# Planning research

People in Bolton Factfile no. 5

Workforce & Qualifications May 2019

Communicating research and sharing knowledge



## **People in Bolton**

## Workforce & Qualifications Factfile - Updated May 2019

People in Bolton factfiles provide key facts and figures about people who live or work in the borough of Bolton, and bring together information from a variety of sources. They are an evolving resource which are regularly updated to include more recent information as it becomes available.

Other related publications, including more detailed information on a range of topics can be accessed at: www.bolton.gov.uk/researchandinformation

This factfile includes details of Bolton's workforce, which consists of people living in Bolton who are either in employment or actively seeking work. This includes people who are claiming unemployment benefits, but does not include, for example, people who are looking after families or homes. Also included are details of the level of qualification reached by the working age population in Bolton.

The factfile is set out in the following sections:

1.1	Economic Activity	2
1.2	Economic Inactivity	5
	,	
1 3	Qualifications	9

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#### 1.1 Economic Activity

People are *economically active* if they are employed or unemployed but are available for and actively seeking work. Information on economic activity comes from the **Annual Population Survey** (APS) a nationally produced residence-based labour market survey, available down to local authority level. The APS is updated quarterly with a yearly rolling average for each quarter. The data in this report refers to the time period **Jan 18-Dec 18**.

In Jan 18-Dec 18, **74%** of the working age resident population in Bolton was economically active, which was marginally less than the England and Wales figure (**79%**.) Bolton had the third lowest economic activity rate in Greater Manchester, which ranged from 71% in Oldham to 83% in Stockport.

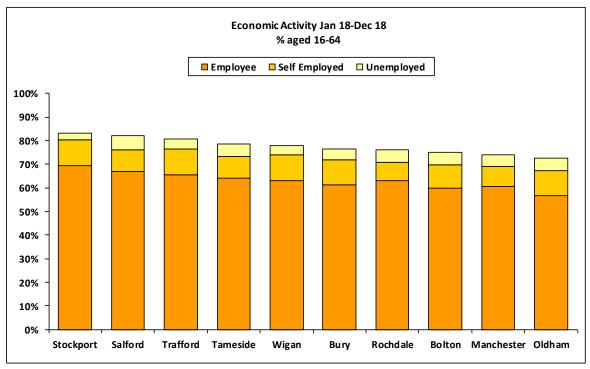
In Jan 18-Dec 18 **60%** of Bolton's working age population were employees, and **10%** were self-employed, giving Bolton an overall **employment rate** of **70%** of working age people. Bolton had the second lowest employment rate for *employees* in Greater Manchester, but the fourth lowest for *self-employed*, meaning that self-employed people made up a slightly higher than expected proportion of the population who work.

According to the APS **5.1%** of Bolton's 16-64 population classed themselves as '**unemployed**'. This was marginally higher than the England & Wales average of 4.5%. Unemployment in Greater Manchester ranged from 5.8% in Salford to just 2.7% in Stockport.

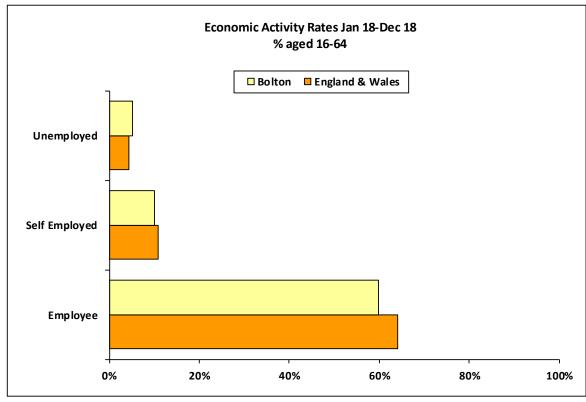
Long terms trends shown in chart 3 below show that unemployment has fluctuated considerably in Bolton since APS records began, with it peaking at **11%** in Dec 13 before dropping 4 percentage points in Dec 13-14 to a more stable 5-6% from Dec 14 onwards. Similarly the employment rate (shown on the secondary axis of chart 3 on the right-hand side) has also significantly fluctuated over the years, from a high of around 74% in Mar 05, dropping down to around **64%** from Dec 10-13, then steadily climbing to a more stable 70-71% from June 15 onwards.

'Unemployment' in the APS is measured under the International Labour Organisation (ILO) definition; meaning **people who are available for work and actively seeking work**. APS unemployment figures differ from DWP statistics as they are drawn from household surveys, whereas the DWP Claimant Count looks at the number of people who are receiving a welfare benefit principally for the reason of being unemployed. As it stands to reason that *not everyone who is actively seeking work will be claiming Jobseeker's Allowance* the APS will naturally have varying results than the claimant count. However both sources of information are valid, and both can be used to draw conclusions about the labour market in Bolton in different ways.

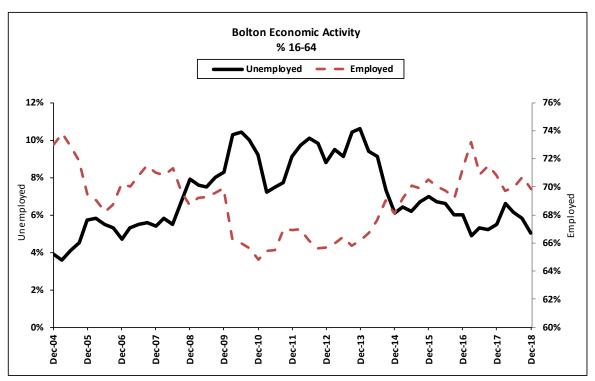
It should be noted that as the APS is a sample survey, the published figures are **only an estimate of the true level of economic activity** in Bolton. (This is in contrast to DWP benefit figures which are a 100% snapshot of claimants on a given day each month). Currently Bolton APS figures have a confidence interval of around +/-3%, meaning we are 95% sure that the information given is correct to either plus or minus 3%.



Source: Annual Population Survey, Jan 18-Dec 18, Office for National Statistics. Proportions calculated from resident working age population.



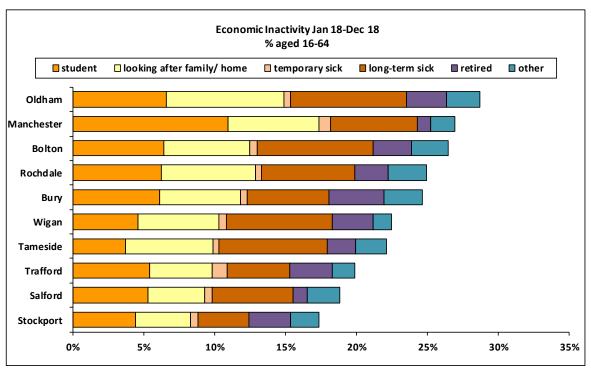
Source: Annual Population Survey, Jan 18-Dec 18, Office for National Statistics. Proportions calculated from resident working age population.



Source: Annual Population Survey, Dec 04-Dec 18, Office for National Statistics. Proportions calculated from resident working age population.

#### 1.2 Economic Inactivity

People are *economically inactive* if they are not working and are either not available for work or not actively seeking work. Information on economic activity comes from the **Annual Population Survey** (APS) a nationally produced residence-based labour market survey, available down to local authority level and updated quarterly with a yearly rolling average for each quarter. The APS measures economic inactivity as those *without jobs who have not sought work in the last 4 weeks and/or are not available to start work in the next 2 weeks*.



Source: Annual Population Survey, Jan 18-Dec 18, Office for National Statistics. Proportions calculated from resident working age population.

In Jan 18-Dec 18, around one quarter (26%) of the working age resident population in Bolton was economically inactive, which is slightly higher than the England and Wales average of 21%. Bolton has the third highest economic inactivity rate in Greater Manchester, which ranged from 29% in Oldham to 17% in Stockport.

Included in the APS is information on the reason for economic inactivity, broken down into several categories. In Jan 18-Dec 18 Bolton had a slightly higher proportion of *students* and a higher proportion of people who classified themselves as *long-term sick* than the national average. (The proportion of retired people and people looking after home/family was relatively similar).

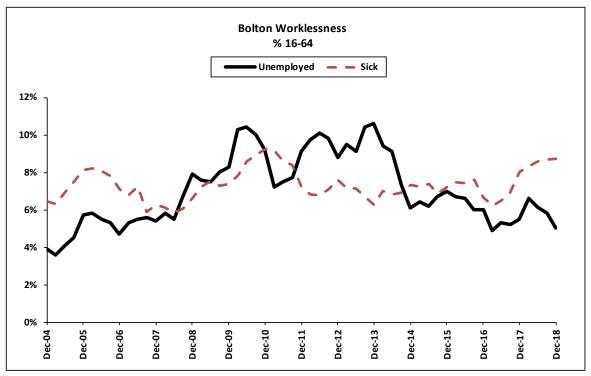
In 2018 Bolton **6%** of working age people were economically inactive **students**. (This can be compared to 5% in England & Wales). **Manchester** has the highest proportion of its population as full-time students (11%); this was around double the proportion of all other authorities and goes some way to explain why their economic inactivity levels are so high. Excluding Manchester the proportion of students in GM authorities ranged from 7% in Oldham to 4% in Tameside.

5

Oldham, Rochdale, Tameside & Bolton also had a high proportion of their working age population classified as 'looking after home/family' – between 6-8% (compared to England & Wales at 5%). This is more than double the proportion compared to Salford and Stockport at 4% of the working age population.

The APS classifies people who are unable to work due to sickness as either 'temporary' or 'long-term sick'. The proportion of those who classify themselves as temporarily sick is very small (less than 1% for Bolton) and does not appear to vary significantly between boroughs. However the proportion of those who are classified as not working due to **long-term sickness or disability** ranges from 8% in Oldham and Bolton to 4% in Stockport & Trafford. Bolton has the <u>joint top-highest</u> sickness rate in Greater Manchester, with around 1 in 13 working age people classed as long-term sick, compared to 1 in 20 nation-wide.

APS information on sickness will differ from DWP benefits data on sickness benefits as it stands to reason that *not everyone who is unable to work due to sickness or disability will be claiming Employment & Support Allowance or other sickness benefits.* However it is also worth noting that the APS is a sample survey only and has approximately a +/-3% confidence interval attached to the data at borough level. (See section on 'Unemployment' for further details of strengths and weaknesses of both approaches).

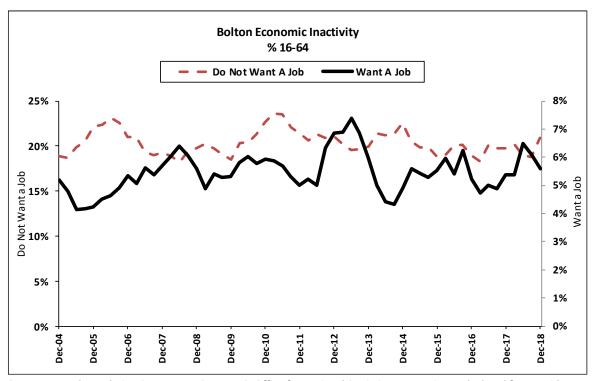


Source: Annual Population Survey, Dec 04-Dec 18, Office for National Statistics. Proportions calculated from resident working age population.

Long-term trends in sickness can also be charted against unemployment data to get a fuller picture of worklessness in Bolton (see section above for more information on Unemployment data from the APS). Whilst unemployment appears to have fluctuated fairly substantially during the time period from which APS data is available (Dec 04-present), sickness data less so. For instance unemployment in Bolton peaked at around 10% in Dec 13, with a steady decline to

around 6-7% from 2014 onwards. (The lowest point recorded was 3.6% in March 2005). However sickness did peak at around 9% in Dec 10 but has basically remained steady at between 7% from 2011 onwards, with the lowest data point recorded at 5.8% in June 2008.

In addition to the categories above, the APS also divides the economically inactive into two groups; those who **want a job** (but do not have one/are not searching for one because of extenuating circumstances), and those who **do not**<sup>1</sup>. In Bolton in Jan 18-Dec 18 21% of the working age population were economically inactive and did not want a job, whilst 6% were economically inactive but did. This works out at around three quarters of the economically inactive population not wanting a job, whilst one quarter do.



Source: Annual Population Survey, Dec 04-Dec 18, Office for National Statistics. Proportions calculated from resident working age population.

It should be noted that economic inactivity information from the APS in Bolton currently has a **confidence interval of approximately +/-3%**, meaning we are 95% sure that the information given is correct to either plus or minus 3%.

7

<sup>&</sup>lt;sup>1</sup> It is important to note that these two categories do not directly correspond with the categories given above, e.g. some full-time students may not be looking for work but would state they would like a job, others not etc.

#### 1.3 Qualifications

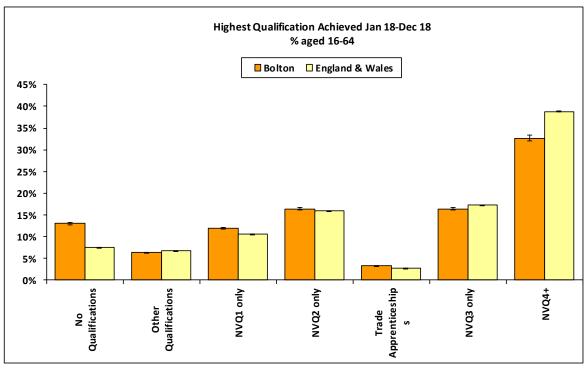
Information on qualifications comes from the **Annual Population Survey** (APS) a nationally produced residence-based labour market survey, available down to local authority level. Qualifications data is analysed according to the National Qualifications Framework (NQF), which sets out the level at which different qualifications can be compared and recognised within England, Northern Ireland and Wales<sup>2</sup>.

Level 1	- GCSEs grades D-G
	- BTEC Introductory Diplomas and Certificates
	- OCR Nationals level 1
	- Key Skills level 1
	- NVQ level 1
	- Skills for Life Level 1
	- Foundation Diploma
Level 2	- GCSEs grades A*-C
	- BTEC First Diplomas and Certificates
	- OCR Nationals level 2
	- Key Skills level 2
	- NVQ level 2
	- Skills for Life level 2
	- Higher Diploma
Level 3	- A levels
	- Advanced Extension Awards
	- GCE in applied subjects
	- International Baccalaureate
	- Key Skills level 3
	- NVQ level 3
	- BTEC National Diplomas, Certificates and Awards
	- OCR Nationals level 3
	- Advanced Diploma
Level 4+	- HNC & HND
	- BTEC Professional Diploma, BTEC Advanced Professional Diploma
	- Foundation Degree
	- Bachelors Degree.
	- Post-graduate Certificate, Diploma or (Masters) Degree
	- Doctorate

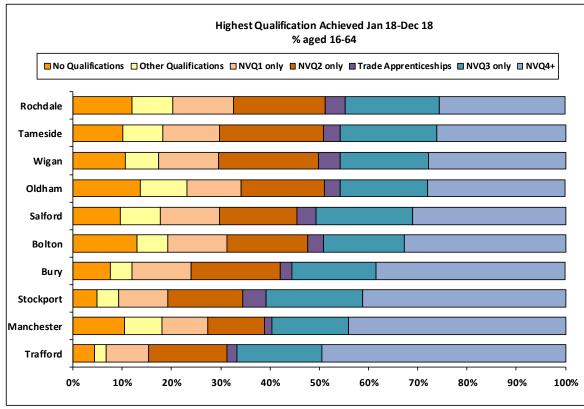
13% of Bolton's working age population stated they had **no qualifications** in Jan 18 – Dec 18, a figure that is higher than the national average (8%). Slightly more people were qualified to levels 2 & 3, however only 33% of residents had a **degree-level qualification** or above, compared to 39% in England & Wales.

The proportion of residents with no qualifications in Greater Manchester ranged from 13% in **Oldham** to just 4% in **Trafford**. Conversely people with level 4+ qualifications ranged from 50% in Trafford to 26% in Rochdale. Bolton had a relatively high proportion of people with no qualifications but also a relatively high number of people educated to levels 1 & 2. However the proportion of people with levels 3 & 4 was still relatively low compared to other districts. More than half the working age population (51%) was educated to **level 3 or higher** (A-levels or above) – this can be compared to 68% in Trafford and 47% in Rochdale.

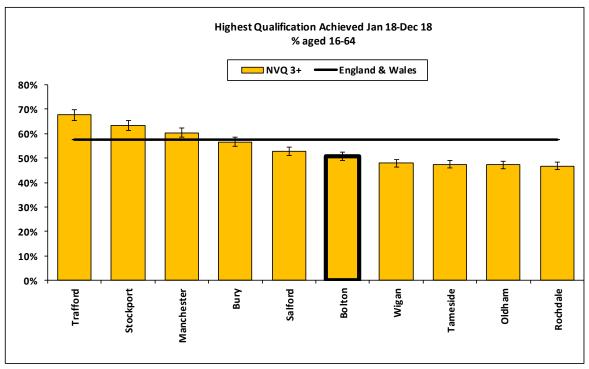
<sup>&</sup>lt;sup>2</sup> For more information see <a href="https://www.gov.uk/what-different-qualification-levels-mean">https://www.gov.uk/what-different-qualification-levels-mean</a>



Source: Annual Population Survey, Jan 18-Dec 18, Office for National Statistics.



Source: Annual Population Survey, Jan 18-Dec 18, Office for National Statistics.



Source: Annual Population Survey, Jan 18-Dec 18, Office for National Statistics.

The table below shows the change over time in qualification levels for working age people in Bolton. Since 2004 the proportion of people with no qualifications or qualifications to level 1 only has decreased and the number of people with Trade Apprenticeships has also significantly declined.

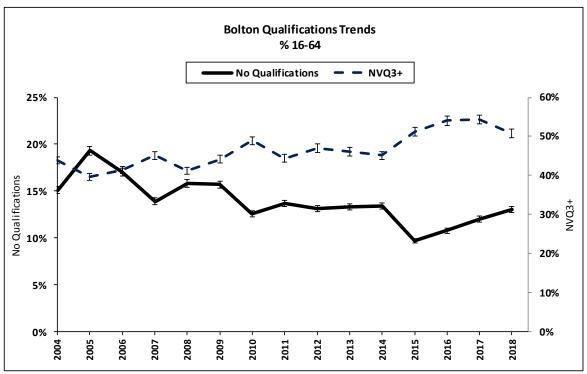
However, whilst the number of people with levels 2 & 3 has stayed roughly the same the number of people with degree level qualifications has significantly increased during this time period. For instance in 2004 less than one quarter of Bolton residents were educated to degree level or above; in 2018 this had increased to around one third.

Overall the proportion of people educated to **level 3 or higher** has increased from 44% in 2004 to 51% in 2017, an increase of around one sixth. Similarly the proportion of people with **no qualifications** has decreased from 15% in 2004 to 13% currently; this is a decrease of similar proportions.

### **Bolton Highest Qualification Achieved**

	Jan 04 - Dec 04 (%)	Jan 18 - Dec 18 (%)	Trend	Change (%)
No Qualifications	15%	13%	7	-2%
Other Qualifications	6%	6%	$\leftrightarrow$	0%
NVQ1 only	15%	12%	7	-3%
NVQ2 only	17%	16%	$\leftrightarrow$	0%
Trade Apprenticeships	7%	3%	7	-4%
NVQ3 only	17%	16%	7	-1%
NVQ4+	23%	33%	7	10%

Source: Annual Population Survey, Dec 04--Dec 18, Office for National Statistics.



Source: Annual Population Survey, Dec 04--Dec 18, Office for National Statistics.