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**ANNUAL EMPLOYMENT SURVEY 1997  
IN TYNE & WEAR**

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## 1 KEY POINTS

### *Overall:*

- **The Annual Employment Survey (AES) replaced the Census of Employment (CE) from 1995. It estimates employee jobs at their workplace. In Tyne & Wear these numbered about 425,100 in 1997.**
- In 1996/97 overall employment hardly changed, at about 426,000, according to ONS. TWRI's best estimate is a rise of 2,500, to 425,500. TWRI's best estimate for 1997 includes 400 for an under-count (on the NOMIS database) in Agriculture.
- TWRI has revised down the AES 1996 total, by 2,000, to 423,000. This is on the basis of apparent over-counting in Public Administration.
- The AES has many errors which make the measurement of employment change unreliable.
- **Broadly, excluding the erratic 1995 AES, current best estimates are that employee jobs have been around 425,000 plus or minus a few thousand since 1987. The huge fall in employment occurred between 1978 and 1987, by about 80,000 in nine years.**
- **It is a reasonable possibility that actual employee numbers are much higher than in the AES, perhaps around 450,000 in 1997.** This arises from the widening gap between AES estimates and, higher, figures implied by the Labour Force Survey (see below).
- **The first estimates from AES 1998 are that employee numbers were 433,700.** This suggests employment growth of about 2% in the year to September 1998. Since then, press reports and the regional employment estimates suggest employment may have fallen in Tyne & Wear.

### *Other Evidence on Employment:*

- Other evidence suggests more employee growth and a higher level than the AES estimates.
- 1996/97 was very probably a year of some employment growth. Job gains in the press exceeded job losses by about 5,600 (plus temporary and other gains not logged), down from 7,000 the year before.
- The Business Survey North (of private sector employers) reported continued employment growth. In the period between the two latest AES, September 1996-September 1997, claimant unemployment fell by 12,600 (7,400 the year before). This big fall is partly due to the new tighter rules for claimants under the JSA (Job Seekers' Allowance), introduced in October 1996.
- Either AES is under-estimating or LFS is over-estimating employee numbers, or both. The Labour Force Survey (LFS) estimated employee numbers to have risen by 13,000 between autumn 1996 and autumn 1997 to 423,000 (Stable at 410,000 the previous year). Unfortunately, the confidence interval on LFS estimates is wide (say +/-10,000). The LFS logically must be significantly lower than the AES because it only covers employees *resident* in Tyne & Wear (i.e. excludes net in-commuting *employees*, perhaps over 20,000 in 1991). For autumn 1997, adding at least 20,000 for net in-commuters to the 423,000 resident employees (from the LFS) suggests actual employee numbers could be over 443,000 (p5).

### *Growth industries in 1996/97:*

- Employment growth was particularly rapid in Business Services +5,000 (+12%) and in Hotels & Restaurants +1,700 (+8%) (p6).
- TWRI's judgement is that some gains were unreal: The 1997 AES' large gains in Wholesale & retail (+3,600, due to Newcastle up 4,100). Similarly only part of the 3,800 "gain" in Health & Social is believable: Excluding the Gateshead rise of 2,100 the Health & Social rise would be 1,700 (3%).

## 2 INTRODUCTION

This report briefly outlines the main results of the Annual Employment Survey 1997 for Tyne & Wear. For completeness, but not as a reliable measure of change, it also presents the Office for National Statistics (ONS)' AES96 results (in the main tables) (Tables 8-13, from p 10).

From 1995, the Annual Employment Survey (AES) is ONS' replacement for the biennial Census of Employment (CE). The 1993 CE was a full census. AES, being annual, is more frequent, but based on a sample of employers. AES97 is currently the latest available official source of employment data which has been checked by TWRI and Tyne & Wear Local Authorities.

The AES, like CE before, measures the numbers of *employees*. It does not cover the self-employed. It counts full-time and part-time employees separately. It is the most comprehensive source of employment data at national, regional and local level. Unlike the Labour Force Survey (LFS) the AES produces results down to Local Authority level, which, subject to checking, can be used.

ONS classified the data to industry using the SIC92 (Standard Industrial Classification 1992). This has fifteen "sections" (A to O). TWRI has combined the data for some very small industries to avoid problems of data confidentiality. Where data remain suppressed for this reason they are marked with an asterisk (\*).

**There are many questions about the quality of the data.** The data are NOT reliable for measuring employment change over a single year. They are not reliable for the level of employment to precision of closer than 10,000 or possibly more. Despite these important reservations, TWRI presents the report as evidence on employment.

## 3. DATA QUALITY

**In no circumstances should the reported changes between 1996 and 1997 be taken as indicating trends.** The margins of error on these estimates are just too large.

TWRI warns readers that the quality of official employment data has declined in recent years. This means that the employment figures in this report should best be regarded as *evidence*, rather than fact.

The AES95 total was, and is, suspiciously low. Very roughly, according to the advice of Tyne & Wear Districts about the original results for their areas, the original AES95 was about 10,000 low. Officers of South Tyneside Council reckoned AES95 was 5,100 low in South Tyneside. Gateshead officers reckoned it was 2,800 low in Gateshead. North Tyneside officers reckoned it was reasonably accurate. Sunderland officers found at least 2,700 in major omissions (wrongly allocated to Newcastle and North Tyneside). Newcastle found one major omission (500 or more at a single establishment). Checks, by Districts, for major omissions failed to identify more than a few major omission errors. A major omission from Newcastle's retailing means that it should have been about 1,000 higher.

AES96 total employment (429,200) was much more plausible than the low AES95 figure (408,200 incl. VAT only units). The AES96 estimates for Retailing and Construction were much more plausible than the AES95 (AES96 being up 8%, 3,200 and 17%, 3,500 respectively). These changes, in effect, remedied the apparent under-counting in the AES95 noted in TWRI's 1997 report (EM97/1) but for 1996 rather than 1995.

TWRI's revised version for 1996 (426,000) published in its report of AES96 (EM 99/1) excluded an error of 3,200 which ONS acknowledged in Public Administration. ONS said a further 3,000 of the rise in Public Administration was due to an increase in the number of Local Units (which TWRI

found difficult to believe was real). In the absence of definite information, for EM 99/1, TWRI chose to leave these 3,000 in the estimates.

TWRI's best judgement now is that the AES 1996 should be amended down to 423,000. That is, the 3,000 in Public Administration "new units" is most likely to have been double-counting. If 1996 is not revised down in this way the implication of the AES 1997 (425,100) is that employment fell in the year 1996/97. This is inconsistent with other data sources (the LFS up 13,000, claimant unemployment down 12,600 and press reports of job gains and losses).

Users who wish to obtain more definitive employment data should contact the Planning department of the District concerned. They have generally either re-coded the AES97 data-set to industry on the basis of their local knowledge or have developed alternative information systems. Data on individual establishments cannot be released from sources covered by the Statistics of Trade Act.

*Technical Note 1: NOMIS is the source of the data for this report. The NOMIS AES96 figures differ slightly from those originally published in ONS' Labour Market Trends (July 1998) for Tyne & Wear (428,100). ONS has stated that the figures on NOMIS are better as they have been subjected to some later validation checks by the NOMIS staff.*

**Table 1 Differences between 1996 estimates, in Labour Market Trends (LMT) and NOMIS (thousands):**

	Total	Full-time	Part-time	Men	Women
LMT July 1998	428.1	298.4*	129.6*	208.6	219.4
NOMIS	429.2	298.8	130.6	209.4	220.0
Difference	+1.1	+0.4	+1.0	+0.8	+0.6

*Sums do not total. \* = sum of male and female elements of this variable.*

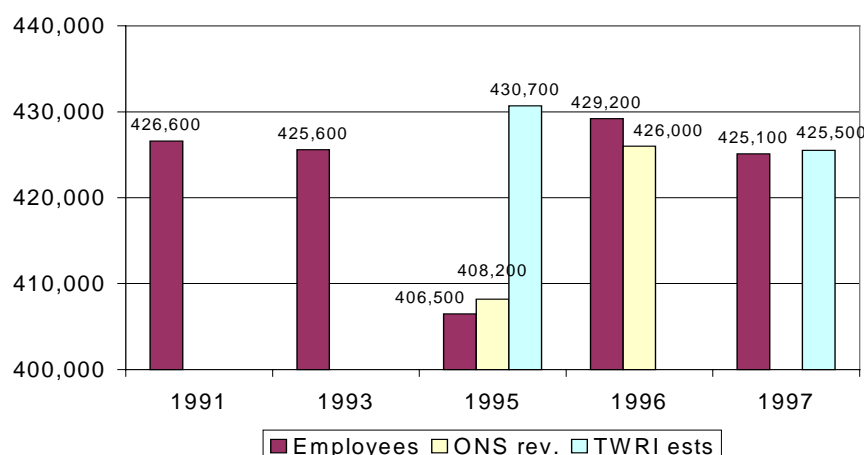
*Note: before exclusion of 3,200 error acknowledged by ONS.*

*Technical Note 2: The 1993 CE seriously under-recorded manufacturing employment. In Tyne & Wear it was about a fifth lower than the count in the Census of Production 1993. Moreover, manufacturing employment is about 10% higher in the AES95 than in the 1993 CE. ONS has recognised that the industry codings in 1993 CE were poor. This is highly regrettable as 1993 is a benchmark, being a full census, on which the AES is based.*

#### 4. CONTEXT

Estimates of employee totals in Tyne & Wear since 1991 are given in Figure 1.

**Fig.1: Employee Trends, 1991-97**



*Technical Note 3: "Employees" are the main estimates from ONS (except for 1993 which includes an addition for the 5,000 omissions identified for TWRI, as published in EM 96/1). "ONS rev." are ONS' revised estimates as issued in autumn 1998 for AES95 and the effect on AES96 of their acknowledgement of the 3,200 over-estimate in public services. "TWRI ests" for 1995 are those based on the CE93, using regional employment trends, and published in EM96/2.*

Employment in Tyne & Wear has been broadly stable since 1987 at around 425,000 following a huge 80,000 (16%) decline between 1978-87. This is according to the CE and AES. Table 2 (below) presents employment data for the 1990s, which highlights the 1995 estimate as a statistical outlier. There is no evidence from TWRI's log of job gains and losses (from the press) that this drop was real. Given also that the AES95 was the first on a new methodology it is TWRI's view that the AES95 is unreliable.

**Table 2 Employment estimates for Tyne & Wear 1991-97, Summary history.**

	Employees	Index, 1991=100
1991	426,600	100
1993	425,600 # (EM 96/1)	100
1995	406,500	95
1995 (revised by ONS)*	408,200	96
1995 (TWRI in EM96/2)	430,700	101
1996*	429,200	101
1996* (after excluding 3,200 error acknowledged by ONS)	426,000	100
1996* (after further excluding 3,000 in "new units")	423,000	99
1997*	425,100	100
* includes VAT only units.	# incl. addition of 5,000 by TWRI for omissions.	

Sources: ONS, TWRI.

**ONS' employee estimates are now no longer directly comparable with pre-1995 figures because they include employees at "VAT-only units".** This has created a 2% discontinuity for Great Britain but, oddly, only 0.4% in the official figures for Tyne & Wear. Details are given in ONS' Revisions (Table 4).

*Technical Note 4: The Labour Force Survey (LFS) estimates imply employees at workplaces in Tyne & Wear numbered around 455,000 in September 1997. The LFS gives an independent check on the number of employees by estimating the number of Tyne & Wear residents who are employees. As the AES measures employees at workplaces, the LFS estimate of employees therefore needs to be augmented by net in-commuters (about 30,000 when last measured at the 1991 Census of Population).*

**Table 3: Employees resident in Tyne & Wear, from the Labour Force Survey, 1995, 1996 and 1997.**

Date	Employees		
Autumn 1995 (Sept.- Nov.)	410,000	Autumn 1996 (Sept.- Nov.)	410,000
Winter 1995/96 (Dec.-Feb.)	403,000	Winter 1996/97 (Dec.-Feb.)	409,000
Spring 1996 (Mar. - May)	394,000	Spring 1997 (Mar. - May)	409,000
Summer 1996 (June-Aug.)	412,000	Summer 1997 (June-Aug.)	425,000
Autumn 1996 (Sept.-Nov.)	410,000	Autumn 1997 (Sept.-Nov.)	423,000
Average 1996 (Winter to Autumn)	404,750	Average 1997 (Winter to Autumn)	416,500

Source: Labour Force Survey (Quarterly Bulletins). The LFS estimates the number of Tyne & Wear **residents** who are employees..

## 5. ONS' REVISIONS TO THE AES 1995 (IN JULY 1998)

ONS revised upwards the 1995 results, taking into account VAT-only units, and these are presented in this report. The revised 1995 estimates and those for 1996 are thus not directly comparable with those for earlier years. The 1995 Tyne & Wear total is now 408,200 or 1,700 higher than the original result of 406,500. The 1995 figures were thus 1,700 higher in the AES 1996 report (EM99/1, March 1999) than in TWRI's report of the AES 1995 (EM 97/1, October 1997). These are surprisingly minor revisions given both TWRI's belief that the original ONS estimate was far too low and ONS's GB



average 2% revision. If ONS had revised the Tyne & Wear 1995 estimate in line with GB it would have been raised by over 8,000, instead of about 1,700, to about 414,500.

**Table 4: ONS' revisions to the 1995 estimates:**

	1995, as in EM97/1	1995, as revised by ONS	Revision No.	Revision %
Primary	4,200	4,200	None	0
Manufacturing	78,300	77,600	-700	-0.9
Construction	19,900	19,900	None	0
Consumer Services	104,300	105,400	+1,000	+1.0
Finance & Business	54,400	55,800	+1,400	+2.6
Public Services	124,200	124,200	None	0
Other Services	21,200	21,100	-100	+0.5
Total	406,500	408,200	+1,700	+0.4

ONS did not revise upwards the very low 1995 Construction figure whereas in GB it was raised by 9.6%. ONS also revised Finance & Business Services up by 6% in GB but only 2.6% in Tyne & Wear. Thus ONS' apparent under-revisions to 1995 explain a significant element (perhaps a third) of the very large reported increase in employment between 1995/96.

*Technical Note 5: ONS revised its 1995 estimates upward nationally by about 200,000 by taking into account "VAT-only units". These are workplaces on their list of employers (the IDBR, or Inter-Departmental Business Register) which are not on the PAYE register. Previously, all AES and Census of Employment figures were based only on PAYE units. ONS has thus now incorporated this previously hidden employment.*

## 6. ACTUAL CHANGE 1996/97

TWRI's best estimate of employment change in 1996/97 is currently +2,500. This is from 423,000 to 425,500. This takes into account two apparent over-estimates in the 1996 base, of 3,200 (which was excluded from the base in EM99/1) and the 3,000 in "new units" (which is now also excluded from the base) plus the 400 under-estimate in 1997 of agriculture.

Actual employment change of +2,500 is broadly consistent with the 5,600 net job gains (gains minus losses) reported in the press in the period. Press reports tend to under-record job losses.

At Tyne & Wear level the major changes during 1996/97 are Public Administration down 3,800 (-10%). This is a much smaller fall than reported by ONS, down 6,800 (-17%). Manufacturing is down 5,000 (-6%) partly due to reduced offshore activity. Transport & Communications is down 1,800 (-8%). [ But this includes mis-location of Air Transport and loss from Gateshead]

The biggest gain is Business Services, up 5,000 (+12%). This may be partly call centres. Hotels & restaurants rose 1,700 (+8%). Other big gains are dubious: The second-largest gain is Health & Social, up 3,800 (+7%), but this is mainly Gateshead's 2,100 (+31%) rise, which appears to be a re-coding from Public Admin. The third-largest rise is Distribution up 3,600 (6%), but this is due to an incredible gain of 4,100 (+22%) in Newcastle.

The Public Administration lower estimates for 1997 (1996/97 down 6,800 in ONS' figures) may have corrected the over-estimation in 1996. In the 1996 report TWRI noted "there were [actual] relocations of thousands of DSS staff from Newcastle to North Tyneside [in 1996]. These may well have been mis-recorded by ONS, even after the 3,200 correction. Certainly, the remaining 3,900 (+11%) reported gain in Public Administration is implausible. It appears that the Newcastle figures have not been reduced appropriately." The big 1997 fall in Public Administration, however, according to ONS, was in North Tyneside, by 3,100 or an incredible -56%.

## **7. ACTUAL EMPLOYMENT 1996**

TWRI now estimates 1996 employment at 423,000. It now appears that 1996 employment was probably lower than the 426,000 reported previously. As noted above, the Public Administration employment in 1996 is likely to have been thousands lower than estimated.

## **8. EMPLOYMENT ESTIMATES AFTER 1997**

Provisional AES 1998 results (issued in ONS Labour Market Trends, June 2000) give a Tyne & Wear total of 433,700 but will require careful assessment. For 1998 the ONS ran both an AES and the first of its successor, the ABI (Annual Business Inquiry) in a “parallel run”. ABI is, in effect, a combination of the AES and the Census of Production. It is not clear at this stage what quality the ABI employment estimates will have.

## **9. COMMENTARY ON EMPLOYMENT 1997**

### **9.1 Employment Levels**

Total employees in Tyne & Wear numbered about 425,100 in 1997 (Tables 6 and 8). [Note: These NOMIS figures omitted a part of Agricultural employment]. Employment levels are broadly similar to those in 1991. (The 1996 total is below the crude estimate of 429,200 because of the exclusion of 3,200 due to an ONS processing error in Public Administration.)

### **9.2 Employment Structure**

Women continue to be the majority amongst employees in Tyne & Wear. According to ONS' estimates for 1997 the majority of employees in Tyne & Wear are women (50.2%). The proportion of employee jobs held by men was thus 49.8%. (It should be remembered that amongst the self-employed, who are excluded from these employee figures, men pre-dominate.)

### **9.3 Industrial Structure**

Tyne & Wear was more dependent on Service sector employment (73.6%; 73.4% after excluding the 3,200) than the North East (70.3%) but less dependent than Great Britain (75.6%). Dependence on manufacturing employment is about 3 percentage points above the GB average (of 18.0%) in the North East (21.2%). This difference means in the NE there are about 30,000 more jobs in manufacturing than the national average. Tyne & Wear is between these two at 19.1%. Table 5 illustrates the differences in industrial structure at SIC Section-level.

Table 5: Industrial Structure, 1997

Section		GB	%	NE	%	TW	
A,B	Agriculture, fishing*	71,000	0.3	1,500	0.2	100[+400*]	0
C	Mining & Quarrying	75,500	0.3	3,400	0.4	300	0.1
E	Utilities	139,200	0.6	5,800	0.6	2,500	0.6
	<b>PRIMARY*</b>	<b>285,700</b>	<b>1.3</b>	<b>10,600</b>	<b>1.2</b>	<b>2,900</b>	<b>0.7</b>
<b>D</b>	<b>MANUFACTURING</b>	<b>4,060,000</b>	<b>18.0</b>	<b>190,200</b>	<b>21.2</b>	<b>81,000</b>	<b>19.1</b>
<b>F</b>	<b>CONSTRUCTION</b>	<b>987,900</b>	<b>4.4</b>	<b>52,600</b>	<b>5.9</b>	<b>24,400</b>	<b>5.7</b>
G	Wholesale, retail	3,855,500	17.1	137,900	15.4	68,600	16.1
H	Hotels & restaurants	1,277,100	5.7	49,700	5.5	23,400	5.5
I	Transport & communication	1,319,400	5.9	45,100	5.0	21,000	4.9
	<b>CONSUMER SERVICES</b>	<b>6,452,100</b>	<b>28.6</b>	<b>232,743</b>	<b>25.9</b>	<b>113,000</b>	<b>26.6</b>
J	Finance	978,400	4.3	18,800	2.1	10,300	2.4
K	Business Services	3,205,300	14.2	92,000	10.3	47,600	11.2
	<b>FINANCE &amp; BUSINESS</b>	<b>4,183,700</b>	<b>18.6</b>	<b>110,800</b>	<b>12.4</b>	<b>57,900</b>	<b>13.6</b>
L	Public Administration	1,286,800	5.7	62,700	7.0	33,600	7.9
M	Education	1,756,000	7.8	74,400	8.3	33,500	7.9
N	Health & Social	2,453,800	10.9	118,600	13.2	57,200	13.4
	<b>PUBLIC SERVICES</b>	<b>5,496,600</b>	<b>24.4</b>	<b>255,600</b>	<b>28.5</b>	<b>124,300</b>	<b>29.2</b>
<b>O</b>	<b>OTHER SERVICES</b>	<b>1,068,900</b>	<b>4.7</b>	<b>44,500</b>	<b>5.0</b>	<b>21,600</b>	<b>5.1</b>
	<b>TOTAL</b>	<b>22,534,900</b>	<b>100</b>	<b>897,100</b>	<b>100</b>	<b>425,100</b>	<b>100</b>

Source: NOMIS. \* These NOMIS figures exclude a large part of Agricultural employment, perhaps 400 or more.

For reference, a detailed listing of about 60 SIC divisions is given for Tyne & Wear (Table 6). The five biggest industries at this level account for 49.5% of employees (210,300) and remain: Health & Social work (57,200), Retailing (43,500), Public Admin. (40,400), Education (33,500) and Other Business (35,700).

Table 6: Employment Structure in Tyne &amp; Wear, 1997

92 Division	Description (92 classification)	Full-time	Part-time	Men	Women	Total
1	Agriculture, hunting, etc	0	0	0	100	100
2	Forestry, logging, etc	*	*	*	*	*
5	Fishing, operation fish hatcheries/farms	0	0	0	0	0
10	Mining coal/lignite; extraction of peat	*	*	*	*	*
11	Extraction crude petroleum/natural gas	*	*	*	*	*
12	Mining of uranium and thorium ores	0	0	0	0	0
13	Mining of metal ores	*	*	*	*	*
14	Other mining and quarrying	*	*	*	*	*
15	Manuf food products and beverages	5,500	2,500	5,100	3,000	8,000
16	Manuf tobacco products	0	0	0	0	0
17	Manuf textiles	1,000	100	600	500	1,100
18	Manuf apparel;dressing/dyeing fur	3,800	500	700	3,600	4,300
19	Tanning/dressing of leather, etc	*	*	*	*	*
20	Manuf wood/products/cork, etc	1,100	100	1,000	200	1,200
21	Manuf pulp, paper and paper products	2,700	100	1,900	900	2,800
22	Publishing,printing,repro recorded media	4,700	600	3,200	2,100	5,300
23	Manuf coke, refined petroleum products	*	*	*	*	*
24	Manuf chemicals and chemical products	3,100	100	2,300	800	3,100
25	Manuf rubber and plastic goods	4,400	200	3,600	1,000	4,600
26	Manuf other non-metallic products	2,600	200	2,200	500	2,800
27	Manuf basic metals	1,700	0	1,500	200	1,700
28	Manuf fabricated metal products, etc	9,300	300	8,500	1,000	9,500
29	Manuf machinery and equipment nec	11,100	200	9,700	1,600	11,300
30	Manuf office machinery and computers	300	100	300	200	400
31	Manuf electrical machinery/apparatus nec	3,600	700	3,300	1,000	4,300
32	Manuf radio, tv/communications equipment	2,900	500	2,200	1,200	3,400
33	Manuf medical,precision instruments,etc	1,300	200	800	700	1,500
34	Manuf motor vehicles,trailers,etc	6,600	100	6,100	500	6,600
35	Manuf other transport equipment	3,900	0	3,700	200	3,900
36	Manuf furniture; manufacturing nec	4,300	200	3,300	1,200	4,500
37	Recycling	*	*	*	*	*
40	Electricity,gas,steam/hot water supply	*	*	*	*	*
41	Collection,purification/distri of water	*	0	*	*	*
45	Construction	23,300	1,200	21,600	2,800	24,400
50	Sale,maintenance/repair motor vehicles	9,000	800	7,900	1,900	9,800
51	Wholesale trade/commission trade,etc	13,100	2,200	10,700	4,600	15,300
52	Retail trade, except of motor vehicles	18,500	25,100	12,800	30,700	43,500
55	Hotels and restaurants	8,700	14,800	8,000	15,400	23,400
60	Land transport; transport via pipelines	7,400	500	6,900	1,100	8,000
61	Water transport	*	*	*	*	*
62	Air transport	*	*	*	*	*
63	Supporting/auxilliary transport,etc	4,900	700	3,000	2,600	5,600
64	Post and telecommunications	5,600	1,300	5,100	1,800	6,900
65	Financial intermediation, etc	4,900	1,600	1,900	4,600	6,500
66	Insurance and pension funding, etc	2,100	200	1,200	1,100	2,300
67	Act auxilliary financial intermediation	1,400	100	800	700	1,500
70	Real estate activities	3,000	1,400	1,700	2,700	4,400
71	Renting machinery/equipment, etc	1,900	400	1,700	600	2,300
72	Computing and related activities	4,200	300	3,000	1,500	4,500
73	Research and development	700	0	500	200	800
74	Other business activities	21,100	14,600	15,700	20,000	35,700
75	Public admin/defence; compulsory SS	30,600	9,800	15,400	25,000	40,400
80	Education	20,500	13,000	10,700	22,800	33,500
85	Health and social work	34,900	22,300	11,800	45,300	57,200
90	Sewage/refuse disposal, sanitation, etc	1,500	0	1,400	100	1,500
91	Activities membership organisations nec	3,600	2,900	2,400	4,100	6,500
92	Recreational, cultural and sporting	5,800	4,400	4,600	5,600	10,200
93	Other service activities	2,300	1,000	1,300	2,100	3,400
95	Private households with employed persons	0	0	0	0	0
99	Extra-territorial organisations/bodies	0	0	0	0	0
	<b>TOTAL</b>	<b>303,600</b>	<b>121,600</b>	<b>211,600</b>	<b>213,600</b>	<b>425,100</b>

Source: ONS (AES 1997), NOMIS (Crown Copyright).

The biggest employer for men at this level is Construction (21,600). The other big employers of men are the same as for everyone: Public Administration, Other Business, Education, Retailing and Health & Social. In Retailing, women out-number men almost 2.4:1 and in Health & Social by almost 4:1. The proportion of men in Retailing has risen sharply.

**Table 7: Top Industries for Employment of Men and Women, 1997 (employees only).**

Men		%	Women		%
Construction	21,600	10.2	Health & Social	45,300	21.2
Other Business	15,700	7.4	Retailing	30,700	14.4
Public Administration	15,400	7.3	Public Administration	25,000	11.7
Education	10,700	5.1	Education	22,800	10.7
Retailing	12,800	6.0	Other Business	20,000	9.4
Health & Social	11,800	5.6	Hotels & restaurants	15,400	7.2
Top Six	88,000	41.6	Top Six	159,200	74.5

Source: NOMIS.

Part-time employment in 1997 is estimated (surprisingly) to be 8,200 lower than in 1996 (at 121,600). For part-timers, the biggest employers were Retailing (25,100; down 1,000), Health & Social (22,300; down 1,500), Hotels & restaurants (14,800; down 800), Education (13,000; down 1,300) and Other Business (14,600; up 700).

## 10. DISTRICT EMPLOYMENT CHANGE 1996/97 (TABLES 9-13)

ONS' estimates for 1996 and 1997 suggest that the biggest employment growth was in North Tyneside, up 3,000 or 5% (from 57,500 to 60,600). This is despite a 3,100 fall in Public Administration. This is surprising given the relocation of an estimated 2,000 staff from Newcastle to North Tyneside in 1996. Table 11 has therefore been amended by the addition of 2,000 in Public Administration (who appear to have been omitted). North Tyneside had big gains in Manufacturing (partly due to a peak in Offshore Engineering), and the new Siemens factory, up 1,800 or 14%. Construction was also up 1,300 or 32%. This may reflect activity in the Silverlink area and house-building, particularly in the A19 corridor. (ONS have stated, however, that their proper procedure is that a construction site, rather than the base of a construction firm, is the recorded location *only* if the site is expected to last over 2 years.) Education was up 1,100 which is most probably not accurate.

Sunderland's employment growth is estimated at 800 (1%), lead by Business Services, up 1,900 – probably reflecting growth in call centres (notably at Doxford). Sunderland's manufacturing employment fell by 1,400 (-5%).

South Tyneside's employment was little changed, down 700 or -2%. Public Administration is down 900 (or 31%) reversing most of the 1995-96 rise of 1,400 (+81%). [It appears the 1996 figure was too high]. Construction employment was down 800 (-17%).

ONS' estimate of Newcastle's employment is a fall by 2,700 (or -2%) to 147,600. Table 10 has been amended in two ways (First, subtracting 3,300 from manufacturing in 1996, due to a mis-location from North Tyneside). The 1996 gain in Public Administration (+600) was not credible given the transfer of thousands of DSS jobs to North Tyneside. It would be more credible if this figure had fallen by about 2,000. It is therefore odd that 1997 Public Admin. Employment fell only 800. Other implausible changes in 1996 were partly reversed; the Education rise (1,200 or +10% in 1996) was followed by -200 in 1997 and the Business Services fall -2,000 or -9% in 1996 was followed by a 900 rise in 1997.

Gateshead's employment is estimated to have fallen 700 (-1%) after a rise of 1,700 (2%) in 1996. In two industries the rises in 1996 are simply reversed in 1997: The Transport & Communication (up 900 or 17%, then down 1,100 or -13%) and, less equally, Public Administration (up 700 or 17%, then

down 2,000 or -41%). Two industries showed substantial growth; Health & Social Work 2,100 (-31%) and Business Services 1,300 (+19%). [Some figures in Tables 8-13 vary from this text due to rounding]

**Table 8: Employment in Tyne & Wear, 1996 and 1997**

SIC92	Industry	1996	1997	Change	%
A+B	Agriculture	500	500	0	0%
C	Mining & Quarrying	200	300	100	50%
E	Utilities	3100	2500	-600	-19%
	<b>PRIMARY</b>	<b>3700</b>	<b>3300</b>	<b>-400</b>	<b>-11%</b>
D	<b>MANUFACTURING</b>	<b>86000</b>	<b>81000</b>	<b>-5000</b>	<b>-6%</b>
F	<b>CONSTRUCTION</b>	<b>23400</b>	<b>24400</b>	<b>1000</b>	<b>4%</b>
G	Wholesale, retail	65000	68600	3600	6%
H	Hotels & restaurants	21700	23400	1700	8%
I	Transport & comms	22800	21000	-1800	-8%
	<b>CONSUMER SERVS.</b>	<b>109500</b>	<b>113000</b>	<b>3500</b>	<b>3%</b>
J	Financial	11100	10300	-800	-7%
K	Business services	42600	47600	5000	12%
	<b>FINANCE &amp; BUSINESS</b>	<b>53700</b>	<b>57900</b>	<b>4200</b>	<b>8%</b>
L	Public Administration	37400	33600	-3,800	-10%
M	Education	34200	33500	-800	-2%
N	Health & social work	53300	57200	3800	7%
	<b>PUBLIC SERVICES</b>	<b>125000</b>	<b>124300</b>	<b>-800</b>	<b>-1%</b>
O	<b>OTHER SERVICES</b>	<b>21700</b>	<b>21600</b>	<b>-100</b>	<b>0%</b>
	<b>TOTAL</b>	<b>423000</b>	<b>425500</b>	<b>2500</b>	<b>0.6%</b>

**Table 9: Employment in Gateshead, 1996 and 1997**

SIC92	Industry	1996	1997	Change	%
A+B	Agriculture	*	*	*	*
C	Mining & Quarrying	*	*	*	*
E	Utilities	*	*	*	*
	<b>PRIMARY</b>	<b>400</b>	<b>600</b>	<b>200</b>	<b>50%</b>
D	<b>MANUFACTURING</b>	<b>18300</b>	<b>17600</b>	<b>-700</b>	<b>-4%</b>
F	<b>CONSTRUCTION</b>	<b>4500</b>	<b>4500</b>	<b>100</b>	<b>2%</b>
G	Wholesale, retail	16000	15600	-400	-3%
H	Hotels & restaurants	4000	4200	200	5%
I	Transport & comms	6200	5100	-1,000	-16%
	<b>CONSUMER SERVS.</b>	<b>26200</b>	<b>24900</b>	<b>-1,200</b>	<b>-5%</b>
J	Finance	1700	1700	0	0%
K	Business services	7200	8500	1,300	18%
	<b>FINANCE &amp; BUSINESS</b>	<b>8900</b>	<b>10200</b>	<b>1,300</b>	<b>15%</b>
L	Public Administration#	4700	2800	-2,000	-43%
M	Education	4400	4100	-300	-7%
N	Health & social#	6800	8800	2,100	31%
	<b>PUBLIC SERVICES</b>	<b>15900</b>	<b>15700</b>	<b>-200</b>	<b>-1%</b>
O	<b>OTHER SERVICES</b>	<b>3500</b>	<b>3400</b>	<b>0</b>	<b>0%</b>
	<b>TOTALS</b>	<b>77500</b>	<b>76900</b>	<b>-600</b>	<b>-1%</b>

Table 10: Employment in Newcastle, 1996 and 1997

SIC92	Industry	1996	1997	Change	%
A+B	Agriculture	*	*	*	*
C	Mining & Quarrying	*	*	*	*
E	Utilities	*	*	*	*
	<b>PRIMARY</b>	<b>1,800</b>	<b>600</b>	<b>-1,300</b>	<b>-72%</b>
D	<b>MANUFACTURING</b>	<b>14,000 #</b>	<b>12,800</b>	<b>-1,200</b>	<b>-9%</b>
F	<b>CONSTRUCTION</b>	<b>5,700</b>	<b>6,100</b>	<b>300</b>	<b>5%</b>
G	Wholesale, retail	18,400	22,500	4,100	22%
H	Hotels & restaurants	7,800	8,500	700	9%
I	Transport & comms	8,500	7,400	-1,100	-8%
	<b>CONSUMER SERVS.</b>	<b>34,700</b>	<b>38,400</b>	<b>3,700</b>	<b>11%</b>
J	Finance	6,200	5,400	-900	-15%
K	Business services	19,500	20,400	900	5%
	<b>FINANCE &amp; BUSINESS</b>	<b>25,700</b>	<b>25,800</b>	<b>100</b>	<b>0%</b>
L	Public Administration	20,000 #	21,200	1,200	6%
M	Education	13,300	13,100	-200	-2%
N	Health & Social	20,700	21,300	600	3%
	<b>PUBLIC SERVICES</b>	<b>56,000</b>	<b>55,600</b>	<b>-300</b>	<b>-1%</b>
O	<b>OTHER SERVICES</b>	<b>8,600</b>	<b>8,300</b>	<b>-400</b>	<b>-2%</b>
	<b>TOTALS</b>	<b>144,500 #</b>	<b>147,600</b>	<b>3,100</b>	<b>2%</b>

# = 3,300 deducted from Manufacturing in 1996 for apparent misallocation from NT.  
Also 2,000 deducted from Public Admin in 1996 for partial relocation of DSS to NT.

Table 11: Employment in North Tyneside, 1996 and 1997

SIC92	Industry	1996	1997	Change	%
A+B	Agriculture	*	*	*	*
C	Mining & Quarrying	*	*	*	*
E	Utilities	*	*	*	*
	<b>PRIMARY</b>	<b>400</b>	<b>800</b>	<b>500</b>	<b>125%</b>
D	<b>MANUFACTURING</b>	<b>13400</b>	<b>16200 #</b>	<b>2,800</b>	<b>21%</b>
F	<b>CONSTRUCTION</b>	<b>4300</b>	<b>5600</b>	<b>1,300</b>	<b>30%</b>
G	Wholesale, retail	8,800	8900	100	1%
H	Hotels & restaurants	3000	3200	100	3%
I	Transport & comms	2100	1900	-200	-10%
	<b>CONSUMER SERVS.</b>	<b>14000</b>	<b>13900</b>	<b>-100</b>	<b>-1%</b>
J	Finance	800	700	-100	-13%
K	Business services	5400	5600	200	4%
	<b>FINANCE &amp; BUSINESS</b>	<b>6200</b>	<b>6300</b>	<b>100</b>	<b>2%</b>
L	Public Administration!	5,600	2400	-3,100	-55%
M	Education	3600	4700	1,100	31%
N	Health & social	7200	7800	700	10%
	<b>PUBLIC SERVICES</b>	<b>19600</b>	<b>15000</b>	<b>-4,600</b>	<b>-23%</b>
O	<b>OTHER SERVICES</b>	<b>2900</b>	<b>2800</b>	<b>-100</b>	<b>-3%</b>
	<b>TOTAL !</b>	<b>57,500</b>	<b>60600</b>	<b>3,000</b>	<b>5%</b>

# = Manufacturing has been raised by 1,000 for omissions.

! = The ONS figures for Public Admin. make no sense, given their 1995 figure of 3,200 and the relocation of an estimated 2,000 DSS staff from Newcastle in 1996.

Therefore total employment (the sum of all industries) in North Tyneside actually rose in 1996/97 by several thousand.

Table 12: Employment in South Tyneside, 1996 and 1997

SIC92	Industry	1996	1997	Change	%
A+B	Agriculture	*	*	*	*
C	Mining & Quarrying	*	*	*	*
E	Utilities	*	*	*	*
	<b>PRIMARY</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0%</b>
D	<b>MANUFACTURING</b>	<b>9300</b>	<b>9000</b>	<b>-300</b>	<b>-3%</b>
F	<b>CONSTRUCTION#</b>	<b>4700</b>	<b>3900</b>	<b>-800</b>	<b>-17%</b>
G	Wholesale, retail	6100	6100	0	0%
H	Hotels & restaurants	2200	2300	100	5%
I	Transport & comms#	1900	1600	-400	-21%
	<b>CONSUMER SERVS.</b>	<b>10300</b>	<b>10000</b>	<b>-300</b>	<b>-3%</b>
J	Finance	500	500	0	0%
K	Business services	2500	3100	600	24%
	<b>FINANCE &amp; BUSINESS</b>	<b>3000</b>	<b>3600</b>	<b>600</b>	<b>20%</b>
L	Public Administration#	3000	2100	-900	-30%
M	Education	3300	3500	200	6%
N	Health & social work	6200	6600	400	6%
	<b>PUBLIC SERVICES</b>	<b>12600</b>	<b>12200</b>	<b>-400</b>	<b>-3%</b>
O	<b>OTHER SERVICES</b>	<b>2100</b>	<b>2600</b>	<b>500</b>	<b>24%</b>
	<b>TOTAL</b>	<b>42100</b>	<b>41400</b>	<b>-700</b>	<b>-2%</b>

#= The reasons for the falls are unknown. The Public Admin. total for 1996 was probably too high.

Table 13: Employment in Sunderland, 1996 and 1997

SIC92	Industry	1996	1997	Change	%
A+B	Agriculture	*	*	*	*
C+E	Energy & Water	800	1000	200	25%
	<b>PRIMARY</b>	<b>900</b>	<b>1000</b>	<b>200</b>	<b>22%</b>
D	<b>MANUFACTURING</b>	<b>27700</b>	<b>26400</b>	<b>-1,400</b>	<b>-5%</b>
F	<b>CONSTRUCTION</b>	<b>4300</b>	<b>4300</b>	<b>100</b>	<b>2%</b>
G	Wholesale, retail	15600	15500	-100	-1%
H	Hotels & restaurants	4700	5200	600	13%
I	Transport & comms	4000	5000	1,000	25%
	<b>CONSUMER SERVS.</b>	<b>24300</b>	<b>25700</b>	<b>1,400</b>	<b>6%</b>
J	Finance	1900	2000	200	11%
K	Business services	8000	9900	1,900	24%
	<b>FINANCE &amp; BUSINESS</b>	<b>9900</b>	<b>12000</b>	<b>2,100</b>	<b>21%</b>
L	Public Administration	5100	5100	0	0%
M	Education	9600	8100	-1,500	-16%
N	Health & Social	12400	12500	100	1%
	<b>PUBLIC SERVICES</b>	<b>27100</b>	<b>25700</b>	<b>-1,400</b>	<b>-5%</b>
O	<b>OTHER SERVICES</b>	<b>4700</b>	<b>4600</b>	<b>-100</b>	<b>-2%</b>
	<b>TOTAL</b>	<b>98800</b>	<b>99700</b>	<b>800</b>	<b>1%</b>



**APPENDIX 1: RECENT HISTORY OF REVISIONS TO AES.**

- ONS revised upwards (in mid-1998) the 1995 estimate by 1,700 or just 0.4% whereas the GB estimates were raised by 2.0% to include “VAT-only” establishments not on the PAYE register.
- Even ONS’ revised AES 95 was implausibly low for Tyne & Wear at 408,200. ONS slightly revised upward the 1995 estimate from 406,500. TWRI noted in its report on the original AES95 that Tyne & Wear local authorities estimated it to be about 10,000 too low.
- The AES 95 revised, AES 96 and AES 97 figures are not directly comparable with earlier employee estimates as they now include employment at “VAT-only units”. If the AES 95 had been adjusted by the same percentage as in GB to include VAT only units (+2.0% or 8,000) the 1995 total would be about 414,500 on a comparable basis with the AES96.