

The Labour Market Bulletin provides summary information about the labour market in Aberdeenshire and is published quarterly.

Aberdeenshire is split into six administrative areas and this bulletin looks at unemployment figures for these areas as well as at the local authority and the Travel to Work Area (TTWA) level. More information can be found at <http://www.nomisweb.co.uk>.

Aberdeenshire Unemployment

Figure 1 - Claimant Count Unemployment, September 2011

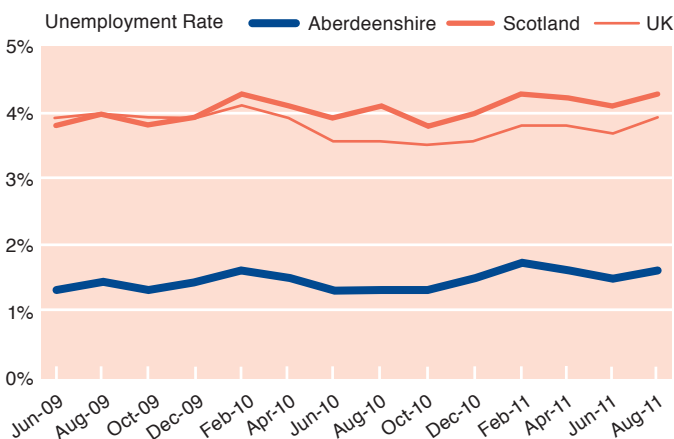
| Area | Total Claimants | | Quarterly Change | |
|----------------|-----------------|------|------------------|-------|
| | No. | Rate | No. | Rate |
| Aberdeenshire | 2,257 | 1.4 | -63 | -6.7% |
| Scotland | 140,010 | 4.1 | -547 | 0.0% |
| United Kingdom | 1,578,609 | 3.9 | 85,532 | 5.4% |

Source: Office for National Statistics (NOMIS)

Over the third quarter of 2011, Aberdeenshire's unemployment rate (Job Seekers Allowance claimant count) decreased to 1.4%. The number of claimants fell from 2,320 in June 2011 to 2,257 in September 2011.

Aberdeenshire has the second lowest claimant count out of the 32 Scottish local authorities. North Ayrshire has the highest claimant count out of the 32 local authorities, at 6.3%, followed by West Dumbartonshire and Glasgow City with 6.0% respectively. Over the 12 months to September 2011, unemployment in Aberdeenshire has fallen -194, from 2,063 claimants to 2,257.

Figure 2 - Unemployment Trends (Unadjusted Rates)



Source: Office for National Statistics (NOMIS)

How is the Economic Downturn Affecting the North East?

For the last 10 years the UK economy has been performing well, with moderate GDP growth rates of 2-3%, low inflation and low unemployment. Over 2010 however, the US and UK economies have been hit by a series of problems including a decrease in house prices, high levels of debt and a lack of available credit in the banking sector. This has hit the UK financial service sector and is now having a negative impact on the UK real economy.

Scotland, as with the rest of the UK, is made up of different economic sub-regions which will be affected by the economic downturn differently.

The Aberdeenshire economy is closely linked to the Aberdeen City economy and consequently, the oil and gas industry. Traditionally, Aberdeen and Aberdeenshire have performed well and have benefited in recent years by high oil prices. However, as the price of oil falls, the north east is likely to be negatively affected.

Some signs of an economic slowdown in the region are evident; however, there has been a relative improvement in the housing market price in Aberdeenshire and also in passenger numbers. For example, the average property price in the Aberdeen Housing Market Area in the 2nd quarter of 2011 was £218,326, an increase of 3% on the previous quarter. The passenger numbers at Aberdeen Airport have increased (+6.7%) to 276,300 in August 2011, compared with the same month last year.

Despite the current economic uncertainties, the most recent local GDP growth estimates are more positive for the North East. Mackay Consultants estimate that the North East experienced GDP growth of 0.6% in 2010 compared with Scotland at 0.4%.

Local Trends

Administrative Areas

Aberdeenshire has been divided into six administrative areas and the unemployment count and rate for each of these areas has been tabled overleaf. From this we can see that the unemployment rates across the areas are relatively low and are all below the Scottish and UK rates of 4.1% and 3.8% respectively. However, there are some areas where the rate is significantly higher than others. Banff and Buchan has the highest rate of all the administrative areas in September 2011 at 2.8%, representing a claimant count of 593.

