



Department for  
Work and Pensions

18<sup>th</sup> January 2012

## **Rise in unemployment driven by more people entering the labour market: redundancy levels and JSA claims stabilising**

New figures published by the Office for National Statistics today show 29.12 million people in work, a rise of 18,000 compared to the previous quarter.

The number of unemployed (ILO measure) in September-November 2011 was 2.685 million compared to 2.638 million in the last quarter.

This quarter's rise in unemployment mainly reflects more people entering the labour market. In particular, more students and more women are looking for work. Inactivity fell by 61,000 on the quarter and the rate fell 0.2 percentage points to 23.1%.

The number claiming Jobseeker's Allowance (JSA) rose 1,200 in December 2011 to 1.6 million. This shows that the underlying trend is now flattening out even while the reassessment of those on incapacity benefits and lone parents moving off income support has been adding to the number on JSA.

Today's figures show a fall in youth unemployment reflecting the numbers in full-time education. Full-time students now account for 30% of all those unemployed between the ages of 16 and 24. The number of 16 to 24-year-olds who have left full-time education and are seeking work is 729,000. The number of full-time students looking for a job rose 44,000 to 313,000.

### **Employment Minister Chris Grayling said:**

*"The overall level of unemployment is, and will remain, a major concern for the Government. The latest figures reflect the current challenging economic climate but also show more women entering the workforce and more students looking to supplement their income through work. When you take into account our welfare reforms the number of Jobseeker Allowance claimants has actually fallen.*

*"Despite the exceptionally difficult economic circumstances, finding work for the unemployed will remain top of the Government's agenda."*

## Notes to Editors:

### Background to labour market statistics: January 2012

This month's Labour Force Survey covers September to November 2011. The claimant count and Jobcentre Plus vacancy count dates were 8th and 2nd December 2011 respectively.

#### The number of people in work rose this quarter

- 29.12 million people were in work in September to November 2011.
- The employment level rose 18 thousand on the previous quarter and 26 thousand on the year.
- The employment rate is 70.3%, down 0.1 point on the quarter and 0.2 points on the year.

#### ILO unemployment rose this quarter

- 2.69 million people were ILO unemployed in the September to November quarter, up by 118 thousand on the June to August period and up 189 thousand on the same quarter last year.
- The ILO unemployment rate is 8.4%, up 0.3 percentage points on the quarter and 0.5 percentage points on the year.

#### The number of people on JSA rose again this month, but the number claiming one of the other main out-of-work benefits is improving

- Claimant unemployment was 1,597.0 thousand in December 2011, up 1.2 thousand on the level in November 2011, and up 142.4 thousand on the year.
- The claimant unemployment rate, at 5.0%, is unchanged on the month but up 0.4 percentage points on the year.
- The figures continue to be affected by welfare reform, including the ongoing process to re-assess existing claims for incapacity benefits, and this is likely to have made some contribution to the rise in the JSA caseload.
- In the year to May 2011, the number claiming incapacity benefits fell 43,000 to 2.57 million. The most recent provisional figure for October 2011 suggests the caseload has since fallen further to 2.56 million.
- In the year to May 2011, the number of lone parents on income support fell 84,000 to 595,400. Provisional figures for November 2011 suggest the number has fallen further in recent months, to 580,000, driven by welfare reform.

#### The level of economic inactivity is down on the quarter and on the year

- The economic inactivity level is 9.3 million, down 61 thousand on the quarter and 71 thousand on the year.
- The economic inactivity rate is 23.1%, down 0.2 points on the quarter and on the year.



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- Excluding students, inactivity as a share of the 16-64 population is 17.5%, down 0.1 point on the quarter and 0.3 points on the year.

**The number of redundancies rose and unfilled vacancies fell on the quarter**

- There were 164 thousand redundancies in September to November 2011, up 14 thousand on the previous quarter and 5 thousand on the year.
- ONS's vacancy survey estimates an average of 463 thousand unfilled vacancies in the three months to December 2011, down 2 thousand on the quarter and 18 thousand on the year.

**Total weekly pay in September to November was up by 1.9% over the year**

- Growth in regular weekly pay, excluding bonuses, was up 1.9% on the year.

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