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Coverage  
Great Britain  
Theme  
Labour Market

## New local unemployment estimates highlight differences within regions

Differences in unemployment rates within regions are greater than differences between regions, according to a report published today by the Office for National Statistics.

The report, *Local Area Labour Markets: Statistical Indicators July 2006*, found that the gap between the highest and lowest unemployment rates in a region's local authorities in 2005 was widest in London and the North West. The gap in both regions was 7.2 percentage points.

The local authority in London with the highest unemployment was Tower Hamlets (11.3 per cent) while Richmond-upon-Thames had the lowest (4.1 per cent). In the North West, unemployment rates ranged from 9.2 per cent in Liverpool to 2 per cent in Eden, Cumbria.

The region with the narrowest spread of unemployment rates was the South West, with 3.3 percentage points between Purbeck (2.1 per cent) and Plymouth (5.4 per cent).

At regional level, there was a difference of 3.7 percentage points between the lowest unemployment rate (South West, 3.4 per cent) and the highest unemployment rate (London, 7.1 per cent).

These unemployment data for local authorities are from a new source, and are being published for the first time as National Statistics. ONS has developed a statistical model which takes unemployment estimates from the Annual Population Survey together with the claimant count to determine estimates which are acceptably precise for publication for all local authority areas.

The report, which will now be published quarterly, includes sections on economic inactivity, ethnicity and the labour market, the claimant count, and earnings by place of residence. It brings together data from a number of sources – the Labour Force Survey and the Annual Population Survey, the Annual Business Inquiry, the Annual Survey of Hours and Earnings, and administrative data on benefits from the Department for Work and Pensions – to give an overall picture of the labour market looking at both labour supply and demand in each area.

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## BACKGROUND NOTES

1. The report, *Local area labour markets: Statistical indicators July 2006*, which incorporates links to documents explaining the statistical properties of the model-based estimates (including an account of how they are subject to estimation error) is published on the National Statistics website at [www.statistics.gov.uk/statbase/Product.asp?vlnk=14160](http://www.statistics.gov.uk/statbase/Product.asp?vlnk=14160).
2. Also available from the above link are spreadsheets giving data for key indicators such as employment, unemployment, economic inactivity, claimant count and jobs for both local authorities and parliamentary constituencies.
3. All the information quoted in this News Release is available from the local labour market profiles accessible via the Nomis<sup>®</sup> database, which is available at [www.nomisweb.co.uk](http://www.nomisweb.co.uk).
4. Details of the policy governing the release of new data are available from the press office.
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