

HIGHLANDS AND ISLANDS AREA PROFILE

May 2014



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean

INTRODUCTION

The Highlands and Islands area profile uses 2011 Census data and other available data sources to present an up-to-date analysis of its population and labour market.

The analysis is structured under the thematic headings of:

- Population.
- Labour market.
- Education and qualifications.
- Health and wellbeing.
- Ethnicity and migration.

To help contextualise the 2011 findings, the area profile includes corresponding figures where available for:

- Scotland as a whole.
- The 2001 Census, to show how the Highlands and Islands has changed over the last 10 years.

HEADLINE FINDINGS

The headline findings for the Highlands and Islands are:

- Total population was 466,112 in 2011, an increase of 7.5 per cent from 2001 and above the Scotland increase of 4.6 per cent.
 - Employment per 10,000 adults in line with Scotland. However, the Highlands and Islands has significantly higher numbers of businesses and business starts per 10,000 adults compared to the Scotland average.
 - A higher proportion of part-time employees and self-employed residents amongst the economically active population than the Scotland average.
 - A higher share of employment by industry in agriculture, forestry and fishing, construction, and accommodation and food services than the Scotland average.
 - A higher share of employment by occupation in skilled trades than the Scotland average.
 - Unemployment rates below those of Scotland as a whole. The annualised Jobseekers Allowance claimant count rate in 2013 was 2.4 per cent in the Highlands and Islands and 3.7 per cent across Scotland.
 - A lower proportion of working age out-of-work benefits claimants than the Scotland average.
 - School attainment and school leaver positive destinations rates (i.e. not into unemployment) above the Scotland average.
 - Qualifications profile of the adult population very close to that of Scotland as a whole.
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POPULATION

The profile begins with population data from the 2001 and 2011 Censuses, along with population projections to 2020.

In 2011, the Highlands and Islands had a total population of 466,112. This was an increase of 7.5 per cent from 2001, which was above the 4.6 per cent growth experienced by Scotland as a whole (see Figure 1).

FIGURE 1: TOTAL POPULATION

	2001	2011	% CHANGE
Highlands and Islands	433,524	466,112	+7.5
Scotland	5,062,011	5,295,403	+4.6



By age breakdown, the Highlands and Islands has an older age profile than Scotland.

- In 2011, 27.1 per cent of the Highlands and Islands population was aged 0-24 years, compared with Scotland's 29.2 per cent.
- 19.4 per cent were aged 65 years or above in the Highlands and Islands, compared with 16.8 per cent across Scotland.
- Between 2001 and 2011, there has been an ageing of the population across the Highlands and Islands and Scotland. For example the Highlands and Islands 65 years and over population increased from 17.2 per cent in 2001 to 19.4 per cent in 2011, while the population aged 45-64 years increased from 26.7 per cent to 29.7 per cent.

FIGURE 2: AGE BREAKDOWN OF 2001 AND 2011 POPULATION

		0-14	15-24	25-44	45-64	65+
Highlands and Islands	2001	18.3	10.3	27.4	26.7	17.2
	2011	16.3	10.8	23.7	29.7	19.4
Scotland	2001	17.9	12.5	29.2	24.5	15.9
	2011	16.1	13.1	26.5	27.5	16.8

Source: Census 2001 and 2011

By gender, some 49.0 per cent of the Highlands and Islands population was male in 2011, which was greater than the 48.5 per cent across Scotland.

FIGURE 3: GENDER BREAKDOWN OF 2001 AND 2011 POPULATION

		Male	Female
Highlands and Islands	2001	49.1	50.9
	2011	49.0	51.0
Scotland	2001	48.1	51.9
	2011	48.5	51.5

Source: Census 2001 and 2011

POPULATION PROJECTIONS

Looking forward, the General Register Office for Scotland's 2010-based population projections find that the Highlands and Islands population is expected to increase by 4.0 per cent between 2010 and 2020, which is marginally below the Scotland projected increase of 5.1 per cent.

LABOUR MARKET

Turning to the labour market data, the analysis of the resident population has been structured under the sub-headings of:

- Economically active
- In employment
- Unemployment
- Economically inactive

Utilising widely available labour market statistics, Figure 4 presents an overview of the total employment and business base for the Highlands and Islands and Scotland for 2012. These statistics show that per 10,000 adult residents the Highlands and Islands had:

- Employment (employees and working proprietors) per 10,000 adults in line with the Scotland level.
- Significantly more businesses per 10,000 adults than the Scotland average.
- More business starts per 10,000 population than Scotland.

FIGURE 4: TOTAL EMPLOYMENT, ACTIVE ENTERPRISES AND BUSINESS STARTS, 2012

	Total Employment	Number		Per 10,000 Adults		
		Active Enterprises	Business Starts	Total Employment	Active Enterprises	Business Starts
Highlands and Islands	201,600	17,575	1,627	5,519	479	44
Scotland	2,425,900	158,320	13,856	5,540	362	32

Source: Business Register and Employment Survey (Datazone definition), ONS Business Demography 2012, and Committee of Scottish Bankers New Businesses statistics.

Note: Enterprise data refers to VAT/PAYE registered enterprises.

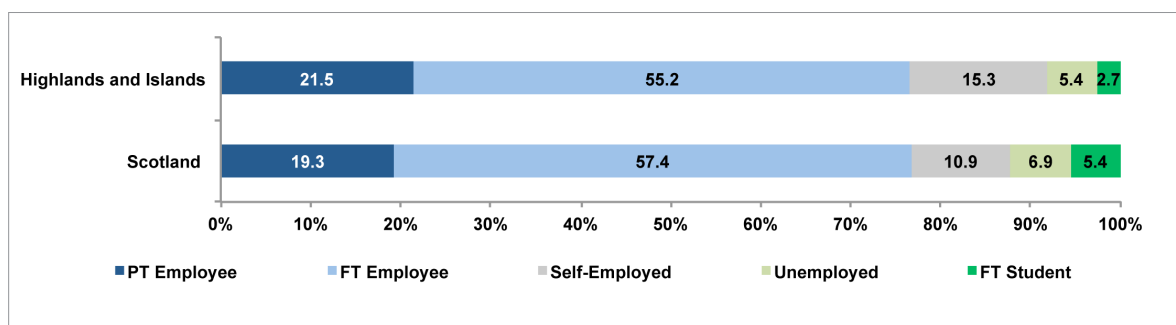
ECONOMICALLY ACTIVE

In 2011, some 71.3 per cent of the Highlands and Islands population aged 16 to 74 years were economically active, which was above the Scotland rate of 69.0 per cent.

Figure 5 provides a breakdown of the economically active population in terms of their employment status.

- The Highlands and Islands had a higher proportion of part-time employees (21.5 per cent) and a lower proportion of full-time employees (55.2 per cent) than Scotland (19.3 per cent and 57.4 per cent respectively).
- The Highlands and Islands had a higher proportion of self-employed residents (15.3 per cent) compared to Scotland's 10.9 per cent.

FIGURE 5: BREAKDOWN OF ECONOMICALLY ACTIVE 16 TO 74 POPULATION (%), 2011



Source: Census 2011

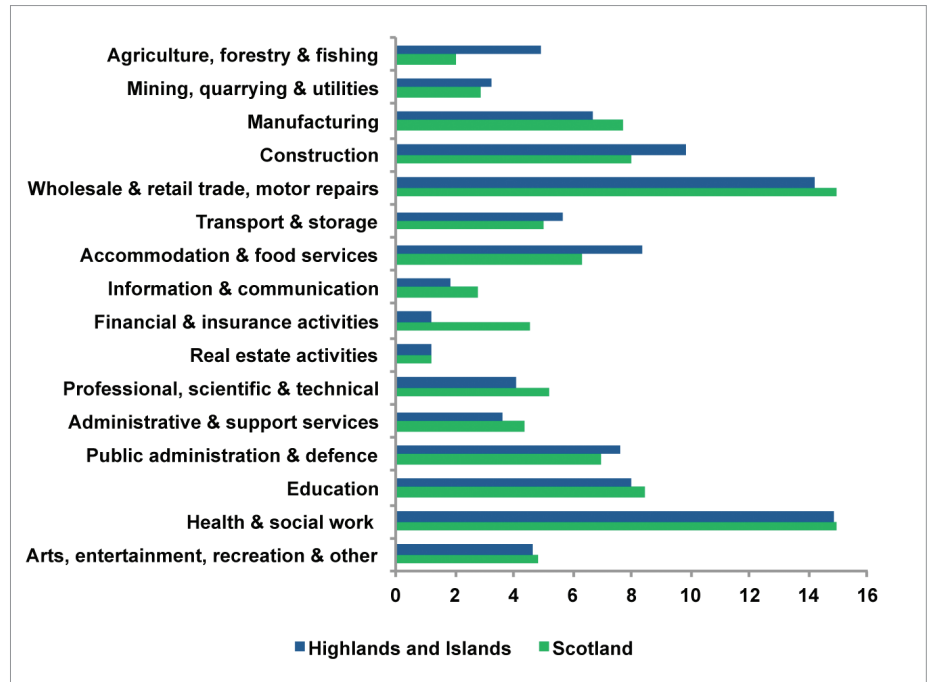
IN EMPLOYMENT

For those in employment, the Census provides information on the industry of employment, type of occupation and the number of hours worked per week.

By industry of employment in 2011, Figure 6 shows that relative to Scotland the Highlands and Islands had:

- A higher share of employment in agriculture, forestry and fishing, construction, and accommodation and food services.
- A lower share of employment in manufacturing, finance and insurance, and professional, scientific and technical activities.

FIGURE 6: EMPLOYMENT BY INDUSTRY (%), 2011

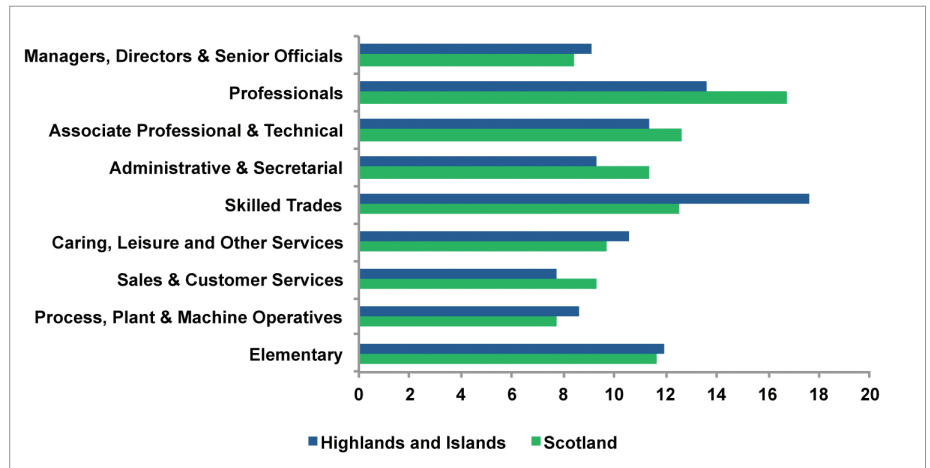


Source: Census 2011

Two charts are presented relating to employment by occupation. The first (Figure 7) presents the share of 2011 employment by occupation and shows that relative to Scotland the Highlands and Islands had:

- A higher share of employment in skilled trades.
- A lower share of employment in professional, administrative and secretarial, and sales and customer service occupations.

FIGURE 7: EMPLOYMENT BY OCCUPATION (%), 2011



Source: Census 2011

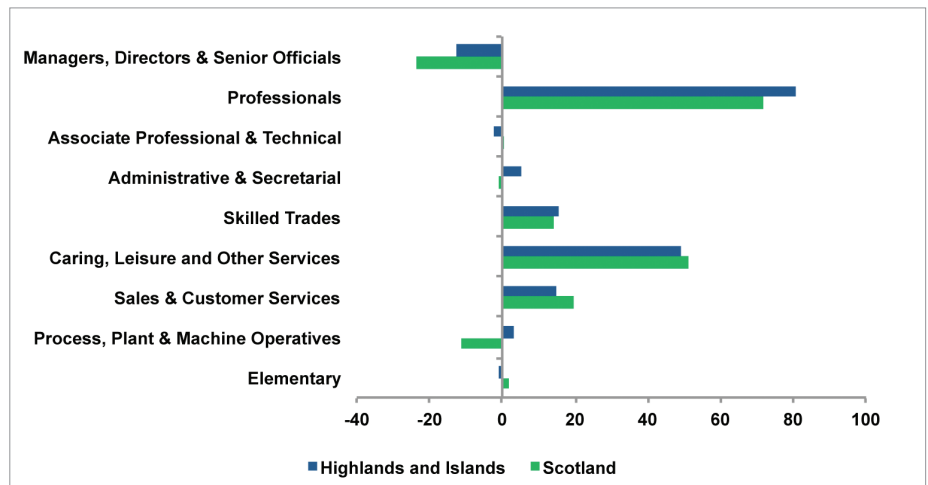
The second (Figure 8) shows the percentage change in employment by occupation between 2001 and 2011. It shows that the trends by occupation are similar across the Highlands and Islands and Scotland, with the exception that the Highlands and Islands has seen:

- Smaller percentage decline in managers, directors and senior officials.
- Larger percentage growth in professional occupations.

HOURS WORKED

By hours worked, the 2011 Census finds that working more than 49 hours per week was more common in the Highlands and Islands (16.1 per cent) than across Scotland as a whole (11.7 per cent).

FIGURE 8: % CHANGE IN EMPLOYMENT BY OCCUPATION, 2011



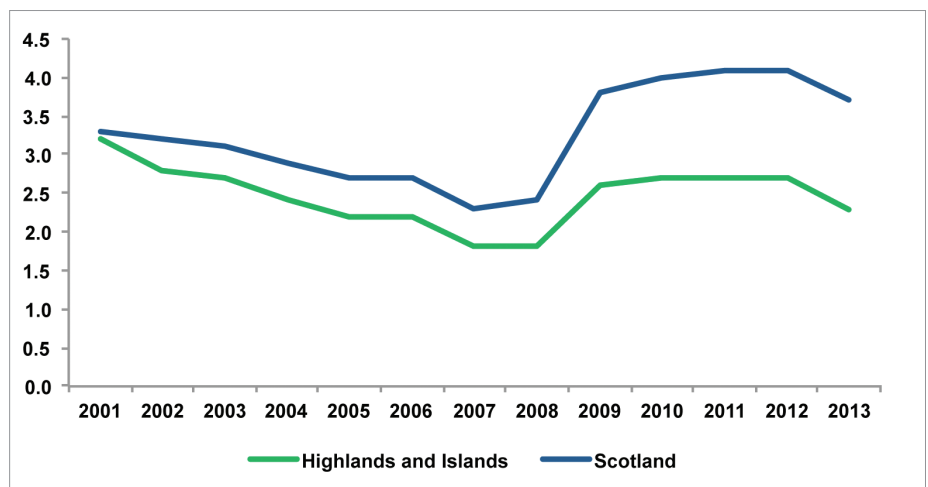
Source: Census 2001 and 2011

UNEMPLOYMENT

Jobseekers Allowance (JSA) Claimant Count data has been used to analyse unemployment levels. Figure 9 shows the annualised Claimant Count rate from 2001 to 2013.

- The Highlands and Islands rate was falling to 2008, then increased to a high of 2.7 per cent from 2010 to 2012, before falling to 2.4 per cent in 2013.
- The Highlands and Islands has a lower Claimant Count rate than Scotland as a whole, and the gap has notably widened since 2008. The Scotland Claimant Count rate in 2013 was 3.7 per cent.

FIGURE 9: CLAIMANT COUNT RATE OF 16-64 YEAR OLDS (%), 2001-2013



Source: NOMIS Claimant Count data

Note: Annualised data; datazone data available from 2005.

Figure 10 presents annualised Claimant Count data by gender, age and duration of claim for 2013. It shows:

- The male Claimant Count rate in the Highlands and Islands (3.2 per cent) was approximately two times greater than the female rate (1.5 per cent). This was the same differential for Scotland as a whole.
- The 16-24 year old Claimant Count in the Highlands and Islands (3.5 per cent) was below the Scotland rate of 5.4 per cent.
- Amongst 25-64 year olds the Highlands and Islands Claimant Count rate (2.1 per cent) was again below the Scotland rate of 3.3 per cent.

FIGURE 10: BREAKDOWN OF JOBSEEKERS ALLOWANCE CLAIMANTS, 2013

	Highlands and Islands		Scotland	
	Number	Rate	Number	Rate
Male	4,580	3.2	87,410	5.1
Female	2,170	1.5	41,250	2.3
16-24	1,570	3.5	34,350	5.4
25-64	5,160	2.1	93,980	3.3
Up to 6 months	3,980	-	69,570	-
6-12 months	1,040	-	22,000	-
1-2 years	890	-	18,700	-
2 years +	820	-	18,060	-
Total	6,750	2.4	128,670	3.7

Source: NOMIS Claimant Count data

Note: Annualised data; Rates for 16-24 and 25-64 year olds calculated using 2011 Census data

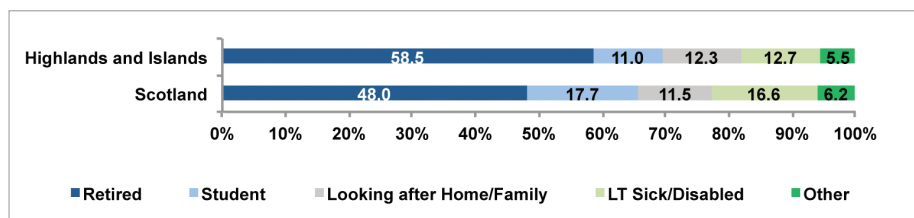
ECONOMICALLY INACTIVE

In 2011, some 28.7 per cent of Highlands and Islands 16 to 74 year olds were economically inactive, compared with 31.0 per cent across Scotland.

Figure 11 provides a breakdown of the economically inactive and shows:

- The Highlands and Islands had a higher proportion of its economically inactive population who were retired at 58.5 per cent compared with Scotland at 48.0 per cent.
- The Highlands and Islands had lower proportions of their economically inactive populations who were students (11.0 per cent) and long-term sick or disabled (12.7 per cent) compared with the Scotland average (17.7 per cent and 16.6 per cent respectively).

FIGURE 11: BREAKDOWN OF ECONOMICALLY INACTIVE 16 TO 74 POPULATION (%), 2011



Source: Census 2011

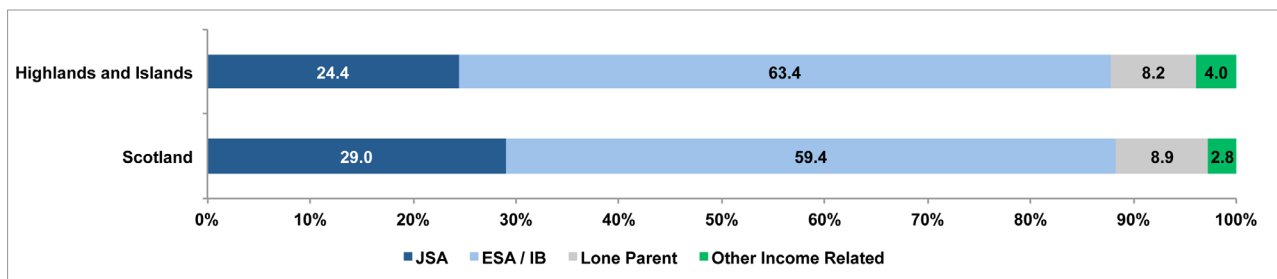
OUT OF WORK BENEFITS

Department for Work and Pensions (DWP) out of work benefits claimant data provides more recent information on working age out-of-work benefits claimants, of which many are economically inactive. In May 2013:

- There were 28,180 people aged 16 to 64 years in the Highlands and Islands claiming out-of-work benefits.
- This equates to 9.2 per cent of the working age population, which is below the Scotland rate of 12.9 per cent.

- Figure 12 shows the breakdown of out-of-work benefit claimants by statistical group, with proportionately more Employment and Support Allowance/ Incapacity Benefits claimants (63.4 per cent) amongst the Highlands and Islands claimant population than Scotland as a whole (59.4 per cent).

FIGURE 12: OUT-OF-WORK BENEFITS CLAIMANTS BY STATISTICAL GROUP (%), MAY 2013



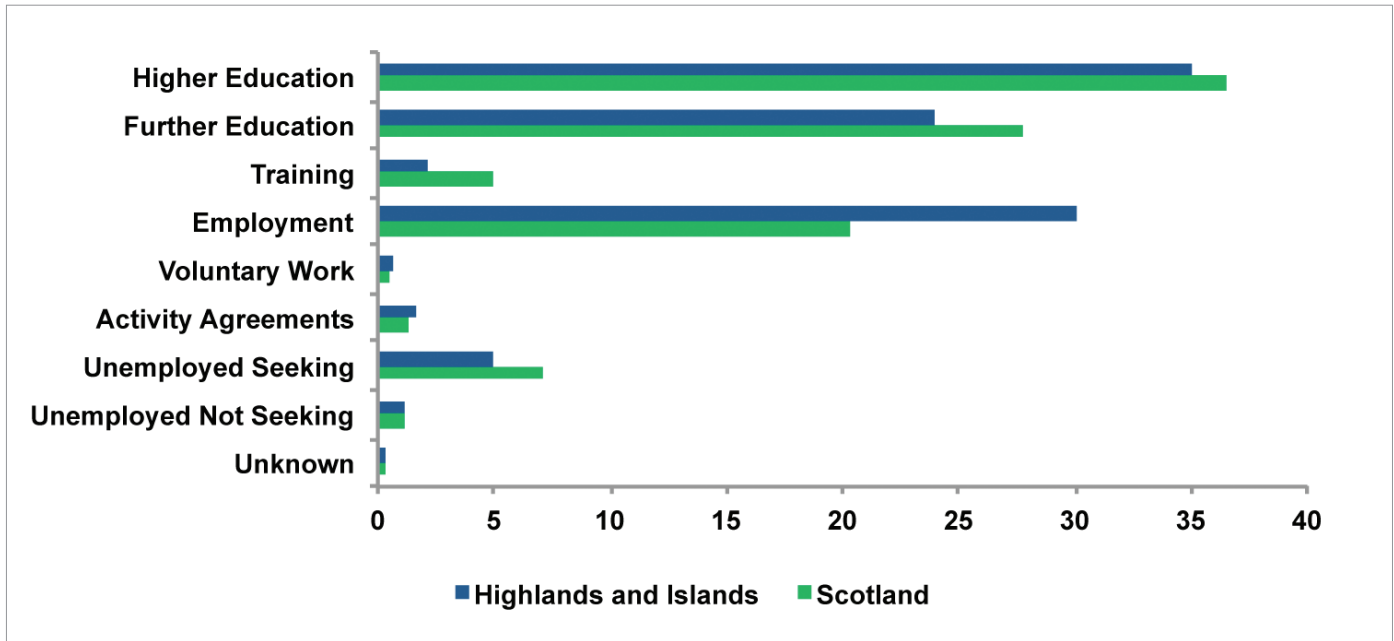
Source: NOMIS DWP WPLS data

Education and Qualifications

Data available from the Scottish Government, Skills Development Scotland and the Census highlight the key education and qualification trends in the Highlands and Islands. They show that:

- In 2011/12, some 82.9 per cent of Highlands and Islands S4 pupils achieved 5 awards at SCQF Level 4 and above. This was above the Scotland rate of 80.2 per cent.
- In 2012/13, some 93.5 per cent of Highlands and Islands school leavers entered a positive destination, which was above the 91.4 per cent for Scotland. Figure 13 shows the breakdown by destination type and shows the Highlands and Islands profile is quite distinct from the Scotland profile. For example:
 - A higher proportion (30.0 per cent) entered employment than the Scottish average (20.4 per cent).
 - A lower proportion (23.9 per cent) entered further education than the Scottish average (27.8 per cent).
 - The Highlands and Islands also had a lower proportion in training or unemployed than Scotland as a whole.

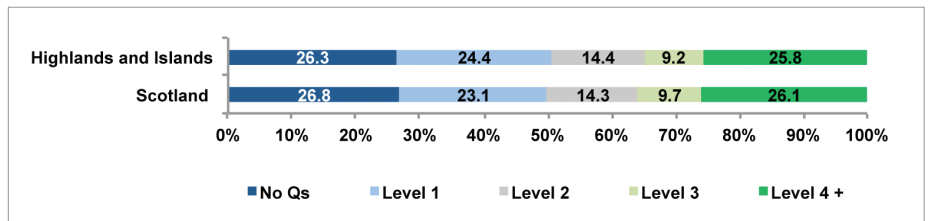
FIGURE 13: SCHOOL LEAVER DESTINATIONS (%), 2012/13



Source: Skills Development Scotland SLDR 2012/13 Initial Destination Figures
 Note: School attainment and destination figures are only available for local authority areas, therefore the Highlands and Islands figures include all of Argyll and Bute.

The 2011 Census provides information on the highest qualification level held by people aged 16 and above. Figure 14 shows that there was very little difference in the qualification profiles of the Highlands and Islands and Scotland. The main difference was that 24.4 per cent of Highlands and Islands adults were qualified at Level 1, which was above the Scotland proportion of 23.1 per cent.

FIGURE 14: HIGHEST QUALIFICATION HELD BY PEOPLE AGED 16 AND ABOVE, 2011



Source: Census 2011
 Note: Level 1 = Standard Grade, SVQ Level 1 or 2, or equivalent.
 Level 2 = Higher Grade, Advanced Higher Grade, SVQ Level 3 or equivalent.
 Level 3 = HNC, HND, SVQ Level 4 or equivalent.
 Level 4 = Degree, Postgraduate qualifications, SVQ Level 5 or equivalent.

Health and Wellbeing

Health and wellbeing are key contributors to an individual's economic activity. Health statistics from the 2011 Census show that the Highlands and Islands had a marginally better health profile than Scotland as a whole.

- On perception of general health, some 83.8 per cent of the Highlands and Islands population stated that their health was 'very good' or 'good', compared with 82.2 per cent across Scotland.
- Some 18.9 per cent of the Highlands and Islands population reported a limiting long-term illness or health problem that affected their day-to-day activities. This was below the 19.6 per cent across Scotland.
- Some 9.1 per cent of the Highlands and Islands population provided unpaid care on a weekly basis. The Scotland rate was 9.3 per cent.

Ethnicity and Migration

The Highlands and Islands profile concludes with the ethnicity and migration statistics from the 2011 Census. They show that:

- Some 98.8 per cent of the Highlands and Islands population were 'white', which is above the Scotland proportion of 96.0 per cent.
 - Of the 'white' population, some 81.0 per cent in the Highlands and Islands were 'white Scottish', while 15.4 per cent define themselves as 'white British'. The proportion of 'white Scottish' is below the 87.4 per cent across Scotland.
- Some 5.2 per cent of the Highlands and Islands population were born outside of the UK, which was above the 3.1 per cent in 2001. Across Scotland the proportion was 7.0 per cent in 2011, up from 3.8 per cent in 2001.

FURTHER INFORMATION

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