

ECONOMY AND LABOUR MARKET

Labour Market Statistics for 16 to 24 year olds: Scotland and the United Kingdom

Statistics from the Annual Population Survey,
April 2021 to March 2022,
first published 20 July 2022

This publication contains the latest estimates of employment, unemployment and economic inactivity for 16 to 24 year olds. Estimates are for Scotland and the United Kingdom and cover the period April 2021 to March 2022. Data are sourced from the Annual Population Survey, first released on 20 July 2022 by the Office for National Statistics.

The Annual Population Survey is the National Statistics source for labour market indicators by region and age. National Statistics meet the highest standards of trustworthiness, quality and public value.

Key points

The latest Annual Population Survey (APS) data are for April 2021 to March 2022. Some Government policies relating to COVID-19 were in place during this time. The impact of these policies are likely to be seen in the estimates.

The latest estimates for 16 to 24 year olds in Scotland show the unemployment rate has decreased over the year, the employment rate has increased and the economic inactivity rate has decreased.

In Scotland in April 2021 to March 2022:

- the employment rate estimate for 16 to 24 year olds was 56.4 per cent
- the unemployment rate estimate for 16 to 24 year olds was 9.1 per cent
- the economic inactivity rate estimate for 16 to 24 year olds was 38.0 per cent

Compared with the previous year:

- the employment rate for 16 to 24 year olds increased by 3.4 percentage points
- the unemployment rate for 16 to 24 year olds decreased by 3.3 percentage points
- the inactivity rate for 16 to 24 year olds decreased by 1.6 percentage points Compared with the United Kingdom as a whole:
 - the employment rate for 16 to 24 year olds was higher (56.4 per cent compared to 52.5 per cent)
 - the unemployment rate for 16 to 24 year olds was lower (9.1 per cent compared to 11.5 per cent)
 - the inactivity rate for 16 to 24 year olds was lower (38.0 per cent compared to 40.6 per cent)

Comparing men and women aged 16 to 24 years in Scotland:

- the employment rate estimate for men was lower than women (55.2 per cent compared to 57.5 per cent)
- the unemployment rate estimate for men was higher than women (10.7 per cent compared to 7.5 per cent)
- the economic inactivity rate estimate for men was higher than women (38.2 per cent compared to 37.8 per cent)

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About this publication

This publication contains the latest estimates of employment, unemployment and economic inactivity for 16 to 24 year olds. Estimates are for Scotland and the United Kingdom and cover the period April 2021 to March 2022. Data are sourced from the Annual Population Survey (APS); first released on 20 July 2022 by the Office for National Statistics (ONS).

The APS combines results from the Labour Force Survey (LFS) with the English, Welsh and Scottish LFS boosts. This provides a larger annual sample of households. Compared with the quarterly LFS, the annual data is statistically more robust. Estimates for local areas and smaller populations (including those aged 16 to 24 years) are more accurate as a result.

The APS is the National Statistics source for labour market indicators by region and age. Compared to the APS, the LFS shows similar long-term labour market trends for 16 to 24 year olds in Scotland. The ONS publish LFS estimates for 16 to 24 year olds as Official Statistics in their monthly publication.

In addition to estimates in this publication, tables are available on the <u>Scottish</u> <u>Government website</u>.

Important Note:

In July 2022, APS responses for periods April 2019 to March 2020 onwards were reweighted using updated HM Revenue and Customs (HMRC) Real Time Information (RTI) data. Estimates for April 2019 to March 2020 and April 2020 to March 2021 may differ from those previously published.

An ONS article which provides further information on the reweighting exercise can be found at: lmpact-of-reweighting-on-Labour-Force-Survey-key-indicators-Office-for-National Statistics

The Scottish Government introduced policies in relation to the COVID-19 pandemic. Some of these policies were still in place during the period of the latest APS estimates. The impact of these policies are likely to be seen in the estimates.

Employees who were furloughed between April 2020 and the end of September 2021 were classed as employed, but temporarily away from work. This is consistent with labour market definitions outlined by ONS.

National Statistics Status

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value and it is our responsibility to maintain compliance with these standards.

These statistics were reviewed, as part of a <u>compliance check</u>, against the <u>Code of Practice</u> in May 2021. This review found a range of positive features that demonstrate the trustworthiness, quality and value of this bulletin.

Since then we have made a number of improvements including:

- Incorporating key findings; presenting the figures as "estimates" and including confidence intervals in the tables and providing more detailed information on quality assurance carried out while preparing the publication.
- Additional estimates have also been included for employment levels and rates for people aged 16 to 24 in local authorities.

Employment

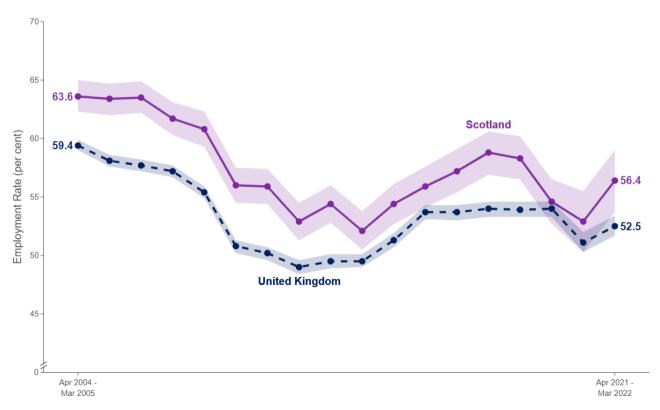
Overall

In April 2021 to March 2022, an estimated 308,900 people aged 16 to 24 were in employment in Scotland. This is 15,500 more than the number of 16 to 24 year olds employed in April 2020 to March 2021.

The employment rate estimate for 16 to 24 year olds was 56.4 per cent. This was 3.4 percentage points (pp) higher than the year before (52.9 per cent) but 2.0 pp lower than April 2018 to Mar 2019 (58.3 per cent). April 2018 to March 2019 is the last data point in this series before the COVID-19 pandemic.

For the United Kingdom as a whole, the employment rate estimate for 16 to 24 year olds was 52.5 per cent. This was 1.4 pp higher than a year ago (51.1 per cent) but 1.4 pp lower than April 2018 to March 2019 (53.9 per cent). Both the change on year and change since April 2018 to March 2019 represent statistically significant changes.

Chart 1: Employment rate for 16 to 24 year olds, Scotland and the United Kingdom, April 2004 to March 2005 through to April 2021 to March 2022

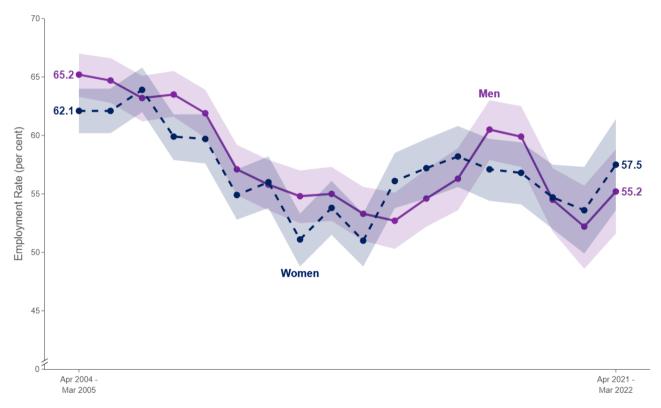


Employment by Sex

In April 2021 to March 2022, an estimated 152,400 men and 156,500 women aged 16 to 24 were in employment in Scotland.

The estimated employment rate for 16 to 24 year old men was 55.2 per cent, 3.0 percentage points (pp) higher than a year ago. While the estimated employment rate for 16 to 24 year old women was 57.5 per cent, 3.9 pp higher than a year ago.

Chart 2: Employment Rate for 16 to 24 year olds by sex, Scotland, April 2004 to March 2005 through to April 2021 to March 2022



Employment by Local Authority areas

Some estimates in this section may come from a small sample size. When this occurs they may be less precise and users should be cautious when quoting them.

Estimates for local authority areas considered unreliable are not included. The four areas affected are:

- Clackmannanshire
- Na h-Eileanan Siar
- Orkney Islands
- Shetland Islands

The employment rate of 16 to 24 year olds in Scotland varies between Local Authorities.

The three local authority areas with the highest 16 to 24 year old employment rate were:

- Midlothian (81.1 per cent)
- Renfrewshire (72.5 per cent)
- Argyll and Bute (69.5 per cent)

The three local authority areas with the lowest 16 to 24 year old employment rate were:

- Aberdeen City (38.8 per cent)
- Fife (39.8 per cent)
- Perth and Kinross (43.6 per cent)

All estimates listed above except for Renfrewshire are from a small sample size. These estimates should be used with caution.

Over the year (since April 2020 to March 2021)

The employment rate for 16 to 24 year olds had increased in 16 local authority areas. The employment rate decreased in 12 local authority areas. The two areas with the largest decrease were Fife (-11.8 percentage points (pp)), and Highland (-8.3 pp). Both estimates are from small sample sizes and should be used with caution.

Over the last ten years (since April 2011 to March 2012)

The employment rate for 16 to 24 year olds had increased in 19 local authority areas. The employment rate decreased in nine local authority areas. The two areas with the largest decreases were Aberdeen City (-19.2 pp), and Fife (-15.9 pp). The change for Aberdeen City represents a statistically significant decrease. Both estimates are from small sample sizes and should be used with caution.

Chart 3: Change in employment rates of those aged 16 to 24 between April 2020 to March 2021 and April 2021 to March 2022 by Local Authority area (percentage points)



Source: Annual Population Survey, Apr-Mar datasets, ONS

Note: Estimates for the following areas are not available as they are considered unreliable:

- Clackmannanshire
- Na h-Eileanan Siar
- Orkney Islands
- Shetland Islands

Italic text indicates a statistically significant change over the period.

A shaded background indicated estimates are from small sample sizes and should be used with caution.

Unemployment

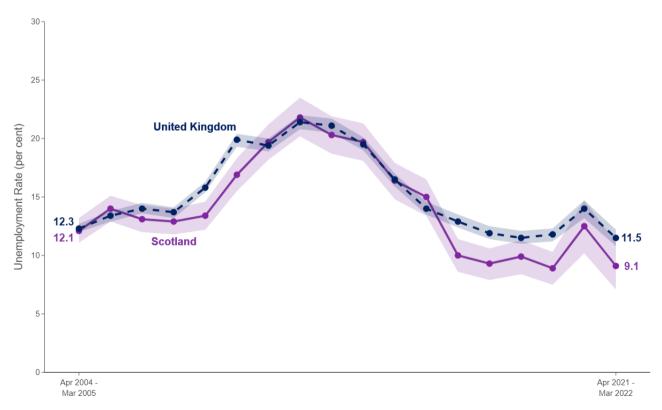
Overall

In April 2021 to March 2022, an estimated 31,000 people aged 16 to 24 were unemployed in Scotland. This is 10,800 less than the number of unemployed 16 to 24 year olds in April 2020 to March 2021.

The estimated unemployment rate for 16 to 24 year olds was 9.1 per cent in April 2021 to March 2022. This was 3.3 percentage points (pp) lower than a year ago (12.5 per cent) and 0.7 pp lower than in April 2018 to March 2019 (9.9 per cent). April 2018 to March 2019 is the last data point in this series before the COVID-19 pandemic. The change on year represents a statistically significant change.

For the United Kingdom as a whole, the estimated unemployment rate of 16 to 24 year olds was 11.5 per cent. This was 2.5 pp lower than the year before (14.0 per cent) but the same as in April 2018 to March 2019. The change on year represents a statistically significant change.

Chart 4: Unemployment rate for 16 to 24 year olds, Scotland and the United Kingdom, April 2004 to March 2005 through to April 2021 to March 2022

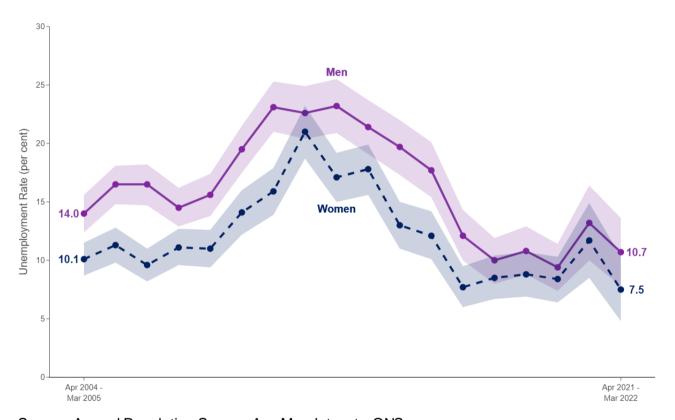


Unemployment by Sex

In April 2021 to March 2022, there were an estimated 18,200 unemployed men and 12,800 unemployed women aged 16 to 24 in Scotland.

The estimated unemployment rate 16 to 24 year old men was 10.7 per cent, 2.5 percentage points (pp) lower than a year ago. While the estimated unemployment rate for 16 to 24 year olds women was 7.5 per cent, 4.2 pp lower than a year ago.

Chart 5: Unemployment Rate for 16 to 24 year olds by sex, Scotland, April 2004 to March 2005 through to April 2021 to March 2022



Economic Inactivity

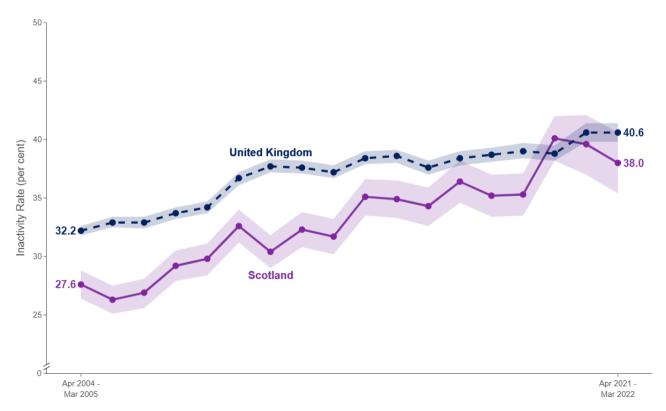
Overall

In April 2021 to March 2022, there were an estimated 208,300 economically inactive 16 to 24 year olds in Scotland. This is 11,100 lower than the number of inactive 16 to 24 year olds in April 2020 to March 2021.

The estimated inactivity rate was 38.0 per cent in April 2021 to March 2022. This was 1.6 percentage points (pp) lower than a year ago (39.6 per cent) but 2.7 pp higher than in April 2018 to March 2019 (35.3 per cent). April 2018 to March 2019 is the last data point in this series before the COVID-19 pandemic. Over three quarters (75.9 per cent) of inactive 16 to 24 year olds were estimated to be in full-time education in April 2021 to March 2022.

For the United Kingdom as a whole, the estimated inactivity rate of 16 to 24 year olds was 40.6 per cent. This was the same rate as a year ago despite a slight increase (0.1 pp) and 1.6 pp higher than April 2018 to March 2019 (39.0 per cent). The change since April 2018 to March 2019 represents a statistically significant change.

Chart 6: Economic Inactivity Rate for 16 to 24 year olds, Scotland and the United Kingdom, April 2004 to March 2005 through to April 2021 to March 2022

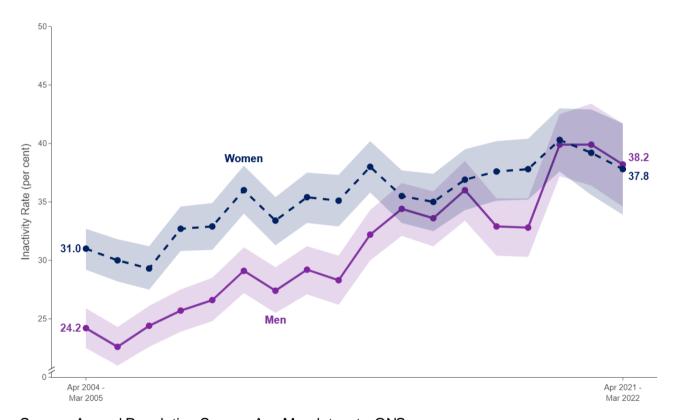


Economic Inactivity by Sex

In April 2021 to March 2022, there were an estimated 105,400 inactive men and 102,900 inactive women aged 16 to 24 in Scotland.

The estimated inactivity rate for 16 to 24 year old men was 38.2 per cent, 1.7 percentage point (pp) lower than a year ago. While the estimated inactivity rate for 16 to 24 year olds women was 37.8 per cent, 1.4 pp lower than a year ago.

Chart 7: Inactivity Rate for 16 to 24 year olds by sex, Scotland, April 2004 to March 2005 through to April 2021 to March 2022



Further Information

Reliability of estimates

Estimates from the Annual Population Survey for April 2004 to March 2005 through to April 2021 to March 2022 are presented. The sample size in this dataset is around 11,500 households in Scotland for the latest time period.

The Labour Force Survey (LFS) and the Annual Population Survey (APS) are sample surveys. As such, these estimates are subject to an associated sampling error that decreases as the sample size increases. It is the nature of sampling variability that the smaller a group is the (proportionately) less precise an estimate is. The Office for National Statistics (ONS) have published a detailed guidance note on this. Shading is one method used by ONS to indicate where estimates should be used with caution. The National Statistics marking for the APS reflects the larger sample size for headline estimates of Labour Market indicators by age for Scotland.

Confidence Intervals

Confidence limits can be used to assess the range of values that the true value lies between. 95 per cent confidence intervals for rates are included in all tables and charts.

What does the 95 per cent confidence limit mean?

If, for example, we have an APS estimate and confidence limit of 63 per cent \pm 0.27 per cent, this means that 19 times out of 20 we would expect the true rate to lie between 62.73 per cent and 63.27 per cent. Only in exceptional circumstances (1 in 20 times) would we expect the true rate to be outside the confidence interval around the APS estimate. Thus the smaller the confidence limits, the more reliable the estimate is.

The confidence limits use a design factor of 1, which may not be likely in some cases but given the lack of further information an average design factor of 1 is assumed to be reasonable. Further information on estimating confidence intervals can be found in the LFS user guidance.

Statistical Significance

Statistical significance is based on 95 per cent Confidence Intervals. Statistical significance means that the change was large enough that it is unlikely to have resulted only from the variable nature of the sample.

Quality Assurance

Annual Population Survey microdata is collected and produced by the ONS. Scottish Government statisticians receive early access to perform quality assurance checks.

When producing estimates for this publication, Scottish Government statisticians conduct in-depth quality assurance.

These checks include:

- analysis of the sample size obtained in the collection process
- production of estimates from the microdata using statistical software and relevant coding
- cross checking of coding between team members.

Further checks relate to:

- coherence across all data tables,
- · crosschecking historical time series data with previously published results
- benchmarking the results against other relevant data sources for this age group.

The estimates in Table 1 of the associated spreadsheet are verified by colleagues in the ONS.

Context

These statistics are produced by Scottish Government Labour Market Statisticians. Labour Market Statistics is located within the Labour Market Analysis Unit, part of the Office of the Chief Economic Advisor. Labour Market Statistics are used for policy monitoring, research, services planning, and delivery.

The APS is used to measure three indicators in the Scottish Government <u>National Performance Framework</u> (NPF). The estimates help to measure progress towards high level outcomes, Education and Fair Work and Business. Where possible, information on the NPF split by age is published on the <u>Equality Evidence Finder</u>, where possible.

The APS is also used to measure the overarching indicator and four other key performance indicators in the Young Persons Guarantee.

The <u>young person's local authority labour market dashboard</u> includes APS estimated for 16 to 24 year olds at local authority level. Other data measuring labour market outcomes for 16 to 24 year olds are available. This includes claimant count, earnings and participation measure data.

A range of labour market statistics for Scotland, including disability, are available on the <u>Scottish Government website</u>.

Concepts and Definitions

Employment

There are two main ways of looking at employment: the number of people with jobs or the number of jobs. These two concepts represent different things as one person can have more than one job. People aged 16 or over are classed as in employment (as an employee or self-employed) by the Labour Force Survey (LFS), if they have done at least one hour of paid work in the week prior to their LFS interview or if they have a job that they are temporarily away from. People who do unpaid work in a family business and people on Government-supported training and employment programs are also included according to the International Labour Organisation (ILO) definition.

Employment rate

The number of people in employment expressed as a percentage of the relevant population.

Unemployment

The ILO definition of unemployment covers people who are: not in employment, want a job, have actively sought work in the previous four weeks and are available to start work within the next fortnight, or, out of work and have accepted a job which they are waiting to start in the next fortnight.

Unemployment rate

The number of unemployed people expressed as a percentage of the relevant economically active population.

Economically inactive

Economically inactive people are not in employment, but do not satisfy all the criteria for unemployment. This group is comprised of those who want a job but who have not been seeking work in the last four weeks, those who want a job and are seeking work but not available to start and those who do not want a job. For example, students not working or seeking work and those in retirement are classed as economically inactive.

Economic inactivity rate

The number of economically inactive people expressed as a percentage of the relevant population.

Rates: Rates represent the proportion of the population or subgroup of the population with a certain characteristic. They allow changes in the labour market to be interpreted in a wider context, allowing for changes in the overall population or the number of people who are economically active. Rates can be calculated for different age groups. For employment, economic activity and economic inactivity, the most widely quoted rates are those for the 16 to 64 population. For unemployment, headline rates are expressed as a percentage of the economically

active population aged 16 and over. Those over retirement age who continue to be economically active will therefore be included in the base while those who are economically inactive will not.

Tell us what you think

We are always interested to hear from our users about how our statistics are used, and how they can be improved.

Please consider answering our short <u>feedback survey</u> on how you found this publication.

An Official Statistics Publication for Scotland

Official and National Statistics are produced to high professional standards set out in the Code of Practice for Official Statistics. Both undergo regular quality assurance reviews to ensure that they meet customer needs and are produced free from any political interference.

In May 2021 these statistics were reviewed against the <u>Code of Practice</u>. The review found many positive features that show trustworthiness, quality, and value in this bulletin.

Since then a number of improvements have been made including:

- incorporating a key findings section;
- presenting the figures as "estimates"
- including confidence intervals in the tables
- providing more detailed information on quality assurance carried out while preparing the publication

Additional estimates have also been included for employment levels and rates for people aged 16 to 24 in local authorities.

Correspondence and enquiries

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How to access background or source data

Results are provided for April 2004 to March 2005 through to April 2021 to March 2022 based on the data released by the Office for National Statistics (ONS) on 20 July 2022.

Annual Population Survey data for employment and economic inactivity by age for Scotland, alongside a range of other labour market indicators, are also made available on the <u>Scottish Government Open Data Platform</u>.

ONS also release rolling quarterly Annual Population Survey datasets covering the periods January to December, July to June, and October to September. The data for these time periods have not been used or presented within this publication. The data for these time periods are available at NOMIS.

Complaints and suggestions

If you are not satisfied with our service or have any comments or suggestions, please write to:

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e-mail: statistics.enquiries@gov.scot

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