

Unemployment measures

Related documents

[Unemployment in Kent](#)

NOTE: within this bulletin 'Kent' refers to the Kent County Council (KCC) area which excludes Medway

Further Information

Kent Analytics
Kent County Council
Invicta House
Maidstone
Kent
ME14 1XQ

Email:
research@kent.gov.uk

Tel: 03000 417444

There are a number of ways to measure unemployment. This bulletin looks at the three most commonly used local measures of unemployment and the differences between them. It also looks at an additional dataset which measures unemployment at national and regional level and is widely reported on in the news.

The measures are:

- The Claimant Count from the Office for national Statistics. This provides the lowest measure of unemployment.
- The Alternative Claimant Count from the Department for Work & Pensions
- Annual Population Survey Unemployment estimates (compatible with the ILO definition of unemployment) from the Office for National Statistics
- An additional dataset published by the Office for National Statistics presents unemployment estimates at national and regional level. These estimates are published monthly and are the figures widely reported in the news.

The Claimant Count

The Claimant Count, produced by The Office for National Statistics, is a measure of the number of people claiming benefits principally for the reason of being unemployed and is a bi-product of the administration of the benefits system.

The Claimant Count is not a true count of unemployment, rather it counts the number of people who are claiming a benefit (Universal Credit or Jobseekers Allowance) because they are unemployed. Due to eligibility rules, a number of people cannot or do not claim unemployment benefits. For example a person aged 16 or 17 years old would only be eligible for unemployment benefits under extreme circumstances. Those in full-time education would not generally be eligible for unemployment benefits while searching for work, which particularly affects those aged 18 to 21.

A key advantage of using JSA and UC claimant counts as the basis for local unemployment data is that geographically it is available down to small geographic levels allowing local area analysis. It can also be broken down by gender and age band.

Another benefit of this dataset is that it also provides a seasonally adjusted breakdown.

The Claimant Count has undergone a number of changes since the introduction of Universal Credit (UC) in 2013. This has led to some inconsistency in coverage and ongoing development work which has caused the series to be reclassified from National Statistic status to Experimental Official Statistics.

Additionally, under Universal Credit, a broader span of claimants are required to look for work than under Jobseeker's Allowance. This has the effect of increasing the Claimant Count irrespective of how the economy performs.

This data is published monthly (one month in arrears). It provides a count of people claiming benefits and therefore is not subject to sampling errors. It is the basis for the monthly unemployment bulletin which Kent Analytics publishes for Kent, which can be found [here](#).

Claimant Count unemployment rates are calculated as a proportion of the population who are eligible to claim (i.e., all those aged 16-64).

This data provides the lowest count of "unemployment".

The Alternative Claimant Count

The Alternative Claimant Count, produced by the Department for Work and Pensions, also measures the number of people claiming unemployment related benefits.

These statistics measure the number of people claiming unemployment related benefits by modelling what the count would have been if Universal Credit had been fully rolled out since 2013 (when Universal Credit began) with the broader span of people this covers.

The Alternative Claimant Count includes the following benefit claimants:

- Jobseeker's Allowance
- Universal Credit – Searching for Work conditionality (excluding those on the health journey pre-Work Capability Assessment)
- Estimates of those additional claimants who would have been searching for work under Universal Credit had it existed over the entire time period from 2013

Data from the Alternative Claimant Count are published on a quarterly basis, three months in arrears. It is available for a range of geographies, including down to Lower Super Output Area (LSOA) which allows local area analysis. It is available from the DWP [Stat Xplore website](#).

It is possible to break the data down by sex and age and benefit type (Universal Credit or Jobseekers Allowance).

Alternative Claimant Count unemployment rates are calculated as a proportion of the population who are eligible to claim (i.e., all those aged 16-64).

This dataset is considered to be a consistent claimant unemployment series and may provide a better indicator of local labour market change over time than the Claimant Count.

Annual Population Survey estimates of unemployment

Estimates of unemployment are produced by the Office for National Statistics in the Annual Population Survey. These estimates are based on the International Labour Organisation or ILO definition of unemployment.

The ILO definition of unemployment was created as a standard definition of unemployment that could be used for comparisons of the level of unemployment in different countries. The ILO definition of unemployment is “people without a job who were able to start work in the 2

weeks following their Annual Population Survey (APS) interview and who had either looked for work in the 4 weeks prior to interview or were waiting to start a job they had already obtained.”.

This is a wider definition of unemployment, as it is not restricted to an individual’s eligibility to claim unemployment benefit, so the unemployment numbers and rates tend to be higher than for the monthly unemployment benefits claimant count.

These data are published quarterly, six months in arrears. They provide an estimate of those people aged 16 and over who are unemployed (according to the ILO definition of unemployment). The unemployment rates are calculated as a proportion of the population aged 16+.

This data generally provides the highest count of unemployment as the definition is much broader.

Additionally, model-based unemployment estimates are produced for local authority districts and unitary authorities. They are presented as part of the ONS Annual Population Survey suite of publications. As those who are unemployed form a small percentage of the population, the Annual Population Survey (APS) unemployed estimates within local authority districts are based on very small samples so for many areas are unreliable. To overcome this, model-based estimates have been developed that provide better estimates of total unemployed for local authorities.

The model-based estimates of unemployment dataset give the official unemployment figures for local authority district or unitary councils only. Estimates of unemployment for other geographies (county, region, local enterprise partnerships and countries) are taken from the Annual Population Survey and can be used in conjunction with the model-based estimates to provide comparisons.

Model-based estimates are only available for total unemployed; they are not produced for male or female unemployed.

The model-based estimates are created using information from the Labour Force Survey supported by information from the Claimant Count to produce an estimate that is more precise. The claimant count is not itself a measure of unemployment but is strongly correlated with unemployment, and, as it is an administrative count, is known to be without sampling error. This helps to produce better estimates for areas of smaller sample size.

ONS Unemployment – National and regional estimates

Estimates of unemployment at national and regional level are published on a monthly basis by the Office for National Statistics. These estimates of unemployment are those generally used in national news reports.

These unemployment estimates measure people without a job who have been actively seeking work within the last four weeks and are available to start work within the next two weeks. The unemployment rate is calculated as the proportion of the economically active population (those in work plus those seeking and available to work) who are unemployed.

The figures are taken from employment, unemployment and economic inactivity estimates data collected from the ONS Labour Force Survey (a survey run by field interviewers with people across the UK every month).

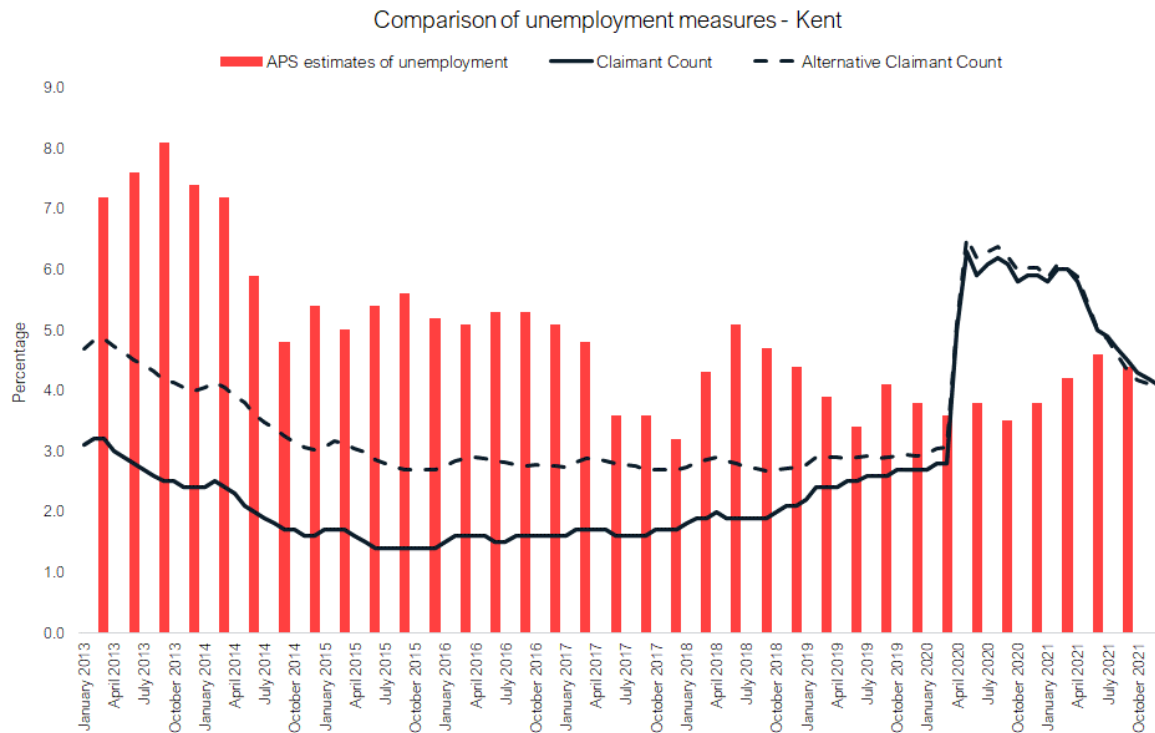
Unemployment is different from the Claimant Count, which measures only those people who are claiming unemployment-related benefits. The Claimant Count is normally the lower measure because some unemployed people are not entitled to claim unemployment-related benefits or choose not to do so.

Estimates are produced every month for a rolling three-month period; for example, figures published in September for the period May to July will be followed in October by data for June to August.

Further information about Labour Market Statistics and the different measures of unemployment is available from the [ONS Guide to Labour Market Statistics](#).

The following chart and table compare the three unemployment measures available for Kent.

Chart: Comparison of unemployment measures



Source: ONS;DWP
Presented by: Kent Analytics, Kent County Council

Table: Comparison of unemployment measures

Kent	Claimant Count	% 16-64 population	Alternative Claimant Count	% 16-64 population	APS Estimated unemployment	% 16+ population
January 2020	26,275	2.7	28,329	3.0		
February 2020	27,030	2.8	29,203	3.1		
March 2020	27,110	2.8	29,378	3.1	29,100	3.6
April 2020	48,245	5.0	48,760	5.1		
May 2020	60,045	6.3	62,410	6.5		
June 2020	56,595	5.9	59,224	6.2	30,500	3.8
July 2020	57,930	6.1	60,124	6.3		
August 2020	59,165	6.2	60,926	6.4		
September 2020	58,450	6.1	59,474	6.2	27,900	3.5
October 2020	55,865	5.8	57,267	6.0		
November 2020	56,360	5.9	57,572	6.0		
December 2020	56,460	5.9	57,680	6.0	30,700	3.8
January 2021	55,185	5.8	56,085	5.9		
February 2021	57,650	6.0	58,312	6.1		
March 2021	56,950	6.0	57,375	6.0	33,700	4.2
April 2021	55,845	5.8	56,296	5.9		
May 2021	51,960	5.4	52,175	5.5		
June 2021	47,850	5.0	47,975	5.0	36,800	4.6
July 2021	46,810	4.9	46,329	4.8		
August 2021	44,735	4.7	43,960	4.6		
September 2021	42,710	4.5	41,599	4.4	34,900	4.4
October 2021	41,010	4.3	40,024	4.2		
November 2021	39,740	4.2	39,367	4.1		
December 2021	39,005	4.1				

Source: ONS; DWP
Presented by: Kent Analytics, Kent County Council

