



JANUARY 2012

labour market update

Unemployment continues to rise

Unemployment increased again in the three months to November compared to the three months to September. The further 0.1 percentage point increase means that the UK's unemployment rate now stands at 8.4 percent.

Figure 1 shows the recent increase in unemployment, which is 0.7 percentage points higher than August 2010. And the continued weakness of UK economic growth (the economy is expected to contract in the final quarter of 2011) and continued public sector job losses mean that unemployment is likely to continue to rise in the coming months.

In this note we put the UK's unemployment in an international context and also look at the impact that recent economic performance on male and female claimant count rates.

Figure 1: UK unemployment rate

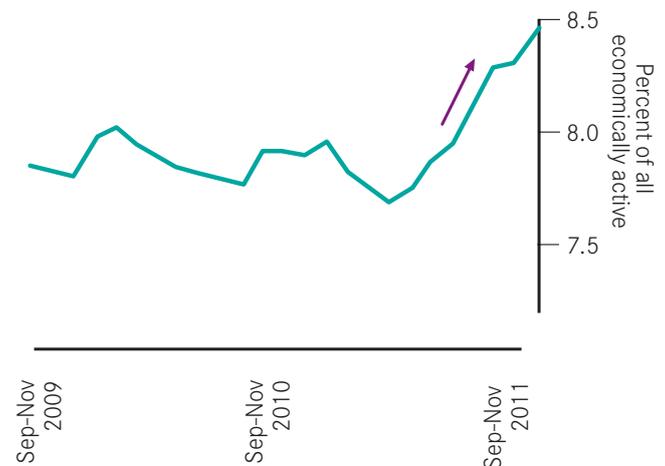


Table 1: Key statistics

	Reference Period	Rate
Unemployment (ILO)	Sep-Nov 11	8.4%
Claimant Count	December 11	5.0%
Unemployment	Sep-Nov 11	70.3%
Y-o-Y Average weekly wage growth	Sep-Nov 11	2.0% inc bonus 1.8% exc bonus

Cities Outlook 2012 launches on Monday 23 January

Cities Outlook, the Centre for Cities annual health check on UK cities, will be launched on Monday 23 January 2012.

Read the full report at:

www.centreforcities.org/outlook12

Access the data at

www.citiesoutlook.org



UK unemployment in an international context

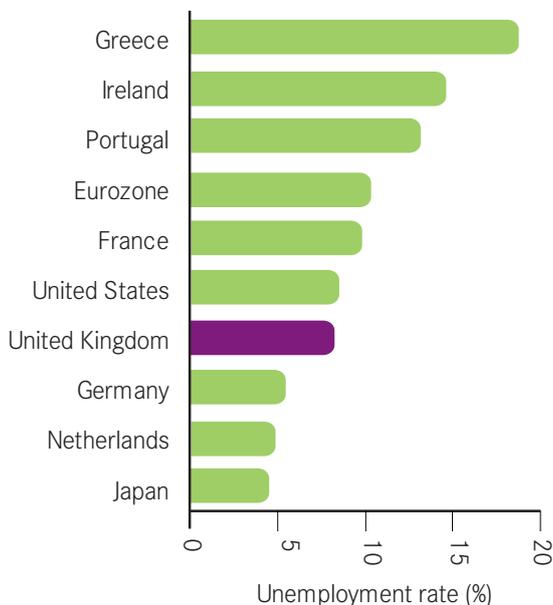
Although the figures illustrate how the unemployment picture continues to weaken, unemployment in the UK is relatively low when compared in an international context.

Figure 2 shows the UK compared to a selection of international countries.

While unemployment is much higher than in **Japan** (4.4 percent in November 2011), the **Netherlands** (4.9 percent) and **Germany** (5.5 percent), it is on par with the **USA** and well below the 10.3 percent employment rate registered in the **Eurozone**.

And it is also well below the crisis hit countries of **Portugal, Ireland** and **Greece** – unemployment in Greece was measured at 18.8 percent in November 2011.

Figure 2: Change in public and private sector employment



Impact of overall unemployment increases on men and women

The impact of the increase in unemployment on men and women has varied since the onset of the downturn.

Figure 3 shows the ratio of unemployed men to unemployed women since February 2008.

Figure 3: Ratio of male to female unemployed



The ratio increased sharply through to July 2009 as men were hit harder by the early part of the recession. This reflects the nature of the downturn – manufacturing and construction, which traditionally are male dominated industries, lead the contraction of the overall economy.

This trend reversed almost as sharply from the mid 2009 to the end of 2010, partly reflecting the stronger recovery of the manufacturing and construction sectors (although they both remain well below their pre-recessionary peak in output terms). As a result the ratio of male to female unemployed people is now at a similar level as it was in February 2008.

The gender ratio across cities

The trends in the gender ratio across cities when looking at the claimant count looks a little different to the national picture shown above.

Figure 4 shows the trend in the gender ratio for Dundee, which had 2.7 male Jobseeker's Allowance claimants to every female claimant in December 2011, and London, which had the lowest ratio.

It also shows that the ratio of male to female claimants has declined in both of these cities since the onset of the recession and is now much lower than it was in February 2008.

Figure 4: Gender ratio of claimant count

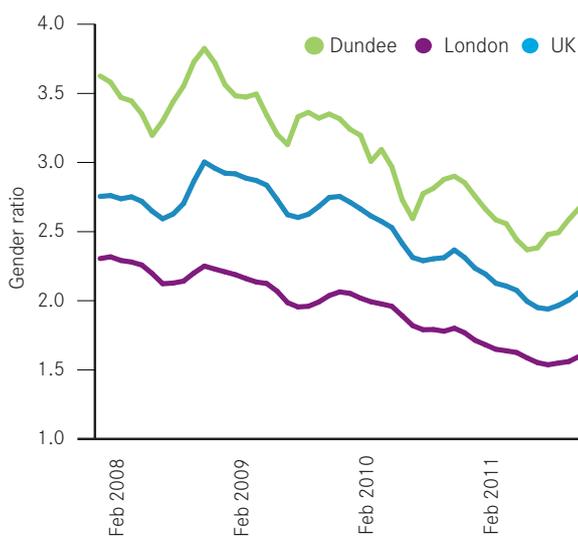


Table 2 shows that there is also a spatial pattern to the gender ratio. The bottom five cities for this measure are all in the South East – there tends to be a more even split between male and female claimants in these cities.

Hastings is the only city in the South East in the top five cities on this measure. And although not shown in this table, Hastings and Norwich are the only southern cities in the top 20.

Table 2: Gender ratio across UK cities, December 2011

5 cities with the highest ratio

Rank	City	Gender Ratio
1	Dundee	2.7
2	Cardiff	2.6
3	Belfast	2.6
4	Norwich	2.5
5	Hastings	2.4

5 cities with the lowest ratio

Rank	City	Gender Ratio
60	Milton Keynes	1.9
61	Aldershot	1.8
62	Crawley	1.8
63	Luton	1.7
64	London	1.6

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