

# The Local Economy

## Overview

- Bradford and District has the regions third largest economy and accounts for 9% of all employment in the region and 20% in the sub region. The district holds 8.5% of the regional business stock.
- The Annual Business Inquiry of 2005 showed that there were 15,000 business units within Bradford and District employing 195,700 people.
- Recent employment growth has been lower than regional and national averages, at only 1% increase in jobs since 1998, compared with 10% growth regionally. Between 2004 and 2005 the number of jobs fell slightly. Large falls in traditional manufacturing industries have negated the impact of respectable service sector growth.
- Average residence based earnings remain low compared to other West Yorkshire Districts, the regional and national rates.
- The unemployment rate in Bradford fell rapidly in previous years. However, more recent figures show that unemployment is again on the increase.
- Whilst employment rates have started to increase, levels are still below regional and national averages. Bradford has one of the lowest employment rates in the region and is ranked fifth most employment deprived local authority in England, according to the 2004 Index of Multiple Deprivation.

## Employment

According to the latest figures from the Annual Population Survey (period from April 2005 to March 2006), 206,300 people, or 69% of the working age population, are in employment.

The story of recent years is an employment structure that is moving closer to the national picture with service employment rising to compensate for losses in manufacturing. Annual Business Inquiry figures for 2005 show:

- 79.6% of employment is in the service sector. Service sector employment continues to grow but at a slower rate than regionally and nationally.
- Manufacturing employment, though declining, still accounts for 16.2% of total employment compared to the national figure of 11.9%.

- Construction employment at 3.4% is lower than the national average of 4.6%, and is 0.4% lower than 2004.

<b>Employment breakdown by broad industrial sector 2005</b>				
<b>Industry</b>	<b>Bradford</b>		<b>Yorkshire &amp; Humber %</b>	<b>Great Britain %</b>
	<b>Number</b>	<b>%</b>		
Primary Industries	16,000	0.8	1.2	1.4
Manufacturing	31,700	16.2	13.8	11.1
Construction	6,700	3.4	5.1	4.6
Services	155,700	79.6	79.9	82.9
<b>Total</b>	<b>195,700</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

*Source: 2005 ABI, Crown Copyright, NOMIS*

## Unemployment

The International Labour Organisation (ILO) unemployment rate is derived from the Labour Force Survey and is the official measurement of unemployment used by the government. The unemployment rate in Bradford fell rapidly in previous years. However, more recent figures show that unemployment is again on the increase. According the April 2005-March 2006 Annual Population Survey, there were 12,000 people unemployed in Bradford, accounting for 5.7% of the working age population.

<b>Unemployment Rates - % of Working Age Population</b>			
<b>Year</b>	<b>Bradford</b>	<b>Yorkshire &amp; Humber</b>	<b>Great Britain</b>
2000	8.3	6.0	5.3
2001	6.9	5.1	5.1
2002	6.5	5.0	5.2
2003	5.2	5.1	5.0
2004	5.4	4.4	4.8
2005	5.7	5.2	5.1

*Source: APS & LALFS, ONS Crown Copyright, Nomis*

This increase reflects regional and national trends.

Jobseekers Allowance (JSA) Claimant unemployment in Bradford has seen a significant rise in the last two years. In December 2006 there were 9,583 people unemployed in the Bradford District (3.2% of the working age population). Youth unemployment accounts for 31% of all unemployed in the District – a higher rate than regional or national figures.

<b>JSA Claimant Count</b>			
	<b>Bradford</b>	<b>Yorkshire &amp; Humber</b>	<b>Great Britain</b>
Rates at December 2006	3.2%	2.8%	2.5%

*Source: Nomis*

The majority of JSA claimants are male and are aged between 25 and 49. People of working age with disabilities that limit their day-to-day activities are

more likely to be out of work than in employment – in Bradford 27,300 people with such disabilities were economically inactive.

Within the District there are wide variations in the levels of unemployment both geographically and across different ethnic groups. The number of white JSA claimants rose by 11.8% over a two-year period to May 2006 whilst the number of Pakistani claimants rose by 13.7%. At May 2006 the white unemployment rate stood at 2.4% compared with the Pakistani rate of 4.9% and the Bangladeshi rate of 5.5%.

## Earnings & Income

Median resident-based earnings (achieved by Bradford residents working in the District, or commuting out of the District) are lower than the Yorkshire and Humberside regional average and the national average.

Total earnings have risen by 3% since 2005, higher than West Yorkshire, but lower than seen regionally or nationally.

<b>Median gross weekly pay (£) – full time employee jobs 2006</b>						
	Total		Males		Females	
	Median	Annual % Change	Median	Annual % Change	Median	Annual % Change
Bradford District	377.4	3.0	412.5	4.1	338.7	3.4
West Yorkshire	408.7	2.8	444.1	4.1	362.4	4.6
Yorkshire & Humber	414.7	3.7	457.1	4.2	336.3	3.1
United Kingdom	447.1	3.7	487.4	3.5	370.4	3.9

*Source: Annual Survey of Hours and Earnings, Office for National Statistics.*

Using data from CACI Ltd's 2006 Paycheck model, the average household income in the District was estimated at £29,300. This is 2.9% below the West Yorkshire average, 1% below the Yorkshire and Humberside regional average and 9.3% below the UK average income.

<b>Mean gross household income 2006</b>		
	Number of households	Mean household income (£)
Bradford District	193,490	29,300
West Yorkshire	894,875	30,200
Yorkshire & Humber	2,162,428	29,600
United Kingdom	25,897,831	32,300

*Source: CACI Paycheck Data 2006*

There is wide variation in household incomes across the District. 13% of households in Bradford have an average income of less than £10,000, and 13% have an average income of £50,000 or more. University ward has the

lowest household income at £20,700 and 19% of its households earn less than £10,000. Ilkley ward has the highest average income at £39,400 with only 7% of its households earning less than £10,000, and 27% of households earning more than £50,000.

## **Indices of Deprivation 2004**

The Indices of Deprivation 2004 (ID 2004) published by the Office of the Deputy Prime Minister ranked Bradford District 51<sup>st</sup> of the 354 Local Authorities in England, (based on the average rank). Compared with other local authorities in West Yorkshire, Bradford is the most deprived in terms of the average score, rank, extent and concentration; whereas Leeds is slightly more deprived in terms of income and employment.

The ID 2004 uses Super Output Areas (SOAs - typically containing around 1500 people) to identify areas of deprivation. There are 307 SOAs within the Bradford District.

128 of Bradford's SOAs are ranked in the 20% most deprived in England. Over 200,000 people, 42.8% of Bradford's population, live in these areas. The majority of the deprived SOAs are concentrated in Bradford city and to a lesser degree in Keighley town.

## **More information**

For more information about the local economy:

[www.bradford.gov.uk/economics\\_and\\_finance/economic\\_development/economic\\_information\\_service/](http://www.bradford.gov.uk/economics_and_finance/economic_development/economic_information_service/)

For more information about the census results:

[www.bradfordinfo.com/census/Census.cfm](http://www.bradfordinfo.com/census/Census.cfm)

For more information about the Index of Deprivation 2004

[www.odpm.gov.uk/index.asp?id=1128440](http://www.odpm.gov.uk/index.asp?id=1128440)

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