

## UNEMPLOYMENT DIGEST

The methodology used by the Office for National Statistics (ONS) to calculate unemployment rates has been changed. The new method expresses the **number of claimants** as a percentage of the **estimated population of working age residents in an area**. The population of working age is defined as those aged 16 to 59 for women and 16 to 64 for men.

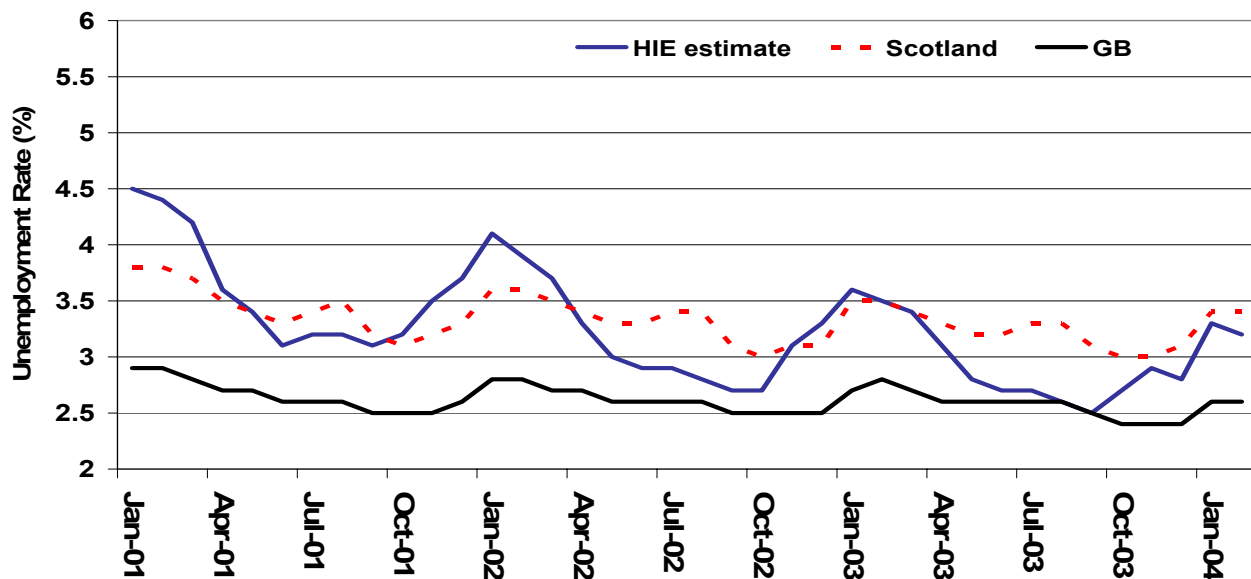
The **population of working age residents** has been derived from the 2001 Census data. All of the figures in this update adopt the new methodology. On average the new proportions are around a fifth smaller than the traditional rates, but there are variations around this (comparable figures are not available for previous years). The 2001 figures have been used to calculate unemployment rates for 2002 and 2003. These rates will be amended on release of new population estimates from the GRO(s).

### SUMMARY

The February 2004 unemployment figures were released on 17<sup>th</sup> March 2004. During the month, January 2004 to February 2004, the number of people claiming unemployment benefit in Great Britain rose by 0.6% to 923,658 (5,217 claimants). This figure is 5.5% lower than the February 2003 figure of 977,652 claimants.

Unemployment in Scotland also rose over the month. The rise of 0.9% (968 claimants) takes the number of unemployed from 105,928 to 106,896 claimants. This figure is lower than the same period last year (3.4% or 3,768 claimants).

The HIE area was the only area to witness a decrease over the month, down 2.2%, from 8,464 to 8,277 (187 claimants). However, as with Great Britain & Scotland, the figure is lower than the same period last year, a decrease of 7.7% (691 claimants).



Source: ONS (NOMIS)

Note: Official unemployment rates are only available from January 2001 onwards, however, they are still subject to change.

## UNEMPLOYMENT RATES

The table below illustrates the unemployment rates for February 2004, using the 1998 TTWAs (Travel-To-Work-Areas). The unemployment rates are compared with January 2004 and February 2003 to highlight the monthly and annual changes. The TTWAs are ranked in descending order by the February 2004 figure.

1998 TTWAs	February 2004(%)	January 2004(%)	February 2003 (%)
Sutherland	5.2	5.3	6.0
Campbeltown	4.7	4.8	5.0
Lewis & Harris	4.7	4.7	5.1
Wick	4.6	4.4	5.3
Dingwall	4.2	4.8	4.6
Skye & Ullapool	4.2	4.1	5.2
Uists & Barra	4.1	4.2	3.7
Dunoon & Rothesay	3.9	3.9	4.4
Argyll Islands	3.3	3.3	4.0
Lochaber	3.3	3.3	3.3
Keith & Buckie	3.0	3.0	3.0
Inverness	2.9	2.9	3.1
Lochgilphead	2.9	2.8	2.6
Thurso	2.8	3.0	2.8
Oban	2.5	2.7	3.2
Elgin & Forres	2.5	2.4	2.4
Badenoch & Strathspey	2.4	2.9	2.8
Orkney Islands	2.2	2.2	2.4
Shetland Isles	2.0	1.8	2.3
Dufftown	1.8	2.1	2.4
<b>HIE Area</b>	<b>3.2</b>	<b>3.3</b>	<b>3.5</b>
<b>Highland Council Area</b>	<b>3.4</b>	<b>3.6</b>	<b>3.8</b>
<b>Scotland</b>	<b>3.4</b>	<b>3.4</b>	<b>3.5</b>
<b>GB</b>	<b>2.6</b>	<b>2.6</b>	<b>2.8</b>

Source: Office for National Statistics (NOMIS) – rates are liable to change

Over the month to February 2004, unemployment fell in 8 of the 20 LEC areas, rose in 5 and remained static in 7. Dingwall had the greatest decrease, falling 0.6% to stand at 4.2%. Wick and Shetland experienced the greatest increase (0.2%).

Over the year to February 2004, unemployment decreased in 14 TTWAs, rose in 3, and remained static in 3. Sutherland had the greatest decrease, falling 0.8% to stand at 5.2%. The greatest increase was in Uists & Barra, rising 0.4% to 4.1%.

## NUMBERS OF UNEMPLOYED

The table below traces changes in the numbers (not rates) of unemployed people claiming benefits in the Highlands & Islands LEC areas between January 2004 and February 2004. A yearly comparison between February 2003 and February 2004 is also provided. The LECs are ranked in descending order by the size of the annual change in the number of unemployed, displayed in the right hand column.

<b>LEC Area</b>	<b>Number of Unemployed (February 2004)</b>	<b>% Change in Number of Unemployed (Jan 04 - Feb 04)</b>	<b>% Change in Number of Unemployed (Feb 03 - Feb 04)</b>
Skye & Lochalsh	301	-2.3	-25.9
Shetland	266	11.3	-14.5
Argyll & the Islands	1,343	-2.5	-11.0
Caithness & Sutherland	926	-2.0	-10.5
Ross & Cromarty	1,167	-8.0	-9.0
Orkney	255	-1.2	-7.6
Inverness & Nairn	1,413	-1.2	-5.7
Western Isles	698	-1.6	-5.0
Moray, Badenoch & Strathspey	1,529	-1.2	-0.8
Lochaber	379	-0.8	1.6
<b>HIE Area</b>	<b>8,277</b>	<b>-2.2</b>	<b>-7.7</b>
<b>Highland Council Area</b>	<b>4,357</b>	<b>-3.9</b>	<b>-9.1</b>
<b>Scotland</b>	<b>106,896</b>	<b>0.9</b>	<b>-3.4</b>
<b>GB</b>	<b>923,658</b>	<b>0.6</b>	<b>-5.5</b>

Source: Office for National Statistics (NOMIS)

Over the month, January 2004 to February 2004, the number of people claiming unemployment benefit rose in 1 LEC area - Shetland and fell in the remaining 9. The greatest decrease over the month occurred in Ross & Cromarty, which fell by 8.0 % (101 claimants).

Compared to last year, the number of unemployed was higher in only one LEC - Lochaber which rose by 1.6%. Skye & Lochalsh experienced the greatest decrease, falling by 25.9%.

Long-Term Unemployment/...

## LONG-TERM UNEMPLOYMENT

For the purpose of this analysis long-term unemployment (LTU) is defined as 'all those who have been unemployed and claiming benefit for over 6 months'. The table below shows the number of LTU for February 2004 in each of the LEC areas. It also highlights the percentage change in number of LTU over the month (January 2004 to February 2004) and over the year (February 2003 to February 2004). The LECs are ranked by the right hand column, which contains the size of the annual percentage change in numbers of LTU.

LEC Area	Number of LTU February 04	% Change in Number of LTU (Jan 04 - Feb 04)	% Change in Number of LTU (Feb 03 - Feb 04)
Orkney	47	9.3	-37.3
Skye & Lochalsh	82	-2.4	-19.6
Western Isles	224	-1.8	-8.6
Inverness & Nairn	260	-5.5	-7.1
Argyll & the Islands	420	-2.6	-6.7
Caithness & Sutherland	287	2.5	-6.5
Shetland	59	0.0	-6.3
Ross & Cromarty	229	8.5	0.9
Lochaber	72	-4.0	14.3
Moray, Badenoch & Strathspey	321	0.3	18.9
<b>HIE Area</b>	<b>2001</b>	<b>-0.2</b>	<b>-3.9</b>
<b>Highland Council Area</b>	<b>981</b>	<b>0.6</b>	<b>-4.8</b>
<b>Scotland</b>	<b>30849</b>	<b>-1.2</b>	<b>1.0</b>
<b>GB</b>	<b>286138</b>	<b>-1.5</b>	<b>-2.1</b>

Source: Office for National Statistics (NOMIS)

The number of LTU over the month decreased in 5 of the 10 LECs, rose in 4 and was static in the remaining 1 - Shetland. Inverness & Nairn had the greatest decrease, falling 5.5% (275 to 260 claimants). Orkney had the greatest increase, rising 9.3% (43 to 47 claimants).

Over the year February 2003 to February 2004, 7 of the 10 LECs experienced a decrease. As with last month Orkney witnessed the largest decrease with a fall of 37.3% (75 to 47 claimants).

Moray, Badenoch & Strathspey witnessed the greatest annual percentage increase, rising 18.9% (270 to 321 claimants) followed by Lochaber with an increase of 14.3%.

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<http://www.hie.co.uk>

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