

Alister Jack responds to January 2020 labour market figures

Commenting on the latest labour market figures the Scottish Secretary Alister Jack said:

It's good news that Scotland's unemployment level has fallen and employment increased recently. However, we can't be complacent as unemployment is up year on year and the number of people in work in Scotland is still lagging behind the rest of the UK.

The UK Government is working flat out to ensure Scotland and every part of the UK prospers, including through investing more than £1.4 billion in city and growth deals. I urge the Scottish Government to use its extensive powers and work with us to improve the lives of people across Scotland.

Overview

Today's highlight is that Scotland's unemployment fell slightly (-7,000) and at 3.8% is down 0.3 p.p. from the three months before (June to August). This is slightly up from the year before (+4,000) and up from the record low of 3.2% at the beginning of the year 2019. Although, an unemployment rate of 3.8% indicates still a very strong and stable labour market performance by historic standards. There's also a robust increase in employment over the last three months (+18,000). Note, that the UK overall experienced a marginal fall in unemployment too (-7,000 and its rate remained unchanged). These figures point to a strong labour market performance, however indicate a slight weakening of the labour market from one year ago.

For the three months to November, Scotland's overall labour market is marginally strengthening: employment increased robustly (+18,000) and unemployment fell slightly (-7,000) and activity increased modestly (+12,000). In addition, monthly claimant count numbers are worsening marginally over the month of December, as there are 115,700 people in Scotland claiming Jobseeker's Allowance and out-of-work Universal Credit (seasonally adjusted); this is up 900 on the month of November (revised) and 16,400 up on the year before.

As a result, Scotland's unemployment rate at 3.8% is now slightly up on the rate of around 12 month ago and up on the recent record low at the start of the year 2019, when it was 3.2%. Also, Scotland's unemployment rate is matching that of the UK as a whole, which remained unchanged over the last quarter. Furthermore, the number of people employed at 2,654,000 in Scotland is somewhat down on the recent record high at 2,702,000. This means that Scotland's employment rate, at 74.3%, remains below the UK's rate at 76.3%.