

Employment in Tameside: Revised results of the Annual Business Inquiry (ABI) 2005

The original results of the 2005 ABI, conducted in December 2005, were released in January 2007. As far as Tameside was concerned it was obvious early on that there were some serious errors in the data relating to the classification of a significant section of the workforce, with some 3,000 employees reported as being employed in the construction industry (as plumbers!) rather than in “financial and business services”. This has had significant knock-on effects not only for analysing changes in the Tameside economy but also sub-regionally, eg baselines used in Greater Manchester Forecasting Model etc.

Revised results of the 2005 Annual Business Inquiry (ABI) were released along with the 2006 ABI data in December 2007. The revisions incorporate *inter al* the changes requested by Tameside Council regarding the mis-classification of employees outlined above. Additional concerns raised with the ONS at the AGMA level have caused some additional changes to the 2005 data. In Tameside’s case, the number of employees originally assigned to the category of *wholesale distribution and repair* has been reduced by 900 from an original 16,000.

In Greater Manchester as a whole the net effect of the 2005 ABI changes has been minimal. Reductions in the number employed in *construction* have been largely offset by increases in *financial and business services* (as a result of changes to Tameside’s data, see above), and there appears to have been a large re-classification of employees from *Wholesale/retail distribution; repair to transport storage and communications*.

In Tameside, the net effect of the changes has been to reduce the estimate of jobs from 74,871 to 73,893, a reduction of 1.3%, caused principally by the reduction in the number of employees assigned to *wholesale distribution and repair* (see above). For changes in other selected geographical areas, see figure 1 below.

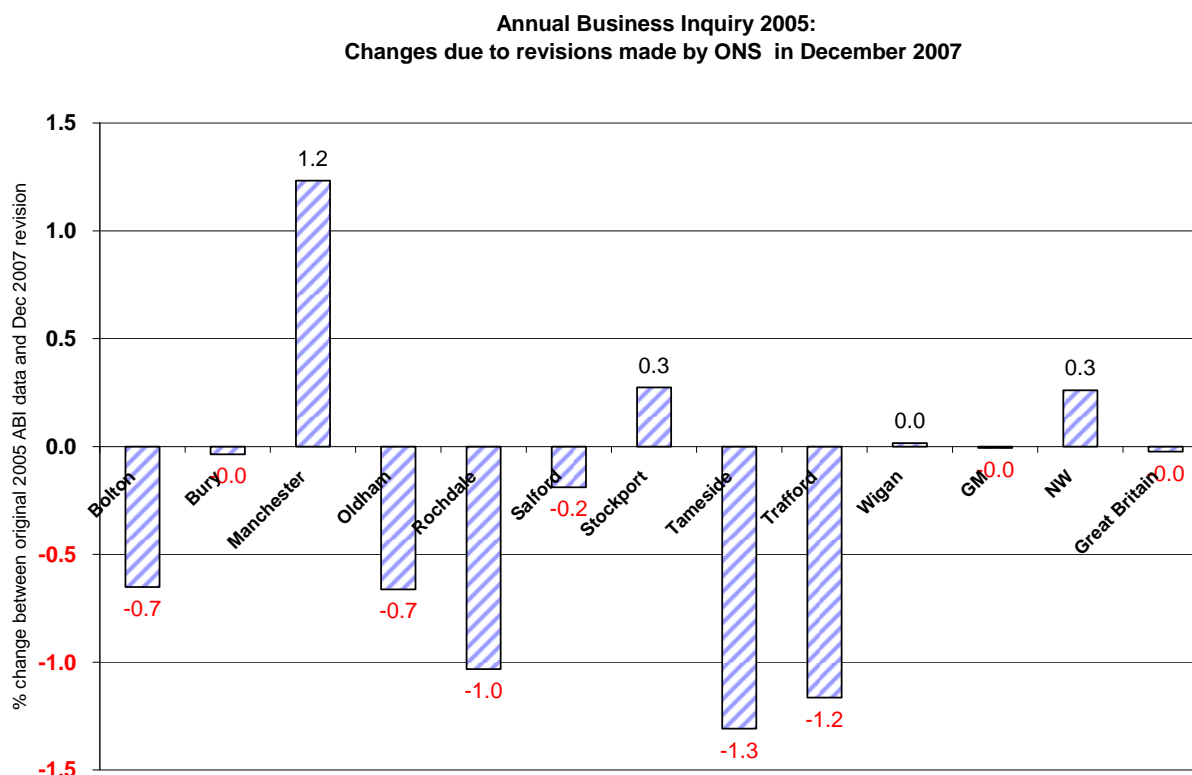


Figure 1

The following report “Employment in Tameside” is provided as a revision to a report on the 2005 ABI data originally provided in February 2007.

Employment in Tameside

Results of the Annual Business Inquiry (ABI) 2005 (incorporating ONS revisions at Dec 2007)

Note: The ABI is a business survey which collects both employment and financial information. It should be emphasised that the data presented are *estimates*, subject to both sampling errors (arising from the fact that the ABI is a survey, not a census) and non-sampling errors¹.

The local data available relates to *jobs* in Tameside ie employees only; self-employed and or working proprietors are not included. Data from the latest Annual Population Survey indicates there are approximately 11,000 self-employed in Tameside. Further information on the type of worker included in the series can be found in the Technical and Supplementary Information at the end of this report.

Headline data

- The 2005 data indicate an increase of 1.6% in the number of jobs nationally, but a reduction of 1.6% in the NW compared with 2004.
- In Greater Manchester it is estimated there were 1,164,000 employee jobs, a 2% reduction on the previous year but a 3.7% increase, less than that experienced both nationally and regionally, on the 2000 level (Figure 2).
- Within Greater Manchester there were reductions in all districts when compared with 2004, apart from Bolton and Wigan. Trafford experienced the largest reduction with 8.3% fewer employees than in 2004.

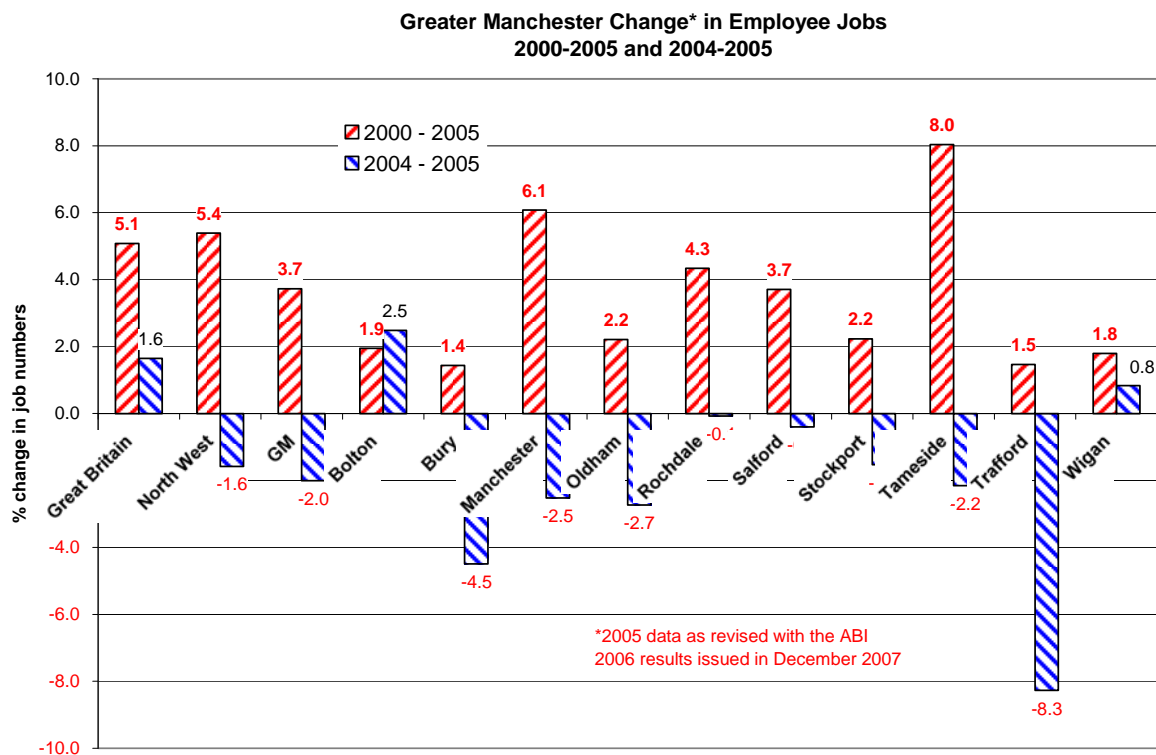


Fig 2 Source: ABI 2005 (revised in 2007)

¹ For further information on **Standard Errors for Annual Business Inquiry** refer to https://www.nomisweb.co.uk/articles/showArticle.asp?title=Information&article=news/071212_abi-stderrors.htm

- In Tameside it is estimated there were 73,893 employee jobs in December 2005, accounting for some 6.3% of all jobs in GM.
- Although experiencing a 2.2% year on year reduction in 2005, Tameside showed the highest increase of all GM districts between 2000 and 2005 (8.0%)
- Males occupied 50.7% of all jobs (2004 54%), females 49.3%. GM ratio is 50.9% / 49.1%.
- Full-time jobs (= 30+ hours per week) accounted for 68.2% of the total (2004 70.7%); part-time jobs 31.8%.
- 84.7% of jobs occupied by males are full time. For female occupied jobs, the figure is 51.2%.

In the year to December 2005 (see Fig 2 below):

- there was a reduction of over 1,600 or 2.2% in job numbers. It is unclear as to whether this is due to an actual reduction in job numbers or a result of changes in methodology of data collection and assembly. In any event this is in line with the GM reduction of 2.0%.
- there were large reductions in manufacturing (1,700 fewer individuals = 9.7% reduction), and significant reductions in construction (3,700 = 49% reduction¹) but these were partly offset by increases in financial and business services (+2,600 = 33.6% increase) (wholesale/ retail (+1,200 = 8.4% increase) and hotels and catering (+900 = 29% increase) (see Figure 2 below).

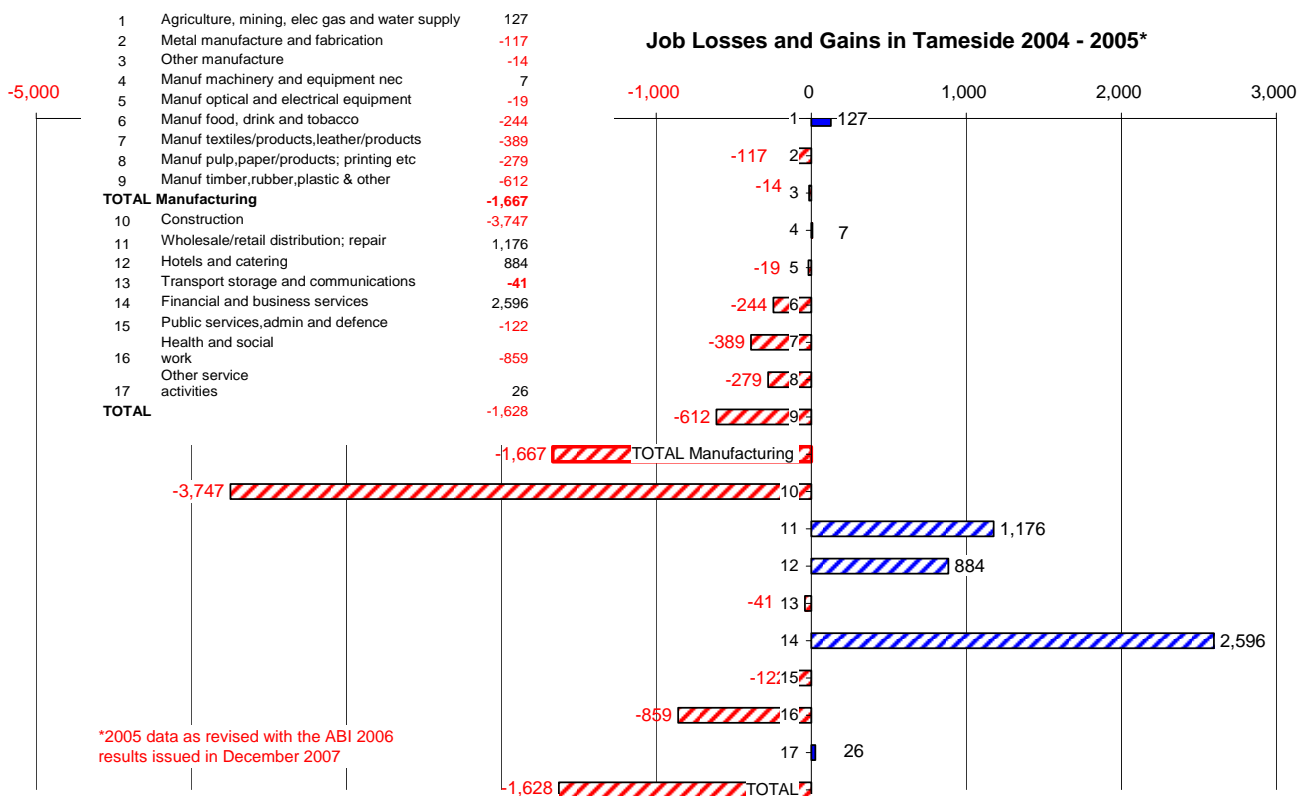


Fig 2 Source: ABI 2005 (revised in 2007)

¹ In 2004 the fact that there was a 2,000 increase in the number of construction jobs in Tameside highlights perhaps the fragility of the data in relation to construction, if not the actual jobs themselves.

In the five years to December 2005 (see Fig 3 below):

- there was an increase of almost 5,500, or 8.0%, in the number jobs in Tameside. This was the highest percentage increase among all the districts of Greater Manchester and compares favourably with the GM average increase of 3.7%.
- there was a loss of nearly 5,000 (24.1%) jobs in manufacturing (principally in food, drink, textiles) in the Borough. The losses were more than offset by a massive increase of almost 4,000 in financial and business services¹ (= 60.6% increase); over 2,800 jobs in health and social work (= 20% increase) and over 2,600 in wholesale/retail (20.6% increase).

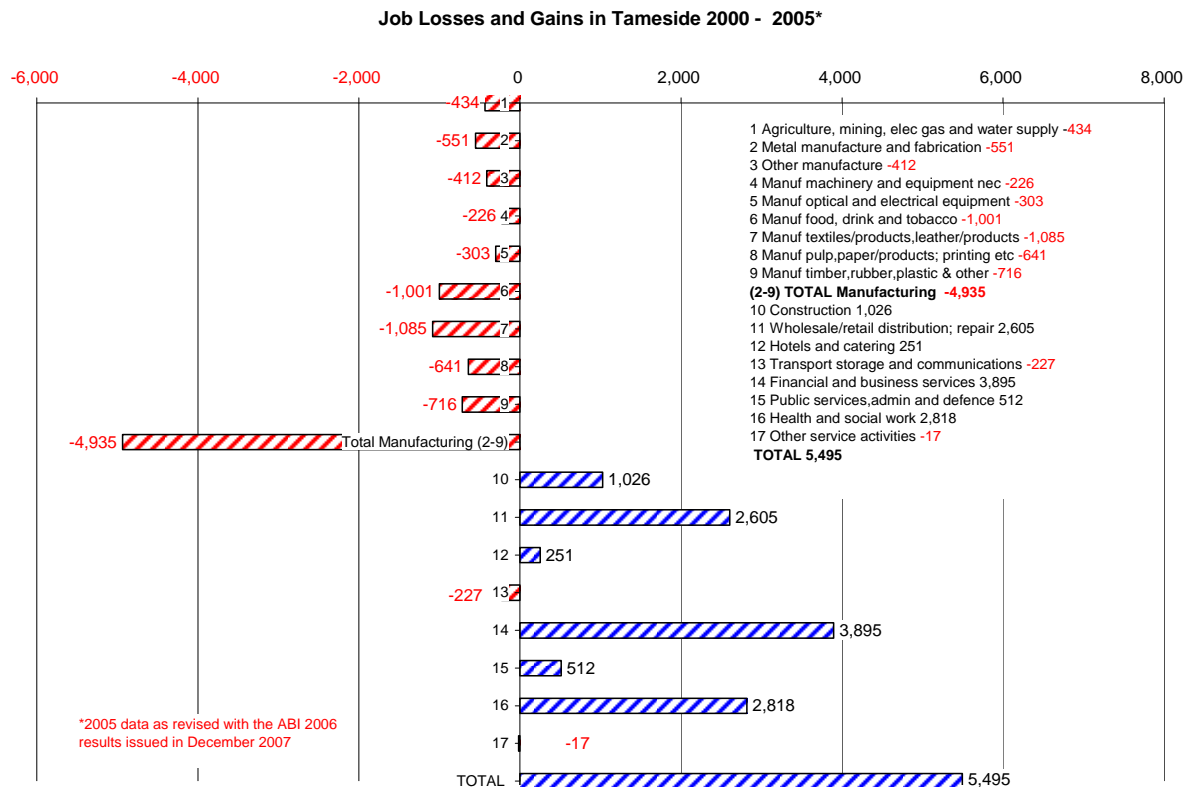


Fig 3 Source: ABI 2005 (revised in 2007)

¹Financial and Business Services includes the following SIC categories: 65 Financial intermediation, except insurance and pension funding; 66 Insurance and pension funding, except compulsory social security 67 Activities auxiliary to financial intermediation; 70 Real estate activities; 71 Renting of machinery and equipment without operator and of personal and household goods; 72 Computer and related activities; 73 Research and development; 74 Other business activities

Manufacturing

- Manufacturing continues to be a major provider of jobs in Tameside providing 15,500, or 21.0%, of all jobs in the borough (GM proportion = 11.2%).
- 28% of all full time jobs in Tameside are found in the manufacturing sector.
- Whereas 68% of jobs in the wider economy are full time, in manufacturing the proportion is almost 92%. A reduction in the numbers employed in manufacturing often means a reduction in the amount of fulltime employment in the local economy.
- Almost 74% of jobs in manufacturing are occupied by males. Over 35% of full time jobs occupied by males are in the manufacturing sector. The corresponding figure for females is 16.2%.
- Tameside continued to have the highest proportion of jobs in manufacturing compared with other GM districts (see Figure 4).
- But, as in most districts in GM, the manufacturing sector continues to decline in relative importance – a reduction from 29.9% to 21.0% of all jobs in 5 years.
- 4,900, or 24.1%, of jobs in manufacturing have been lost since 2000. Although most areas within manufacturing have been hit, there has been a 40% reduction in the number of jobs in the area of food, drink, and textiles.

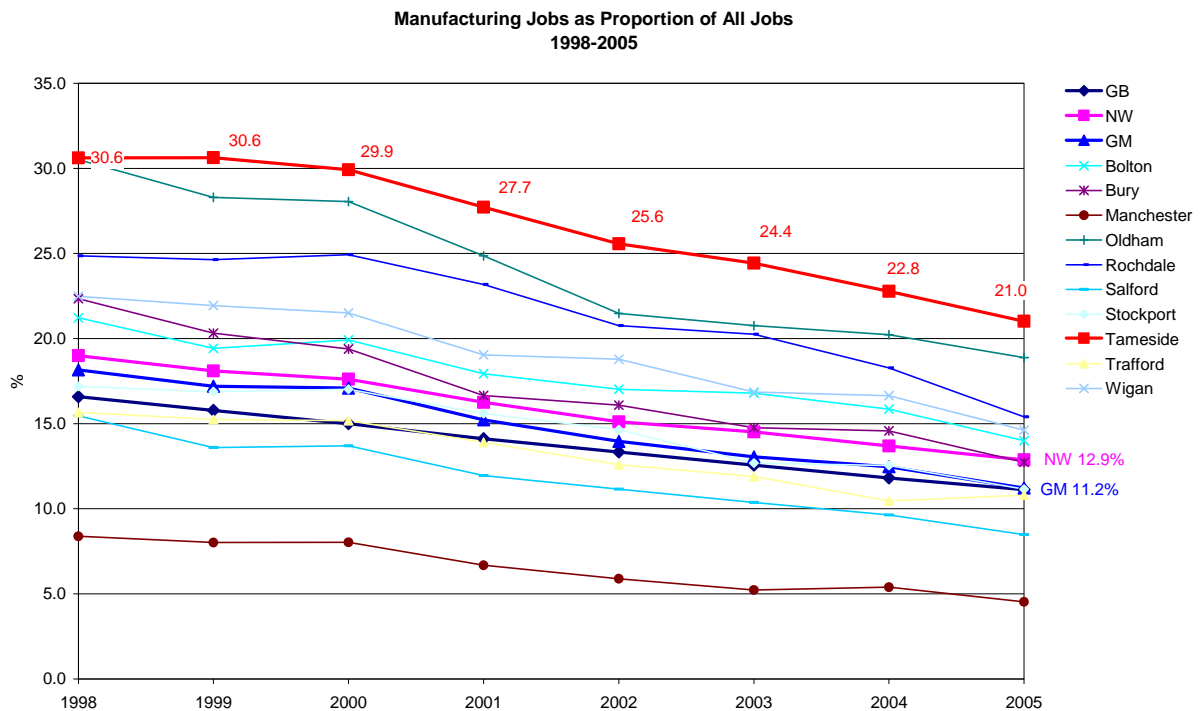


Fig 4 Source: ABI 2005 (revised in 2007)

Derek Francis 19 February 2008

Appendix

Some Technical and Supplementary Information

- The data are estimates, subject to both sampling errors (arising from the fact that the ABI is a survey, not a census) and non-sampling errors.
- The 2005 data are based on the Standard Industrial Classification (SIC) 2003, similar to the 1992 SIC, but comparisons between years may give rise to discontinuities. The main change relates to the designation of the Head Office of companies.
- ABI data can be broken down into male/female; part-time/ full-time or combinations subject to rules on disclosure.
- Geography: 2003 CAS ward level upwards for 2003 data, 1991 wards for earlier data (has probably minimal impact on Tameside ward-level data). The 2005 data sees the introduction of Super Output Area geographies. These new geographies are available from 2003. Data at this level needs to be evaluated for accuracy and usefulness prior to release.
- Various industry levels available (obviously the greater the detail the more restrictive the access):
 - 2003 SIC codes, four, three and two-digit
 - 10 Broad Industrial Group (BIG) categories
 - 23 Employment Service categories
 - 17 "sections"
- Access to available data is restricted to named individuals (DF, JL in Tameside) signing the Chancellor of the Exchequer's notice. These individuals cannot pass on certain "confidential data" to a third party. Thus data may need to be aggregated to conform to requirements on disclosure.
- ABI data is also available on the structure of businesses by employee numbers.
- Classes of employed not included in the data:

Non-executive directors;

Working proprietors, partners and executive directors not in receipt of a direct salary, fee or commission;

The self-employed;

Subcontracted labour;

Manual homeworkers on piecework rates;

Seconded/agency staff paid by their permanent employer;

Former employees still on the payroll as pensioners;

Employees working abroad long-term;

Unpaid workers and voluntary workers;

Those under 16 years of age;

Government supported trainees without a contract of employment.