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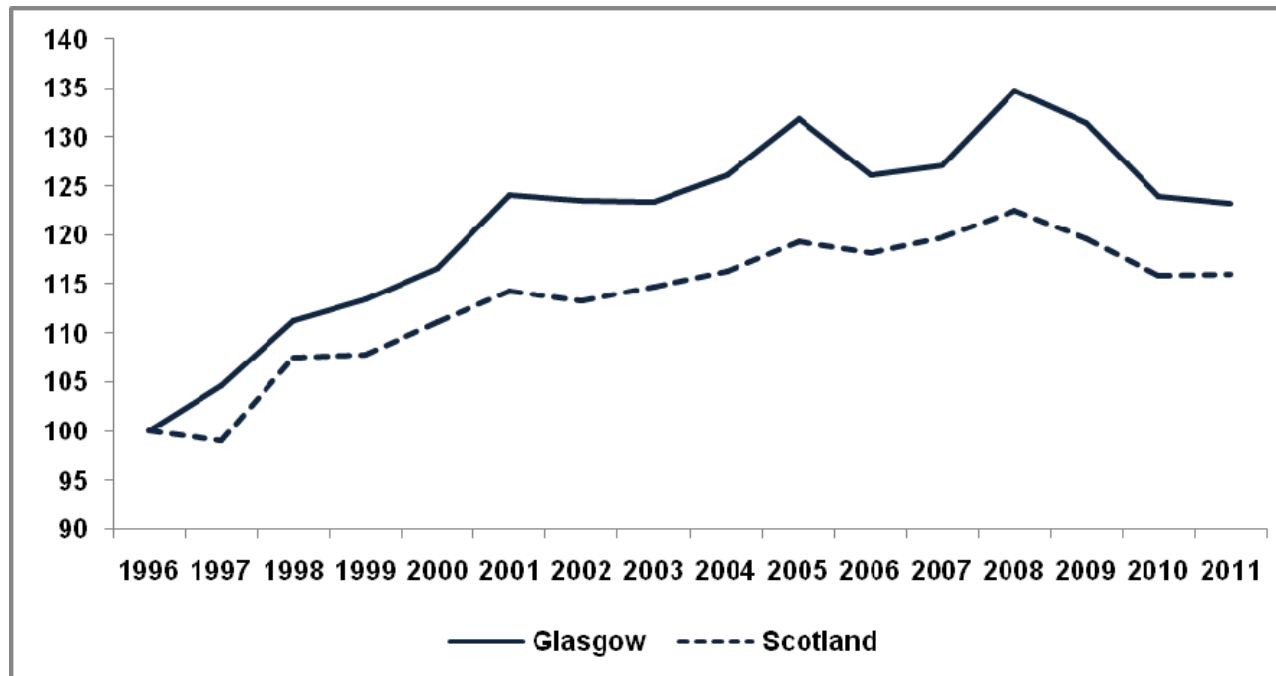
# Glasgow: the context, challenges and responses

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# The Context

Chart 1: Employment Levels Over Time (1996 = 100)



Source: Annual Employment Survey; Annual Business Inquiry and Business Register and Employment Survey  
Note: Time series breaks between 1997 and 1998; and 2007 and 2008

Table 1: Glasgow DWP Out of Work Benefit claimants, 2006-2013

	2006	2013	Change 2006-2013	% Change 2006-2013
JSA	15,690	24,080	+8,390	+54
IB/ESA	57,920	50,740	-7,810	-12
Lone Parent	13,930	6,930	-7,000	-50
Other	2,680	1,930	-750	-28
Total	90,220	83,680	-6,540	-7

Source: DWP WPLS

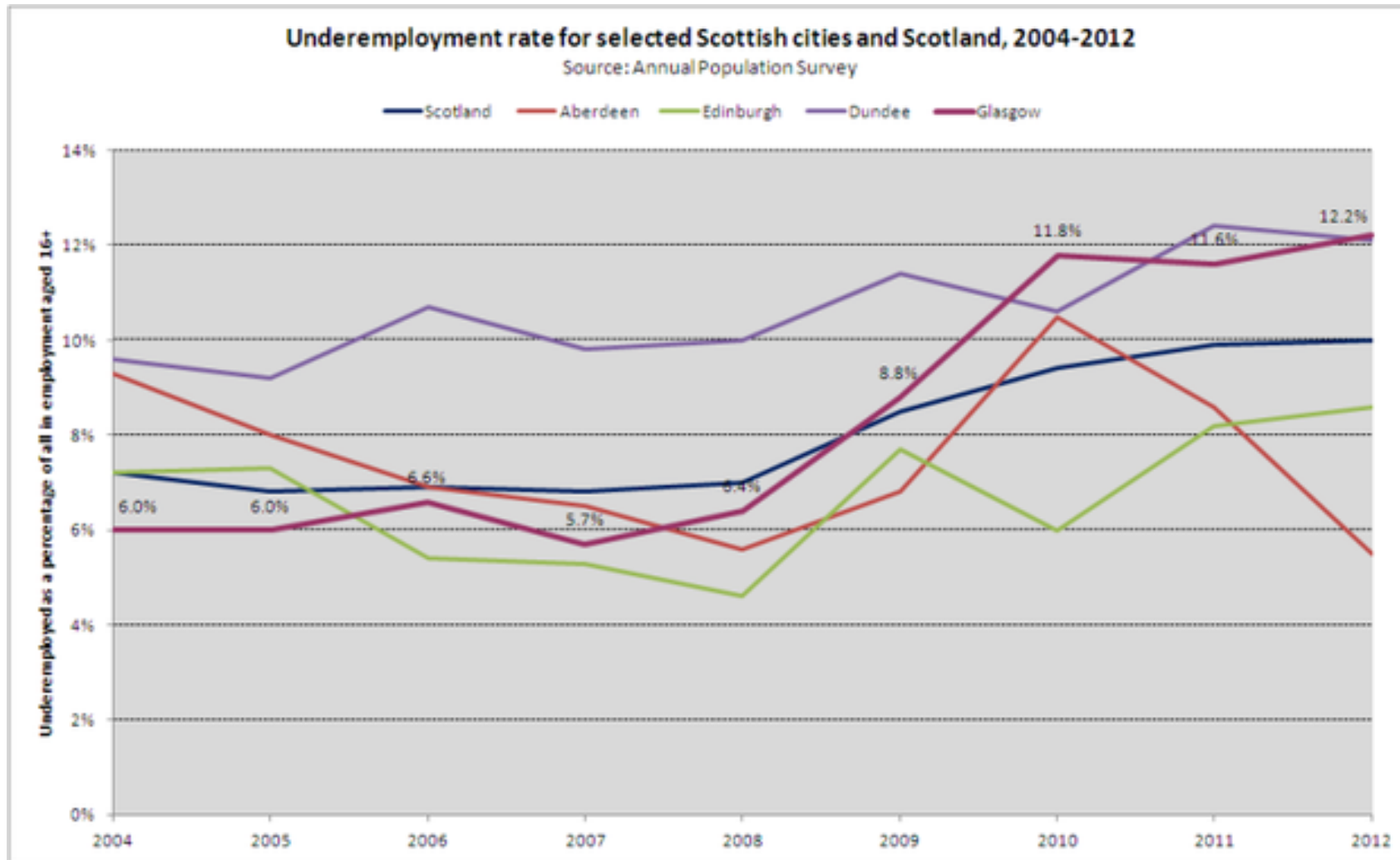
- Glasgow's employment rate suffered over the most recent recession - falling by 5.8% in comparison to a Scottish fall of 2.9%, and a UK fall of 1.5% over the same time period.

Employment Rates			
Date	Glasgow	Scotland	UK
2008	65.5%	73.5%	72.1%
2009	62.6%	71.9%	70.5%
2010	62.1%	71.0%	70.1%
2011	63.8%	70.7%	70.0%
2012	59.7%	70.6%	70.6%

- Similarly, Glasgow's youth unemployment rate suffered significantly – increasing by 11.5% more than the UK average, and 10.3% more than the Scottish average

Youth (16-24) Unemployment Rates			
Date	Glasgow	Scotland	UK
2008	15.0%	13.6%	15.0%
2009	16.5%	16.8%	18.8%
2010	22.1%	18.6%	19.3%
2011	23.7%	21.5%	21.0%
2012	32.4%	20.7%	20.9%

# Glasgow City Council - Context



# YOUTH EMPLOYMENT

- Post-recession, Glasgow's youth employment rate had a higher recovery than the UK and Scottish averages

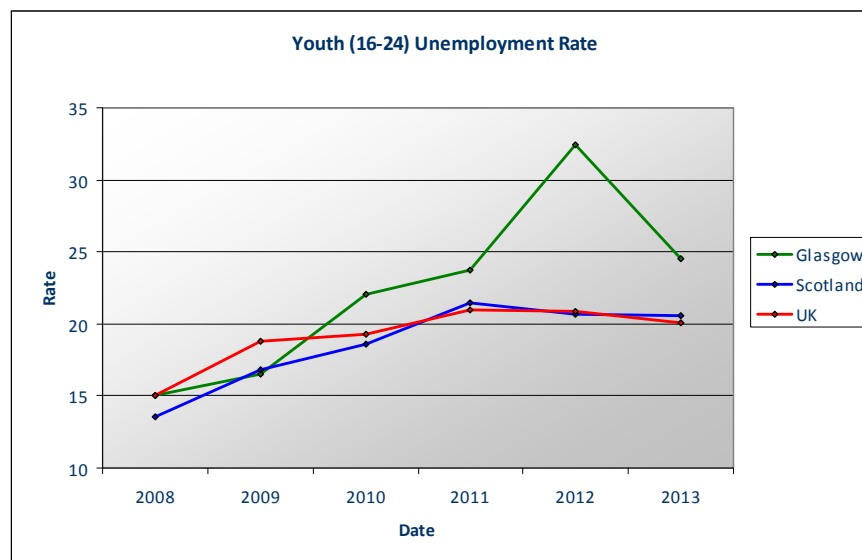
	2012	2013	% change
Glasgow	34.0	41.4	7.4
Scotland	53.2	52.6	-0.6
UK	49.7	49.8	0.1

- Similarly, the overall employment figure has increased by 3.6% in the last year (Scotland +0.4%, UK +0.7%)



## YOUTH UNEMPLOYMENT

- Glasgow's youth unemployment level fell by 7.9% between 2012 and 2013 – a full 7.8% more than the Scottish average, and 7.1% more than the UK equivalent.



	2012	2013	% change
Glasgow	32.4	24.5	- 7.9
Scotland	20.7	20.6	-0.1
UK	20.9	20.1	-0.8

## Glasgow Economic Leadership Key Sectors

- ***Tourism & Events***
- ***Engineering, Design & Manufacturing***
- ***Financial & Business Services***
- ***Life Sciences***
- ***Low Carbon Industries***
- ***Higher and Further Education***

## Oxford Economics Research

Glasgow sectors expected to grow through to 2017.

- Administration and support service: +11,000 jobs.
- Professional, scientific and technical service: +9,000 jobs.
- Retail: +4,000 jobs.
- Accommodation and food: +2,000 jobs.

Occupations where employment is projected to grow by 2017.

- Associate professionals: +5,000 jobs.
- Managers and senior officials: +4,500 jobs.
- Professionals: +2,500 jobs.
- Care and leisure: +2,000 jobs

# The context

- Employment lower than Scottish average but moving in right direction
- Significant fall in youth unemployment between 2012 and 2013
- Glasgow still has higher proportion of Scottish jobs than in 1995
- Commonwealth Games has helped protect Glasgow from worst of recession
- City Deal can bolster city's economy over next 20 years
- Underemployment growing issue in city – need to develop policy responses to this
- GEL sectors key to growing the economy, but need to look at key sectors for local labour market

# The Challenge

The groups most likely to be affected by in work poverty have been identified as

- 16 – 24 year olds
- those with no qualifications
- lone parents
- disabled people (long term sick)
- women

- Lowest paying sectors are retail, care, hospitality, catering and admin and secretarial.
- 16% of employees in the city have no qualification
- Employers are less inclined to invest in training for these employees than those who already hold qualifications
- More likely to affect those workplaces with fewer than 50 employees – over 90% of companies in Glasgow

# The Response



# Glasgow City Council – Our response

- Glasgow Living Wage – first in Scotland, launched in 2009 with 150 employers
- Glasgow Guarantee – tied to Glasgow Living Wage. Jobs must be sustainable (18 months+)
- Single Outcome Agreement
- Glasgow Works Strategy
- Financial advice – greater integration with employability
- Credit Union support
- Action on Pay Day Lending
- City Deal

## Glasgow Living Wage

- Launched in 2009 by the Leader of the Council
- 150 employers, employing over 50,000 people
- Cost £1.2million - £7 an hour in 2009, £7.65 in 2014
- Lifted salary of 581 lowest paid employees by up to £1100 a year
- Innovative solution
- 94% of those affected were women
- However, by 2014 this had dropped to 130 employers
- Can't enforce
- Challenge to bring employers along

## Glasgow Guarantee

- Worth £8million per year
- Commonwealth Apprentice Initiative – focus on school leavers
- 50% wage subsidy for employers for 1 year
- Commonwealth Jobs Fund – 18-24 and 50+
- Commonwealth Graduate Fund – unemployed/underemployed
- Commonwealth Youth Fund – 16-19 year olds
- 5000 young people into work or apprenticeships since 2009
- Posts tied to Glasgow Living Wage and must be additional

## SINGLE OUTCOME AGREEMENT

Targeted, co-ordinated assistance including:

- monetary advice and budgeting assistance
- employability support services
- child care support
- housing advice
- signposting (e.g. Credit Unions).

## GLASGOW WORKS STRATEGY REFRESH

- ***People .... in work....at risk***
- ***Young people***, defined as the under 25s.
- ***Workless people more distant from the labour market***

## DEVELOPING RESPONSES

- New European Structural Fund Programmes
- More focus on Stage 5 activity
- Recent City Deal pilot
- Sector focused employer led interventions
- £300k programme

## What can we do?

- Working with employers – properly incentivise
- Promotion of financial advice
- Childcare!
- Living Wage – contracts?
- Need tangible solutions

# Glasgow City Council – What can we do?

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