**Lancashire Economic Profile**



The RSN Economic Profile brings together key data to inform and contextualise a local authority areas economic situation. The sheets are editable to allow narrative descriptions and to emphasize or delete the graphs as may be appropriate for the intended use and for your local authority area.

The areas covered are:

[Working age population](#population)

[Average hours worked and pay](#pay)

[Proportion of employees and enterprises in each sector](#sector)

[Private/public sector employment](#public)

[Jobs density](#density)

[Economic inactivity](#inactivity)

[Claimant counts](#claimant)

**Working age population**

*ONS Population estimates*

In 2017, 59% of the predominantly rural population was of working age, 16 to 64 (64% for predominantly urban).

*ONS 2016 based population projections*

In 2041, it is expected that only 53% of the population of predominantly rural areas will be of working age (61% for predominantly urban).

Clearly for predominantly rural areas the availability of people who are within the working age group ( aged 16 to 64) is both a current issue, and one that will become more significant in the future with the proportion of total population within this age bracket diminishing each year. Naturally the age bracket that is considered to be of working age is likely to be extended in the future as people work into older age, yet it is important to understand the age demographic from which employers will be recruiting.

**Average hours worked and pay**

*Annual Survey of Hours and Earnings*

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Workers in predominantly rural areas tend to work longer hours when in full time employment, but for less weekly pay, workplace based. Workplace based median gross weekly pay for full time workers is 9% greater in predominantly urban areas compared to predominantly rural areas.

**Proportion of employees and enterprises in each sector**

For the Lancashire area:

*ONS Business Register and Employment Survey*

The top sectors for employment of full time workers in Lancashire in 2017 were Manufacturing and Health with 18.8% and 11.9% of full time employees employed in these sectors respectively.

*ONS Business Register and Employment Survey*

There tend to be clear industries that are significant employers of part time workers. In 2017, the top sectors for employment of part time workers in Lancashire were Health, Retail and Education with 19.4%, 17.5% and 13.8% of part-time employees employed respectively.

It is interesting to compare the proportion of employees employed in each industry sector to the proportion of enterprises in each category.

For the Lancashire area:

*ONS Inter Departmental Business Register*

The sectors with the highest proportion of enterprises in Lancashire are Professional, Scientific & Technical, Construction and Retail with 13.5%, 13.0% and 8.9% of enterprises in 2018 respectively.

Time series of the proportion of total employees employed in each sector and the proportion of enterprises are given below:

*(An Enterprise is the smallest combination of legal units (generally based on VAT and/or PAYE records) which has a certain degree of autonomy within an Enterprise Group. An individual site (for example a factory or shop) in an enterprise is called a local unit.)*

**Private/public sector employment**

*ONS Business Register and Employment Survey*

As well as part time employment being more prevalent in some industries as already highlighted, part time employment is also more common in predominantly rural local authority areas than urban areas. In 2017, 35% of employees were in part time employment for predominantly rural areas, in comparison to 31% for predominantly urban areas.

*ONS Business Register and Employment Survey*

*ONS Business Register and Employment Survey*

More public sector employment occurs in predominantly urban areas, and again we see more part time employment of public sector workers in the predominantly rural areas (45% of public sector workers in predominantly rural areas were working part time in 2017, compared with 36% for predominantly urban).

*ONS Business Register and Employment Survey*

*ONS Business Register and Employment Survey*

Part time employment is less common within the private sector.

**Jobs density**

The density figures represent the ratio of total jobs to population aged 16-64. Total jobs includes employees, self-employed, government-supported trainees and HM Forces.

*ONS Jobs density*

The jobs density in predominantly urban areas is consistently 1.8 times that of predominantly rural. The implication of this on those looking for work in rural areas is compounded by the fact that the proportion of population aged 16-64 on which the density is calculated, in rural areas in smaller than in urban areas. The jobs market is therefore that much tougher for those living in rural local authority areas.

**Economic inactivity**

A person who is neither in employment nor unemployed is classed as economically inactive. This group includes, for example, all those who were looking after a home or retired. People not in employment who want a job but are not classed as unemployed because they have either not sought work in the last four weeks or are not available to start work are classed as 'economically inactive - wanting a job'.

*ONS Annual Population Survey*

*ONS Annual Population Survey*

**Claimant counts**

*ONS Claimant count*

Claimant count: The number of people claiming Jobseeker's Allowance plus those who claim Universal Credit who are out of work.

The predominantly urban proportion of claimants is greater than the rural average. It is important to place this in the context of the rural person who has additional challenges compared to their urban counterpart of accessing the benefits system (ie. travel time and cost of travel is greater the further away from the benefits office the claimant lives). The rural person might in such circumstance choose to take part time work in preference (as the part time working statistics provided above indicate) or rely on savings or the assistance of friends and relatives.

**Statistical sources**

ONS Population estimates

ONS 2016 based population projections

Annual Survey of Hours and Earnings

ONS Annual Population Survey

ONS Business Register and Employment Survey

ONS Inter Departmental Business Register

ONS Annual Civil Service Employment Survey

ONS Jobs density

ONS Claimant count