



# EMPLOYMENT CHANGE IN 10 CITY REGIONS 1984-2010

This bulletin compares 10 City Regions (CRs) on the basis of change in Full Time Equivalent (FTE)<sup>1</sup> jobs since the end of the early-1980s recession. The CRs are defined on the basis adopted by the 8 English Core Cities, and are therefore more comparable than Local Enterprise Partnership (LEP) areas, with the same principles applied to Glasgow and London (details available on request).

## KEY POINTS

The recent recession impacted the 10 CRs quite unevenly. Between 2007 and 2010 Bristol saw FTE job growth of 0.6% a year (the only CR that gained FTEs then), while Glasgow and Birmingham both contracted by an average of 2.7% a year, with Liverpool and Newcastle the next weakest. The biggest downward shift in growth rate from 2002-2007 was for Glasgow, followed by Birmingham, Newcastle and Sheffield. Compared to 1984 (after the early-1980s recession), all but two of the 10 CRs had larger economies in FTE terms in 2010 (after the recent recession), the exceptions being Liverpool and Sheffield. Bristol recorded the strongest growth over the 26 years, followed by Leeds and London.

### Annual Average Change in the recent recession and previously

Table 1 ranks the 10 CRs on their annual average (compound) rate of FTE change for 2007-2010, spanning the recent recession. Bristol CR is unique among these in seeing FTE growth of 0.6% a year over this three-year period. The only others to out-perform the national rate of -1.2% were London and Leeds. The worst-hit CRs were Glasgow and Birmingham, which contracted by 2.7% a year, with Liverpool and Newcastle CRs being the next weakest with annual losses of around -1.8%.

*Table 1. Annual average change in FTEs (all sectors bar farming, forestry and fishing), 1984-2010 by period, for 10 City regions and Great Britain, % per year compound rate*

CRs ranked on 2007-2010	1984-1989	1989-1993	1993-1998	1998-2002	2002-2007	2007-2010
Bristol CR	2.03	-1.02	1.55	2.77	0.60	0.60
London CR	0.53	-2.78	3.10	1.07	0.93	-0.71
Leeds CR	1.45	-1.32	1.57	1.39	0.80	-1.08
Nottingham CR	0.66	-2.08	1.78	-0.52	1.15	-1.29
Sheffield CR	-0.32	-2.50	1.31	0.79	1.22	-1.46
Manchester CR	1.26	-1.73	1.24	1.20	0.94	-1.51
Newcastle CR	0.01	-0.68	0.80	1.51	0.93	-1.77
Liverpool CR	-0.31	-1.84	-0.13	1.84	0.31	-1.85
Birmingham CR	0.71	-2.39	2.05	0.38	0.64	-2.69
Glasgow CR	-0.01	-1.39	0.95	1.13	1.56	-2.71
Great Britain	1.12	-1.76	2.10	1.06	1.17	-1.19

Source: calculated from BRES and its predecessor surveys.

Table 1 also allows comparison of the relative performance in this recession period with those of the previous periods of boom and bust back to 1984, with the 'long boom' of 1993-2007 being divided into three periods of similar length to the others. The most notable features are that:

### Recent recession mainly northern focused

- The recent recession's mainly northern focus contrasts with the more southern-dominated impacts of the early-1990s recession, when London was the worst-hit CR with FTEs declining by 2.8% a year between 1989 and 1993 and Newcastle was the least affected of the 10 CRs

**Biggest downward shift for Glasgow CR**

- The recovery from the early-1990s recession was led by London CR during 1993-1998, after which the other CRs came into their own, with all but Birmingham, Nottingham and Sheffield exceeding the national rate of growth in 1998-2002
- Six of the 10 CRs saw their growth rates fall back somewhat in 2002-2007 against the national trend, notably Bristol and Liverpool, but Birmingham, Glasgow, Nottingham and Sheffield registered upward shifts in annual growth rate from their 1998-2002 rates
- The biggest downward shift between the last 5 years of the long boom (2002-2007) and the subsequent recession was for Glasgow CR, with a 4.3 % point drop in annual rate, followed by Birmingham, Newcastle and Sheffield CRs.

Table 2 shows the cumulative impact of the annual compound change rates shown in Table 1, indexed from the end of the early-1980s recession and showing the levels at the end of the next recession in 1993 and those reached by 2010, again allowing for the changes in survey methodology. It also shows the levels reached by the time of the national FTE-peak years before the onset of these two recessions, 1989 and 2007.

**Long-term Change in FTE levels**

*Table 2. Change in FTE level (all sectors bar farming, forestry and fishing), selected years 1984-2010, for 10 City Regions and Great Britain, 1984=100*

CRs ranked on 2010	1984	1989	1993	2007	2010
Bristol CR	100.0	110.6	106.1	131.7	134.1
Leeds CR	100.0	107.5	101.9	121.1	117.2
London CR	100.0	102.7	91.7	116.7	114.2
Manchester CR	100.0	106.4	99.3	116.0	110.8
Newcastle CR	100.0	100.0	97.3	112.6	106.6
Nottingham CR	100.0	103.3	95.0	107.6	103.5
Glasgow CR	100.0	100.0	94.5	111.9	103.0
Birmingham CR	100.0	103.6	94.0	109.1	100.3
Sheffield CR	100.0	98.4	88.9	104.1	99.6
Liverpool CR	100.0	98.5	91.4	99.2	93.8
GB	100.0	105.7	98.5	120.8	116.5

Source: calculated from BRES and its predecessor surveys.

Among the key findings here are that:

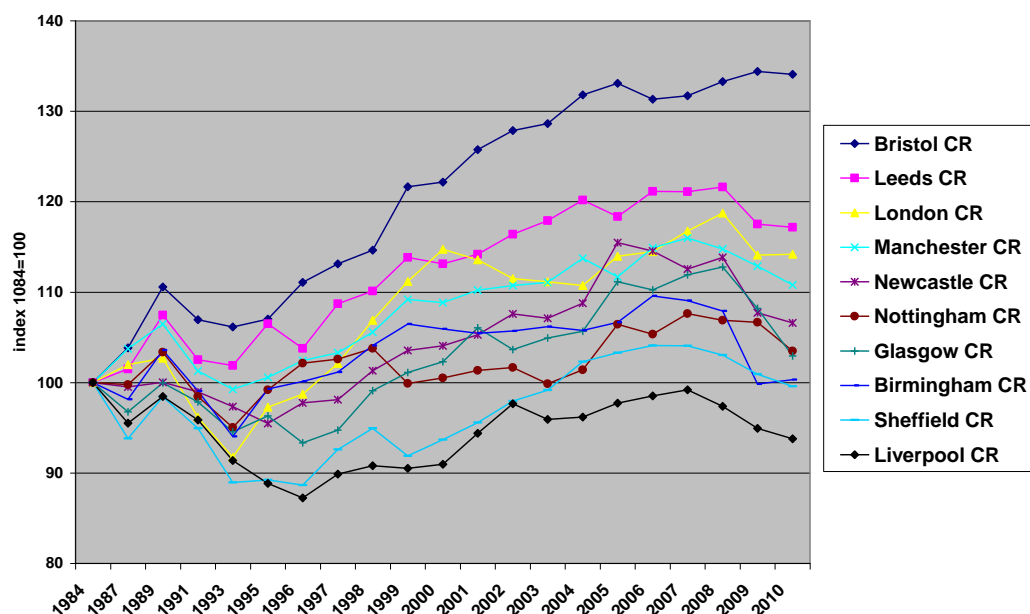
**Bristol CR least affected in the 2 recessions**

- Two of the 10 CRs, Liverpool and Sheffield, were operating at a lower level in 2010 than they had been at the end of the early-1980s recession, this partly because they had lost further ground before the early-1990s recession
- Bristol CR was the most dynamic over the 26-year period, with a 2010 FTE level 34% higher in 2010 than in 1984 (allowing for statistical discontinuities), having grown the most strongly during both national boom periods and being one of the least affected CRs in the two recessions
- Leeds is the only CR, besides Bristol, that exceeded the national rise in FTE levels between 1984 and 2010, with London just below the latter, but London and Bristol CRs were on a par in their 25-point lift in index during the long boom between 1993 and 2007, whereas Liverpool CR managed one of less than 8 points then
- Birmingham CR gained hardly any overall benefit from the two economic cycles, but by 2010 Glasgow and Nottingham CRs had FTE levels in 2010 that were 3% higher than in 1984, Newcastle CR 7% higher and Manchester CR 11% higher.

**Birmingham most severely set back**

The same approach can be used to show how far the most recent recession has knocked the CRs back in time in terms of FTE levels, as usual allowing for the discontinuities. Nationally, the setback was relatively small, with its 2010 index of 116.5 being just below that of 2005 but higher than that of 2004, i.e. quite close to the end of the long-boom period. Among the 10 CRs (see Figure 1), Birmingham was the most severely set back in these terms, with its 2010 index of 100.3 not having been this low since 1996. The equivalent dates are 1999 for Glasgow, 2000 for Liverpool, 2001 for Newcastle, 2002 for Leeds and Manchester, 2003 for Sheffield, 2004 for Nottingham (as for Great Britain as a whole) and 2005 for London CR. Finally, Bristol CR peaked only in 2009.

Figure 1. Change in FTE level (all sectors bar farming, forestry and fishing), all available years 1984-2010, for 10 City Regions, 1984=100



Note: The employment survey has been carried out annually since 1995, but was only every 3 years before 1984 and biennially in between.  
Source: calculated from BRES and its predecessor surveys.

The CR data are based on aggregations of local authority districts, so similar calculations could be undertaken for individual districts or for other groupings of districts, such as LEPs and the former metropolitan counties, as well as for alternative definitions of city region.

<sup>1</sup> These findings are based on FTEs which, in the absence of data on hours worked, treat a part-time job as half a full-time one. The data are workplace-based counts of employee jobs excluding self-employment and are from the Business Register Employment Survey (BRES) and its predecessors. Allowance has been made for changes in survey methodology over time, partly by excluding farming, forestry and fishing. The data were extracted from the National On-line Manpower Information System (nomisweb.co.uk) under Notice NTC/BRES10-S0122 from the Office for National Statistics. The data for 2010 are provisional (final version expected September 2012).