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Local Area Labour Markets in Scotland

Statistics from the Annual Population Survey 2011

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 6,800 households each year to 21,500 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 ninth 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 2011, based on the data released by the Office for National Statistics (ONS) on 21 June 2012. ONS have also released data for April 2011-March 2012 on the same day, and a summary of this release is provided in Annex G. Results for unemployment are not included in this publication as the model based local authority estimates will not be available until 18 July 2012. These results will be included in July's Labour Market Brief, which will be available for download from the Scottish Government's web-site at:

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

Estimates for age and gender equalities groups are included in this publication. However, estimates for other equalities groups are not included. An analysis of labour market indicators for these groups is planned for autumn 2012, using the most current available APS dataset. This will include estimates by religious group, disability and ethnicity; a full analysis by ethnicity is not possible using the January-December 2011 dataset due to multiple changes in the ethnicity questions through the year. Use of subsequent APS releases will allow analysis by ethnicity over a full year using a single consistent set of questions.

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Summary

People in work

Scotland Performs Cohesion Target

- Between 2010 and 2011, the gap in employment rates between the three local authorities with the highest employment rates and the three local authorities with the lowest employment rates **decreased by 2.4 percentage points from 18.7 to 16.3 percentage points**.

Scotland Performs Participation Target

- Between 2010 and 2011 the gap in employment rates between Scotland and the country with the 5th highest rate (Denmark in 2010 and now Sweden in 2011) **increased from 3.7 percentage points in 2010 to 4.6 percentage points in 2011**.
- There is considerable variation in employment rates across Scotland's local authorities. In 2011, **employment rates varied from 61.0% in North Ayrshire to 81.3% in the Shetland Islands**. This compares to an employment rate of 70.7% in Scotland based on Jan-Dec 2011 APS data.
- The **majority of local authorities (21 in total) experienced a reduction in employment rates over the year**, while **all 32 local authorities saw reductions between 2008 (start of the recession) and 2011**, reflecting the continuing challenging economic circumstances.
- Between 2010 and 2011 **the male employment rate increased slightly from 74.8% to 75.1%**, with increases in the rate being seen in 15 local authority areas, with the remaining local authorities seeing decreases. Over the same period, **the female employment rate decreased slightly from 67.4% to 66.5%**, with increases in the rate being seen in 10 local authority areas, with the remaining local authorities seeing decreases.
- The youth employment rate (16-24 year olds) in Scotland decreased by 1.0 percentage point over the year, from 55.6% in 2010 to 54.6% in 2011**. A total of 15 local authorities saw a decrease in their youth employment rate over the same period whilst 15 saw an increase in their youth employment rate (including Edinburgh and Glasgow).
- In 2011 **73.6% of people in employment were working full time, compared to 73.8% in 2010 and 76.2% in 2008**. Over the year the percentage of people in full time work has decreased in 16 local authority areas and since 2008 has decreased in 27 local authorities.
- In 2011 there were **204,200 workers who were underemployed** i.e. willing to work more hours (**8.3% of all employed people over 16**). Underemployment levels are highest amongst part-time female and full-time male workers.
- Although **Glasgow had one of the lowest employment rates** across all Scotland's local authorities (**63.8%**), **its position over the year improved. Its employment rate increased by 1.7 percentage points** (one of the highest increases in employment rate in Scotland) and its employment level increased by 9,100. This was driven by an increase in male employment levels, mainly within the private sector (up over 20,000). However, this was partially offset by a decrease in public sector employment, which mainly affected females (down by over 9,000).

People not in work

- Between 2010 and 2011 the proportion of 16 to 19 year olds estimated to be not in education, employment or training (NEET) **decreased by 1.5 percentage points to 12.2% with the level reducing to 31,000.**
- Between 2010 and 2011, the **economic inactivity rate decreased in just under half (14) of Scotland's local authorities**, one authority saw no change, **while the remaining 17 authorities saw increases in their rate.** The largest decreases were seen in Orkney Islands, West Dunbartonshire, City of Edinburgh and the Scottish Borders while largest increases were seen in Clackmannanshire, Shetland Islands and East Ayrshire.
- In 2011, there were **114,700 people in Scotland over the age of 16 (and not in full-time education) who had never worked**, down 5% on 2010, and up almost 12% on the level in 2004 (102,800).

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) website¹.

Scotland entered recession in Quarter 3 of 2008, two quarters later than the UK economy. Scotland subsequently returned to growth in Quarter 4 of 2009, one quarter later than the UK. However, growth through 2010 and 2011 was slow, with the employment rate continuing to deteriorate through Q1 of 2010, before making a gradual recovery through to the second quarter of 2011, although this has weakened over the past few quarters.

More detailed analysis of the latest headline trends, updated monthly, 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 below Scotland-level.

Participation

The APS is used to measure progress for the second part of the Government's Participation target, which aims to close the gap with the top five OECD economies. 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, using the European age definition (15-64), in 2011 was 69.5% which is 0.3 percentage points lower than the previous year. Scotland has the 13th highest employment rate of the OECD countries. Between 2010 and 2011 the gap in employment rates between Scotland and the country with the 5th highest rate (Denmark in 2010 and now Sweden in 2011) increased from 3.7 percentage points in 2010 to 4.6 percentage points in 2011.

Local area and sub-group analysis

Table 1 in Annex A gives the employment rate for the population aged 16 to 64 in Scotland's local authorities for 2008, 2010 and 2011. A time-series back to 2004 can be downloaded from the web-tables at:

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

or from Scottish Neighbourhood Statistics at:

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

¹ <http://www.ons.gov.uk/ons/publications/all-releases.html?definition=tcm:77-21859>

The local authorities with the highest employment rates in Scotland during 2011 were: Shetland Islands, Aberdeenshire and Orkney Islands, at (81.3%, 79.6% and 79.3% respectively) while the those with the lowest employment rates were North Ayrshire, Eilean Siar and Glasgow City with 61.0%, 63.6% and 63.8% respectively. Map 1 shows how employment rates vary across Scotland. 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 fairing worst.

Based on the APS, between 2010 and 2011, the employment rate across Scotland decreased from 71.0% to 70.7%, a decrease of 0.3 percentage points. During the same time period, the employment rate for the UK as a whole decreased marginally from 70.2% to 70.0%. Over the year, the employment rate increased in 11 local authorities and decreased in 21 local authorities. Of the 11 local authorities which saw an increase in their employment rate over the year, Scottish Borders saw the largest increase, up 2.4 percentage points followed by Glasgow City and West Dunbartonshire, both up by 1.7 percentage points.

Over the year the largest decreases in employment rate were seen in Clackmannanshire, where there was a decrease of 10.5 percentage points, and in Eilean Siar and Shetland Islands which saw decreases of 5.1 and 4.3 percentage points respectively.

Between 2008 and 2011 the employment rate across Scotland decreased from 73.5% to 70.7%, a decrease of 2.8 percentage points. The employment rate in 2011 was lower than the employment rate in 2008 in all 32 local authorities, as shown in Chart 1. However, the employment rate in 2011 is within 1 percentage point of the 2008 employment rate in three local authorities: Highland; Aberdeenshire; and North Lanarkshire. Between 2008 and 2011 the largest decreases in employment rate were seen in Eilean Siar (a decrease of 13.8 percentage points from 77.4% to 63.6%), North Ayrshire (a decrease of 7.9 percentage points from 68.9% to 61.0%) and South Ayrshire (a decrease of 6.5 percentage points from 72.4% to 65.9%).

Map 1 - Employment rate for population aged 16-64, by local authority, Scotland, 2011

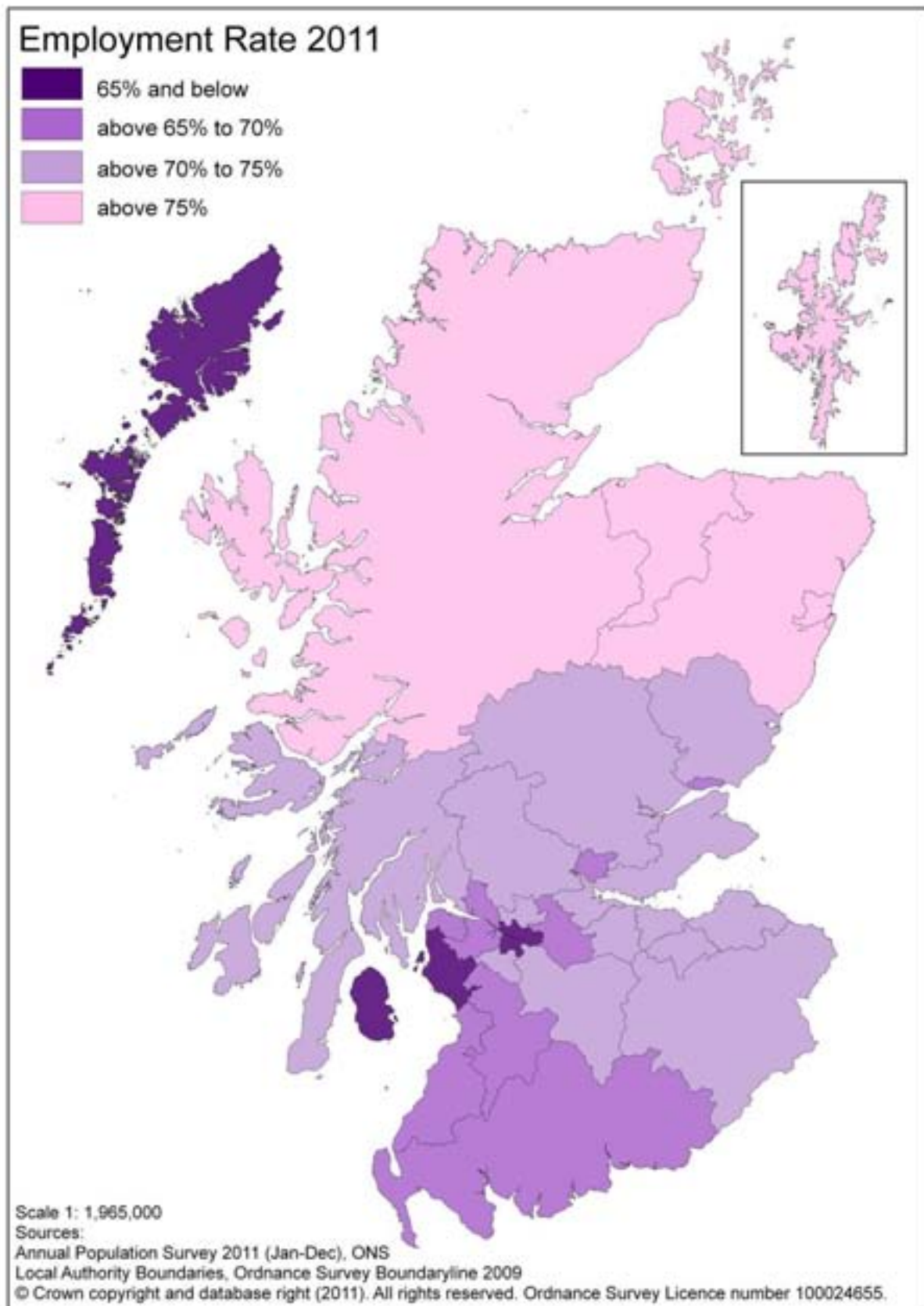
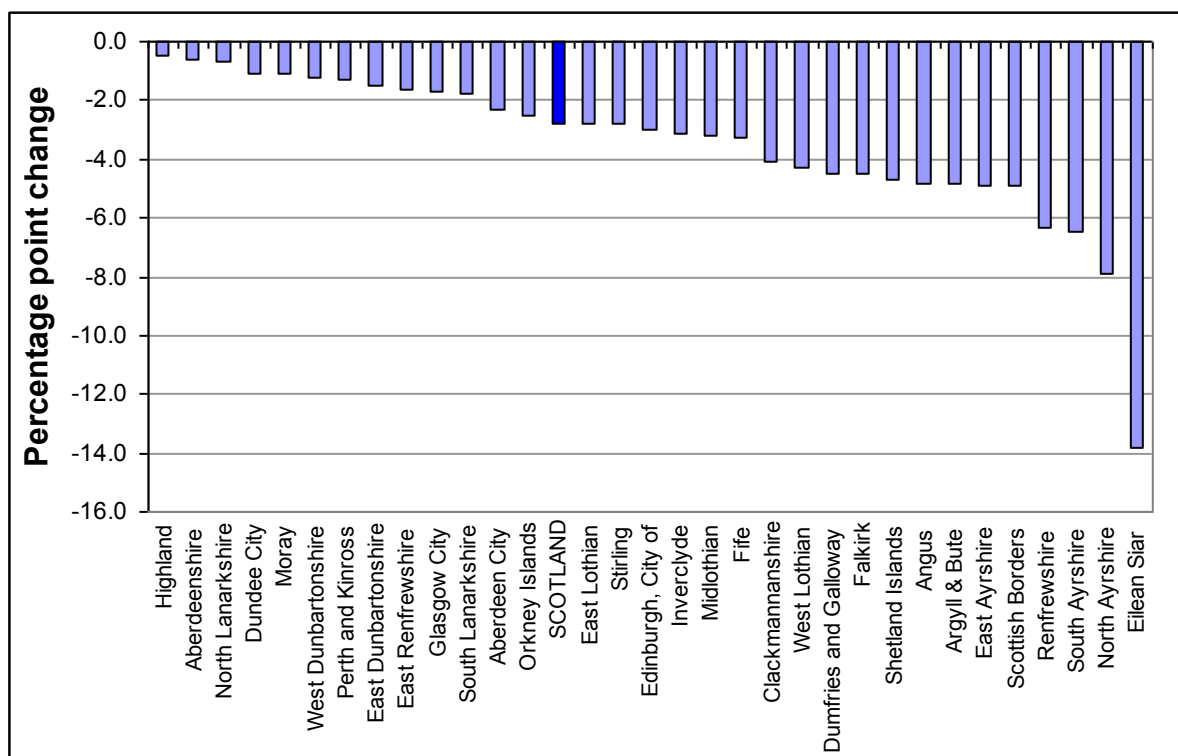


Chart 1- Employment rates (16-64) by local authority, Scotland, change over three years (2008-2011)



Source: Annual Population Survey, Jan-Dec, 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 difference between the 3 best areas and the 3 worst performing local authority areas was on a downward trend between 2004 and 2008. Between 2008 and 2009 the gap increased. Since 2009 the gap has been reducing slowly but has not returned to the level seen in 2008. The most recent data shows that the employment rates are more stable and the gap between the top three and bottom three performing local authorities has reduced by 2.4 percentage points to 16.3 percentage points. However, this is generally due to deterioration in the position of the best performing areas, rather than an improvement in the worst performing areas.

Analysis by gender

Males

Between 2010 and 2011 the male employment rate in Scotland increased slightly from 74.8% to 75.1%. In 2011 Aberdeenshire, Shetland Islands and Moray were the local authorities with the highest male employment rates (at 86.9%, 85.4% and 84.1% respectively) while those with the lowest male employment rates were Eilean Siar, North Ayrshire and Inverclyde (at 60.3%, 65.3% and 67.6% respectively).

The male employment rate increased in 15 local authorities and decreased in 17 local authorities over the year. Eilean Siar, Clackmannanshire and Inverclyde saw the largest decreases in their male employment rates whilst Glasgow City, West Dunbartonshire and Stirling saw the largest increases.

Between 2008 and 2011 the male employment rate across Scotland decreased from 78.8% to 75.1%, a decrease of 3.7 percentage points. The male employment rate in 2011 was higher than the employment rate in 2008 in 5 local authority areas: Aberdeenshire, Dundee City, Glasgow City, East Dunbartonshire and Perth and Kinross. Between 2008 and 2011 the largest decreases in male employment rate were seen in Eilean Siar (down 20.1 percentage points from 80.4% to 60.3%), North Ayrshire (down 11.3 percentage points from 76.6% to 65.3%) and South Ayrshire (down 9.9 percentage points from 78.5% to 68.6%).

Females

Between 2010 and 2011 the female employment rate in Scotland decreased slightly from 67.4% to 66.5%. In 2011 Orkney Islands, Shetland Islands and Highland had the highest female employment rates (at 77.2%, 77.0% and 73.6% respectively) while those with the lowest female employment rates were North Ayrshire Glasgow City and Clackmannanshire (at 57.1%, 57.2% and 58.7% respectively).

The female employment rate increased in 10 local authorities and decreased in 20 local authorities over the year. Clackmannanshire, Dumfries and Galloway and Shetland Islands saw the largest decreases in their female employment rate whilst Eilean Siar, Orkney Islands and Scottish Borders saw the largest increases.

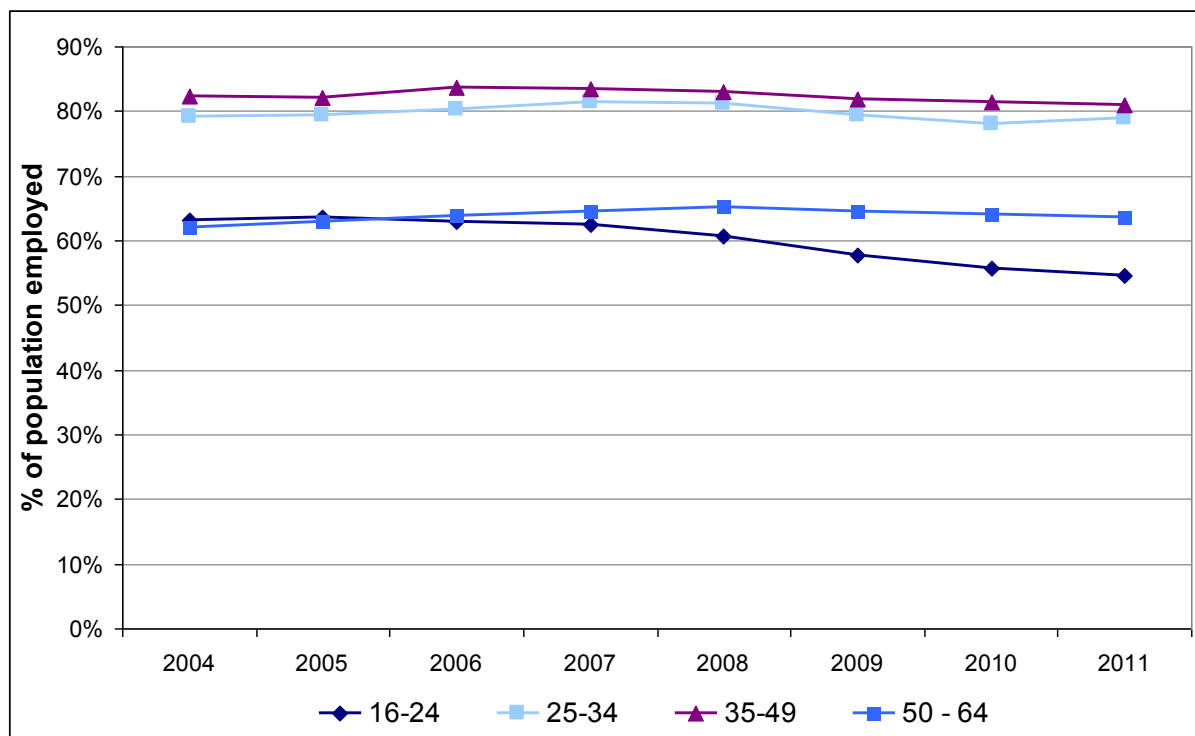
Between 2008 and 2011 the female employment rate across Scotland decreased from 68.4% to 66.5%, a decrease of 1.9 percentage points. The female employment rate in 2011 was higher than the employment rate in 2008 in 5 local authority areas: Highland, Midlothian, North Lanarkshire, Orkney Islands and South Lanarkshire. Between 2008 and 2011 the largest decreases in female employment rate were seen in Clackmannanshire (down 7.1 percentage points from 65.8% to 58.7%), Eilean Siar (down 7.1 percentage points from 74.2% to 67.1%), and in Renfrewshire (down 6.6 percentage points from 67.3% to 60.7%).

Employment levels and rates by gender for 2004 to 2011 are provided in the web tables and via Scottish Neighbourhood Statistics.

Analysis by age

Chart 2 shows how the employment rate for different age groups has changed since 2004 in Scotland.

Chart 2 - Employment rate by age group, Scotland, 2004-2011



Source: Annual Population Survey, Jan-Dec, ONS

16-24 years

In Scotland, the proportion of this age group in employment decreased between 2008 and 2011, from 60.8% in 2008, to 55.6% in 2010 and 54.6% in 2011.

Analysis by local authority is provided in the Youth Employment section.

25-34 years

For Scotland, the percentage in employment in this age group had decreased from 81.2% in 2008 to 77.9% in 2010. However, over the last year it increased by 1.1 percentage point to 79.0% in 2011.

Across local authorities in 2011, the highest employment rates for this age group were in Moray (86.6%), Perth and Kinross (86.5%), East Dunbartonshire (84.6%) and Highland (84.6%) while the lowest were in East Ayrshire (67.7%), Stirling (71.1%) and North Ayrshire (71.8%).

Over the year the largest decreases were in Stirling (down 11.9 percentage points) and East Ayrshire (down 10.4 percentage points). The largest increases were in Midlothian (up 9.0 percentage points) and East Lothian (up 8.5 percentage points).

35-49 years

For Scotland, between 2008 and 2011, the percentage in employment in this age group has decreased from 83.1% in 2008 to 81.5% in 2010, and to 81.1% in 2011.

Across local authorities, in 2011, the highest employment rates for this age group were in Shetland Islands (97%), Aberdeenshire (89.2%), Highland (88.4%) and the lowest were in North Ayrshire (71.3%), Glasgow City (72.3%) and Renfrewshire (74.5%).

Over the year the largest decreases were in Clackmannanshire (down 14 percentage points), Dumfries and Galloway (down 5.5 percentage points), Inverclyde (down 4.4 percentage points). The largest increase was in North Lanarkshire (3.3 percentage points), Scottish borders (3.2 percentage points) and Falkirk (2.4 percentage points).

50-64 years

For Scotland, between 2008 and 2011, the percentage in employment in this age group decreased from 65.2% in 2008 to 64.1% in 2010, and to 63.7% in 2011.

Across local authorities, in 2011, the highest employment rates for this age group were in Shetland Islands (79.2%) and Highland (72.5%) and the lowest were in Glasgow (53.3%), and North Ayrshire (55%).

Over the year largest decreases were in Aberdeen City (down 5.1 percentage points), Inverclyde (down 3.9 percentage points) and Clackmannanshire (down 3.8 percentage points). The largest increases were in Edinburgh (4.0 percentage points) East Lothian (2.3 percentage points) and South Lanarkshire (1.5 percentage points).

Employment levels and rates by age for 2011 are provided in Table 3 in Annex A, with full time series data from 2004 to 2011 available in the web tables and via Scottish Neighbourhood Statistics.

Youth Employment (16-24 year olds)

Estimates of youth employment, unemployment and activity 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%20Unemployment%20Publications%20and%20Briefing>

These estimates are based on rolling quarterly 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 analysis using data from the APS.

Youth Employment in Local Authorities

The local authorities with the highest youth employment rates in Scotland in 2011 were: Moray, Aberdeenshire and Orkney Islands (72.8%, 71.5% and 66.1% respectively). The local authorities with the lowest youth employment rates were North Ayrshire, Renfrewshire and Angus (42.4%, 46.0% and 46.5% respectively).

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). However, it is important to note that 36.0% of full-time students in Scotland were also in employment in 2011. This is higher than the percentage in the UK as a whole, where 26.9% of full-time students were also in employment. Due to sample size limitations it is not possible to look at local authority employment rates by enrolment in full-time education.

The youth employment rate in Scotland decreased by 1.0 percentage point over the year, from 55.6% in 2010, to 54.6% in 2011. A total of 15 local authorities saw a decrease in their youth employment rate over the same period whilst 15 saw an increase in their employment rate (including Edinburgh and Glasgow). The 2011 estimates for Clackmannanshire and Eilean Siar have been suppressed as they are unreliable due to small sample sizes.

Over the year the largest decrease in youth employment rate was seen in the Shetland Islands, where there was a decrease of 12.5 percentage points. However, it should be noted that, despite this decrease, the Shetland Islands had the sixth highest youth employment rate in Scotland in 2011. We saw a similar scenario in Aberdeen City which saw the second largest decrease over the year (a decrease of 6.9 percentage points) but had the fourth highest youth employment rate in Scotland in 2011.

Between 2008 (when the economy went into recession) and 2011, the youth employment rate in Scotland decreased by 6.2 percentage points. A total of 26 local authorities saw a decrease in their youth employment rate over the same period whilst only 4 saw an increase in their employment rate (Moray, Aberdeen City, East Dunbartonshire and Fife).

Between 2008 and 2011 the largest decreases in youth employment rate were seen in Angus (a decrease of 22.9 percentage points from 69.4% to 46.5%), East Lothian (a decrease of 18.7 percentage points from 69.4% to 50.7%) and Renfrewshire (a decrease of 18.2 percentage points from 64.2% to 46.0%).

Work Patterns

In 2011 73.6% of people in employment were working full time², compared to 73.8% in 2010 and 76.2% in 2008. Note that as full-time and part-time working is self-classified, it is possible that some of those working full-time may not be working over 30 hours per week. The percentage of people in full-time work has decreased in 16

² 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.

local authority areas over the year and has decreased in 27 local authorities since 2008. Only four local authority areas have been on an upward trend both over the year and since 2008, these are Clackmannanshire; Eilean Siar; Aberdeen City; and South Lanarkshire.

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 and via Scottish Neighbourhood Statistics.

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 1 for full definition). Underemployment can provide an indication of underutilisation of labour.

Box 1 – 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:

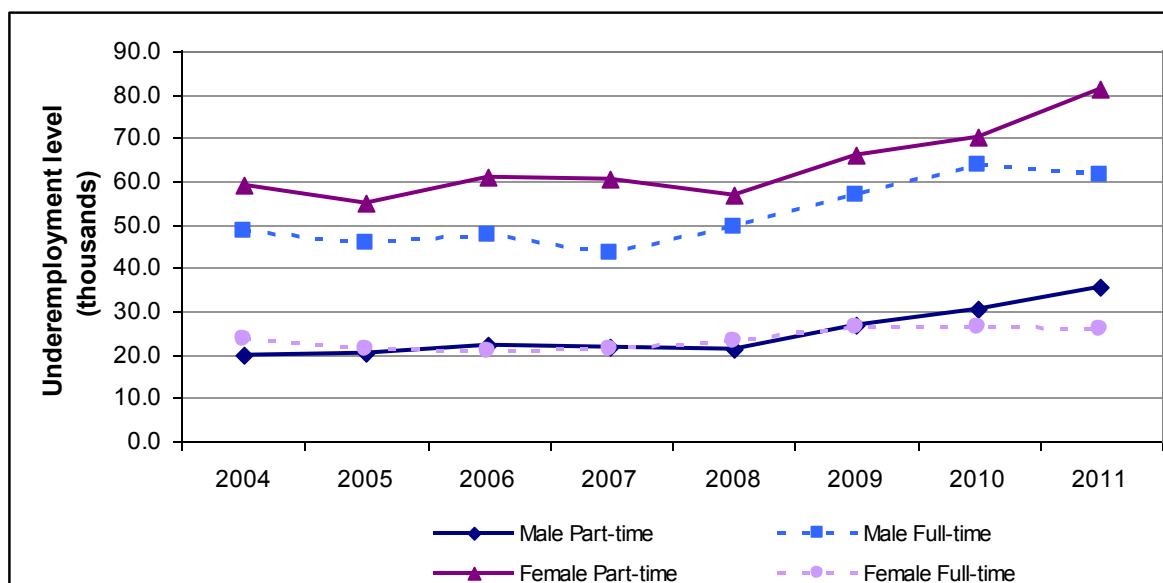
- ◆ wanted another job in addition to their current job(s), or
- ◆ wanted another job with more hours instead of their current job(s), or
- ◆ wanted to increase the total number of hours worked in their current job(s).

In 2011 there were 204,200 workers who were underemployed (looking for extra hours in their current job), 8.3% of all employed people over 16. Of these, 117,100 were part-time workers (17.4% of all part-time workers over 16), while 87,100 were full-time workers (4.9% of all full-time workers over 16). Chart 3 below shows how the number of people who were underemployed has changed since 2004 for males and females in full-time and part-time work. This illustrates that although underemployment is more prevalent within those who are in part-time jobs, it is by no means restricted to this group. Underemployment levels for both male and female part-time workers have been increasing steadily since 2008.

Underemployment levels are highest amongst part-time female and full-time male workers.

- Underemployment levels for males working part-time has increased from 21,400 in 2008 to 35,700 in 2011, an increase of 67%, while for males working full-time, the level rose from 49,400 in 2004 to 61,500 in 2011 - a 25% increase.
- Underemployment levels for females in part-time employment increased from 56,800 in 2008 to 81,400 in 2011, an increase of 43%, while for females working full-time, the level rose from 23,000 in 2004 to 25,600 in 2011 - a 12% increase.

Chart 3 - Underemployment level for full-time and part-time workers by gender, Scotland 2004 - 2011.



Source: Annual Population Survey, Jan-Dec, ONS

Note: Underemployment data only covers those looking for additional hours in their current job.

The underemployment rate (that is the number of underemployed as a percentage of the total employed for the relevant group) for part-time males (at 21.3% in 2011) is higher than that for females (at 16.1% in 2011). The underemployment rate also highlights that for many, part-time working is a choice, with over 80% of part-time workers stating that they were **not** looking for extra hours in their existing job.

Underemployment rates vary across age-groups.

- Those aged 16-24 had the highest underemployment rate in 2011 at 14.1%, an underemployment level of 46,500. The high rate for this group may be indicative of the higher percentage of those employed 16-24 year olds in part-time employment (about 43% compared to about 26% for those aged 16-64).
- Those aged 25-34 and 35-49 had similar underemployment rates in 2011, at 9.0% and 7.6% respectively. The underemployment levels for these groups were 47,200 and 67,900 respectively.
- 50-64 year olds had the lowest underemployment rate at 6.1% in 2011 (the estimate for those aged 65+ is below the reliability threshold). The underemployment level for this group was 40,100. This group has seen the highest increase in level since 2004, having increased by 59% from 25,300 in 2004.

The underemployment rate varies across local authorities, from a high of 11.7% of all employed people over 16 are underemployed in Eilean Siar to 6.1% of all employed people over 16 in the East Renfrewshire. Since 2010 the percentage of all employed people over 16 who are underemployed has increased by 0.6 percentage points, and increased by 2.3 percentage points since 2008, a possible consequence of the unavailability of hours due to the impact of the recession and subsequent slow recovery, with rising prices possibly resulting in those in employment wanting to work more hours.

Since 2008, the percentage of underemployed people has increased in 28 local authorities, with the largest increases being seen in Scottish Borders (up 5.0

percentage points from 6.0% to 11.0%), Clackmannanshire (up 4.1 percentage points from 5.0% to 9.1%) and Glasgow City (up 4.0 percentage points from 5.5% to 9.5%)

The figure of 204,200 workers who were looking for extra hours in their existing job makes up the largest proportion of all underemployment, but is not the complete picture. In 2011, there were an additional 35,000 workers aged 16 or over in Scotland either looking for an additional job or for a new job with longer hours, which is similar to the 2010 level of 34,800.

Underemployment data for those aged 16 and over for each local authority in Scotland are given in Table 2 in Annex A. A full time series back to 2004 is provided in the web tables.

Analysis of underemployment rates for by urban-rural geographies does not indicate any relationship with underemployment rates, showing consistently similar rates over time for 2011. The underemployment rate for those living in urban areas was 8.4%, whereas the rate for those living in rural areas was 8.0%. However, analysis by deprivation in Scotland does indicate a consistent difference of around 2.7 percentage points between the 15% most deprived areas of Scotland and the rest of the country (average difference from 2004 to 2011). In 2011, the underemployment rate for the 15% most deprived areas of Scotland was 10.9% (up 3.2 percentage points from 2008), whereas the underemployment rate for the rest of Scotland was 7.9% (up 2.2 percentage points since 2008). This would suggest that employed people living in deprived areas may have more issues or a greater need to access jobs with the pay or hours they are looking for.

Employment by Industry, Occupation and Sector

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:

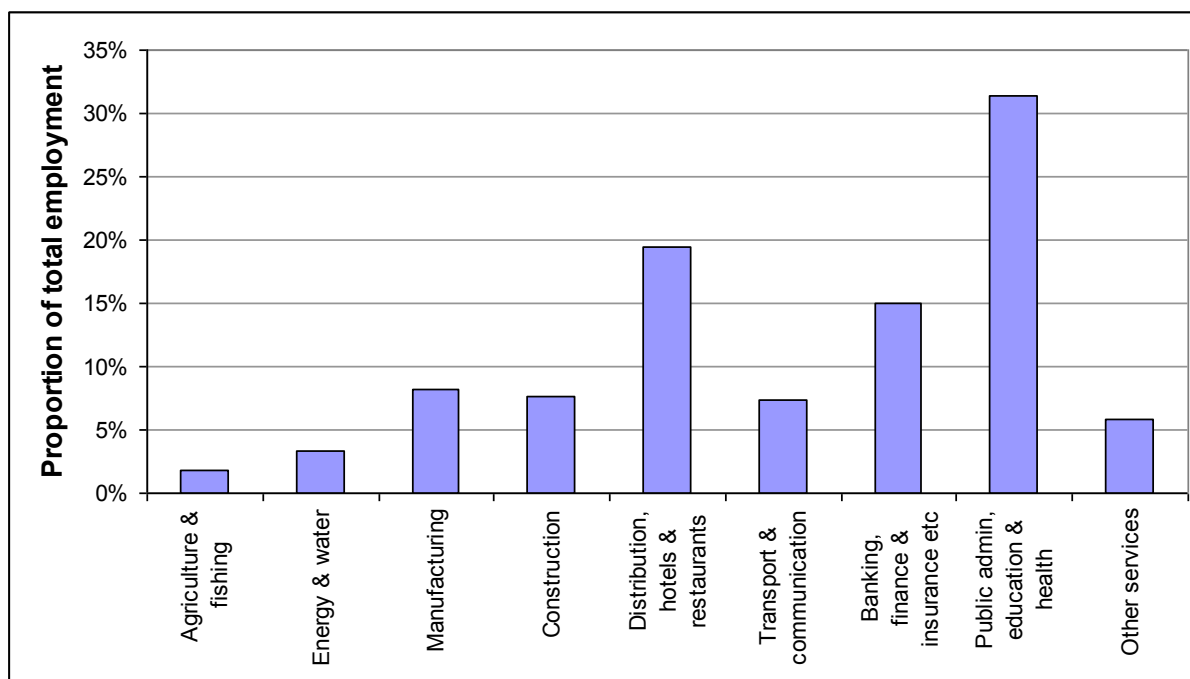
<http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/DatasetsEmployment>

Based on the APS, in Scotland in 2011, using the latest internationally agreed industry classification (SIC 2007):

- The largest industry was Public administration, education and health, employing 31.4% of all workers. Note that this is not equivalent to the Public Sector (does not include various publicly owned corporations and bodies, and includes private sector health and education). Analysis of public and private sector employment is covered later in this chapter.
- The smallest industry was Agriculture and fishing with 1.8% of total employment.
- Over the year there have been no statistically significant³ changes in the proportions employed within each industry sector.

³ 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 levels.

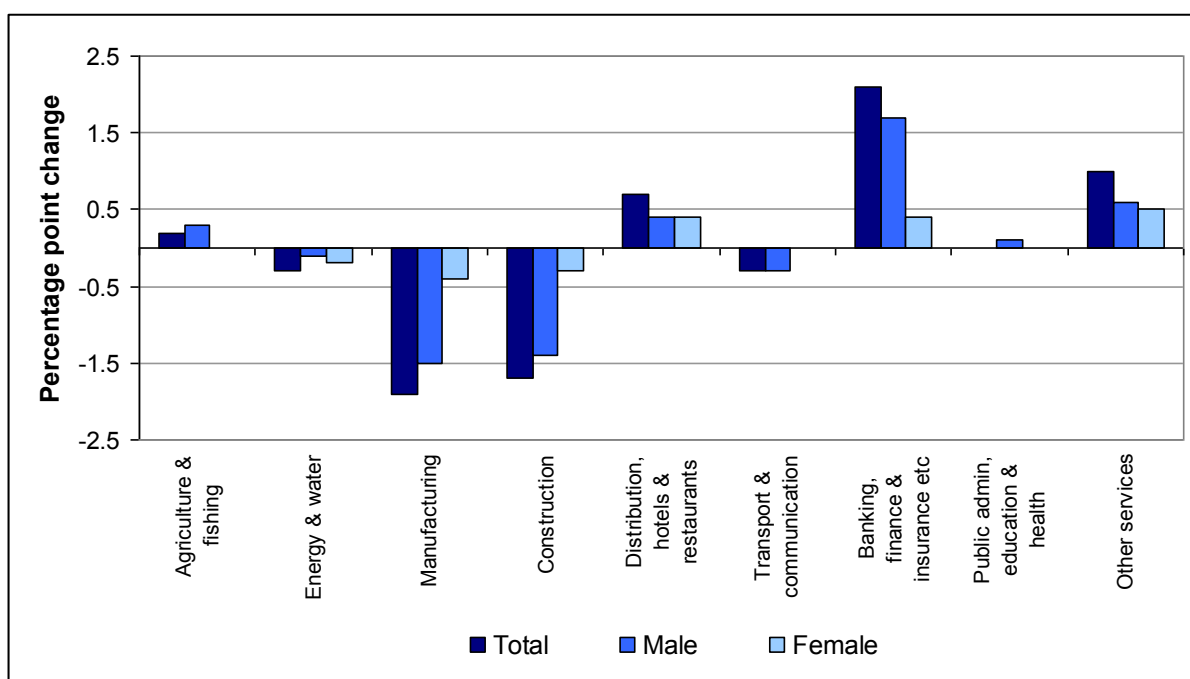
Chart 4 - Distribution of employment by industry, Scotland, 2011



Source: Annual Population Survey, Jan-Dec, ONS

Since 2008, there have been statistically significant changes in the proportions employed within Manufacturing (down 1.9 percentage points), Construction (down 1.7 percentage points), Banking, finance and Insurance (up 2.1 percentage points) and Other services (up 1.0 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 2011 by gender, Scotland



Source: Annual Population Survey, Jan-Dec, ONS

- Around 80% of the change seen in the Manufacturing, Construction and Banking, Finance and Insurance sectors since the start of the recession in 2008 were due to changes in the number of male workers, while changes in the number of female workers accounted for about 50% of the change seen in the Other Services sector.
- Around half of the decreases seen in Manufacturing and Construction sectors were due to reductions in the employment levels of workers aged 35-49.
- Workers aged 25-34 accounted for just under half of the 43,300 increase in employment in the Banking, Finance and Insurance sector, with workers aged 35-49 and 50-64 also seeing increases. Those aged 16-24, however, saw their employment level in this sector decrease.

Impact at Local Authority level between 2008 and 2011

- The national reduction in Manufacturing was driven by reductions in Fife (down 9,700), Glasgow (down 8,700), North Lanarkshire (down 5,300) and South Lanarkshire (down 7,600), which, combined, accounted for just under 60% of the decrease seen in this sector.
- The largest declines within the Construction sector were seen in Edinburgh (down 7,400) Scottish Borders (down 3,300) and Fife (down 3,200), which together accounted for 30% of the overall national decrease in this sector.
- Increases in the level of those employed in Banking, Finance and Insurance within Aberdeen City (up 4,600), Fife (up 5,500) and South Lanarkshire (up 4,600) together accounted for around 35% of the total rise seen at national level in this sector
- Glasgow, Highland and Aberdeen City together accounted for just under half of the total increase seen in employment within the Other Services sector with increases in employment levels of 5,500, 2,300 and 2,200 respectively.

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

Occupation - Standard Occupational Classification 2000 (SOC 2000)

Note: The following analysis uses the Standard Occupational Classification 2000 codings as opposed to the new SOC 2010 codings which was implemented on the APS from January 2011. The conversion from SOC 2010 to SOC 2000 (and vice versa) is not exact, and this may introduce discontinuities in the time series. Further detail is available at:

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

Based on the APS, in Scotland in 2011:

- The Associate, professional and technical occupational group was the largest, with 15.8% of employed persons working in this group.
- The Process, plant and machine operatives occupation group had the lowest share, with 6.7% of those in employment working in this group.
- Over the year to 2011, the only statistically significant change was in the Associate, professional and technical occupational group, which increased by 1.2 percentage points (representing a rise of 28,500). Just under 60% of this increase was due to a rise in male employment within this group.
- Since 2008, there have been statistically significant changes in five of the nine occupations groups:

- Decreases were seen in the percentage of people employed in Administrative and Secretarial occupations (down 1.1 percentage points), Skilled Trades occupations (down 0.9 percentage points) and Process, Plant and Machine Operatives (down 0.8 percentage points).
 - Females accounted for just over 90% of the reduction seen in Administrative and Secretarial occupations, while males accounted for 85% of the reduction in both Skilled Trade and Process, Plant and Machine Operatives occupations
- Increases were seen in the percentage of people employed in Associate Professional and Technical occupations and Elementary occupations, which both increased by 0.9 percentage points.
 - Males accounted for just under three-quarters of the increase in Associate Professional and Technical occupations, while the increase in Elementary occupations was fairly equally split with females accounting for just over half of the increase.

Impact at Local Authority level between 2008 and 2011

- The increase in those employed in Associate Professional and Technical occupations was dominated by a 12,900 rise in the level within Edinburgh. Increases were seen in 17 other local authorities including South Lanarkshire (up 5,500) and Fife (up 4,400), while decreases were seen in 14 local authorities, including Glasgow City and Falkirk (both down 2,700) and Renfrewshire (down 2,600).
- Glasgow City dominated the increase in those employed in Elementary Occupations, seeing a rise of 12,500, with smaller increases seen in Edinburgh (up 2,800) and Dundee City (up 2,000). Decreases were seen in 18 local authorities, with Renfrewshire, North Ayrshire and Angus all seeing decreases of around 1,400,
- The majority of local authorities (26) saw decreases in their employment in Administrative and Secretarial occupations, with Edinburgh, Glasgow City and Fife seeing the largest decreases (down 5,700, 3,500 and 3,200 respectively). Similarly, reductions in employment in Skilled trades occupations were seen in 23 local authorities, with Fife and Aberdeen City (both down by 3,700) and South Lanarkshire (down 3,100) seeing the largest decreases. Reductions in employment in Process, plant and machine operatives were also seen in the most (25) local authorities, with Glasgow City, (down 4,500) Fife (down 3,500) and South Lanarkshire (2,800) seeing the biggest decreases.

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

Occupational Skill Level

The ONS defines occupational skill levels using the following criteria:

Box 2 – 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.

In Scotland, the following occupations are typical low skill occupations: 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.

In Scotland, the following occupations are typical medium-low skill occupations: 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.

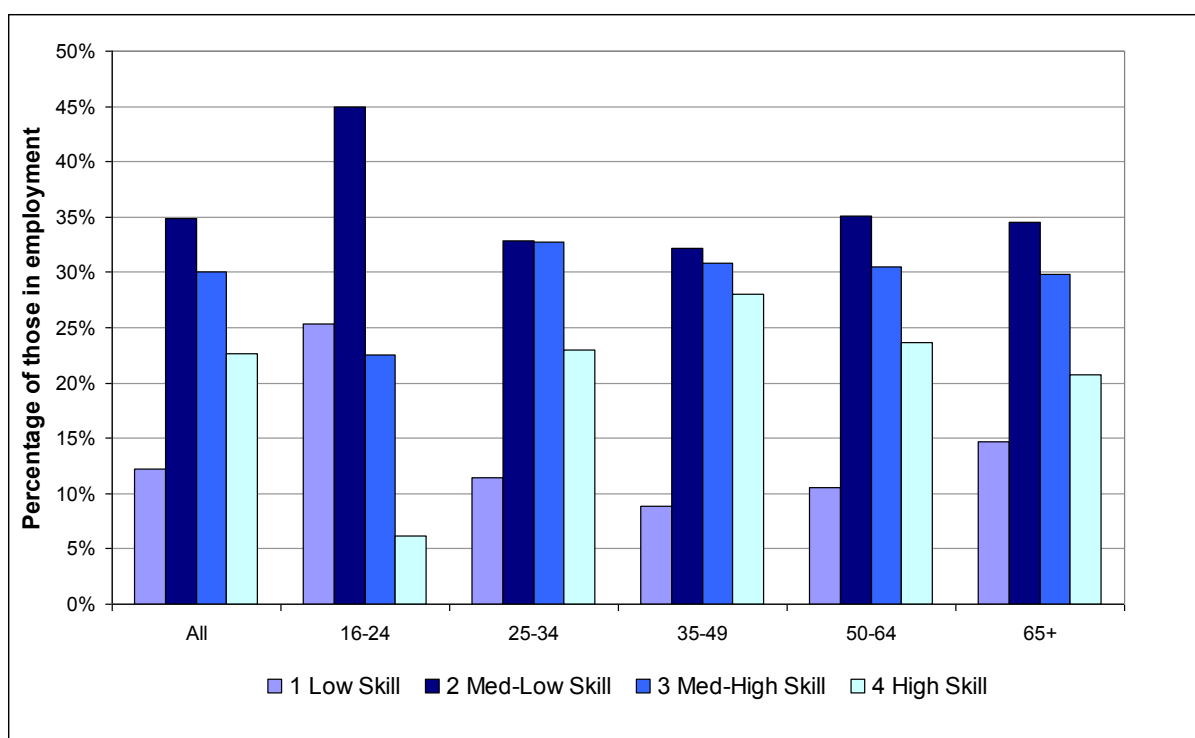
In Scotland, the following occupations are typical medium-high skill occupations: health associate professional occupations (e.g. nurse, midwife, paramedic) and construction trades.

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

In Scotland, the following occupations are typical high skill occupations: teaching and functional management (e.g. in finance, marketing, public relations, personnel or information technology).

The occupational skill distribution for each of the key age groups in Scotland is shown in Chart 6 below. The distribution is broadly similar across the key age groups, with the majority (approximately two thirds) of employees in medium-low and medium high skilled occupations and a minority (around 10%) in low skilled occupations. However, the distribution is different for the 16-24 year old age group which has a relatively lower percentage of employees in high skill jobs (6%) and a relatively higher percentage in low skill (25%) and medium-low skill (45%).

Chart 6 - Occupational skill level by age group, Scotland, 2011



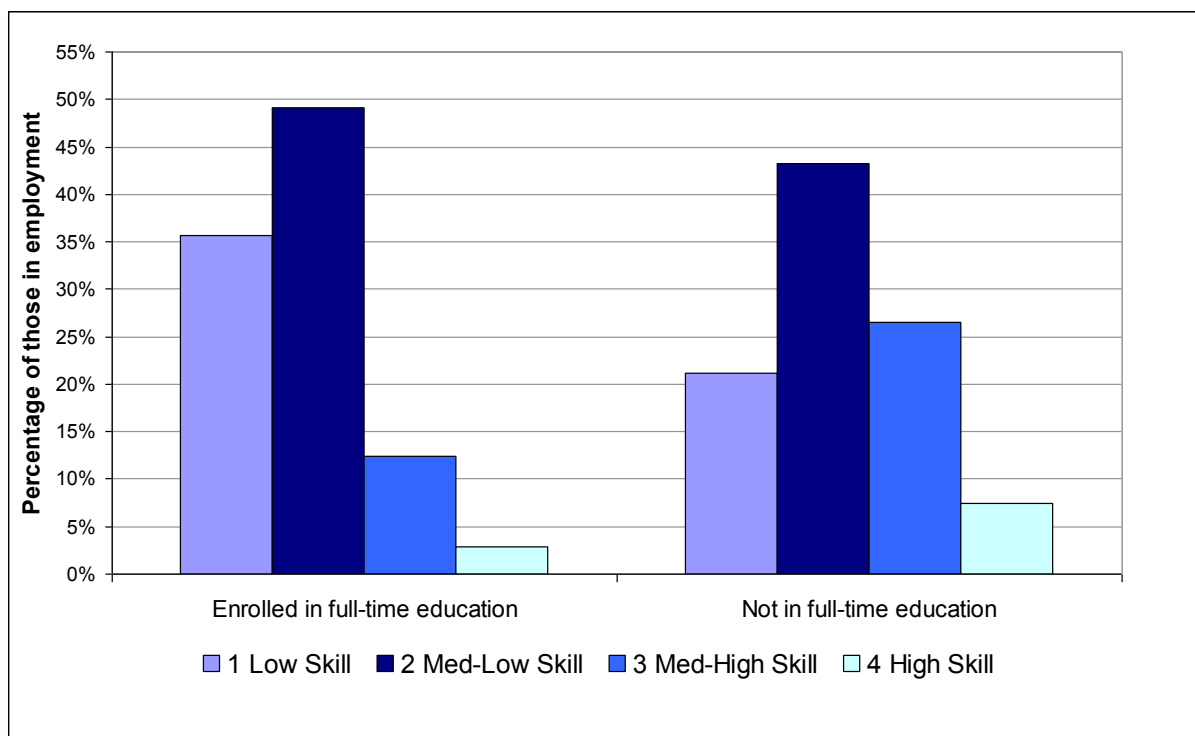
Source: Annual Population Survey, Jan-Dec, ONS

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.

There are also some interesting differences within the 16-24 year old age group. From Chart 7 we note that there is a different distribution for the occupational skill level of 16-24 year olds who are enrolled in full-time education compared to those who are not in full-time education. 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.

The shape of these distributions has been broadly consistent over recent years, however as noted previously, employment decreased for 16-24 year olds in Scotland between 2008 and 2011. Almost all of the decrease in the 16-24 year old employment level was accounted for by those not in full-time education (down 39,100 since 2008). This decrease was a result of decreases in employment in medium-low skill occupations (down 24,200) and medium-high skill occupations (down 19,700).

Chart 7 - Occupational skill level by enrolment in full-time education, 16-24 year olds, Scotland, 2011



Source: Annual Population Survey, Jan-Dec, ONS

Public and Private Sector

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.

Estimates from the APS for Jan-Dec 2011 indicate that between 2010 and 2011 the number of people aged 16 and over employed in the public sector in Scotland decreased by 32,900 to 669,800. This represents a reduction in the percentage of people employed in the public sector of 1.3 percentage points, with females seeing a larger decrease (down 24,200 from 451,300 to 427,100) than males (down 8,800 from 251,400 to 242,600). In the same period, the number of people employed in the

private sector in Scotland increased by 31,400 from 1,744,600 to 1,776,00, with males seeing a higher level of increase (up 21,700 from 1,013,100 to 1,034,800) than females (up 9,600 from 731,500 to 741,100).

Private sector employment had decreased at a faster rate between 2008 and 2009 (down 58,300), reacting more rapidly to the recession, whereas over the same period, public sector employment increased by 22,900. Through 2009 to 2010, private sector employment continued to decrease, but at a slower rate than in the previous year (down 8,400), while public sector employment started to decrease (down 22,900). The latest data indicates that, while the public sector has continued to contract through 2011, there are signs of a recovery in the private sector, with employment levels now recovering to higher levels than those seen in 2009.

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, but decreases in the other.

- City of Edinburgh was the only local authority to see increases in both public and private sectors; (public sector up 1,300 from 64,400 to 65,700, private sector up 5,800 from 178,000 to 183,800).
- In City of Edinburgh, the increase in public sector employment was dominated by an increase of 3,800 in the number of female employees (with the number of male employees decreasing by 2,500), while the 5,800 increase in private sector employment was fairly evenly split between males and females.
- 11 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 Dumfries and Galloway (public sector down 1,800 from 18,200 to 16,400, private sector down 2,200 from 48,900 to 46,700) and Clackmannanshire (public sector down 200 from 6,900 to 6,700, private sector down 3,600 from 18,500 to 14,900).
- The 31,400 national increase in private sector employment was dominated by a 20,100 rise in private sector employment in Glasgow. This rise was predominately due to a 15,700 rise in male private sector employment.

Looking at the change in public and private sector employment since the start of the recession in 2008 shows a somewhat different picture to that over the last year. Although public sector employment has decreased by a similar amount (down 31,500 from 701,300 to 669,800), private sector employment is also lower than the level seen in 2008 (down 35,300 from 1,811,300 to 1,776,000)

- Glasgow City and Aberdeen City were the only local authorities to see increases in both public and private sectors; In Aberdeen public sector employment was up 1,100 from 26,600 to 27,700, while private sector employment was up 1,400 from 87,900 to 89,300. In Glasgow public sector employment increased slightly from 73,400 to 73,900, while private sector employment rose by 1,100 from 190,400 to 191,500.
- In Aberdeen, the increase in private sector employment was dominated by an increase of 4,100 in the number of female employees (with the number of male employees decreasing by 2,600), while in Glasgow the increase in private sector employment was driven by an increase of 6,000 in the number of male employees (with the number of female employees decreasing by 4,800).

- 18 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 4,000 from 15,700 to 11,700, private sector down 2,900 from 44,200 to 41,300) and Fife (public sector down marginally from 47,900 to 47,600, private sector down 6,200 from 126,800 to 120,600).

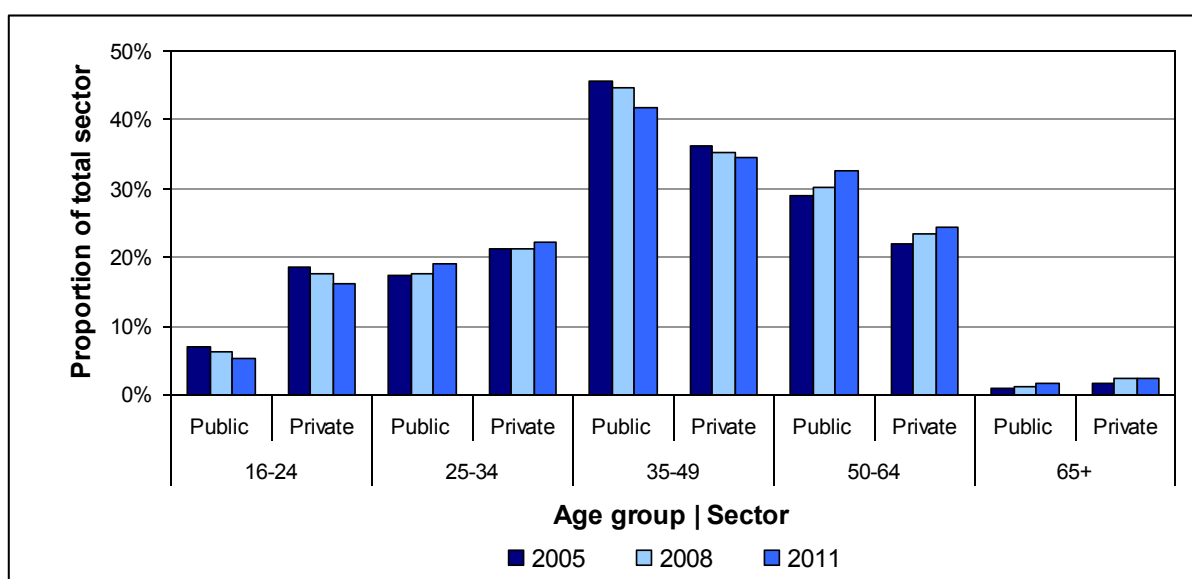
Employment data by public and private sector for each local authority in Scotland is provided in Table 4 in Annex A, with full time series back to 2004 available from the web tables.

Table 5 in Annex A gives estimates for the levels of Public and Private sector employment by age group at national level from for 2004 to 2011, as well as the proportions employed in public and private sector for each age group. From this it can be seen that:

- The largest decreases over the year in public sector employment were in the 35-49, 16-24 and 50-64 age groups, down 16,600, 9,600 and 4,800 respectively.
- Since the start of the recession in 2008, decreases in public sector employment were seen by the 35-49 and 16-24 age groups, down 34,600 and 10,100 respectively. The 25-34, 50-64 and 65+ age groups saw increases of 3,800, 6,300 and 3,200 respectively.
- The largest increases over the year in private sector employment were in the 25-34 and 50-64 age groups, up 18,500 and 11,900 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 30,000 and 26,600 respectively. The 25-34, 50-64 and 65+ age groups saw increases of 10,400, 7,100 and 3,700 respectively.

Chart 8 provides an alternative view of the age group data, showing the makeup of each sector (e.g. the percentage of all public sector workers who are aged 16-24, 25-34 and so on, and similarly for private sector workers) for 2005, 2008 and 2011.

Chart 8 - Percentage of people employed within public/private sectors by age group, Scotland, 2005, 2008, 2011



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

Section 2: People not in work

This section examines those who are not in employment. As model based estimates for unemployment will not be published by ONS until 18 July 2012, this section will focus primarily on the economically inactive, with unemployment being covered in more depth in July's Labour Market Brief⁴.

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

In 2011, the Annual Population Survey (APS) estimated that there were 31,000 young people aged 16 to 19 not in education, employment or training, representing 12.2% of all 16 to 19 year olds.

Figure 1 - Percentage and level of 16 to 19 year olds NEET, Scotland, 2004-2011

Year	Male		Female		All	
	Percentage	Level	Percentage	Level	Percentage	Level
2004	11.9%	16,000	11.5%	15,000	11.7%	31,000
2005	14.4%	19,000	13.3%	17,000	13.9%	36,000
2006	13.0%	17,000	10.3%	13,000	11.7%	30,000
2007	11.3%	15,000	10.7%	14,000	11.0%	29,000
2008	11.6%	16,000	11.2%	14,000	11.4%	30,000
2009	14.2%	19,000	11.3%	14,000	12.8%	33,000
2010	15.0%	20,000	12.4%	16,000	13.7%	36,000
2011	14.6%	19,000	9.8%	12,000	12.2%	31,000

Source: Annual Population Survey, Jan-Dec

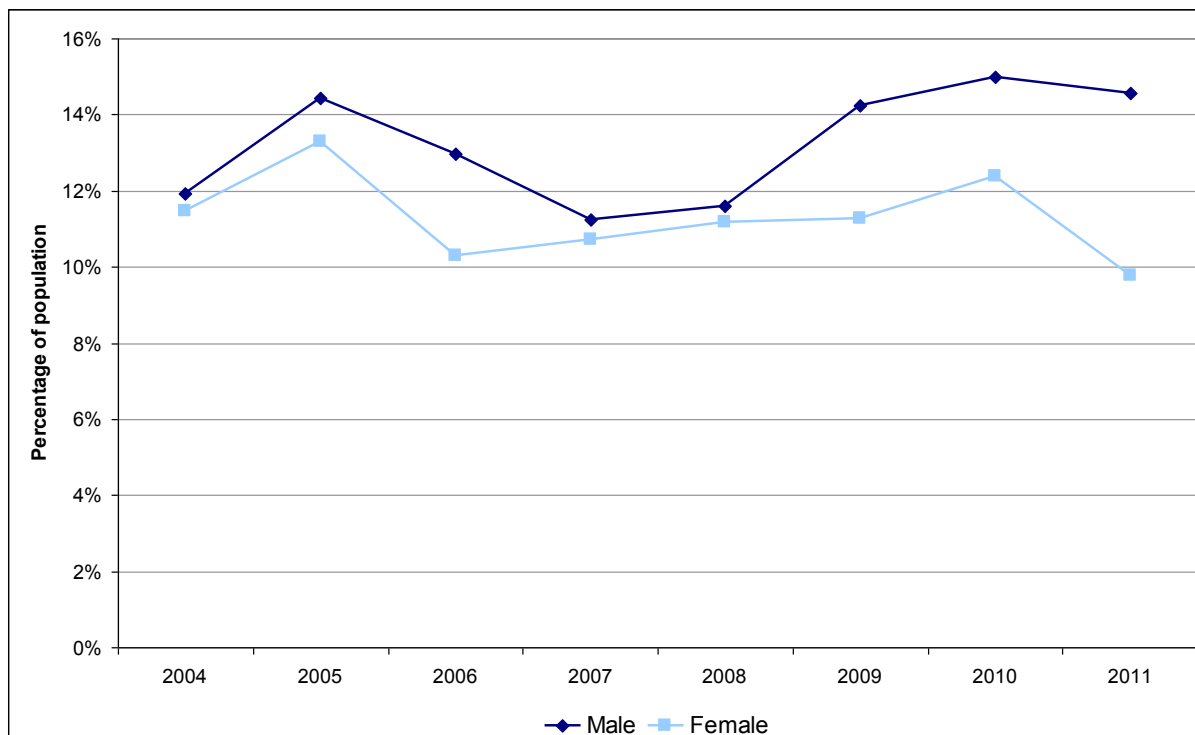
Figure 1 shows how the NEET group has changed in Scotland between 2004 and 2011. Over the past year the NEET level decreased by 5,000 (1.5 percentage points), however, this change is not statistically significant.

Between 2005 and 2007 there was a significant reduction in the size of the NEET group, a decrease of 7,000 (2.9 percentage points). This was followed by a significant increase between 2007 and 2010, an increase of 7,000 (2.7 percentage points).

Generally more males aged 16 to 19 are NEET than females, however, from 2004 to 2010 the gap was not statistically significant. In 2011 there was a statistically significant gap between the percentage of males and females who were NEET, due to the decrease in 16-19 year old females who were NEET.

⁴ Available at <http://www.scotland.gov.uk/Topics/Statistics/Browse/Labour-Market/AnalyticalPapers>

Chart 9 - Percentage of 16-19 year olds NEET by gender, Scotland, 2004-2011



Source: Annual Population Survey, Jan-Dec, ONS

Box 4 – 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 2010 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>

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.

The Scottish Government is working closely with ONS and the other UK administrations to agree a measure of NEET which will allow meaningful and consistent international comparisons to be made between UK countries in the future.

At present we 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 broadly similar.

The ONS is currently working towards publishing NEET indicators in the main labour market bulletin and the Scottish Government will make relevant analysis for Scotland available where possible. The Scottish Government will continue to focus on 16-19 year olds in its own publications due to the fact that this is the age group at which policy interventions are targeted at present.

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 5 – 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.

Over the year to January to December 2011, the economic inactivity rate for those aged 16-64 in Scotland remained unchanged at 23.0% (up 2,300 to 783,500), but increased by 0.4 percentage points since 2008 (up 19,300), driven by a 0.8 percentage point increase in the inactivity rate for men.

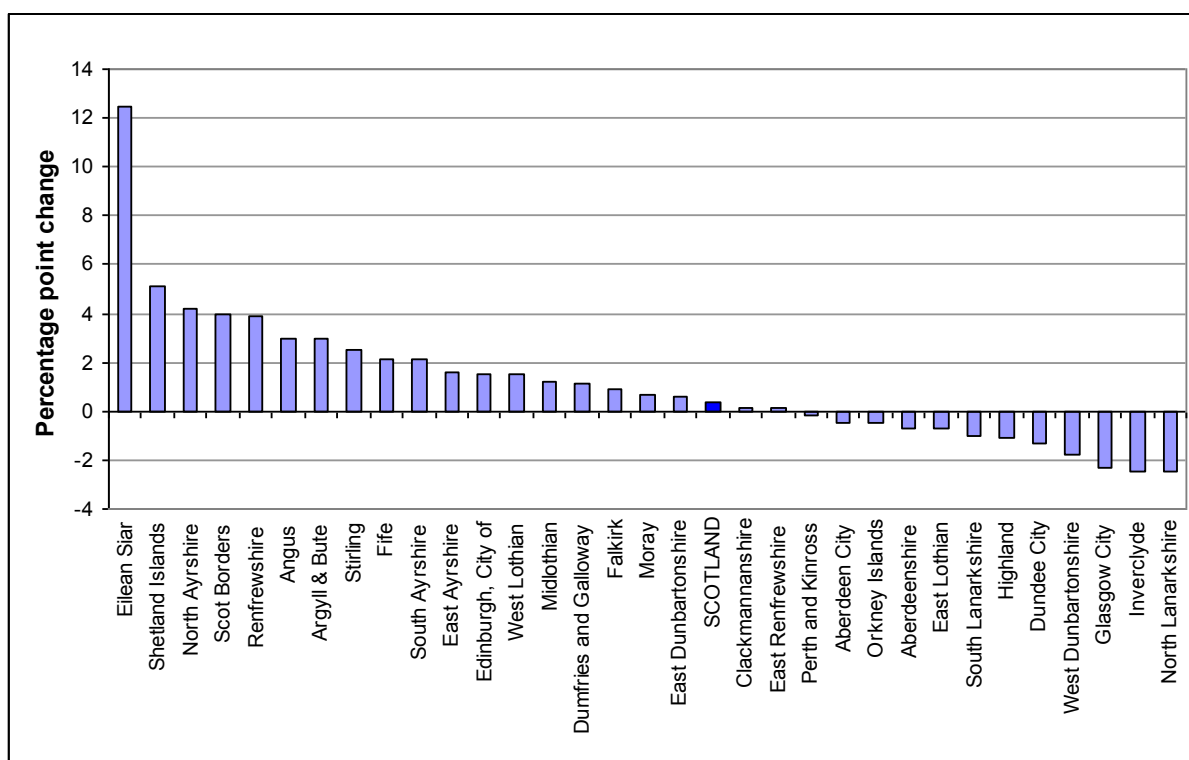
Local Authority Analysis

Between 2010 and 2011, the economic inactivity rate decreased in just under half (14) of Scotland's local authorities, one saw no change, while the remaining 17 authorities saw increases in their rate. The largest decreases were seen in Orkney Islands, West Dunbartonshire, City of Edinburgh and the Scottish Borders while the largest increases were seen in Clackmannanshire, Shetland Islands and East Ayrshire.

Since 2008, the economic inactivity rate has increased in the majority (20) of Scotland's local authorities, with the remaining 12 authorities seeing decreases. As all local authorities saw decreases in their employment rates during the same period, those areas which saw a decrease in their inactivity rates are likely to have seen a general shift in their working age populations from employment and inactivity into unemployment. However, the picture is not consistent across genders. Over one third of all authorities have seen increases in both their male and female inactivity rates, with Eilean Siar, North Ayrshire, Scottish Borders and Renfrewshire seeing amongst the highest increases, while five authorities; Inverclyde, North Lanarkshire, Dundee, Glasgow and West Dunbartonshire; all saw decreases in the inactivity rates for both males and females.

Table 6 in Annex A shows the inactivity rates by local authority for 2008, 2010 and 2011 for people aged 16-64. A full time series back to 2004 is available in the web-tables and from 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. Data from 2004 to 2011 is available in the web tables and via Scottish Neighbourhood Statistics.

Chart 10 - Inactivity rate for people aged 16-64 by local authority, Scotland, Change from 2008 to 2011

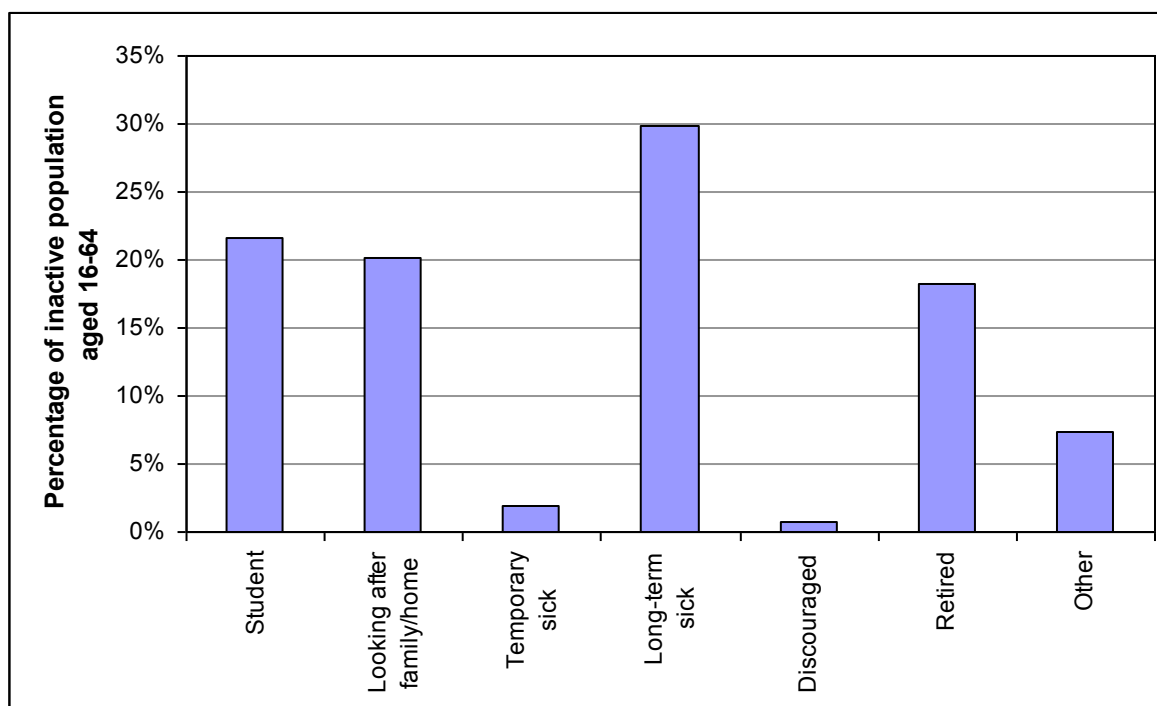


Source: Annual Population Survey, Jan-Dec, ONS

Reasons for inactivity

Respondents in the APS are asked to provide a reason as to why they are not in employment or unemployed. Chart 11 shows the breakdown of reasons for inactivity for 2011 in Scotland.

Chart 11 - Reasons for inactivity, Scotland, 2011



Source: Annual Population Survey, Jan-Dec, ONS

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 had reduced slowly from 33.0% in 2004 to just under 29.0% in 2009, but has levelled off at around 30.0% since.

- East Ayrshire, Falkirk, Glasgow, Inverclyde, North Ayrshire, North Lanarkshire and West Dunbartonshire had the highest percentages of inactive population stating they are long-term sick in 2011, all greater than 35%.

Those looking after the family or home make up just over a fifth (20.2%) of the inactive population, having fallen slightly (1.2 percentage points) from 21.7% in 2008.

- Aberdeenshire, Argyll & Bute and West Lothian had the highest percentages of those inactive due to looking after family or home, at 24.0% or more.

Students are one of the other main inactive groups, accounting for 21.6% of the inactive population in 2011. The relative size of this group had grown from 17.3% in 2004 to 21.6% in 2010, and has since stabilised around this level. The overall size of this group has increased by 26.9%, from 133,200 in 2004, to 169,000 in 2011.

- Only nine authorities had a higher percentage of students in their inactive population than the national average in 2011. These include the main university cities (Aberdeen, Dundee, Edinburgh, Glasgow and Stirling), as well as East Dunbartonshire, East Renfrewshire, Scottish Borders and Eilean Siar.

Retired people accounted for 18.3% of the inactive population aged 16-64 in Scotland in 2011.

- 18 local authorities had higher percentages of retired inactive people than the national average. Those with the highest percentages include Argyll & Bute, Clackmannanshire, East Dunbartonshire, Moray, Perth and Kinross, Scottish Borders, and South Ayrshire (which all have populations that have higher percentages of older people). In contrast, Glasgow and Edinburgh have 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

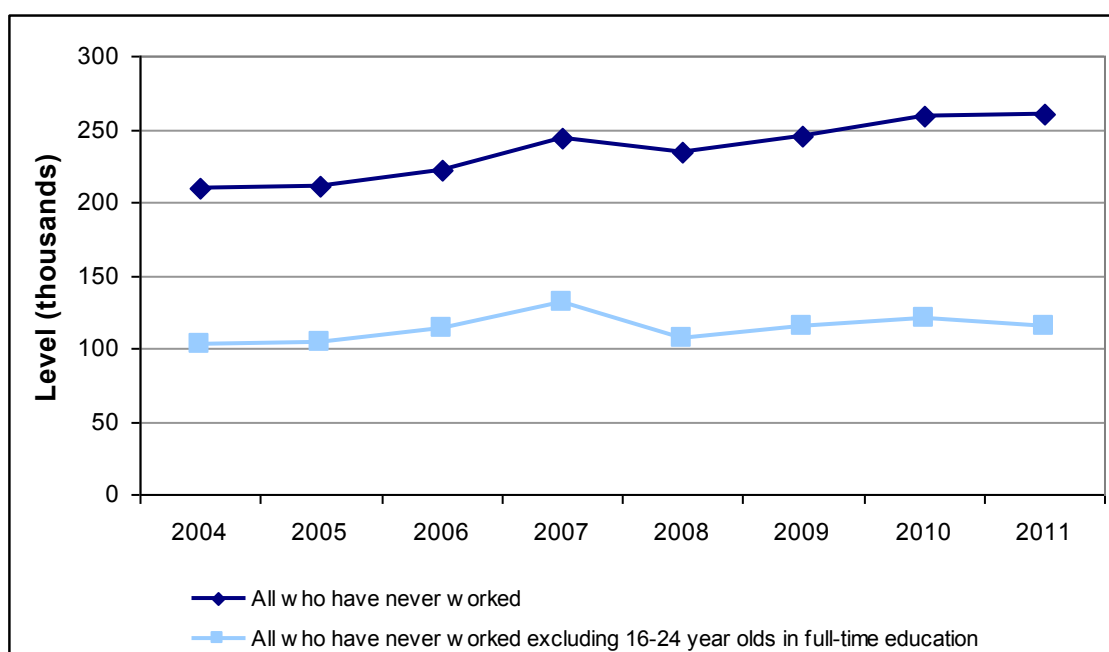
People who are inactive may have a willingness to work but are not available or able to do so. In 2011, 24.6% of all people in Scotland aged 16-64 who were inactive, wanted to work, compared to 24.1% in 2010. The percentage was highest in Moray, West Lothian and Falkirk, where the percentage of inactive people said they would like to work was 42.8%, 31.9% and 30.4% respectively. Table 7 shows the number and percentage of those who are inactive but want to work.

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 worked⁵ is highly dependant on their age. Chart 12 shows how the level of those who have never had a paid or unpaid job has changed between 2004 and 2011. The number of people aged 16 and over in Scotland who have never worked has been gradually increasing since 2004, however over the year to 2011, the level has remained almost static around 259,700. The level has increased by just under 11% since 2008 (234,500) and by just under a quarter since 2004 (209,000). However, approximately half of these people are 16-24 year olds in full-time education. If this group is excluded, the figure for 2011 decreases to 114,700, which represents a 5% decrease on the 2010 level and a 12% increase on the 2004 level (102,800).

Chart 12 - Number of people aged 16 and over who have never worked, Scotland, 2004 - 2011



Source: Annual Population Survey, Jan-Dec, ONS

The number of people aged 25-49 in Scotland who have never worked has risen by just under 54% since 2004, from 33,500 to 51,600 in 2011, whereas the number of people aged 50 and over who have never worked has decreased by just under 33% from 32,900 in 2004 to 22,100 in 2011.

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 22 of Scotland's local authorities. Data for those who have never worked at local authority level is available from the web tables and via Scottish Neighbourhood Statistics.

⁵ 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.

Annex A – Associated Tables

Table 1 - Employment rates and levels by local authority, Scotland, 2008, 2010, 2011

Geography (Residence Based)	2008		2010		2011		Change since 2008	
	Rate	Level	Rate	Level	Rate	Level	Rate (%age pnt)	Level
Scotland	73.5%	2,529,400	71.0%	2,468,600	70.7%	2,463,800	-2.8	-65,600
<i>Local Authority Area</i>								
Aberdeen City	78.2%	114,600	77.9%	118,600	75.9%	117,500	-2.3	2,900
Aberdeenshire	80.2%	127,800	81.2%	131,400	79.6%	130,900	-0.6	3,100
Angus	77.0%	53,700	73.0%	50,900	72.2%	50,400	-4.8	-3,300
Argyll & Bute	75.6%	42,600	72.5%	40,100	70.8%	38,700	-4.8	-3,900
Clackmannanshire	69.7%	22,700	76.1%	25,500	65.6%	21,600	-4.1	-1,100
Dumfries and Galloway	73.5%	69,900	72.4%	68,100	69.0%	63,500	-4.5	-6,400
Dundee City	69.5%	66,100	69.3%	66,600	68.4%	65,700	-1.1	-400
East Ayrshire	71.6%	56,400	70.3%	55,000	66.7%	52,600	-4.9	-3,800
East Dunbartonshire	75.1%	50,500	73.9%	49,600	73.6%	49,400	-1.5	-1,100
East Lothian	75.2%	46,600	71.0%	44,700	72.4%	45,800	-2.8	-800
East Renfrewshire	74.7%	42,200	71.6%	41,000	73.1%	42,000	-1.6	-200
Edinburgh, City of	74.8%	252,800	70.4%	243,200	71.8%	251,100	-3.0	-1,700
Eilean Siar	77.4%	13,000	68.7%	11,400	63.6%	10,700	-13.8	-2,300
Falkirk	76.5%	76,000	71.7%	72,900	72.0%	72,000	-4.5	-4,000
Fife	73.9%	175,600	71.4%	172,600	70.6%	168,500	-3.3	-7,100
Glasgow City	65.5%	266,700	62.1%	257,500	63.8%	266,600	-1.7	-100
Highland	79.1%	111,900	79.3%	114,500	78.6%	113,700	-0.5	1,800
Inverclyde	70.4%	37,600	70.6%	36,600	67.3%	34,900	-3.1	-2,700
Midlothian	77.5%	41,200	72.8%	38,800	74.3%	39,500	-3.2	-1,700
Moray	79.5%	45,400	79.6%	44,800	78.4%	43,800	-1.1	-1,600
North Ayrshire	68.9%	60,400	63.2%	55,500	61.0%	53,400	-7.9	-7,000
North Lanarkshire	69.2%	149,000	68.8%	147,200	68.5%	147,400	-0.7	-1,600
Orkney Islands	81.8%	10,600	79.8%	10,500	79.3%	10,500	-2.5	-100
Perth and Kinross	75.8%	70,400	73.5%	69,300	74.5%	71,400	-1.3	1,000
Renfrewshire	73.2%	82,600	68.6%	77,000	66.9%	75,800	-6.3	-6,800
Scottish Borders	78.0%	55,800	70.7%	51,200	73.1%	52,600	-4.9	-3,200
Shetland Islands	86.0%	12,400	85.6%	12,500	81.3%	12,200	-4.7	-200
South Ayrshire	72.4%	51,100	67.2%	47,800	65.9%	46,700	-6.5	-4,400
South Lanarkshire	73.8%	152,200	71.1%	148,100	72.0%	149,300	-1.8	-2,900
Stirling	73.9%	42,700	69.8%	40,600	71.1%	42,000	-2.8	-700
West Dunbartonshire	69.6%	41,900	66.7%	40,200	68.4%	40,600	-1.2	-1,300
West Lothian	76.7%	86,800	73.3%	84,900	72.4%	83,000	-4.3	-3,800

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 - Underemployment rates and levels by local authority, Scotland, 2008, 2010, 2011

	2008		2010		2011		Change since 2008	
	Rate	Level	Rate	Level	Rate	Level	Rate (%age point)	Level
Scotland	6.0%	150,700	7.7%	190,500	8.3%	204,200	2.3	53,500
<i>Local Authority Area</i>								
Aberdeen City	5.2%	6,000	9.3%	11,100	7.4%	8,700	2.2	2,700
Aberdeenshire	5.1%	6,600	5.9%	7,800	7.6%	10,000	2.5	3,400
Angus	8.0%	4,300	9.2%	4,700	8.6%	4,300	0.6	0
Argyll & Bute	8.3%	3,600	10.2%	4,100	10.7%	4,200	2.4	600
Clackmannanshire	5.0%	1,100	9.1%	2,300	9.1%	2,000	4.1	900
Dumfries & Galloway	8.5%	6,000	8.6%	5,800	10.0%	6,400	1.5	400
Dundee City	8.6%	5,700	7.9%	5,200	9.0%	5,900	0.4	200
East Ayrshire	7.3%	4,100	9.7%	5,300	10.0%	5,300	2.7	1,200
East Dunbartonshire	4.0%	2,000	5.9%	2,900	7.9%	3,900	3.9	1,900
East Lothian	6.9%	3,200	6.9%	3,100	9.8%	4,500	2.9	1,300
East Renfrewshire	4.0%	1,700	7.5%	3,100	6.1%	2,500	2.1	800
Edinburgh, City of	3.7%	9,400	4.9%	11,900	7.3%	18,300	3.6	8,900
Eilean Siar	8.4%	1,100	11.6%	1,300	11.7%	1,200	3.3	100
Falkirk	5.5%	4,200	8.3%	6,100	8.8%	6,400	3.3	2,200
Fife	8.7%	15,200	8.2%	14,100	7.1%	12,000	-1.6	-3,200
Glasgow City	5.5%	14,600	8.7%	22,300	9.5%	25,300	4	10,700
Highland	7.7%	8,600	9.1%	10,500	10.1%	11,500	2.4	2,900
Inverclyde	7.3%	2,700	7.4%	2,700	9.6%	3,400	2.3	700
Midlothian	5.0%	2,100	7.6%	3,000	8.6%	3,400	3.6	1,300
Moray	6.2%	2,800	8.0%	3,600	6.5%	2,900	0.3	100
North Ayrshire	8.2%	4,900	9.9%	5,500	9.7%	5,200	1.5	300
North Lanarkshire	5.7%	8,500	5.4%	8,000	7.6%	11,200	1.9	2,700
Orkney Islands	*	*	*	*	*	*	*	*
Perth & Kinross	4.4%	3,100	7.7%	5,400	6.7%	4,800	2.3	1,700
Renfrewshire	5.2%	4,300	7.3%	5,700	7.5%	5,700	2.3	1,400
Scottish Borders	6.0%	3,300	9.8%	5,000	11.0%	5,800	5	2,500
Shetland Islands	*	*	*	*	*	*	*	*
South Ayrshire	7.3%	3,700	8.1%	3,900	9.1%	4,300	1.8	600
South Lanarkshire	4.5%	6,800	8.3%	12,300	6.7%	10,000	2.2	3,200
Stirling	6.2%	2,700	8.5%	3,400	9.6%	4,000	3.4	1,300
West Dunbartonshire	8.0%	3,400	8.3%	3,300	7.9%	3,200	-0.1	-200
West Lothian	4.3%	3,700	6.2%	5,300	7.9%	6,600	3.6	2,900

Source: Annual Population Survey, Jan-Dec

* - Estimate is below reliability threshold.

Note: Underemployment levels cover those aged 16 and over.

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

Table 3 - Employment rates and levels by age-group and local authority, Scotland, 2011

Geography (Residence Based)	16-24		25-34		35-49		50 - 64	
	Rate	Level	Rate	Level	Rate	Level	Rate	Level
Scotland	54.6%	330,600	79.0%	525,600	81.1%	896,100	63.7%	655,300
<i>Local Authority Area</i>								
Aberdeen City	65.6%	19,700	84.4%	31,400	83.6%	38,500	66.3%	25,200
Aberdeenshire	71.5%	17,500	83.6%	20,700	89.2%	49,000	71.7%	39,700
Angus	46.5%	4,900	77.2%	7,800	83.8%	18,600	70.7%	17,700
Argyll & Bute	52.0%	4,100	75.5%	5,200	84.1%	14,800	64.9%	12,900
Clackmannanshire	38.5%	1,400	76.7%	5,600	76.0%	7,800	57.7%	6,600
Dumfries and Galloway	58.9%	8,200	75.4%	9,600	79.4%	22,900	61.7%	20,600
Dundee City	52.5%	11,300	78.1%	16,200	80.1%	20,900	62.1%	16,200
East Ayrshire	51.8%	7,000	67.7%	8,600	80.6%	20,400	60.4%	15,200
East Dunbartonshire	51.4%	5,900	84.6%	8,100	85.5%	19,700	67.9%	14,600
East Lothian	50.7%	5,300	84.5%	7,400	84.2%	18,700	65.3%	12,800
East Renfrewshire	50.4%	5,000	83.8%	6,800	87.1%	16,200	66.7%	12,700
Edinburgh, City of	51.4%	34,200	81.1%	77,900	79.5%	82,300	67.3%	53,700
Eilean Siar	35.8%	1,200	*	*	81.6%	4,700	*	*
Falkirk	59.1%	9,600	79.1%	14,500	85.6%	30,100	58.1%	16,700
Fife	58.5%	25,700	75.9%	30,800	82.1%	61,400	63.3%	47,000
Glasgow City	49.2%	39,700	74.5%	81,800	72.3%	89,400	53.3%	51,400
Highland	65.1%	13,200	84.6%	19,300	88.4%	39,500	72.5%	36,600
Inverclyde	51.8%	4,600	79.7%	7,000	76.0%	12,400	60.5%	10,000
Midlothian	61.3%	5,600	82.0%	6,900	83.5%	14,600	67.9%	11,500
Moray	72.8%	6,400	86.6%	7,300	85.6%	16,900	69.1%	11,900
North Ayrshire	42.4%	6,300	71.8%	9,900	71.3%	20,400	55.0%	15,400
North Lanarkshire	53.3%	19,500	78.2%	31,900	79.4%	58,000	58.1%	35,800
Orkney Islands	66.1%	1,400	*	*	87.4%	3,900	*	*
Perth and Kinross	55.7%	8,900	86.5%	14,000	85.6%	25,200	67.5%	21,500
Renfrewshire	46.0%	8,800	78.7%	16,100	74.5%	26,600	63.7%	22,800
Scottish Borders	51.0%	5,400	81.6%	7,800	85.8%	20,500	67.0%	17,000
Shetland Islands	63.9%	1,700	74.9%	1,700	97.0%	4,500	79.2%	3,700
South Ayrshire	50.0%	5,700	73.6%	7,800	78.2%	16,700	59.7%	15,200
South Lanarkshire	54.6%	18,600	83.7%	30,500	81.1%	55,900	64.8%	41,800
Stirling	56.2%	7,200	71.1%	6,200	82.5%	15,700	69.5%	11,700
West Dunbartonshire	53.2%	5,600	76.2%	8,500	79.5%	15,000	61.0%	11,400
West Lothian	56.6%	11,000	76.7%	16,000	84.7%	34,900	62.9%	19,700

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 4 - Public, Private Sector employment by gender for all aged 16+, by local authority, Scotland, 2011

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	27.4%	669,800	19.0%	242,600	36.6%	427,100	72.6%	1,776,000	81.0%	1,034,800	63.4%	741,100
<i>Local Authority Area</i>												
Aberdeen City	23.7%	27,700	18.7%	11,600	29.3%	16,100	76.3%	89,300	81.3%	50,500	70.7%	38,800
Aberdeenshire	21.0%	27,300	10.4%	7,400	33.9%	19,900	79.0%	102,700	89.6%	64,000	66.1%	38,700
Angus	31.5%	15,700	19.9%	5,200	44.3%	10,600	68.5%	34,200	80.1%	20,900	55.7%	13,300
Argyll & Bute	35.0%	13,500	29.2%	6,000	41.8%	7,500	65.0%	25,000	70.8%	14,700	58.2%	10,400
Clackmannanshire	31.0%	6,700	24.2%	2,800	39.0%	3,900	69.0%	14,900	75.8%	8,800	61.0%	6,100
Dumfries and Galloway	26.0%	16,400	14.4%	4,700	38.7%	11,700	74.0%	46,700	85.6%	28,200	61.3%	18,500
Dundee City	33.5%	21,800	26.1%	8,600	41.3%	13,200	66.5%	43,200	73.9%	24,500	58.7%	18,700
East Ayrshire	28.3%	14,700	15.6%	4,200	41.8%	10,500	71.7%	37,300	84.4%	22,700	58.2%	14,600
East Dunbartonshire	34.1%	16,600	24.8%	6,300	44.2%	10,300	65.9%	32,100	75.2%	19,000	55.8%	13,100
East Lothian	23.8%	10,800	16.0%	3,600	31.5%	7,200	76.2%	34,600	84.0%	19,000	68.5%	15,600
East Renfrewshire	29.4%	12,300	20.7%	4,600	39.3%	7,800	70.6%	29,600	79.3%	17,600	60.7%	12,000
Edinburgh, City of	26.3%	65,700	17.6%	22,200	35.2%	43,500	73.7%	183,800	82.4%	103,800	64.8%	80,000
Eilean Siar	43.7%	4,600	30.3%	1,500	55.9%	3,100	56.3%	6,000	69.7%	3,500	44.1%	2,400
Falkirk	25.3%	18,000	17.3%	6,400	33.8%	11,600	74.7%	53,300	82.7%	30,500	66.2%	22,800
Fife	28.3%	47,600	18.8%	16,400	38.5%	31,300	71.7%	120,600	81.2%	70,600	61.5%	50,000
Glasgow City	27.8%	73,900	19.8%	28,500	37.3%	45,300	72.2%	191,500	80.2%	115,300	62.7%	76,200
Highland	29.6%	33,100	24.3%	14,700	35.8%	18,400	70.4%	78,900	75.7%	45,900	64.2%	33,000
Inverclyde	25.9%	8,900	17.5%	2,900	34.0%	6,000	74.1%	25,500	82.5%	13,900	66.0%	11,600
Midlothian	27.1%	10,700	21.5%	4,200	32.6%	6,500	72.9%	28,700	78.5%	15,300	67.4%	13,400
Moray	24.6%	10,700	19.4%	4,700	31.1%	6,000	75.4%	32,800	80.6%	19,400	68.9%	13,400
North Ayrshire	22.0%	11,700	13.2%	3,600	31.2%	8,100	78.0%	41,300	86.8%	23,500	68.8%	17,800
North Lanarkshire	26.3%	38,500	15.2%	11,600	38.3%	26,900	73.7%	108,000	84.8%	64,600	61.7%	43,400
Orkney Islands	34.5%	3,600	22.6%	1,200	47.2%	2,400	65.5%	6,800	77.4%	4,200	52.8%	2,700
Perth and Kinross	22.7%	16,000	16.3%	6,200	30.1%	9,700	77.3%	54,500	83.7%	32,000	69.9%	22,600
Renfrewshire	30.6%	23,100	23.1%	9,300	39.2%	13,800	69.4%	52,500	76.9%	31,000	60.8%	21,400
Scottish Borders	25.9%	13,500	15.4%	4,100	36.8%	9,400	74.1%	38,700	84.6%	22,500	63.2%	16,200
Shetland Islands	38.9%	4,600	28.1%	1,800	51.7%	2,800	61.1%	7,300	71.9%	4,600	48.3%	2,600
South Ayrshire	27.2%	12,600	20.4%	4,800	34.3%	7,700	72.8%	33,600	79.6%	18,800	65.7%	14,800
South Lanarkshire	29.9%	44,300	20.4%	14,800	39.0%	29,400	70.1%	104,000	79.6%	58,000	61.0%	46,000
Stirling	24.3%	10,000	20.1%	4,300	28.8%	5,700	75.7%	31,300	79.9%	17,100	71.2%	14,200
West Dunbartonshire	33.9%	13,500	26.6%	5,400	41.4%	8,100	66.1%	26,400	73.4%	14,900	58.6%	11,500
West Lothian	26.1%	21,500	19.6%	8,600	33.5%	12,900	73.9%	60,900	80.4%	35,400	66.5%	25,500

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 5 - Public, Private Sector employment by age group for all aged 16+, Scotland, 2004 to 2011

	Public Sector
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	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%	724,200	14.3%	49,900	27.1%	137,300	32.8%	303,200	34.9%	223,700	18.5%	10,000
2010	28.7%	702,700	13.2%	44,100	25.3%	127,600	32.6%	296,000	34.6%	223,000	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

	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%	1,753,000	85.7%	300,300	72.9%	369,100	67.2%	622,400	65.1%	416,900	81.5%	44,300
2010	71.3%	1,744,600	86.8%	289,000	74.7%	376,600	67.4%	613,100	65.4%	421,600	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

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 6 - Economic inactivity rates and levels for population aged 16-64 by local authority, Scotland, 2008, 2010, 2011

Geography (Residence Based)	2008		2010		2011		Change since 2008	
	Proportion	Level	Proportion	Level	Proportion	Level	Rate (%age pnt)	Level
Scotland	22.6%	764,200	23.0%	781,200	23.0%	783,500	0.4	19,300
<i>Local Authority Area</i>								
Aberdeen City	18.8%	26,900	17.5%	26,000	18.3%	27,700	-0.5	800
Aberdeenshire	17.7%	27,400	15.4%	24,300	17.0%	27,200	-0.7	-200
Angus	18.9%	12,800	21.3%	14,400	21.9%	14,900	3.0	2,100
Argyll & Bute	20.6%	11,000	22.8%	12,000	23.6%	12,300	3.0	1,300
Clackmannanshire	26.7%	8,600	20.5%	6,700	26.8%	8,700	0.1	100
Dumfries and Galloway	22.5%	20,700	23.8%	21,500	23.6%	21,000	1.1	300
Dundee City	26.2%	24,300	23.9%	22,500	24.9%	23,500	-1.3	-800
East Ayrshire	23.7%	18,500	23.2%	17,900	25.3%	19,500	1.6	1,000
East Dunbartonshire	21.4%	14,100	20.7%	13,600	22.0%	14,400	0.6	300
East Lothian	22.2%	13,300	22.2%	13,500	21.5%	13,200	-0.7	-100
East Renfrewshire	22.4%	12,400	22.3%	12,400	22.5%	12,500	0.1	100
Edinburgh, City of	21.7%	72,200	25.1%	85,200	23.2%	80,300	1.5	8,100
Eilean Siar	17.9%	2,900	28.4%	4,500	30.4%	4,900	12.5	2,000
Falkirk	20.7%	20,300	21.8%	21,800	21.6%	21,300	0.9	1,000
Fife	20.7%	48,400	21.2%	49,700	22.8%	53,300	2.1	4,900
Glasgow City	30.0%	121,000	29.1%	119,300	27.7%	113,900	-2.3	-7,100
Highland	19.0%	26,200	18.6%	25,900	17.9%	24,700	-1.1	-1,500
Inverclyde	25.2%	13,200	23.3%	11,800	22.7%	11,500	-2.5	-1,700
Midlothian	18.8%	9,800	20.6%	10,700	20.0%	10,400	1.2	600
Moray	17.5%	9,600	17.9%	9,700	18.2%	9,900	0.7	300
North Ayrshire	25.1%	21,700	27.6%	23,600	29.3%	24,900	4.2	3,200
North Lanarkshire	25.8%	55,000	22.1%	46,900	23.3%	49,400	-2.5	-5,600
Orkney Islands	16.3%	2,000	18.3%	2,300	15.8%	2,000	-0.5	0
Perth and Kinross	21.0%	18,800	21.9%	20,100	20.8%	19,400	-0.2	600
Renfrewshire	21.9%	24,400	24.5%	27,000	25.8%	28,700	3.9	4,300
Scottish Borders	18.6%	13,000	24.5%	17,300	22.6%	15,700	4.0	2,700
Shetland Islands	12.8%	1,800	11.9%	1,700	17.9%	2,500	5.1	700
South Ayrshire	23.7%	16,400	25.0%	17,400	25.8%	17,800	2.1	1,400
South Lanarkshire	23.6%	47,700	23.4%	47,500	22.6%	46,100	-1.0	-1,600
Stirling	21.8%	12,300	24.3%	13,700	24.3%	14,000	2.5	1,700
West Dunbartonshire	25.1%	15,000	25.4%	15,200	23.3%	13,800	-1.8	-1,200
West Lothian	20.0%	22,500	22.0%	24,900	21.5%	24,200	1.5	1,700

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 figures.

Table 7 - Economically inactive people aged 16-64, by willingness to work and local authority, Scotland, 2008, 2010, 2011

	2008				2010				2011			
	% 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	24.1%	188,000	593,200	781,200	24.6%	192,500	591,000	783,500
<i>Local Authority Area</i>												
Aberdeen City	29.2%	7,900	19,000	26,900	21.7%	5,600	20,400	26,000	27.5%	7,600	20,100	27,700
Aberdeenshire	33.0%	9,100	18,400	27,400	25.9%	6,300	18,000	24,300	26.1%	7,100	20,100	27,200
Angus	28.6%	3,700	9,200	12,800	30.9%	4,500	10,000	14,400	24.9%	3,700	11,200	14,900
Argyll & Bute	25.0%	2,700	8,300	11,000	24.6%	2,900	9,100	12,000	29.9%	3,700	8,600	12,300
Clackmannanshire	24.4%	2,100	6,500	8,600	31.9%	2,100	4,600	6,700	19.6%	1,700	7,000	8,700
Dumfries and Galloway	25.9%	5,400	15,400	20,700	24.0%	5,200	16,300	21,500	24.0%	5,000	16,000	21,000
Dundee City	26.5%	6,500	17,900	24,300	29.1%	6,600	16,000	22,500	27.7%	6,500	17,000	23,500
East Ayrshire	22.5%	4,200	14,300	18,500	28.8%	5,200	12,800	17,900	25.3%	4,900	14,500	19,500
East Dunbartonshire	26.0%	3,700	10,400	14,100	17.0%	2,300	11,300	13,600	19.3%	2,800	11,600	14,400
East Lothian	22.7%	3,000	10,300	13,300	23.4%	3,200	10,300	13,500	24.3%	3,200	10,000	13,200
East Renfrewshire	20.8%	2,600	9,800	12,400	19.9%	2,500	10,000	12,400	21.9%	2,700	9,800	12,500
Edinburgh, City of	18.1%	13,000	59,200	72,200	22.3%	19,000	66,200	85,200	17.1%	13,700	66,600	80,300
Eilean Siar	*	*	*	2,900	26.5%	1,200	3,300	4,500	29.9%	1,500	3,400	4,900
Falkirk	28.4%	5,800	14,500	20,300	27.7%	6,100	15,800	21,800	30.4%	6,500	14,800	21,300
Fife	27.4%	13,300	35,100	48,400	25.6%	12,700	37,000	49,700	22.9%	12,200	41,100	53,300
Glasgow City	24.5%	29,600	91,400	121,000	17.8%	21,200	98,200	119,300	25.6%	29,100	84,700	113,900
Highland	21.8%	5,700	20,400	26,200	28.3%	7,300	18,600	25,900	30.2%	7,500	17,300	24,700
Inverclyde	29.5%	3,900	9,300	13,200	24.9%	2,900	8,900	11,800	28.3%	3,300	8,200	11,500
Midlothian	17.6%	1,700	8,000	9,800	13.3%	1,400	9,300	10,700	23.1%	2,400	8,000	10,400
Moray	23.9%	2,300	7,300	9,600	36.6%	3,600	6,200	9,700	42.8%	4,200	5,700	9,900
North Ayrshire	26.7%	5,800	15,900	21,700	28.9%	6,800	16,800	23,600	23.6%	5,900	19,100	24,900
North Lanarkshire	18.7%	10,300	44,700	55,000	24.1%	11,300	35,600	46,900	24.7%	12,200	37,100	49,400
Orkney Islands	*	*	*	2,000	*	*	*	2,300	*	*	*	2,000
Perth and Kinross	19.5%	3,700	15,100	18,800	14.7%	3,000	17,200	20,100	16.9%	3,300	16,100	19,400
Renfrewshire	22.6%	5,500	18,900	24,400	24.6%	6,600	20,400	27,000	24.8%	7,100	21,600	28,700
Scottish Borders	17.9%	2,300	10,700	13,000	25.6%	4,400	12,900	17,300	25.7%	4,000	11,600	15,700
Shetland Islands	*	*	*	1,800	*	*	*	1,700	*	*	*	2,500
South Ayrshire	28.8%	4,700	11,700	16,400	28.3%	4,900	12,500	17,400	24.6%	4,400	13,400	17,800
South Lanarkshire	32.1%	15,300	32,400	47,700	27.6%	13,100	34,400	47,500	24.3%	11,200	34,900	46,100
Stirling	16.3%	2,000	10,300	12,300	20.7%	2,800	10,800	13,700	17.2%	2,400	11,600	14,000
West Dunbartonshire	31.3%	4,700	10,300	15,000	25.9%	3,900	11,200	15,200	28.7%	4,000	9,800	13,800
West Lothian	26.4%	5,900	16,600	22,500	32.2%	8,000	16,900	24,900	31.9%	7,700	16,500	24,200

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 Framework⁶. 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

⁶ 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 6,800 households each year to 21,500 households.

The target sample size in each local authority is 875 economically active adults except for Clackmannanshire (300); East Lothian (800); East Renfrewshire (800); Eilean Siar (200); Inverclyde (700); Midlothian (700); Orkney Islands (200); Shetland Islands (200); and Stirling (600).

◆ **Revision of estimates**

There are two significant revisions to data pending that users should be aware of:

- ONS will be reweighting all APS datasets from October 2008-September 2009 to October 2010-September 2011 to the latest mid-year population estimates for 2011 **on 18 July 2012**. These changes are not expected to change the outputs from the APS significantly, but users should be aware that references within this publication to data from this period may have changed as a result.
- The APS will be reweighted based on outputs from the 2011 Census. **This exercise is planned for 2013 and is expected to have a significant impact on the estimates** for population, economic activity indicators and equality group estimates within many local authorities.

✦ **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 <http://www.ons.gov.uk/ons/rel/lmac/workless-households-for-regions-across-the-uk/2010/index.html>

✦ **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/rel/ashe/annual-survey-of-hours-and-earnings/2011-provisional-results--soc-2010-/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 years web tables are available free of charge from the SNS website:

<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
5th Floor, 5 Atlantic Quay
GLASGOW G2 8LU
Tel: (0300) 244 6790
Email: labour-market.statistics@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 too. More detail is available on the Data Archive website - <http://www.data-archive.ac.uk>.

Office for National Statistics

ONS publish a quarterly 'Local area labour markets: statistical indicators' report 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/rel/subnational-labour/regional-labour-market-statistics/index.html>

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 D1: 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 the procedure for determining an estimate is used over and over (by repeatedly sampling from the population), the 95% confidence interval for these estimates will contain the true parameter value 95% of the time, i.e. 19 out of the 20 of the calculated confidence intervals will contain the true value.

If, for example, we have an APS estimate and confidence interval of 63% \pm 0.27 percentage points, this means that we can be 95% confident that the true value lies between 62.73% and 63.27%. Furthermore, note that the smaller the computed confidence interval, 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 manuals⁷.

Using confidence intervals to assess change.

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.

⁷ <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. Further information can be obtained at:

<http://www.ons.gov.uk/ons/about-ons/consultations/closed-consultations/2009/consultation-on-labour-market-statistics/public-consultation-on-the-change-to-female-state-pension-age-and-the-implications-for-labour-market-statistics.pdf>

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/current-standard-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 been reduced, the available funds, both from ONS and the various sponsors of the APS, have impacted. 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 in response to further reductions in response rates. This has resulted in the actual sample size for the APS for Jan-Dec 2011 in Scotland has reduced. The impact at national level is approximately 9%, although there is considerable variation across the various local authorities in Scotland, ranging from an approximate 19% reduction in Glasgow City to an 18% increase in Inverclyde. These variations are in part due to corrections by ONS in response to previous changes in response rates (e.g. corrections to try and ensure ONS achieve the required number of interviews in a particular local authority). The main impacts seen will be in reliability of estimates, with confidence intervals increasing by around 10% for Glasgow, and around 5% for Scotland as a whole (e.g. for employment rate, the confidence interval for Scotland would increase from ± 0.53 to ± 0.56 percentage points).

Continued restrictions on government departmental spending, will mean that the actual household sample size for 2012-13 will be reduced by 90 households per quarter from the fourth quarter of 2012. This will have a knock-on effect on the reliability of estimates from the 2012 APS. It is expected that the increase in confidence intervals will be larger for 2012-13 than in 2011-12, as any continued impact of response rate will be increased by the reduced sample size.

ONS have an ongoing 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 non-response
- 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

Annex G: Results from the Annual Population Survey April'11 – March'12 dataset.

The results from the April'11 – March'12 Annual Population Survey (APS) were released on 21 June 2012 by the Office for National Statistics (ONS).

The key labour market results from the April'11 – March'12 APS are as follows:

- The employment rate (16-64) in Scotland was 70.7% down 0.3 percentage points from 71.0% in April 10' – March'11. The rate in Scotland was the highest of all UK countries and was 0.6 percentage points higher than the UK employment rate of 70.1%.
- There is considerable variation in employment rates across Scotland's local authorities. During the period from April'11-March'12, the local authorities with the highest employment rates in Scotland were Shetland Islands, Orkney Islands and Highland (81.8%, 80.4% and 80.0% respectively) while the those with the lowest employment rates were North Ayrshire, Glasgow City and Clackmannanshire (61.6%, 63.5% and 66.0% respectively)
- The economic inactivity rate (16-64) in Scotland was 23.1% up 0.2 percentage points from 22.9% in April 10' – March'11. The rate in Scotland was the lowest of all UK countries and was 0.5 percentage points lower than the UK economic inactivity rate of 23.6%.
- During the period from April'11-March'12, the local authorities with the highest economic inactivity rates in Scotland were Glasgow City, North Ayrshire and South Ayrshire at (28.1%, 28.0% and 26.3% respectively) while the those with the lowest economic inactivity rates were Highland and Shetland Islands (both with 17.0%) and Aberdeenshire with 17.6%

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Correspondence and enquiries

Enquiries on this publication should be addressed to:

Alan Winetrobe
Education Analytical Services
Scottish Government
5th Floor, 5 Atlantic Quay
GLASGOW G2 8LU
Telephone: (0300) 244 6790;
e-mail: labour-market.statistics@scotland.gsi.gov.uk

General enquiries on Scottish Government's statistics can be addressed to:

Office of the Chief Statistician
Scottish Government
1N.04, St Andrews House
EDINBURGH EH1 3DG
Telephone: (0131) 244 0442
e-mail: statistics.enquiries@scotland.gsi.gov.uk

Media enquiries contact:

Lisa McDonald 0131 244 2596

Further contact details, e-mail addresses and details of previous and forthcoming publications can be found on the Scottish Government Website at www.scotland.gov.uk/statistics

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