

SB 27/2009

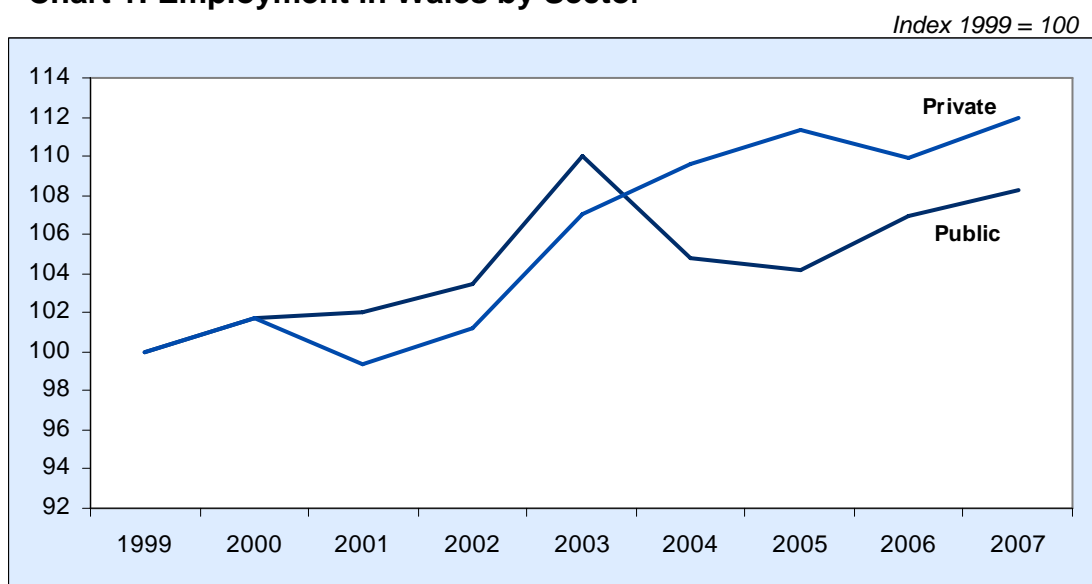
29 April 2009

Employment in the Public Sector in Wales

This bulletin aims to provide an overview of employment in the public sector in Wales. It shows that:

- Just under a quarter of people in employment were employed in the public sector in Wales in 2007.
- Between 1999 and 2007 public sector employment in Wales increased by 8 per cent, compared to an increase of 12 per cent in the private sector.
- Almost two thirds of those in Wales who are in employment in the public sector are women.
- Just over half of those working in the public sector in Wales work in local government (this includes schools)
- Only 8 per cent of those in employment in the public sector are aged under 25, compared with 18 per cent in the private sector
- Over half of those employed in the public sector in Wales have a degree or higher qualification compared to just under a quarter in the private sector.

Chart 1: Employment in Wales by Sector



Source: Office for National Statistics

Chart 1 shows between 1999 and 2007 there was a larger percentage increase in private sector employment in Wales than public sector employment. Overall employment in Wales increased by 11 per cent over the same period.

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Table 1: Public and private sector employment in Wales and UK, 1999 – 2007

Thousands

	Public		Private		Public sector as a proportion of employment		Public sector as a proportion of population	
	Wales	UK	Wales	UK	Wales	UK	Wales	UK
1999	290	5,217	908	21,955	24.2	19.2	10.0	8.9
2000	295	5,293	924	22,275	24.2	19.2	10.1	9.0
2001	296	5,383	902	22,364	24.7	19.4	10.2	9.1
2002	300	5,502	920	22,427	24.6	19.7	10.3	9.3
2003	319	5,655	972	22,620	24.7	20.0	10.9	9.5
2004	304	5,773	995	22,665	23.4	20.3	10.3	9.6
2005	302	5,847	1,011	22,956	23.0	20.3	10.2	9.7
2006	310	5,815	998	23,260	23.7	20.0	10.5	9.6
2007	314	5,783	1,017	23,424	23.6	19.8	10.5	9.5

Source: Office for National Statistics

Since 1999 public sector employment in Wales has increased by 8.3 per cent to 314,000, compared to an increase of 11.9 per cent in the private sector. Conversely, in the UK, the public sector has increased by more than the private sector - increases of 10.8 per cent and 6.7 per cent respectively.

As a proportion of those in employment the public sector accounted for 23.6 per cent in Wales, more than the UK (19.8 per cent). However if public sector employment is expressed as a proportion of the resident population, which illustrates the relationship between the size of the public sector and the size of the population it serves, the difference in the proportion of the public sector between Wales and the UK is reduced (10.5 per cent in Wales compared to 9.5 per cent in the UK)

Background and Layout

The Office for National Statistics publishes quarterly public sector employment (PSE) statistics at a UK level using administrative data. These administrative data do not give employment splits for Wales or English regions, so regional public sector employment estimates are derived and published annually using Labour Force Survey (LFS) estimates of the public sector.

The first section (above) uses the official PSE statistics for Wales. As the official PSE data only provide limited information on the characteristics of the public sector and no regional breakdown, the remainder of the bulletin uses the boosted LFS (the Annual Population Survey), which can produce detailed analyses of those working in the public sector.

The definition of the public sector used in the LFS/ APS differs from the official (National Accounts) definition used in the PSE estimates. Under the official definition of the public sector, GPs and higher education institutions are excluded, mainly due to their autonomous nature. The LFS/ APS definition codes doctors and dentists according to whether their work is mainly NHS or private, and codes universities and other grant funded educational establishments as public sector.

The way in which the LFS/ APS classifies people to the public sector may mean that some respondents to the survey may not always be aware of whether their industry is in the public or private sector. An example of this is where employees of agencies or contractors who carry out work in the public sector could classify themselves to the public sector when in reality they work in the private sector (as their employer is a private sector organisation).

In comparison with employer-based estimates, the LFS/ APS tends to over-estimate public sector employment levels for the reasons given above.

The remaining analyses presented in this bulletin use the APS definition of the public sector and are presented as percentages to avoid confusion with the official PSE statistics for Wales and are on a residence basis (rather than workplace), apart from Table 2 which shows both.

Annual Population Survey analyses of public and private sector employment

Table 2 shows the distribution of those in employment by sector and by local authority in Wales by where they live (residence) and by where they work (workplace).

In 2007, Swansea and Merthyr Tydfil had the highest proportions those in the public sector on both a residence and workplace basis. Newport, Powys and Flintshire had the lowest proportions of those in employment in 2007 in the public sector on a residence basis, but on a workplace basis Powys, Flintshire and Anglesey had the lowest proportions.

Between 2001 and 2007 Merthyr Tydfil and Cardiff had the largest increase in the proportion of residents in employment in the public sector whereas Ceredigion and Newport had the largest decrease. On a workplace basis Bridgend and Denbighshire had the largest increase, whilst Ceredigion and Neath Port Talbot had the largest decrease.

Table 2: Percentage of people of working age employed in the public sector, by local authority.

	Percentage			
	Residence		Workplace	
	2001	2007	2001	2007
Anglesey, Isle of	26.0	30.8	22.4	23.0
Gwynedd	28.8	32.8	30.3	35.3
Conwy	23.7	26.0	24.2	26.4
Denbighshire	26.8	28.7	26.2	32.1
Flintshire	21.0	24.8	21.7	22.8
Wrexham	21.3	25.6	23.4	28.2
Powys	21.4	24.0	21.3	21.6
Ceredigion	33.7	31.9	34.2	31.2
Pembrokeshire	25.1	28.2	25.8	27.7
Carmarthenshire	34.3	33.3	31.6	31.4
Swansea	32.5	34.3	34.9	37.5
Neath Port Talbot	29.6	30.9	27.6	25.2
Bridgend	26.7	30.5	25.0	32.3
Vale of Glamorgan, The	29.2	32.0	30.5	33.2
Rhondda, Cynon, Taff	28.8	31.4	30.8	31.9
Merthyr Tydfil	26.0	34.0	32.8	36.3
Caerphilly	24.3	25.6	21.0	26.0
Blaenau Gwent	23.8	27.3	25.8	27.7
Torfaen	24.2	27.3	26.1	29.0
Monmouthshire	24.5	26.0	22.2	23.2
Newport	25.2	23.6	27.9	27.5
Cardiff	28.5	33.5	28.3	31.2
Wales	27.0	29.6	27.6	29.9

Source: Annual Population Survey

Table 3 shows the percentage of people working in the public and private sectors by gender. Nearly two-thirds of those who work in the public sector are women, while in the private sector about 40 per cent are women and 60 per cent are men.

Table 3: Gender of working age people in employment in Wales, by sector.

	Percentage			
	Public		Private	
	Male	Female	Male	Female
2001	37.6	62.4	60.6	39.4
2002	36.1	63.9	61.2	38.8
2003	36.8	63.2	61.0	39.0
2004	35.7	64.3	61.5	38.5
2005	36.7	63.3	60.9	39.1
2006	36.8	63.2	61.4	38.6
2007	36.3	63.7	61.7	38.3

Source: Annual Population Survey, 2001-2007

Table 4 shows the percentage of people in the public and private sectors who work part-time. The percentages of men and women working part-time are both higher in the private sector. However due to the fact that the percentage of women in the public sector is much higher (see table 3), overall more people work part-time in the public sector.

The percentages of women working part-time has not changed much since 2001 in either sector, however there has been a slight increase in the percentage of men working part-time in both sectors.

Table 4: Percentage of people of working age in Wales who work part-time; by sector

	Percentage					
	Public			Private		
	Male	Female	Total	Male	Female	Total
2001	5.6	38.5	26.1	7.9	43.5	21.9
2002	6.7	38.3	26.9	8.5	45.4	22.8
2003	7.4	38.3	26.9	9.2	45.6	23.4
2004	7.9	37.0	26.6	9.4	46.5	23.7
2005	9.6	37.8	27.5	9.8	44.9	23.5
2006	8.7	38.8	27.7	9.4	45.8	23.5
2007	7.6	38.0	27.0	11.0	45.3	24.1

Source: Annual Population Survey, 2001-2007

Table 5 shows that the public sector has a higher percentage of its employees who are not permanent – 8.1 per cent compared with 5.4 per cent in the private sector.

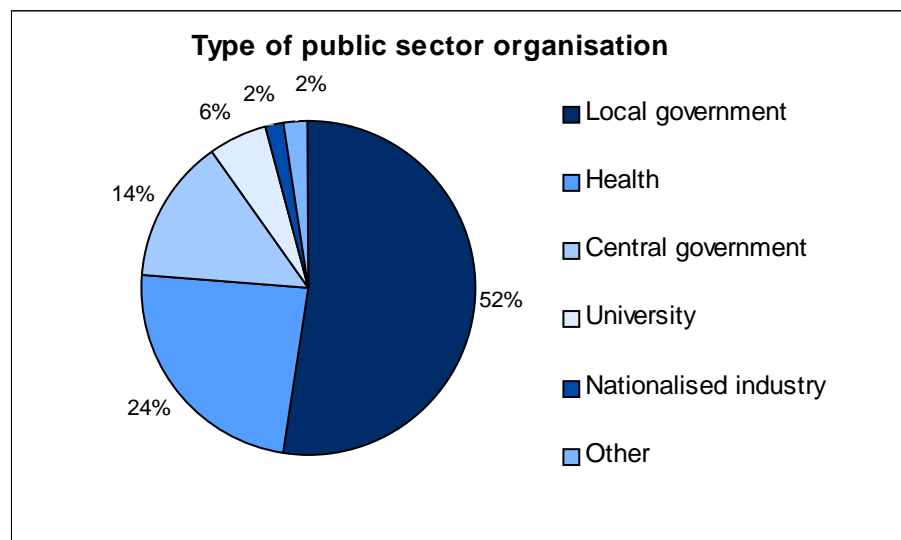
Table 5: Percentage of working age employees in Wales in permanent or non-permanent work, by sector, 2007

	Percentage		
	Public	Private	Total
Permanent	91.9	94.6	93.6
Not permanent in some way	8.1	5.4	6.4
Total	100.0	100.0	100.0

Source: Annual Population Survey, 2007

Chart 2 shows that more than half of people working in the public sector work for local government, which includes schools. About a quarter work in health and 14 per cent work in central government. These proportions have changed little since 2001.

Chart 2: Percentage of those in employment in the public sector in Wales, by type of organisation, 2007



Source: Annual Population Survey, 2007

Table 6 looks at the occupations for each type of organisation, and the gender breakdown. The percentage of managers and senior officials has increased since 2004 in all the types of organisation, except other types, and central government has the highest percentage classified as managers and senior officials (14 per cent in 2007). However the largest category in central government is administrative and secretarial occupations, at 41 per cent, although this has fallen since 2004.

Table 6: Public sector employment in Wales by gender, occupation and sector

		Percentage									
		Central Government and civil service		Local government or council (inc police etc)		Health authority or NHS trust		Other kind of organisation		Total	
Major Occupational group		2004	2007	2004	2007	2004	2007	2004	2007	2004	2007
Male	1 Managers and Senior Officials	15	19	8	11	12	10	10	10	11	12
	2 Professional occupations	15	13	29	26	25	27	30	35	26	26
	3 Associate Professional and Technical	25	24	25	26	29	31	20	19	25	25
	4 Administrative and Secretarial	28	30	8	7	6	6	6	8	11	11
	5 Skilled Trades Occupations	4	..	9	7	..	..	8	5	7	5
	6 Personal Service Occupations	..	..	8	8	14	12	..	..	7	6
	7/8 Sales, Customer Service, Process Plant and Machine Operatives	5	6	6	8	..	..	6	6	5	6
	9 Elementary Occupations	6	5	7	8	9	8	18	14	9	8
	Total	100	100	100	100	100	100	100	100	100	100
Female	1 Managers and Senior Officials	6	10	3	3	5	7	9	8	4	5
	2 Professional occupations	11	10	28	29	4	8	34	36	20	21
	3 Associate Professional and Technical	13	19	12	11	47	43	17	13	23	21
	4 Administrative and Secretarial	61	51	17	15	21	17	23	23	23	20
	5 Skilled Trades Occupations	..	..	2	2	..	..	..	..	1	1
	6 Personal Service Occupations	..	..	24	24	18	20	5	7	18	19
	7/8 Sales, Customer Service, Process Plant and Machine Operatives	4	5	1	1	..	..	..	..	1	2
	9 Elementary Occupations	4	..	13	14	5	4	8	10	9	10
	Total	100	100	100	100	100	100	100	100	100	100
Total	1 Managers and Senior Officials	11	14	5	6	6	8	10	9	7	8
	2 Professional occupations	13	11	29	28	9	12	32	36	22	23
	3 Associate Professional and Technical	19	21	16	16	43	41	18	17	24	23
	4 Administrative and Secretarial	44	41	14	13	18	14	14	14	19	17
	5 Skilled Trades Occupations	2	..	4	4	..	..	5	3	3	3
	6 Personal Service Occupations	..	..	18	19	17	18	3	4	14	15
	7/8 Sales, Customer Service, Process Plant and Machine Operatives	4	5	3	3	..	..	5	5	3	3
	9 Elementary Occupations	5	4	11	12	6	5	13	13	9	9
	Total	100	100	100	100	100	100	100	100	100	100

Source: Annual Population Survey, 2007

In all types of organisation, the percentage of women who are classified as managers and senior officials is lower than the percentage of men who are in this group. Conversely, a fifth of women working in the public sector are classified as administrative and secretarial compared to just over a tenth of men.

The age distribution of the two sectors is shown in Table 7. This shows that there are a higher percentage of under 25s in the private sector (18.2 per cent) compared to the public sector (8.2 per cent). The public sector has 72.7 per cent of its workers aged 35 or more compared with the private sector, which has 62.7 per cent.

Table 7: Age distribution of those in employment in Wales, by sector, 2007

	Percentage	
	Public	Private
under 25	8.2	18.2
Aged 25 - 34	19.1	19.2
Aged 35 - 44	28.5	24.1
Aged 45 - 54	27.2	21.3
Aged 55+	17.0	17.3
Total	100.0	100.0

Source: Annual Population Survey 2007

Table 8 shows the ethnic origin of employees in both sectors. The private sector has a higher percentage of employees from a non-white ethnic background (3.0 per cent) compared with the public sector (2.4 per cent).

The table also shows the percentage of employees in the public and private sectors that have a disability. The public sector has a slightly higher percentage of disabled employees (13.5 per cent) than the private sector (12.7 per cent).

It also indicates that there is a higher percentage of people in the public sector who speak Welsh. 27.5 per cent of those in the public sector say they can speak Welsh compared with 20.4 per cent in the private sector. In fact, about one in six people in the public sector say they speak Welsh daily, compared with one in ten in the private sector.

Table 8: Diversity of employment in the public and private sectors in Wales, 2007

	Percentage		
	Public	Private	Total
Ethnicity:-			
White	97.6	97.0	97.2
Non-white	2.4	3.0	2.8
Disability:-			
Not-disabled	86.5	87.3	87.1
Disabled	13.5	12.7	12.9
Welsh speakers:-			
Can speak Welsh	27.5	20.4	22.5
Of which speak:-			
Daily	16.6	9.7	11.7
Weekly	3.3	2.6	2.8
Less often	5.5	5.8	5.7
Never	2.0	2.3	2.3

Source: Annual Population Survey 2007

*The definition of disabled includes persons who are both DDA disabled (current disability) and work limited disabled, DDA disabled (current disability) only and Work-limited disabled only.

Table 9 shows the qualification levels of those employed in the public and private sectors. Over half of those employed in the public sector either have a degree or equivalent or some other type of higher education qualification. The corresponding percentage for the private sector is 22.9 per cent.

In the private sector, 11.7 per cent of those in employment do not have any qualifications compared with 5.2 per cent in the public sector.

Table 9: Qualifications level for those of working age in employment in Wales, by sector, 2007

	Percentage	
	Public	Private
Degree or equivalent	35.6	14.8
Higher education	15.0	8.1
GCE A Level or equivalent	17.9	27.1
GCSE grades A-C or equivalent	19.7	26.9
Other qualifications	6.6	11.5
No qualification	5.2	11.7
Total	100.0	100.0

Source: Annual Population Survey 2007

Table 10 looks at the average gross weekly earnings of the two sectors. Due to the very different levels of qualifications in the two sectors, this is analysed by qualification. Overall full time employees in the public sector earn £490 per week compared to £420 per week in the private sector. However, the amounts are generally similar at each qualification level, except employees with a degree or equivalent earn more in the public sector (£620) compared with the private sector (£560).

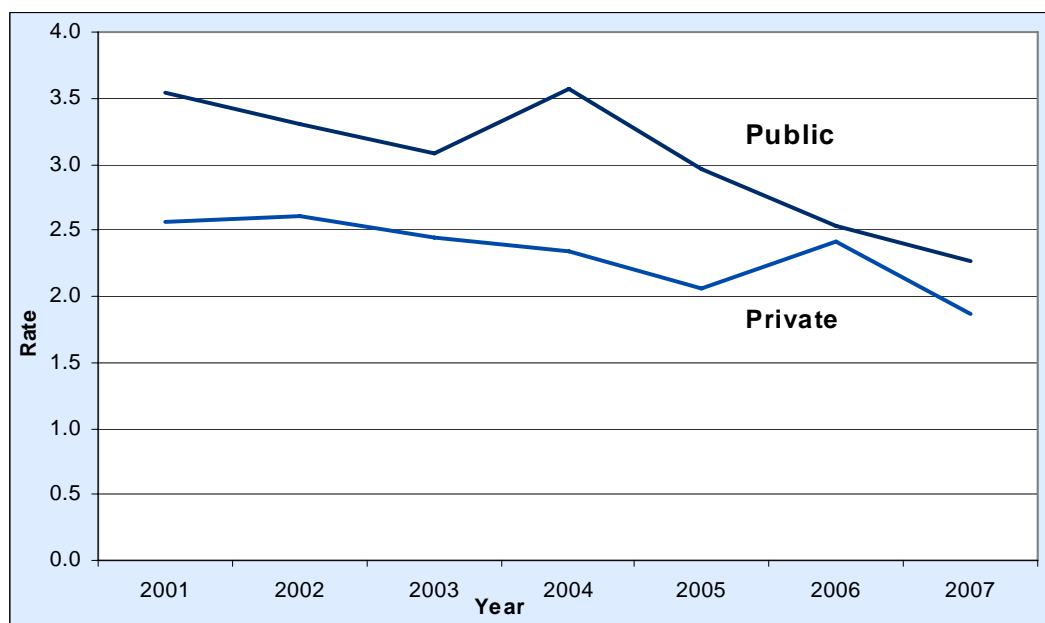
Table 10: Average gross weekly earnings for full time employees in Wales, by qualification and sector, 2007

	£		
	Public	Private	Total
Degree or equivalent	620	560	590
Higher education	510	520	510
GCE A Level or equivalent	400	420	410
GCSE grades A-C or equivalent	360	360	360
Other qualifications	360	360	360
No qualification	290	310	300
Total	490	420	440

Source: Annual Population Survey 2007

Chart 3 shows the percentage of people who were off sick in the week before the interview. The percentage of those who were sick has fallen in both sectors since 2001, although it has fallen more rapidly in the public sector. In 2001 there were about 3.5 per cent off sick during the week in the public sector and this had fallen to 2.3 per cent in 2007. The rate in the private sector has fallen from about 2.5 per cent to 1.9 per cent over the same period.

Chart 3: Percentage of people aged 16 or more in Wales who said they had a day off sick in the week prior to interview, by sector



Source: Annual Population Survey, 2001-2007

Information is also available on union membership, although this is obtained from the quarterly LFS, rather than the APS. In 2008 in Wales, just over two thirds of public sector employees said they were union members compared with just over a fifth of private sector employees. Over the last 10 years union membership has fallen in Wales by just under two percentage points in the public sector and by seven percentage points in the private sector.

Union membership rates are higher in Wales than the UK as a whole, although the pattern of change since 1998 is similar. Males have higher union membership rates in both the public and private sectors, although due to a considerably higher percentage of women being in the public sector (table 3) the overall rate is higher for women.

Table 11: Trade union membership of employees, by gender and sector.

		Percentage					
		1998			2008		
		Male	Female	Total	Male	Female	Total
Wales	Private	34.1	21.1	28.4	22.7	19.5	21.4
	Public	74.0	66.8	69.7	71.4	65.8	67.8
	Total	44.1	38.9	41.6	34.8	41.2	38.0
UK	Private	23.4	14.8	19.7	17.8	12.9	15.7
	Public	64.2	57.6	60.1	57.6	56.9	57.2
	Total	31.2	29.1	30.2	25.8	29.6	27.6

Source: Quarterly Labour Force Survey, Oct-Dec 1998 and 2008

NOTES

Background

The importance of regional public sector employment (PSE) estimates for policy-related purposes was highlighted in the Allsopp Review of Statistics for Economic Policymaking, published in 2004. As part of the continuing programme for development of PSE statistics, the Office for National Statistics (ONS) produced regional PSE estimates by using information from the Labour Force Survey (LFS) which appeared for the first time in the article 'Public Sector Employment Trends 2005', published in October 2005.

PSE estimates from administrative data supplied by public sector organisations are already available for Scotland and Northern Ireland collected by the Scottish Executive (SE) and Department of Enterprise, Trade and Investment for Northern Ireland, respectively, as well as for the UK as a whole.

While PSE estimates for the English regions and Wales are not available from administrative sources, production of these estimates relies on information from the LFS for which the quality of public/private sector classification and region of workplace are deficient for reasons discussed below. ONS has been researching the individual sources of PSE to establish what is currently available and how far it goes towards meeting the needs of users.

Key quality information: Source

A number of important quality issues arise with regard to using LFS data to produce regional PSE estimates. LFS public/private sector and industry classifications are made on the basis of survey respondents' views about the organisations for which they work. As a consequence, they are likely to suffer from reporting error as well as the figures not corresponding to the National Accounts definition used to produce PSE estimates from administrative sources. For example, according to the National Accounts definition, university staff and GPs should be classified into the private sector while at present they remain in the public sector according to the definition applied within the LFS.

The estimates for Scotland and Northern Ireland are taken directly from the quarterly PSE estimates published by the Scottish Executive and the Department of Enterprise, Trade and Investment for Northern Ireland. These are not seasonally adjusted, but the four quarter rolling averages are comparable enough to the corresponding figures derived from the total UK PSE seasonally adjusted series. Corresponding totals for each four-quarter period back to 1999, for England and Wales combined, are thus derived by subtraction of the figures for Scotland and Northern Ireland from the corresponding UK totals. These estimates are then split, by English region and for Wales, on a pro rata basis according to the corresponding average LFS estimates of public sector employment, by region of workplace, using LFS microdata, after making the required adjustments to bring these estimates as close as possible to the National Accounts definition. These adjustments are to exclude employees of universities and grantfunded educational establishments, and temporary agency workers, who clearly belong to the private sector. Note that GPs and their practice staff cannot be reclassified to the private sector as they cannot be distinguished from others, such as doctors and dentists working in hospitals that are part of the public sector.

The PSE figures described above are used in section 1. Section 2 analyses the public and private sectors in more detail. To do this it is necessary to use the APS figures, which include universities and GP practices etc. As these figures give different estimates for total employment all of the analyses from the APS source use percentages rather than actual numbers.

More information can be found in the ONS regional PSE release:

<http://www.statistics.gov.uk/CCI/article.asp?ID=2026&Pos=1&ColRank=1&Rank=224>

Key quality information: Coherence

This bulletin looks at employment in the public sector in very broad categories. There are other data sources available that give a more detailed breakdown of employment in the public sector. These sources are largely administrative sources and due to differences in the way data are collected, definitions and time periods the totals will not match those in this bulletin.

a) Employment in higher education:

<http://wales.gov.uk/topics/statistics/headlines/post16ed2009/hdw200903315/?lang=en>

b) Employment in further education:

<http://wales.gov.uk/topics/statistics/headlines/post16ed2008/hdw20080930/?lang=en>

c) Schools workforce information can be found in Chapter 6 in-

<http://wales.gov.uk/topics/statistics/publications/swgs2008/?lang=en>

d) Health workforce information can be found in Chapter 14 in:-

<http://wales.gov.uk/topics/statistics/headlines/health2008/hdw20080731/?lang=en>

e) Police and Fire Service workforce information can be found in:-

Fire:

<http://wales.gov.uk/topics/statistics/headlines/other2008/hdw20081201/?lang=en>

Police:

<http://wales.gov.uk/topics/statistics/headlines/crime2009/hdw20090203/?lang=en>

f) Civil Service employment

<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=2899&Pos=&ColRank=1&Rank=422>

g) Local government employment

<http://www.lga.gov.uk/lga/aio/1098788>

Additionally the latest ONS First Release on Public Sector Employment (Q4 2008) can be found at the same link as Civil Service employment at (f) above.

Feedback

As this is the first time this analyses has been carried out by the Statistical Directorate we would welcome comments on the bulletin. Contact details can be found on the front page.