

The real level of unemployment 2017

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**Centre for Regional Economic and Social Research
Sheffield Hallam University**

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Key points

- *This report challenges the view that the UK economy is operating at or close to full employment. It presents alternative estimates of the level of unemployment, based on a re-working of official statistics, for every local authority district in England, Scotland and Wales.*
- *The report estimates that in 2017 the 'real level of unemployment' across Britain as a whole is nearly 2.3 million. This compares with just under 800,000 on the claimant count and 1.5 million on the wider ILO measure of unemployment preferred by the government.*
- *The report estimates that there are some 760,000 'hidden unemployed' on incapacity-related benefits (these days primarily Employment and Support Allowance). These are men and women who might have been expected to be in work in a genuinely fully employed economy. They do not represent fraudulent claims.*
- *The real level of unemployment and the scale of hidden unemployment have both fallen since 2012. However, there remain almost as many unemployed 'hidden' on incapacity benefits as 'visible' on the unemployment claimant count.*
- *Hidden unemployment is disproportionately concentrated in the weakest local economies, particularly Britain's older industrial areas and a number of seaside towns. The effect is to mask the true scale of labour market disparities between the best and worst parts of the country.*
- *In a number of local economies, including much of North East England, East Lancashire, Merseyside, the Welsh Valleys and the Birmingham and Glasgow areas, the real level of unemployment remains at or just below 10 per cent of the working age population. Much of southern and eastern England outside London, with real unemployment in the 2-3 per cent range, could however lay claim to operating near full employment.*

THE REAL LEVEL OF UNEMPLOYMENT 2017

The myth of full employment

There is a view, popular with some commentators, that the UK economy is operating at or close to full employment. What is undeniable is that since 2012, when the recovery from recession began to get underway, employment has increased and unemployment has fallen. What is also true is that official statistics show that unemployment is now lower than at any time over the last thirty years. But that does not mean that the UK is near to full employment.

Actually, even the official statistics tell us that the economy isn't there yet. At around 1.5 million, the government's preferred measure of unemployment¹ may be down on previous levels but hardly shows that problem has gone away. More significantly, in this report we show that substantial unemployment remains *hidden*, excluded from the official statistics. We also show that the hidden unemployment is disproportionately concentrated in the less prosperous parts of the country so that the differences across regions and local areas are far greater than those exposed by official statistics. In the less prosperous parts of Britain – in particular its older industrial areas and many seaside towns – full employment is still a long way off.

This is the fifth in a series of reports on the real level of unemployment that we have published at intervals since 1997². The new report, like its predecessors, provides estimates for every local authority district in Great Britain. Here, we deploy essentially the same methods as in the earlier studies but with a number of important refinements. The central question remains the same: *what is the real level of unemployment?*

Two official measures of unemployment

The official measure of unemployment with the longest history is the ***claimant count*** – the number out-of-work claiming unemployment benefit, until recently Jobseeker's Allowance but increasingly Universal Credit on the grounds of unemployment. For many years the 'claimant count' and 'unemployment' were usually regarded as synonymous but this began to break down in the 1980s and 90s as changes to benefit rules started to reduce access to unemployment benefits. Increasing numbers of the unemployed therefore fell outside the

¹ ILO unemployment; see definition below.

² The previous reports were for 1997, 2002, 2007 and 2012.

scope of the claimant count. These days, it is widely accepted that the claimant count covers only a proportion of the unemployed.

Nonetheless, the claimant count has a number of strengths. It is available monthly, it is very up-to-date (the figures are only four weeks old when they are released) and it provides information for small areas such as local authorities and wards. It is also a complete count, not a sample survey, so the figures are reliably accurate.

The other official measure is what is known as ***ILO unemployment***. This is the number of people who meet the International Labour Organisation (ILO) criteria of unemployment, which is that they are out-of-work, available to start work in the next two weeks, and have looked for work in the last four weeks. This measure of unemployment is in theory independent of benefit status – you don't have to be claiming unemployment benefits to be included. The ILO criteria include many of the unemployed who are ineligible to receive benefit in their own right, for example because means-testing, and others who don't bother to sign on, perhaps to avoid a hassle that can result in only a modest financial return. Since 1997, the ILO measure has been the UK's officially preferred measure of unemployment and it is the one quoted most in the press.

A significant drawback of the ILO measure of unemployment is that it is based on a sample survey, the Labour Force Survey (also known in the UK as the Annual Population Survey). Like any sample survey, the estimates for areas where the sample is small, such as local authority districts, are therefore subject to a margin of error. For many years this meant that a great deal of district-level ILO unemployment data was simply too unreliable. However, more recently the Office for National Statistics has modified the raw district-level data to take account of the claimant count and sample sizes whilst still ensuring consistency with regional and national totals. The resulting district-level ILO unemployment estimates are more plausible than previously, though not without a residual margin of error owing to sampling.

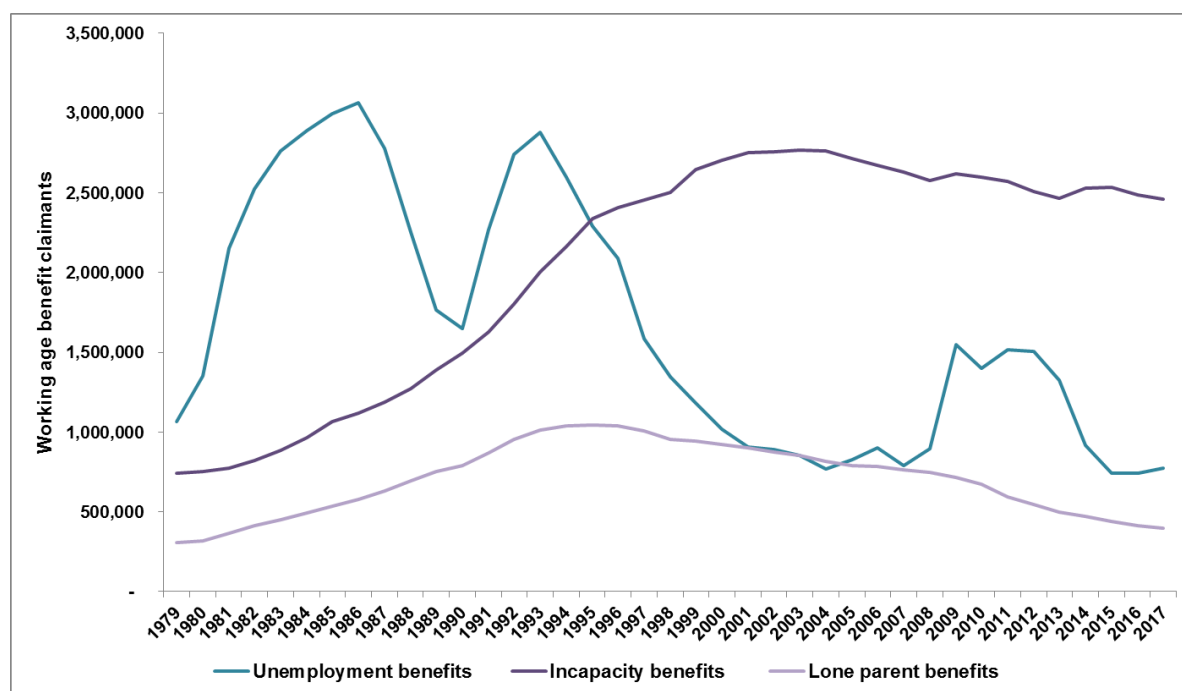
Whereas in the 1980s and early 1990s the claimant and ILO measures of unemployment were not far apart in the UK, the gap has subsequently grown and, particularly over the last ten years, the number of ILO unemployed has far exceeded the number of claimant unemployed.

Hidden unemployment: the role of incapacity benefits

To understand how substantial unemployment remains hidden from either of the official measures it is useful to begin by looking at long-term trends in the numbers claiming the three main out-of-work benefits, shown in Figure 1 for 1979 to 2017 for Britain as a whole.

The numbers claiming unemployment benefits reached 3 million in the mid-1980s, fell back, rose again in the early 1990s, then declined to well under a million. In the wake of the 2008 financial crisis the numbers peaked at around 1.5 million before falling back once more. The numbers claiming lone parent benefits – Income Support for most of this period – rose from around 300,000 at the start of the 1980s to a peak of around 1 million in the mid-1990s. More recently, the numbers on lone parent benefits have fallen, not least because eligibility has gradually been restricted just to those with the very youngest children.

Figure 1: Working age benefit claimants, 1979-2017



Source: DWP

The striking feature in Figure 1, however, is the rise in the numbers out-of-work on incapacity-related benefits, these days Employment and Support Allowance (ESA) but previously Incapacity Benefit (Invalidity Benefit before 1995), Income Support on grounds of disability and Severe Disablement Allowance. The number on these benefits rose from around 750,000 to a plateau of around 2.5 million. The numbers have declined a little from the all-time high in the early 2000s but not by much.

There are two remarkable aspects of the incapacity numbers. First, they are largely invisible. The figures surface in the media from time to time but probably few beyond those who follow these issues would be aware that the numbers currently out-of-work on incapacity-related benefits exceed the numbers on unemployment benefits by more than three-to-one and that, the immediate post-financial crisis years excepted, this has been the situation since the end of the 1990s. The other remarkable aspect of the incapacity numbers is that they have stayed so high for so long despite multiple efforts to bring them down. Clearly, the factors that underpin incapacity claimant numbers are very powerful indeed. Moreover, it is impossible to explain the increase in health terms alone, especially at a time when general standards of health have slowly been improving, albeit with the smallest improvements among the most disadvantaged groups.

The relevance to the measurement of unemployment is that the jobless who suffer from health problems or disabilities generally claim incapacity benefits instead of unemployment benefits. They are therefore omitted from the claimant count and, if they fail to meet the criteria, they are omitted from the ILO unemployment figures as well.

Beyond a short 'Assessment Phase', access to Employment and Support Allowance is determined by a medical test, the Work Capability Assessment, carried out by contractors

working for the Department for Work and Pensions. Some claimants are deemed 'fit for work' at this point and denied ESA. Those whose entitlement to ESA is confirmed are then placed in either the 'Support Group', intended for those with the most severe health problems or disabilities, or in the 'Work-Related Activity Group'. In the latter, claimants are required to prepare to return to work as their health or disability improves and, since 2012, their entitlement to ESA has in all cases been means-tested after 12 months.

In practice, many unemployed people have picked up injuries over the course of their working life and there is the effect on physical capabilities of illness, disease and simply getting older. On top of this, mental health problems such as stress and depression are widespread. In practice, therefore, many of the unemployed with health problems or disabilities do qualify ESA rather than unemployment benefits. In many circumstances their benefit entitlement is a little higher than on unemployment benefits, and there is no requirement to sign on every fortnight.

ESA claimants then nearly all drop out of the ILO measure of unemployment because they do not look for work. Incapacity benefits, including ESA, have never made job-seeking a condition of entitlement. In practice, most claimants take a dim view of their job prospects because they feel their health isn't good enough or their disability too severe, or because they come to the conclusion that they would be unlikely to find work, especially when there is competition from fit and healthy workers who can often be viewed more favourably by employers because they haven't had period out of work due to ill health or disability. Furthermore, there can be a fear among incapacity claimants that to look for work would actually bring their benefit status into question.

The net result is that the very large numbers claiming ESA hide unemployment. This does not imply, of course, that the health problems or disabilities are anything less than real, or that the benefit claims are in any way fraudulent. The important point is that ill health or disability is not necessarily always an insuperable obstacle to employment. Indeed, the government's own Labour Force Survey estimates that of the 6.1 million adults of working age who have a work-limiting disability, 2.7 million are in employment – an employment rate of 44 per cent³. So where jobs are readily available, many men and women with health problems or disabilities do hold down employment. But where jobs are in short supply, the men and women with health problems or disabilities are one of the prime groups that struggles to maintain a foothold in a competitive labour market.

This is transparent from regional data. In the North East of England in 2016-17, the employment rate among men and women with a work-limiting disability was just 37 per cent. In Scotland it was 38 per cent, in Wales 39 per cent and in North West England 40 per cent. By contrast, it was 53 per cent in South East England, 52 per cent in the South West, and 50 in Eastern England⁴. This strongly correlates with the strength of local labour markets.

The distribution of incapacity claimants around the country underlines this point. There are exceptional concentrations in places such as South Wales, Merseyside, North East England and Clydeside, where incapacity claimants can account for up to 10 per cent of the entire

³ GB figures for April 2016 to March 2017.

⁴ Source: Labour Force Survey, April 2016 to March 2017.

working age population. These are places where standards of health have long been known to be below the national average but a generation or more ago the incapacity claimant rates in these places were far lower. What these places have in common is that they have all experienced large-scale industrial job losses, creating an imbalance in local labour markets that has persisted through to the present day. Conversely, in nearly all the south and east outside London, where the economy is stronger, the incapacity claimant rate remains just 3 or 4 per cent. This pattern is exactly what could be expected as a result of the diversion of men and women onto incapacity benefits in areas where jobs are harder to find.

Measuring 'real unemployment'

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

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

The first element – the claimant count – is straightforward. The figures used here are for May 2017.

The second element – the additional ILO unemployed – is measured here as the difference between the claimant count and ILO unemployment⁵. In our previous reports we took the view that the district-level ILO unemployment data was unreliable and therefore made a flat-rate adjustment based on the more robust regional data. However, the district-level ILO unemployment estimates do now appear to have improved. Here, we therefore use the official data, by local authority district, for the year April 2016 to March 2017.

The third element – the hidden unemployed among incapacity claimants – is unavoidably more difficult to measure. The previous reports in this series used a sophisticated benchmarking approach to measure this element of unemployment. For each district, a 'benchmark' incapacity claimant rate was generated based on the claimant rate in fully employed parts of southern England and on underlying differences in the extent of incapacitating ill health or disability between each district and this fully-employed part of southern England. For each district, this benchmark was intended to reflect what should be achievable if the local economy was operating at full employment. Excesses over the benchmark were deemed to be a form of hidden unemployment.

The fundamentals of this benchmarking approach are tried and tested⁶. Its strength is that it takes account not only of what has been shown to be possible, in term of claimant rates, in

⁵ In practice, a number of the claimant unemployed fail to meet one or more of the ILO unemployment criteria so the number of ILO unemployed who are not included in the claimant count is larger than the difference between the two figures. For GB as a whole, Labour Force Survey data indicates that 200-250,000 claimant unemployed fail to meet the ILO criteria.

⁶ In addition to the earlier reports in this series, see C Beatty and S Fothergill (2005) 'The diversion from 'unemployment' to 'sickness' across British regions and districts', *Regional Studies*, vol 39, pp 837-854.

fully-employed parts of Britain but also adjusts for underlying differences in the extent of incapacitating ill-health.

As a guide to differences in the incidence of incapacitating ill-health, the previous applications of this method used data from the 1981 Census which had the advantage of being uncontaminated by the subsequent surge in incapacity claimant numbers. With the passage of time, however, the value of such historic data becomes questionable. In the present report we therefore deploy a new method. Here, the benchmark incapacity claimant rate for each district is again the rate in fully-employed parts of southern England⁷ but here it is adjusted up or down by the ratio between the Standardised Mortality Rate (SMR) in each district⁸ and the SMR in this fully-employed part of southern England. In effect, if the SMR in a district is 20 per cent above the level in fully-employed southern England we would expect the incapacity claimant rate to be 20 per cent higher.

Standardised Mortality Rates measure the death rate in each area after adjusting for the age structure of the local population. SMRs are widely regarded as the single most objective measure of health, and annual data is available for local authority districts. Ultimately, SMRs provide only a proxy for variations in incapacitating ill health or disability from place to place but they do provide a guide that is unaffected by benefit status, which is a clear risk affecting survey-based data on self-reported health and well-being.

This is an important revision to the method used to estimate hidden unemployment among incapacity claimants. For Britain as a whole in 2017, the new method generates an estimate of hidden unemployment that is 35,000 higher than the old method based on 1981 Census data. The use of SMR data does however take account of regional and local differences in the rate of health improvement in the intervening years.

Figure 2 shows the results of the application of this revised method to the incapacity claimant data for November 2016. It shows the estimated hidden unemployment on incapacity benefits in each local authority district, expressed as a percentage of the working age population (16-64). The map confirms the hidden unemployment is concentrated in particular parts of the country, above all in older industrial areas and seaside towns. There is little or no hidden unemployment of this kind in the more prosperous parts of country with stronger labour markets, especially in southern England.

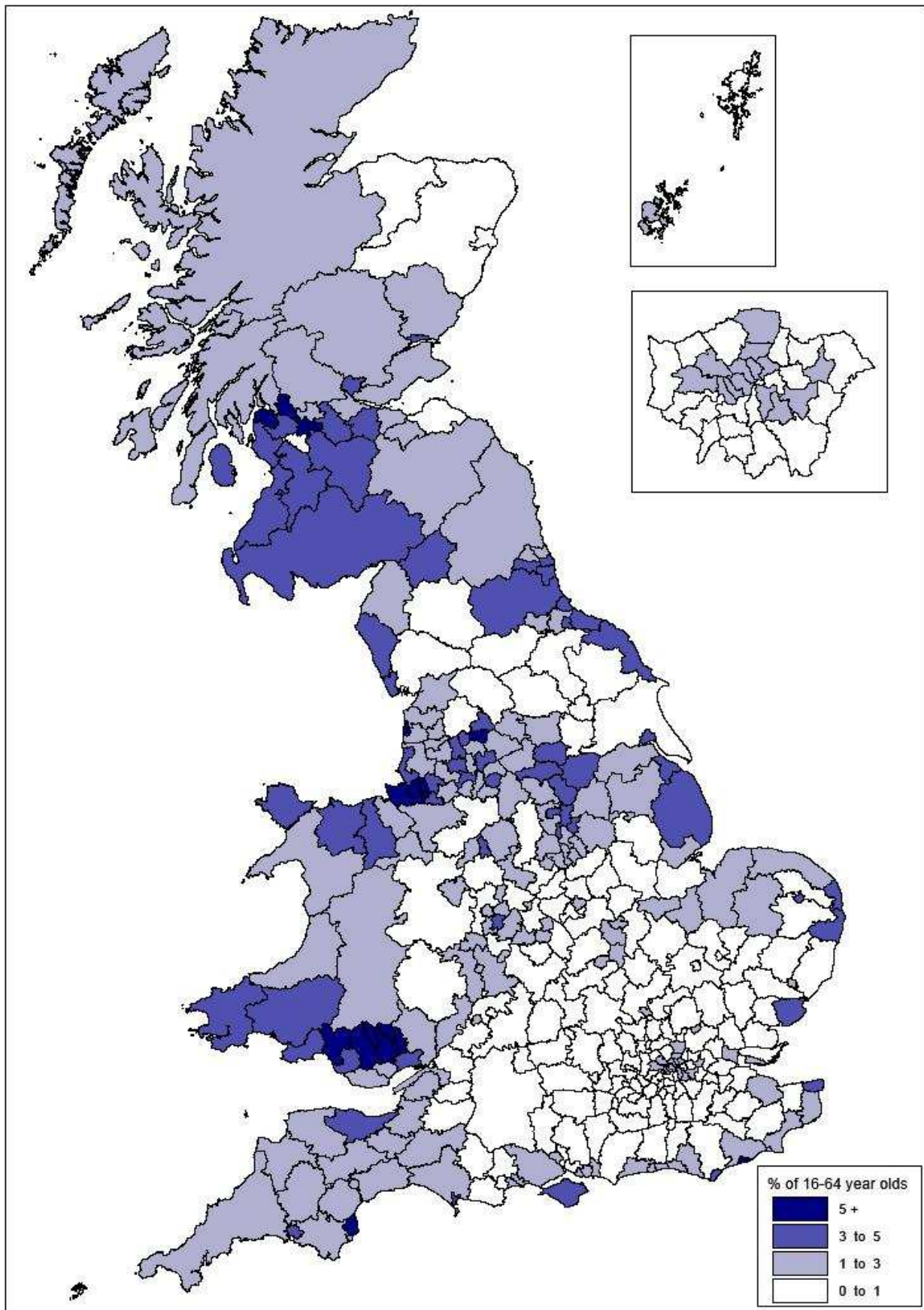
Blackpool – a seaside town – has the very highest hidden unemployment on incapacity benefits, estimated at 7.1 per cent of the working age population⁹. Blackpool's tourist economy has flagged in recent years and the ready availability of cheap private-rented flats in the town, much of it in former guest houses, has attracted benefit claimants from surrounding areas and further afield. That Blackpool borough itself is the disadvantaged core of a rather larger built-up area also boosts the local claimant rate.

⁷ Defined here and in earlier reports as Berkshire, Buckinghamshire, Hampshire (minus Portsmouth and Southampton), Hertfordshire, Oxfordshire, Surrey and West Sussex.

⁸ In 2015. Source: ONS.

⁹ At 12.9 per cent of the working age population, Blackpool also has the highest incapacity claimant rate in Great Britain.

Figure 2: Estimated hidden unemployment on incapacity benefits, by district, November 2016



Source: Sheffield Hallam estimates based on ONS and DWP data

Just behind Blackpool, with hidden unemployment on incapacity benefits estimated at 7 per cent of the working age population, are two South Wales districts hit by coal and steel job losses, Neath Port Talbot and Blaenau Gwent. They are closely followed by a long list of other older industrial areas including Liverpool (5.6 per cent) and Glasgow (5.4 per cent). Hastings, Torbay and Denbighshire (which covers Rhyl) are other seaside towns that have particularly high hidden unemployment rates.

The method deployed here to estimate hidden unemployment on incapacity benefits adjusts for the biggest single distortion to the official unemployment figures. It is nevertheless worth underlining that all the resulting figures remain *estimates* subject (like the government's own ILO unemployment data for local areas) to a residual margin of error. Additionally, there is likely to be some hidden unemployment even beyond the figures presented here, for example among men and women who do not claim benefits and fail to meet the ILO unemployment criteria, perhaps because they have despaired of looking for work. The figures presented here should therefore be regarded as a *minimum* estimate of the scale of unemployment.

National overview

The final column of Table 1 presents our estimates of the real level of unemployment across Great Britain as a whole in spring 2017.

Table 1: The real level of unemployment

	1997	2002	2007	2012	2017
Claimant count	1,835,000	980,000	940,000	1,555,000	785,000
Additional ILO unemployed	315,000	470,000	650,000	985,000	735,000
Hidden on incapacity benefits	1,020,000	1,150,000	1,010,000	900,000	760,000
REAL UNEMPLOYMENT	3,180,000	2,600,000	2,600,000	3,440,000	2,280,000

Sources: ONS, DWP and Sheffield Hallam estimates

Our estimate is that in 2017 **the real level of unemployment stands at just below 2.3 million**. This is made up almost equally of the claimant unemployed, the additional ILO unemployed and the hidden unemployed on incapacity benefits, each of whom contribute 700-800,000 to the total. The 2.3 million represent an unemployment rate of 5.7 per cent of the working age population¹⁰.

¹⁰ Official statistics express the unemployment rate as a percentage of the economically active (i.e. the employed plus the unemployed), which excludes the hidden unemployed from the denominator. Expressed as a percentage of the working age population, the claimant count in Table 1 represents a rate of 2.0 per cent, and ILO unemployment 3.8 per cent.

We estimate that across Britain as a whole **hidden unemployment on incapacity benefits accounts for 760,000 men and women**. These are the claimants *who might reasonably be expected to have been in work in a genuinely fully-employed economy*. This large number needs to be seen in the context of the headline total of 2.45 million out-of-work on incapacity benefits. In effect, our figures suggest that around 1.7 million men and women would remain on incapacity benefits even if there were full employment across the whole country. The hidden unemployed are a minority of incapacity claimants (around 30 per cent) even though they are nearly as numerous as the claimant unemployed, and again it is worth emphasising that there is no suggestion here that the claims are in any way fraudulent or that the health problems or disabilities are anything less than real.

Table 1 also shows the corresponding estimates of unemployment from our four earlier studies. A health warning is necessary here: because a revised method has been adopted here the new estimates of hidden unemployment on incapacity benefits are not fully comparable with the figures for earlier years. Nevertheless, a number of points are worth noting.

First, at just under 2.3 million the real level of unemployment is lower than in any of the other four years, and more than 1.1 million down on the estimate for 2012. This is clear evidence of progress in reducing unemployment, though it is widely acknowledged that much of the recent job growth has been in low-paid and often insecure or part-time work, including self-employment. Even so, a real unemployment level of 2.3 million hardly seems like full employment.

Second, hidden unemployment on incapacity benefits does appear to be falling. At an estimated 760,000 it is nearly 400,000 down on the peak recorded in 2002. The reduction has been gradual since 2002 it seems, and perhaps not entirely unexpected given the tougher medical test, the wider application of means-testing, the new conditionality for some and the recent improvement in the wider labour market.

Third, the gap between claimant and ILO unemployment has also fallen since 2012, when it reached a peak of almost 1 million. Again, improving conditions in the labour market probably offer an explanation, but the number of additional ILO unemployed remains at a higher level than before the 2008 financial crisis.

Regional differences

Table 2 shows the estimated real unemployment by region and country across Great Britain. The North East of England tops this list with a rate of 8.6 per cent of the working age population – a very long way from full employment. At the other end of the spectrum, the rate in the South East of England is just 3.9 per cent¹¹.

¹¹ The unemployment rates quoted here and subsequently for local areas, using the working age population as the denominator, are not comparable with official unemployment rates that use the (smaller) economically active population as the denominator.

Table 2: The real level of unemployment by region and country, Spring 2017

	Claimant count	Additional ILO unemployed	Hidden unemployed on incapacity benefits	Real No.	unemployment % of working age
North East	53,200	38,100	52,000	143,000	8.6
Wales	40,700	24,500	76,000	141,000	7.4
North West	112,900	64,600	142,000	319,000	7.1
Scotland	82,700	39,200	98,000	219,000	6.3
West Midlands	87,600	64,500	73,000	225,000	6.3
Yorkshire & Humber	77,200	54,400	76,000	208,000	6.1
London	124,600	153,200	58,000	336,000	5.6
East Midlands	47,000	52,800	50,000	150,000	5.1
South West	45,200	62,540	53,000	161,000	4.8
East of England	50,700	67,200	37,000	155,000	4.1
South East	65,000	112,100	42,000	219,000	3.9
Great Britain	785,000	735,000	760,000	2,280,000	5.7

Sources: ONS, DWP and Sheffield Hallam estimates

Hidden unemployment on incapacity benefits is concentrated in the regions with the highest real unemployment. In the six regions/countries at the top of the list in Table 2, where the labour market is weakest, the hidden unemployment on incapacity benefits exceeds the number of additional ILO unemployed, in some cases by a large margin. Conversely, in the five regions at the bottom of the list the number of additional ILO unemployed exceeds the hidden unemployed on incapacity benefits.

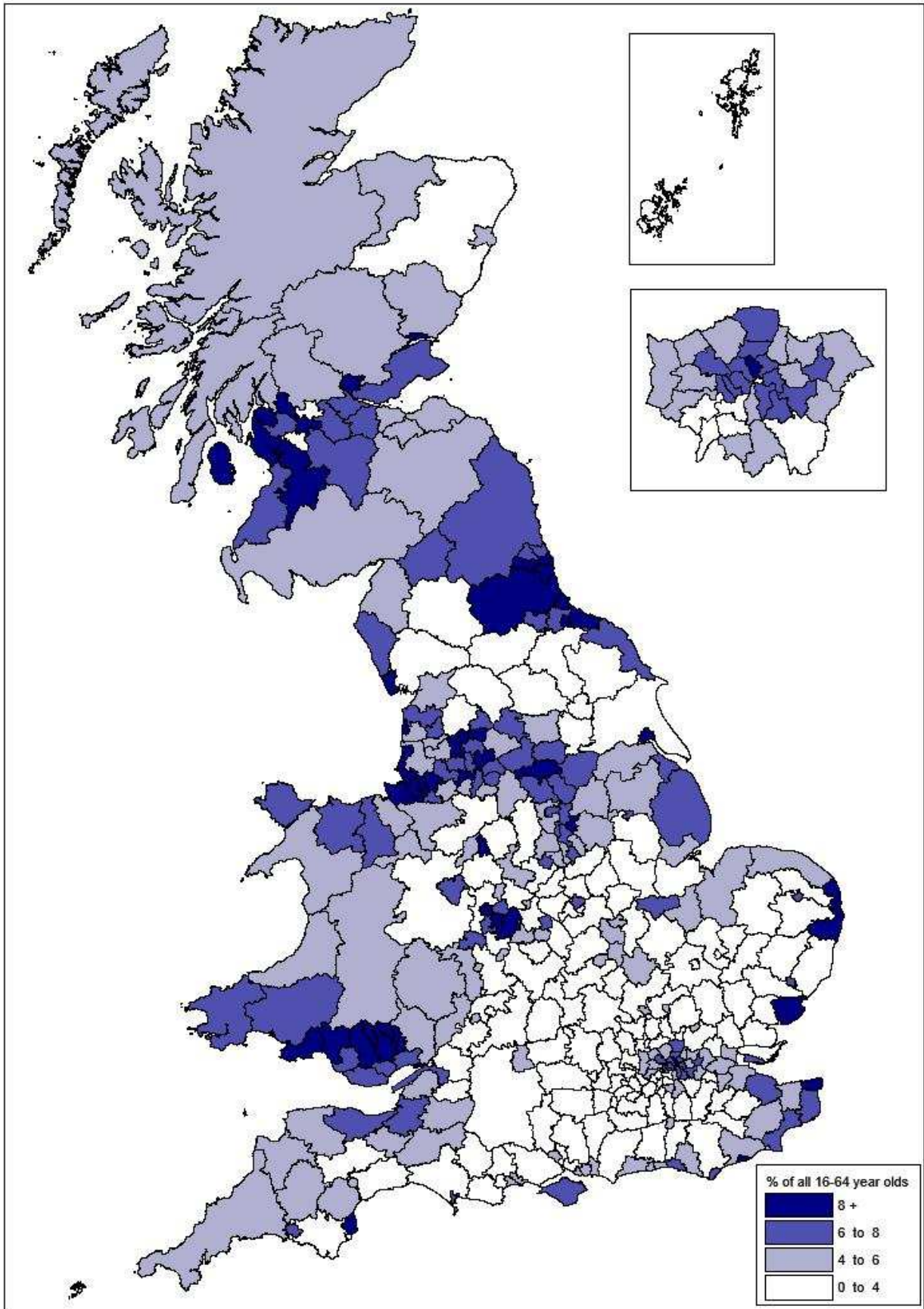
Real unemployment at the local level

Figure 3 shows the estimated real rate of unemployment by district. The full figures for each district are presented in the appendix. The unemployment rates here are all expressed as a percentage of the *working age population*. This differs from official statistics, which use the *economically active population*, which is smaller¹².

The map shows how high unemployment remains a defining feature of the older industrial areas of northern and western Britain. Places such as the Welsh Valleys, Clydeside, Merseyside and the industrial North East stand out as having exceptionally high levels of

¹² The rates are not therefore comparable. However, as a rule of thumb the real unemployment rate in most districts, expressed as a percentage of the economically active, is around one-quarter higher than the levels in Figure 3 and Table 3.

Figure 3: Estimated real unemployment by district, Spring 2017



Source: Sheffield Hallam estimates based on ONS and DWP data

unemployment. In this respect the figures here confirm what claimant unemployment data has been showing for many years, but the real unemployment data exposes the extent to which the problem in these places is far worse than official statistics have suggested. Unemployment in these parts of Britain typically remains in excess of 8 per cent, and in some cases above 10 per cent, of the entire working age population.

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

On the other hand, there is little to suggest that unemployment is more than a marginal issue in large parts of southern and eastern England outside London. Some parts of northern England, such as rural North Yorkshire, also fall into this category. In these places, the real level of unemployment is typically below 4 per cent and sometimes nearer 2 per cent.

Table 3 lists the local authority districts with the highest and lowest real unemployment. Blackpool tops the list (as it does for hidden unemployment) with an estimated rate of 12.1 per cent of the working age population. Among the rest of the top fifty there are at least six clusters of adjoining districts:

North East (South Tyneside, Gateshead, Sunderland, County Durham, Hartlepool, Middlesbrough, Redcar & Cleveland)

East Lancashire (Blackburn with Darwen, Hyndburn, Burnley)

Merseyside (Liverpool, Knowsley, Sefton, St Helens, Wirral)

Birmingham area (Birmingham, Sandwell, Wolverhampton)

Glasgow area (Glasgow, Inverclyde, West Dunbartonshire, North Ayrshire, East Ayrshire)

Welsh Valleys (Torfaen, Blaenau Gwent, Caerphilly, Merthyr Tydfil, Rhondda Cynon Taff, Bridgend, Neath Port Talbot, Swansea)

These extensive areas could claim to be Britain's main unemployment 'blackspots', though that is not to diminish the scale of the problem in other places with similar levels of unemployment such as Hull, Stoke-on-Trent, Barnsley and Dundee, or indeed seaside resorts such as Blackpool, Hastings, Great Yarmouth and Torbay. All these places have long been known to face unemployment problems. What the figures presented here demonstrate is that the problem is actually much larger than official unemployment statistics would suggest.

Indeed, the figures indicate that in several of these blackspots the hidden unemployment on incapacity benefits accounts for over half the total. In the Welsh Valleys this hidden unemployment is 60 per cent of the total, on Merseyside 58 per cent, in the Glasgow area 55

Table 3: Estimated real unemployment: highest and lowest districts, Spring 2017

% of working age		% of working age	
TOP 50 DISTRICTS		(cont)	
1. Blackpool	12.1	40. Barnsley	8.2
2. Hartlepool	11.6	41. Swansea	8.2
3. Blaenau Gwent	11.1	42. Thanet	8.1
4. Merthyr Tydfil	11.0	43. Tendring	8.1
5. Middlesbrough	10.9	44. Islington	8.1
6. South Tyneside	10.9	45. Waveney	8.1
7. Neath Port Talbot	10.7	46. St Helens	8.1
8. Knowsley	10.7	47. Wirral	8.1
9. Inverclyde	10.5	48. Bridgend	8.0
10. Sunderland	10.5	49. Weymouth & Portland	7.9
11. Hastings	10.4	50. Rotherham	7.9
12. North Ayrshire	10.4		
13. Liverpool	10.1	BOTTOM 20 DISTRICTS	
14. Great Yarmouth	10.0	359. East Hertfordshire	2.4
15. Burnley	9.9	360. Cotswold	2.4
16. Rhondda Cynon Taf	9.8	361. Richmondshire	2.4
17. Redcar & Cleveland	9.8	362. South Derbyshire	2.4
18. Torbay	9.6	363. Wokingham	2.3
19. Glasgow	9.4	364. Vale of White Horse	2.3
20. Hull	9.3	365. South Oxfordshire	2.3
21. Stoke-on-Trent	9.3	366. East Cambridgeshire	2.3
22. West Dunbartonshire	9.2	367. Test Valley	2.2
23. Rochdale	9.0	368. Rutland	2.2
24. Caerphilly	9.0	369. Harborough	2.2
25. Birmingham	8.9	370. South Northamptonshire	2.2
26. Clackmannanshire	8.9	371. Derbyshire Dales	2.2
27. Hyndburn	8.9	372. Mid Sussex	2.1
28. Blackburn with Darwen	8.9	373. Hart	2.1
29. County Durham	8.7	374. Waverley	2.1
30. Torfaen	8.6	375. Shetland Islands	2.1
31. Sandwell	8.6	376. South Cambridgeshire	2.0
32. Barrow-in-Furness	8.6	377. West Oxfordshire	2.0
33. Salford	8.5	378. Uttlesford	1.9
34. Mansfield	8.5		
35. Dundee	8.4		
36. Wolverhampton	8.4		
37. Gateshead	8.3		
38. Sefton	8.3		
39. East Ayrshire	8.2		

Source: Sheffield Hallam estimates based on ONS and DWP data

per cent and in East Lancashire 52 per cent. It is a similar picture in some of the most disadvantaged seaside towns such as Blackpool (59 per cent), Hastings (54 per cent) and Torbay (57 per cent).

This concentration of hidden unemployment in the places with the weakest local labour markets is consistent with the view that where decent jobs are hardest to find, many men and women give up looking for work and therefore fail to meet the ILO unemployment criteria. The concentration of hidden unemployment in these places is also consistent with the view that in difficult labour markets the men and women with health problems or disabilities are especially disadvantaged in finding work and thereby boost the numbers claiming incapacity benefits. That said, the share of unemployment hidden on incapacity benefits also varies from place to place in ways that appear to reflect local factors such as the age structure of the local workforce (older men and women are more likely to claim incapacity benefits) and the robustness of the ILO unemployment estimates, which despite improvements still remain subject to sampling error.

The twenty places with the lowest real unemployment are a mixture of rural and suburban districts, mainly in southern England but also including the Shetland Islands in Scotland. Uttlesford, with the lowest real unemployment of all – just 1.9 per cent – is a district in Essex centred around the town of Saffron Waldon. These twenty districts, plus a number of others where the real unemployment rate is in the 2-3 per cent range, could legitimately claim to be operating at or close to full employment.

Concluding remarks

Unemployment, perhaps more than any other indicator, is the one by which the health of the economy is often judged. It is certainly the prime indicator in judging the economic health of local areas across the country.

It is unfortunate, therefore, that the official unemployment statistics provide such a partial view. As the evidence presented here demonstrates, the UK continues to hide large numbers of unemployed on incapacity benefits. The numbers of hidden unemployed have come down, but at an estimated 760,000 they are still more than big enough to cast a different light on the state of the labour market. Indeed, there are nearly as many hidden unemployed on incapacity benefits as there are visible unemployed on the claimant count. Unemployment has fallen over the last five years, but with the real level of unemployment still at around 2.3 million the claim that Britain is operating at or close to full employment is wide of the mark.

What the real unemployment data also shows is that big variations in the health of regional and local economies are still very much with us. Hidden unemployment tends to be concentrated in the weakest local labour markets. The effect of its inclusion in the figures is therefore to widen the gap between the best and worst areas across the country. Some parts of southern England do indeed seem to be fairly close to full employment, but that is emphatically not the case in most of the older industrial areas of the North, Midlands, Scotland and Wales, nor indeed in a number of seaside towns.

APPENDIX: Estimated real level of unemployment by district, county, region and country, Spring 2017

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
GREAT BRITAIN	785,000	735,000	760,000	2,280,000	5.7
ENGLAND	665,000	670,000	580,000	1,920,000	5.5
NORTH EAST	53,200	38,100	52,000	143,000	8.6
County Durham	8,100	8,100	12,200	28,400	8.7
Darlington	2,240	1,300	1,300	4,800	7.4
Hartlepool	3,390	700	2,600	6,700	11.6
Middlesbrough	4,180	1,600	4,000	9,800	10.9
Northumberland	4,760	4,000	4,000	12,800	6.8
Redcar and Cleveland	3,120	1,700	3,200	8,000	9.8
Stockton-on-Tees	4,000	2,000	2,700	8,700	7.1
Tyne and Wear	<i>23,420</i>	<i>18,700</i>	<i>21,900</i>	<i>64,000</i>	<i>8.8</i>
Gateshead	3,660	2,900	4,000	10,600	8.3
Newcastle upon Tyne	6,370	5,000	4,100	15,500	7.6
North Tyneside	3,300	3,000	2,900	9,200	7.2
South Tyneside	4,260	2,100	3,800	10,200	10.9
Sunderland	5,840	5,600	7,200	18,600	10.5
NORTH WEST	112,900	64,700	142,000	319,000	7.1
Blackburn with Darwen	2,610	1,300	4,200	8,100	8.9
Blackpool	3,760	500	6,100	10,400	12.1
Cheshire East	2,670	3,800	1,800	8,300	3.7
Cheshire West and Chester	3,040	3,500	3,500	10,000	4.9
Halton	3,150	100	3,000	6,200	7.8
Warrington	2,350	1,700	1,400	5,400	4.1
Cumbria	<i>5,460</i>	<i>3,900</i>	<i>7,200</i>	<i>16,600</i>	<i>5.5</i>
Allerdale	1,510	400	1,500	3,400	5.8
Barrow-in-Furness	1,140	700	1,700	3,500	8.6
Carlisle	1,020	1,100	2,000	4,100	6.2
Copeland	1,200	600	1,300	3,100	7.4
Eden	240	500	200	900	2.8
South Lakeland	360	700	400	1,500	2.5
Greater Manchester	<i>47,160</i>	<i>31,500</i>	<i>49,600</i>	<i>128,300</i>	<i>7.2</i>
Bolton	5,810	1,600	5,800	13,200	7.5
Bury	2,930	1,900	2,600	7,400	6.4
Manchester	10,240	9,900	9,800	29,900	7.8
Oldham	4,080	2,800	4,100	11,000	7.7

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
Rochdale	4,250	2,300	5,700	12,200	9.0
Salford	4,690	3,400	5,800	13,900	8.5
Stockport	3,410	3,200	3,800	10,400	5.8
Tameside	3,970	2,100	4,700	10,800	7.7
Trafford	2,380	2,000	2,000	6,400	4.4
Wigan	5,420	2,400	5,300	13,100	6.5
Lancashire	15,390	11,600	17,700	44,700	6.1
Burnley	1,840	800	2,700	5,300	9.9
Chorley	1,130	1,200	1,000	3,300	4.6
Fylde	680	600	800	2,100	4.6
Hyndburn	1,370	700	2,300	4,400	8.9
Lancaster	2,530	1,200	1,300	5,000	5.5
Pendle	1,110	900	1,900	3,900	7.0
Preston	2,170	1,600	2,600	6,400	6.8
Ribble Valley	260	400	200	900	2.6
Rossendale	910	800	1,300	3,000	6.8
South Ribble	1,000	1,200	800	3,000	4.5
West Lancashire	1,330	1,200	1,200	3,700	5.3
Wyre	1,090	1,000	1,700	3,800	6.0
Merseyside	27,290	6,700	47,400	81,400	9.1
Knowsley	3,370	100	6,500	10,000	10.7
Liverpool	11,990	3,000	18,400	33,400	10.1
Sefton	4,370	1,600	7,600	13,600	8.3
St. Helens	3,130	800	5,000	8,900	8.1
Wirral	4,450	1,200	10,000	15,600	8.1
YORKSHIRE AND THE HUMBER	77,200	54,400	76,000	208,000	6.1
East Riding of Yorkshire	2,770	3,400	1,600	7,800	3.9
Kingston upon Hull	6,360	2,700	6,800	15,900	9.3
North East Lincolnshire	3,430	1,000	3,000	7,400	7.6
North Lincolnshire	2,260	1,800	1,600	5,700	5.5
York	1,020	2,400	100	3,500	2.5
North Yorkshire	5,160	5,200	2,800	13,200	3.7
Craven	440	500	200	1,100	3.2
Hambleton	680	700	0	1,400	2.7
Harrogate	1,310	1,400	0	2,700	2.9
Richmondshire	460	300	0	800	2.4
Ryedale	510	400	0	900	2.9
Scarborough	1,090	900	2,500	4,500	7.3
Selby	680	1,000	100	1,800	3.4

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
South Yorkshire	<i>22,370</i>	<i>15,500</i>	<i>26,300</i>	<i>64,200</i>	<i>7.3</i>
Barnsley	3,560	2,400	6,400	12,400	8.2
Doncaster	5,120	3,900	6,000	15,000	7.9
Rotherham	4,180	3,000	5,600	12,800	7.9
Sheffield	9,520	6,200	8,400	24,100	6.4
West Yorkshire	<i>33,820</i>	<i>22,300</i>	<i>33,700</i>	<i>89,800</i>	<i>6.2</i>
Bradford	9,130	5,700	8,400	23,200	7.0
Calderdale	2,750	1,100	3,500	7,300	5.6
Kirklees	5,950	4,900	5,800	16,600	6.1
Leeds	11,820	6,500	8,600	26,900	5.2
Wakefield	4,180	4,200	7,400	15,800	7.5
EAST MIDLANDS	47,000	52,800	50,000	150,000	5.1
Derby	2,820	2,200	4,800	9,800	6.0
Leicester	4,180	4,600	5,900	14,700	6.3
Nottingham	7,370	3,900	6,300	17,600	7.8
Rutland	140	400	0	500	2.2
Derbyshire	<i>6,390</i>	<i>8,100</i>	<i>9,300</i>	<i>23,800</i>	<i>4.9</i>
Amber Valley	990	1,100	1,200	3,300	4.3
Bolsover	720	1,000	1,600	3,300	6.8
Chesterfield	1,280	1,100	2,800	5,200	7.9
Derbyshire Dales	230	700	0	900	2.2
Erewash	1,220	1,000	1,500	3,700	5.2
High Peak	630	1,200	800	2,600	4.6
North East Derbyshire	870	1,000	1,400	3,300	5.6
South Derbyshire	460	1,000	0	1,500	2.4
Leicestershire	<i>3,620</i>	<i>7,800</i>	<i>1,700</i>	<i>13,100</i>	<i>3.1</i>
Blaby	450	1,100	100	1,600	2.7
Charnwood	900	2,400	900	4,200	3.5
Harborough	330	900	0	1,200	2.2
Hinckley and Bosworth	700	1,100	200	2,000	3.0
Melton	450	600	0	1,000	3.2
North West Leicestershire	520	1,100	400	2,000	3.3
Oadby and Wigston	290	700	100	1,100	3.3
Lincolnshire	<i>7,270</i>	<i>7,900</i>	<i>7,700</i>	<i>22,900</i>	<i>5.1</i>
Boston	670	800	600	2,100	5.2
East Lindsey	1,520	1,300	3,300	6,100	7.9
Lincoln	1,630	1,200	1,400	4,200	6.3
North Kesteven	650	1,400	300	2,300	3.5
South Holland	690	1,000	400	2,100	3.9
South Kesteven	1,100	1,400	400	2,900	3.5
West Lindsey	1,020	900	1,200	3,100	5.6

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
Northamptonshire	<i>7,160</i>	<i>8,300</i>	<i>3,900</i>	<i>19,400</i>	<i>4.3</i>
Corby	880	700	800	2,400	5.5
Daventry	800	800	0	1,600	3.2
East Northamptonshire	580	1,000	0	1,600	2.9
Kettering	1,060	1,100	800	3,000	5.0
Northampton	2,660	2,600	1,500	6,800	4.7
South Northamptonshire	310	900	0	1,200	2.2
Wellingborough	900	1,100	800	2,800	6.0
Nottinghamshire	<i>8,050</i>	<i>9,600</i>	<i>10,000</i>	<i>27,600</i>	<i>5.5</i>
Ashfield	1,560	1,200	2,300	5,100	6.5
Bassetlaw	1,150	1,300	1,700	4,100	5.9
Broxtowe	1,130	1,200	800	3,100	4.4
Gedling	1,170	1,500	900	3,600	5.0
Mansfield	1,430	1,400	2,900	5,700	8.5
Newark and Sherwood	990	1,600	1,400	4,000	5.6
Rushcliffe	640	1,400	0	2,000	2.8
WEST MIDLANDS	87,600	64,500	73,000	225,000	6.3
Herefordshire	1,150	2,300	1,100	4,500	4.0
Shropshire	2,040	3,100	1,400	6,500	3.5
Stoke-on-Trent	3,860	3,100	7,800	14,800	9.3
Telford and Wrekin	2,020	2,200	2,900	7,100	6.5
Staffordshire	<i>5,710</i>	<i>10,600</i>	<i>6,500</i>	<i>22,800</i>	<i>4.3</i>
Cannock Chase	830	1,500	1,100	3,400	5.5
East Staffordshire	790	1,600	900	3,300	4.5
Lichfield	450	1,000	400	1,800	2.9
Newcastle-under-Lyme	1,120	1,700	1,600	4,400	5.3
South Staffordshire	770	1,200	0	2,000	3.0
Stafford	790	1,600	800	3,200	3.9
Staffordshire Moorlands	500	1,000	700	2,200	3.8
Tamworth	480	1,000	1,100	2,600	5.3
Warwickshire	<i>4,380</i>	<i>6,000</i>	<i>2,000</i>	<i>12,400</i>	<i>3.6</i>
North Warwickshire	440	700	100	1,200	3.2
Nuneaton and Bedworth	1,470	1,600	1,600	4,700	6.0
Rugby	1,330	1,000	0	2,300	3.6
Stratford-on-Avon	510	1,200	0	1,700	2.5
Warwick	640	1,600	200	2,400	2.7
West Midlands County	<i>64,000</i>	<i>30,500</i>	<i>46,500</i>	<i>141,000</i>	<i>7.8</i>
Birmingham	32,210	11,200	21,200	64,600	8.9
Coventry	4,460	4,000	4,200	12,700	5.4
Dudley	5,830	3,400	3,800	13,000	6.7
Sandwell	7,240	3,900	6,200	17,300	8.6

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
Solihull	2,320	3,400	1,700	7,400	5.9
Walsall	5,040	2,800	4,700	12,500	7.4
Wolverhampton	6,920	1,900	4,700	13,500	8.4
Worcestershire	<i>4,510</i>	<i>6,700</i>	<i>5,000</i>	<i>16,200</i>	<i>4.6</i>
Bromsgrove	640	1,000	0	1,600	2.8
Malvern Hills	430	1,000	500	1,900	4.5
Redditch	930	1,100	900	2,900	5.4
Worcester	1,000	1,300	1,000	3,300	5.0
Wychavon	690	1,300	800	2,800	3.9
Wyre Forest	830	1,100	1,700	3,600	6.2
EAST	50,700	67,200	37,000	155,000	4.1
Bedford	2,230	2,000	900	5,100	4.9
Central Bedfordshire	1,420	3,100	0	4,500	2.6
Luton	2,760	2,700	1,900	7,400	5.3
Peterborough	1,770	2,700	3,400	7,900	6.4
Southend-on-Sea	2,360	1,800	2,700	6,900	6.2
Thurrock	2,100	2,200	300	4,600	4.3
Cambridgeshire	<i>2,800</i>	<i>6,900</i>	<i>1,800</i>	<i>11,500</i>	<i>2.8</i>
Cambridge	700	1,800	0	2,500	2.6
East Cambridgeshire	300	900	0	1,200	2.3
Fenland	670	1,000	1,600	3,300	5.4
Huntingdonshire	710	1,700	300	2,700	2.4
South Cambridgeshire	430	1,500	0	1,900	2.0
Essex	<i>11,970</i>	<i>16,000</i>	<i>7,200</i>	<i>35,200</i>	<i>4.0</i>
Basildon	2,090	2,400	1,900	6,400	5.6
Braintree	1,000	1,800	100	2,900	3.1
Brentwood	400	900	0	1,300	2.8
Castle Point	650	1,000	300	1,900	3.6
Chelmsford	1,210	1,700	0	2,900	2.7
Colchester	1,410	2,400	800	4,600	3.8
Epping Forest	970	1,500	0	2,500	3.1
Harlow	1,030	1,000	900	2,900	5.4
Maldon	370	800	0	1,200	3.2
Rochford	460	800	0	1,300	2.5
Tendring	2,140	1,000	3,200	6,300	8.1
Uttlesford	260	700	0	1,000	1.9

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
Hertfordshire	<i>8,340</i>	<i>13,100</i>	<i>1,500</i>	<i>22,900</i>	<i>3.1</i>
Broxbourne	740	1,100	500	2,300	3.9
Dacorum	1,180	1,500	200	2,900	3.0
East Hertfordshire	650	1,600	0	2,200	2.4
Hertsmere	770	900	300	2,000	3.1
North Hertfordshire	960	1,500	0	2,500	3.0
St Albans	810	1,600	0	2,400	2.7
Stevenage	890	1,000	500	2,400	4.2
Three Rivers	550	1,100	0	1,600	2.8
Watford	930	1,100	0	2,000	3.2
Welwyn Hatfield	880	1,700	100	2,700	3.3
Norfolk	<i>8,280</i>	<i>9,000</i>	<i>11,400</i>	<i>28,700</i>	<i>5.4</i>
Breckland	920	1,400	900	3,200	4.0
Broadland	560	1,200	500	2,300	3.0
Great Yarmouth	2,960	300	2,500	5,800	10.0
King's Lynn and West Norfolk	900	1,700	2,300	4,900	5.6
North Norfolk	530	900	1,400	2,800	5.0
Norwich	1,760	2,100	3,400	7,300	7.5
South Norfolk	660	1,300	500	2,500	3.2
Suffolk	<i>6,750</i>	<i>7,600</i>	<i>5,500</i>	<i>19,800</i>	<i>4.5</i>
Babergh	430	1,000	100	1,500	3.0
Forest Heath	340	600	100	1,000	2.6
Ipswich	1,830	1,800	2,000	5,600	6.4
Mid Suffolk	490	1,200	0	1,700	2.9
St Edmundsbury	790	1,000	600	2,400	3.6
Suffolk Coastal	490	1,300	400	2,200	3.2
Waveney	2,380	700	2,200	5,300	8.1
LONDON	124,600	153,200	58,000	336,000	5.6
Camden	2,810	5,100	4,700	12,600	7.2
Hackney	4,980	4,900	4,600	14,500	7.4
Hammersmith and Fulham	4,080	2,300	1,500	7,900	6.1
Haringey	4,850	3,800	3,900	12,500	6.3
Islington	3,760	5,900	4,500	14,200	8.1
Kensington and Chelsea	1,880	3,600	2,300	7,800	7.3
Lambeth	6,030	5,700	2,000	13,700	5.6
Lewisham	5,410	4,500	3,100	13,000	6.2
Newham	4,760	5,700	1,400	11,900	5.0
Southwark	7,100	5,300	2,700	15,100	6.6
Tower Hamlets	5,250	9,700	2,000	16,900	7.5
Wandsworth	3,290	5,800	0	9,100	4.0
Westminster	2,590	5,100	3,800	11,500	6.4
Barking and Dagenham	3,260	4,100	1,800	9,200	7.1
Barnet	3,640	6,400	1,800	11,800	4.7
Bexley	2,190	3,900	500	6,600	4.3

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
Brent	5,260	6,700	3,000	15,000	6.8
Bromley	2,400	4,400	1,300	8,100	4.0
Croydon	9,110	4,500	1,100	14,700	5.9
Ealing	5,190	4,700	2,900	12,800	5.6
Enfield	4,720	5,700	3,300	13,700	6.4
Greenwich	4,250	5,100	2,900	12,200	6.4
Harrow	1,930	4,700	900	7,500	4.7
Havering	2,690	3,700	700	7,100	4.5
Hillingdon	2,720	5,300	100	8,100	4.1
Hounslow	5,240	4,700	0	9,900	5.4
Kingston upon Thames	1,360	2,900	0	4,300	3.6
Merton	2,470	2,900	0	5,400	3.9
Redbridge	2,670	5,400	0	8,100	4.2
Richmond upon Thames	1,510	3,300	0	4,800	3.8
Sutton	2,990	2,700	0	5,700	4.4
Waltham Forest	4,200	4,700	1,600	10,500	5.6
SOUTH EAST	65,000	112,100	42,000	219,000	3.9
Bracknell Forest	640	1,400	0	2,000	2.6
Brighton and Hove	3,030	6,200	4,300	13,500	6.6
Isle of Wight	1,460	1,500	2,800	5,800	7.3
Medway	3,470	4,200	1,600	9,300	5.2
Milton Keynes	2,790	2,800	500	6,100	3.6
Portsmouth	2,390	3,800	1,700	7,900	5.4
Reading	1,820	1,800	400	4,000	3.7
Slough	1,360	1,900	400	3,700	3.9
Southampton	2,580	4,200	2,900	9,700	5.5
West Berkshire	680	1,900	0	2,600	2.7
Windsor and Maidenhead	770	1,800	0	2,600	2.8
Wokingham	620	1,700	0	2,300	2.3
Buckinghamshire	3,030	6,400	0	9,400	2.9
Aylesbury Vale	1,060	2,400	0	3,500	2.9
Chiltern	410	1,100	0	1,500	2.7
South Bucks	310	700	0	1,000	2.4
Wycombe	1,250	2,200	0	3,400	3.1
East Sussex	5,010	6,100	8,400	19,500	6.2
Eastbourne	1,170	1,200	2,400	4,800	7.9
Hastings	1,810	900	3,200	5,900	10.4
Lewes	710	1,300	1,200	3,200	5.4
Rother	700	900	1,300	2,900	5.7
Wealden	630	1,800	400	2,800	3.1

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
Hampshire	<i>6,550</i>	<i>15,600</i>	<i>3,900</i>	<i>26,000</i>	<i>3.1</i>
Basingstoke and Deane	970	1,900	0	2,900	2.6
East Hampshire	420	1,600	0	2,000	2.9
Eastleigh	550	1,700	100	2,300	2.8
Fareham	450	1,400	0	1,800	2.6
Gosport	640	1,100	800	2,500	4.7
Hart	280	900	0	1,200	2.1
Havant	1,120	1,500	1,700	4,300	5.9
New Forest	680	1,800	1,100	3,600	3.6
Rushmoor	590	1,200	100	1,900	3.0
Test Valley	480	1,100	0	1,600	2.2
Winchester	400	1,400	0	1,800	2.4
Kent	<i>15,630</i>	<i>19,800</i>	<i>9,900</i>	<i>45,300</i>	<i>4.8</i>
Ashford	1,270	1,600	500	3,400	4.5
Canterbury	1,270	2,300	700	4,300	4.1
Dartford	810	1,600	0	2,400	3.5
Dover	1,520	1,400	1,300	4,200	6.2
Gravesham	1,370	1,900	500	3,800	5.8
Maidstone	1,290	2,200	400	3,900	3.8
Sevenoaks	510	1,300	0	1,800	2.6
Shepway	1,430	1,100	1,700	4,200	6.4
Swale	1,970	2,500	1,600	6,100	6.9
Thanet	2,860	800	2,900	6,600	8.1
Tonbridge and Malling	730	1,800	0	2,500	3.3
Tunbridge Wells	630	1,200	200	2,000	2.8
Oxfordshire	<i>2,960</i>	<i>7,900</i>	<i>300</i>	<i>11,200</i>	<i>2.6</i>
Cherwell	560	1,900	100	2,600	2.8
Oxford	1,110	2,300	200	3,600	3.1
South Oxfordshire	430	1,500	0	1,900	2.3
Vale of White Horse	460	1,300	0	1,800	2.3
West Oxfordshire	420	900	0	1,300	2.0
Surrey	<i>5,060</i>	<i>13,600</i>	<i>100</i>	<i>18,800</i>	<i>2.6</i>
Elmbridge	480	1,400	0	1,900	2.4
Epsom and Ewell	380	900	0	1,300	2.6
Guildford	550	2,100	0	2,600	2.7
Mole Valley	300	1,000	100	1,400	2.7
Reigate and Banstead	740	1,700	0	2,400	2.7
Runnymede	380	1,100	0	1,500	2.6
Spelthorne	640	1,400	0	2,000	3.2
Surrey Heath	340	1,100	0	1,400	2.6
Tandridge	480	900	0	1,400	2.7
Waverley	400	1,100	0	1,500	2.1
Woking	410	1,000	100	1,500	2.4

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
West Sussex	5,210	9,400	4,500	19,100	3.8
Adur	520	800	600	1,900	5.1
Arun	1,130	1,700	1,900	4,700	5.3
Chichester	720	1,000	200	1,900	2.8
Crawley	950	1,800	700	3,400	4.6
Horsham	610	1,500	0	2,100	2.6
Mid Sussex	410	1,500	0	1,900	2.1
Worthing	880	1,200	1,200	3,300	5.1
SOUTH WEST	45,200	62,500	53,000	161,000	4.8
Bath and North East Somerset	2,030	2,100	0	4,100	3.4
Bournemouth	2,130	2,300	3,200	7,600	5.8
Bristol	5,420	6,400	7,200	19,000	6.1
Cornwall	4,590	5,600	8,700	18,900	5.8
North Somerset	1,270	2,000	2,600	5,900	4.8
Plymouth	3,750	3,300	6,100	13,100	7.7
Poole	1,070	1,700	700	3,500	3.9
South Gloucestershire	1,600	3,200	300	5,100	2.9
Swindon	2,520	2,500	1,100	6,100	4.4
Torbay	1,600	1,600	4,200	7,400	9.6
Wiltshire	2,720	5,600	600	8,900	3.0
Devon	4,340	9,300	6,700	20,300	4.4
East Devon	660	1,300	800	2,800	3.7
Exeter	920	2,500	1,000	4,400	4.9
Mid Devon	460	800	500	1,800	3.8
North Devon	560	900	1,100	2,600	4.7
South Hams	350	800	600	1,700	3.5
Teignbridge	690	1,600	1,300	3,600	4.8
Torridge	470	800	900	2,200	5.7
West Devon	240	500	600	1,300	4.1
Dorset	2,020	4,000	3,600	9,600	4.1
Christchurch	260	400	500	1,200	4.5
East Dorset	330	900	200	1,400	2.9
North Dorset	260	500	300	1,100	2.6
Purbeck	220	400	200	800	2.9
West Dorset	380	1,000	800	2,200	3.9
Weymouth and Portland	590	700	1,800	3,100	7.9
Gloucestershire	4,160	7,300	3,600	15,100	3.9
Cheltenham	830	1,500	600	2,900	3.9
Cotswold	360	800	0	1,200	2.4
Forest of Dean	650	1,200	900	2,700	5.3
Gloucester	1,320	1,700	1,600	4,600	5.7
Stroud	510	1,200	300	2,000	2.8
Tewkesbury	510	1,000	100	1,600	3.0

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
Somerset	5,980	5,700	4,800	16,500	5.1
Mendip	1,350	1,400	700	3,400	5.0
Sedgemoor	1,960	1,200	1,200	4,400	6.2
South Somerset	1,040	1,800	1,400	4,200	4.4
Taunton Deane	1,340	1,100	900	3,300	4.8
West Somerset	300	300	600	1,200	6.4
WALES	40,700	24,500	76,000	141,000	7.4
Isle of Anglesey	1,040	500	1,200	2,700	6.8
Gwynedd	1,320	1,300	1,300	3,900	5.2
Conwy	1,420	600	2,800	4,800	7.3
Denbighshire	1,060	500	2,600	4,200	7.6
Flintshire	1,560	900	1,700	4,200	4.4
Wrexham	1,440	1,100	2,300	4,800	5.7
Powys	760	900	2,000	3,700	4.8
Ceredigion	480	800	1,200	2,500	5.5
Pembrokeshire	1,530	900	2,300	4,700	6.6
Carmarthenshire	2,040	1,400	4,800	8,200	7.5
Swansea	3,500	2,200	7,000	12,700	8.2
Neath Port Talbot	2,080	1,100	6,200	9,400	10.7
Bridgend	1,900	1,200	4,000	7,100	8.0
Vale of Glamorgan	1,410	1,300	2,200	4,900	6.2
Cardiff	5,460	3,200	6,800	15,500	6.3
Rhondda Cynon Taf	3,490	2,300	8,800	14,600	9.8
Merthyr Tydfil	1,080	500	2,500	4,100	11.0
Caerphilly	3,050	1,400	5,700	10,100	9.0
Blaenau Gwent	1,440	400	3,100	4,900	11.1
Torfaen	1,270	500	3,100	4,900	8.6
Monmouthshire	640	700	1,200	2,500	4.5
Newport	2,790	800	3,500	7,100	7.7
SCOTLAND	82,700	39,200	98,000	219,000	6.3
Aberdeen	3,800	2,400	600	6,800	4.2
Aberdeenshire	2,500	2,600	0	5,100	3.1
Angus	1,510	700	1,600	3,800	5.4
Argyll & Bute	890	500	1,100	2,500	4.7
Clackmannanshire	950	600	1,400	2,900	8.9
Dumfries & Galloway	1,530	1,100	2,700	5,300	5.9
Dundee	3,290	500	4,500	8,300	8.4
East Ayrshire	2,490	900	2,900	6,300	8.2
East Dunbartonshire	1,040	700	900	2,600	3.9
East Lothian	1,840	500	600	2,900	4.5

	Claimant Count	Additional ILO unemployed	Hidden unemployment on incapacity benefits	Real unemployment	
				Number	% of working age population
East Renfrewshire	670	800	600	2,100	3.6
Edinburgh	5,410	4,700	4,300	14,400	4.1
Eilean Siar	290	200	300	800	4.8
Falkirk	2,350	1,500	2,700	6,500	6.4
Fife	6,030	2,700	6,700	15,400	6.6
Glasgow	14,320	3,000	23,400	40,700	9.4
Highland	3,080	1,000	2,200	6,300	4.3
Inverclyde	2,290	-200	3,200	5,300	10.5
Midlothian	1,010	700	1,200	2,900	5.3
Moray	1,130	900	500	2,500	4.2
North Ayrshire	3,260	1,500	3,900	8,700	10.4
North Lanarkshire	6,100	2,100	9,000	17,200	7.8
Orkney Islands	130	200	200	500	3.4
Perth & Kinross	1,130	1,400	1,600	4,100	4.4
Renfrewshire	3,090	1,400	4,100	8,600	7.6
Scottish Borders	1,180	1,000	1,300	3,500	5.2
Shetland Islands	130	200	0	300	2.1
South Ayrshire	1,660	600	2,400	4,700	6.9
South Lanarkshire	4,410	2,300	6,800	13,500	6.7
Stirling	950	900	700	2,500	4.2
West Dunbartonshire	2,070	300	2,900	5,300	9.2
West Lothian	2,200	1,700	3,600	7,500	6.5

Sources: ONS, DWP and Sheffield Hallam estimates

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