

# Local Area Labour Markets in Scotland: Statistics from the Annual Population Survey, 2014



A National Statistics publication for Scotland

ECONOMY AND LABOUR MARKET



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## About this publication

The Annual Population Survey (APS) is the primary source for information on local labour markets providing headline estimates on employment, unemployment and economic activity in Scotland. It 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 5,950 households each year to 22,000 households.

This is the twelfth 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 2014, based on the data released by the Office for National Statistics (ONS) on 19 March 2015. Users should note that results (including the complete back series) are based on data that has been reweighted to the 2011 Census<sup>1</sup>. Consequently, historical estimates presented here may differ from those presented in previous analyses.

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<sup>1</sup> More information about the 2011 Census reweighting of can be found at <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/articles-and-reports/revisions-to-labour-force-survey-estimates.pdf>

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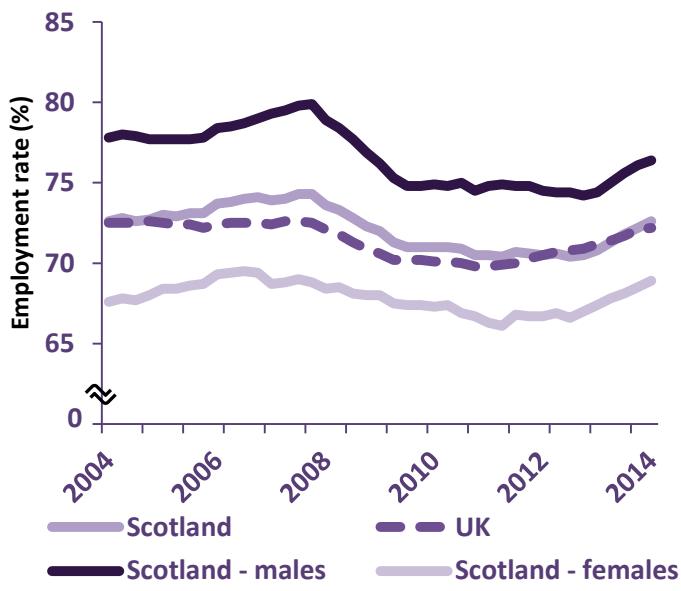
# Summary

- Record high employment level in Scotland in 2014 (2,558,800), the highest seen since comparable records began- driven by female employment increasing to 1,236,800.
- The proportion of working people (16-64) with SVQ level 4 or higher qualifications was 47.1%, the highest on record in Scotland, driven by:
  - The highest level of people with Degree or Professional qualification (758,700), up 62,400 since 2013.
  - The highest level of people with HNC/HND level qualifications (409,000), up 17,600 over the year.
  - The level of working people aged 16-64 with no qualifications was 139,500, the lowest seen since comparable records began in 2004.
- Graduates are faring better in the labour market. The proportion of workers in Scotland aged 25-64 who were graduates in 2014 was 33.2% - the highest since start of comparable records in 2004.
- Record number of older workers (aged 50 and over) in Scotland (787,500).
  - A 23.4% rise in employment level for 50-64 year olds (from 573,200 to 707,200), with their employment rate increasing from 61.9% to 67.4%.
  - A 95% rise in employment level for those aged 65 and over (from 41,200 to 80,300), with their employment rate increasing from 5.2% to 8.4%.
- Underemployment level in Scotland decreased by 20,200 over the year to 216,500, with the underemployment rate decreasing by 1.1 percentage points from 10.0% to 8.6%.
  - The decrease in under-employment over the year was driven by reductions in levels for both full and part-time male workers (down 10,800 and 9,400 respectively).
- The level of 16-19 year old who were NEET in 2014 was 21,000, down 8,000 over the year. This is the lowest level of NEET seen since comparable records began in 2004.
  - 8.4% of 16-19 year olds were NEET in 2014, down 2.8 percentage points over the year. The change was driven by:
    - A decrease in level the of males who were NEET, down 5,000 (3.7 percentage points) over the year, while female NEETs were down 3,000 (1.9 percentage points).
    - A decrease of 7,000 over the year in the level of 18-19 year olds who were NEET.
- Model-based Unemployment rates decreased in all of Scotland's local authorities over the year. However, the model-based unemployment rate remains higher in all local authority areas than in 2008.
  - The largest decreases over the year were seen in North Ayrshire (down 5.3 percentage points) and East Ayrshire (down 2.7 percentage points).
  - The smallest decreases over the year were seen in Aberdeen City (down 0.1 percentage point), East Dunbartonshire and Shetland Islands (both down 0.3 percentage points).

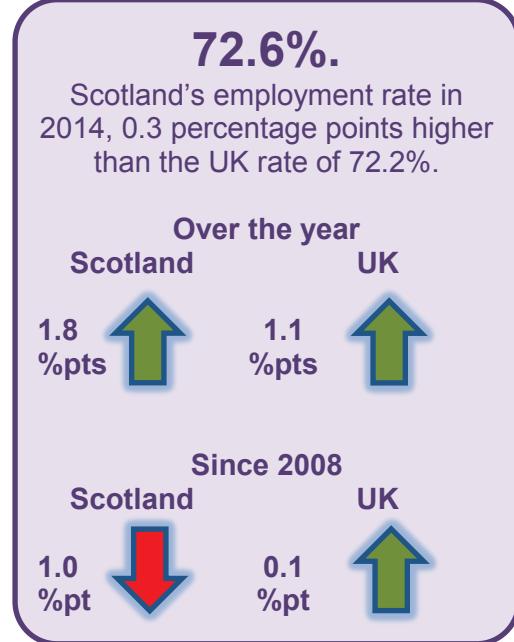
# Section 1: People in Work

## National Overview

Figure 1 - Employment rate (16-64), Scotland and UK, 2004-2014

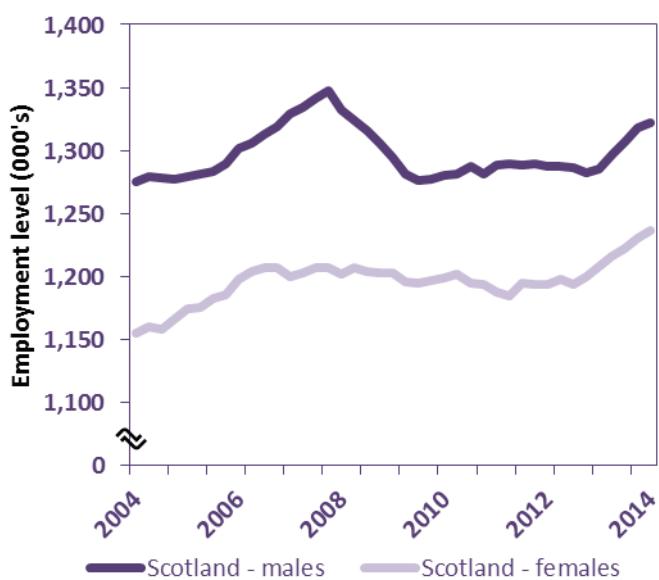


Source: Annual Population Survey, Jan-Dec 2014, ONS

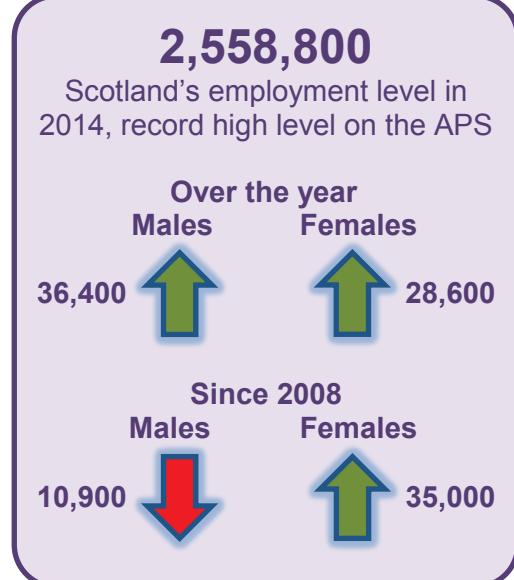


Increases in employment rate over the year in Scotland have been driven by increases in both the male rate (up 2.1 percentage points from 74.4% to 76.4%) and the female rate (up 1.6 percentage points from 67.4% to 68.9%). The female employment rate of 68.9% in 2014 was the highest seen from the APS since Oct'07-Sep'08, when it was 68.8%. The male rate by comparison is still more than 3.0 percentage points lower than its Oct'07-Sep'08 record high of 79.9%.

Figure 2 - Employment level (16+), Scotland by gender, 2004-2014



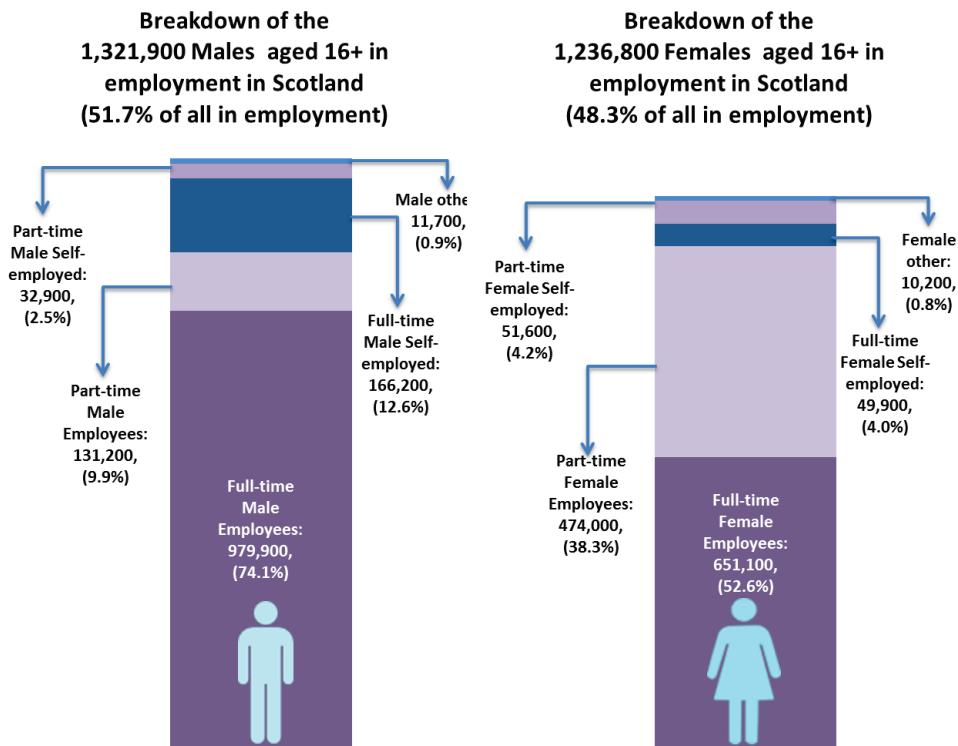
Source: Annual Population Survey, Jan-Dec 2014, ONS



The record high employment level in Scotland in 2014 was driven by female employment increasing to 1,236,800, the highest seen since comparable records began, and male employment levels rising to the highest since Apr'08-Mar'09 (1,321,900).

However, although employment levels are at record levels for both Scotland and females in Scotland, employment rates are not. This is due to the 16-64 population growing faster than 16-64 employment levels. In addition, much of the increase in employment levels (16+) have come from workers over the age of 65.

Figure 3 - Composition of the working population of Scotland in 2014



Source: Annual Population Survey, Jan-Dec 2014, ONS

Note: 'Other' category includes Government sponsored trainees, unpaid family workers and those whose job could not be classified as full or part-time

Figure 3 illustrates the different employment patterns for males and females, with female employees being far more likely to be working part-time than their male counterparts. Self-employed females are also almost twice as likely to be working part-time and around three times less likely to be working full-time than their male counterparts.

## Local Area and sub group analysis

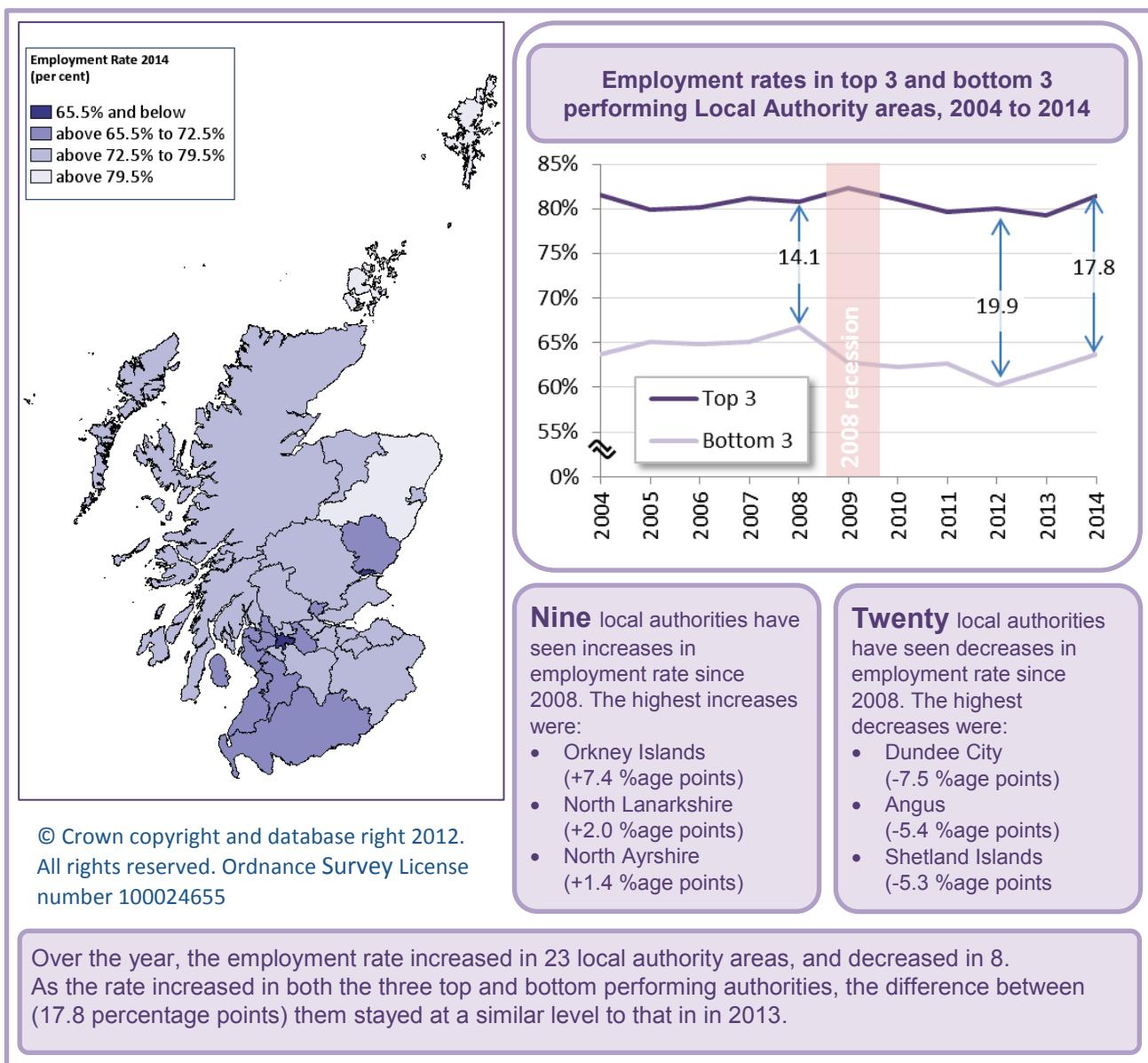
Employment rates vary considerably across the local authority areas of Scotland. Figure 4 below illustrates the variation seen in 2014 and how the gap between the 3 top and bottom performing areas, as measured by the Cohesion Purpose Target has changed over time.

The aim of the Cohesion Purpose Target<sup>2</sup> is to narrow the gap in participation between Scotland's best and worst performing regions by 2017.

Time series data for local authority areas are available in Table 1.1 of the accompanying [web-tables](#).

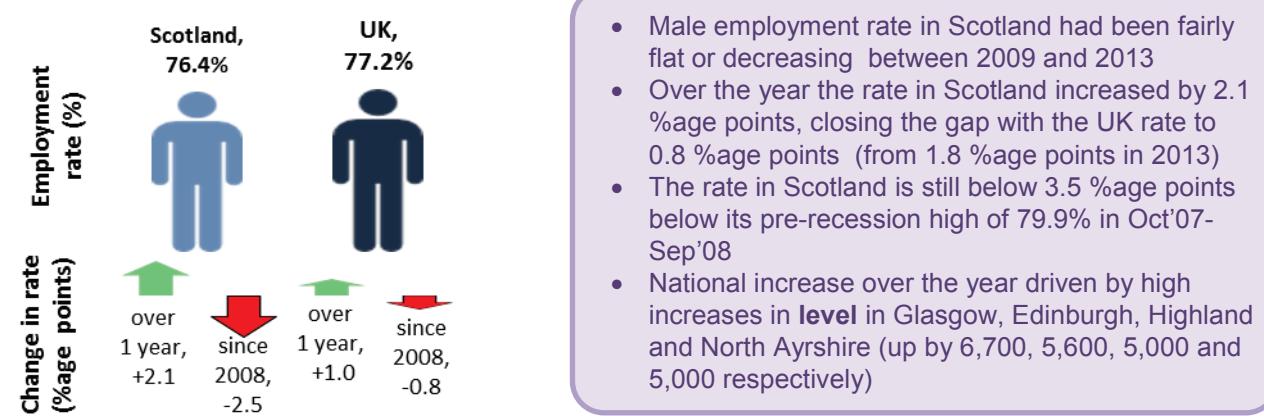
<sup>2</sup> Further information about the Cohesion Purpose Target is available at <http://www.gov.scot/About/Performance/scotPerforms/purposes/cohesion>

Figure 4 - Employment rates across Local Authority areas, Scotland 2004-2014



Source: Annual Population Survey, Jan-Dec 2014, ONS

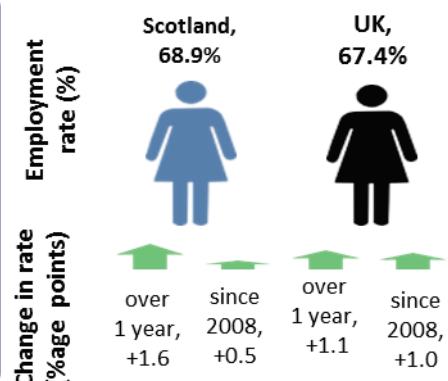
Figure 5 - Male employment rates, change over year and since 2008, Scotland, UK



Source: Annual Population Survey, Jan-Dec 2014, ONS

Figure 6 - Female employment rates, change over year and since 2008, Scotland, UK

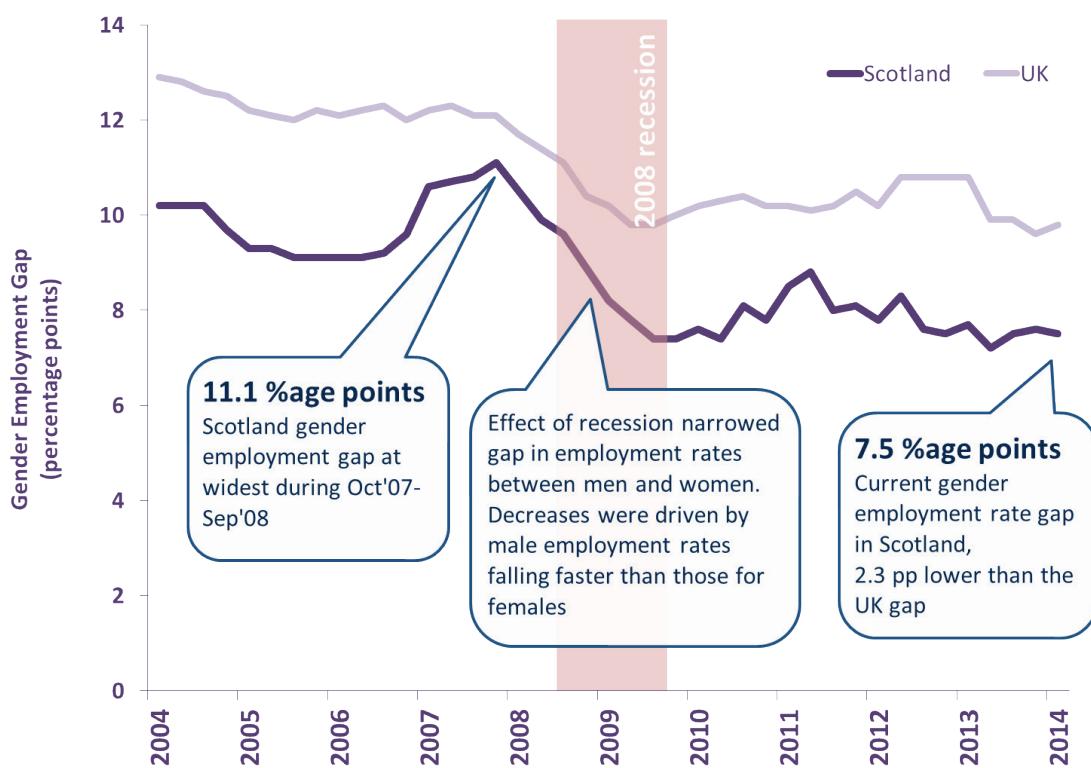
- Female employment rate in Scotland has been on a general upward trajectory since 2011
- Over the year the rate in Scotland increased by 1.6 percentage points, increasing the gap with the UK rate from 1.1 percentage points in 2013 to 1.6 percentage points in 2014
- The rate in Scotland is the highest since Jun'07-Jul'08 (when it was 69.0%)
- National increase over the year driven by high increases in **level** in Edinburgh, Fife, North Ayrshire and Aberdeen City (up by 4,700, 4,200, 4,200 and 3,100 respectively)



Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdown of male and female employment rates and level by local authority area are available from Tables 1.2 and 1.3 of the [web-tables](#).

Figure 7 - Gender employment gap, Scotland and UK, 2004 to 2014

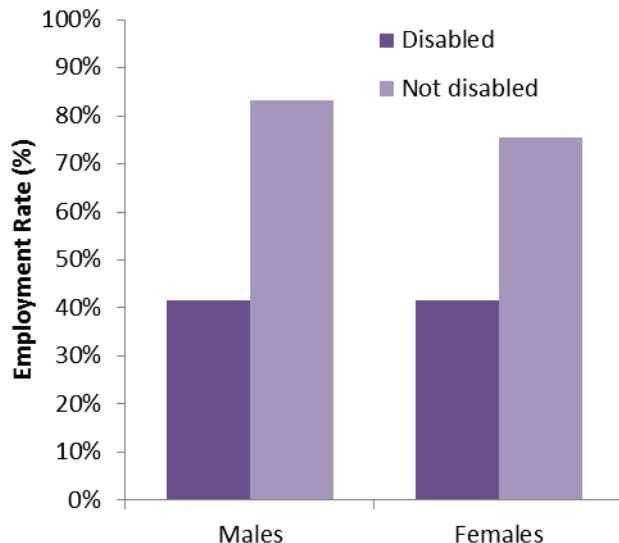


Source: Annual Population Survey, Jan-Dec 2014, ONS

The gender employment gap has reduced in part due to increases in female employment rates, which have increased as a result of welfare reform (e.g. changes in eligibility to Lone Parent Income Support and the on-going harmonisation of the male and female state pension age).

The gender employment rate gap was highest in 2014 in Aberdeenshire, Clackmannanshire and Highland (at 15.3, 13.9 and 13.5 percentage points respectively), while the lowest gaps were seen in Dundee City, Inverclyde and East Ayrshire (at -0.2, 2.8 and 3.0 percentage points respectively). City authorities generally tend to have a lower gender employment rate gap than more rural authorities which may point to greater availability of jobs, roles and work patterns that suit female workers in these areas.

Figure 8 - Employment rate (16-64) by Equality Act<sup>3</sup> disability status, Scotland, 2014



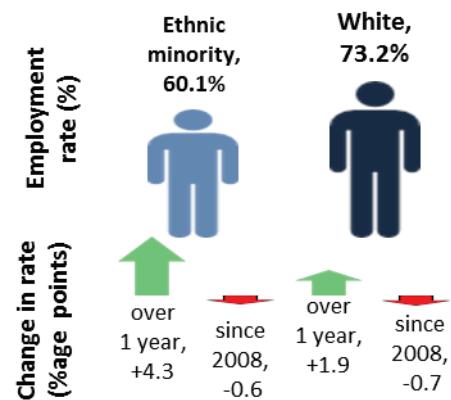
- Employment rates for those classified as disabled under the Equality Act 2010 were 37.8 percentage points lower than for those not classified as disabled.
- Employment rates for disabled females in Scotland in 2014 (41.7%) were marginally higher than those for disabled males (41.5%).

Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdown of employment rates and level for those with a disability by local authority area are available from Tables 1.5 of the [web-tables](#). Note that this series has several discontinuities and some data may not be comparable over time.

Figure 9 - Employment rates by ethnicity, change over year and since 2008, Scotland

- Employment rates for ethnic minorities in Scotland are on average about 13 percentage points lower than those for the white population.
- The difference is driven mainly by much lower employment rates for ethnic minority females which are typically below 50% (just under 20 percentage points lower than white females).
- Ethnic minority males on average have an employment rate just under 8 percentage points lower than white males.

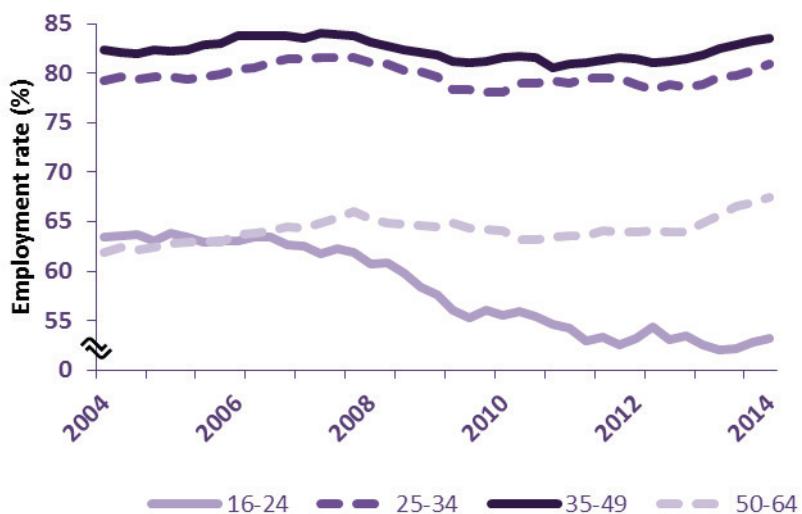


Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdown of employment rates and level by ethnicity and region are available from Tables 1.6 of the [web-tables](#).

<sup>3</sup> Estimates [from April 2013 onwards] are based on the core definition of disability under the Equality Act 2010, as specified in the Government Statistical Service (GSS) Harmonised Standards for questions on disability. It includes people with a health condition or illness lasting 12 months or more that reduces their ability to carry out day-to-day activities. It excludes certain non-core groups covered by the Equality Act, such as those with progressive or past conditions that do not currently limit their activities, and conditions that only limit their activities without medication or treatment. The introduction of this new definition means that estimates are not directly comparable with earlier periods.

Figure 10 - Employment rate by age group, Scotland, 2004 to 2014

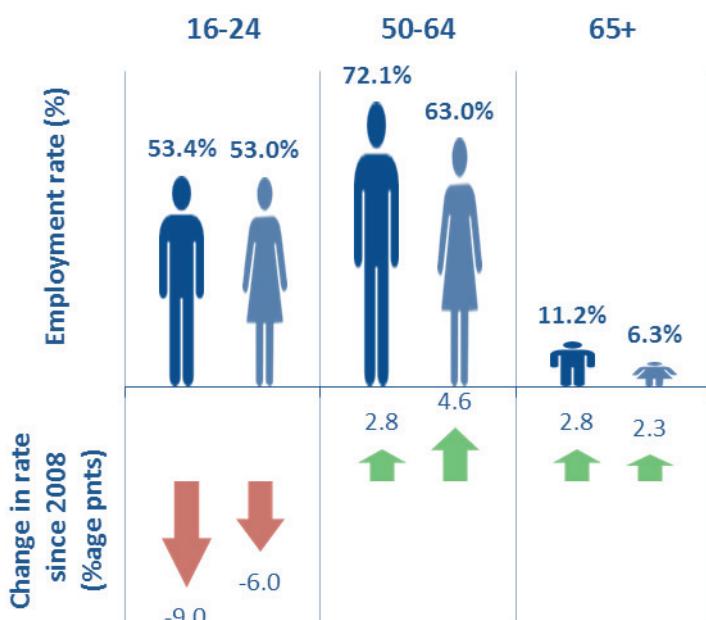


Employment rates for those aged 25-34 and 35-49 have generally remained around 80 to 85% even through the recession, indicating that these groups are fairly resilient to economic change. The main impact of the 2008 recession were seen by younger workers (16-24), whose employment rates reduced from 60.7% in 2008 to 53.2% in 2014. By contrast older workers have seen their employment rates increase through the recovery.

Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdown of employment rates and level by age and local authority area are available from Tables 1.4 of the [web-tables](#).

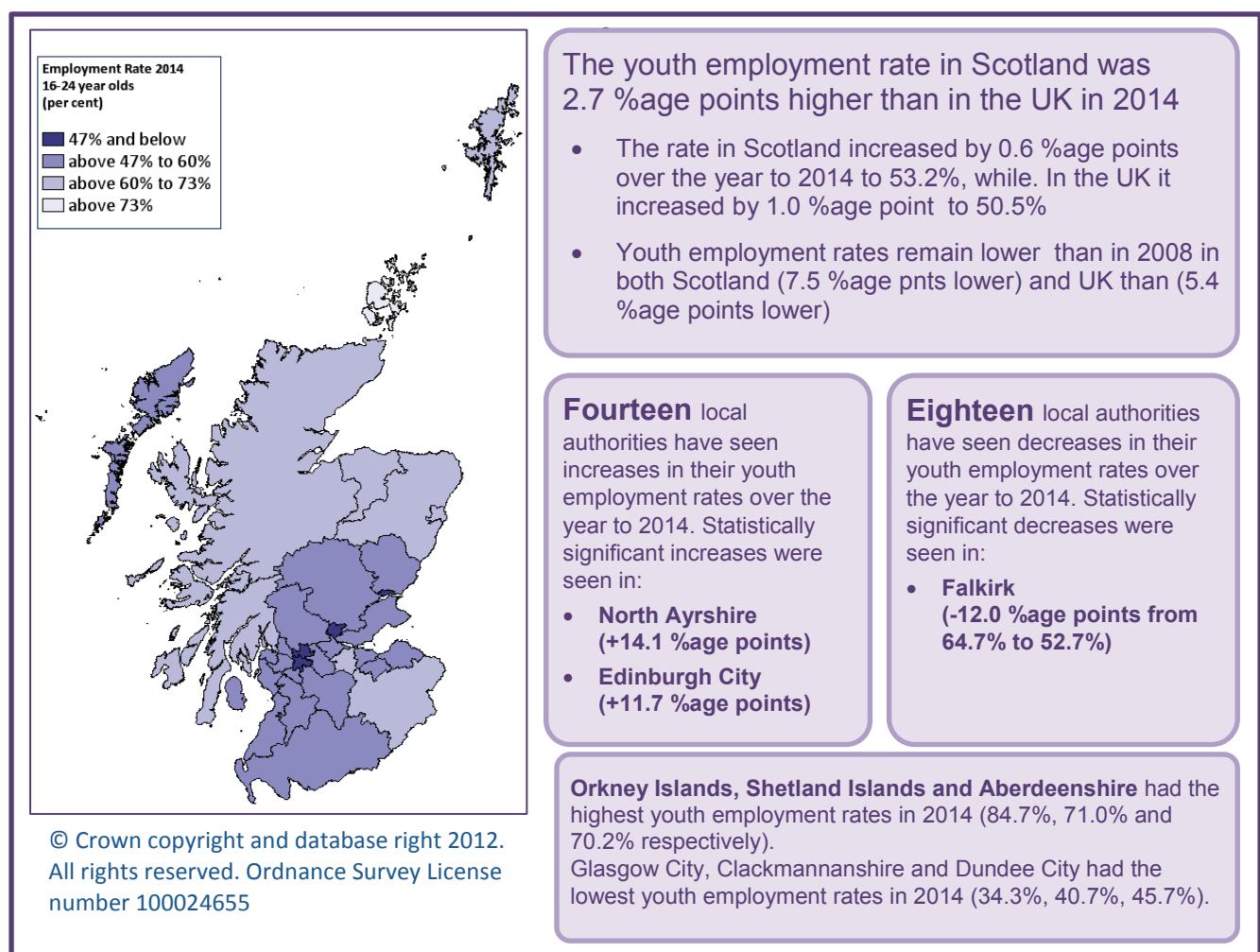
Figure 11 - Employment rate by age group (16-24, 50-64 and 65+), change since 2008, Scotland



- Younger males have seen a 9 percentage point decrease in employment rate since 2008.
- Younger worker have generally moved from employment into unemployment and inactivity (mainly into further or higher education).
- Both male and female older worker have seen increased employment rates since 2008.
- This is in part due to changes in the state retirement age for females, but there may also be other reasons including improved health of older worker and the need to supplement pension provision.

Source: Annual Population Survey, Jan-Dec 2014, ONS

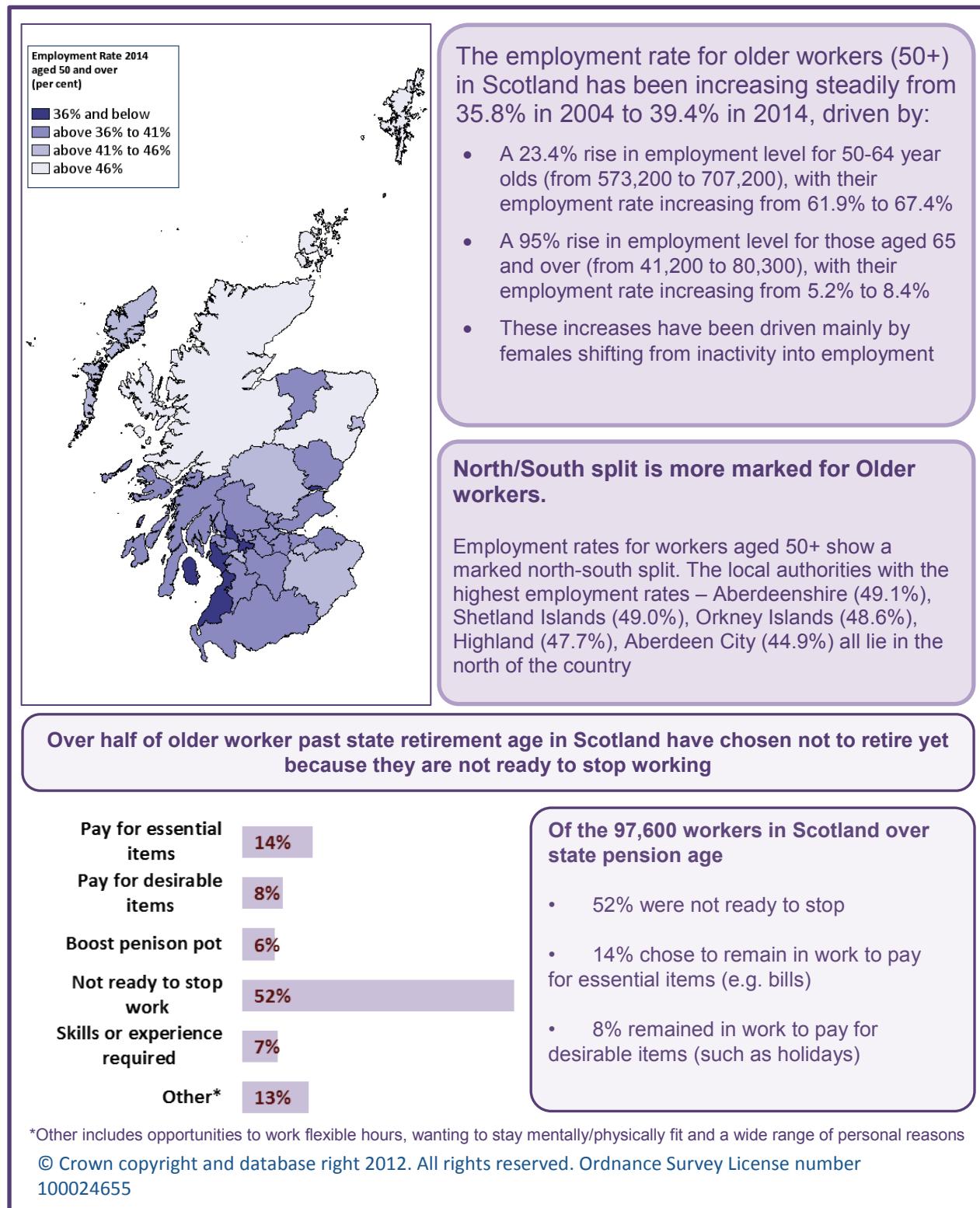
Figure 12 - Youth employment (16-24) across Scotland and compared to the UK



Source: Annual Population Survey, Jan-Dec 2014, ONS

Youth employment rates in some authorities will be affected by large student populations which can lead to higher inactivity levels and hence lower employment rates. In Scotland and the UK 44% of young people were in enrolled in full-time education in 2014. Of these, 33% in Scotland were also in employment, a higher proportion than in the UK (26%).

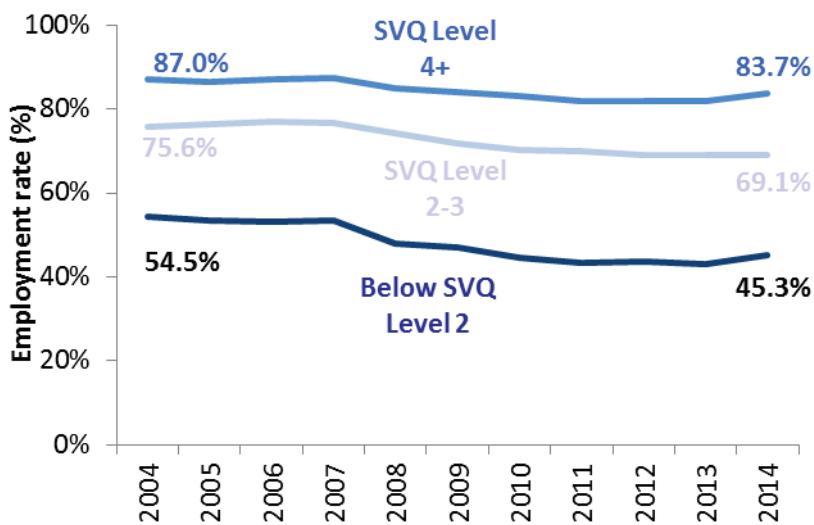
Figure 13 - Older Workers in Scotland, 2014



Source: Annual Population Survey, Jan-Dec 2014, ONS

## Impact of education on employment

Figure 14 - Employment rates (16-64) by qualification level, Scotland 2004-2014



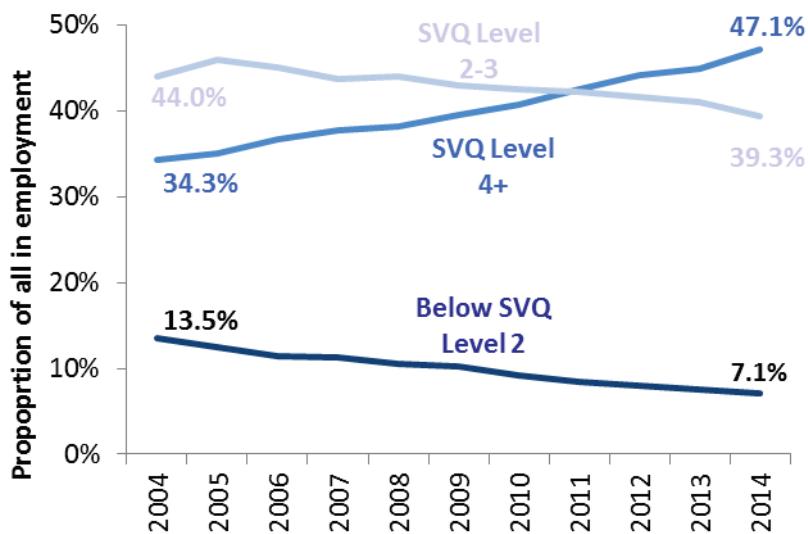
There is a strong link between educational attainment and employability:

- Employment rate for those with SVQ level 4+ qualifications are almost double those for those with qualifications below SVQ level 2
- Difference between employment rates of those with SVQ level 4+ and SVQ level 2-3 qualifications is almost 15 %age points.

Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdown of employment rates and level by highest qualification and local authority area are available from Table 1.8 of the [web-tables](#).

Figure 15 - Proportion of all in employment (16-64) by qualification level, Scotland 2004 to 2014



**47.1% - The proportion of working people (16-64) with SVQ level 4 or higher qualifications, the highest on record in Scotland.**

This is being driven by:

- highest level of people with Degree or Professional qualification (758,700), up 62,400 since 2013
- highest level of people with HNC/HND level qualifications (409,000), up 17,600 over the year

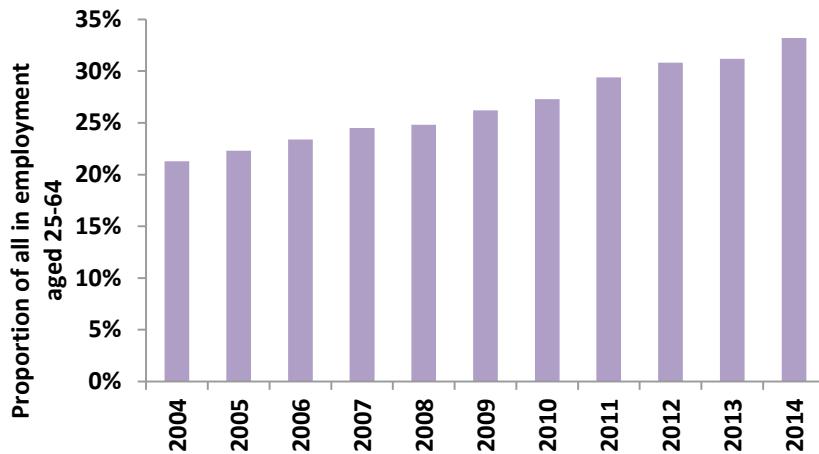
Source: Annual Population Survey, Jan-Dec 2014, ONS

The above charts point to an increasingly qualified workforce in Scotland, with data in the web-tables also pointing to the lowest level of working people aged 16-64 with no qualifications since comparable records began in 2004.

Those with SVQ level 4 and higher qualifications (or equivalent) remain the largest group in Scotland in 2014 at 47.1% (up 2.1 percentage points over the year). In the UK, the largest group is those with SVQ level 2 or 3 (or equivalent) qualifications at 43.7% (down 0.2 percentage points over the year), while those with SVQ level 4 qualifications and

higher (or equivalent) made up 41.5% of the 16-64 workforce, up 0.7 percentage points over the year.

Figure 16 - Proportion of workers aged 25-64 who are graduates<sup>4</sup>



Source: Annual Population Survey, Jan-Dec 2014, ONS

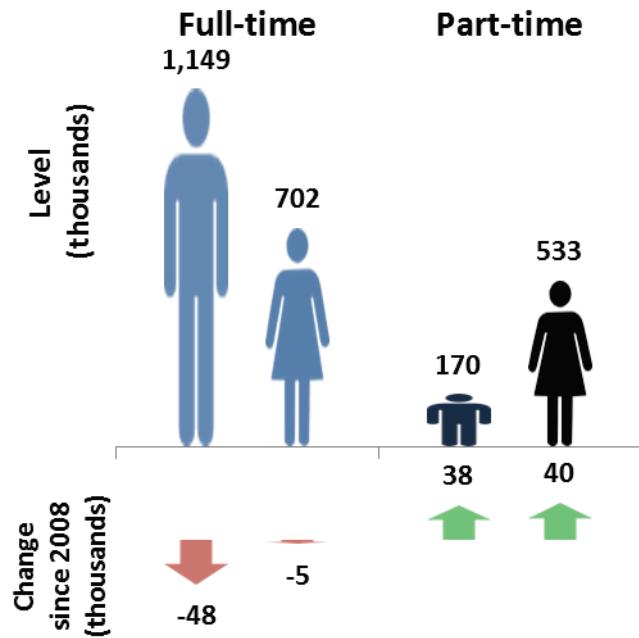
Graduates are faring better in the labour market. The proportion of workers in Scotland aged 25-64 who were graduates in 2014 was 33.2% - the highest since start of comparable records in 2004.

- Increases seen in 25 local authority areas over the year.
- Largest increases seen in Edinburgh (up 10.1 percentage age points to 59.8%) and East Renfrewshire (up 9.4 percentage age points to 48.5%)

Breakdown of proportion of workers aged 25-64 who are graduates by local authority area are available from Table 1.9 of the [web-tables](#).

## Work Patterns of those in employment in Scotland

Figure 17 - Work patterns by gender for all aged 16+, Scotland, change since 2008



Both full and part-time employment levels rose over the year (up 2.7% and 2.8% respectively), with the proportion working full-time remaining unchanged at 72.5%

- Full-time employment levels in 2014 (1,815,100) are still lower than in 2008 when they were 1,903,800.
- 91% of the 52,800 reduction in full-time employment levels since 2008 was due to decreases in male full-time employment levels.
- Males and Females have seen similar levels of increase (around 40,000) in their part-time employment levels since 2008.
- This would tend to indicate that there has been a shift from full to part-time employment for males, while the increase for females is due to shifts from unemployment or inactivity

Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdowns for full and part-time work at local authority level are available in Tables 1.11 to 1.13 of the [web-tables](#).

<sup>4</sup> A graduate is defined here as a person with a degree level qualification or higher.

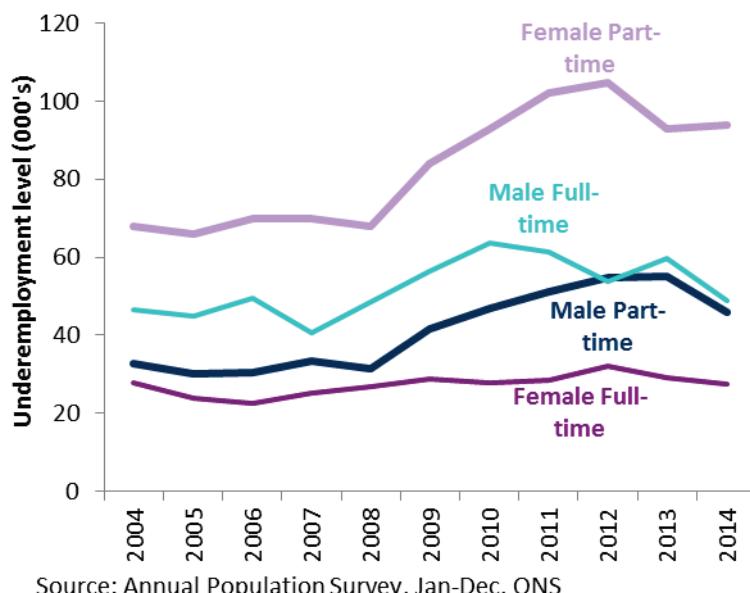
Levels of self-employed rose by 13,900 over the year to 301,500, slightly lower than the peak level seen in 2012. The proportion of all aged 16+ who were self-employed increased by 0.3 percentage points over the year from 11.5% to 11.8%.

Breakdowns for self employment at local authority level are available in Tables 1.14 of the [web-tables](#).

## Underemployment

As well as looking at employment rates and working patterns, it is useful to look at those who are underemployed; that is, those who are in work but who would prefer to work more hours than they do. Underemployment can provide a measure of the under-utilisation of labour. The term is also used to refer to under-utilisation of skills, however, at present the LFS only gathers information on hours based underemployment.

Figure 18 - Underemployment<sup>5</sup> levels by gender and work patterns, Scotland 2004 to 2014



Underemployment level in Scotland decreased by 20,200 over the year to 216,500, with the underemployment rate decreasing by 1.1 %age point from 10.0% to 8.6.

- The decrease in under-employment over the year was driven by reductions in levels for both full and part-time male workers (down 10,800 and 9,400 respectively).
- The changes for female workers were more modest, with full-time workers seeing a 1,400 decrease, and part-time workers seeing a 1,100 increase

16-24 year olds were the only age group to see an increase in underemployment over the year (up 1,000), with all other age groups seeing reductions.

19 local authority areas saw reductions in their underemployment rate over the year, with 10 seeing an increase and one remaining unchanged (note: estimate for Shetland Islands and Eilean Siar were below reliability threshold). However, underemployment remains higher in most areas when compared to 2008, with 25 local authorities having a higher rate, 3 having a lower rate and 1 remaining unchanged (note: estimates for all island authorities were below reliability threshold in either 2008 or 2014)

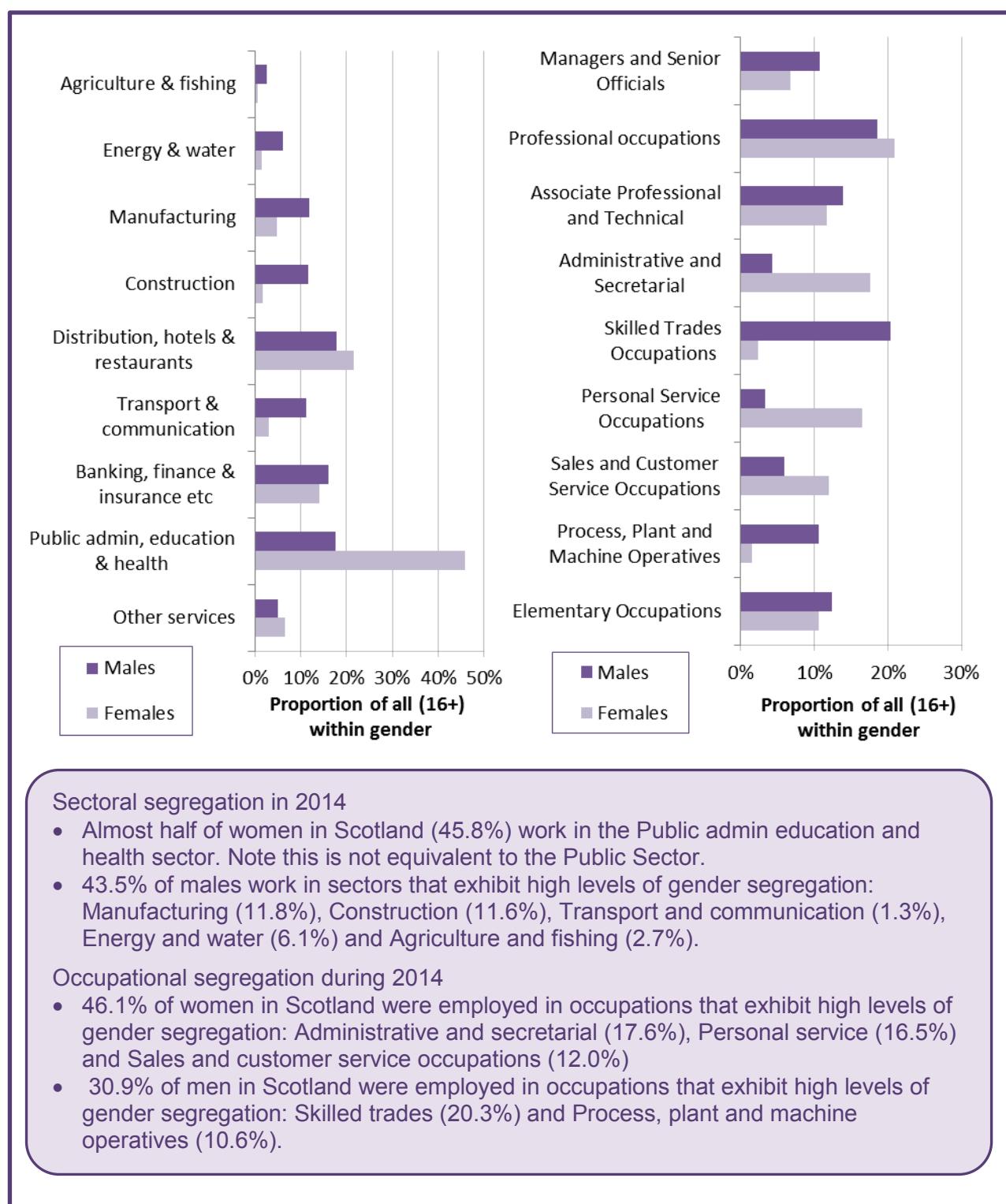
The underemployment rate in 2014 was 1.6 percentage points higher than in 2008. However, while underemployment rates for full-time male and female workers are close to

<sup>5</sup> Underemployment includes all employed persons (16+) who were willing to work extra hours in their current role, an additional job or a different job altogether for the same rate of pay.  
Underemployment rate = level of 16+ underemployed / level of 16+ in employment

their 2008 values, those for part-time male and female worker remain higher than in 2008 (3.5 and 3.9 percentage points respectively)

Breakdowns for underemployment at local authority level and by gender age and work patterns are available in Tables 1.16 and 1.17 of the [web-tables](#).

Figure 19 - Sectoral and occupational gender segregation, Scotland, 2014

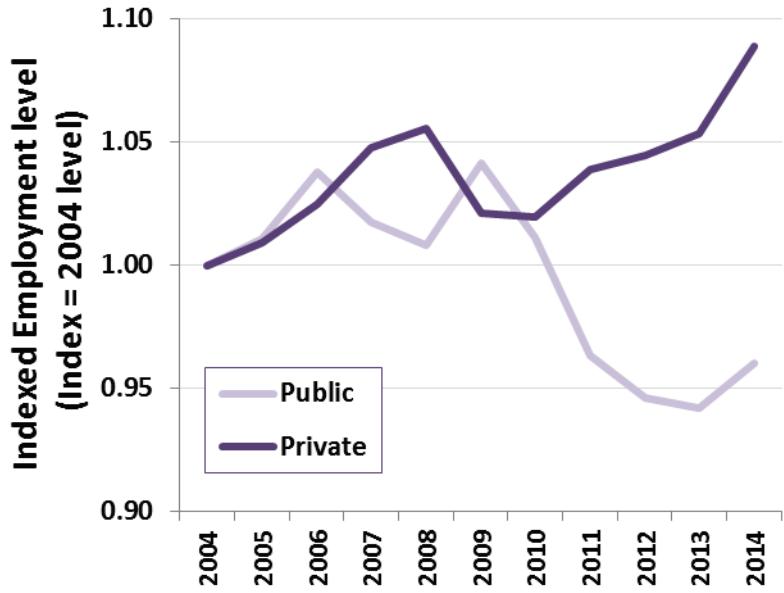


Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdowns for industry sector by gender and local authority are available in Tables 1.18 and 1.19 of the [web-tables](#).

Breakdowns for occupation by gender and local authority are available in Tables 1.23 and 1.24 of the [web-tables](#).

Figure 20 - Public<sup>6</sup> and Private sector employment levels (indexed to 2004), Scotland



Private sector employment in 2014 increased by 60,700 over the year to 1,872,400, and now exceed 2008 levels by 57,500

- Around three quarters of the increase in private sector employment levels is in full-time work
- Increases were seen in the number of those aged 25-34, 50-64 and 65+ employed in the private sector (up 44,700, 50,600 and 24,900 respectively).
- 16-24 and 35-49 year olds their private sector employment levels drop (down 28,100 and 34,600 respectively)

Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdowns for public, private and third sector by work-pattern, gender and disability are available in Tables 1.20a to 1.20d of the [web-tables](#).

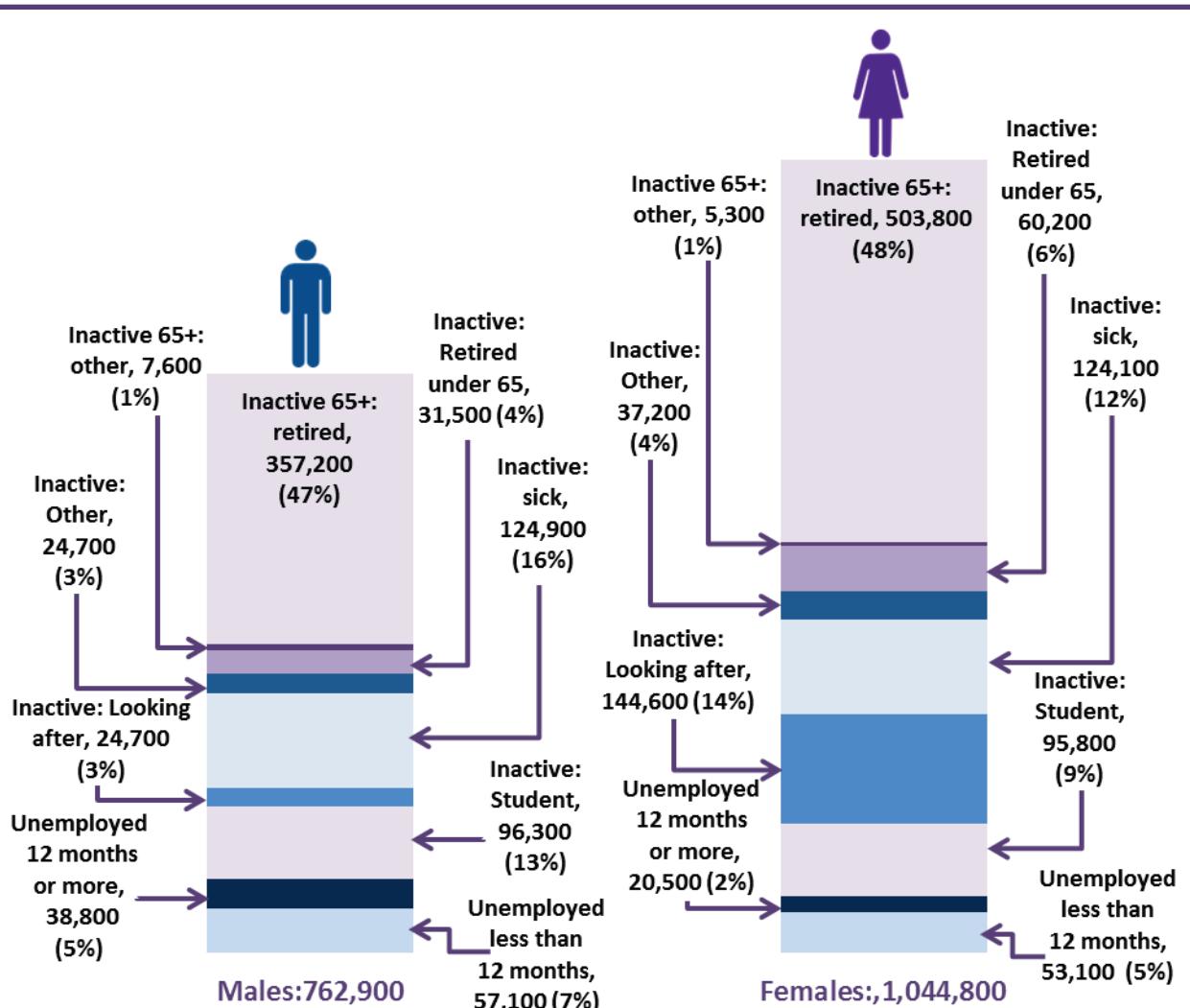
Breakdowns for public/private sector by gender and local authority and age group are available in Tables 1.21 and 1.22 of the [web-tables](#).

<sup>6</sup> The official source for public sector employment is the Quarterly Public Sector Employment Series (QPSE). The APS is the preferred source for disaggregation by gender and age at local level. However, due to self-reporting, the APS tends to over-estimate the size of the public sector

## Section 2: People not in work

This section examines those who are not in employment; the unemployed and the economically inactive.

Figure 21 - Composition of those aged 16+ who were not in work, Scotland 2014



Of the 1,807,600 people over 16 in Scotland in 2014 who were not in work:

- 57.8% were females and 42.2% were males.
- 9.4% were unemployed (12.6% of all males not in work, 7.0% of all females)
- 48.4% were over 65 years old, with the overwhelming majority of this group being retired
- 42.3% of all those out of work were aged between 16-64 and were economically inactive
- The lower number of inactive males (especially over 65) is in part a reflection of their lower life expectancy than females.

**Main differences between economically inactive males and females aged 16-64 are:**

- Females are almost 6 times more likely to give looking after family or home as their reason for inactivity than males
- Females are almost twice as likely to be retired under the age of 65. This is primarily due to the age group (16-64) used to examine the headline inactive cohort which will include a large number of females who have already reached state retirement age.

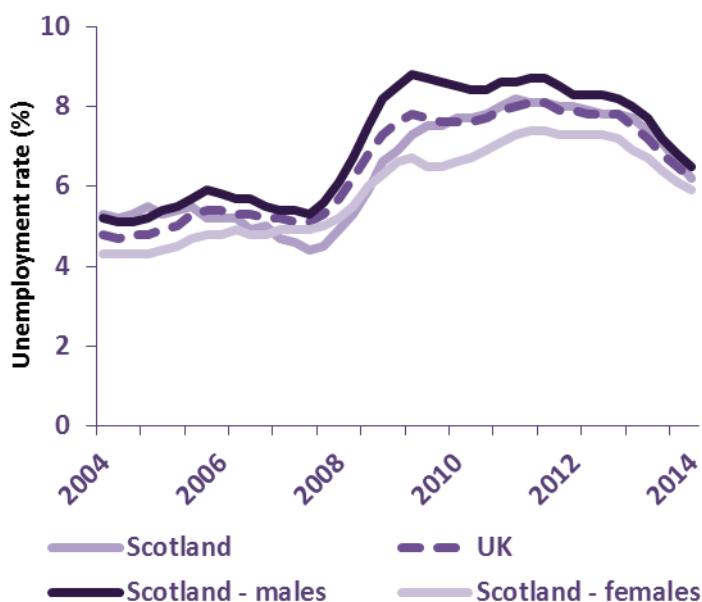
Source: Annual Population Survey, Jan-Dec 2014, ONS

## 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. Further information on the definition of unemployment is available in Annex E

Based on the Annual Population Survey, in 2014, there were 169,500 people aged 16 or over who were unemployed in Scotland, a decrease of 39,900 since 2013. However, the level has increased by 39,400 since 2008.

Figure 22 - Unemployment rate (16+), Scotland and UK, change since 2008



Source: Annual Population Survey, Jan-Dec 2014, ONS

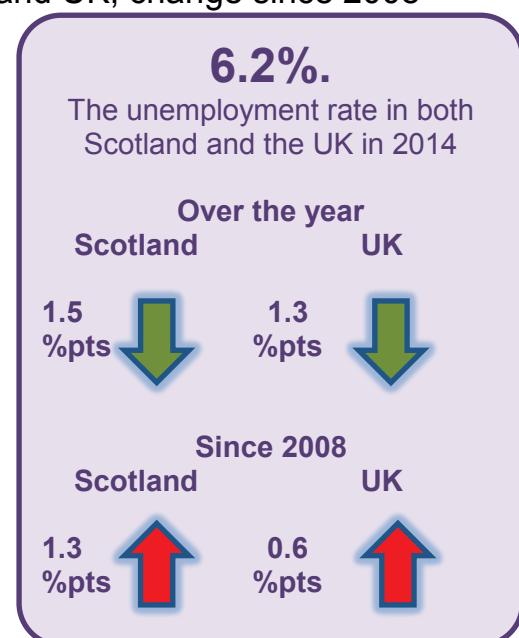
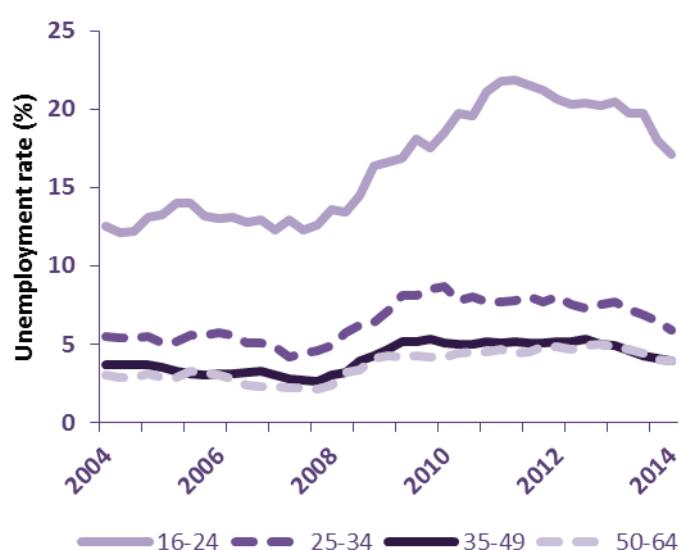


Figure 23 - Unemployment rate by age group, Scotland, 2004 to 2014



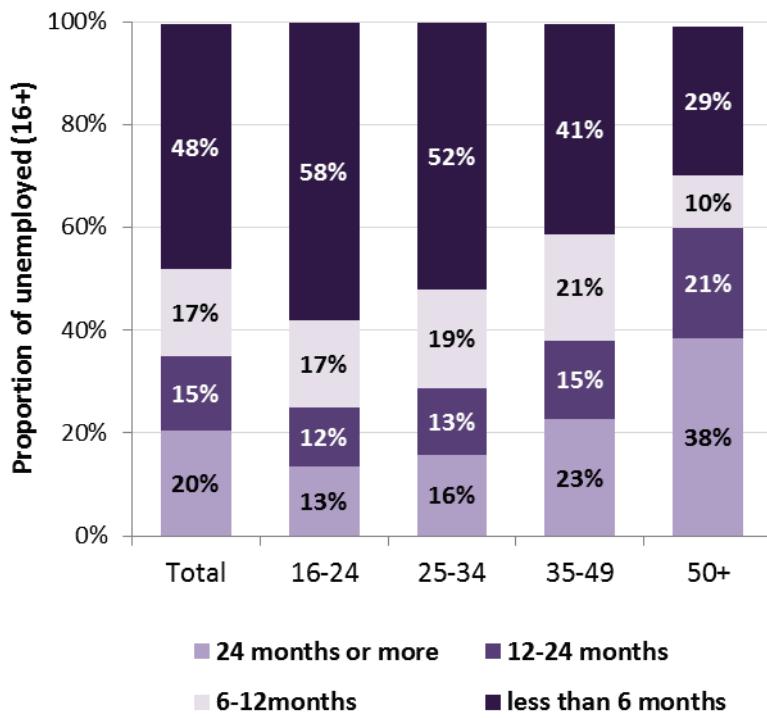
The youth unemployment rate in Scotland decreased by 3.5 %age points to 17.1% over the year to 2014

- The youth unemployment rate in Scotland is the highest of all age groups at 17.1%, 0.1 %age point lower than the UK rate of 17.2%
- The youth unemployment rate in Scotland increased by 3.5 %age points since 2008, while the UK rate has increased by 2.2 %age points

Source: Annual Population Survey, Jan-Dec 2014, ONS

Breakdowns for unemployment by age-group and gender are available in Table 2.1 of the [web-tables](#).

Figure 24 - Duration of unemployment by age, Scotland 2014



**47.9% (80,800) of all unemployed people in Scotland have been so for less than 6 months.**

- The proportion that have been unemployed for less than 6 months has decreased by 20.4 percentage points since 2008 – indicating a shift to lengthier durations of unemployment.
- The shift to longer durations is in part due to changes to how claimants of Job Seekers Allowance are accounted for while they are on training schemes
- The 16-24 age group are least likely to be unemployed for more than 12 months (25.1%), while those aged 50+ are most likely to be unemployed for 12 months or more (60.6%)

Source: Annual Population Survey, Jan-Dec 2014, ONS

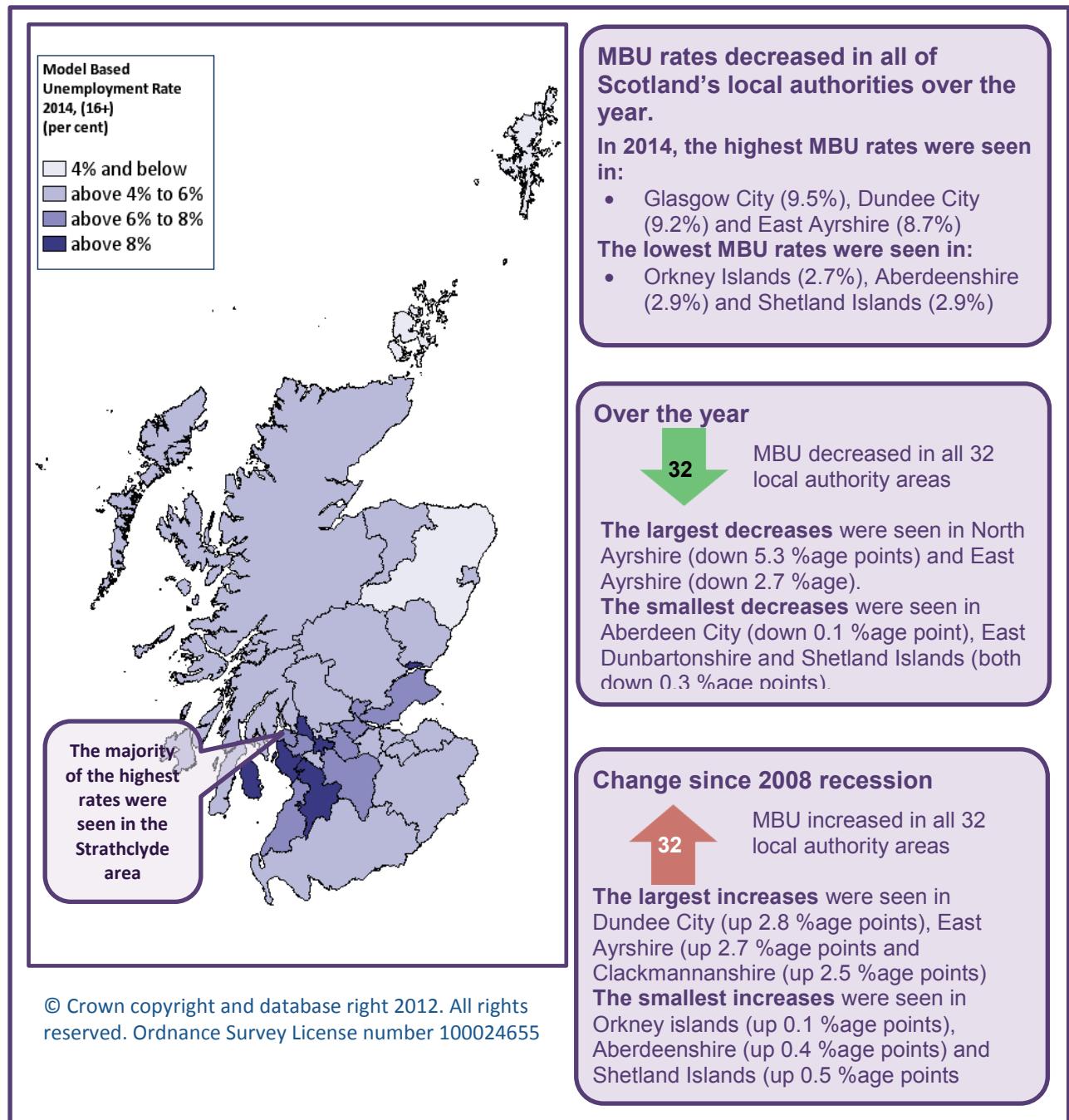
Breakdowns of duration of unemployment by age-group and gender are available in Table 2.2 of the web-tables.

### Unemployment at Local Authority level – Model Based Unemployment

The unemployed cohort is relatively small compared to the employed or inactive cohorts. Consequently, their sample sizes in the APS are also fairly small and consequently can have large sampling variations. To improve the quality of estimates for all local authorities, the Office for National Statistics (ONS) developed model based estimates. Further information on how these estimates are derived is given in Annex E.

A full-time series of Model based unemployment estimates by local authority are available in Table 2.3 of the [web-tables](#).

Figure 25 - Model Based Unemployment (MBU) across Local Authority areas in Scotland, 2014

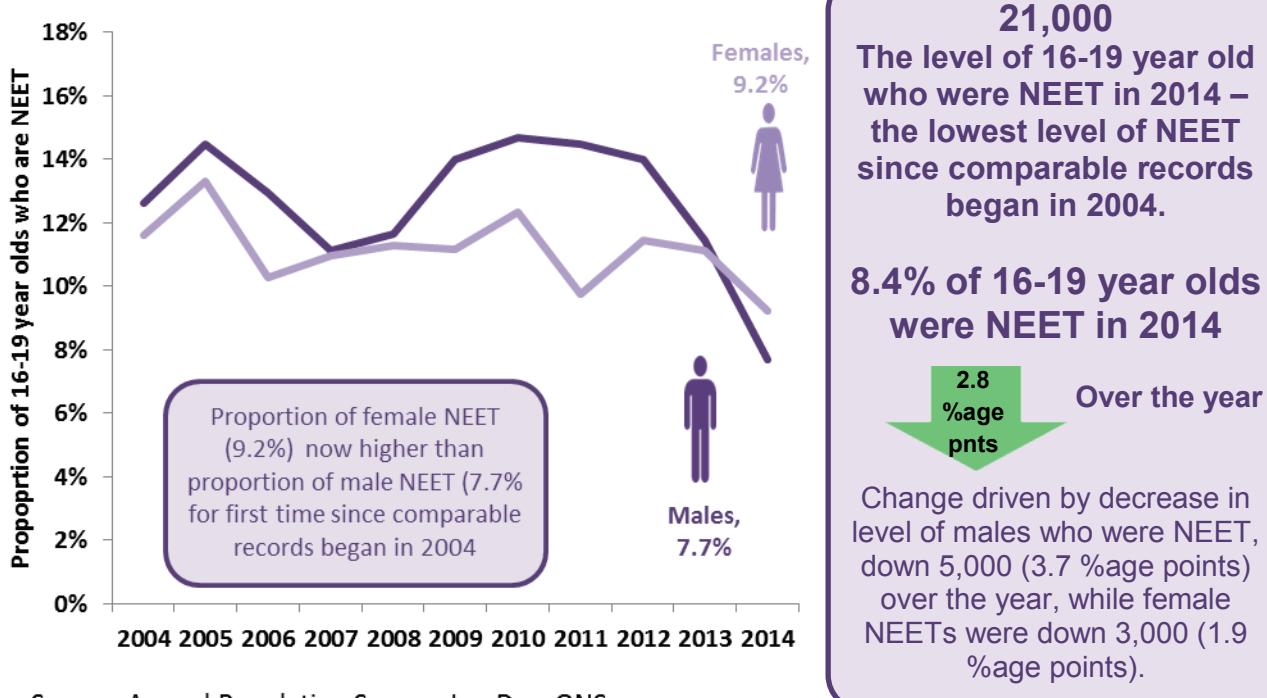


Source: Annual Population Survey, Jan-Dec 2014, ONS

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

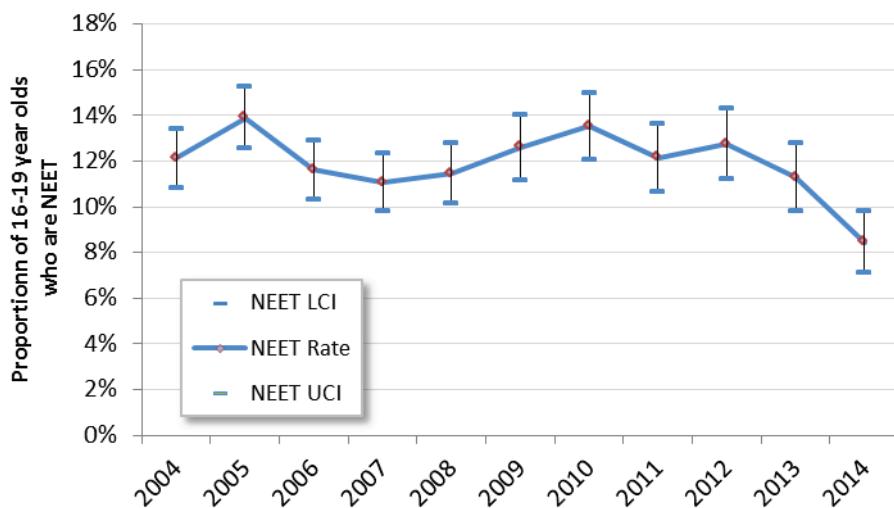
The 16-19 year old NEET group measures those 16 to 19 year olds not in employment, education or training, and therefore contains young people in both unemployment and economic activity.

Figure 26 - Percentage of 16-19 year olds NEET by gender, Scotland 2004 – 2014



Estimates for the 16-19 year old NEET group are based on small sample sizes. Figure 27 shows the 95% confidence intervals for the headline NEET rate

Figure 28 - Percentage of 16-19 year old NEET with 95% upper and lower confidence intervals (UCI and LCI)



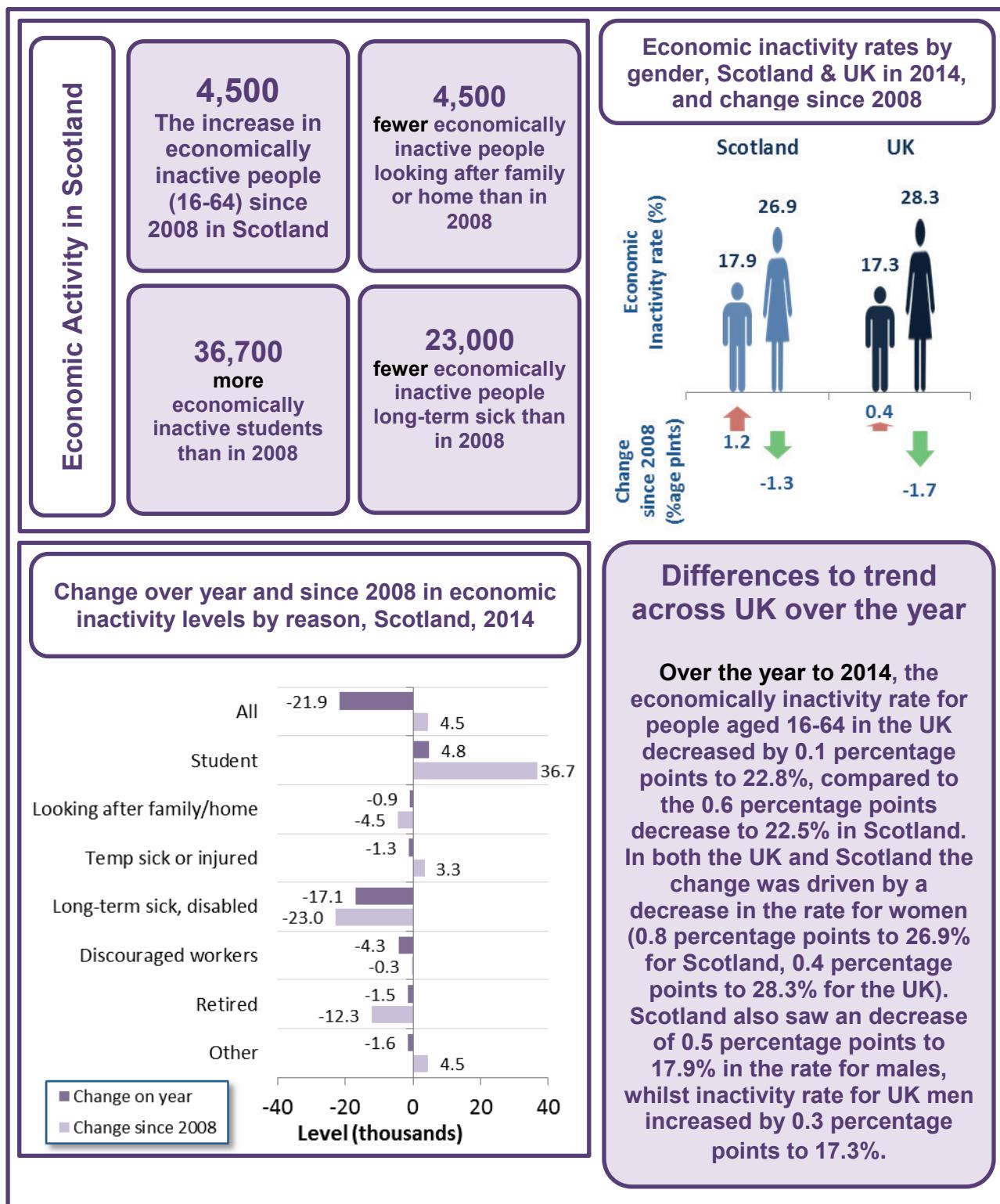
Based on the information in Chart 27, we can say that with 95% certainty that the headline 16-19 NEET rate will lie between 7.1% and 9.8%. This is statistically significantly different to the estimates in preceding years.

A full-time series of NEET estimates by gender (from 2004 to 2014) are available in Table 2.4 of the [web-tables](#)

## 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. Further information on the definition of economic inactivity available in Annex E

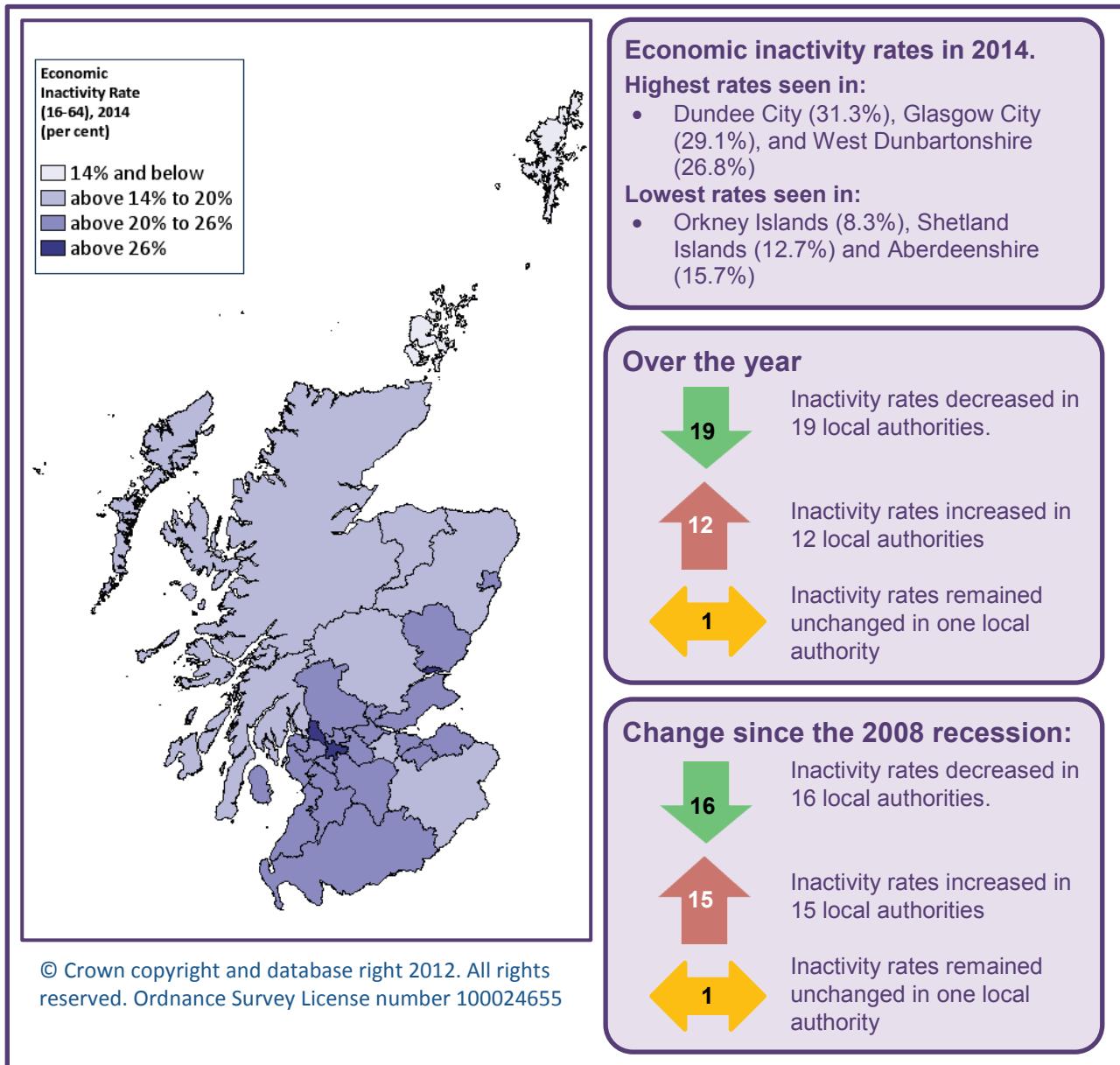
Figure 29 - Economic Inactivity, Scotland and UK



Source: Annual population Survey, Jan-Dec 2014, ONS

Since 2008, economic inactivity in Scotland has increased by 4,500, driven primarily by an increase in the number of inactive students (up 36,700), which has been offset somewhat by decreases in the number of those who are inactive because they were long term sick or disabled (down 23,000), those who were retired (down 12,300) and those looking after family of home (down 4,500).

Figure 30 - Economic Inactivity by Local Authority, 2014



Source: Annual Population Survey, Jan-Dec 2014, ONS

A full-time series of economic inactivity estimates by gender, age and disability at local authority level is available in Tables 3.1 to 3.5 of the [web-tables](#).

A full-time series of reasons for economic inactivity at local authority level is available in Table 3.6 of the [web-tables](#).

Figure 31 - Proportion of economically inactive that want a job, Scotland, 2004-2014



**24.9%** - The proportion of economically inactive people (16-64) who were willing to work (but unavailable or able to currently do so)

- The proportion decreased over the year by just under one percentage point, having previously been on an upward trend since 2010.
- This may be related to the number of people who have moved out of inactivity into employment or unemployment over the year

Source: Annual Population Survey, Jan-Dec 2014, ONS

A full-time series of the proportion of economic inactivity who are willing to work at local authority level is available in Table 3.7 of 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 worked<sup>7</sup> is highly dependent on their age. A full-time series of the number and proportion of those who have never worked by age and local authority level is available in Tables 3.8 and 3.9 of the [web-tables](#)

<sup>7</sup> 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 32 - Number of people aged 16 and over who have never worked, Scotland 2004-2014



Source: Annual Population Survey, Jan-Dec 2014, ONS

**284,200** – The number of people in Scotland in 2014 who have never worked, down 3,900 over the year.

**43%** of these people are 16-24 year olds in full-time education.

**120,800** – The number of people in Scotland who have never worked if we exclude 16-24 year olds in full-time education. This is a decrease of 7,800 over the year.

**17** local authorities saw a decrease in the number of people who have never worked over the year.

## Annex A: Associated Tables

Table 1 - Employment rates and levels by local authority, Scotland, 2008,2013,2014

Geography (Residence Based)	2008		2013		2014		Change since 2008	
	Rate	Level	Rate	Level	Rate	Level	Rate (%age points)	Level
<b>Scotland</b>	73.6%	2,534,600	70.8%	2,493,800	72.6%	2,558,800	-1.0	24,100
<i>Local Authority Area</i>								
<b>Aberdeen City</b>	77.9%	116,200	76.3%	123,200	76.0%	123,700	-1.9	7,500
<b>Aberdeenshire</b>	80.2%	131,300	78.7%	135,700	80.9%	138,400	0.6	7,000
<b>Angus</b>	77.1%	56,100	73.9%	53,700	71.8%	52,300	-5.4	-3,800
<b>Argyll &amp; Bute</b>	75.6%	42,800	74.9%	39,800	76.8%	39,900	1.2	-2,900
<b>Clackmannanshire</b>	69.8%	23,200	66.3%	22,400	66.7%	22,500	-3.1	-700
<b>Dumfries and Galloway</b>	73.7%	71,100	70.2%	66,400	71.9%	68,200	-1.8	-3,000
<b>Dundee City</b>	69.4%	66,600	61.1%	60,900	61.8%	62,100	-7.5	-4,600
<b>East Ayrshire</b>	71.9%	57,500	68.3%	53,900	69.3%	55,400	-2.6	-2,100
<b>East Dunbartonshire</b>	75.3%	50,600	76.8%	51,800	72.8%	48,600	-2.5	-2,000
<b>East Lothian</b>	75.4%	47,400	76.2%	49,300	74.0%	47,900	-1.4	500
<b>East Renfrewshire</b>	75.0%	42,700	74.2%	42,800	74.8%	43,900	-0.2	1,200
<b>Edinburgh, City of</b>	74.5%	241,300	70.7%	241,100	73.5%	251,400	-1.0	10,100
<b>Eilean Siar</b>	77.4%	13,500	72.3%	12,200	77.4%	13,300	0.0	-300
<b>Falkirk</b>	76.6%	77,200	73.7%	76,500	73.0%	75,800	-3.6	-1,400
<b>Fife</b>	74.1%	174,200	69.5%	166,400	74.1%	175,100	0.0	900
<b>Glasgow City</b>	64.8%	255,700	62.4%	255,500	63.8%	262,900	-1.0	7,100
<b>Highland</b>	79.2%	115,700	73.9%	113,300	77.2%	119,300	-2.0	3,600
<b>Inverclyde</b>	70.5%	38,100	69.5%	36,000	69.5%	36,300	-0.9	-1,800
<b>Midlothian</b>	77.9%	42,000	72.4%	39,900	75.1%	41,900	-2.8	-100
<b>Moray</b>	79.6%	48,300	78.7%	45,700	77.1%	44,900	-2.5	-3,400
<b>North Ayrshire</b>	69.1%	61,300	60.1%	52,500	70.5%	61,700	1.4	500
<b>North Lanarkshire</b>	69.2%	153,000	70.2%	157,000	71.3%	158,100	2.0	5,100
<b>Orkney Islands</b>	81.9%	11,000	81.2%	11,600	89.3%	12,700	7.4	1,700
<b>Perth and Kinross</b>	76.3%	69,300	75.6%	70,700	76.5%	72,200	0.2	2,900
<b>Renfrewshire</b>	73.2%	83,600	71.7%	82,600	72.3%	83,700	-0.8	200
<b>Scottish Borders</b>	78.0%	56,000	74.9%	53,800	78.3%	57,200	0.3	1,200
<b>Shetland Islands</b>	86.1%	12,800	83.2%	12,500	80.7%	12,200	-5.3	-600
<b>South Ayrshire</b>	72.6%	51,400	71.9%	51,300	71.7%	50,700	-0.9	-800
<b>South Lanarkshire</b>	73.9%	153,000	71.5%	150,800	73.9%	152,900	0.0	-100
<b>Stirling</b>	74.1%	42,300	71.7%	41,700	75.3%	43,700	1.2	1,500
<b>West Dunbartonshire</b>	69.8%	42,100	65.3%	38,500	67.2%	39,600	-2.6	-2,400
<b>West Lothian</b>	76.7%	87,600	73.2%	84,800	77.4%	90,500	0.7	2,900

Source: Annual Population Survey (Jan to Dec)

Notes:

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

1. Levels rounded to the nearest hundred.

2. Proportions are calculated on unrounded figures.

3. Totals may not equal the sum of individual parts due to rounding.

4. See the concepts and definitions section of the publication for more detail on estimates.

Table 2 - Employment rates and levels by age and local authority, Scotland, 2004-2014

Geography (Residence Based)	2014							
	16-24		25-34		35-49		50 - 64	
	Rate	Level	Rate	Level	Rate	Level	Rate	Level
<b>Scotland</b>	53.2%	327,500	81.0%	559,700	83.5%	884,100	67.4%	707,200
<i>Local Authority Area</i>								
<b>Aberdeen City</b>	63.7%	22,100	87.4%	35,600	78.5%	32,700	72.7%	29,700
<b>Aberdeenshire</b>	70.2%	17,500	86.1%	25,200	85.6%	46,400	78.3%	42,900
<b>Angus</b>	51.4%	5,800	72.7%	9,000	88.5%	19,200	66.1%	16,800
<b>Argyll &amp; Bute</b>	63.9%	4,900	81.6%	6,200	86.5%	12,900	72.4%	13,700
<b>Clackmannanshire</b>	40.7%	1,600	76.4%	5,600	73.8%	7,500	63.1%	6,900
<b>Dumfries and Galloway</b>	59.1%	8,400	79.6%	11,500	82.6%	22,500	65.4%	22,500
<b>Dundee City</b>	45.7%	10,900	78.6%	17,200	67.1%	16,200	57.8%	15,700
<b>East Ayrshire</b>	52.9%	6,900	76.2%	10,800	79.9%	20,400	63.1%	15,700
<b>East Dunbartonshire</b>	46.7%	5,400	84.0%	7,900	87.4%	17,400	69.0%	16,800
<b>East Lothian</b>	48.3%	5,100	78.8%	8,100	86.8%	18,600	71.4%	14,200
<b>East Renfrewshire</b>	52.4%	5,200	77.7%	6,200	90.6%	17,100	69.7%	13,700
<b>Edinburgh, City of</b>	49.4%	34,800	82.5%	73,300	83.8%	80,100	72.3%	57,000
<b>Eilean Siar</b>	53.2%	1,500	78.1%	1,700	90.3%	4,500	78.1%	4,800
<b>Falkirk</b>	52.7%	8,400	79.3%	15,500	84.9%	28,900	66.6%	21,200
<b>Fife</b>	57.2%	23,800	85.1%	36,000	86.9%	61,300	65.3%	49,200
<b>Glasgow City</b>	34.3%	29,700	78.3%	83,200	76.5%	88,800	59.3%	58,200
<b>Highland</b>	64.1%	13,900	71.2%	18,600	88.6%	40,200	75.7%	38,400
<b>Inverclyde</b>	51.3%	4,400	77.2%	7,000	80.7%	13,400	63.7%	10,700
<b>Midlothian</b>	50.6%	4,500	83.4%	8,000	84.2%	14,800	73.7%	13,000
<b>Moray</b>	61.4%	5,700	87.5%	9,000	85.5%	15,100	71.3%	13,100
<b>North Ayrshire</b>	59.0%	8,500	74.3%	10,700	81.7%	22,800	63.2%	17,600
<b>North Lanarkshire</b>	57.8%	21,400	78.1%	34,400	83.0%	57,400	62.2%	42,200
<b>Orkney Islands</b>	84.7%	2,000	*	*	96.1%	4,000	80.2%	3,600
<b>Perth and Kinross</b>	54.6%	7,800	82.0%	13,100	88.5%	26,000	72.3%	21,700
<b>Renfrewshire</b>	59.4%	11,200	80.4%	17,200	82.4%	30,400	63.9%	22,400
<b>Scottish Borders</b>	61.5%	6,200	88.7%	9,000	87.4%	20,400	72.4%	18,100
<b>Shetland Islands</b>	71.0%	1,900	78.7%	1,400	85.3%	4,300	82.3%	4,100
<b>South Ayrshire</b>	57.1%	6,300	78.7%	8,900	84.5%	17,900	64.0%	15,600
<b>South Lanarkshire</b>	55.2%	17,700	82.2%	30,700	86.0%	59,300	65.4%	41,900
<b>Stirling</b>	54.8%	6,900	89.8%	8,600	87.9%	15,000	70.0%	12,200
<b>West Dunbartonshire</b>	52.5%	5,300	75.9%	8,400	79.2%	13,300	59.6%	11,700
<b>West Lothian</b>	63.1%	11,800	87.9%	19,700	86.6%	35,300	66.9%	22,000

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.
3. Totals may not equal the sum of individual parts due to rounding.
4. See the concepts and definitions section of the publication for more detail on estimates.

Table 3 - Proportion of those aged 25-64 in employment who are graduates by local authority, Scotland, 2008, 2013, 2014

<b>Geography (Residence Based)</b>	<b>2008</b>	<b>2013</b>	<b>2014</b>
	<b>Proportion</b>	<b>Proportion</b>	<b>Proportion</b>
<b>Scotland</b>	24.8%	31.2%	33.2%
<i>Local Authority Area</i>			
<b>Aberdeen City</b>	32.8%	36.1%	42.1%
<b>Aberdeenshire</b>	21.2%	30.7%	29.0%
<b>Angus</b>	20.3%	24.5%	29.8%
<b>Argyll &amp; Bute</b>	23.7%	28.8%	25.5%
<b>Clackmannanshire</b>	21.2%	24.6%	24.2%
<b>Dumfries and Galloway</b>	19.3%	21.0%	21.9%
<b>Dundee City</b>	26.3%	32.2%	33.2%
<b>East Ayrshire</b>	18.4%	21.9%	24.2%
<b>East Dunbartonshire</b>	39.0%	45.6%	49.8%
<b>East Lothian</b>	22.8%	35.0%	36.2%
<b>East Renfrewshire</b>	40.4%	39.1%	48.5%
<b>Edinburgh, City of</b>	42.9%	49.7%	59.8%
<b>Eilean Siar</b>	18.2%	29.4%	27.4%
<b>Falkirk</b>	17.6%	20.3%	24.9%
<b>Fife</b>	20.8%	30.2%	26.0%
<b>Glasgow City</b>	28.0%	42.3%	42.5%
<b>Highland</b>	19.2%	24.9%	27.8%
<b>Inverclyde</b>	17.2%	25.7%	27.3%
<b>Midlothian</b>	17.7%	23.5%	29.3%
<b>Moray</b>	17.0%	22.6%	20.9%
<b>North Ayrshire</b>	17.0%	17.1%	18.3%
<b>North Lanarkshire</b>	18.7%	19.7%	21.1%
<b>Orkney Islands</b>	15.7%	19.0%	*
<b>Perth and Kinross</b>	27.6%	32.2%	33.1%
<b>Renfrewshire</b>	22.9%	32.8%	30.1%
<b>Scottish Borders</b>	23.6%	29.0%	30.3%
<b>Shetland Islands</b>	14.5%	23.9%	27.1%
<b>South Ayrshire</b>	22.4%	24.1%	26.7%
<b>South Lanarkshire</b>	21.3%	22.5%	25.1%
<b>Stirling</b>	33.2%	39.7%	42.6%
<b>West Dunbartonshire</b>	15.2%	20.5%	21.0%
<b>West Lothian</b>	20.5%	25.9%	26.7%

Source: Annual Population Survey (Jan to Dec)

Notes:

1. Proportions are calculated on unrounded figures.
2. See the concepts and definitions section of the publication for more detail on estimates.

Table 4 - Model based unemployment of population aged 16+, by local authority, Scotland, 2008, 2013, 2014

Geography (Residence Based)	2008		2013		2014		Change since 2008	
	Rate	Level	Rate	Level	Rate	Level	Rate	Level
<b>Scotland</b>	4.9%	130,100	7.7%	209,400	6.2%	169,500	1.3	39,400
<i>Local Authority Area</i>								
<b>Aberdeen City</b>	3.6%	4,400	4.6%	6,000	4.5%	5,800	0.9	1,400
<b>Aberdeenshire</b>	2.5%	3,300	3.3%	4,600	2.9%	4,100	0.4	800
<b>Angus</b>	4.3%	2,500	6.0%	3,400	5.2%	2,900	0.9	400
<b>Argyll &amp; Bute</b>	4.3%	1,900	5.7%	2,400	5.0%	2,100	0.7	200
<b>Clackmannanshire</b>	5.4%	1,300	9.5%	2,300	7.9%	1,900	2.5	600
<b>Dumfries and Galloway</b>	4.6%	3,400	7.4%	5,300	5.6%	4,100	1	700
<b>Dundee City</b>	6.4%	4,600	11.5%	7,900	9.2%	6,300	2.8	1,700
<b>East Ayrshire</b>	6.0%	3,700	11.3%	6,800	8.7%	5,300	2.7	1,600
<b>East Dunbartonshire</b>	3.9%	2,100	4.9%	2,700	4.6%	2,300	0.7	200
<b>East Lothian</b>	3.5%	1,700	6.1%	3,200	5.5%	2,800	2	1,100
<b>East Renfrewshire</b>	3.5%	1,500	6.3%	2,900	4.6%	2,100	1.1	600
<b>Edinburgh, City of</b>	4.5%	11,300	7.1%	18,500	5.6%	15,000	1.1	3,700
<b>Eilean Siar</b>	4.3%	600	6.6%	900	5.2%	700	0.9	100
<b>Falkirk</b>	4.4%	3,600	7.6%	6,300	6.5%	5,200	2.1	1,600
<b>Fife</b>	5.7%	10,600	8.9%	16,300	6.4%	12,100	0.7	1,500
<b>Glasgow City</b>	7.2%	19,800	10.8%	31,100	9.5%	27,500	2.3	7,700
<b>Highland</b>	3.4%	4,000	5.3%	6,300	4.0%	5,000	0.6	1,000
<b>Inverclyde</b>	6.2%	2,500	7.9%	3,100	7.3%	2,900	1.1	400
<b>Midlothian</b>	4.0%	1,800	6.5%	2,800	5.7%	2,600	1.7	800
<b>Moray</b>	3.7%	1,900	4.9%	2,300	4.5%	2,100	0.8	200
<b>North Ayrshire</b>	7.3%	4,800	13.4%	8,200	8.1%	5,400	0.8	600
<b>North Lanarkshire</b>	5.9%	9,500	10.2%	17,900	7.5%	12,900	1.6	3,400
<b>Orkney Islands</b>	2.6%	300	3.3%	400	2.7%	400	0.1	100
<b>Perth and Kinross</b>	3.5%	2,500	5.6%	4,200	4.4%	3,300	0.9	800
<b>Renfrewshire</b>	5.5%	4,800	8.0%	7,200	6.9%	6,200	1.4	1,400
<b>Scottish Borders</b>	3.6%	2,100	5.3%	3,000	4.4%	2,700	0.8	600
<b>Shetland Islands</b>	2.4%	300	3.2%	400	2.9%	400	0.5	100
<b>South Ayrshire</b>	5.2%	2,800	7.5%	4,200	6.9%	3,800	1.7	1,000
<b>South Lanarkshire</b>	4.4%	7,000	8.5%	14,100	6.3%	10,300	1.9	3,300
<b>Stirling</b>	4.6%	2,000	7.5%	3,400	5.3%	2,400	0.7	400
<b>West Dunbartonshire</b>	6.8%	3,100	10.8%	4,700	8.4%	3,600	1.6	500
<b>West Lothian</b>	4.7%	4,300	7.5%	6,900	5.6%	5,400	0.9	1,100

Source: Annual Population Survey (Jan to Dec), Claimant Count  
Levels and proportions cover those aged 16 or over

Notes:

1. Levels rounded to the nearest hundred.
2. Totals may not equal the sum of individual parts due to rounding.
3. See Annex E of the publication for more detail on estimates.

Table 5 - Levels and proportion of 16-19 year olds Not in Education, Employment or Training (NEET), Scotland, 2004-2014

	Male		Female		Total	
	Level	Rate	Level	Rate	Level	Rate
<b>2004</b>	16,000	12.6%	15,000	11.6%	31,000	12.1%
<b>2005</b>	19,000	14.5%	17,000	13.3%	36,000	13.9%
<b>2006</b>	17,000	12.9%	13,000	10.3%	30,000	11.6%
<b>2007</b>	15,000	11.1%	14,000	11.0%	29,000	11.1%
<b>2008</b>	15,000	11.6%	15,000	11.3%	30,000	11.5%
<b>2009</b>	19,000	14.0%	15,000	11.2%	34,000	12.6%
<b>2010</b>	20,000	14.7%	16,000	12.3%	36,000	13.5%
<b>2011</b>	19,000	14.5%	13,000	9.8%	32,000	12.1%
<b>2012</b>	18,000	14.0%	14,000	11.5%	33,000	12.8%
<b>2013</b>	15,000	11.4%	14,000	11.1%	28,000	11.3%
<b>2014</b>	10,000	7.7%	11,000	9.2%	21,000	8.4%

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 6 - Economic inactivity rates and levels for population aged 16-64 by local authority, Scotland, 2008, 2013, 2014

Geography (Residence Based)	2008		2013		2014		Change since recession	
	Rate	Level	Rate	Level	Rate	Level	Rate (percentage points)	Level
<b>Scotland</b>	22.6%	764,300	23.1%	790,700	22.5%	768,800	-0.1	4,500
<i>Local Authority Area</i>								
Aberdeen City	19.0%	27,600	19.7%	30,800	20.7%	32,800	1.8	5,100
Aberdeenshire	17.5%	27,900	18.0%	29,300	15.7%	25,700	-1.7	-2,200
Angus	18.7%	13,300	20.4%	14,400	23.2%	16,400	4.5	3,200
Argyll & Bute	20.6%	11,100	21.3%	10,700	19.3%	9,500	-1.3	-1,600
Clackmannanshire	26.6%	8,700	25.7%	8,600	25.7%	8,300	-0.9	-400
Dumfries and Galloway	22.3%	20,900	24.3%	22,000	24.1%	21,700	1.7	800
Dundee City	26.2%	24,700	29.5%	28,800	31.3%	30,400	5.1	5,800
East Ayrshire	23.5%	18,500	22.3%	17,300	22.5%	17,500	-1	-1,100
East Dunbartonshire	21.2%	13,900	19.8%	13,000	23.4%	15,300	2.2	1,300
East Lothian	22.0%	13,400	19.1%	11,800	21.6%	13,400	-0.4	0
East Renfrewshire	22.2%	12,400	19.9%	11,100	20.3%	11,400	-1.9	-1,000
Edinburgh, City of	22.0%	70,000	23.8%	79,100	23.2%	77,400	1.2	7,400
Eilean Siar	17.9%	3,000	21.6%	3,500	18.0%	2,900	0.1	-100
Falkirk	20.6%	20,500	21.0%	21,300	21.6%	21,900	1	1,400
Fife	20.5%	47,500	23.1%	53,400	21.1%	48,600	0.6	1,100
Glasgow City	30.6%	119,400	30.5%	124,700	29.1%	118,600	-1.4	-800
Highland	18.8%	26,800	22.0%	31,500	19.0%	27,300	0.1	500
Inverclyde	25.2%	13,300	26.1%	13,300	24.7%	12,600	-0.5	-700
Midlothian	18.5%	9,800	23.4%	12,400	20.0%	10,800	1.5	1,000
Moray	17.3%	10,200	17.1%	9,500	18.8%	10,500	1.5	300
North Ayrshire	25.0%	21,900	29.2%	24,900	24.0%	20,300	-1	-1,600
North Lanarkshire	25.8%	56,300	21.3%	46,300	23.0%	50,100	-2.8	-6,200
Orkney Islands	16.2%	2,100	17.3%	2,300	8.3%	1,100	-7.9	-1,000
Perth and Kinross	20.6%	18,000	19.3%	17,200	19.5%	17,500	-1.1	-500
Renfrewshire	22.0%	24,700	22.8%	25,700	22.2%	24,900	0.3	300
Scottish Borders	18.6%	13,000	22.1%	15,200	18.9%	13,000	0.3	0
Shetland Islands	12.7%	1,800	13.8%	2,000	12.7%	1,800	0	0
South Ayrshire	23.5%	16,400	22.6%	15,400	22.5%	15,200	-1	-1,100
South Lanarkshire	23.5%	47,700	21.2%	43,100	21.6%	43,800	-1.9	-3,900
Stirling	21.6%	12,000	22.4%	12,700	21.1%	12,000	-0.5	0
West Dunbartonshire	25.0%	14,900	27.2%	15,800	26.8%	15,400	1.8	600
West Lothian	20.0%	22,600	20.7%	23,700	18.0%	20,700	-2	-2,000

Source: Annual Population Survey (Jan to Dec)

Levels and rates cover those aged 16-64

Notes:

1. Levels rounded to the nearest hundred.
2. Proportions are calculated on unrounded figures.
3. Totals may not equal the sum of individual parts due to rounding.
4. See the concepts and definitions section of the publication for more detail on estimates.

## 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 Framework<sup>8</sup>. 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
- Geographical mobility

<sup>8</sup> 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>

- 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 was reweighted based on outputs from the 2011 Census on 19 March 2015. **This has had some impact on historical estimates** for population, economic activity indicators and equality group estimates within local authorities. The Scottish Government does not plan to retrospectively revise all estimates in previous publications, although some revised tables may be issued 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 employers 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 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  
5<sup>th</sup> Floor, 5 Atlantic Quay  
GLASGOW G2 8LU  
Tel: (0300) 244 6790  
Email: [lmstats@scotland.gsi.gov.uk](mailto: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 7: 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 manuals<sup>9</sup>.

## **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 exception 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.

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<sup>9</sup> <http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=1537&Pos=&ColRank=2&Rank=544>

## 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.

**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](#):

**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/index.html>

## **A National Statistics publication for Scotland**

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.

Designation can be interpreted to mean that the statistics: meet identified user needs; are produced, managed and disseminated to high standards; and are explained well.

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Office of the Chief Statistician, Telephone: 0131 244 0442,  
e-mail: [statistics.enquiries@scotland.gsi.gov.uk](mailto:statistics.enquiries@scotland.gsi.gov.uk)

### **How to access background or source data**

The data collected for this statistical publication:

- are available via web-tables on Scottish Government website and via Nomis and UK Data archive

### **Complaints and suggestions**

If you are not satisfied with our service or have any comments or suggestions, please write to the Chief Statistician, 3WR, St Andrew's House, Edinburgh, EH1 3DG, Telephone: (0131) 244 0302, e-mail [statistics.enquiries@scotland.gsi.gov.uk](mailto:statistics.enquiries@scotland.gsi.gov.uk).

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