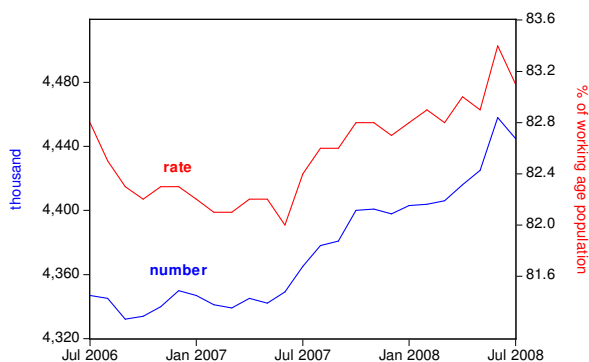


South East Labour Market Update October 2008

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Rise in economic activity starting to slow...



Source: National Statistics 2008

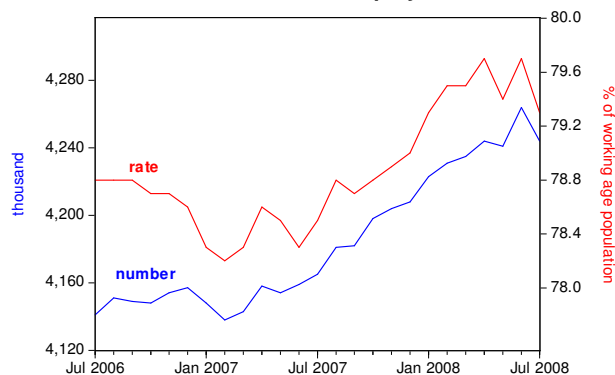
Economic Activity

Data for the three months to August shows that there were 4.45 million economically active people aged over 16 in the South East, or 29,000 higher than in the previous quarter.¹ Most other regions saw smaller increases or even declines in economic activity.

The economic activity rate in the South East, at 83.1%, was by far the highest in the country and 0.2% higher than the previous quarter.

At 79.1% the national figure remained unchanged on the previous quarter.

...as is the rise in employment



Source: National Statistics 2008

Employment

In the three months to August there were 4.24 million people aged over 16 in employment in the South East, or 1,000 more than in the previous quarter. In the UK there were 29.4 million people in employment – 122,000 fewer than in the previous quarter.

The South East was the only region apart from Yorkshire and the Humber to see an increase in employment between the second and third quarters of the year. Some regions have seen a large drop in employment – in London employment fell by 27,000 and in both the West Midlands and North West there was a fall of 25,000.

However, breaking down the figures by gender reveals that male employment *fell* by 12,000 in the South East in the three months to August, while female employment rose by around 12,000.

In the three months to August the South East employment rate stood at 79.3% - 0.4% lower than in the previous quarter. Over the same period the UK employment rate declined by 0.2% to 74.7%. The South East has the highest

¹ The economically active are those who are in employment or unemployed but available for work.

employment rate of any region.

The employment rate for men in the South East declined by 0.9% to 83.2% - still the highest in the country. However, the rate of change in the South East was faster than the national average. The UK employment rate for males declined by 0.6% to 78.3%. Male employment declined in every UK region except Yorkshire and the Humber and the East Midlands.

The employment rate for women in the South East increased by 0.1% to 75.0% - the highest in the country. In almost all other regions the female employment rate fell. The UK female employment rate dropped by 0.3% to 70.2%.

Unemployment

In the three months to August there were 200,000 unemployed people in the region, or 28,000 more than in the previous quarter. The number of unemployed people in the UK increased by 164,000 over the same period. The only other region to see a greater increase in unemployment was London, where the number of unemployed people increased by 39,000. This is not surprising, since the economic downturn started in London, so the effects are now starting to be felt in the capital's labour market, as well as that of its neighbour the South East.

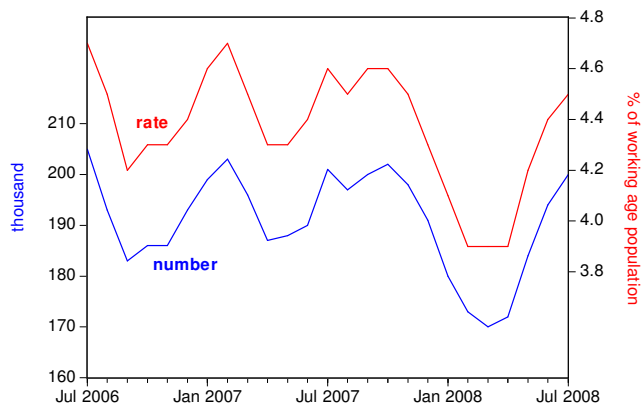
The unemployment rate for those aged 16+ in the South East increased by 0.6% to 4.5% in the three months to August. This remains one of the lowest rates of any region (except the South West and Northern Ireland). The UK unemployment rate increased by 0.5% to 5.7%.

The increase in unemployment in the South East was entirely driven by a growth in male unemployment, which increased by 30,000, while female unemployment fell by 2,000. The male unemployment rate increased by 1.2% to 4.9%. The female unemployment rate fell by 0.1% to 4.1%.

There were 80,500 people in the South East claiming Job Seekers' Allowance (JSA) in September - some 3,300 more than in August. The number of men claiming JSA increased by around 2,500 between August and September and the number of female claimants by around 800.

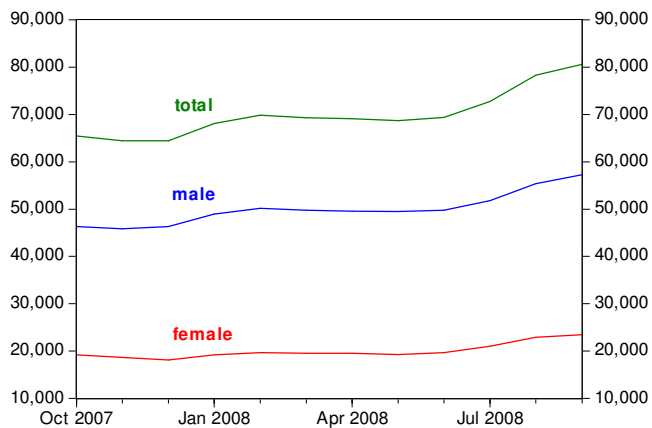
There are almost 940,000 people in the UK claiming JSA, and the number increased by almost 32,000 between August and September.

Unemployment is on the increase...



Source: National Statistics 2008

...and claimant count is rising



Source: National Statistics 2008

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