

Welcome to the latest edition of the Edinburgh Labour Market Bulletin. Produced by the City of Edinburgh Council's City Development Department in conjunction with the City's Jobs Strategy Partnership, this quarterly bulletin provides a regular picture of labour market conditions in the Scottish Capital and short features on hot topics within the local economy. This quarter we take a look at the uses and limitations of labour market statistics.

Summary Analysis

The Scottish labour market has remained robust for the second quarter of 2008. The proportion of Jobseeker's Allowance claimants in Edinburgh, the Lothians and Scotland has stayed much the same since the start of the year – slightly higher than the record lows achieved six months ago.

Current vacancy statistics from Job Centre Plus tell us that there are fewer vacancies at a Scotland level and more at an Edinburgh level compared with this time last year. Scotland has seen a fall in vacancies in all job descriptions, with the exception of professionals. Interestingly, there has been a greater variation in vacancies between sectors in the Capital. Vacancies for managers and senior officials have more than doubled in the past year, rising to 261; while administrative and secretarial vacancies have almost halved, falling to 267.

When grouped by industry, vacancies in Scotland have fallen in all sectors, apart from the financial sector. This fall was strongest in the distribution, hotels and restaurants sector, where they fell by around 3,000. In Edinburgh the financial sector saw vacancies rise the most (a 46% increase); while the retail sector saw the largest fall in vacancy numbers (a 57% decrease).

Our regular press round-up indicates that more new jobs have been announced than job losses, with the new Asda store in Leith and the Ryanair hub at Edinburgh airport both welcome news. However, the credit crunch has had an impact with some employers in the financial sector announcing redundancies. We hope that you find this bulletin useful and would be delighted to receive any feedback. To be added to the mailing list or to provide feedback please contact David Hanna at david.hanna@edinburgh.gov.uk

City and National Trends Quarter 2, 2008

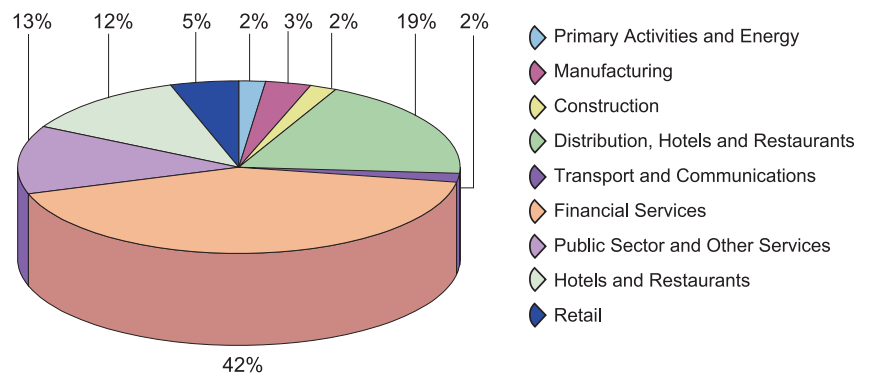
Key Indicators

	Edinburgh City	Lothian	Scotland
In employment (October 06 – September 07)	77%	77.7%	75.9%
Economically inactive (October 06 – September 07)	19.4%	18.5%	20%
Claimant unemployed (% working age population, April 08)	1.7%	1.8%	2.3%
Long term unemployed (> 12 months, January 08)	10.2%	9.6%	11%

Source: NOMIS

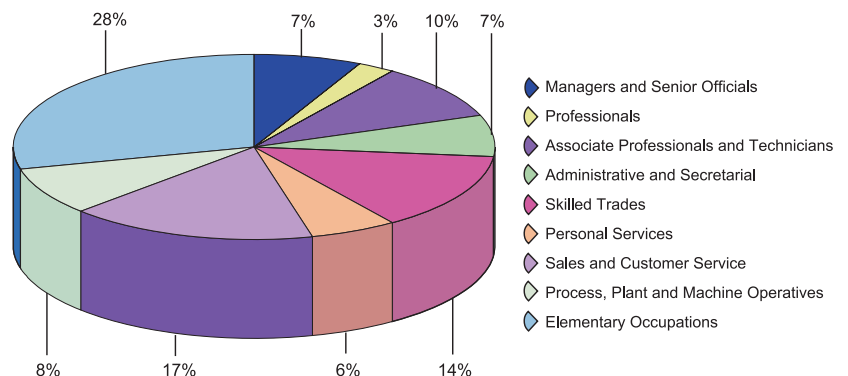
Vacancies in Edinburgh: Q2 2008

Vacancies in Edinburgh by Industry



Source: NOMIS (as notified by Jobcentre Plus).

Vacancies in Edinburgh by Occupation



Source: NOMIS (as notified by Jobcentre Plus).



Ward Labour Supply statistics April 2008

Presented below is a labour market snapshots for each of the wards in the city. Due to the current lack of data for the new wards information is constructed using clusters of the previous wards on which statistics have been gathered. It should be noted that this is not an exact match.

Priority action areas as defined in the Regeneration Outcome Agreement are **highlighted** within the relevant grouping.

All information presented in this section is sourced via the NOMIS Labour Market Statistical website and the Census data 2001. The % figures are based on the working age population living in each ward and LTU = long term unemployed.

Symbols used in the Labour Supply statistics.

The arrows denote how the claimant count unemployment rate has changed since the previous bulletin figures.

The symbols denote how the claimant count unemployment rate in each ward compares to the City rate.

Ward 1: Almond

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	79.4	17.6	151	1	9.3	0.0	-22.2		
Dalmeny/Kirkliston	79.3	17.4	85	1.2	10.3	39.3	46.6		
Queensferry	82.6	14.6	67	1.1	11.3	3.1	8.1		
Cramond	75.1	21.9	42	0.7	3.2	68.0	35.5		

Ward 2: Pentland Hills

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	71.1	25.4	185	1.2	4.9	0.0	-9.8		
Balerno	79.2	18.2	30	0.6	0.0	-11.8	11.1		
Baberton	79.1	19.1	34	0.8	13.5	6.3	-10.5		
Sighthill	58.8	35.8	141	1.9	3.4	18.5	17.5		

Ward 3: Drum Brae/Gyle

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	79.4	17.6	180	1.2	12.3	19.2	2.9		
East Craigs	76.5	19.5	87	2	6.7	19.2	-4.4		
Gyle	84.7	13.1	42	0.9	18.8	-12.5	-12.5		
North East Corstorphine	76.2	21.0	46	0.9	17.1	53.3	12.2		

Ward 4: Forth

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	66.6	28.0	755	3.9	11.0	-1.3	-5.9		
Muirhouse/Drylaw	54.8	37.0	314	5.7	7.5	9.8	5.7		
Pilton	67.0	27.7	224	4.2	13.0	2.8	4.2		
Granton	65.7	29.1	219	4.4	14.5	4.3	9.0		
Trinity	80.7	16.9	45	0.9	9.5	-11.8	7.1		

Ward 5: Inverleith

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	79.6	17.8	145	0.8	7.6	-4.0	-19.0	↓	🟡
Craigleith	75.4	22.1	41	0.9	5.3	28.1	7.9	↑	🟢
Dean	82.1	15.2	43	0.8	4.9	-12.2	4.9	↑	🟢
Stockbridge	81.0	15.8	61	0.8	11.6	41.9	41.9	↑	🟢
Davidsons Mains	79.0	19.0	34	0.5	8.7	25.9	47.8	↑	🟢

Ward 6: Corstorphine/Murrayfield

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	77.7	19.3	195	1.4	8.9	6.6	2.1	↑	🟢
Murrayfield	79.8	17.3	31	0.8	0.0	-3.1	-16.2	↓	🟢
South East Corstorphine	81.9	15.8	43	0.9	12.2	34.4	0.0	→	🟢
Stenhouse	70.9	25.3	117	2.6	10.7	-1.7	1.7	↑	🔴

Ward 7: Sighthill/Gorgie

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	67.9	26.6	541	3.6	7.5	-0.9	-16.6	↓	🔴
Parkhead	65.7	28.3	209	4	8.8	11.2	7.7	↑	🔴
Moat	72.1	24.1	158	2.1	12.1	53.4	58.0	↑	🔴
Murray Burn	66.1	27.3	282	4.7	4.6	10.6	14.2	↑	🔴

Ward 8: Colinton/Fairmilehead

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	76.7	20.2	138	0.9	4.4	19.0	-6.8	↓	🟢
Colinton	77.6	20.2	25	0.4	0.0	31.6	8.7	↑	🟢
Firrhill	71.7	23.1	92	2	6.7	15.0	1.1	↑	🔴
Fairmilehead	80.3	17.6	31	0.5	0.0	82.4	29.2	↑	🟢

Ward 9: Fountainbridge/Craiglockhart

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	77.4	18.4	235	1.5	11.5	-5.2	-15.8	↓	🟢
Craiglockhart	79.0	18.5	27	0.4	10.5	0.0	42.1	↑	🟢
Shandon	81.9	14.2	133	1.8	12.5	15.7	18.8	↑	🔴
Fountainbridge	71.0	23.2	119	1.9	10.6	12.3	14.4	↑	🔴

Ward 10: Meadows/Morningside

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	69.8	26.7	135	0.6	14.2	-14.6	-22.9	↓	🟢
Merchiston	74.0	22.1	58	0.8	14.9	16.0	20.8	↑	🟢
North Morningside/Grange	73.0	23.7	56	0.8	19.4	27.3	55.6	↑	🟢
Marchmont	55.9	40.0	38	0.4	9.1	31.0	72.7	↑	🟢
South Morningside	78.6	18.8	23	0.6	10.3	-34.3	-20.7	↓	🟢

Ward 11: City Centre

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	68.8	26.1	305	1.7	10.9	-2.2	-11.8	↓	🟡
Dalry	72.2	22.9	170	2.2	11.4	11.8	14.1	↑	🔴
New Town	72.1	24.3	70	0.8	12.8	42.9	48.9	↑	🟢
Tollcross	61.8	31.6	106	1.8	9.3	-4.5	-2.8	↓	🔴

Ward 12: Leith Walk

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	75.9	19.9	426	2.6	12.2	5.4	-10.3	↓	🔴
Broughton	78.0	18.4	125	2.2	8.4	7.8	-4.6	↓	🔴
Calton	76.1	19.8	124	1.9	15.9	13.8	15.9	↑	🔴
Harbour	73.2	21.7	226	3.8	12.8	26.3	20.2	↑	🔴

Ward 13: Leith

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	76.1	19.7	477	3.1	13.1	4.1	-6.1	↓	🔴
Newhaven	73.0	22.7	207	3.8	11.1	15.6	7.3	↑	🔴
Lorne	75.3	19.8	184	3.3	12.9	7.6	7.6	↑	🔴
Leith Links	80.0	16.5	117	2.2	16.8	8.3	3.5	↑	🔴

Ward 14: Craightinny/Duddingston

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	69.8	25.5	548	2.7	11.5	-4.2	-10.0	↓	🔴
Holyrood	57.9	34.8	193	3.4	11.4	12.2	10.3	↑	🔴
Meadowbank	80.3	16.5	118	1.9	13.3	-2.5	11.3	↑	🔴
Mountcastle	75.4	21.0	89	1.6	10.4	6.0	15.6	↑	🟢
Restalrig	65.1	30.1	209	3.7	11.1	7.2	10.0	↑	🔴

Ward 15: Southside/Newington

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	59.2	36.6	204	0.9	10.8	4.1	-15.7	↓	🟢
Southside	56.2	39.1	125	1.5	12.5	28.9	30.2	↑	🟢
Sciennes	66.5	29.6	32	0.5	18.5	10.3	18.5	↑	🟢
Newington	70.9	26.5	40	0.6	10.3	11.1	37.9	↑	🟢
Prestonfield	45.8	48.8	45	0.9	3.8	32.4	-13.5	↓	🟢

Ward 16: Liberton/Gilmerton

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	70.1	25.6	425	2.2	7.1	6.3	-9.8	↓	🔴
Alnwickhill	74.6	22.1	82	1.5	2.9	22.4	17.1	↑	🟢
Kaimes	65.8	29.1	169	2.6	6.4	45.7	35.2	↑	🔴
Moredun	64.8	29.6	156	3.4	8.2	0.6	-1.3	↓	🔴
Gilmerton	74.4	22.0	64	1.3	9.7	3.2	-11.1	↓	🟢

Ward 17: Portobello/Craigmillar

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Ward Data	70.0	25.7	422	2.3	10.2	-3.9	-19.2	↓	⬇️
Portobello	77.5	19.7	97	1.6	14.3	49.2	36.6	↑	⬆️
Milton	73.0	23.0	99	1.9	12.0	4.2	19.3	↑	⬇️
Craigmillar	52.2	40.6	250	4.3	9.6	20.2	32.3	↑	⬇️
Duddingston	76.6	20.1	76	1.6	6.3	7.0	-3.8	↓	⬆️

EDINBURGH

	In Employment %	Economically inactive %	Total Claimant unemployed Q1 2008	%	% LTU >1 year	Quarterly % change	Annual % change	Direction of Annual change	Position relative to City average
Edinburgh	78.0	18.4	5,467	1.7	0.0	0.6	-11.4	↓	N/A

The base used for calculation of UNEMPLOYMENT RATES is the working age population of each ward, based on GROS mid year population estimates.

Demand for Labour April 2008

Labour Demand Summary Statistics

Vacancies (April 2008)	SCOTLAND		Movement since last year	EDINBURGH		Movement since last year
	Q2 2008	Q2 2007		Q2 2008	Q2 2007	
Notified	34,022	40,921	↓	3,637	3,566	↑
Average length (weeks)	5.25	5.44	↓	3.92	5.14	↓
Proportion >13 weeks old	7.6%	6.6%	↑	3.90%	3.80%	↑
...notified by Occupation						
Managers and Senior Officials	991	1,267	↓	261	121	↑
Professionals	811	775	↑	91	144	↓
Associate Professionals and Technicians	2,662	3,737	↓	353	276	↑
Administrative and Secretarial	3,297	3,586	↓	267	421	↓
Skilled Trades	3,755	5,287	↓	496	458	↑
Personal Services	3,005	3,463	↓	214	265	↓
Sales and Customer Service	7,617	7,913	↓	601	693	↓
Process, Plant and Machine Operatives	3,411	4,022	↓	302	259	↑
Elementary Occupations	8,473	10,871	↓	1,052	929	↑
...notified by Industry						
Primary Activities and Energy	802	988	↓	91	36	↑
Manufacturing	1,334	1,622	↓	145	75	↑
Construction	1,217	1,515	↓	85	141	↓
Distribution, Hotels and Restaurants	6,944	10,136	↓	830	1,110	↓
Transport and Communications	901	1,450	↓	71	137	↓
Financial Services	16,951	16,938	↑	1,848	1,264	↑
Public Sector and Other Services	5,873	8,272	↓	567	803	↓
Hotels and Restaurants	3,500	4,634	↓	539	507	↑
Retail	2,377	3,862	↓	217	499	↓

Source: NOMIS

Retail

A new **Sainsbury's** store on Middle Meadow Walk opened its doors for business in March, creating 35 jobs. The new store joins Starbucks and Peters Yard bakery as new outlets facing the footpath. A further 35 jobs will be created with the opening of a new **Marks & Spencer** in Meadowbank retail park.

On a larger scale, **Asda** have announced that their new store on the Waterfront will open in the Autumn of 2008. The "European style" store at Ocean Drive in Leith has many environmentally-friendly features, and will create up to 400 jobs, providing a much needed service for grocery shoppers across Leith, and for new residents moving into the neighbouring Western Harbour area.

Finance

Wealth management company **Rensburg Sheppards** has expanded its presence in Scotland through opening its eleventh UK office on George Street. The company currently manages in excess of £14 billion and employs more than 240 portfolio managers and a large research team.

Meanwhile 45 jobs at the **Bank of Scotland** have been lost as a result of the credit crunch. The bank recently announced that it is to cut 90 jobs in the UK, 45 of which will be in various locations in Edinburgh.

Hospitality

Bakery giant **Greggs** opened its second shop on Rose Street in February, creating 11 jobs and bringing the total number of outlets in Edinburgh to 15.

Twelve jobs will be lost when the **Caledonian Ale House** in Haymarket is demolished in June. The pub, which was a haunt for ruby and football fans, was compulsorily purchased by tram firm TIE two years ago, and will be knocked down to make way for a viaduct across the train station car park for the trams.

Tourism

Ryanair has made Edinburgh Airport its 27th base and is now home to two of its planes. Twelve new direct routes from the Capital will be added over the course of the year, bringing the total number of destinations served by the airline to 19. Two hundred new jobs will be created in the city region both at the airport itself, and in airport-based services such as catering and handling. Ryanair also claims that the new routes, which will serve an extra 1.2 million passengers, will indirectly create the need for in a further 1,000 jobs in the tourism and hotel industries.

Business Services

Independent estate agency **Stewart Saunders** went into liquidation in April forcing it to axe its ten staff. The firm had performing well in recent years, growing at 25 per cent a year and achieving record sales of £25m in 2006, but was affected by the credit crunch and the slowdown in the housing market in 2008.

Meanwhile, print and digital media firm **Stewarts of Edinburgh** has expanded west to Livingston. The growing company moved its 75 existing staff to the new £5 million five-acre site at Kirkton Campus, where it will look to recruit an additional ten staff.

IT

Logica recently announced it would shed 500 UK jobs as part of a £110 million restructuring programme. The company currently employs 300 staff in its Scottish offices in Aberdeen, Glasgow and Edinburgh. It is unclear how many of these jobs will be lost in the Capital.

Life Sciences

A council report on the **Edinburgh Science Triangle** has predicted that the growing science community in the city region will generate 600 new jobs and an additional £30 million in the next three years, with European funding expected to attract new companies to the area.

Total known gain: 681

Total known loss: 142

Labour Market Statistics

Statistics can be a two-edged sword – an invaluable tool in the prioritisation of limited resources or if used inappropriately then they can paint a false picture of the underlying problems within the local labour market.

This is particularly pertinent to the issue of employment where practitioners and policy makers are seeking, through statistical analysis, to gain an insight into the dynamics and failures in the local labour market that are essential in determining the optimum pattern of provision.

As the labour market bulletin seeks to inform on employment trend in the local economy it is appropriate that some column inches are devoted to explaining the derivation of some of the figures used in the bulletin.

Claimant unemployment rate

The claimant rate of unemployment is the most often quoted measure of unemployment in cities and communities and is effectively the number of people claiming jobseeker benefits.

This has the benefit of being readily available and because it is a full sample also gives rates at Local Authority ward level (currently 1993 wards), but because it is based on benefit status it is widely recognised as underestimating the true rate of unemployment.

It is for this reason, amongst others, that the International Labour Organisation (ILO) measure of unemployment is the preferred indicator of unemployment levels, which in the UK is determined through data collected by the Labour Force Survey (LFS).

In Employment and Economic Activity rates

The LFS is a representative survey of households, compiled in accordance with definitions set out by the ILO.

It defines being in employment as anyone of working age (aged 16-64 or 59 for women) who does at least one hour's paid work in the week prior to their LFS interview, or has a job that they are temporarily away from (e.g. on holiday). Also included are people who do unpaid work in a family business and people on government supported employment training schemes.

According to ILO definitions, those who are not in employment are either unemployed or economically inactive depending upon their job search activity and their availability for work.

As well as measuring the number of people in employment, the LFS collects information on working patterns (full-time/part-time status, temporary or permanent work, hours worked), on the industry of the organisation people work for, their occupation, ethnicity and details of any disabilities.

Although able to give a better indication of the true level of unemployment the LFS does have a number of shortcomings in terms of coverage, interpretation of data over time and sampling variability that guides its use.

As it is a survey of private households, employment estimates reflect the area of residence of people with jobs.

The LFS excludes people who live in communal establishments. This means that the LFS misses employed people living in establishments such as boarding schools, workers' hostels and residential homes. Around 1% of the population are excluded because of this.

Publishing the latest three months' average data each month leaves several options for comparing over time. ONS recommends that, for seasonally adjusted data, comparisons over time should be made with the preceding non-overlapping three-month average. For non-seasonally adjusted data, comparisons should be made with the same period a year ago.

As it is a household survey the sampling process introduces sampling variability into the figures and figures produced by ONS through the LFS generally have a confidence interval that highlights the potential error factor in the stated figures.

This article has sought to give a flavour of what common statistical measures are outlining and highlighting some of their limitation, but more detailed guides are available on the website of the Office for National Statistics at <http://www.statistics.gov.uk/instantfigures.asp>

Other useful links

How exactly is Employment Measured?

http://www.statistics.gov.uk/downloads/theme_labour/employment.pdf

How exactly is unemployment measured?

http://www.statistics.gov.uk/downloads/theme_labour/unemployment.pdf

Edinburgh Labour Market Profile

<https://www.nomisweb.co.uk/reports/lmp/la/2038432133/REPORT.aspx>

Useful Definitions, Documents and Links

Unemployment

Unemployment rates are based on Job Seekers Allowance (JSA) Claimant Count data which records the number of people claiming JSA and National Insurance credits at Job Centre Plus local offices.

Economic inactivity

Economic inactivity is a measure of the proportion of the working aged population who are not actively seeking employment. This would include those on long-term disability benefits, students and home-makers.

Long-Term Unemployed (LTU)

Are defined as those in receipt of Job Seekers Allowance for 12 months or more.

Economic activity

Economic activity is a measure of the proportion of the working aged population considered to be playing an active role in the labour market. This therefore includes those who are unemployed but available for and actively seeking work as well as those currently in employment.

Vacancies notified

Data about vacancies is based on the total vacancies notified to employment service job centres in any given period. Since not all vacancies are notified in this way these data are not a comprehensive source and provide only an indication of the type and level of vacancies available at any time.

ROA wards

The Regeneration Outcome Agreement is a commitment with Central government to support the regeneration of communities falling within the worst 15% of data zones, as defined in the Scottish Index of Multiple Deprivation (SIMD 2004). Further details can be found at: http://www.joinedupforjobs.org.uk/employment/docs_agreements.shtml

Ward Boundaries

Maps of the "New" (fourth review) and "Old" (third review) ward boundaries used in the bulletin can be found at <http://www.bcomm-scotland.gov.uk/index.html>

For more information visit our websites or contact the Access to Employment team



Joined up for Jobs website (Labour Market information)
<http://www.joinedupforjobs.org.uk>



Capital Review website (Economic information)
<http://www.capitalreview.co.uk>

EDINBURGH
THE CITY OF EDINBURGH COUNCIL