

September economic review

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National economy



- Unemployment rise

In the May to July period there were 10,000 more people classed as unemployed. The third consecutive rise and signs that the labour market is cooling off. The rate remains at 5.5%



- Wage growth continues

In the May to July period earnings (excluding bonuses) were 2.9% higher than a year earlier. Up from 2.4% in the April to June period. Including bonuses, annual earnings growth was 2.9%. Down from 3.3% in May.



- Private sector pay remains high

Pay rose 3.4% (including and excluding bonuses) in the private sector in the 3 months to July



- Number of people in work down

The total number of people now in work is 31.09million, which is 42,000 fewer than in the previous three month period. The employment rate now stands at 73.5%



- Retail sales up

Weaker demand in the Eurozone contributed to a deficit of £1.6billion in June. Almost double the deficit of £855 million in May .

Local labour market - Job Seekers' Allowance (JSA)



- Fall in JSA claimants slows

In August there were 6,505 people claiming JSA which was 157 fewer than the previous month. The rate of working age population claiming JSA remains at 0.9%



- Reduction not concentrated to one geography or age group

All districts saw a fall in the JSA rate except Harrogate which saw 35 more JSA claimants and Richmondshire which saw no change. There were 60 fewer claimants aged 16-24 bringing the Youth claimant rate to 1.3%. The 25-49 category decreased by 55 to 3,485 claimants and there are now 1,740 claimants aged 50-64 after a fall of 40.



- Continued rise in Universal Credit claimants

There are now 1,321 people claiming Universal credit after a rise of 203. Of the UC claimants 501 are not in employment which is 55 higher than the previous month.



- Employment up 12,400 compared to previous year

The business register and employment survey (BRES) is an official estimate of employees and employment. It recorded employment of 490,000 for the LEP in 2014. This is up 12,400 from the previous year confirming positive labour market trends



- House price growth uneven in the LEP

Annual growth in York was significant with 7.5% growth according to the Land Registry house price index. North Yorkshire's annual growth was 1.8% whilst East Riding prices were actually 0.2% below the year before.

Sources: [Office for National Statistics – Regional Labour Market \(August 2015\)](#)
[Land Registry House Price Index](#)

Employment statistics from BRES

The figures on the next slide show the numbers of people employed¹ in each LEP district by broad industrial sector for the year 2014²

There are some striking differences in the nature of employment within the LEPs districts.

- Manufacturing in Selby and Ryedale employs at least 1 in every 6 people (more than twice the national average and nearly 5 times more people than in neighbouring York)
- The financial and insurance sector in Craven employs more than 11 times as many people as in Ryedale and 10 times the rate in Selby.
- Agricultural jobs in Richmondshire make up a share of employment 21 times that of York.
- Manufacturing is the 6th biggest sector in England and accommodation and food is the 7th biggest sector. In 5 out of our 9 districts one of these two sectors is the biggest employer of people

¹Employment is defined as employees plus working proprietors. (sole traders, sole proprietors, partners and directors)

²Figures for the Agricultural sector consist mainly of 2013 labour estimated from DEFRA and not from the BRES data set

Employment in the LEP and its districts

(Green = biggest sector, blue = second biggest, yellow = third biggest and red = smallest)

2014	The LEP		Craven		East Riding		Hambleton		Harrogate		R'shire		Ryedale		S'borough		Selby		York		North Yorkshire		Eng
Broad Industrial Group	Jobs	%	Jobs	%	Jobs	%	Jobs	%	Jobs	%	Jobs	%	Jobs	%	Jobs	%	Jobs	%	Jobs	%	Jobs	%	%
Health	66,300	12.9	2,300	7.6	16,400	13.3	5,100	11.8	11,500	14.1	1,700	8.9	1,800	6.5	8,300	18.5	3,000	8.4	16,300	15.1	33700	12.0	12.7
Accommodation & food services	54,300	10.6	3,400	11.3	10,000	8.1	4,000	9.2	9,100	11.2	2,800	14.7	3,200	11.6	8,300	18.5	2,200	6.2	11,300	10.5	33000	11.7	7.0
Retail	52,400	10.2	2,700	9.0	12,300	9.9	3,700	8.5	8,200	10.1	1,700	8.9	2,000	7.3	5,800	12.9	2,300	6.5	13,700	12.7	26400	9.4	10.0
Manufacturing	48,400	9.4	2,700	9.0	15,500	12.5	4,600	10.6	4,400	5.4	1,000	5.3	4,800	17.5	5,000	11.2	6,400	18.0	4,000	3.7	28900	10.3	8.1
Education	43,900	8.5	2,500	8.3	11,300	9.1	2,600	6.0	6,400	7.9	1,400	7.4	1,900	6.9	3,400	7.6	3,000	8.4	11,500	10.6	21200	7.5	9.0
Professional, scientific & technical	30,900	6.0	2,300	7.6	5,800	4.7	2,400	5.5	7,300	9.0	900	4.7	1,700	6.2	1,000	2.2	2,200	6.2	7,300	6.8	17800	6.3	8.6
Business administration & support services	29,200	5.7	2,400	8.0	5,400	4.4	2,300	5.3	5,700	7.0	1,400	7.4	900	3.3	1,700	3.8	2,700	7.6	6,600	6.1	17100	6.1	8.7
Transport & storage (inc postal)	25,500	5.0	800	2.7	5,500	4.4	1,500	3.5	2,900	3.6	600	3.2	800	2.9	1,300	2.9	3,100	8.7	8,800	8.1	11000	3.9	4.5
Agriculture, forestry & fishing+	25000	4.9	2100	7.0	6300	5.1	3900	9.0	3300	4.1	2400	12.6	3100	11.3	1700	3.8	1700	4.8	600	0.6	18200	6.5	1.3
Public administration & defence	25,000	4.9	600	2.0	10,000	8.1	3,700	8.5	2,200	2.7	800	4.2	800	2.9	1,200	2.7	700	2.0	5,000	4.6	10000	3.5	4.2
Construction	23,200	4.5	1,600	5.3	5,800	4.7	2,600	6.0	3,200	3.9	900	4.7	1,500	5.5	1,400	3.1	1,800	5.1	4,400	4.1	13000	4.6	4.5
Arts, entertainment, recreation & other services	22,600	4.4	1,200	4.0	4,700	3.8	1,700	3.9	3,800	4.7	1,400	7.4	2,100	7.6	2,100	4.7	800	2.2	4,900	4.5	13100	4.7	4.5
Wholesale	19,400	3.8	1,400	4.7	4,500	3.6	2,100	4.8	4,500	5.5	700	3.7	1,000	3.6	1,000	2.2	1,800	5.1	2,400	2.2	12500	4.4	4.1
Financial & insurance	12,800	2.5	2,400	8.0	1,400	1.1	500	1.2	2,900	3.6	200	1.1	200	0.7	500	1.1	300	0.8	4,400	4.1	7000	2.5	3.7
Information & communication	11,300	2.2	500	1.7	2,700	2.2	700	1.6	2,600	3.2	200	1.1	200	0.7	400	0.9	900	2.5	3,100	2.9	5500	2.0	4.3
Motor trades	9,900	1.9	500	1.7	3,000	2.4	800	1.8	1,700	2.1	400	2.1	600	2.2	700	1.6	600	1.7	1,500	1.4	5300	1.9	1.9
Property	8,400	1.6	400	1.3	1,700	1.4	700	1.6	1,300	1.6	600	3.2	600	2.2	900	2.0	400	1.1	1,800	1.7	4900	1.7	1.9
Mining, quarrying & utilities (inc Energy)	5,100	1.0	100	0.3	1,400	1.1	500	1.2	400	0.5	200	1.1	200	0.7	300	0.7	1,700	4.8	400	0.4	3400	1.2	1.1
Total	513.6k	100	30.1k	100	123.7k	100	43.4k	100	81.3k	100.0	19k	100	27.6k	100	44.8k	100	35.8k	100	108k	100	281.7k	100.0	

Sector specialisms using BRES data

Comparing the proportion of an industries employment to the national average can indicate how specialist a sector is to an area. This figure is known as a local quotient.

These figures are presented on the next slide for the LEP and its 9 districts.

- Our areas specialism in agriculture is obvious from this analysis with nearly 10 times the national rate of employment in Richmondshire.
- Accommodation and food services is our second most specialist sector, particularly in Scarborough and Richmondshire where it is more than twice the national average.
- Public administration and defence is another sector where employment is higher than national rates, particularly in Hambleton where it is twice the national rate.
- Although the transport and storage sector is less specialist in most districts it is nearly twice the national rate in York and Selby which contributes towards employment in the LEP being 20% more than nationally in this sector
- Retail, Health, Motor Trades, Construction and Arts/Entertainment/Recreation/Other have rates of employment equal to the national average
- All other sectors have a smaller proportion of employment than nationally with I.T. and communication having the lowest local quotient with half the national rate of employment

Local Quotients in the LEP and its districts

Dark green = 5x national average (NA)

green = 3 x NA

light green = 2x NA

Dark red = less than a quarter of NA

red = less than a third of NA

light red = half or less of NA

	The LEP	Craven	East Riding	Hambleton	Harrogate	R'shire	Ryedale	Scarborough	Selby	York	North Yorkshire
Agriculture, forestry & fishing+	3.7	5.4	3.9	6.9	3.1	9.7	8.7	2.9	3.7	0.4	5.0
Accommodation & food services	1.5	1.6	1.2	1.3	1.6	2.1	1.7	2.6	0.9	1.5	1.7
Manufacturing	1.2	1.1	1.5	1.3	0.7	0.6	2.2	1.4	2.2	0.5	1.3
Public administration & defence	1.2	0.5	1.9	2.0	0.6	1.0	0.7	0.6	0.5	1.1	0.8
Transport & storage (inc postal)	1.1	0.6	1.0	0.8	0.8	0.7	0.6	0.6	1.9	1.8	0.9
Retail	1.0	0.9	1.0	0.9	1.0	0.9	0.7	1.3	0.6	1.3	0.9
Health	1.0	0.6	1.0	0.9	1.1	0.7	0.5	1.5	0.7	1.2	0.9
Motor trades	1.0	0.9	1.3	1.0	1.1	1.1	1.1	0.8	0.9	0.7	1.0
Construction	1.0	1.2	1.0	1.3	0.9	1.1	1.2	0.7	1.1	0.9	1.0
Arts, entertainment, recreation & other services	1.0	0.9	0.8	0.9	1.0	1.6	1.7	1.0	0.5	1.0	1.0
Education	0.9	0.9	1.0	0.7	0.9	0.8	0.8	0.8	0.9	1.2	0.8
Wholesale	0.9	1.1	0.9	1.2	1.4	0.9	0.9	0.5	1.2	0.5	1.1
Mining, quarrying & utilities (Energy)	0.9	0.3	1.0	1.0	0.4	1.0	0.7	0.6	4.3	0.3	1.1
Property	0.9	0.7	0.7	0.8	0.8	1.7	1.1	1.1	0.6	0.9	0.9
Professional, scientific & technical	0.7	0.9	0.5	0.6	1.0	0.6	0.7	0.3	0.7	0.8	0.7
Financial & insurance	0.7	2.2	0.3	0.3	1.0	0.3	0.2	0.3	0.2	1.1	0.7
Business administration & support services	0.7	0.9	0.5	0.6	0.8	0.8	0.4	0.4	0.9	0.7	0.7
Information & communication	0.5	0.4	0.5	0.4	0.7	0.2	0.2	0.2	0.6	0.7	0.5