

Defining and Measuring Unemployment and Worklessness

Further information

[Monthly unemployment bulletin](#)

[Quarterly benefits bulletin](#)

There are three different ways of measuring unemployment in general use and the purpose of this bulletin is to explain the various measures and what it is they each do.

The three measures are:

- Monthly unemployment related benefits claimants
- The International Labour Organisation (ILO) definition of unemployment
- “Worklessness”

Each is discussed in turn, together with a summary showing the different measures for Kent.

Monthly unemployment related benefits claimants

Being classed as unemployed using this definition is based on an individual’s eligibility to claim unemployment benefit. Currently these benefits are Jobseekers Allowance which is gradually being replaced by Universal Credit (the new benefit aimed at replacing many of the benefits claimed by people of working age).

Historically the Claimant Count, a bi-product of the administration of the benefits system, provided us with a monthly count of people claiming Job Seekers Allowance (JSA). However the phased introduction of Universal Credit (UC) in 2013 meant that the number of people claiming Jobseekers Allowance in the UK began to fall. In 2015 the roll out of Universal Credit began in Kent. At the same time experimental figures began to be released by the Department for Work and Pensions (DWP) showing the number of people who were claiming Universal Credit because they were out of work.

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The release of UC figures enables us to derive the number of people who are claiming benefits solely because they are unemployed by adding the number of JSA claimants to the number of out of work UC claimants. It is important to remember that UC statistics are currently classified as experimental and are therefore subject to revision.

The key advantage of using JSA and UC claimant counts as the basis for local unemployment data is that geographically it is available down to ward level and it can also be broken down by gender and age band. This data is published monthly (one month in arrears) and is the basis for the monthly unemployment bulletin which R&E publishes for Kent, which can be found [here](#).

The ILO definition of unemployment

The International Labour Organisation or 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 “anyone who has been out of work for the last 28 days and is still actively seeking work”.

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.

Unlike the benefits claimant count (which is derived from a computerised, administrative system), the ILO definition is estimated from National Labour Force Surveys. These estimates are updated monthly at a national level and provide the basis for the “headline” unemployment rate which is often reported on the national news.

At a local (County/District) level, however, the ILO numbers and rates are published on a quarterly basis in the Annual Population Survey. This is a sample survey, the results of which are published quarterly (approximately 9 months in arrears) and the data for each period covers the previous 12 months (rather than a single point in time), all of which tend to limit the usefulness of this data source for monitoring purposes.

For the purposes of comparison, the APS data is moved so that the mid-point of the annual period matches the monthly claimant count.

“Worklessness”

DWP benefit claimants can be allocated to statistical groups to give an indication of the main reason that they are claiming.

One of the possible groupings of benefits claimants is the out of work benefits group. This group includes people claiming:

- Job Seekers Allowance (JSA)
- Incapacity Benefits (IB)
- Lone Parents claiming Income Support (IS)
- Others on income related benefits with the exception of carers

This statistical grouping is used as an indicator of worklessness.

One draw back of this grouping is that it does not include the number of people claiming Universal Credit because they are unemployed.

The data is published quarterly (6 months in arrears). R&E publishes a quarterly bulletin summarising the results for Kent, which can be found [here](#).

The following tables and charts summarise the various measures for the Kent County Council area, in terms of both numbers and percentage rates.

Table 1a - Unemployment count comparison for Kent - 2010-2012

| Numbers | | | | | |
|----------------|--------------------------------|-------------------|----------------|---------------|----------------|
| Date | Unemployment benefit claimants | Date | ILO Definition | Date | "Worklessness" |
| January 2010 | 29,669 | | | | |
| February 2010 | 30,148 | | | February 2010 | 96,550 |
| March 2010 | 29,400 | Oct 2009-Sep 2010 | 46,600 | | |
| April 2010 | 28,451 | | | | |
| May 2010 | 27,123 | | | May 2010 | 93,010 |
| June 2010 | 25,537 | Jan 2010-Dec 2010 | 54,300 | | |
| July 2010 | 25,165 | | | | |
| August 2010 | 25,166 | | | August 2010 | 92,060 |
| September 2010 | 24,823 | Apr 2010-Mar 2011 | 56,700 | | |
| October 2010 | 24,524 | | | | |
| November 2010 | 24,742 | | | November 2010 | 91,970 |
| December 2010 | 25,020 | Jul 2010-Jun 2011 | 61,900 | | |
| January 2011 | 26,586 | | | | |
| February 2011 | 27,398 | | | February 2011 | 93,750 |
| March 2011 | 27,197 | Oct 2010-Sep 2011 | 64,200 | | |
| April 2011 | 27,039 | | | | |
| May 2011 | 27,190 | | | May 2011 | 92,680 |
| June 2011 | 26,646 | Jan 2011-Dec 2011 | 59,900 | | |
| July 2011 | 27,309 | | | | |
| August 2011 | 27,752 | | | August 2011 | 93,560 |
| September 2011 | 28,198 | Apr 2011-Mar 2012 | 55,900 | | |
| October 2011 | 28,288 | | | | |
| November 2011 | 28,586 | | | November 2011 | 94,660 |
| December 2011 | 29,068 | Jul 2011-Jun 2012 | 54,500 | | |
| January 2012 | 30,297 | | | | |
| February 2012 | 31,525 | | | February 2012 | 97,030 |
| March 2012 | 31,088 | Oct 2011-Sep 2012 | 52,600 | | |
| April 2012 | 30,192 | | | | |
| May 2012 | 29,626 | | | May 2012 | 94,030 |
| June 2012 | 28,818 | Jan 2012-Dec 2012 | 50,400 | | |
| July 2012 | 28,746 | | | | |
| August 2012 | 28,631 | | | August 2012 | 92,690 |
| September 2012 | 28,099 | Apr 2012-Mar 2013 | 52,000 | | |
| October 2012 | 28,086 | | | | |
| November 2012 | 27,918 | | | November 2012 | 92,380 |
| December 2012 | 27,747 | Jul 2012-Jun 2013 | 55200 | | |

Unemployment count data for 2013 to 2015 continued overleaf

Table 1b - Unemployment count comparison for Kent - 2013-2015

| Numbers | | | | | |
|----------------|--------------------------------|-------------------|----------------|---------------|----------------|
| Date | Unemployment benefit claimants | Date | ILO Definition | Date | "Worklessness" |
| January 2013 | 28,914 | | | | |
| February 2013 | 29,799 | | | February 2013 | 93,130 |
| March 2013 | 29,063 | Oct 2012-Sep 2013 | 59,900 | | |
| April 2013 | 28,005 | | | | |
| May 2013 | 27,031 | | | May 2013 | 89,430 |
| June 2013 | 25,684 | Jan 2013-Dec 2013 | 54,300 | | |
| July 2013 | 24,970 | | | | |
| August 2013 | 24,298 | | | August 2013 | 86,700 |
| September 2013 | 23,327 | Apr 2013-Mar 2014 | 53,500 | | |
| October 2013 | 22,661 | | | | |
| November 2013 | 22,056 | | | November 2013 | 84,690 |
| December 2013 | 21,939 | Jul 2013-Jun 2014 | 42,700 | | |
| Januaru 2014 | 22,645 | | | | |
| February 2014 | 22,824 | | | February 2014 | 84,620 |
| March 2014 | 21,953 | Oct 2013-Sep 2014 | 34,200 | | |
| April 2014 | 20,831 | | | | |
| May 2014 | 19,796 | | | May 2014 | 81,010 |
| June 2014 | 18,263 | Jan 2014-Dec 2014 | 38,300 | | |
| July 2014 | 17,650 | | | | |
| August 2014 | 16,784 | | | August 2014 | 78,690 |
| September 2014 | 16,162 | Apr 2014-Mar 2015 | 35,900 | | |
| October 2014 | 15,572 | | | | |
| November 2014 | 15,180 | | | November 2014 | 77,630 |
| December 2014 | 14,836 | | | | |
| January 2015 | 15,553 | | | | |
| February 2015 | 15,870 | | | February 2015 | 78,200 |
| March 2015 | 15,504 | | | | |
| April 2015 * | 14,870 | | | | |
| May 2015 | 13,855 | | | | |
| June 2015 | 13,194 | | | | |
| July 2015 | 12,903 | | | | |
| August 2015 | 12,802 | | | | |

Note: *Universal Credit roll out in Kent began in April 2015

Table 2a - Unemployment rate comparison for Kent - 2010-2012

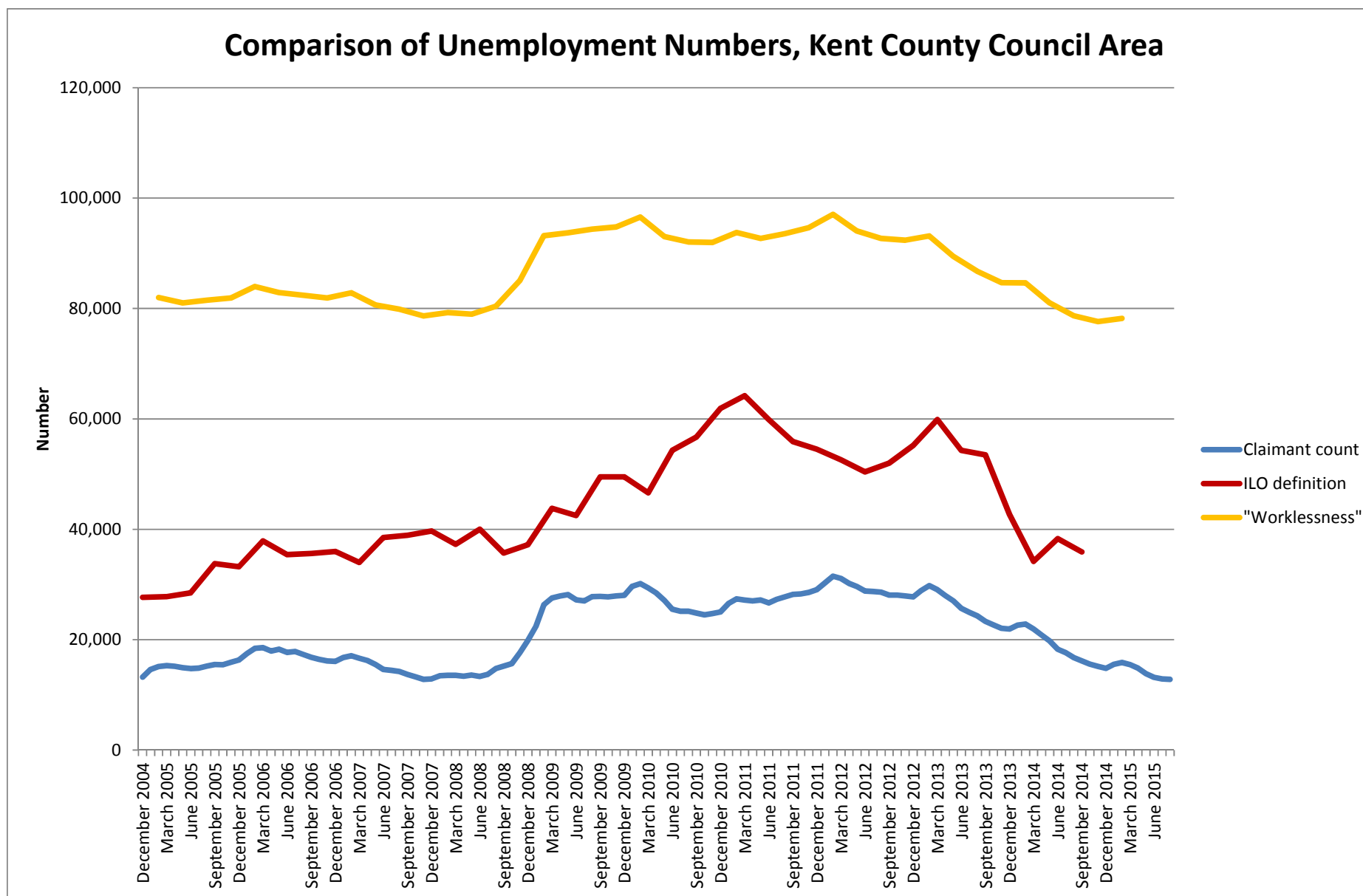
| Rates | | | | |
|----------------|--------------------------------|-------------------|----------------|--------------------|
| Date | Unemployment benefit claimants | Date | ILO Definition | "Worklessness" |
| January 2010 | 3.3 | | | |
| February 2010 | 3.4 | | | February 2010 10.9 |
| March 2010 | 3.3 | Oct 2009-Sep 2010 | 6.7 | |
| April 2010 | 3.2 | | | |
| May 2010 | 3.0 | | | May 2010 10.5 |
| June 2010 | 2.9 | Jan 2010-Dec 2010 | 7.8 | |
| July 2010 | 2.8 | | | |
| August 2010 | 2.8 | | | August 2010 10.4 |
| September 2010 | 2.8 | Apr 2010-Mar 2011 | 8.1 | |
| October 2010 | 2.7 | | | |
| November 2010 | 2.8 | | | November 2010 10.4 |
| December 2010 | 2.8 | Jul 2010-Jun 2011 | 8.8 | |
| January 2011 | 3.0 | | | |
| February 2011 | 3.1 | | | February 2011 10.5 |
| March 2011 | 3.0 | Oct 2010-Sep 2011 | 9.1 | |
| April 2011 | 3.0 | | | |
| May 2011 | 3.0 | | | May 2011 10.4 |
| June 2011 | 3.0 | Jan 2011-Dec 2011 | 8.6 | |
| July 2011 | 3.1 | | | |
| August 2011 | 3.1 | | | August 2011 10.5 |
| September 2011 | 3.2 | Apr 2011-Mar 2012 | 8.1 | |
| October 2011 | 3.2 | | | |
| November 2011 | 3.2 | | | November 2011 10.6 |
| December 2011 | 3.2 | Jul 2011-Jun 2012 | 7.7 | |
| January 2012 | 3.4 | | | |
| February 2012 | 3.5 | | | February 2012 10.6 |
| March 2012 | 3.5 | Oct 2011-Sep 2012 | 7.5 | |
| April 2012 | 3.4 | | | |
| May 2012 | 3.3 | | | May 2012 10.2 |
| June 2012 | 3.2 | Jan 2012-Dec 2012 | 7.2 | |
| July 2012 | 3.1 | | | |
| August 2012 | 3.1 | | | August 2012 10.1 |
| September 2012 | 3.1 | Apr 2012-Mar 2013 | 7.4 | |
| October 2012 | 3.1 | | | |
| November 2012 | 3.0 | | | November 2012 10.1 |
| December 2012 | 3.0 | Jul 2012-Jun 2013 | 7.8 | |

Claimant count rates for 2013 to 2015 continued in Table 2b overleaf

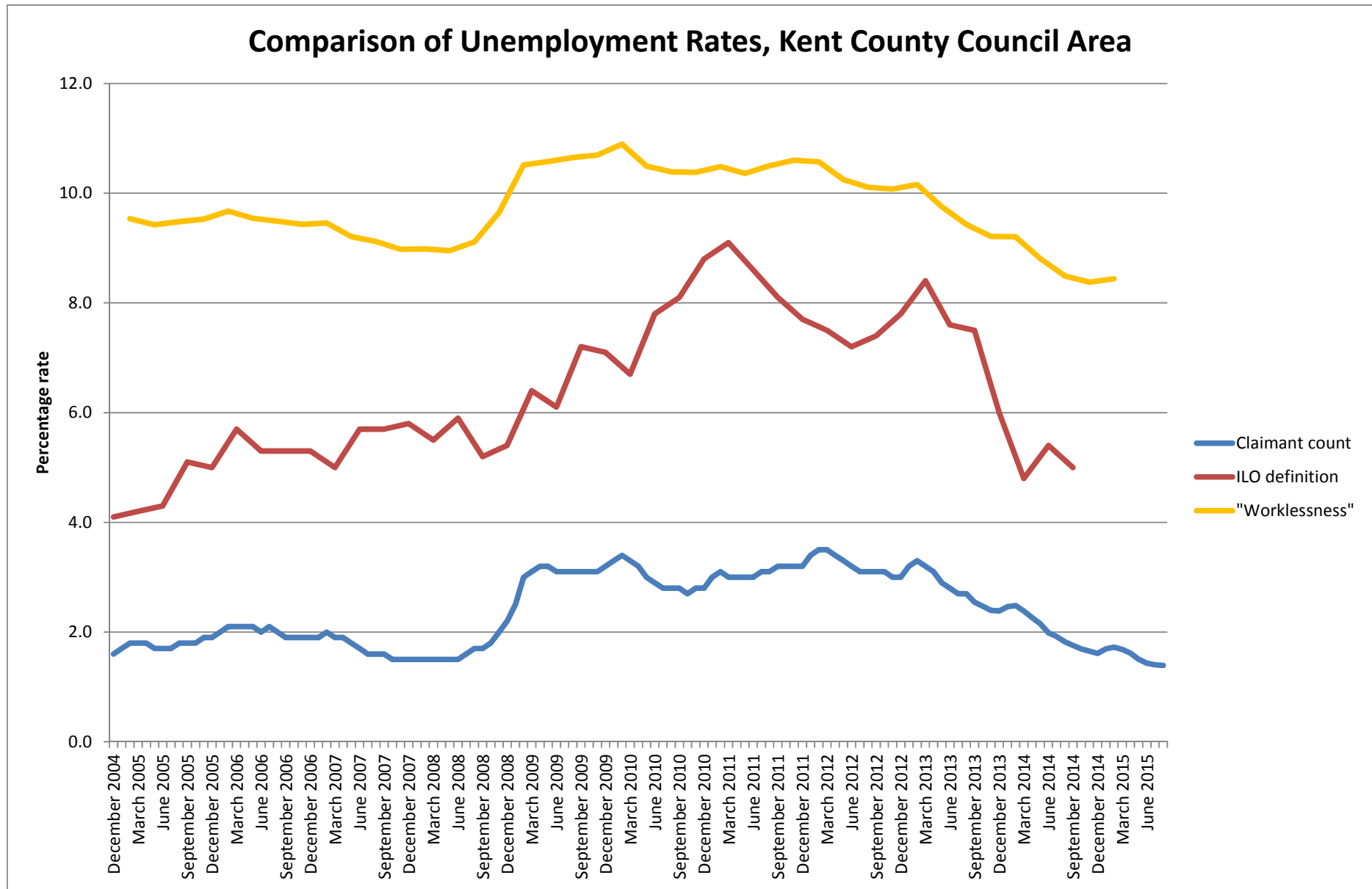
Table 2b - Unemployment rate comparison for Kent - 2013-2015

| Rates | | | | | |
|----------------|--------------------------------|-------------------|----------------|---------------|----------------|
| Date | Unemployment benefit claimants | Date | ILO Definition | Date | "Worklessness" |
| January 2013 | 3.2 | | | | |
| February 2013 | 3.3 | | | February 2013 | 10.2 |
| March 2013 | 3.2 | Oct 2012-Sep 2013 | 8.4 | | |
| April 2013 | 3.1 | | | | |
| May 2013 | 2.9 | | | May 2013 | 9.8 |
| June 2013 | 2.8 | Jan 2013-Dec 2013 | 7.6 | | |
| July 2013 | 2.7 | | | | |
| August 2013 | 2.7 | | | August 2013 | 9.4 |
| September 2013 | 2.5 | Apr 2013-Mar 2014 | 7.5 | | |
| October 2013 | 2.5 | | | | |
| November 2013 | 2.4 | | | November 2013 | 9.2 |
| December 2013 | 2.4 | Jul 2013-Jun 2014 | 6 | | |
| Januaru 2014 | 2.5 | | | | |
| February 2014 | 2.5 | | | February 2014 | 9.2 |
| March 2014 | 2.4 | Oct 2013-Sep 2014 | 4.8 | | |
| April 2014 | 2.3 | | | | |
| May 2014 | 2.2 | | | May 2014 | 8.8 |
| June 2014 | 2.0 | Jan 2014-Dec 2014 | 5.4 | | |
| July 2014 | 1.9 | | | | |
| August 2014 | 1.8 | | | August 2014 | 8.5 |
| September 2014 | 1.8 | Apr 2014-Mar 2015 | 5 | | |
| October 2014 | 1.7 | | | | |
| November 2014 | 1.7 | | | November 2014 | 8.4 |
| December 2014 | 1.6 | | | | |
| January 2015 | 1.7 | | | | |
| February 2015 | 1.7 | | | February 2015 | 8.4 |
| March 2015 | 1.7 | | | | |
| April 2015 * | 1.6 | | | | |
| May 2015 | 1.5 | | | | |
| June 2015 | 1.4 | | | | |
| July 2015 | 1.4 | | | | |
| August 2015 | 1.4 | | | | |

Comparison of Unemployment Numbers, Kent County Council Area



Comparison of Unemployment Rates, Kent County Council Area



Commentary

Despite being restricted to a count of those claiming unemployment benefits only, the claimant-based data provides a robust count and is the timeliest of all three datasets, being published monthly and only one month in arrears. It is also “detail rich” compared to the other datasets, in that additional variables are available; age, gender and duration of claim.

The most limited dataset in terms of unemployment is the Annual Population Survey, despite the attraction of a broader definition of unemployment. The data is limited to a quarterly release that is approximately nine months in arrears. The small sample sizes at the local (District) level, give rise to some volatility in the numbers, despite the smoothing effect of the data covering a 12-month period. This can also smooth out some of the economic effects taking place within the labour market, making it less responsive to actual change. Even allowing for the difference in time-periods (note the staggering of the time periods in the charts), there is still a built-in lag in data. See the charts, and compare the gradual increase in unemployment at the start of the recession, using the APS-based data, compared to the rapid rise shown by the claimant count. .

The worklessness data, based on out of work benefits claimants is gaining in popularity as a key performance measure, despite the time lag in the data release. Its main appeal is in capturing a wider definition of those out of work, which is perhaps more relevant than the claimant count alone. However currently it does not include the number of people claiming Universal Credit.