

Labour Markets

The summary labour market statistics covering the quarter from May 2007 to July 2007 are given in Table 3. These *Labour Force Survey* (LFS) data for the UK, in the three months to July 2007, show no change in the economic activity rate but a slight increase in the employment rate and the employment level compared with the previous quarter. The seasonally adjusted working age employment rate increased by 0.1 of a percentage point from the previous quarter, although it had fallen 0.2 percentage points from the previous year, to 74.4% (Labour Market Statistics, September 2007). Employment in the UK increased by 84,000 people over the quarter, and 132,000 over the year, to 29.1 million people in employment.

Unemployment decreased in the UK with the seasonally adjusted ILO rate down 0.1% on the previous quarter at 5.4%. The unadjusted claimant count unemployment level in the UK was 857,100 in August 2007, down 101,700 on the previous year.

For Wales the seasonally adjusted employment rate was 72.3% up 0.6 percentage points from a year earlier, whilst the economic activity rate continued to rise, up 0.5 percentage points in the twelve months to July 2007 at 76.6%. The seasonally adjusted unemployment rate fell to 5.5% (40,200 claimants) in the Principality in the last quarter.

On the previous year this was a 0.2 percentage point decrease, a fall in-line with that found in the UK as a whole.

To illustrate the adjustments taking place in the sectoral structure of Wales Table 4 reports employee jobs by selected industry over a three year period. Over this time total numbers of employee jobs have increased, but fewer are in manufacturing which experienced a 1.9% drop between June 2006 and June 2007 with the loss of 3,000 jobs. Service sector jobs have continued to grow, increasing by 2.9% in the year to June 2007, and accounted for 505,000 jobs at this time. Meanwhile, the construction sector saw

a 21.5% increase in jobs in the year to June 2007, with a gain of 15,000 posts.

Table 5 shows unemployment claimant count rates in Wales by unitary authority area. In the year to August 2007 increases in the unemployment rate for men and women combined were only experienced in four unitary authorities. However, these authorities included Blaenau Gwent and Merthyr Tydfil where the highest claimant count rates in Wales continue to be found.

Earnings

The latest *Annual Survey of Hours and Earnings* (ASHE) for 2007 has not, at the time of writing, been released.

Table 3: Labour Market Summary, May 2007 to July 2007

	Economic Activity	Change on year	Employment rate	Change on year	ILO Unemployment rate	Change on year
North East	75.9	-0.4	70.8	-0.3	6.6	0.0
North West	77.1	-0.3	72.5	-0.7	5.8	0.5
Yorks & Humber	77.7	-1.1	73.2	-0.7	5.6	-0.5
East Midlands	80.3	-0.7	76.1	-0.4	5.1	-0.3
West Midlands	78.4	-0.2	72.9	-0.8	6.7	0.8
East	80.9	-0.4	76.8	-0.4	4.9	0.0
London	75.2	-0.7	69.9	0.2	7.0	-1.0
South East	82.0	-1.1	78.4	-0.6	4.3	-0.5
South West	81.5	0.1	78.3	-0.3	3.8	0.4
England	78.8	-0.6	74.4	-0.5	5.5	-0.1
Wales	76.6	0.5	72.3	0.6	5.5	-0.2
Scotland	80.7	1.6	76.7	1.8	4.8	-0.4
Northern Ireland	72.9	-0.5	70.3	0.3	3.4	-0.9
UK	78.8	-0.3	74.4	-0.2	5.4	-0.2

Source: Labour Force Survey (May 2007 to July 2007)

Table 4: Employee Jobs by Selected Industry in Wales (thousands) not seasonally adjusted.

	June 2005	June 2006	June 2007	% change 06/07
Total	1,161	1,203	1,232	2.4
Manufacturing	176	167	164	-1.9
Construction	44	67	82	21.5
Services	475	491	505	2.9

Source: Employers Surveys; reported in Labour Market Statistics, Wales, September 2007.

Note: If one person holds two jobs each job is counted in the table.

However, in September 2007 the Chartered Management Institute (CMI) published some attention-grabbing results from its annual pay survey of Britain's managers. The research, which embraces top business leaders through to management trainees in both the

public and private sector, showed that the gender pay gap amongst Britain's leaders had widened for the first time in over ten years. In January 2007 the pay of male managers was 12.2% above that of females, whereas in the previous year the figure stood at 11.8%. On

average male managers were paid £6,076 a year more than female managers.

The next edition of the *Review* will provide an analysis of the ASHE for 2007.

Table 5: Unemployment in Wales; Claimant Count by Unitary and Local Authority Area, 9th August 2007, % of Population (not seasonally adjusted)

	Men	% change	Women on year	% change on year	People	% change on year
Wales	3.2	-0.3	1.3	-0.1	2.3	-0.2
Blaenau Gwent	6.5	0.1	2.6	0.4	4.6	0.2
Bridgend	3.2	-0.2	1.4	-0.1	2.3	-0.1
Caerphilly	3.8	-0.4	1.6	-0.1	2.8	-0.3
Cardiff	3.3	-0.5	1.1	-0.1	2.2	-0.3
Carmarthenshire	2.8	-0.2	1.3	0.0	2.1	-0.1
Ceredigion	1.7	-0.1	0.8	-0.1	1.3	-0.1
Conwy	3.1	-0.2	1.1	-0.1	2.1	-0.2
Denbighshire	3.4	0.1	1.2	0.0	2.4	0.1
Flintshire	2.5	-0.3	1.1	-0.1	1.8	-0.2
Gwynedd	2.9	-0.4	1.2	-0.1	2.1	-0.3
Isle of Anglesey	3.8	-1.1	1.5	-0.5	2.7	-0.8
Merthyr Tydfil	5.2	0.1	2.2	0.1	3.7	0.1
Monmouthshire	1.7	-0.4	0.8	-0.4	1.3	-0.4
Neath Port Talbot	3.5	-0.2	1.4	-0.3	2.5	-0.2
Newport	4.1	-0.5	1.5	-0.1	2.8	-0.3
Pembrokeshire	1.9	-0.6	0.7	-0.3	1.3	-0.5
Powys	1.9	-0.5	1.1	-0.2	1.5	-0.4
RCT	3.3	-0.5	1.5	-0.2	2.4	-0.4
Swansea	3.4	-0.5	1.3	0.0	2.4	-0.3
Torfaen	3.7	0.2	1.5	0.0	2.6	0.1
Vale of Glamorgan	2.8	-0.5	1.0	-0.2	2.0	-0.3
Wrexham	2.7	-0.1	1.3	0.2	2.0	0.0

Source: Jobcentre Plus Administrative System