics

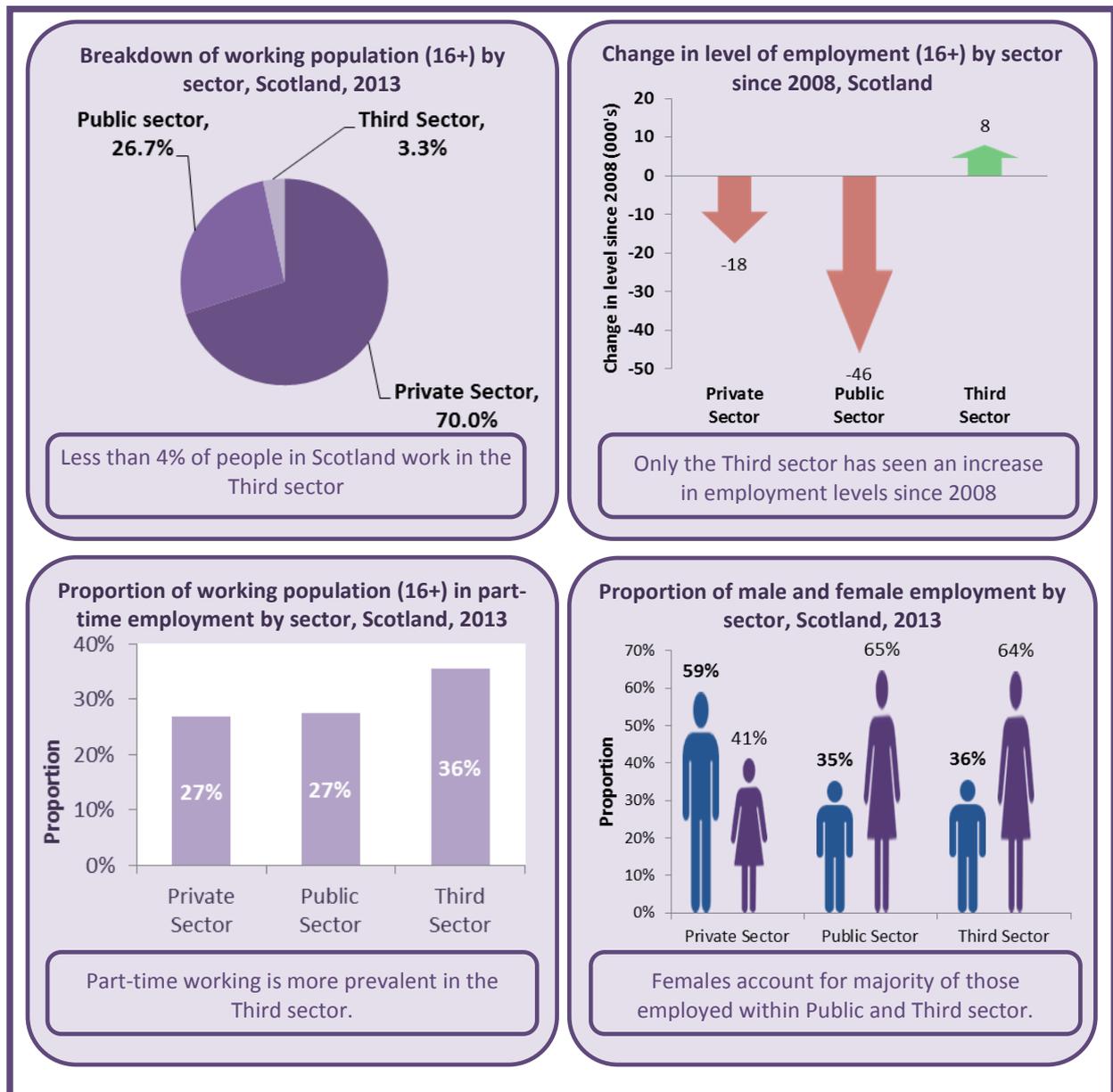
Estimates of the third sector workforce derived from the APS are generally lower than the estimates produced from other sources and methodologies, for a number of reasons:

- ◆ Estimates of the third sector workforce will depend on the definition of sector used. The APS definition of the third sector includes those that work in charities, private trusts, housing associations or other voluntary organisations. Due to the way the data is collected, these estimates will also include employees of Trade Unions. It does not include government funded bodies and agencies, such as National Museums and Art Galleries, or Churches.
- ◆ The APS data relates only to a person's main job therefore individuals who have a secondary job in the sector are not included in the estimate. Although the APS does collect some information about people's second jobs, it does not gather the information required to determine if these jobs are in the third sector.
- ◆ The APS relies on respondents self-reporting the type of organisation that they work for. It is possible that some respondents may be unsure about the definition of the organisation for which they work.
- ◆ The APS is a household survey. Estimates based on surveys of organisations are likely to include an element of double counting as they count the number of jobs rather than the number of workers, as workers may have more than one job in the sector.

Based on the APS for Jan-Dec 2013:

- The Private sector employed 69.6% (1,710,300) of the population aged 16+ in Scotland, with the Public sector employing 27.1% (665,000) and the Third sector 3.3% (81,700).
- Over the year, the only sector to experience increases in their levels of employment was the Private sector (up 18,000). Both Public and Third sector employment saw decreases to their levels of employment, by 500 and 3000 respectively. Decreases seen in the Third sector were driven solely by a fall in numbers of those in part-time employment (down 3,900).
- Since 2008, employment levels in both Public and Private sectors have decreased (down 56,800 and 16,300 respectively), while employment levels in the Third sector increased (up 7,800), with those in full-time employment making up the majority (just under two-thirds) of this rise.
- While the majority (59%) of those employed in the Private sector are males, females accounted for the majority (64%) of all those employed in both the Public and Third sectors.
- People employed in the Third sector are more likely to work part-time than in the Private or Public Sectors (36% of those employed in the Third sector, compared to around 27% for those employed in the Private and Public sectors).

Figure 9: Comparison of Public, Private and Third sectors

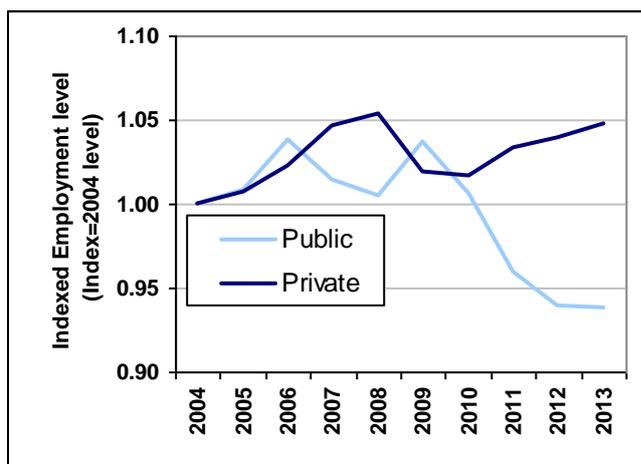


Source: Annual Population Survey, Jan-Dec 2013, ONS

Employment data by Public/Private/Third sector in Scotland is provided in the web tables.

Public/Private sector analysis

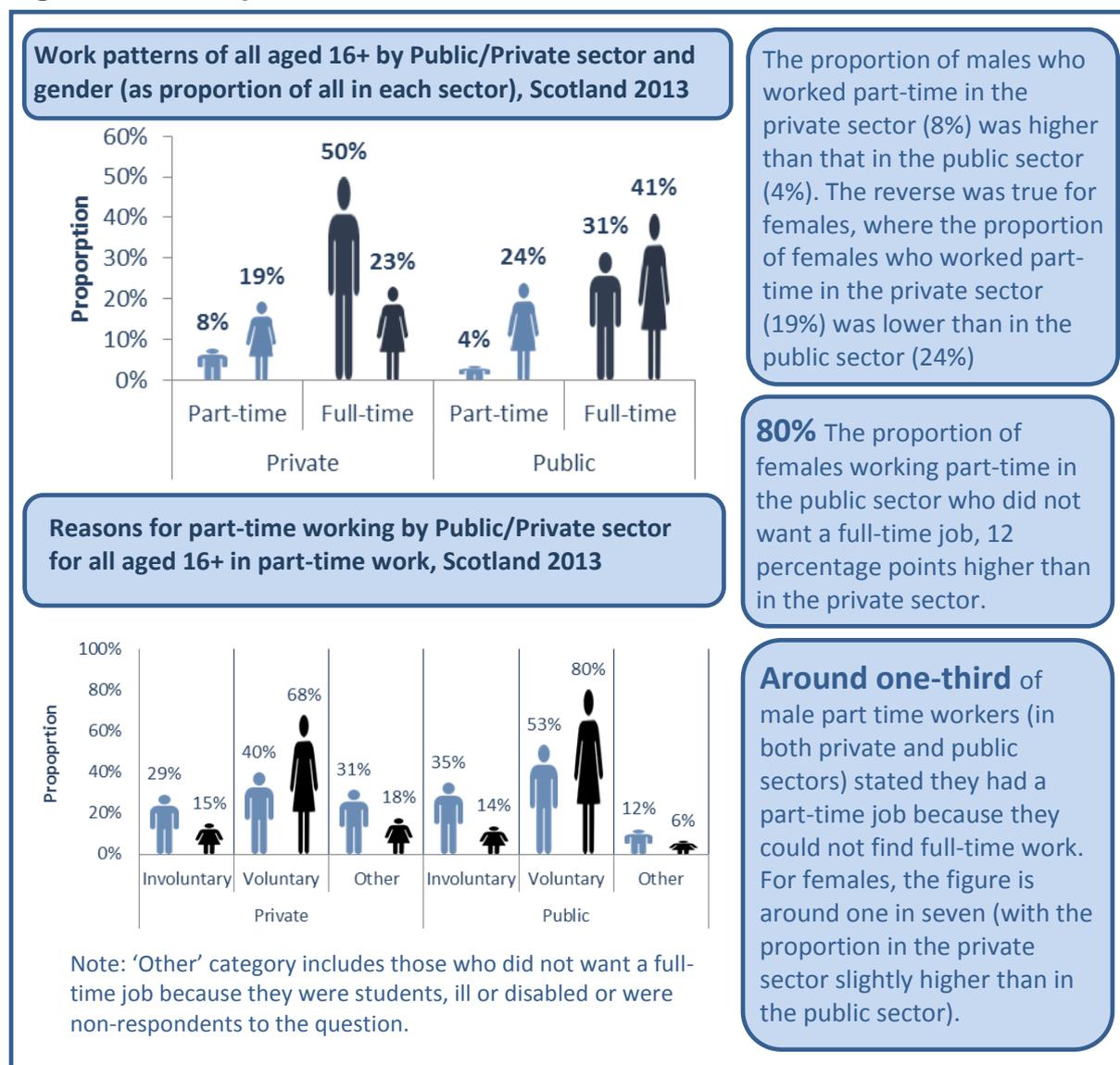
Chart 6: Public and Private employment levels (indexed to 2004), Scotland



Private sector employment decreased at a faster rate between 2008 and 2009, reacting more rapidly to the recession, whereas public sector employment did not start to decrease until 2009 to 2010. The latest data indicates that, although the level of private sector employment has not yet returned to its 2008 peak, its level now exceeds that in all other years since 2004. Public sector employment levels have continued to contract through 2013.

Source: Annual Population Survey, Jan-Dec, ONS

Figure 10: Work patterns in the Private and Public Sector, Scotland 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

Based on the APS for 2013, over the year, Public Sector employment levels decreased, while Private sector employment levels increased.

- The reduction in Public sector employment between 2012 and 2013 (down 600) is much lower than that seen in the previous three years, when decreases of greater than 10,000 were seen.
- **However, while the level for males working in the Public Sector has decreased by 4,900 over the year, females have seen their level increase by 4,400.**
- **Females accounted for just over two-thirds (10,600) of the 15,000 increase in Private sector employment.**

An analysis of working patterns within the Private and Public Sectors in 2013 is shown in Figure 10. This shows that:

- Part-time work is slightly more common for males working in the private sector, but for females part-time work is more prevalent in the public sector.
- Around 80% of women working part-time in the public sector were not looking for full-time work.
- Around one in three men who worked part-time (in both private and public sectors) were doing so as they could not find full-time work.

Over the year, there is considerable variation in the change in public and private sector employment levels for local authorities, with some areas seeing losses in both sectors, while others have seen increases in one sector, but decreases in the other.

- East Dunbartonshire, East Lothian, East Renfrewshire, Eilean Siar, Glasgow City, Inverclyde, Scottish Borders, Shetland Islands and Stirling all saw increases in both public and private sector employment levels.
- Glasgow City saw the largest combined increase in public and private sector employment (up 10,800).
 - Increases in public and private sector employment were driven by rise in female employment in both sectors. Public sector employment increased by 4,300, of which 60% was attributable to rise in the number of female employees (up 2,600). Similarly the 6,500 increase in private sector employment was dominated by a 5,000 rise in level for females (with the male level increasing by 1,500).
- Four local authorities (Dundee City, North Ayrshire, South Lanarkshire and West Dunbartonshire) saw decreases in the levels of both public and private sector employment.
- South Lanarkshire saw the largest combined decrease in public and private sector employment levels.
 - The decrease in public sector employment of 1,400 was solely as a result of 2,800 decrease in the level for females (with males increasing by 1,300). However the 3,700 decrease in private sector employment was dominated by a 3,000 reduction in the level for males (with a corresponding decrease in female level of 800).

Looking at the change in public and private sector employment since the start of the recession in 2008 shows a somewhat different picture, with both Public and Private sector employment having decreased (down 46,000 and 9,700 respectively).

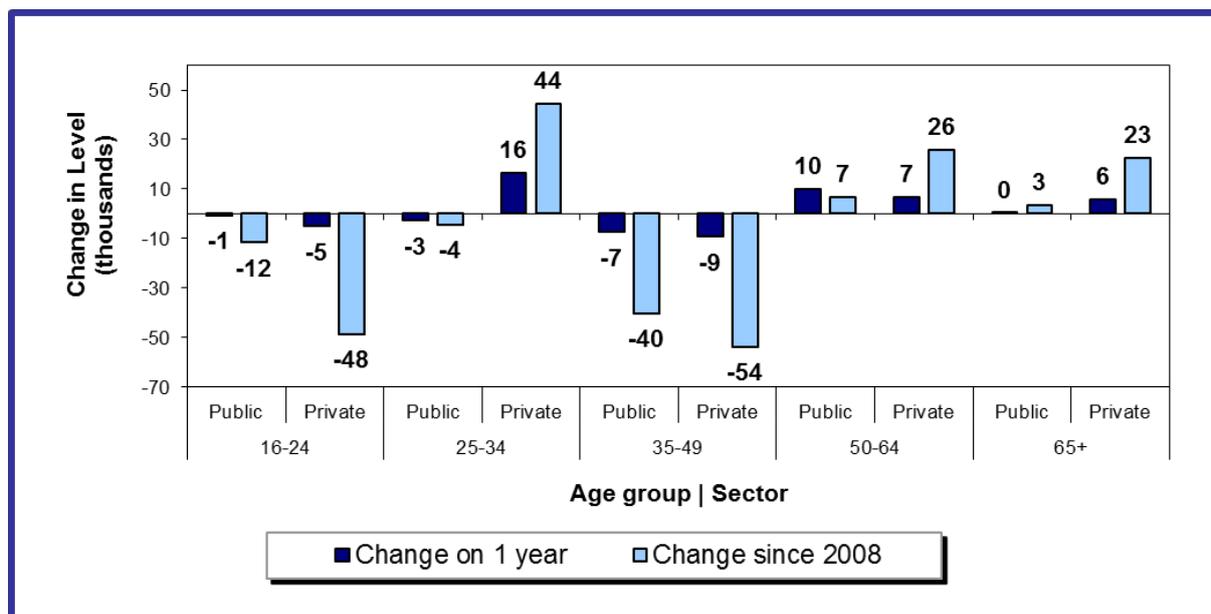
- Aberdeen City and Perth and Kinross were the only local authorities to see an increase in both public and private sectors over this period; public sector employment increased by 1,600 and 1,200 respectively, while private sector employment rose by 6,300 and 2,300 respectively.
- 15 local authorities saw decreases in the levels of both public and private sector employment. Those which saw the largest decreases in their combined levels of public and private sector employment were North Ayrshire (public sector down 3,900 and private sector down 6,300), Fife (public sector down 200 and private sector down 7,800) and Glasgow City (public sector down 4,100 and private sector down 2,200).

Employment data by public and private sector for each local authority in Scotland is provided in Table 5 in Annex A, with full time series back to 2004 available from the web tables.

Public/Private analysis by age group

Table 6 in Annex A gives estimates for the levels of Public and Private sector employment by age group by public and private sector at national level from for 2004 to 2013, while Chart 7 illustrates the changes in levels of employment by sector and age group over the year to 2013 and since 2008.

Chart 7: Change in level of employment by sector and age group over year and since 2008, Scotland, 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

From Chart 7, it can be seen that:

- The largest decrease over the year in public sector employment was seen in the 35-49 age groups (down 7,300).
- Employment within the public sector has fallen by 46,000 since the start of the recession in 2008, the majority of which was seen by the 35-49 age group (down 40,200). Both 50-64 and 65+ age groups saw an increase over this period, with the level, up 6,500 and 3,500 respectively.
- Over the year private sector employment increased by 15,000 overall. Private sector employment increased for the 25-34, 50-64 and 65+ age groups, up

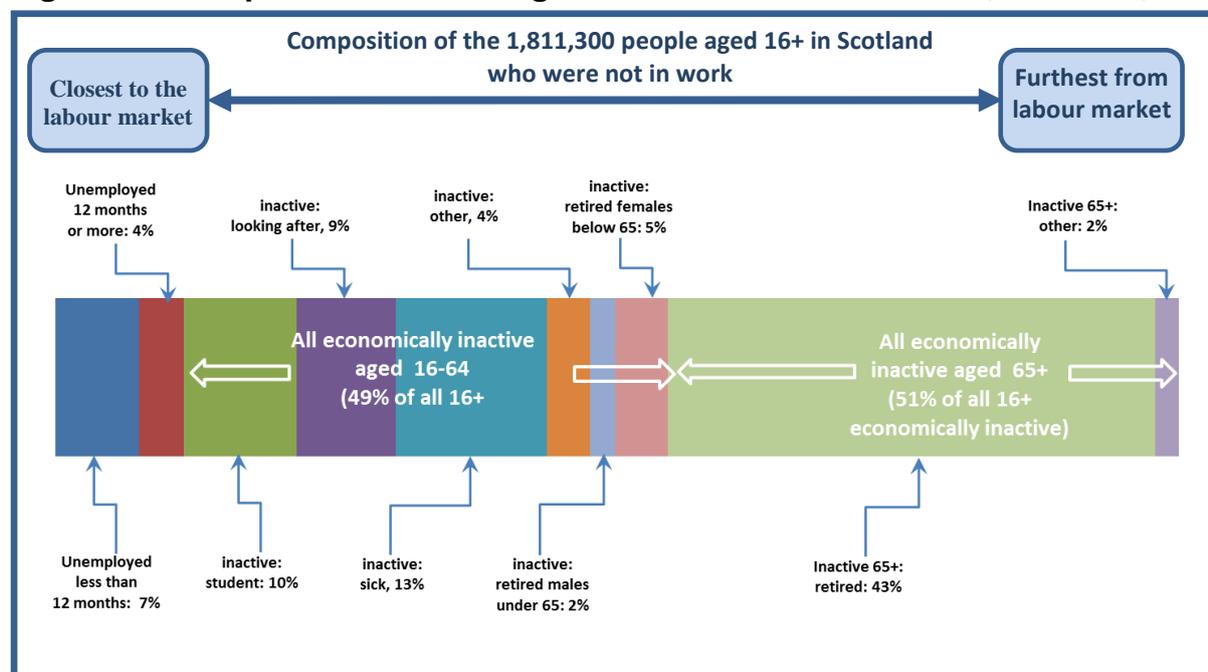
16,500, 6,700 and 5,900 respectively. However the level decreased for the 16-24 and 35-49 age groups, down 5,100 and 9,000 respectively.

- Since the start of the recession in 2008, decreases in private sector employment were seen by the 16-24 and 35-49 age groups, down 48,500 and 53,600 respectively. The 25-34, 50-64 and 65+ age groups saw increases of 44,300, 25,600 and 22,500 respectively.

Section 2: People not in work

This section examines those who are not in employment. There are two broad categories that those not in employment are covered by; unemployment and economic inactivity.

Figure 11: Composition of those aged 16+ who were not in work, Scotland, 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

Figure 11 shows the make-up of those individuals **aged 16+** who were not in work in 2013. Those who were unemployed make up 11% of the total 16+ population not in work. If we consider only the economically inactive population, those who were over 65 and retired or inactive for other reasons made up 51% of the total 16+ inactive population in Scotland. **Considering only those people aged 16-64 who were economically inactive**, the largest category was those who were either short or long term sick (31% of all aged 16-64), followed by those who were students (23%). Only 9% of those 16-64 gave their reason for being inactive as being discouraged from working by the availability of jobs, their perceptions of the required skills or other reasons. Females aged below 65 who were retired make up 11% of all aged 16-64 who were inactive, more than double the proportion of males under 65 who were retired. This is primarily a consequence of the age group used to measure the headline inactive cohort (16-64) which currently covers a large number of females who have reached their state pension age. As the state pension age for females increases through time to match the male state pension age, the size of this cohort will decrease.

Sub-section A: Unemployment

Unemployment covers individuals who are not in work, but are available for and actively looking for work. The level of unemployment varies with the economic cycle. For example, when the economy is strong employers create more jobs and unemployment falls. Conversely when the economy is weak, there is a reduction in job opportunities and unemployment rises.

Box 4– Unemployment

Unemployment levels and rates from the Labour Force Survey and the Annual Population Survey (APS) are measured following the internationally agreed definition recommended by the **International Labour Organisation (ILO)** – an agency of the United Nations. The ILO definition of unemployment covers people who are:

- ◆ without a job, want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks; or
- ◆ out of work, have found a job and are waiting to start it in the next two weeks.

Unemployment levels cover all workers aged **16 and over**.

Unemployment rates are the number of unemployed people expressed as a percentage of the relevant economically active population, normally those aged 16 and over.

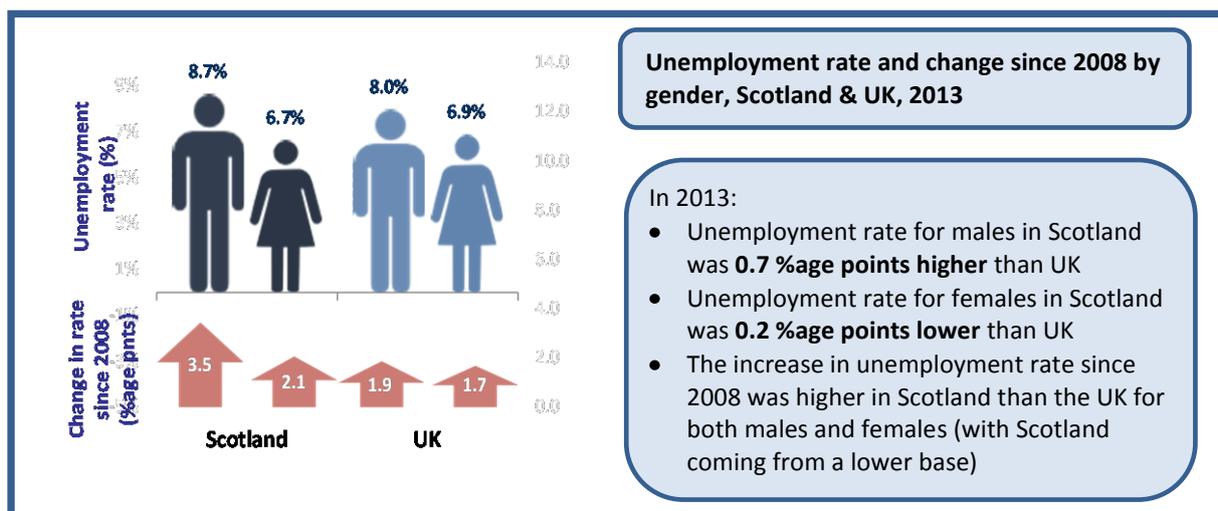
The most up to date estimates for unemployment are taken from the Labour Force Survey (LFS) as this provides a more current picture of unemployment in Scotland than the APS. Monthly unemployment data for the countries of the UK can be found in the monthly [Labour Market briefing](#).

Analysis by age, gender

Based on the APS for 2013:

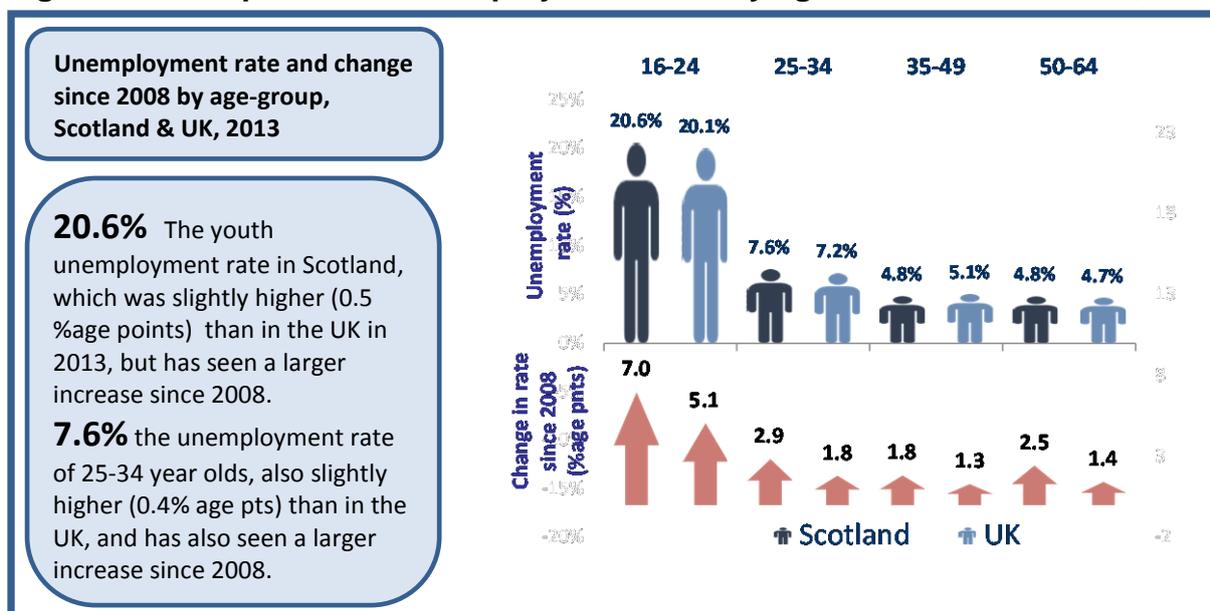
- There were 207,000 people aged 16 or over who were unemployed in Scotland, a decrease 6,000 over the year, but an increase of 76,700 since the start of the recession in 2008.
- The unemployment rate was 7.7% in Scotland, down 0.2 percentage point over the year, but up 2.8 percentage points since 2008.
- In the UK, the unemployment rate was 7.5%, (lower than the rate in Scotland), and down 0.4 percentage points over the year, but up 1.8 percentage points since 2008.
- Just under 4 in 10 of all unemployed people in Scotland are aged 16-24, a higher proportion than for any of the other age groups. The majority (59%) of these unemployed 16-24 year olds are males.
- The youth unemployment rate is the highest of all the age groups. The youth unemployment rate (16-24) in Scotland was 20.6%, 0.5 percentage points higher than the rate in the UK. The rate in Scotland has increased by 7.0 percentage points since 2008, higher than the increase of 5.1 percentage points in the UK over the same period.
 - Excluding those 16-24 year olds in full-time education, the employment rate in 2013 was 68.6% in Scotland, higher than the rate seen across the UK (68.0%).

Figure 12: Comparison of unemployment rates by gender in Scotland and UK, 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

Figure 13: Comparison of unemployment rates by age in Scotland and UK, 2013



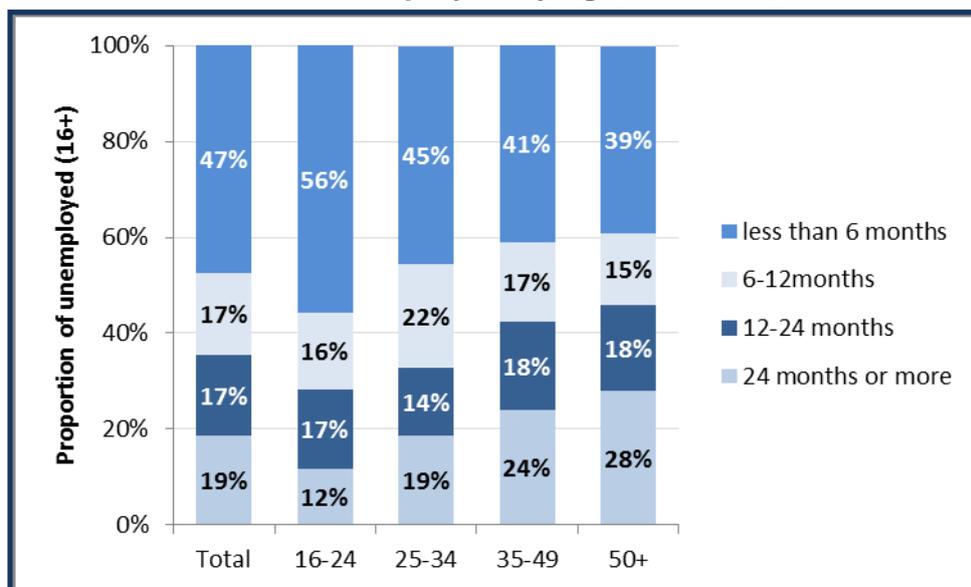
Source: Annual Population Survey, Jan-Dec 2013, ONS

Analysis by age and duration

Chart 8 shows how duration of unemployment varies across different age groups.

- Just over 47% (98,100) of all unemployed people in Scotland have been unemployed for less than 6 months, while just over 35% (73,100) have been unemployed for 12 months or more, of which, just under two-thirds (47,600) are males.
- The youth unemployment rate (20.6%) is the highest of all the age groups. However, of those unemployed, they are the least likely age group (at 11.6%) to be unemployed for 24 months or more. 27.9% of 50+ age group have been unemployed for 24 months or more, the highest of all the age groups.

Chart 8: Duration of unemployed by age, Scotland, 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

Unemployment levels and rates by gender and age for 2004 to 2013 are provided in the web tables. Duration of unemployment data is also provided in the web-tables.

Local Authority area level analysis - Model based unemployment

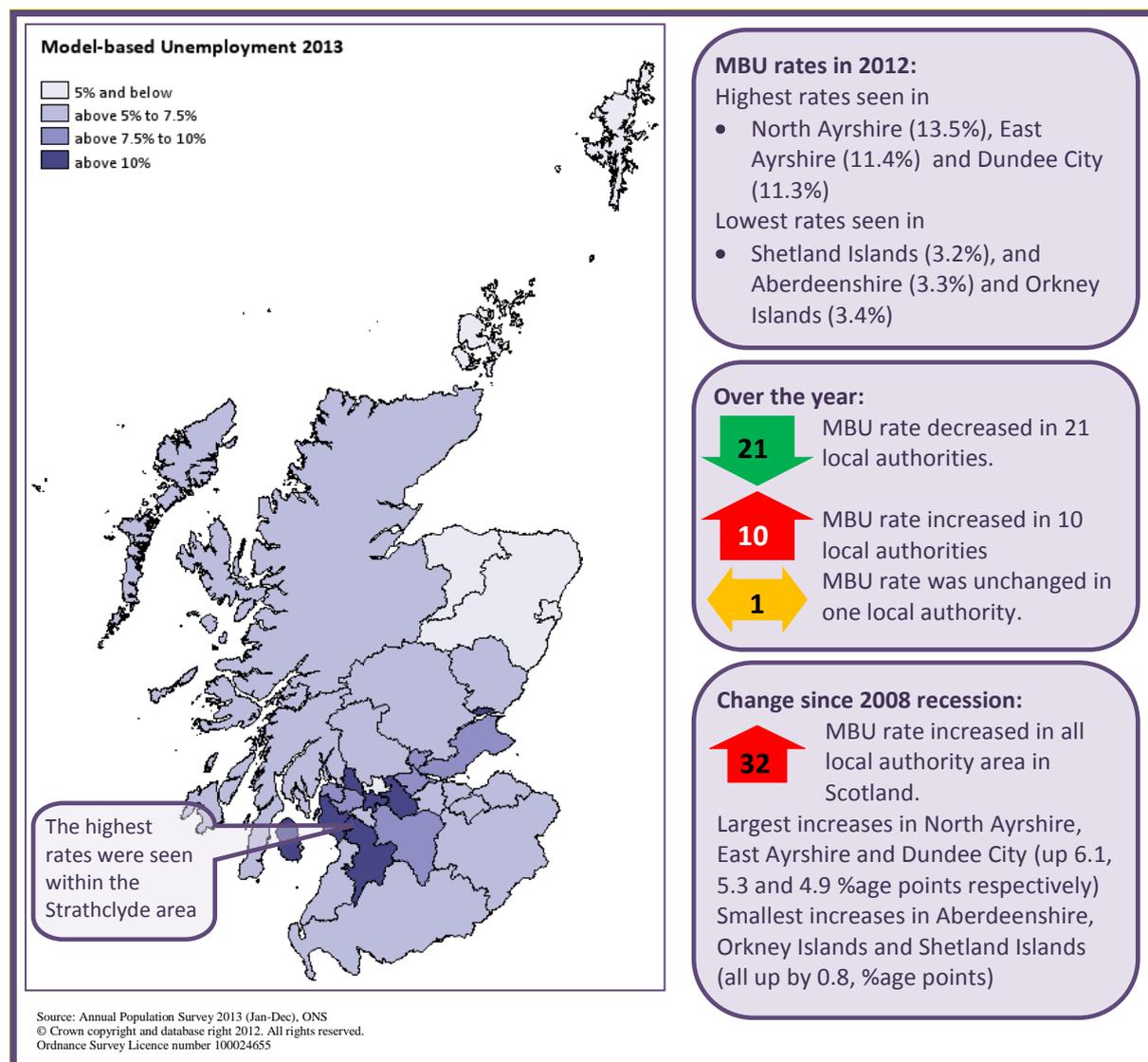
Given that the unemployed are a relatively small sub-group of the total population, their sample sizes in the APS datasets are also small and thus have large sampling variability. To improve the quality and reliability of unemployment estimates for all local authorities, the Office for National Statistics (ONS) developed model-based unemployment estimates, as outlined in Box 6.

Box 5 – Model based unemployment

In 2003, ONS developed a statistical model to improve small area estimates of unemployment by using supplementary information from the claimant count - a count of the number of people claiming Jobseeker's Allowance. As it is an administrative measure, accurate information is known for all areas. It is also highly correlated with unemployment. The model is said to borrow strength from the claimant count. The model also includes a socio-economic indicator and a random area effect.

More information about the modelling methodology can be found [here](#):

Figure 14: Model Based Unemployment (MBU) across Local Authority areas in Scotland, 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

Model based unemployment levels and rates for 2007, 2008, 2012 and 2013 are provided in Annex A, with a full time series available in the web tables.

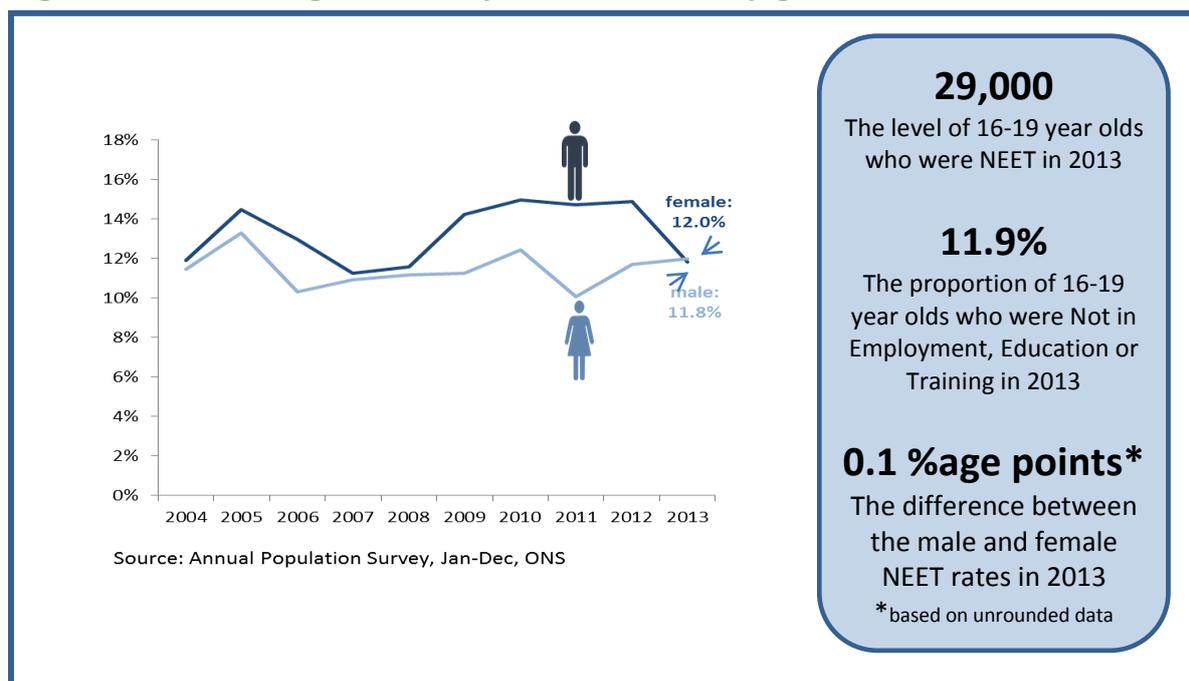
16 to 19 year olds Not in Employment, Education or Training (NEET)

Figure 15 shows how the NEET group has changed in Scotland between 2004 and 2013.

In 2013, 29,000 (11.9%) of 16-19 year olds were not in education, employment or training. The proportion NEET has decreased by 1.4 percentage points (down 4,000) since 2012; this change is not statistically significant¹⁰. This decrease is being driven by a decrease in the number of NEET males; in 2013, 15,000 (11.8%) males were NEET, down 4,000 (3.1 percentage points) since 2012. For females, in 2013, 14,000 (12.0%) were NEET, the level is unchanged from 2012 (however, the rate increased by 0.3 percentage points since 2012). 2013 is the first year that the proportion of NEET females is above that of males (0.1 percentage points of a difference in 2013).

¹⁰ Refer to Annex D for further information on the meaning of statistical significance and how this is calculated. All references to statistically significant differences are based on a 95% confidence level.

Figure 15: Percentage of 16-19 year olds NEET by gender, Scotland, 2004-2013



Levels and proportions of NEET by gender for 2004 to 2013 are provided in Annex A and the web tables.

Box 6 – Measuring the NEET group

In 2006 the Scottish Government commissioned the Training and Employment Research Unit (TERU) at Glasgow University to explore different ways of measuring the NEET group and present recommendations on the best measurement options. The following recommendations were made:

At Scotland level:

The Annual Population Survey (APS) is the recommended source to measure the size of the NEET group in Scotland.

At Local Authority level:

A combination of DWP benefits data and school leavers destinations data should be used to monitor the NEET group at a local level. Information on levels and rates of known NEET at local authority level for 2004 to 2013¹¹ can be accessed at:

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/MCMCLMSTATS>

The full report outlining the work and recommendations made by TERU can be found at:

<http://www.scotland.gov.uk/publications/2006/07/28090808/0>

¹¹ 2012 and 2013 LA NEET data is due to be published on 22nd May 2014.

Recent developments

Historically, it has been difficult to make robust conclusions when comparing proportions of young people NEET internationally, due to differing definitions of NEET.

ONS, with other UK administrations and departments have agreed a consistent methodology for defining whether a young person is NEET and this methodology has been adopted for this publication. Although this methodology uses a different combination of LFS/APS variables compared to the methodology used in previous years by the Scottish Government, the results are very similar.

The Scottish Government focuses on 16-19 year olds in this publications as this is the age group at which policy interventions are targeted at present.

Sub-Section B: Economic Inactivity

Economic inactivity covers individuals who are neither in employment nor unemployed. There are many reasons why people may be inactive. For example, they may have a long-term illness or disability, be studying for a qualification, staying at home to look after their family, or have retired. The economically inactive population are not part of the supply of labour. However, the labour market is dynamic, with people continuously moving between different categories. Therefore it is important to consider inactivity figures as they include those who may make up the labour supply in the future and those who were part of the labour supply in the past.

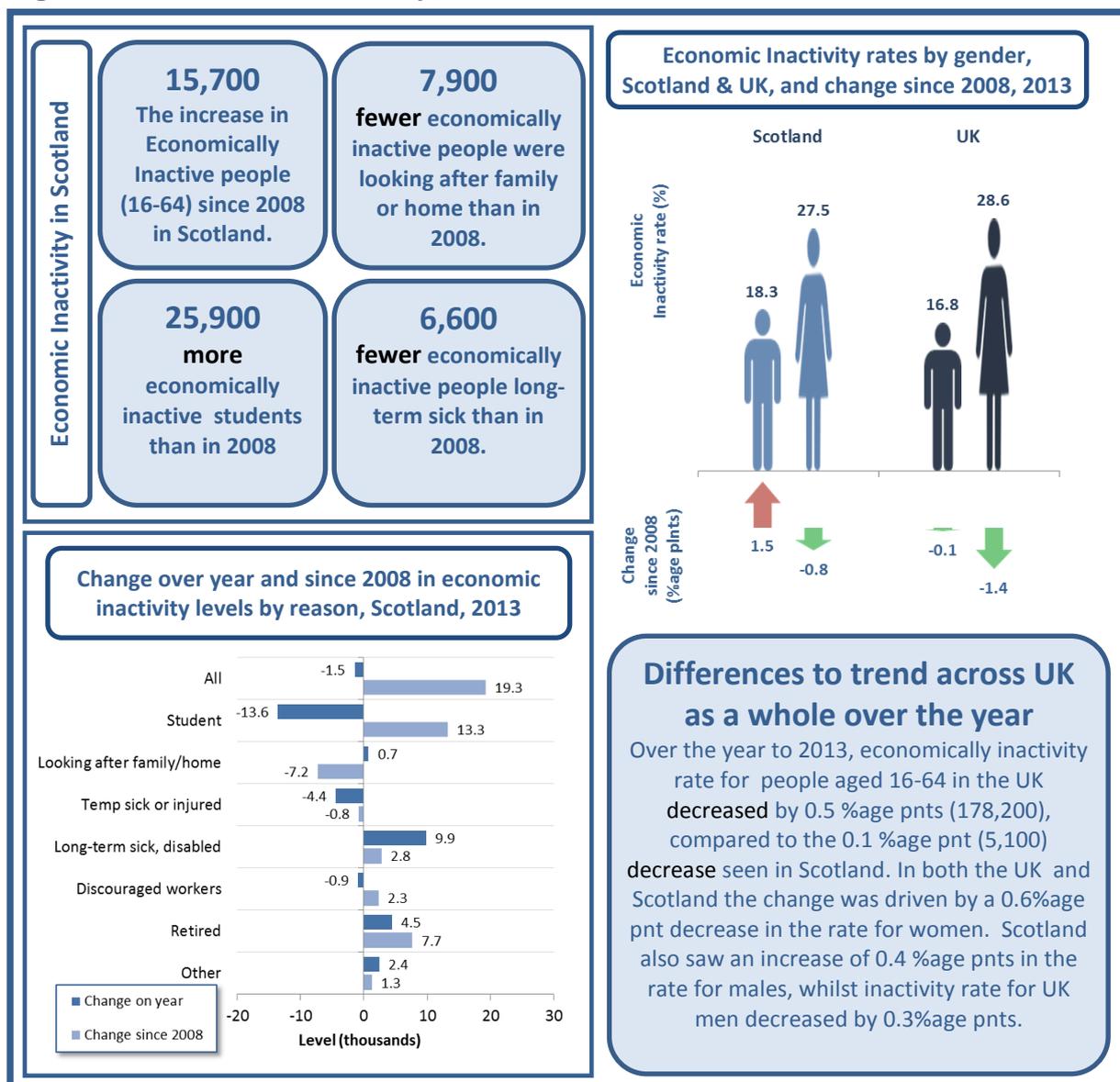
Box 7 – Economic Inactivity

Economically inactive people are not in employment, but do not satisfy the internationally agreed definition of unemployment. This group covers people without a job who:

- ◆ want a job but have not been seeking work in the last four weeks; or
- ◆ want a job and are seeking work but not available to start work in the next two weeks; or
- ◆ do not want a job.

Headline Inactivity levels and **rates** cover all workers **aged** 16-64 for both men and women. This excludes many people who would be inactive due to retirement, although still captures a large number of people in early retirement.

Figure 16: Economic Inactivity, Scotland and UK



Source: Annual Population Survey, Jan-Dec 2013, ONS

Scotland and UK:

- Over the year to January to December 2013, the economic inactivity rate for those aged 16-64 in Scotland decreased by 0.1 percentage point to 23.0% (down 5,100 to 779,800)
- Economic inactivity rate for Scotland has increased by 0.3 percentage points since 2008 recession (up 15,700), driven by a 1.5 percentage point increase in the inactivity rate for men.
- In the UK, the economic inactivity rate (16-64) decreased by 0.5 percentage points over the year to 22.7% and has decreased by 0.8 percentage points since 2008.

Inactivity in Scotland by gender:

- Male inactivity levels increased over the year by 6,100, with the rate increasing by 0.4 percentage points to 18.3%. Since 2008 recession, male inactivity levels have risen by 26,600 (up 1.5 percentage points).
- Historically female inactivity levels have been higher in comparison to male inactivity levels. Over the year to 2013 female inactivity levels reduced by

11,200, with their rate decreasing 0.6 percentage points to 27.5%. Since 2008 recession, female inactivity rates have fallen by 10,900 (down 0.8 percentage points).

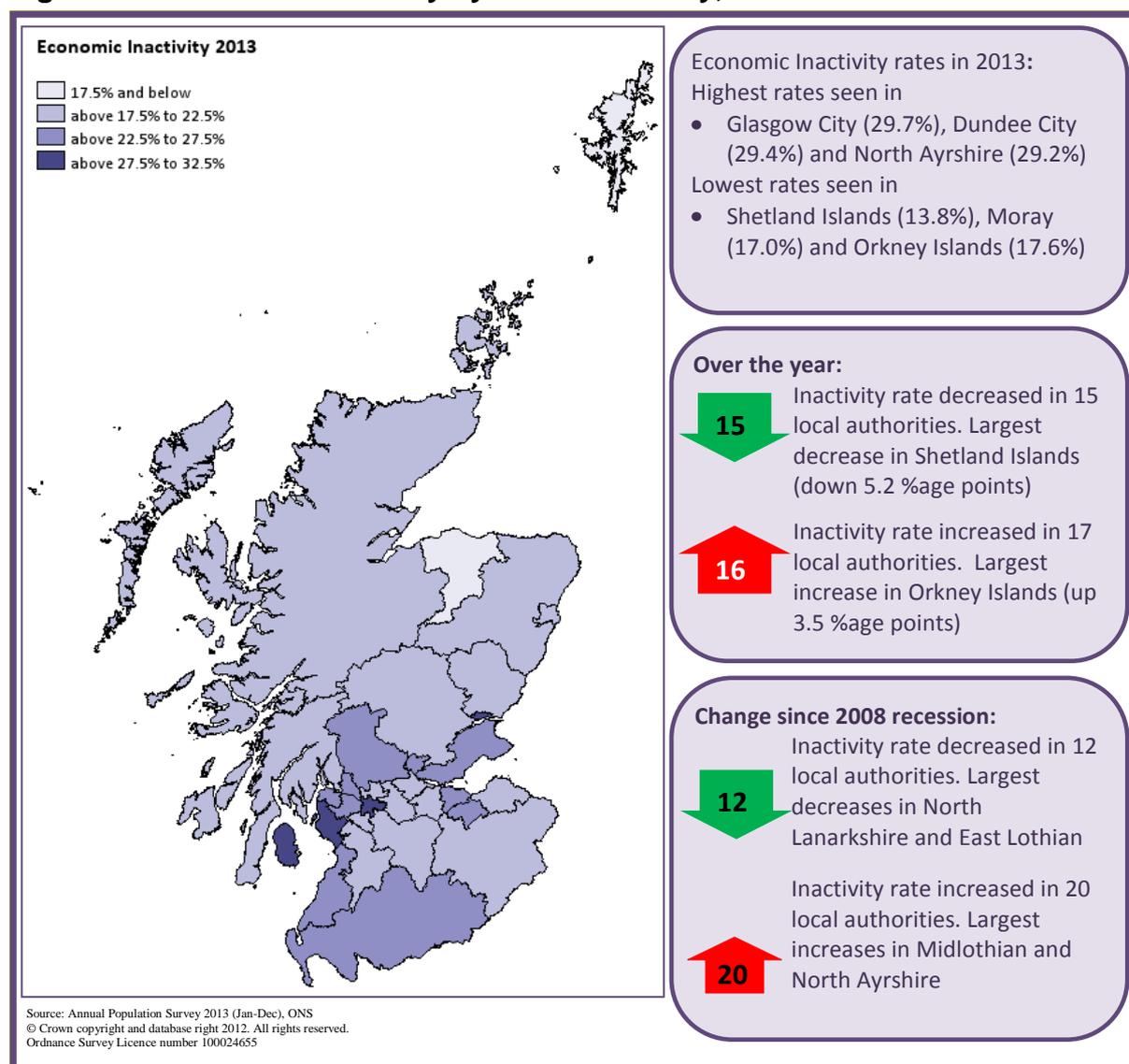
Inactivity in Scotland by age

Inactivity rates tend to be higher for the 16-24, 50-64 and 65+ age groups. The reason for higher inactivity rates in the 16-24 age group is due to greater numbers being enrolled in full-time education. Higher inactivity rates for 50-64 and 65+ age groups is a result of greater levels of sickness and retired people.

- Inactivity rates for 16-24 increased by 0.9 percentage points over the year to 33.7%, with the level increasing by 3,100 to 199,900, driven by small increases across several categories, and somewhat offset by a reduction in the level of inactive students (down 7,800).
 - Excluding those in full-time education, the inactivity rate for 16-24 year olds in was 15.5%, lower than the UK inactivity rate of 16.6%.
- Inactivity rates for those aged 25-49 increased slightly by 0.1 percentage point over the year to 14.2%.
- For those aged 50-64 and 65+, inactivity rates fell by 1.0 and 0.5 percentage points respectively. However, while the level for 50-64 year olds has also reduced (down 8,200), the level for 65+ increased (up 16,200). The reduction in the rate for 65+ was due to the total 65+ population increasing by a greater amount than the 65+ inactive population (e.g. the increase in economically active people age 65+ was greater than the increase in economically inactive people aged 65+).

Economic Inactivity at Local Authority level

Figure 17: Economic Inactivity by Local Authority, 2013



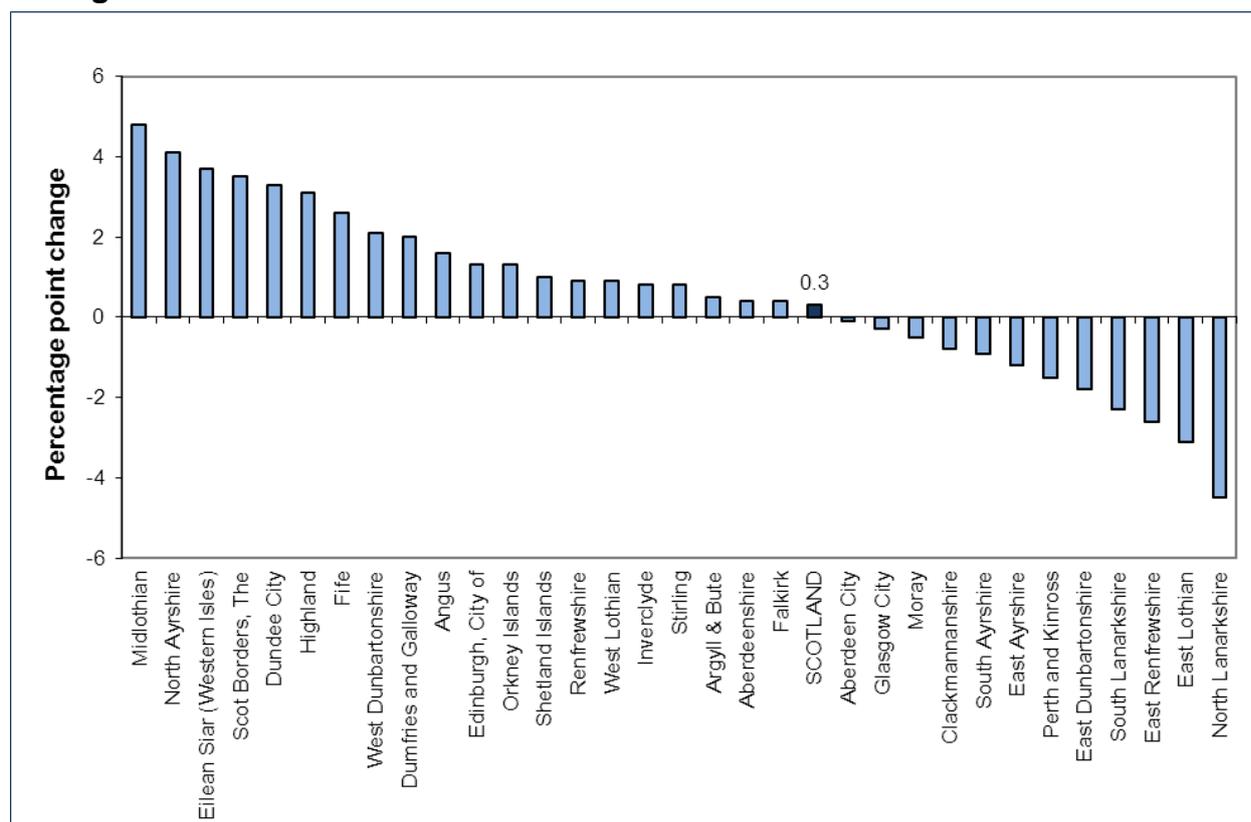
Source: Annual Population Survey, Jan-Dec 2013, ONS

Table 9 in Annex A gives the economic inactivity rate for the population aged 16 to 64 in Scotland's local authorities for 2008, 2012 and 2013. A full time series back to 2004 can be downloaded from the web-tables and SNS.

The relationship between unemployment rates and inactivity rates is complex. The higher the level of inactivity within an area, the lower the level of economic activity (the sum of employment and unemployment). The unemployment rate is calculated using the number of economically active people as a denominator; consequently in areas where there are high levels of inactivity, the unemployment rate is also higher.

Chart 9 shows how economic inactivity rates have changed across Scotland's local authority areas since 2008 recession.

Chart 9: Inactivity rate for people aged 16-64 by local authority, Scotland, Change from 2008 to 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

Between 2008 and 2013 in Scotland:

- The largest increases in inactivity rate were seen in Midlothian, North Ayrshire and Eilean Siar (up 4.8, 4.1 and 3.7 percentage points respectively)
- The largest decreases in inactivity rate were seen in North Lanarkshire, East Lothian and East Renfrewshire (down by 4.5, 3.1 and 2.6 percentage points respectively).

Reasons for inactivity

Respondents in the APS are asked to provide a reason as to why they are not in employment or unemployed. Figure 16 includes a chart showing change in level for reasons for inactivity since 2008 and over the year.

The largest group within the economically inactive population is those stating they have a long-term sickness or disability. The relative size of this group has reduced slowly from 30.2% in 2008 to 28.8% in 2013.

- At a local authority level, North Lanarkshire, West Dunbartonshire and South Lanarkshire had the highest percentages of inactive population stating they were long-term sick in 2013, all greater than 37%.

Those looking after the family or home make up just over a fifth (20.4%) of the inactive population, having reduced slightly (1.3 percentage points) from 21.7% in 2008.

- Midlothian, Aberdeenshire and Highland had the highest percentages of those inactive due to looking after family or home (33.3%, 29.0% and 26.3% respectively).

Students are the other main inactive group, accounting for 23.3% of the inactive population in 2013. The relative size of this group had grown from 20.4% in 2008. The overall size of this group has increased by 16.6%, from 155,800 in 2008, to 181,700 in 2013.

- Only seven local authorities had a higher percentage of students in their inactive population than the national average in 2013. These include the main university cities (Aberdeen, Dundee, Edinburgh, Glasgow and Stirling), as well as East Dunbartonshire, East Renfrewshire and Fife.

Retired people accounted for 16.0% of the inactive population aged 16-64 in Scotland in 2013.

- 20 local authorities had higher percentages of retired inactive people than the national average. Those with the highest percentages were Clackmannanshire, East Dunbartonshire and South Ayrshire. In contrast, Glasgow and Edinburgh have amongst the lowest percentages of inactive retired people, a reflection of the different age demographic within these local authorities.

More detailed information on reasons for inactivity by local authority is provided in the web tables

Willingness to work

People who are inactive may have a willingness to work but are not available or able to do so. The proportion of all people in Scotland aged 16-64 who were inactive, wanted to work increased from 25.4% in 2012 to 25.7% in 2013. There are now 11,900 more people in Scotland aged 16-64 who were inactive and wanted to work since 2008 recession (up 1.1 percentage points).

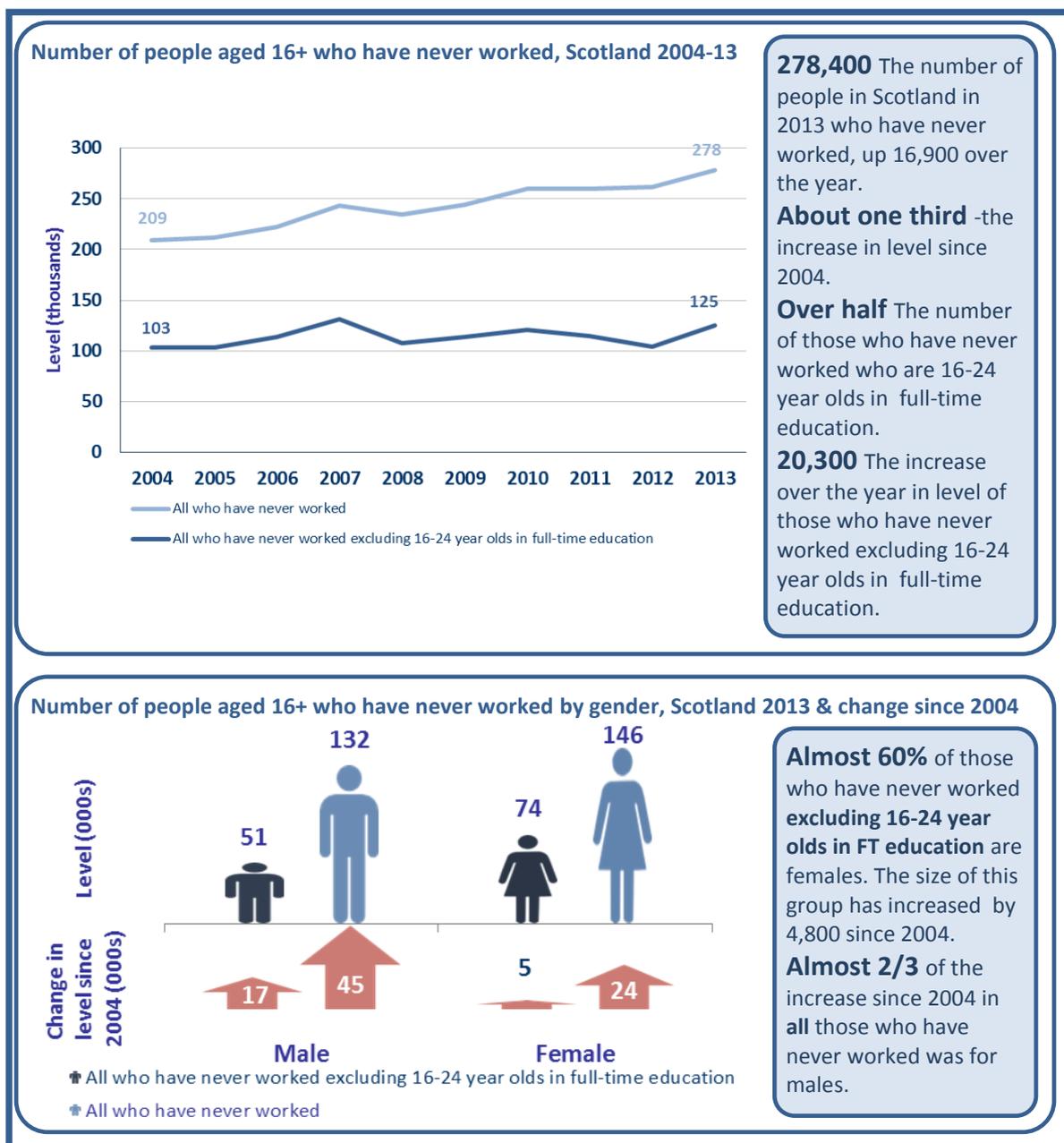
Within local authorities the percentage of inactive people wanting to work in 2013 was highest in Aberdeen City, Moray and Angus, where the percentage of inactive people said they would like to work was 38.4%, 38.1% and 33.7% respectively. Table 10 shows the number and percentage of those who are inactive but want to work for 2008, 2012 and 2013, with a full time series available in the web-tables.

Adults who have never worked.

The APS asks those who did no paid or unpaid work if they have ever had a paid job or place on a government training scheme. As many younger people do not enter the labour market until after leaving full-time education, the chances of a person having ever worked¹² is highly dependent on their age

¹² The LFS asks respondents if they had a paid or unpaid job for one hour or more during the reference period, but this excludes casual or holiday work.

Figure 18: Number of people aged 16 and over who have never worked, Scotland, 2004 – 2013



Source: Annual Population Survey, Jan-Dec 2013, ONS

Figure 18 shows how the level of those who have never had a paid or unpaid job has changed between 2004 and 2013.

- The number of people aged 16 and over in Scotland who have never worked has been gradually increasing since 2004.
- Over a half of these people are 16-24 year olds in full-time education. If this group is excluded, the figure for 2013 decreases to 124,800, which represents a 16.4% increase on the 2008 level (107,200) and a 21.4% increase on the 2004 level (102,800).
- The number of people aged 25-49 in Scotland who have never worked has risen by just under 42% since 2004, from 33,500 to 47,500 in 2013, whereas the number of people aged 50 and over who have never worked has fallen from 32,900 in 2004 to 25,500 in 2013.

- Reasons people may never have had a paid or unpaid job include being a student (in full-time education), looking after family or home and being long-term sick or disabled.
- Since 2008, the number of people aged 16 and over who have never had a paid or unpaid job has increased in 23 of Scotland's local authorities.

Data for those who have never worked at local authority level is available from the web tables.

Annex A: Associated Tables

Table 1: Employment rates and levels by local authority, Scotland, 2008, 2012, 2013

Geography (Residence Based)	2008		2012		2013		Change since 2008	
	Rate	Level	Rate	Level	Rate	Level	Rate (%age pnt)	Level
Scotland	73.5%	2,529,400	70.6%	2,467,600	71.0%	2,481,300	-2.6	-48,100
<i>Local Authority Area</i>								
Aberdeen City	78.2%	114,600	76.9%	121,000	77.3%	123,200	-0.9	8,600
Aberdeenshire	80.2%	127,800	79.9%	132,200	78.6%	131,700	-1.6	3,900
Angus	77.0%	53,700	74.3%	51,700	74.0%	50,800	-2.9	-2,900
Argyll & Bute	75.6%	42,600	70.5%	38,500	75.1%	40,100	-0.5	-2,600
Clackmannanshire	69.7%	22,700	65.5%	21,400	66.1%	22,000	-3.6	-700
Dumfries and Galloway	73.5%	69,900	67.2%	63,500	70.1%	65,000	-3.4	-5,000
Dundee City	69.5%	66,100	65.2%	63,000	61.4%	59,500	-8.1	-6,700
East Ayrshire	71.6%	56,400	66.9%	52,000	68.1%	52,500	-3.5	-4,000
East Dunbartonshire	75.1%	50,500	73.3%	48,600	77.1%	50,700	2.0	100
East Lothian	75.2%	46,600	74.8%	46,900	76.2%	48,200	1.0	1,600
East Renfrewshire	74.7%	42,200	72.6%	41,300	74.2%	42,100	-0.6	-100
Edinburgh, City of	74.8%	252,800	72.8%	258,700	71.7%	256,800	-3.1	4,000
Eilean Siar	77.4%	13,000	71.3%	11,600	72.4%	11,700	-5.0	-1,400
Falkirk	76.5%	76,000	72.9%	73,700	73.5%	74,600	-3.0	-1,300
Fife	73.9%	175,600	69.6%	168,300	69.3%	167,500	-4.6	-8,100
Glasgow City	65.5%	266,700	59.7%	251,200	63.3%	261,900	-2.2	-4,900
Highland	79.1%	111,900	76.6%	109,700	73.9%	109,000	-5.2	-2,900
Inverclyde	70.4%	37,600	65.3%	33,100	69.5%	35,000	-0.9	-2,600
Midlothian	77.5%	41,200	75.1%	40,000	72.2%	38,400	-5.3	-2,800
Moray	79.5%	45,400	77.7%	42,800	78.8%	43,500	-0.7	-1,900
North Ayrshire	68.9%	60,400	61.7%	53,300	60.1%	51,400	-8.8	-9,000
North Lanarkshire	69.2%	149,000	69.5%	148,100	70.2%	149,700	1.0	800
Orkney Islands	81.8%	10,600	81.3%	10,600	81.0%	10,800	-0.9	300
Perth and Kinross	75.8%	70,400	74.5%	72,100	75.3%	73,900	-0.5	3,500
Renfrewshire	73.2%	82,600	71.6%	80,600	71.7%	80,600	-1.5	-2,000
Scottish Borders	78.0%	55,800	72.5%	52,300	74.9%	54,100	-3.0	-1,800
Shetland Islands	86.0%	12,400	79.7%	12,000	83.2%	12,200	-2.9	-300
South Ayrshire	72.4%	51,100	69.9%	49,900	71.7%	50,700	-0.7	-300
South Lanarkshire	73.8%	152,200	75.1%	155,000	71.5%	149,600	-2.3	-2,600
Stirling	73.9%	42,700	67.3%	39,600	71.2%	42,100	-2.6	-700
West Dunbartonshire	69.6%	41,900	67.0%	39,500	65.2%	38,300	-4.4	-3,700
West Lothian	76.7%	86,800	74.0%	85,500	73.0%	83,900	-3.7	-3,000

Source: Annual Population Survey (Jan to Dec)

Employment levels cover those aged 16 and over. Employment rates cover population aged 16-64.

Notes:

1. Levels rounded to the nearest hundred.
2. Rates are calculated on unrounded figures.

Table 2: Employment rates and levels by age-group and local authority, Scotland, 2013

Geography (Residence Based)	16-24		25-34		35-49		50 - 64	
	Rate	Level	Rate	Level	Rate	Level	Rate	Level
Scotland	52.6%	311,900	79.1%	551,900	81.7%	867,400	64.9%	675,200
<i>Local Authority Area</i>								
Aberdeen City	72.4%	21,700	86.4%	34,200	80.7%	35,800	68.2%	27,700
Aberdeenshire	65.3%	15,700	82.8%	21,800	85.9%	45,100	75.5%	41,900
Angus	59.5%	6,100	75.0%	8,000	86.8%	18,500	68.6%	16,700
Argyll & Bute	55.5%	4,200	85.2%	5,900	87.8%	14,100	68.7%	13,700
Clackmannanshire	41.1%	1,500	76.3%	5,100	72.9%	7,200	62.7%	7,800
Dumfries and Galloway	57.5%	7,800	79.2%	10,400	84.3%	22,700	60.7%	21,300
Dundee City	55.2%	11,600	71.3%	15,400	64.8%	16,700	54.7%	14,500
East Ayrshire	51.3%	6,700	73.2%	9,700	79.2%	20,200	62.8%	15,000
East Dunbartonshire	52.1%	5,700	89.9%	9,000	92.0%	17,800	71.0%	16,700
East Lothian	57.4%	6,000	77.5%	7,200	88.5%	18,700	72.2%	14,300
East Renfrewshire	56.4%	5,400	76.2%	6,400	89.4%	16,100	67.8%	12,800
Edinburgh, City of	37.8%	25,100	81.0%	82,800	86.3%	83,300	70.3%	59,500
Eilean Siar	45.5%	1,300	72.7%	1,600	88.1%	4,100	72.6%	4,300
Falkirk	64.5%	10,300	80.4%	15,500	84.6%	28,200	61.7%	19,000
Fife	46.0%	19,800	77.2%	32,800	82.1%	60,000	65.7%	48,900
Glasgow City	41.4%	32,900	77.1%	88,600	73.5%	90,100	51.7%	49,600
Highland	55.3%	11,000	74.1%	17,700	85.0%	36,600	71.7%	36,600
Inverclyde	63.1%	5,400	75.5%	6,800	78.7%	11,900	61.4%	10,200
Midlothian	54.8%	4,900	76.4%	6,700	82.4%	14,300	68.5%	11,100
Moray	60.9%	5,200	88.1%	7,700	86.1%	15,600	75.4%	13,200
North Ayrshire	44.8%	6,400	66.4%	9,400	71.5%	19,000	54.2%	15,400
North Lanarkshire	54.1%	19,200	79.7%	33,800	80.8%	55,800	60.8%	37,100
Orkney Islands	72.5%	2,100	*	*	95.9%	3,300	68.8%	3,200
Perth and Kinross	56.3%	8,900	78.7%	13,500	87.4%	26,000	71.5%	21,900
Renfrewshire	59.4%	11,000	79.8%	16,900	79.7%	26,800	65.9%	24,000
Scottish Borders	62.5%	6,400	86.2%	8,600	84.2%	19,800	66.9%	16,900
Shetland Islands	63.3%	1,400	69.1%	1,600	94.7%	4,500	87.4%	4,300
South Ayrshire	59.5%	6,600	83.3%	9,200	84.6%	17,200	61.9%	15,800
South Lanarkshire	56.5%	18,700	81.8%	31,100	80.7%	55,400	62.8%	38,900
Stirling	57.3%	7,200	80.0%	7,300	81.2%	14,900	66.1%	11,400
West Dunbartonshire	53.1%	5,400	69.8%	8,000	76.7%	13,300	58.3%	10,800
West Lothian	54.7%	10,400	79.8%	17,400	83.5%	34,300	65.6%	20,500

Source: Annual Population Survey (Jan to Dec)

Employment rates and levels cover those within the specific age-group

* - Estimate is below reliability threshold.

Notes:

1. Levels rounded to the nearest hundred.

2. Rates are calculated on unrounded figures.

Table 3: People with a degree-level qualification as a proportion of those in employment aged 25-64, by local authority, Scotland, 2008-2013

Geography (Residence Based)	2008	2009	2010	2011	2012	2013
	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion
Scotland	25.1%	26.4%	27.5%	29.5%	31.1%	31.6%
Aberdeen City	32.6%	34.2%	36.8%	34.1%	35.5%	37.5%
Aberdeenshire	21.1%	21.9%	25.9%	29.5%	31.4%	30.4%
Angus	20.2%	24.4%	26.4%	28.7%	25.7%	24.4%
Argyll & Bute	23.7%	26.9%	27.5%	27.6%	28.3%	28.6%
Clackmannanshire	21.2%	22.1%	21.8%	27.8%	26.7%	24.7%
Dumfries and Galloway	19.3%	20.4%	20.4%	18.1%	20.2%	20.9%
Dundee City	26.3%	28.3%	24.5%	27.0%	34.1%	32.3%
East Ayrshire	18.2%	17.8%	17.9%	16.9%	20.8%	21.7%
East Dunbartonshire	39.0%	38.6%	40.3%	42.0%	43.8%	45.6%
East Lothian	22.6%	25.5%	24.6%	29.2%	33.2%	35.0%
East Renfrewshire	40.2%	39.5%	42.3%	37.6%	40.6%	38.8%
Edinburgh, City of	43.2%	44.9%	45.5%	50.3%	54.1%	49.9%
Eilean Siar	18.3%	22.4%	22.1%	26.5%	30.8%	29.5%
Falkirk	17.5%	18.5%	19.1%	21.0%	21.9%	20.3%
Fife	20.8%	23.2%	22.8%	24.0%	30.3%	30.1%
Glasgow City	28.3%	30.1%	33.7%	37.7%	38.1%	42.6%
Highland	19.3%	22.9%	23.5%	23.7%	21.7%	24.8%
Inverclyde	17.3%	20.7%	19.8%	21.0%	24.3%	25.7%
Midlothian	17.6%	20.5%	20.4%	19.8%	24.4%	23.4%
Moray	16.9%	14.9%	16.0%	16.8%	19.4%	22.2%
North Ayrshire	17.0%	18.1%	19.7%	19.5%	16.5%	17.2%
North Lanarkshire	18.6%	17.9%	17.3%	17.0%	17.7%	19.7%
Orkney Islands	15.7%	18.7%	19.7%	17.3%	12.7%	19.0%
Perth and Kinross	27.5%	26.3%	26.0%	28.3%	31.4%	32.1%
Renfrewshire	22.9%	24.4%	24.6%	31.0%	32.3%	32.9%
Scottish Borders	23.7%	26.6%	31.8%	30.9%	30.1%	29.1%
Shetland Islands	14.6%	20.6%	21.2%	19.9%	27.4%	23.9%
South Ayrshire	22.3%	22.8%	27.2%	25.1%	25.3%	24.0%
South Lanarkshire	21.3%	22.3%	23.6%	25.8%	23.6%	22.4%
Stirling	33.3%	36.6%	32.9%	39.6%	37.8%	39.6%
West Dunbartonshire	15.2%	18.0%	18.4%	19.5%	19.7%	20.4%
West Lothian	20.5%	19.7%	20.8%	22.7%	23.4%	25.8%

Source: Annual Population Survey (Jan to Dec)

Data covers those aged 25-64 in employment

Notes:

1. Levels rounded to the nearest hundred.
2. Rates are calculated on unrounded figures.

Table 4: Underemployment rates and levels by local authority, Scotland, 2008, 2012 and 2013

	2008		2012		2013		Change since 2008	
	Rate	Level	Rate	Level	Rate	Level	Rate (%age point)	Level
Scotland	7.0%	174,500	10.0%	243,300	9.6%	243,100	2.6	59,600
<i>Local Authority Area</i>								
Aberdeen City	5.6%	6,300	5.5%	6,600	6.4%	7,900	0.8	1,600
Aberdeenshire	6.0%	7,600	10.6%	13,800	5.8%	7,500	-0.2	-100
Angus	8.6%	4,600	11.6%	5,900	9.5%	4,800	0.9	200
Argyll & Bute	8.6%	3,600	11.3%	4,300	8.7%	4,300	0.1	-200
Clackmannanshire	6.3%	1,400	10.3%	2,200	13.4%	2,900	7.1	1,500
Dumfries & Galloway	8.1%	5,600	11.2%	7,100	12.4%	7,900	4.3	2,400
Dundee City	10.0%	6,500	12.1%	7,600	14.6%	8,600	4.6	2,100
East Ayrshire	9.2%	5,100	10.5%	5,400	10.4%	5,300	1.2	200
East Dunbartonshire	4.9%	2,500	9.1%	4,300	7.7%	3,900	2.8	1,400
East Lothian	8.1%	3,700	8.9%	4,100	5.8%	2,800	-2.3	-1,000
East Renfrewshire	4.1%	1,700	10.6%	4,300	9.2%	3,800	5.1	2,100
Edinburgh, City of	4.6%	11,600	8.6%	22,100	8.0%	20,400	3.4	8,800
Eilean Siar	8.8%	1,100	*	*	12.9%	1,500		300
Falkirk	6.6%	5,000	9.5%	6,900	6.5%	4,800	-0.1	-200
Fife	9.5%	16,600	9.2%	15,400	11.9%	19,900	2.4	3,300
Glasgow City	6.4%	16,700	12.2%	30,000	8.9%	22,900	2.5	6,100
Highland	8.8%	9,700	11.1%	11,900	11.9%	12,800	3.1	3,100
Inverclyde	8.6%	3,200	12.3%	4,000	15.0%	5,100	6.4	1,900
Midlothian	7.2%	2,900	9.7%	3,800	8.8%	3,400	1.6	500
Moray	7.9%	3,500	10.2%	4,300	9.4%	4,000	1.5	500
North Ayrshire	9.5%	5,700	8.9%	4,700	12.9%	6,400	3.4	700
North Lanarkshire	7.0%	10,400	9.1%	13,300	8.6%	12,700	1.6	2,300
Orkney Islands	*	*	*	*	17.5%	1,900		1,100
Perth & Kinross	5.9%	4,100	10.8%	7,700	9.5%	7,000	3.6	2,800
Renfrewshire	6.5%	5,400	12.2%	9,700	12.0%	9,600	5.5	4,200
Scottish Borders	7.3%	4,100	12.1%	6,300	12.1%	6,400	4.8	2,400
Shetland Islands	*	*	15.3%	1,800	*	*		300
South Ayrshire	8.1%	4,100	11.0%	5,400	12.1%	5,900	4.0	1,900
South Lanarkshire	5.7%	8,600	8.7%	13,400	10.2%	15,100	4.5	6,500
Stirling	7.2%	3,000	9.3%	3,600	10.2%	4,300	3.0	1,200
West Dunbartonshire	7.7%	3,200	12.2%	4,800	10.4%	3,900	2.7	700
West Lothian	6.2%	5,300	8.5%	7,300	7.8%	6,500	1.6	1,200

Source: Annual Population Survey, Jan-Dec

Note: Underemployment levels cover those aged 16 and over.

Denominator for underemployment rates = all aged 16 and above in employment

Table 5: Public, Private Sector employment by gender for all aged 16+, by local authority, Scotland, 2013

Geography	Public Sector						Private Sector					
	Total		Male		Female		Total		Male		Female	
	Prop'n	Level	Prop'n	Level	Prop'n	Level	Prop'n	Level	Prop'n	Level	Prop'n	Level
Scotland	26.7%	655,300	18.0%	229,400	35.9%	425,900	73.3%	1,801,600	82.0%	1,041,900	64.1%	759,700
<i>Local Authority Area</i>												
Aberdeen City	23.0%	28,200	14.5%	9,600	33.0%	18,600	77.0%	94,200	85.5%	56,500	67.0%	37,700
Aberdeenshire	20.4%	26,800	8.8%	6,400	35.1%	20,400	79.6%	104,400	91.2%	66,600	64.9%	37,800
Angus	26.1%	13,200	15.1%	3,900	37.5%	9,300	73.9%	37,400	84.9%	21,900	62.5%	15,400
Argyll & Bute	31.1%	12,200	20.9%	4,300	42.3%	7,900	68.9%	27,100	79.1%	16,300	57.7%	10,800
Clackmannanshire	30.6%	6,700	23.9%	2,700	38.2%	3,900	69.4%	15,100	76.1%	8,800	61.8%	6,400
Dumfries and Galloway	22.8%	14,800	15.7%	5,300	30.5%	9,500	77.2%	49,900	84.3%	28,400	69.5%	21,500
Dundee City	34.4%	20,400	25.5%	7,400	42.9%	13,000	65.6%	38,900	74.5%	21,600	57.1%	17,300
East Ayrshire	27.7%	14,300	16.6%	4,500	40.1%	9,800	72.3%	37,100	83.4%	22,500	59.9%	14,600
East Dunbartonshire	31.8%	16,000	26.7%	6,700	36.9%	9,200	68.2%	34,300	73.3%	18,500	63.1%	15,800
East Lothian	24.5%	11,700	15.5%	3,800	34.2%	7,900	75.5%	36,100	84.5%	20,900	65.8%	15,200
East Renfrewshire	30.6%	12,800	18.2%	3,900	43.5%	8,900	69.4%	29,000	81.8%	17,500	56.5%	11,500
Edinburgh, City of	24.5%	62,800	16.8%	22,000	32.6%	40,800	75.5%	193,700	83.2%	109,100	67.4%	84,600
Eilean Siar	39.6%	4,600	28.0%	1,700	52.8%	2,900	60.4%	7,100	72.0%	4,500	47.2%	2,600
Falkirk	23.3%	17,100	15.1%	5,800	32.3%	11,300	76.7%	56,300	84.9%	32,600	67.7%	23,700
Fife	28.6%	47,700	18.6%	16,100	39.3%	31,600	71.4%	119,000	81.4%	70,300	60.7%	48,700
Glasgow City	26.9%	69,300	20.3%	26,600	33.7%	42,700	73.1%	188,200	79.7%	104,100	66.3%	84,100
Highland	26.7%	28,700	16.4%	9,400	38.2%	19,400	73.3%	79,100	83.6%	47,800	61.8%	31,300
Inverclyde	28.7%	9,700	20.7%	3,600	37.7%	6,000	71.3%	24,000	79.3%	14,000	62.3%	10,000
Midlothian	32.3%	12,300	21.0%	3,900	43.3%	8,400	67.7%	25,700	79.0%	14,800	56.7%	11,000
Moray	20.0%	8,500	14.7%	3,400	26.2%	5,100	80.0%	34,300	85.3%	19,900	73.8%	14,400
North Ayrshire	23.7%	11,800	15.1%	3,800	32.3%	8,100	76.3%	37,900	84.9%	21,100	67.7%	16,900
North Lanarkshire	30.1%	44,600	22.2%	16,800	38.4%	27,800	69.9%	103,500	77.8%	58,800	61.6%	44,700
Orkney Islands	26.8%	2,800	18.9%	1,100	35.9%	1,800	73.2%	7,700	81.1%	4,600	64.1%	3,200
Perth and Kinross	27.1%	19,800	18.5%	7,200	36.9%	12,600	72.9%	53,400	81.5%	31,900	63.1%	21,600
Renfrewshire	26.0%	20,700	16.9%	6,900	35.4%	13,800	74.0%	58,900	83.1%	33,700	64.6%	25,200
Scottish Borders	27.2%	14,600	17.4%	4,800	37.6%	9,800	72.8%	39,000	82.6%	22,800	62.4%	16,300
Shetland Islands	34.8%	4,200	19.7%	1,300	52.9%	2,900	65.2%	7,900	80.3%	5,300	47.1%	2,600
South Ayrshire	26.8%	13,300	14.9%	3,900	40.3%	9,400	73.2%	36,300	85.1%	22,400	59.7%	13,900
South Lanarkshire	27.0%	40,300	21.8%	16,500	32.3%	23,700	73.0%	109,000	78.2%	59,100	67.7%	49,800
Stirling	25.6%	10,600	15.6%	3,200	35.0%	7,500	74.4%	30,900	84.4%	17,000	65.0%	13,900
West Dunbartonshire	31.5%	11,800	22.8%	4,300	40.4%	7,500	68.5%	25,600	77.2%	14,600	59.6%	11,000
West Lothian	27.5%	23,100	19.9%	8,500	35.5%	14,600	72.5%	60,600	80.1%	34,200	64.5%	26,400

Source: Annual Population Survey (Jan to Dec)

Notes:

1. Employment levels cover those aged 16 and over.
2. Percentages are as a total of all aged 16 and over (excluding non-respondents for this question)

Table 6: Public, Private Sector employment by age group for all aged 16+, Scotland, 2004 to 2013

	Public Sector											
	Total		16-24		25-34		35-49		50-64		65+	
	Proportion	Level	Proportion	Level	Proportion	Level	Proportion	Level	Proportion	Level	Proportion	Level
2004	28.9%	698,300	12.7%	46,300	26.9%	133,200	33.8%	319,500	33.7%	193,100	15.0%	6,200
2005	28.9%	704,100	13.4%	49,500	25.0%	123,100	33.8%	320,800	34.8%	204,500	16.4%	6,200
2006	29.2%	724,600	13.0%	47,800	27.0%	133,800	33.5%	324,100	35.2%	213,400	12.6%	5,500
2007	28.3%	708,500	12.4%	45,700	24.9%	125,600	32.7%	315,200	34.6%	215,500	14.0%	6,400
2008	27.9%	701,300	12.2%	44,600	24.3%	123,200	32.9%	314,000	33.2%	211,900	15.6%	7,600
2009	29.2%	724,100	14.3%	49,900	27.1%	137,300	32.8%	303,200	34.9%	223,700	18.5%	10,000
2010	28.7%	702,800	13.2%	44,500	25.3%	128,300	32.6%	295,300	34.6%	222,800	21.3%	12,000
2011	27.4%	669,800	10.6%	34,500	24.3%	127,000	31.3%	279,400	33.5%	218,200	19.4%	10,800
2012	26.9%	655,900	10.9%	33,600	22.8%	121,800	32.1%	281,100	31.9%	208,600	15.6%	10,700
2013	26.7%	655,300	10.9%	33,000	21.7%	119,000	31.8%	273,800	32.6%	218,400	14.8%	11,100
	Private Sector											
	Total		16-24		25-34		35-49		50-64		65+	
	Proportion	Level	Proportion	Level	Proportion	Level	Proportion	Level	Proportion	Level	Proportion	Level
2004	71.1%	1,719,300	87.3%	316,900	73.1%	362,800	66.2%	624,500	66.3%	380,100	85.0%	35,100
2005	71.1%	1,732,300	86.6%	321,100	75.0%	369,300	66.2%	627,000	65.2%	383,100	83.6%	31,800
2006	70.8%	1,759,000	87.0%	321,400	73.0%	362,300	66.5%	644,700	64.8%	392,700	87.4%	37,900
2007	71.7%	1,799,000	87.6%	323,700	75.1%	379,100	67.3%	649,600	65.4%	407,100	86.0%	39,500
2008	72.1%	1,811,300	87.8%	319,400	75.7%	384,700	67.1%	639,600	66.8%	426,400	84.4%	41,200
2009	70.8%	1,752,800	85.7%	300,200	72.9%	369,100	67.2%	622,400	65.1%	416,800	81.5%	44,300
2010	71.3%	1,748,300	86.8%	292,600	74.7%	379,000	67.4%	611,500	65.4%	421,000	78.7%	44,200
2011	72.6%	1,776,000	89.4%	289,400	75.7%	395,100	68.7%	613,000	66.5%	433,500	80.6%	44,900
2012	73.1%	1,786,600	89.1%	276,000	77.2%	412,500	67.9%	595,000	68.1%	445,300	84.4%	57,800
2013	73.3%	1,801,600	89.1%	270,900	78.3%	429,000	68.2%	586,000	67.4%	452,000	85.2%	63,700

Source: Annual Population Survey (Jan to Dec)

Notes:

1. Levels cover those within the specified age groups.
2. Proportions are as a total of all within specified age group (excluding non-respondents for this question)

Table 7: Model-based unemployment rates for people aged 16 or over by local authority, Scotland, 2007, 2008, 2012, 2013

Geography (Residence Based)	Jan - Dec 2007		Jan -Dec 2008		Jan -Dec 2012		Jan -Dec 2013	
	Rate	Level	Rate	Level	Rate	Level	Rate	Level
Scotland	4.7%	125,100	4.9%	130,400	7.9%	213,100	7.7%	207,000
<i>Local Authority Area</i>								
Aberdeen City	3.7%	4,400	3.6%	4,300	5.0%	6,300	4.5%	5,800
Aberdeenshire	2.5%	3,200	2.5%	3,300	3.4%	4,600	3.3%	4,600
Angus	4.5%	2,500	4.4%	2,500	6.2%	3,400	6.0%	3,300
Argyll & Bute	4.0%	1,800	4.3%	1,900	6.3%	2,600	5.6%	2,400
Clackmannanshire	5.5%	1,300	5.4%	1,300	9.9%	2,300	9.5%	2,300
Dumfries and Galloway	4.2%	3,000	4.6%	3,400	8.2%	5,700	7.3%	5,100
Dundee City	6.6%	4,700	6.4%	4,500	10.6%	7,500	11.3%	7,600
East Ayrshire	6.3%	3,700	6.1%	3,700	11.3%	6,600	11.4%	6,700
East Dunbartonshire	3.1%	1,700	3.9%	2,100	6.1%	3,200	4.9%	2,600
East Lothian	3.5%	1,700	3.6%	1,700	6.5%	3,300	6.1%	3,100
East Renfrewshire	3.4%	1,500	3.5%	1,500	5.8%	2,500	6.3%	2,800
Edinburgh, City of	4.3%	11,100	4.4%	11,600	6.4%	17,600	6.8%	18,800
Eilean Siar	4.2%	600	4.4%	600	6.3%	800	6.7%	800
Falkirk	4.6%	3,600	4.4%	3,500	8.1%	6,500	7.6%	6,200
Fife	5.6%	10,400	5.7%	10,700	9.1%	16,900	8.9%	16,400
Glasgow City	6.9%	19,400	7.0%	20,100	11.7%	33,300	10.6%	30,900
Highland	3.2%	3,800	3.4%	4,000	5.0%	5,800	5.3%	6,100
Inverclyde	7.1%	2,700	6.3%	2,500	12.1%	4,600	8.0%	3,000
Midlothian	4.2%	1,800	4.1%	1,800	6.6%	2,800	6.7%	2,700
Moray	3.5%	1,600	3.8%	1,800	4.9%	2,200	4.9%	2,200
North Ayrshire	6.4%	4,200	7.4%	4,800	12.7%	7,800	13.5%	8,000
North Lanarkshire	5.4%	8,800	5.9%	9,400	11.4%	19,000	10.3%	17,200
Orkney Islands	2.7%	300	2.6%	300	3.8%	400	3.4%	400
Perth and Kinross	3.5%	2,500	3.6%	2,600	6.0%	4,600	5.5%	4,300
Renfrewshire	5.1%	4,400	5.5%	4,800	8.9%	7,900	8.0%	7,000
Scottish Borders	3.1%	1,800	3.7%	2,100	5.9%	3,300	5.2%	3,000
Shetland Islands	2.6%	300	2.4%	300	3.5%	400	3.2%	400
South Ayrshire	5.0%	2,800	5.2%	2,800	9.2%	5,100	7.5%	4,100
South Lanarkshire	4.1%	6,800	4.4%	7,100	6.9%	11,500	8.6%	14,100
Stirling	3.9%	1,800	4.6%	2,000	8.1%	3,500	7.4%	3,400
West Dunbartonshire	6.3%	3,000	6.8%	3,100	11.4%	5,100	10.8%	4,600
West Lothian	4.8%	4,300	4.7%	4,300	6.6%	6,100	7.5%	6,800

Source: Annual Population Survey, Jan-Dec, Claimant count, ONS

Note: Unemployment levels and rates cover those aged 16 and over.

Table 8: Levels and proportion of 16-19 year olds Not in Education, Employment or Training (NEET), Scotland, 2004-2013

	Male		Female		Total	
	Level	Rate	Level	Rate	Level	Rate
2004	16,000	11.9%	15,000	11.5%	31,000	11.7%
2005	19,000	14.4%	17,000	13.3%	36,000	13.9%
2006	17,000	13.0%	13,000	10.3%	30,000	11.7%
2007	15,000	11.3%	14,000	10.7%	29,000	11.0%
2008	16,000	11.6%	14,000	11.2%	30,000	11.4%
2009	19,000	14.2%	14,000	11.3%	33,000	12.8%
2010	20,000	15.0%	16,000	12.4%	36,000	13.7%
2011	19,000	14.7%	13,000	10.1%	32,000	12.4%
2012	19,000	14.9%	14,000	11.7%	33,000	13.3%
2013	15,000	11.8%	14,000	12.0%	29,000	11.9%

Source: Annual Population Survey, Jan-Dec, Claimant count, ONS

Notes:

1. Levels rounded to the nearest thousand.
2. Rates are calculated on unrounded figures

Table 9: Economic inactivity rates and levels for population aged 16-64 by local authority, Scotland, 2008, 2012, 2013

Geography (Residence Based)	2008		2012		2013		Change since 2008	
	Proportion	Level	Proportion	Level	Proportion	Level	Rate (%age pnt)	Level
Scotland	22.6%	764,200	23.1%	784,900	23.0%	779,800	0.3	15,700
<i>Local Authority Area</i>								
Aberdeen City	18.8%	26,900	17.8%	27,300	18.7%	28,900	-0.1	2,000
Aberdeenshire	17.7%	27,400	17.5%	27,800	18.1%	28,600	0.4	1,200
Angus	18.9%	12,800	20.9%	14,100	20.4%	13,600	1.6	800
Argyll & Bute	20.6%	11,000	24.0%	12,400	21.1%	10,600	0.5	-400
Clackmannanshire	26.7%	8,600	26.6%	8,600	25.9%	8,500	-0.8	-100
Dumfries and Galloway	22.5%	20,700	25.2%	22,500	24.5%	21,700	2.0	1,000
Dundee City	26.2%	24,300	27.5%	26,000	29.4%	27,900	3.3	3,500
East Ayrshire	23.7%	18,500	24.1%	18,300	22.5%	17,000	-1.2	-1,400
East Dunbartonshire	21.4%	14,100	21.9%	14,200	19.6%	12,500	-1.8	-1,600
East Lothian	22.2%	13,300	20.7%	12,700	19.1%	11,600	-3.1	-1,800
East Renfrewshire	22.4%	12,400	23.2%	12,700	19.8%	10,900	-2.6	-1,500
Edinburgh, City of	21.7%	72,200	22.7%	79,300	23.0%	80,600	1.3	8,300
Eilean Siar	17.9%	2,900	22.4%	3,500	21.6%	3,400	3.7	500
Falkirk	20.7%	20,300	21.0%	20,800	21.1%	21,000	0.4	700
Fife	20.7%	48,400	22.9%	53,500	23.2%	54,100	2.6	5,800
Glasgow City	30.0%	121,000	32.2%	132,800	29.7%	122,400	-0.3	1,500
Highland	19.0%	26,200	19.9%	27,300	22.1%	30,500	3.1	4,300
Inverclyde	25.2%	13,200	23.6%	11,700	26.0%	12,800	0.8	-300
Midlothian	18.8%	9,800	21.3%	11,000	23.6%	12,100	4.8	2,300
Moray	17.5%	9,600	18.8%	10,000	17.0%	9,000	-0.5	-600
North Ayrshire	25.1%	21,700	28.6%	24,200	29.2%	24,400	4.1	2,700
North Lanarkshire	25.8%	55,000	20.3%	42,500	21.3%	44,400	-4.5	10,600
Orkney Islands	16.3%	2,000	14.1%	1,700	17.6%	2,200	1.3	200
Perth and Kinross	21.0%	18,800	19.3%	17,900	19.5%	18,200	-1.5	-600
Renfrewshire	21.9%	24,400	21.4%	23,600	22.8%	25,100	0.9	700
Scottish Borders	18.6%	13,000	22.7%	15,600	22.1%	15,200	3.5	2,200
Shetland Islands	12.8%	1,800	19.0%	2,700	13.8%	2,000	1.0	200
South Ayrshire	23.7%	16,400	21.6%	14,500	22.7%	15,500	-0.9	-1,000
South Lanarkshire	23.6%	47,700	20.7%	41,700	21.3%	42,900	-2.3	-4,900
Stirling	21.8%	12,300	26.1%	14,800	22.6%	12,900	0.8	700
West Dunbartonshire	25.1%	15,000	24.1%	14,100	27.2%	15,700	2.1	700
West Lothian	20.0%	22,500	21.7%	24,600	20.9%	23,700	0.9	1,200

Source: Annual Population Survey (Jan to Dec)
Inactivity rates and levels cover those aged 16-64

Notes:

1. Levels rounded to the nearest hundred.
2. Rates are calculated on unrounded figure

Table 10: Economically inactive people aged 16-64, by willingness to work and local authority, Scotland, 2008, 2012, 2013

	2008				2012				2013			
	% Who want to work	Level Want to Work	Level - Do not Want to Work	All Inactive	% Who want to work	Level Want to Work	Level - Do not Want to Work	All Inactive	% Who want to work	Level Want to Work	Level - Do not Want to Work	All Inactive
Scotland	24.6%	188,200	575,900	764,200	25.4%	199,400	585,500	784,900	25.7%	200,100	579,700	779,800
<i>Local Authority Area</i>												
Aberdeen City	29.2%	7,900	19,000	26,900	34.4%	9,400	17,900	27,300	11,100	17,800	28,900	11,100
Aberdeenshire	33.0%	9,100	18,400	27,400	30.7%	8,500	19,200	27,800	9,400	19,300	28,600	9,400
Angus	28.6%	3,700	9,200	12,800	24.2%	3,400	10,700	14,100	4,600	9,000	13,600	4,600
Argyll & Bute	25.0%	2,700	8,300	11,000	26.5%	3,300	9,100	12,400	2,500	8,100	10,600	2,500
Clackmannanshire	24.4%	2,100	6,500	8,600	21.9%	1,900	6,800	8,600	1,500	7,000	8,500	1,500
Dumfries and Galloway	25.9%	5,400	15,400	20,700	24.0%	5,400	17,100	22,500	3,700	18,000	21,700	3,700
Dundee City	26.5%	6,500	17,900	24,300	34.9%	9,100	16,900	26,000	9,000	18,900	27,900	9,000
East Ayrshire	22.5%	4,200	14,300	18,500	26.1%	4,800	13,600	18,300	5,300	11,800	17,000	5,300
East Dunbartonshire	26.0%	3,700	10,400	14,100	31.2%	4,400	9,700	14,200	2,600	9,900	12,500	2,600
East Lothian	22.7%	3,000	10,300	13,300	17.9%	2,300	10,400	12,700	3,000	8,600	11,600	3,000
East Renfrewshire	20.8%	2,600	9,800	12,400	21.2%	2,700	10,000	12,700	2,000	8,900	10,900	2,000
Edinburgh, City of	18.1%	13,000	59,200	72,200	14.2%	11,300	68,000	79,300	13,300	67,300	80,600	13,300
Eilean Siar	*	*	2,100	2,900	*	*	2,900	3,500	*	2,400	3,400	*
Falkirk	28.4%	5,800	14,500	20,300	25.8%	5,400	15,500	20,800	4,200	16,800	21,000	4,200
Fife	27.4%	13,300	35,100	48,400	31.1%	16,700	36,900	53,500	13,400	40,700	54,100	13,400
Glasgow City	24.5%	29,600	91,400	121,000	21.9%	29,200	103,700	132,800	36,400	86,000	122,400	36,400
Highland	21.8%	5,700	20,400	26,200	25.6%	7,000	20,300	27,300	8,800	21,700	30,500	8,800
Inverclyde	29.5%	3,900	9,300	13,200	21.2%	2,500	9,300	11,700	3,700	9,100	12,800	3,700
Midlothian	17.6%	1,700	8,000	9,800	25.6%	2,800	8,200	11,000	2,900	9,200	12,100	2,900
Moray	23.9%	2,300	7,300	9,600	38.4%	3,900	6,200	10,000	3,400	5,600	9,000	3,400
North Ayrshire	26.7%	5,800	15,900	21,700	28.5%	6,900	17,300	24,200	7,200	17,100	24,400	7,200
North Lanarkshire	18.7%	10,300	44,700	55,000	28.2%	12,000	30,600	42,500	9,500	34,800	44,400	9,500
Orkney Islands	*	*	1,500	2,000	*	*	1,100	1,700	*	1,800	2,200	*
Perth and Kinross	19.5%	3,700	15,100	18,800	19.4%	3,500	14,500	17,900	4,700	13,500	18,200	4,700
Renfrewshire	22.6%	5,500	18,900	24,400	26.1%	6,200	17,500	23,600	5,700	19,300	25,100	5,700
Scottish Borders	17.9%	2,300	10,700	13,000	29.9%	4,700	11,000	15,600	4,700	10,500	15,200	4,700
Shetland Islands	*	*	1,100	1,800	*	*	2,400	2,700	*	1,300	2,000	*
South Ayrshire	28.8%	4,700	11,700	16,400	21.1%	3,100	11,500	14,500	3,700	11,800	15,500	3,700
South Lanarkshire	32.1%	15,300	32,400	47,700	30.9%	12,900	28,800	41,700	8,900	34,000	42,900	8,900
Stirling	16.3%	2,000	10,300	12,300	24.0%	3,600	11,300	14,800	2,900	10,100	12,900	2,900
West Dunbartonshire	31.3%	4,700	10,300	15,000	28.7%	4,000	10,000	14,100	4,700	11,000	15,700	4,700
West Lothian	26.4%	5,900	16,600	22,500	29.8%	7,300	17,300	24,600	5,400	18,300	23,700	5,400

Source: Annual Population Survey (Jan to Dec)

* - Estimate is below reliability threshold.

Levels and proportions cover those aged 16-64

Annex B: About the Annual Population Survey

◆ What is the APS and what is it used for?

The Annual Population Survey (APS) combines results from the Labour Force Survey (LFS) and the English, Welsh and Scottish Labour Force Survey boosts. The boosts increase the sample size which means the APS can provide more robust labour market estimates for local areas compared to the main LFS. Thus the APS is the primary source for information on local labour markets providing headline estimates on employment, unemployment and economic activity. The APS is the largest annual household survey in Scotland and provides a wealth of information about individuals' personal circumstances and their work.

Information from the APS is used by the Scottish Government to inform government targets and policies. Some of the many external users of the APS include Local authorities, Scottish Enterprise, Highlands & Islands Enterprise, Skills Development Scotland, Higher & Further Education sector. Uses include monitoring targets, statistical analysis, policy development and briefing.

◆ Government Targets

The APS is the source of information for 2 of the Government's Purpose targets and 1 of the 45 national indicators in the Government's National Performance Framework¹³. This report provides information on progress against these targets and national indicators:

Purpose Targets

- ◆ **Participation** - To close the gap with the top five OECD economies by 2017
- ◆ **Cohesion** - To narrow the gap in participation between Scotland's best and worst performing regions by 2017.

National Indicators

- ◆ **-Improve the skill profile of the population** - Reduce number of working age people with severe literacy and numeracy problems

◆ What topics are available?

A wide range of topics are included in the survey:

- Economic Activity (present or past)
- Employment in main job and second jobs
- Working conditions (hours, work pattern etc.)
- Reasons why people are not in the labour force

¹³ Information on the range of targets and indicators which comprise the National Performance Framework can be found on the Scotland Performs website:
<http://www.scotland.gov.uk/About/scotPerforms>

- Geographical mobility
- Education and training
- Health
- Childcare
- Income
- Individual and household characteristics

◆ **How and when is the survey conducted?**

The Office for National Statistics (ONS) carries out the LFS and associated boosts.

The APS datasets are based on calendar quarters and are produced quarterly on a rolling annual basis (covering 12 months of data). So the four annual APS datasets produced by ONS each year cover the periods January to December, April to March, July to June and October to September.

The APS data use the existing continuous quarterly LFS in addition to annual enhancements. In the quarterly LFS, each person in a selected household is interviewed five times at 13-week intervals. In any three-month period, about a fifth of the sample are being interviewed for the first time, another fifth are receiving their second interview and so on, with 20% being interviewed for the fifth and final time. Each of these roughly equal groups is termed a wave i.e. 'wave 1' refers to those people having their first interview.

◆ **Who takes part in the survey?**

The LFS surveys individuals living at private households in the UK and is designed to be representative of the national population.

The Scottish Government funds the boost to the LFS sample in Scotland, taking the sample size from approximately 5,800 households each year to 20,000 households.

The target sample size in each local authority is 675 economically active adults except for Clackmannanshire (250); Dumfries and Galloway (700), East Lothian (600); East Renfrewshire (600); Eilean Siar (200); Inverclyde (600); Midlothian (600); Moray (600), Orkney Islands (200); Shetland Islands (200); Stirling (600) and West Dunbartonshire (700).

◆ **Revision of estimates**

- The APS will be reweighted based on outputs from the 2011 Census. **This exercise is planned for end 2014 and is expected to have a significant impact on the estimates** for population, economic activity indicators and equality group estimates within many local authorities. The Scottish Government does not plan to retrospectively revise all estimates in previous publications, although some revised tables may be issues to provide revised estimates for key indicators.

◆ **How reliable are the results?**

As survey results, these are subject to a degree of error and implied changes between years which may not be significant and instead be within a given error range. Confidence limits for estimates should be taken into account, especially for changes over time. Annex B provides more information and confidence limits are included in the web tables for each indicator.

◆ **Interaction of labour market statistics**

The three main labour market indicators - employment, unemployment and economic inactivity – are all inter-related. Increases in employment rates are likely to result in corresponding decreases in either or both unemployment and economic inactivity rates (as an increase in employment means there should be less unemployed or inactive people). However, more subtle interactions exist. It is possible for a shift in people between employment and inactivity to change the unemployment rate, even though there has been no change in the actual number of people unemployed. This is because the unemployment rate is based against the economically active population (those in employment plus those unemployed) as opposed to the total relevant population. The same effect does not occur for employment and inactivity rates because they are based against the total relevant population

◆ **Residence, Households and Workplace based statistics**

The information and data presented in this publication is predominantly based on residence based statistics – that is, the statistics relate to the characteristics of residents of a geographical area. These statistics do not give information about the number of jobs or people employed within a local area as this will be different to the number of employed people living within the same area (due to people commuting in and out of the area for work). This is covered briefly in the section on Commuting patterns in the Employment chapter.

Workplace based statistics are available from the APS. These are freely available from Nomis at:

<http://www.nomisweb.co.uk/>.

Employer surveys, such as the Business Register Employment Survey (BRES) and Workforce Jobs are workplace based, relating to an employer's specific business locations. These surveys do not gather any corresponding residence based data (unlike the APS).

Household surveys differ from individual surveys in that the main unit of measure is the household. These surveys can be used to gather information about the different household characteristics within the country, especially in regards to working and workless households. This report does not publish household estimates. These are available from Nomis at:

<http://www.nomisweb.co.uk/>.

◆ Hours and Earnings statistics

The APS records self-reported hours and earnings data (including usual and actual hours worked, usual and actual pay, gross and net income, overtime and bonuses). However, the data is self-certified (there is no check with employer or HMRC to check the data is accurate), and the respondent can choose not to answer these questions.

The official source for data on hours and earnings is the **Annual Survey of Hours and Earnings** (ASHE). Data for ASHE is available from:

<http://www.nomisweb.co.uk/>.

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/DatasetsEarnings>

<http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/annual-survey-of-hours-and-earnings/index.html>

Annex C: Using APS data

◆ How data are displayed in Tables

In this publication, all levels are rounded to the nearest hundred (excluding Figure 1). Proportions are calculated on un-rounded figures and are rounded to the first decimal place. Totals may not equal the sum of individual components due to rounding. All results are based on the area of residence unless otherwise stated.

* indicates data are suppressed as estimates are below the reliability threshold.

◆ Data Access

Scottish Neighbourhood Statistics (SNS)

Selected APS data for Scotland and the geographies covered by this year's web tables will be available free of charge from the SNS website **from early June 2014**:

<http://www.sns.gov.uk/>

The SNS website also holds data from a wide range of Scottish Government surveys as well as relevant Scottish data from UK surveys.

Scottish Government

The Labour Market Statistics Branch at the Scottish Government publish data from the LFS and APS and other related surveys on their website –

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market>

Alternatively, tabulations are also available on request:

Labour Market Statistics Branch
Education Analytical Services
Scottish Government
5th Floor, 5 Atlantic Quay
GLASGOW GO 8LU
Tel: (0300) 244 6790
Email: lmstats@scotland.gsi.gov.uk

NOMIS

APS data (including confidence limits) for the whole of the UK and other government office regions are available free of charge from the Nomis[®] website - <http://www.nomisweb.co.uk/>.

The Nomis website also holds data on claimants of benefits, vacancies and employees.

UK Data Archive

APS micro data are available to users through the Data Archive at Essex University. Access to these data is through a 'Special Licence' scheme, which allows access to detailed data provided that the research use is fully described and strict conditions of access are adhered to. More detail is available on the Data Archive website - <http://www.data-archive.ac.uk>.

Office for National Statistics

ONS publish monthly regional labour market statistical which includes a range of labour market indicators for local areas across the UK. The reports can be accessed on their website at:

<http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm:77-21859>

Headline national and regional statistical bulletins are produced monthly (based on LFS data) and can be accessed from the ONS website at:

<http://www.ons.gov.uk/ons/taxonomy/index.html?nscl=Labour+Market>

Annex D: Confidence intervals

One of the benefits of the boosted data is more reliable estimates for local authority areas. Prior to the boost the reliability threshold in all areas was 6,000. This was to prevent unreliable data being used. Thresholds are calculated so that they are approximately equivalent to suppressing if the standard error of an estimate is greater than 20% of the estimate itself. With the boost, different areas have different thresholds as some areas have larger samples and more variability in results than others (see Table D1).

Table 11: Local authority area reliability thresholds

Local Authority	Reliability Threshold
Aberdeen City	3,000
Aberdeenshire	3,000
Angus	1,000
Argyll & Bute	1,000
Clackmannanshire	1,000
Dumfries & Galloway	2,000
Dundee City	2,000
East Ayrshire	1,000
East Dunbartonshire	1,000
East Lothian	1,000
East Renfrewshire	1,000
Edinburgh, City of	5,000
Eilean Siar	1,000
Falkirk	2,000
Fife	4,000
Glasgow City	5,000
Highland	2,000
Inverclyde	1,000
Midlothian	1,000
Moray	1,000
North Ayrshire	1,000
North Lanarkshire	4,000
Orkney Islands	1,000
Perth & Kinross	2,000
Renfrewshire	2,000
Scottish Borders	1,000
Shetland Islands	1,000
South Ayrshire	1,000
South Lanarkshire	4,000
Stirling	1,000
West Dunbartonshire	1,000
West Lothian	3,000

As survey results, these are subject to a degree of error and implied changes over the years may not be significant and instead be within a given error range. Confidence limits can be used to assess the range of values that the true value lies between. The web tables include 95% confidence limits for each indicator.

What does the 95% confidence limit mean?

If, for example, we have an APS estimate and confidence limit of 63% +/- 0.27%, this means that 19 times out of 20 we would expect the true rate to lie between 62.73% and 63.27%. Only in exceptional circumstances (1 in 20 times) would we expect the true rate to be outside the confidence interval around the APS estimate. Thus the smaller the confidence limits, the more reliable the estimate.

The confidence limits use a design factor of 1, which may not be likely in some cases but given the lack of further information an average design factor of 1 is assumed to be reasonable. Further information on estimating confidence intervals can be found in the LFS manuals¹⁴.

Using confidence intervals to assess change (statistical significance).

Confidence intervals can be used to assess whether there has been a significant change between two estimates over time. The methodology for determining if a change is statistically significant is detailed in the Methodology Glossary on the Scottish Government web-site within the Tier 2 – Confidence Intervals document, available at:

<http://www.scotland.gov.uk/Topics/Statistics/About/Methodology/Glossary>

If the difference between two estimates is said to be statistically significant, it means that only in exceptional circumstances (1 in 20 times) would we expect the true difference to be not significant. It should be noted that statistical significance is a tool used to help detect real change in estimates; it does not say anything about the importance of the change, which needs to be assessed by the user of the statistics in question.

¹⁴ <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/labour-market-statistics/index.html>

Annex E: Concepts and Definitions

Economic activity rate: The number of people who are in employment or unemployed expressed as a percentage of the relevant population.

Economic inactivity rate: The number of economically inactive people expressed as a percentage of the relevant population.

Economically active: The economically active population are those who are either in employment or unemployed.

Economically inactive: Economically inactive people are not in employment, but do not satisfy all the criteria for unemployment. This group is comprised of those who want a job but who have not been seeking work in the last 4 weeks, those who want a job and are seeking work but not available to start and those who do not want a job. For example, students not working or seeking work and those in retirement are classed as economically inactive. It can be useful for some purposes to consider only those who are both economically inactive and not of state pension age.

Employees: The division between employees and self-employed is based on survey respondents' own assessment of their employment status.

Employment: There are two main ways of looking at employment: the number of people with jobs or the number of jobs. These two concepts represent different things as one person can have more than one job. People aged 16 or over are classed as in employment (as an employee or self-employed) by the LFS, if they have done at least one hour of paid work in the week prior to their LFS interview or if they have a job that they are temporarily away from. People who do unpaid work in a family business and people on Government-supported training and employment programmes are also included according to the International Labour Organisation (ILO) convention.

Employment rate: The number of people in employment expressed as a percentage of the relevant population.

Rates: Rates represent the proportion of the population or subgroup of the population with a certain characteristic. They allow changes in the labour market to be interpreted in a wider context, allowing for changes in the overall population or the number of people who are economically active. Rates can be calculated for different age groups. For employment, economic activity and economic inactivity, the most widely quoted rates are those for the working age population. For unemployment, headline rates are expressed as a percentage of the economically active population aged 16 and over. Those over retirement age who continue to be economically active will therefore be included in the base while those who are economically inactive will not.

Self-employment: The division between employees and self-employed is based on survey respondents' own assessment of their employment status.

Unemployment: The ILO definition of unemployment covers people who are: not in employment, want a job, have actively sought work in the previous 4 weeks and are available to start work within the next fortnight, or, out of work and have accepted a job which they are waiting to start in the next fortnight.

Unemployment rate: The number of unemployed people expressed as a percentage of the relevant economically active population.

Working age:

Note that due to changes in the state pension age, (specifically the current female state pension age which is changing dynamically to match the male state pension age) ONS no longer publish rates using a Working age definition in its statistical bulletins, but instead report rates for all people aged 16 to 64.

16 to 19 year olds Not in Employment, Education or Training: The proportion of 16-19 year olds who are not classed as a student, not in employment nor participating in a government training programme.

Further information on Classifications and Standards is also available from the ONS website at

<http://www.ons.gov.uk/ons/guide-method/classifications/guide-to-classifications/index.html>

Annex F: Technical note on APS sample size

Response rates for many government sponsored social surveys have been decreasing steadily for several years. Typical response rates for ONS survey in the 1980/1990's was around 80%, but these have declined over the years to their current levels in the region of 60%. These are being driven by increasing refusals and non-contact (where the interviewer fails to make contact with anyone at the target address after many repeated attempts). A multitude of factors have been used to explain the downward trend in response rates. Some of these include:

- falling contact rates attributed to: rise in single person households; rise in households where all adults are in work; rise in controlled access to properties
- increasing interview lengths
- survey overload: the salience of a survey topic has become a more important determinant of response
- external shocks such as data losses, which have impacted on trust in statistics;
- reduced budgets which result in less appetite to administer costly re-issue exercises.

In addition the Annual Population Survey shows higher levels of attrition than in the Labour Force Survey (where respondents who had completed the survey in the first wave, either refuse to take part or are no longer contactable in subsequent waves). This is because respondents in the APS are re-interviewed at annual intervals over four years, compared to the five quarterly interviews over the course of one year for the LFS.

Previously, one of the responses to falling response rates was to increase the overall sample pool, hence ensuring that the final sample of responding households remained constant. However, as government budgets have reduced, this option has become increasingly difficult to support. In the fiscal year (April 2011 to March 2012), this meant that ONS held the sample pool for Scotland at a fixed level instead of increasing it, as it had in previous years, resulting in the actual sample size for the APS for Jan-Dec 2011 in Scotland being reduced by around 90 households each quarter. For the last fiscal year (April 2012- March 2013), a further reduction of 90 households per quarter was made as financial constraints within government departments continued. **For the coming financial year (April 2014 – March 2015) the Scottish Government have agreed a settlement with ONS to hold and guarantee the sample size at the level set in April 2012- March 2013, which will maintain the quality of survey estimates.**

The impact of these sample size reductions will be seen in both the variability of estimates over time and in the reliability of estimates. Comparing confidence intervals (CI's) for 2011 to 2012's data for employment rates, for example, an increase of around 3% was seen at Scotland level, from ± 0.54 pp to ± 0.56 pp. However, this is not consistent across local authority areas; some areas see decreases (e.g. Moray and Aberdeenshire where CI's decreased by 6% and 11% respectively), while most (22 out of 32) have seen increases, with the highest increases in Highland and Shetland Islands (where CI's have increased by 17% and 43% respectively – from ± 2.5 pp to ± 2.9 pp and from ± 4.3 pp to ± 6.2 pp respectively). It is worth noting that the high increase in Shetland Islands may be more related to poor response rates than any decrease in sample size, as the ONS target for the required number of economically active interviews had not been cut in this area due to its already small level. Table 12 below shows how these targets have been changed. It should be noted, however, that these figures are target

levels and that the reductions shown are in part due to sample reductions, but also in part due to rebasing of levels to acknowledge the issues ONS has with lower response rates and achieving target levels which were originally set when response rates were much higher.

ONS have an on-going program to address the declines in response rates tackling a wide range of issues including; interviewer training, incentives, survey materials, questionnaire reviews, interviewer performance, IT infrastructure and interviewer contracts. In addition, ONS has a programme of research looking at the impact of declining response on survey outputs, including:

- review of reasons for non-response and refusal
- an analysis of attrition bias between waves in the LFS
- refusal follow-up study funded by EUROSTAT
- review of use of incentives
- Census non-response link study
- evaluation of internet data collection for the LFS

Table 12: Change in ONS target for economically active adults interviewed by Scottish local authority

Local authority	Previous target for 2011-12	Target for 2012-13 on
Aberdeen City	875	675
Aberdeenshire	875	675
Angus	875	675
Argyll & Bute	700	675
Clackmannanshire	300	250
Dumfries and Galloway	875	700
Dundee City	875	675
East Ayrshire	875	675
East Dunbartonshire	875	700
East Lothian	800	600
East Renfrewshire	800	600
Edinburgh, City of	875	675
Falkirk	875	675
Fife	875	675
Glasgow City	875	675
Highland	875	675
Inverclyde	700	600
Midlothian	700	600
Moray	875	600
North Ayrshire	875	675
North Lanarkshire	875	675
Orkney Isles	200	200
Perth and Kinross	875	675
Renfrewshire	875	675
Scot Borders, The	875	675
Shetland Isles	200	200
South Ayrshire	875	675
South Lanarkshire	875	675
Stirling	600	600
West Dunbartonshire	875	700
West Lothian	875	675
Western Isles	200	200

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The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics.

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How to access background or source data

The data collected for this statistical publication:

- are available in more detail through Scottish Neighbourhood Statistics from early June 2014
- are available via web-tables on [Scottish Government website](#), [Nomis](#) and [UK Data Archive](#)

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