

Working Paper 65

London's sectors: more detailed jobs data

Milja Keijonen

March 2015



Primary and Utilities



Manufacturing



Construction



**Human health
& social work activities**



Retail



Transportation and storage



**Accommodation &
food service activities**



**Information
& communication**



**Financial & insurance
activities**



**Professional, scientific, technical
& real estate activities**



**Administrative &
support service activities**



Other service activities



Education



**Arts, entertainment
& recreation**



**Public administration
& defence activities**



Wholesale

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1 Executive summary

Understanding the history and drivers of jobs in London forms a key part of the evidence base required to help inform effective policies for London. Unfortunately, there are no official jobs data at below industry level on a consistent basis over time available for London. This paper aims to address this information gap by analysing jobs data on a sector-by-sector basis over time. In addition, this paper looks at London's specialisation in each industry and compares this to the rest of Great Britain.

The workforce jobs data for 2013 suggest that Professional, scientific, technical and real estate activities¹ is the largest sector in London with around 816,000 jobs, accounting for around 15.5 per cent of all jobs in the capital and 26.1 per cent of the sector's jobs in Great Britain. Furthermore, compared to the rest of Great Britain, London has a significant specialisation in Professional, scientific, technical and real estate activities. Head offices and management consultancy activities, Legal and accounting services, Real estate activities as well as Advertising and market research activities are the largest employers in this broad sector. In addition, Architectural and engineering, and Other professional, scientific and technical activities provide a significant number of jobs in the capital.

In 2013, Human health and social work activities was the second largest sector by number of jobs (545,000), accounting for 10.4 per cent of all jobs in the capital, followed by Administrative and support service activities (9.9 per cent) and Retail (7.9 per cent).

The information and communication industry is another important employer in London. Jobs in this sector have increased by 60 per cent since 1996, accounting for 7.5 per cent of the capital's total jobs in 2013. In addition, London has a very significant specialisation in the Information and communication sector with almost a third (32.2 per cent) of all (employee) jobs in Great Britain located in the capital². In particular, Programming and broadcasting activities is a significant specialisation for London with almost 80 per cent of all GB (employee) jobs in the sector located in London. London also specialises in Real estate and Other service activities and both sectors recorded double-digit jobs growth in London in 2013.

London's Financial and insurance activities sector contributes around 362,000 jobs in London as measured by workforce jobs. This sector represents a significant specialism for London with around a third of all GB (employee³) jobs located in the capital.

The Accommodation and food service activities sector has seen a substantial increase in jobs since the mid-1990s with falls in jobs recorded in three out of 17 years only. In 2013, the number of jobs in the sector totalled 359,000, 5 per cent higher than in 2012, and 76 per cent higher than in 1996.

In contrast, after almost three decades of decline, manufacturing jobs in 2013 totalled around 124,000, accounting for 2.4 per cent of all jobs in the capital. Similarly, jobs in Wholesale saw a continuous decline between 2000 and 2010. In 2013, there were 206,000 jobs in the Wholesale sector, accounting for around 3.9 per cent of all jobs in London.

¹ Sections L and M of the Standard Industrial Classification (SIC) 2007.

² Employee jobs are from Business Register and Employment Survey (BRES) 2013.

³ Ibid.

2 Introduction

Understanding the history and drivers of jobs in London forms a key part of the economic evidence base required to help inform effective policies for London. For example, in the context of London, jobs in manufacturing have fallen over the last three decades, whilst the importance of Professional, scientific, technical and real estate activities and financial services as an employer in the capital has risen.

Unfortunately, there are no official statistics providing a detailed (below broad sector level, i.e. 1-digit SIC) and consistent time series of jobs for the capital that would help to understand how jobs have changed over time or what has driven these changes. This work aims to address this information gap by exploring lower level data on sectors and sub-sectors using data on employee jobs from different business surveys and producing an up to date analysis of these trends for London.

The majority of the analysis in this report is built around the Standard Industrial Classification (SIC) that provides us with a framework to analyse jobs by different sectors in London (Table 1 in the accompanying methodology document provides a brief outline on the structure)⁴. To demonstrate recent jobs trends in London, this report draws on data from the workforce jobs dataset that provides a breakdown of employee and self-employed jobs data by industry sectors for London from 1996 onwards. A longer historic time series of total workforce jobs for London is also presented, starting from 1984, based on previous modelling work done by GLA Economics. These data are complemented with more detailed business survey data that provide greater insight into the more detailed sectors that have contributed to changes in jobs at the broader sector level. The time series for these data cover a period between 1998 and 2013 - a slightly shorter time series than that for workforce jobs.

The availability of data and the years that are covered tend to vary by data source and impose some challenges on the analysis. Workforce jobs data for London are available from 1996, whilst detailed business survey data used in this analysis starts from 1998. The level of detail provided from the business survey data by industry is dependent upon sample sizes and the ONS's data confidentiality guidelines. The figures used throughout this Working Paper are available to download from the London Datastore. More details on the methodology used are available in the methodology paper published separately⁵.

This work also looks at London's specialisation in each industry and compares this to the rest of Great Britain to reflect on London's relative specialisation over the rest of the country and vice versa.

One key caveat of this analysis refers to the data used. The analysis included in this working paper – at the detailed industry level - focuses on trends in employee jobs as demonstrated by business survey data. However, given the increasing importance of self-employed jobs, especially since the recent financial crisis, looking at self-employed data at a detailed level would provide a more comprehensive picture of the state of the labour market in London. In particular, in some sectors assessment of employee jobs only is unlikely to provide a comprehensive indication of the state of the labour market (e.g. in construction where self-

⁴ GLA Economics Working Paper 66: Methodology on London's sectors – more detailed jobs data, March 2015.

⁵ Ibid.

employed jobs in London account for 48 per cent of all construction jobs as measured by workforce jobs). With this in mind, our analysis provides only a partial picture of the jobs situation in different sectors in London.

This analysis builds on previous work done by GLA Economics and, in particular, with its methodology is influenced by work done for Working Paper 52: London's jobs history – a technical paper. In this document the analysis will focus on outlining the recent trends in the overall workforce jobs in London over time followed by a chapter on each of the industry categories. These industry groupings are based on the Standard Industrial Classification (SIC) categories and the analysis will look at industry-level jobs as specified by the number of employee, and self-employed jobs in some industries. The key features and steps taken to produce a consistent time series of employee jobs data are outlined in a separate methodology paper⁶ published alongside this document. As noted in that document, the methodology employed to produce these estimates of detailed industry jobs makes use of a number of simplifying assumptions. As such the estimates set out in this paper should be treated with relevant caution.

⁶ GLA Economics Working Paper 66: Methodology on London's sectors – more detailed jobs data, March 2015.

3 Total workforce jobs in London

To build an understanding of total jobs in London at a detailed sector level requires the use of a variety of data sources; the method used to compile these data is outlined in more detail in a separate methodology paper. Workforce jobs series is the preferred measure of the change in jobs by industry⁷ but information from the Business Register and Employment Survey (BRES) and its predecessor Annual Business Inquiry, part 1 (ABI/1) have been included to obtain more granular-level data on employee jobs in London.

Workforce jobs in London

For the purposes of this analysis, workforce jobs (i.e. the number of jobs located in London, whether or not they are taken by residents of London), are defined as follows:

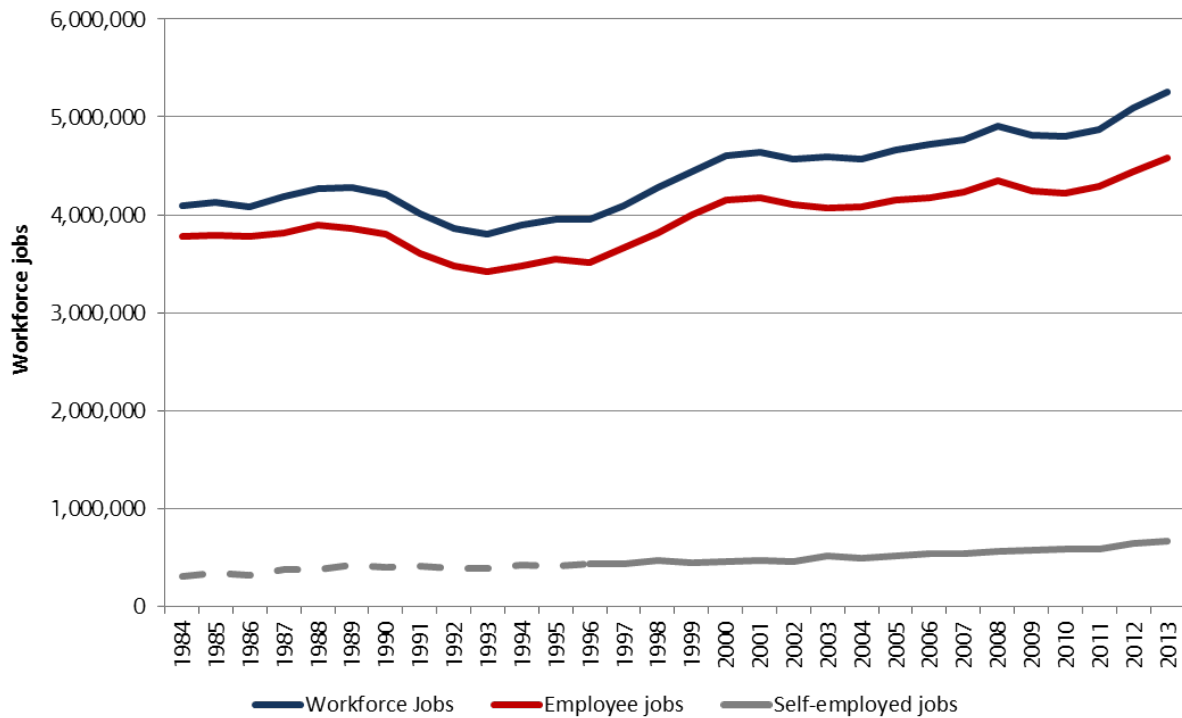
Workforce jobs = employee jobs + self-employed jobs

In London, employee and self-employed jobs account for over 99 per cent of the total workforce jobs, but the complete measure of jobs include HM Forces and Government supported trainees. Workforce jobs data for London by industry are available for employee jobs from 1984 and for self-employed jobs from 1996. The total workforce jobs series in Figure 1 is an estimate produced by GLA Economics based on analysis included in Working Paper 52: London's jobs history – a technical paper⁸ and the latest official statistics (1996-2013) published by the Office for National Statistics (ONS).

⁷ Revisions to Workforce Jobs (July 2010), the Office for National Statistics.

⁸ The methodology used to compile the Workforce Jobs series from Working Paper 52 differs slightly from the estimates produced for this analysis. An annual time series of jobs for London for a period between 1996 and 2013 where the annual estimate is an average across the four quarters.

Figure 1: Total London workforce jobs 1984-2013⁹



Source: Workforce jobs, ONS and GLA Economics modelling

For the purposes of this analysis, a total workforce jobs time series for a period between 1984 and 2013 is displayed throughout the document for all sectors covered, as demonstrated by Figure 1. For self-employed jobs GLA Economics have produced an estimate of jobs for a period between 1984 and 1995 and official data for London begin in 1996. Official employee jobs data are available from 1984. The total workforce jobs estimate in Figure 1 between 1984 and 1995 is based on actual data on employee jobs and an estimate of self-employed jobs.

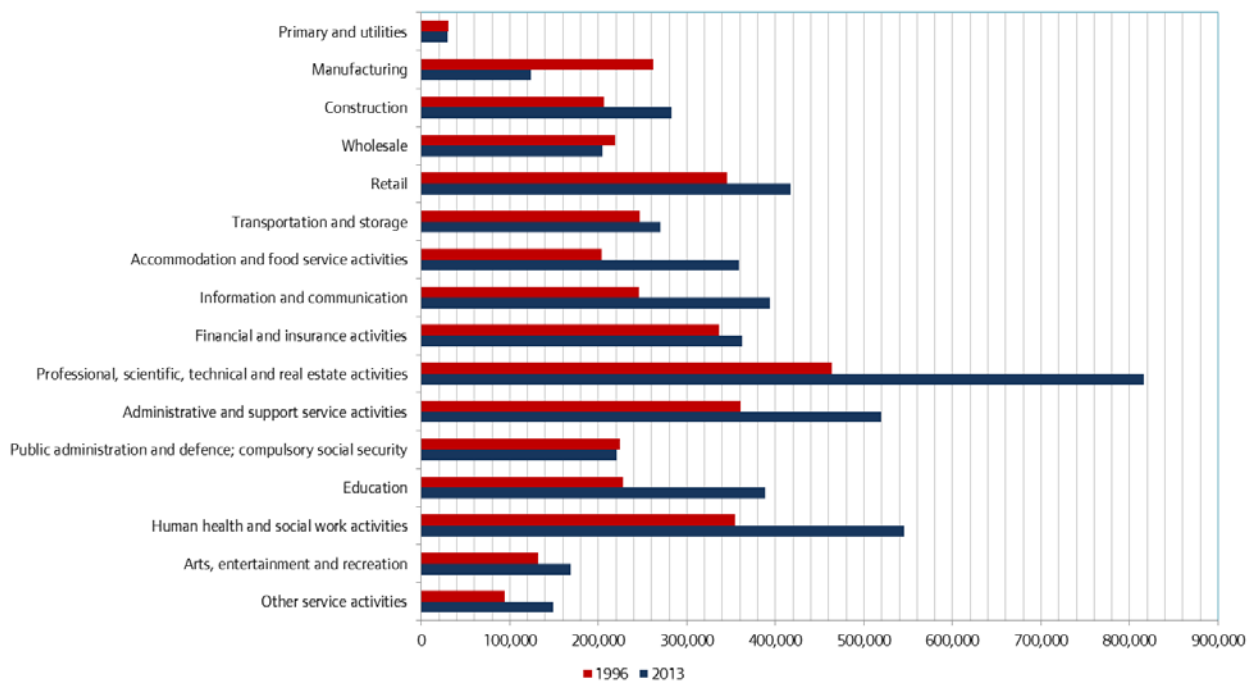
As shown in Figure 1, after a decade of relatively stable workforce jobs data the total number of jobs in London has grown strongly since the mid-1990s.

Figure 2 outlines the level of workforce jobs by sector in 2013 and how this has changed since 1996¹⁰. The importance of Professional, scientific, technical and real estate activities has increased significantly since 1996 and, in 2013 there were around 816,000 jobs in the sector accounting for 15.5 per cent of all jobs in London. Since 1996, the number of workforce jobs in the sector has risen by 76 per cent. Other significant employers in terms of number of jobs in London include the Human health and social work activities with around 545,000 estimated jobs in 2013 and Administrative and support service activities sector that provides 519,000 jobs.

⁹ Self-employed jobs data for London begin in 1996, whilst employee jobs data are available from 1984. The total workforce jobs estimate in Figure 1 between 1984 and 1995 is based on actual data on employee jobs and an estimate of self-employed jobs. As a result, the self-employment line on this and all other similar charts is dotted as it is imputed from GLA Economics' estimate of WFJ and ONS figures on employee jobs

¹⁰ Given that the total jobs for a period between 1984 and 1995 are based on an estimate, the official data were chosen for this comparison.

Figure 2: Workforce jobs in London by sector in 2013 and change since 1996



Source: *Workforce jobs*, ONS.

Index of specialisation

Table 1 provides an overview of the economic activities and sectors that London specialises in compared to the rest of Great Britain¹¹. An index of specialisation of greater than one indicates that London has a greater proportion of employee jobs in that sector compared to the rest of Great Britain and as such a relative specialisation when compared to the rest of the country. The figures used to demonstrate specialisation are based on the latest Business Register and Employment Survey (BRES) for 2013. These figures differ slightly in magnitude from the numbers presented for 2013 in the previous section that are based on workforce jobs.

Table 1 demonstrates that London has a particular specialism in the Information and communication and Financial and insurance activities sectors; London-based jobs in these sectors account for 32.2 per cent and 33.4 per cent of all employee jobs in Great Britain. Professional, scientific and technical activities also have a high index of specialisation of 2.0 and provides 28.9 per cent of all employee jobs in Great Britain.

¹¹ Index of specialisation calculations are based on Business Register and Employment Survey (BRES) data that include country-level data on employee jobs for Great Britain, England, Scotland and Wales. Index of specialisation is calculated as follows: (sector employee jobs in London / all employee jobs in London) / (sector employee jobs in Rest of GB / all employee jobs in Rest of GB).

Table 1: London's industrial structure and main specialisation in 2013

Sector	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
A,B,D,E : Primary and utilities	27,400	0.6%	5.1%	0.3
C : Manufacturing	107,100	2.3%	4.7%	0.2
F : Construction	141,400	3.1%	11.9%	0.7
G : Wholesale	194,100	4.2%	12.4%	0.7
G: Retail	386,700	8.4%	14.2%	0.8
H : Transportation and storage	218,600	4.8%	18.2%	1.1
I : Accommodation and food service activities	346,300	7.6%	18.3%	1.1
J : Information and communication	350,000	7.6%	32.2%	2.3
K : Financial and insurance activities	337,000	7.4%	33.4%	2.5
L : Real estate activities	109,200	2.4%	23.9%	1.6
M : Professional, scientific and technical activities	618,900	13.5%	28.9%	2.0
N : Administrative and support service activities	474,600	10.4%	20.8%	1.3
O : Public administration and defence; compulsory social security	212,200	4.6%	16.2%	1.0
P : Education	354,400	7.7%	13.7%	0.8
Q : Human health and social work activities	469,500	10.2%	12.8%	0.7
R : Arts, entertainment and recreation	115,700	2.5%	17.0%	1.0
S : Other service activities	119,200	2.6%	21.7%	1.4
Total London economy	4,582,300	100.0%	16.9%	1.0

Note: London data are based on 4-digit level data

Source: Business Register and Employment Survey 2013, ONS.

4 Primary and utilities

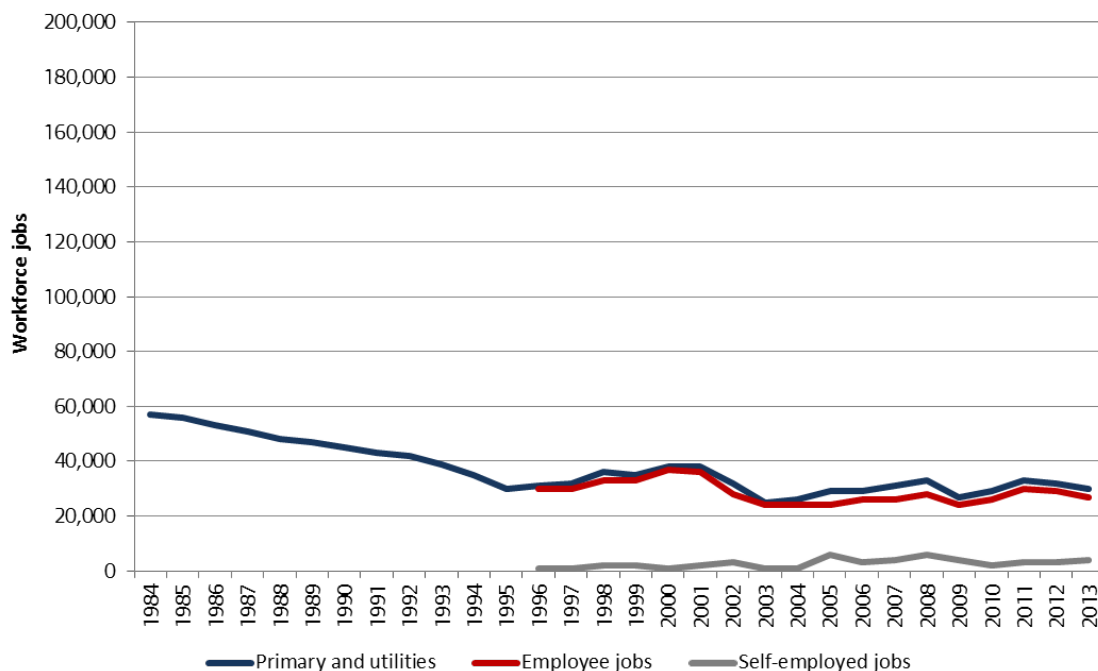
Primary and utilities combines industry sectors that account for a relatively small proportion of London's total workforce jobs and include the following Standard Industrial Classification (SIC) 2007 sections (Table 1 in the accompanying methodology paper provides an example on the SIC 2007 structure):

- A. Agriculture, forestry and fishing
- B. Mining and quarrying
- D. Electricity, gas, steam and air conditioning supply
- E. Water supply; sewerage, waste management and remediation activities

Workforce jobs in these industries as a whole account for 0.6 per cent of the total workforce jobs in London. The changes in jobs in these industries over time are shown in Figure 3. Primary and utilities workforce jobs declined sharply up to the mid-1990s. The second half of the 1990s saw some recovery in workforce jobs following the rise in jobs in Water supply; sewerage, waste management and remediation activities. However, overall, the total number of workforce jobs (WFJ) in Primary and utilities decreased by 3 per cent between 1996 and 2013.

Employee jobs account for the majority of workforce jobs in the Primary and utilities sector (90.8 per cent of all WFJ) with approximately 27,000 employee jobs recorded in 2013, whilst self-employed jobs totalled around 4,000.

Figure 3: Primary and utilities workforce jobs¹²

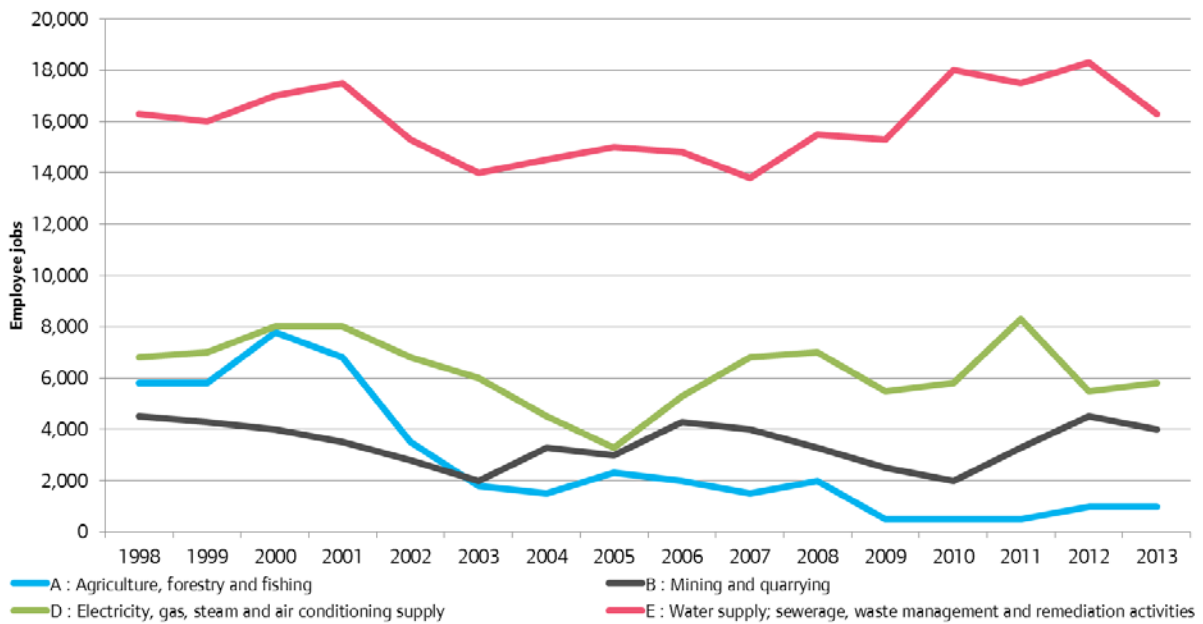


Source: *Workforce jobs, ONS and GLA Economics modelling*

¹² Historic total workforce jobs estimates for a period between 1984 and 1995 are based on modelling work undertaken for the Working Paper 52: London's jobs history – a technical paper. However, the estimates for the total number of employee jobs from the ONS slightly exceed the total number of workforce jobs in this sector. At least part of the reason for this is due to the small numbers involved (particularly for self-employment). For this reason, Figure 3 provides only an estimate of total jobs in Primary and utilities between 1984 and 1995 excluding a breakdown of employee and self-employed jobs.

More detailed industry-level data¹³ suggest that Water supply; sewerage, waste management and remediation activities account for the largest share of the total number of employee jobs in the primary and utilities industries in London (Figure 4). Employee jobs in water supply and sewerage related activities account for 60 per cent of all jobs in Primary and utilities¹⁴. Whilst employee jobs in Electricity, gas, steam and air conditioning supply increased in 2013, jobs in mining and quarrying fell by 11 per cent. Jointly these two sectors combined account for over a third of primary and utilities jobs in London.

Figure 4: Primary and utilities employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

The figures used to demonstrate specialisation are based on the latest Business Register and Employment Survey (BRES) for 2013. These figures differ slightly in magnitude from the numbers presented for 2013 in Figure 4 in the previous section; the time series data in Figure 4 are constrained to workforce jobs, whilst the index of specialisation is based on the published BRES numbers. Employee jobs in Primary and utilities account for a very low proportion of total number of employee jobs in London, only 0.6 per cent, and this is also demonstrated by Table 2 and the index of specialisation score of 0.3.

¹³ Employee jobs figures from BRES have been constrained to the section-level workforce jobs. Therefore, the time series data for different sectors in this document as presented in Figure 4 do not correspond to the numbers displayed in the index of specialisation tables, e.g. in Table 2.

¹⁴ As measured by BRES figures.

Table 2: Primary and utilities – London's share of employee jobs in 2013

Sector	Share of total		London share	Index of specialisation
	London employee jobs	London employee jobs	of GB employee jobs	
Primary and utilities	27,400	0.6%	5.1%	0.3
A : Agriculture, forestry and fishing	2,300	0.0%	1.2%	0.1
B : Mining and quarrying	3,700	0.1%	6.6%	0.3
D : Electricity, gas, steam and air conditioning supply	6,400	0.1%	5.7%	0.3
E : Water supply; sewerage, waste management and remediation activities	15,100	0.3%	8.3%	0.4

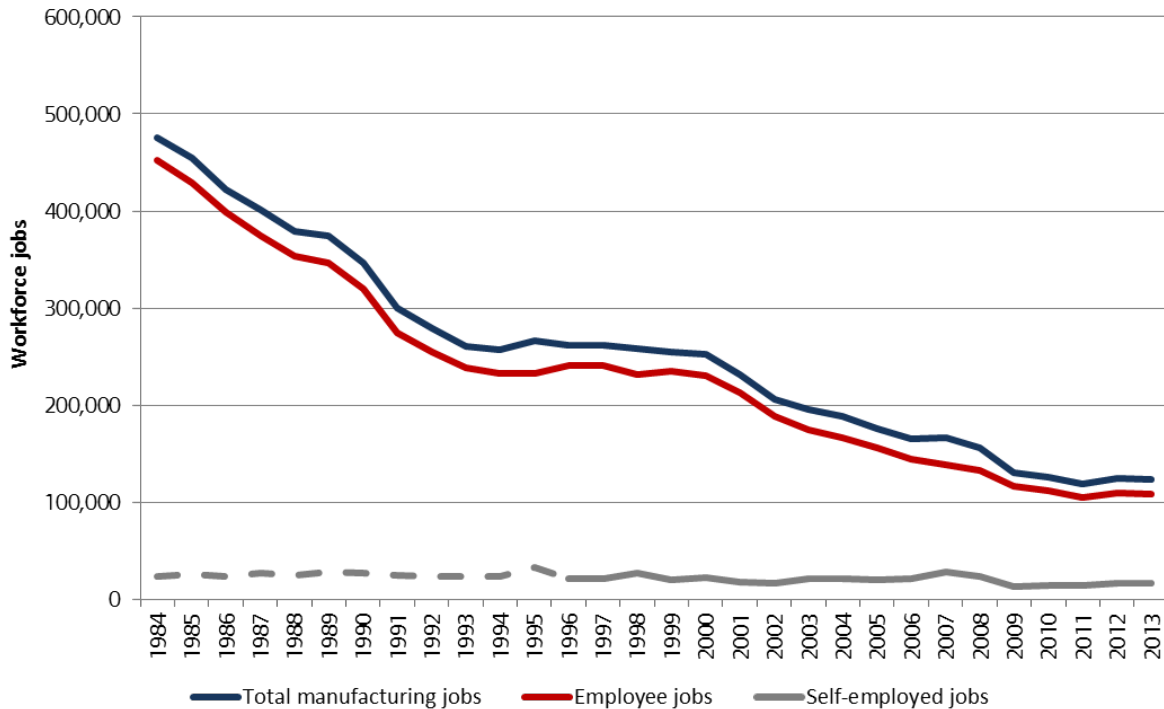
Source: *Business Register and Employment Survey 2013, ONS.*

5 Manufacturing

Workforce Jobs in the manufacturing industry have almost halved in the UK over the last 30 years and, in London, the change has been even more dramatic with manufacturing jobs falling by 74 per cent in London since 1984.

After almost three decades of decline, in 2013, total workforce jobs in manufacturing was around 124,000 and accounted for 2.4 per cent of all workforce jobs in London (Figure 5).

Figure 5: Manufacturing workforce jobs

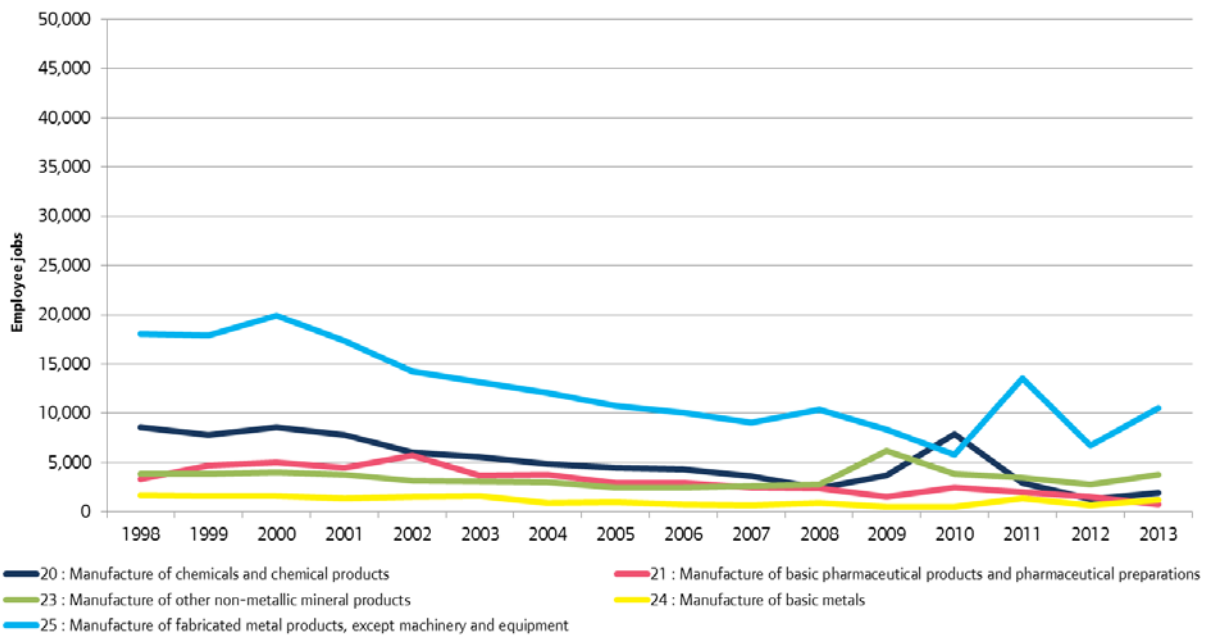


Source: Workforce jobs, ONS and GLA Economics modelling

The next three figures group manufacturing into different categories and demonstrate that even if there is a general declining trend in jobs, in some specific divisions, there has been growth in employee jobs between 1998 and 2013.

Figure 6 groups those sections of the manufacturing industry involved in the manufacturing of metals, mining and chemicals. It shows that the number of employees in the largest division, Manufacture of fabricated metal products, has fallen by 42 per cent since 1998.

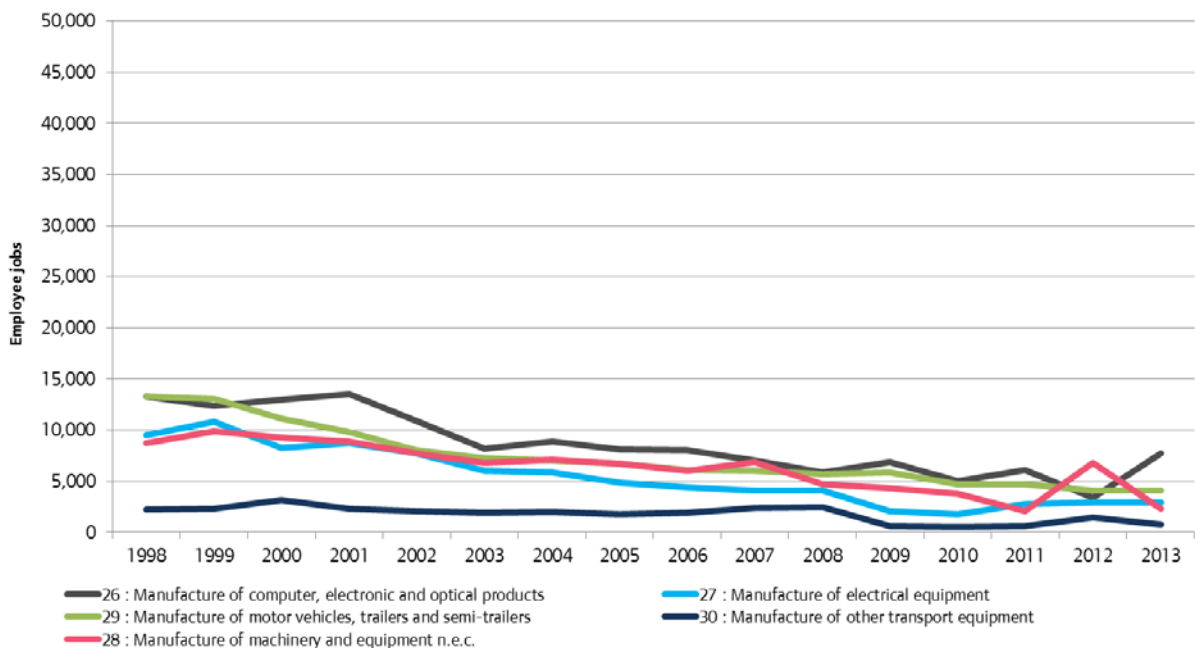
Figure 6: Metals, minerals and chemicals employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

There has also been a fall in the number of employees in divisions relating to engineering activities (Figure 7). In 1998, the number of employee jobs in both computer and motor vehicle manufacturing totalled around 13,300, but by 2013 employee jobs in these sectors had fallen to around 7,700 and 4,100 respectively.

Figure 7: Engineering employee jobs by sector

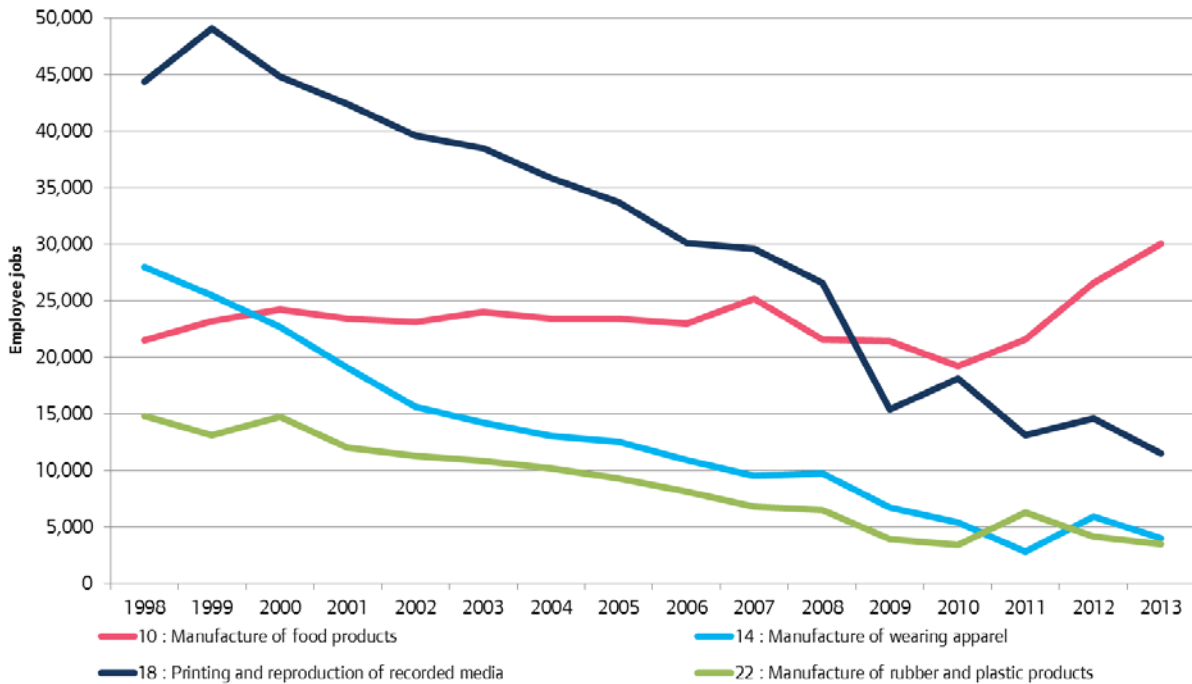


Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Figure 8 demonstrates that whilst printing and reproduction of recorded media has declined by over 70 per cent over the 1998 to 2013 period, manufacturing of food products has grown over

this period. The number of jobs in the manufacturing of food products is 40 per cent higher in 2013 when compared to 1998.

Figure 8: Other manufacturing employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

Figure 5 demonstrates the decline in workforce jobs in manufacturing in London since 1984 and, as a result, the sector accounts for a decreasing proportion of jobs in the capital (with an index of specialisation score of 0.2). The total number of employee jobs in this sector accounts for approximately 4.7 per cent of all jobs in Great Britain, as measured by BRES, but on a London-level these jobs contribute towards 2.3 per cent of all employee jobs in the capital (Table 3).

Table 3: Manufacturing – London's share of employee jobs in 2013

Sector	Share of total			Index of specialisation
	London employee jobs	London employee jobs	London share of GB employee jobs	
Manufacturing	107,100	2.3%	4.7%	0.2
10 : Manufacture of food products	29,600	0.6%	8.8%	0.5
11; 12; 13: Manufacture of beverages, tobacco and textiles	3,000	0.1%	3.5%	0.2
14 : Manufacture of wearing apparel	4,000	0.1%	12.8%	0.7
15 : Manufacture of leather and related products	300	0.0%	3.5%	0.2
16 : Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	3,700	0.1%	6.2%	0.3
17 : Manufacture of paper and paper products	500	0.0%	1.1%	0.1
18 : Printing and reproduction of recorded media	11,400	0.2%	11.5%	0.6
19 : Manufacture of coke and refined petroleum products	0	0.0%	0.0%	0.0
20 : Manufacture of chemicals and chemical products	1,900	0.0%	2.0%	0.1
21 : Manufacture of basic pharmaceutical products and pharmaceutical preparations	800	0.0%	1.8%	0.1
22 : Manufacture of rubber and plastic products	3,400	0.1%	2.3%	0.1
23 : Manufacture of other non-metallic mineral products	3,700	0.1%	5.5%	0.3
24 : Manufacture of basic metals	1,200	0.0%	1.7%	0.1
25 : Manufacture of fabricated metal products, except machinery and equipment	10,400	0.2%	3.6%	0.2
26 : Manufacture of computer, electronic and optical products	7,600	0.2%	5.9%	0.3
27 : Manufacture of electrical equipment	2,900	0.1%	3.5%	0.2
28 : Manufacture of machinery and equipment n.e.c.	2,300	0.0%	1.2%	0.1
29 : Manufacture of motor vehicles, trailers and semi-trailers	4,000	0.1%	2.9%	0.1
30 : Manufacture of other transport equipment	800	0.0%	0.7%	0.0
31 : Manufacture of furniture	6,400	0.1%	8.9%	0.5
32 : Other manufacturing	1,900	0.0%	2.7%	0.1
33 : Repair and installation of machinery and equipment	7,100	0.2%	6.4%	0.3

Source: *Business Register and Employment Survey 2013, ONS.*

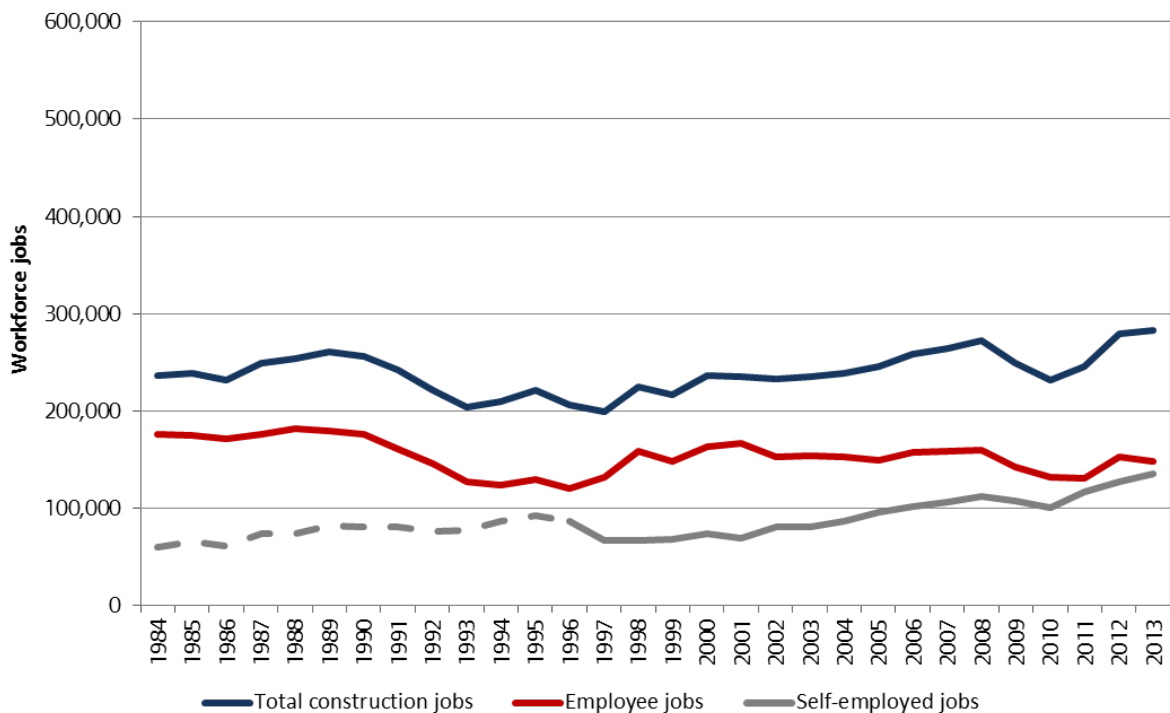
6 Construction

The number of jobs in the construction industry has fluctuated in line with business cycles over the last three decades. During the early 1990s recession workforce jobs in Construction contracted sharply from the high in 1989 before recovering and peaking in 2008. However, the financial crisis and the subsequent recession hit construction hard, and jobs in the sector fell by 15 per cent between 2008 and 2010. Since 2010, jobs in construction have grown strongly.

Recent workforce jobs data from the ONS suggest that the composition of construction jobs has changed since the late 1990s (Figure 9). Since 1996, self-employed jobs show a clear upward trend, whilst the number of employee jobs display a more stable picture over time. Between 1996 and 2013, whilst overall construction jobs¹⁵ increased by 37 per cent from around 206,000 in 1996 to 283,000 in 2013, the number of self-employed jobs increased by 57 per cent. Furthermore, in 1998, employee jobs accounted for 70.3 per cent of all workforce jobs in the sector but by 2013 the proportion of employee jobs had fallen to 52.1 per cent.

During the most recent recession, self-employed jobs fell by 11 per cent between the 2008 peak and trough in 2010, whilst employee jobs declined by 17 per cent over the same period. Furthermore, whilst the recovery in self-employed jobs started in 2011, employee jobs continued to contract in 2011 and returned to growth in 2012.

Figure 9: Construction workforce jobs



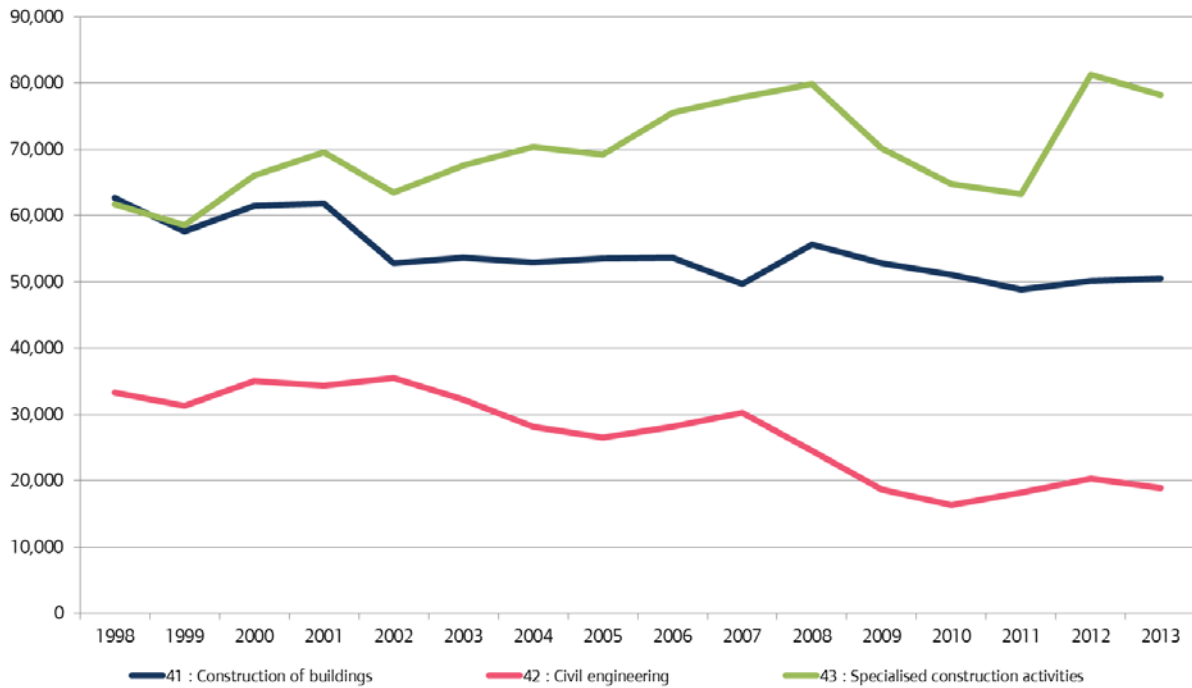
Source: Workforce jobs, ONS and GLA Economics modelling

Assessment of more detailed business survey data by construction activity gives an indication on trends in the industry. However, given the increasing importance of self-employment in the construction industry and the exclusion of self-employed people from the employer survey, the overview in Figure 10 is limited by its focus on employee jobs only. Specialised construction

¹⁵ As measured by workforce jobs.

constitutes the main part of employee construction jobs. Since 1998, jobs in specialised construction have grown by 27 per cent, accounting for over half of all construction employee jobs in 2013. In comparison, employee jobs in construction of buildings and civil engineering declined by 19 and 43 per cent respectively over the same period.

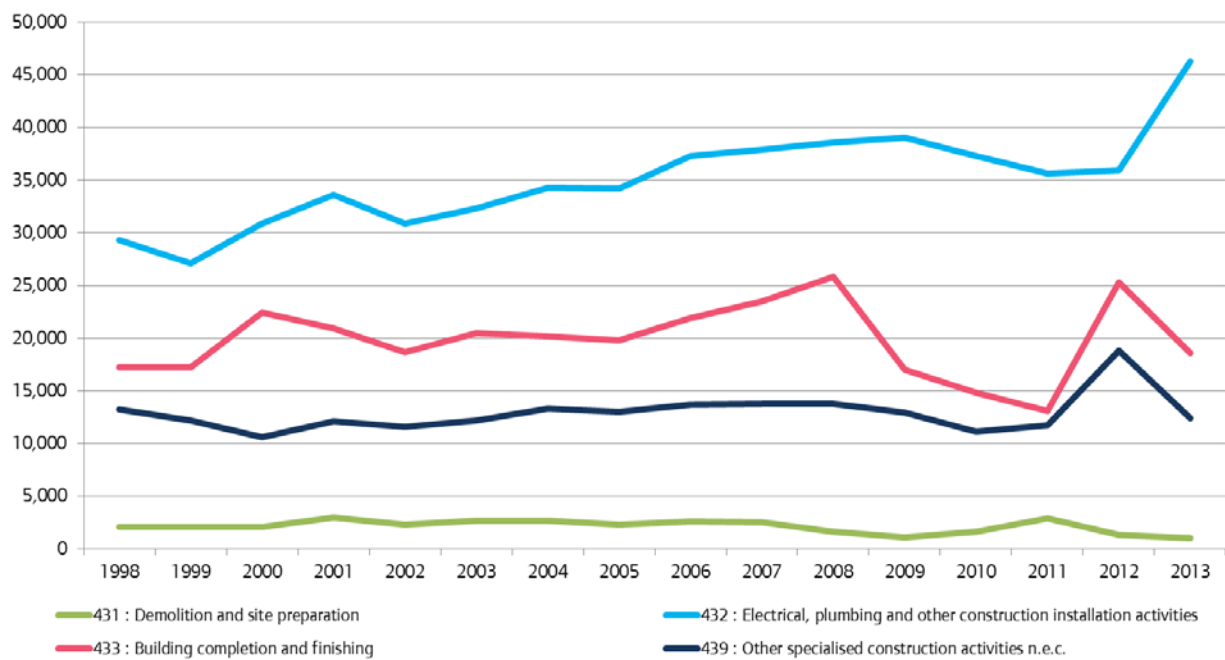
Figure 10: Construction employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Specialised construction activities account for the largest proportion of all construction jobs. Figure 11 provides more detailed information suggesting that specialised construction activity is driven by employee jobs in Electrical installation activities. In 2013, electrical installation activities provided around 46,300 employee jobs and contributed towards 59 per cent of all specialised construction jobs. The number of jobs in this sector was 58 per cent higher in 2013 compared to 1998. The final stages of the construction process are also labour intensive and Building completion and finishing provided 18,600 jobs in 2013.

Figure 11: Specialised construction employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

In terms of employee jobs relative to the rest of Great Britain, London does not tend to specialise in construction and the index of specialisation is 0.7 (Table 4). The only area where London has a particular specialisation in construction is in Development of building projects. Development of building projects includes all activities from bringing together finance and technical aspects of residential and non-residential buildings to the physical construction of the project. Employee jobs in Development of building projects in London, accounted for 29.0 per cent of all jobs in the sector in Great Britain. Across other specialised construction activities, the rest of Great Britain tends to be more specialised than London.

Table 4: Construction – London’s share of employee jobs in 2013

Sector	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
Construction	141,400	3.1%	11.9%	0.7
411 : Development of building projects	16,000	0.3%	29.0%	2.0
412 : Construction of residential and non-residential buildings	32,300	0.7%	11.3%	0.6
421 : Construction of roads and railways	8,400	0.2%	14.1%	0.8
422 : Construction of utility projects	400	0.0%	3.3%	0.2
429 : Construction of other civil engineering projects	9,300	0.2%	7.8%	0.4
431 : Demolition and site preparation	900	0.0%	5.0%	0.3
432 : Electrical, plumbing and other construction installation activities	44,400	1.0%	12.6%	0.7
433 : Building completion and finishing	17,800	0.4%	11.3%	0.6
439 : Other specialised construction activities n.e.c.	11,900	0.3%	9.5%	0.5

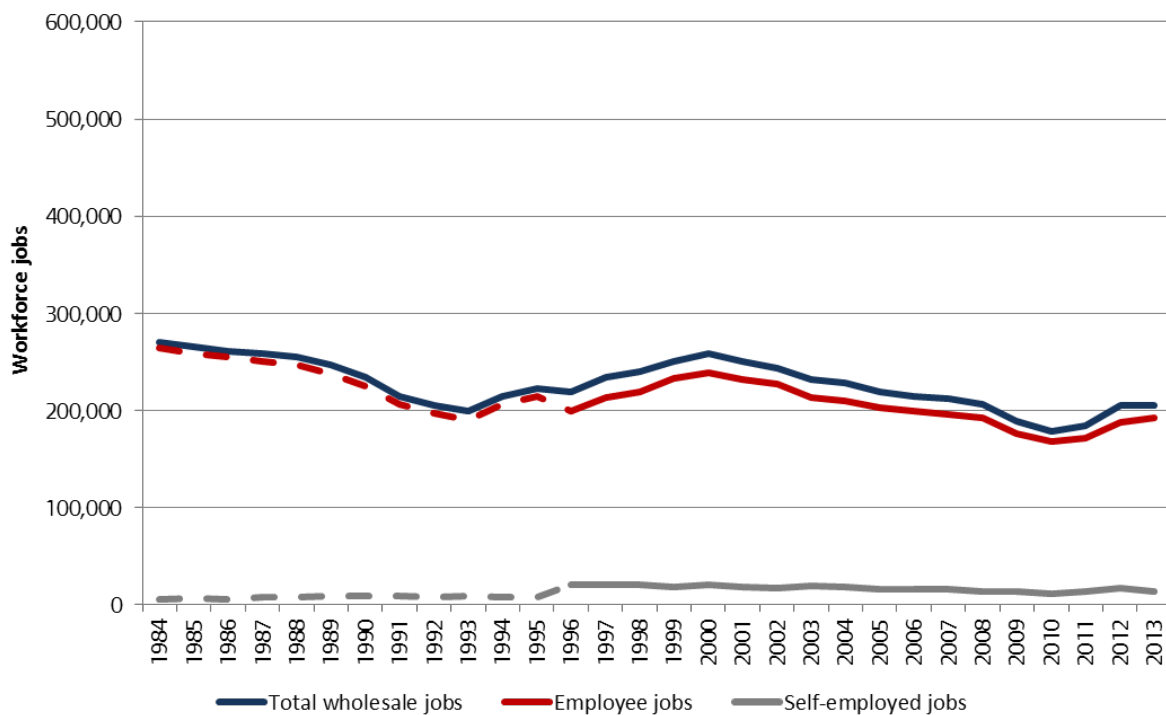
Source: Business Register and Employment Survey 2013, ONS.

7 Wholesale

For the purposes of this analysis, Section G of the SIC2007 is sub-divided into Wholesale and Retail. Wholesale has been defined as the two following Divisions (45 and 46) from the Standard Industrial Classification: Wholesale and retail trade and repair of motor vehicles and motorcycles¹⁶; and, Wholesale trade, except of motor vehicles and motorcycles. Trends in the Retail sector, covered in the next chapter, consists of employee jobs in Division 47: Retail trade, except of motor vehicles and motorcycles.

Since 2000, workforce jobs in Wholesale has seen a gradual decline, driven by a fall in employee jobs, with total workforce jobs falling year-on-year until 2010 (Figure 12). By 2010, the total number of workforce jobs had fallen to around 179,000, compared to 259,000 in 2000. After a decade of falling jobs, the number of total workforce jobs in Wholesale increased from 2011. In 2013, there were 205,000 jobs in the Wholesale sector, accounting for around 3.9 per cent of all workforce jobs in London.

Figure 12: Wholesale workforce jobs¹⁷



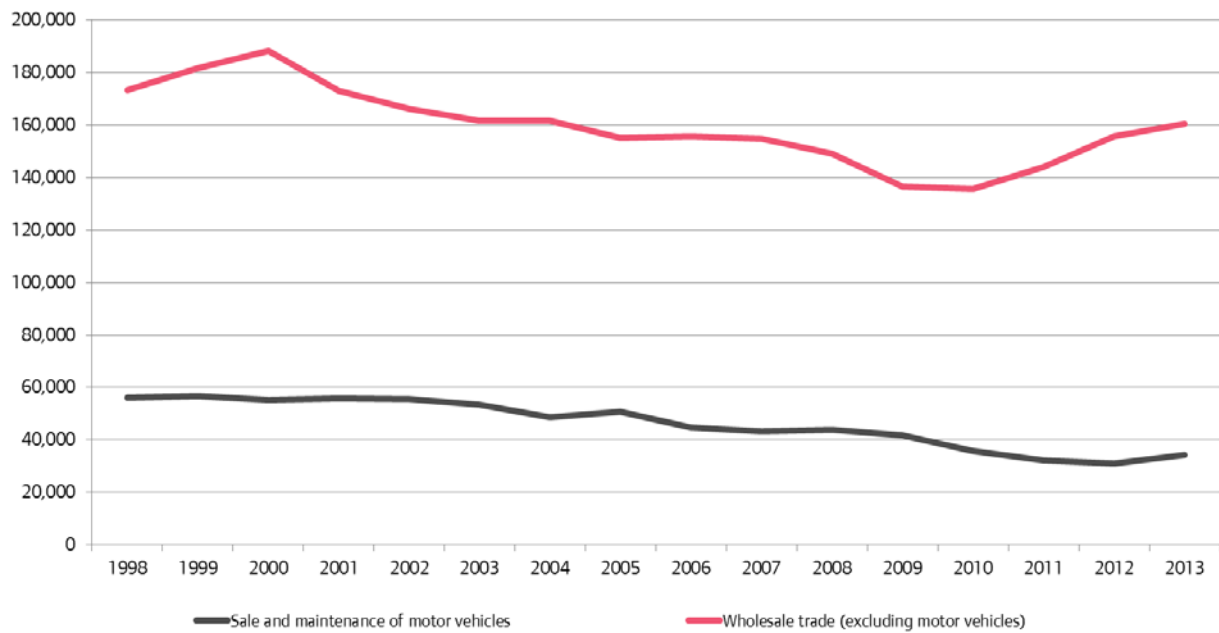
Source: *Workforce Jobs, ONS and GLA Economics modelling*

As a part of our analysis, the number of employee jobs in Wholesale refers to the division level data on Sale and maintenance of motor vehicles and Wholesale trade (excluding motor vehicles). Figure 13 demonstrates the trend in employee jobs in these two divisions. According to the BRES figures for 2013, there were around 34,400 employee jobs in sale and maintenance of motor vehicles in London and 160,500 jobs in Wholesale trade, excluding motor vehicles.

¹⁶ Data covered by Division 45.

¹⁷ The section G data are split into Wholesale and Retail by applying the proportion of jobs in retail observed in the business survey data. The split applied to pre-1996 data are based on the analysis included in Working Paper 52: London's jobs history – a technical paper, whilst the split applied to data for the period between 1996 and 2013 is based on figures supplied by [the ONS](#). Furthermore, the historic time series suggest that there is a 'break' in the data and, for this reason, the historic numbers for employee and self-employed wholesale jobs are shown as a dashed line in Figure 12.

Figure 13: Wholesale employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Figure 14 provides an overview on the different components included in Division 46 of the Wholesale sector with three out of eight SIC groups included.

Figure 14: Wholesale trade employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

The most significant component of employee jobs within Division 46 of the Wholesale sector is household goods providing 49,800 jobs. This is followed by food, beverages and tobacco with 33,500 jobs.

Index of specialisation

In general, London does not specialise in Wholesale when compared to the rest of Great Britain as demonstrated in Table 5 with a score of 0.7.

Table 5: Wholesale – London's share of employee jobs in 2013

Sector	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
Wholesale	194,100	4.2%	12.4%	0.7
45 : Wholesale and retail trade and repair of motor vehicles and motorcycles	34,300	0.7%	7.2%	0.4
451 : Sale of motor vehicles	12,000	0.3%	7.3%	0.4
452 : Maintenance and repair of motor vehicles	14,800	0.3%	7.3%	0.4
453 : Sale of motor vehicle parts and accessories	6,500	0.1%	6.5%	0.3
454 : Sale, maintenance and repair of motorcycles and related parts and accessories	1,000	0.0%	13.0%	0.7
46 : Wholesale trade, except of motor vehicles and motorcycles	159,800	3.5%	14.6%	0.8
461 : Wholesale on a fee or contract basis	11,900	0.3%	19.8%	1.2
462 : Wholesale of agricultural raw materials and live animals	800	0.0%	5.2%	0.3
463 : Wholesale of food, beverages and tobacco	33,300	0.7%	16.3%	1.0
464 : Wholesale of household goods	49,600	1.1%	19.0%	1.2
465 : Wholesale of information and communication equipment	14,200	0.3%	20.2%	1.3
466 : Wholesale of other machinery, equipment and supplies	9,600	0.2%	5.9%	0.3
467 : Other specialised wholesale	24,800	0.5%	10.0%	0.5
469 : Non-specialised wholesale trade	15,600	0.3%	22.1%	1.4

Source: *Business Register and Employment Survey 2013, ONS.*

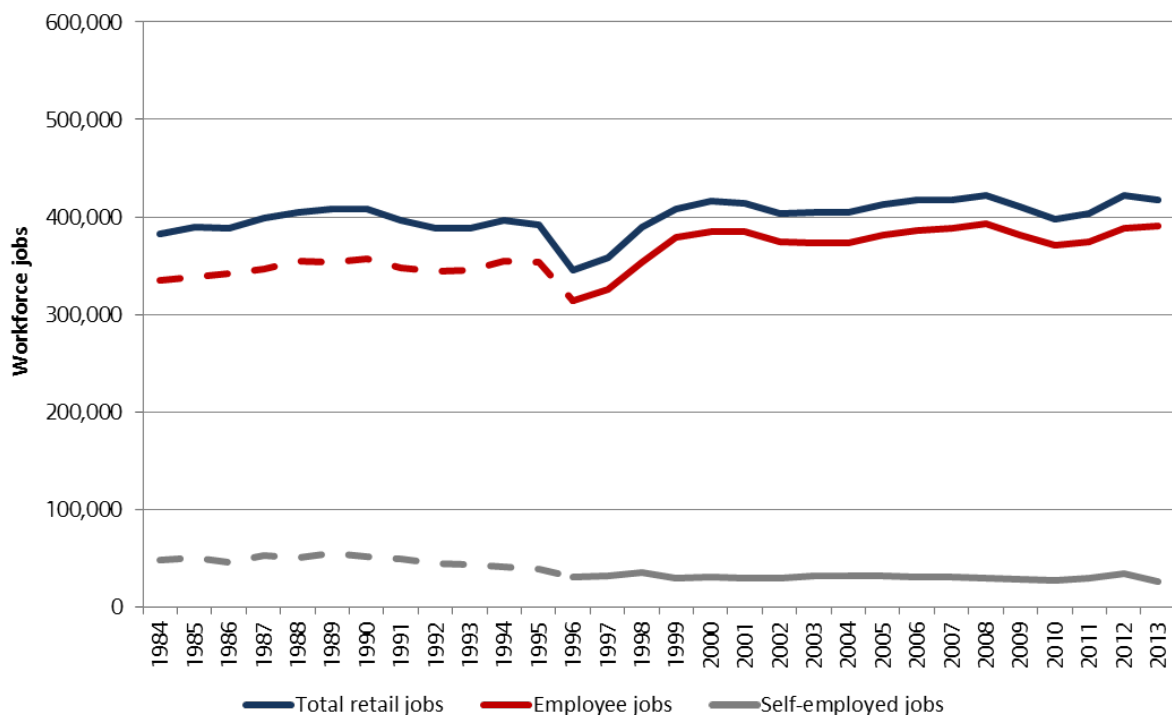
More detailed data based on 3-digit level data suggest that London has a relative specialisation in Non-specialised wholesale trade with an index of specialisation of 1.4, whilst the index of specialisation for Wholesale of information and communication equipment is equal to 1.3.

8 Retail

For the purposes of this analysis, Section G of the SIC 2007 is divided into Wholesale and Retail. Jobs in the Retail sector have been defined by Division 47: Retail trade, except of motor vehicles and motorcycles.

Workforce jobs in the sector remained relatively stable between 2000 and 2008 before contracting by 3 per cent following the recession in both 2009 and 2010 (Figure 15). Coinciding with the economic recovery the sector jobs increased in 2012 reaching 422,000 jobs, before workforce jobs fell again by 1 per cent in 2013. Despite this fall in jobs, the retail sector remains a significant employer in London and accounted for 7.9 per cent of total workforce jobs in 2013, equivalent to around 417,000 workforce jobs in the sector.

Figure 15: Retail workforce jobs¹⁸



Source: Workforce Jobs, ONS and GLA Economics modelling

The analysis on the trends in jobs in retail in this paper is divided into two sections: retail in:

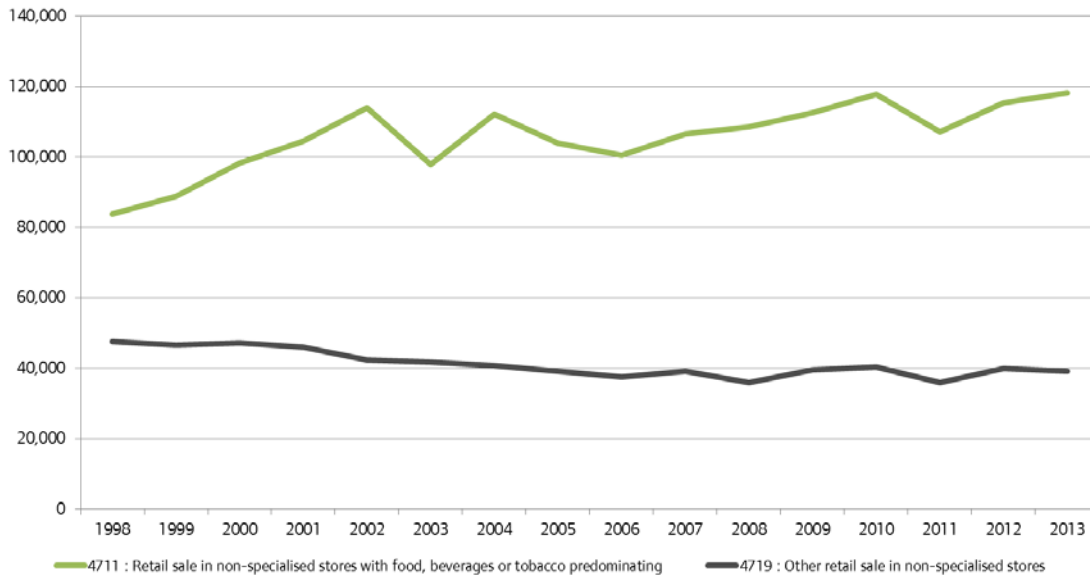
- Non-specialised stores (Figure 16)
- Retail in specialised stores (Figure 17).

Non-specialised stores tend to refer to supermarkets and department stores. Data series on retail jobs by supermarkets is denoted by 'Retail in non-specialised store with food, beverages or tobacco predominating' in Figure 16 and 'Other retail sale in non-specialised stores' references

¹⁸ The section G data are split into Wholesale and Retail by applying the proportion of jobs in retail observed in the business survey data. The split applied to pre-1996 data are based on the analysis included in the Working Paper 52: London's jobs history – a technical paper, whilst the split applied to data for the period between 1996 and 2013 is based on figures supplied by the ONS. Furthermore, the historic time series suggest that there is a 'break' in the data and, for this reason, the historic numbers for employee and self-employed wholesale jobs are shown as a dashed line in Figure 12.

employee jobs in department stores. Employee jobs in supermarkets located in London totalled around 118,300 in 2013 and demonstrate a clear upward trend since 1998 with the total number of jobs rising by 41 per cent over the period. In contrast, jobs in department stores have declined over time and, in 2013, the number of jobs provided totalled 39,100 jobs, around 18 per cent lower than in 1998.

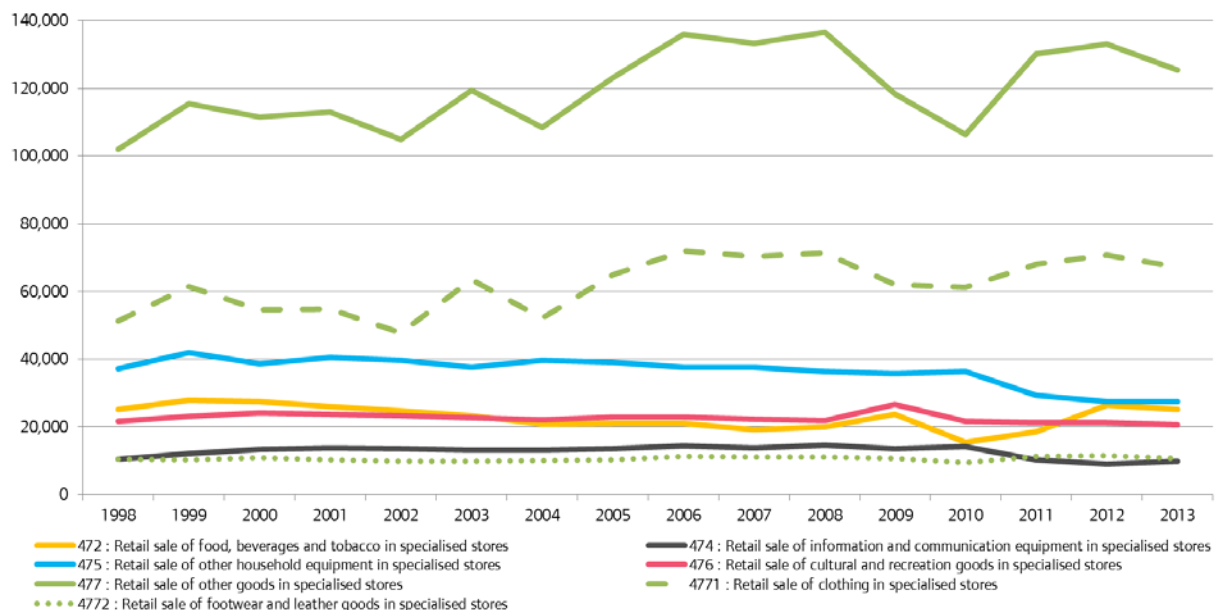
Figure 16: Retail employee jobs in non-specialised stores by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

According to the latest BRES data, all specialist stores in London provided around 212,600 jobs in 2013. Figure 17 demonstrates industry-level trends in employee jobs in retail including in the main group-level data as outlined in the SIC 2007 but for some of the other larger sectors, such as retail sale of clothing and footwear, class-level data have also been included.

Figure 17: Retail employee jobs in specialised stores by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Specialist food retail stores (those that specialise in the sale of tobacco and beverages are included in these figures) provided approximately 25,200 jobs in total in 2013, whilst retail stores specialising in other goods (including stores specialising in textiles, hardware, electrical household appliances and furniture) provided 125,300 jobs. Within this 'other goods' category, clothing stores are the largest specialist retail employer in London and, in 2013, provided 67,200 employee jobs.

Index of specialisation

Despite London's significant retail sector with 386,700 employee jobs (equivalent to around 8.4 per cent of all London's employee jobs) recorded in the sector in 2013, the index of specialisation is only 0.8 (Table 6). Index of specialisation scores above one in some sub-classes may reflect the type of shopping and retail units in London and the fact that London may have more specialised retail outlets compared to Great Britain as a whole. For example, the index of specialisation score for retail sale of cosmetic and toilet articles in specialised stores, and retail sale of footwear and leather goods in specialised stores is 1.3. Similarly, the index of specialisation for clothing in specialised stores is 1.2 providing around 67,000 employee jobs in the capital.

Table 6: Retail – London's share of employee jobs in 2013

Sector	Share of total			Index of specialisation
	London employee jobs	London employee jobs	London share of GB employee jobs	
Retail	386,700	8.4%	14.2%	0.8
471 : Retail sale in non-specialised stores	156,800	3.4%	12.5%	0.7
4711 : Retail sale in non-specialised stores with food, beverages or tobacco predominating	117,800	2.6%	11.7%	0.7
4719 : Other retail sale in non-specialised stores	39,000	0.9%	16.2%	1.0
472 : Retail sale of food, beverages and tobacco in specialised stores	25,100	0.5%	18.0%	1.1
473 : Retail sale of automotive fuel in specialised stores	4,200	0.1%	12.7%	0.7
474 : Retail sale of information and communication equipment in specialised stores	9,700	0.2%	20.3%	1.3
475 : Retail sale of other household equipment in specialised stores	27,400	0.6%	12.2%	0.7
476 : Retail sale of cultural and recreation goods in specialised stores	20,500	0.4%	17.0%	1.0
477 : Retail sale of other goods in specialised stores	124,800	2.7%	15.8%	0.9
4771 : Retail sale of clothing in specialised stores	67,000	1.5%	19.0%	1.2
4772 : Retail sale of footwear and leather goods in specialised stores	10,700	0.2%	20.7%	1.3
4773 : Dispensing chemist in specialised stores	8,800	0.2%	9.3%	0.5
4774 : Retail sale of medical and orthopaedic goods in specialised stores	300	0.0%	4.3%	0.2
4775 : Retail sale of cosmetic and toilet articles in specialised stores	6,600	0.1%	21.4%	1.3
4776 : Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores	3,500	0.1%	6.1%	0.3
4777 : Retail sale of watches and jewellery in specialised stores	6,700	0.1%	19.5%	1.2
4778 : Other retail sale of new goods in specialised stores	15,200	0.3%	12.2%	0.7
4779 : Retail sale of second-hand goods in stores	5,900	0.1%	17.2%	1.0
478 : Retail sale via stalls and markets	900	0.0%	19.6%	1.2
479 : Retail trade not in stores, stalls or markets	17,300	0.4%	15.9%	0.9

Source: *Business Register and Employment Survey 2013, ONS.*

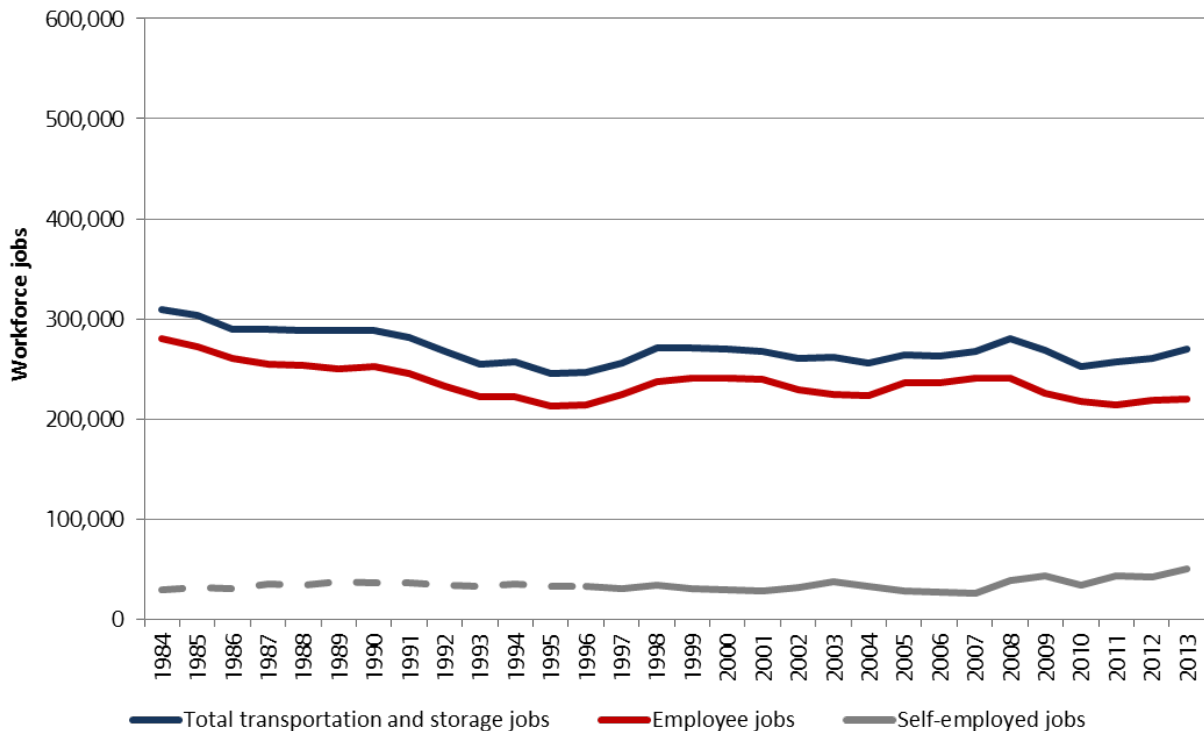
Further analysis of more detailed data (not included in Table 6) suggest that London specialises in retail trade of textiles, clothing and footwear via stalls and markets relative to the rest of Great Britain.

9 Transportation and storage

Before the change in the Standard Industrial Classification in 2007, Transportation and storage was classified jointly with communication activities. However, Section H as it currently stands includes land, air and water transport; and in addition covers warehousing and postal activities.

Figure 18 demonstrates the gradual decline in workforce jobs in Transportation and storage from the early 1980s until the mid-1990s. From 1996 to 2013, jobs in the Transportation and storage sector have been relatively static fluctuating between 247,000 and 280,000 with workforce jobs totalling 270,000 in 2013.

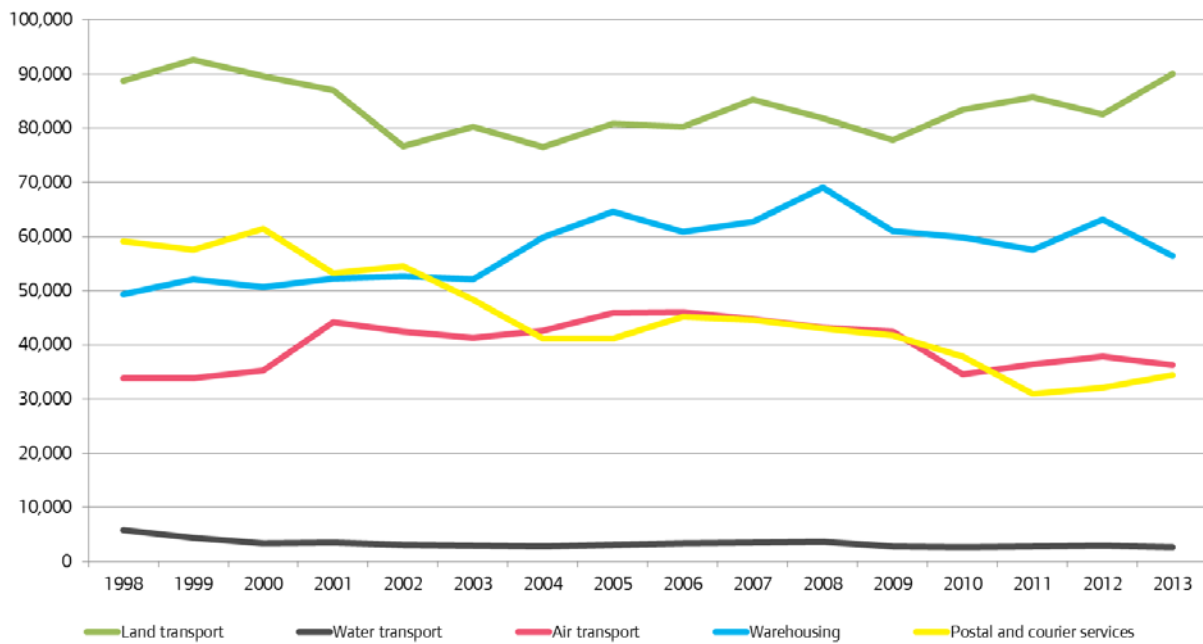
Figure 18: Transportation and storage workforce jobs



Source: Workforce Jobs, ONS and GLA Economics modelling

Figure 19 indicates that Land transport continues to provide the largest number of employee jobs in London across the Transport and storage sector with 90,100 jobs recorded in 2013. The number of jobs in Warehousing and support activities for transportation displayed an increasing trend until the beginning of recession reaching 69,000 employee jobs in 2008 before declining in four out of the following five years totalling 56,400 in 2013. The number of employee jobs in Postal and courier services has continued to decline since the 1990s, providing 34,400 jobs in 2013, a 42 per cent decline from 1998.

Figure 19: Transportation and storage by sector

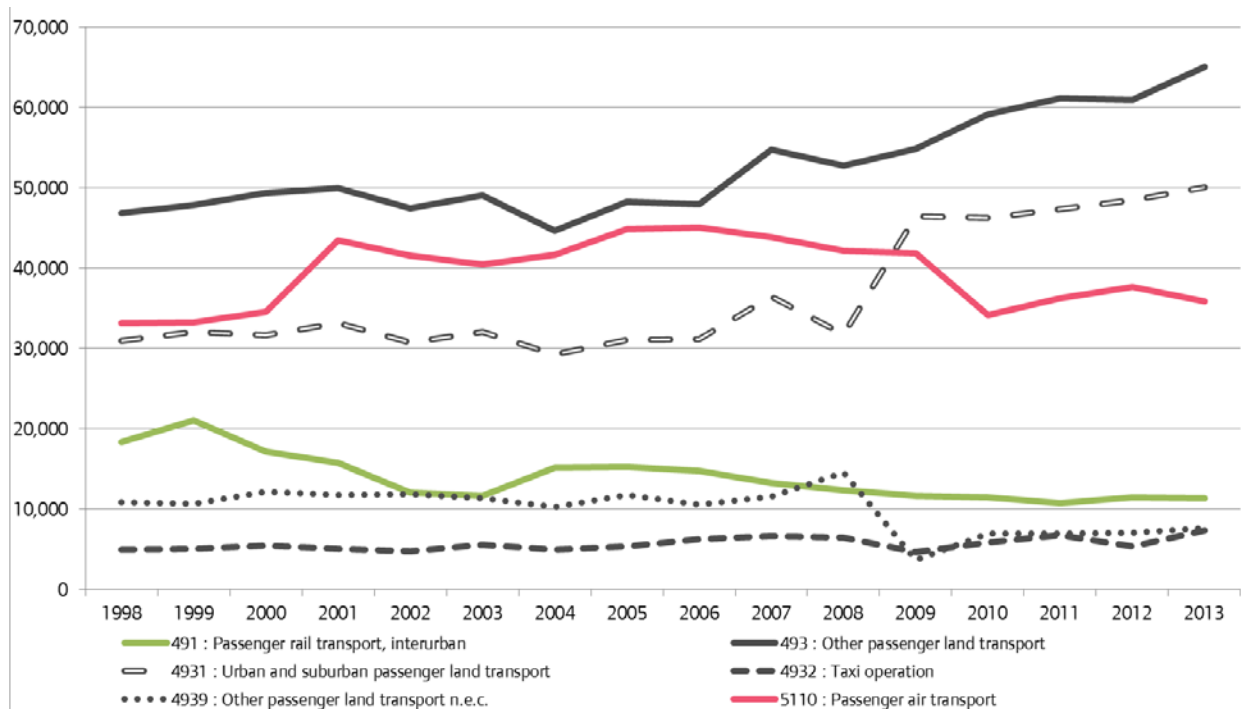


Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Land and air transport

Figure 20 demonstrates industry-level trends in Land and air transport employee jobs including in the main group-level data as outlined in the SIC 2007 but for some of the other larger components, such as passenger air; and urban and suburban passenger land transport, class-level data have also been included.

Figure 20: Land and air transport employee jobs by sector



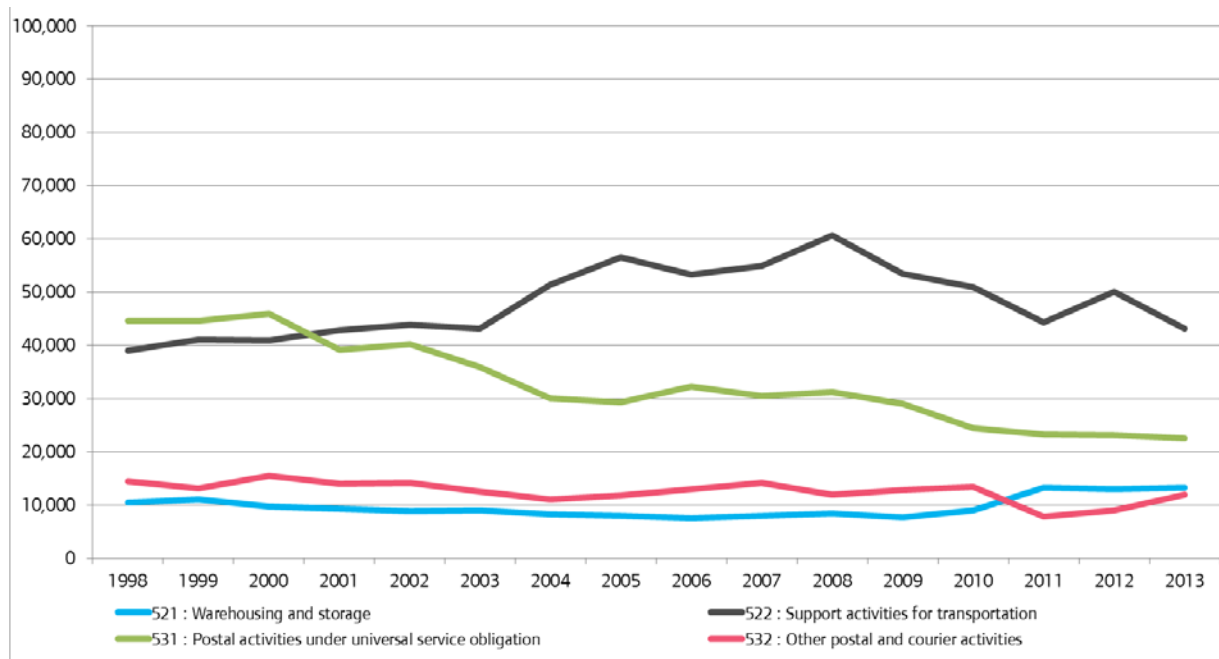
Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Since mid-2000s, there has been an increase in the number of employee jobs provided by the Other passenger land transport sector with jobs totalling around 65,100 in 2013. In contrast, employee jobs in passenger air transport have seen a fall in the number of jobs over the same period from 44,900 to around 35,900.

Warehousing and postal activities

Postal activities under universal service obligation have seen a consistent decline in the number of employee jobs since the late-1990s and, in 2013, the sector provided 22,500 jobs (Figure 21). The opposite trend occurred in the Support activities for transportation sector in 2000s before employee jobs fell back following the financial crisis with the number of jobs reaching 43,100.

Figure 21: Warehousing and postal activities employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

The index of specialisation for Transportation and storage is 1.1 suggesting that London does not have a significant specialisation over the rest of Great Britain (Table 7). However, the importance of Heathrow and other airport capacity in Greater London explains the specialisation in Air transport with an index score of 5.1. Employee jobs in Air transport in London account for over half (50.6 per cent) of the total in Great Britain. Due to the extensive public transport network, a high proportion of Land transport and transport via pipelines jobs are also located in London, with 19.8 per cent of all employee jobs in the sector in Great Britain located in the capital. Other passenger land transport captures all land-based passenger transport other than rail transport but includes jobs within underground and metro systems. In addition, employee jobs in taxi operation in London are also included in this category, explaining why the share of employee jobs in London in this sub-sector account for over 30 per cent of jobs in Great Britain.

Table 7: Transportation and storage – London's share of employee jobs in 2013

Sector	Share of total		London share of GB	Index of specialisation
	London employee jobs	London employee jobs		
Transportation and storage	218,600	4.8%	18.2%	1.1
49 : Land transport and transport via pipelines	89,600	2.0%	19.8%	1.2
491 : Passenger rail transport, interurban	11,400	0.2%	24.9%	1.6
493 : Other passenger land transport	64,800	1.4%	30.3%	2.1
50 : Water transport	2,600	0.1%	18.5%	1.1
501 : Sea and coastal passenger water transport	200	0.0%	2.8%	0.1
502 : Sea and coastal freight water transport	2,100	0.0%	36.7%	2.9
503 : Inland passenger water transport	300	0.0%	32.8%	2.4
504 : Inland freight water transport	0	0.0%	3.9%	0.2
51 : Air transport	36,100	0.8%	50.6%	5.1
511 : Passenger air transport	35,700	0.8%	52.2%	5.4
512 : Freight air transport and space transport	400	0.0%	12.4%	0.7
52 : Warehousing and support activities for transportation	56,100	1.2%	13.0%	0.7
521 : Warehousing and storage	13,200	0.3%	6.1%	0.3
522 : Support activities for transportation	42,900	0.9%	20.0%	1.2
53 : Postal and courier activities	34,200	0.7%	14.6%	0.8
531 : Postal activities under universal service obligation	22,400	0.5%	14.1%	0.8
532 : Other postal and courier activities	11,900	0.3%	15.6%	0.9

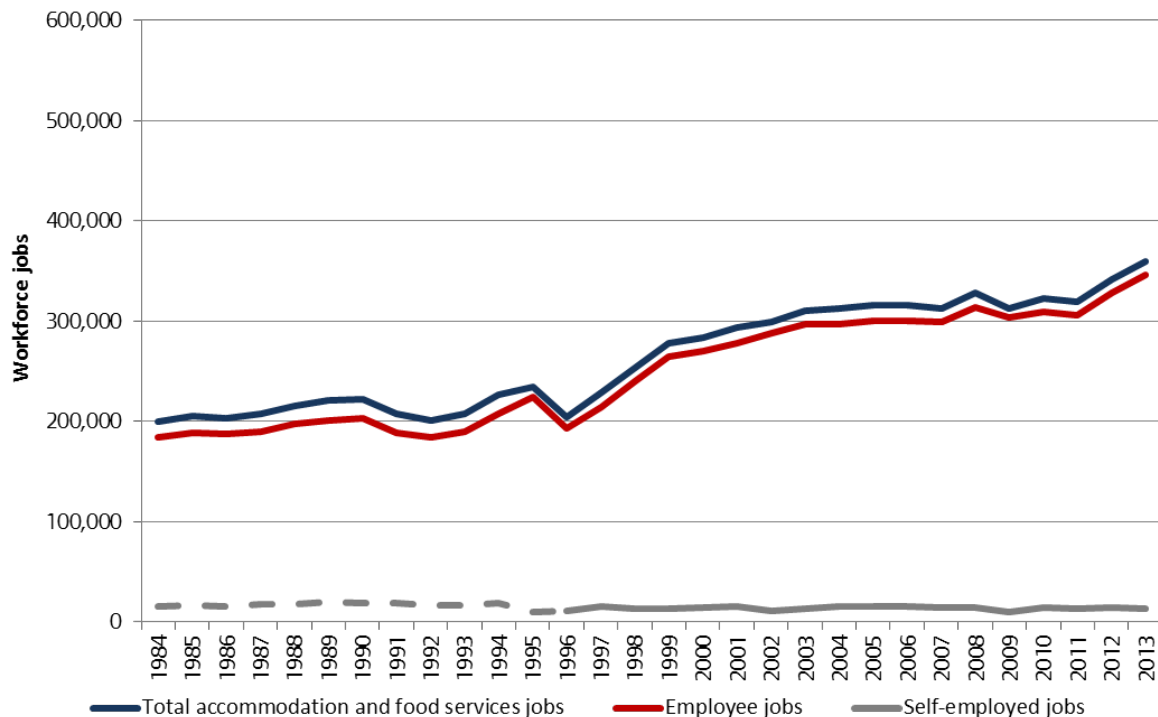
Source: *Business Register and Employment Survey 2013, ONS.*

10 Accommodation and food service activities

Workforce jobs data on Accommodation and food service activities include: hotels, and other 'holiday' and other short-stay accommodation as well as camping grounds and other accommodation. In addition, the sector includes food and beverage service activities consisting of restaurants, event catering and licenced clubs and bars.

London remains an attractive travel destination and, in 2013, a total of 16.8 million overseas visitors visited London as a part of their trip to the UK, compared to 11.7 million in 2003. This is also the highest recorded number since 1961 and is likely to be reflected in the jobs figures¹⁹. Since the official regional workforce jobs series data began in 1996, jobs in the sector have increased substantially with falls in jobs recorded only in four out of 17 years. Following the financial crisis, workforce jobs in the sector declined by 5 per cent in 2009 and by 1 per cent in 2011. In 2012, jobs in the sector returned to growth, albeit that the timing of the Olympic Games combined with the relatively weak sterling may have contributed towards this strong recovery. In 2013, the sector workforce jobs totalled 359,000 (Figure 22), 5 per cent higher than in 2012, and 76 per cent higher than in 1996.

Figure 22: Accommodation and food service activities workforce jobs

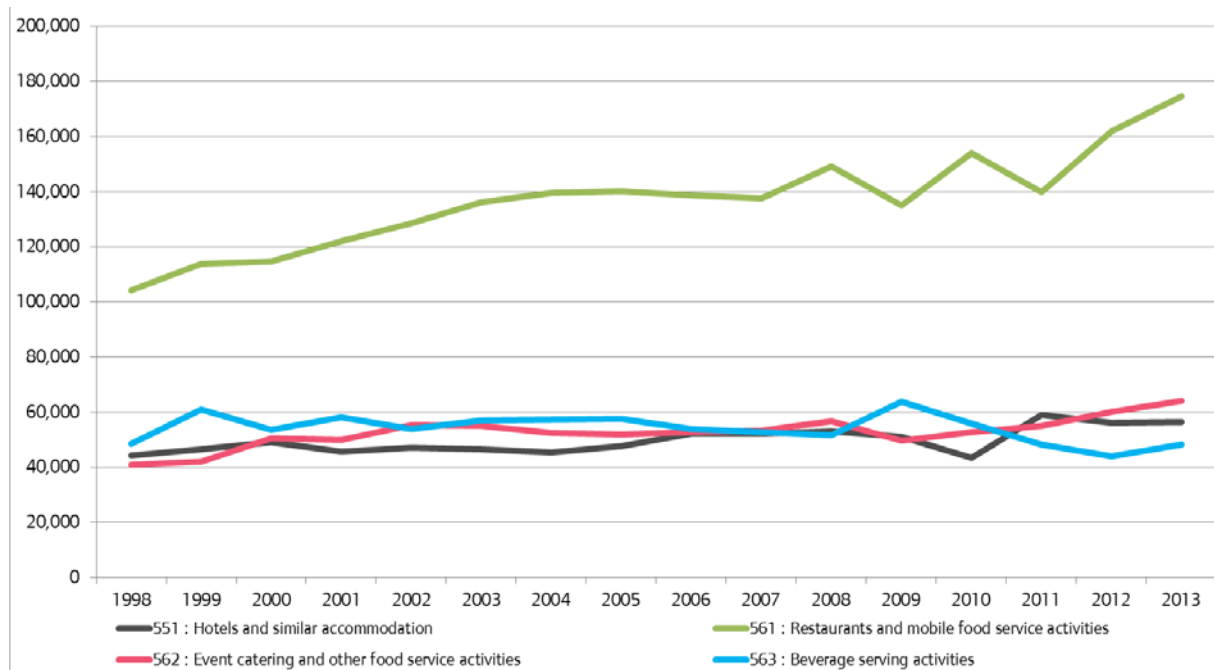


Source: Workforce Jobs, ONS and GLA Economics modelling

Analysis of employee jobs by sector demonstrates that Restaurants and mobile food service providers account for the largest number of jobs in Accommodation and food services in London of around 173,900 (Figure 23). Across the other components, Event catering is the second largest industry sector with the number of employee jobs provided totalling 64,000 in 2013.

¹⁹ Travel Trends 2013, the ONS.

Figure 23: Accommodation and food services employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

Overall, London does not specialise significantly in accommodation and food service activities compared to the rest of Great Britain, with an index of specialisation score of 1.1 (Table 8). However, London does have a relatively high proportion of the total number of jobs in restaurants in the whole of Great Britain and a specialisation in this area when compared with the rest of Great Britain. Similarly, the catering industry has a high proportion of total industry jobs in Great Britain with index of specialisation 1.8.

Table 8: Accommodation and food services – London’s share of employee jobs in 2013

Sector	London employee jobs	Share of total London		Index of specialisation
		employee jobs	of GB employee jobs	
Accommodation and food	218,600	7.6%	18.3%	1.1
55 : Accommodation	59,900	1.3%	14.5%	0.8
551 : Hotels and similar accommodation	56,400	1.2%	16.6%	1.0
552 : Holiday and other short stay accommodation	1,500	0.0%	4.2%	0.2
56 : Food and beverage service activities	286,400	6.3%	19.3%	1.2
561 : Restaurants and mobile food service activities	174,200	3.8%	22.1%	1.4
562 : Event catering and other food service activities	64,100	1.4%	27.0%	1.8
563 : Beverage serving activities	48,100	1.1%	10.5%	0.6

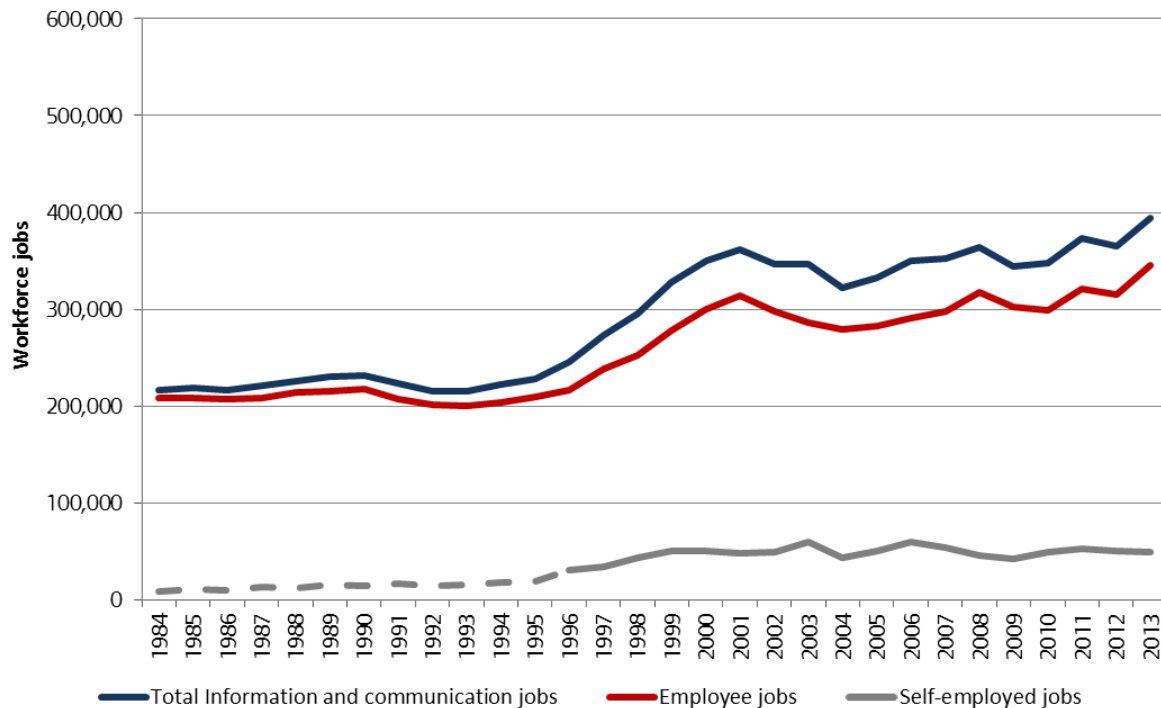
Source: Business Register and Employment Survey 2013, ONS.

11 Information and communication

As a part of the change in the SIC in 2007 new section level categories were introduced. This resulted in an amalgamation of publishing activities grouped with a range of communication activities. The newly introduced Information and communication section in SIC 2007 includes a wide range of activities consisting of Publishing activities, (including publishing of books, newspapers and software), film and television production and post-production, television and radio broadcasting, different telecommunications and information service activities along with computer programming.

Figure 24 demonstrates the significant increase in the number of workforce jobs in the Information and communication sector in the mid-1990s to early 2000s. In the space of five years, workforce jobs in Information and communication in London increased by 47 per cent. Since 2001, growth in workforce jobs has slowed with jobs averaging around 354,000, accounting for around seven per cent of all jobs in London.

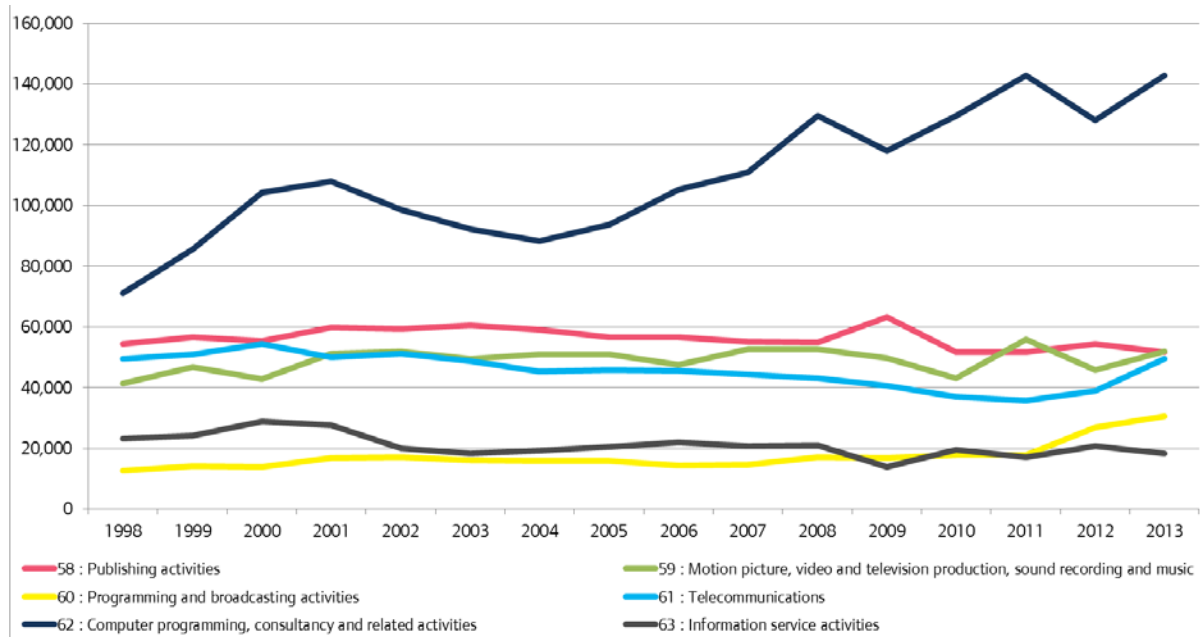
Figure 24: Information and communication workforce jobs



Source: Workforce Jobs, ONS and GLA Economics modelling

Analysis of the more detailed industry-level data indicates that in the Information and communication sector Computer programming, consultancy and related activities has seen a substantial increase in employee jobs since 1998 and the sector jobs had more than doubled by 2013 totalling 142,800 (Figure 25). Employee jobs in Film and television production along with sound and music recording have also increased by 25 per cent from the late 1990s. Similarly, jobs in Programming and broadcasting activities have more than doubled since 1998.

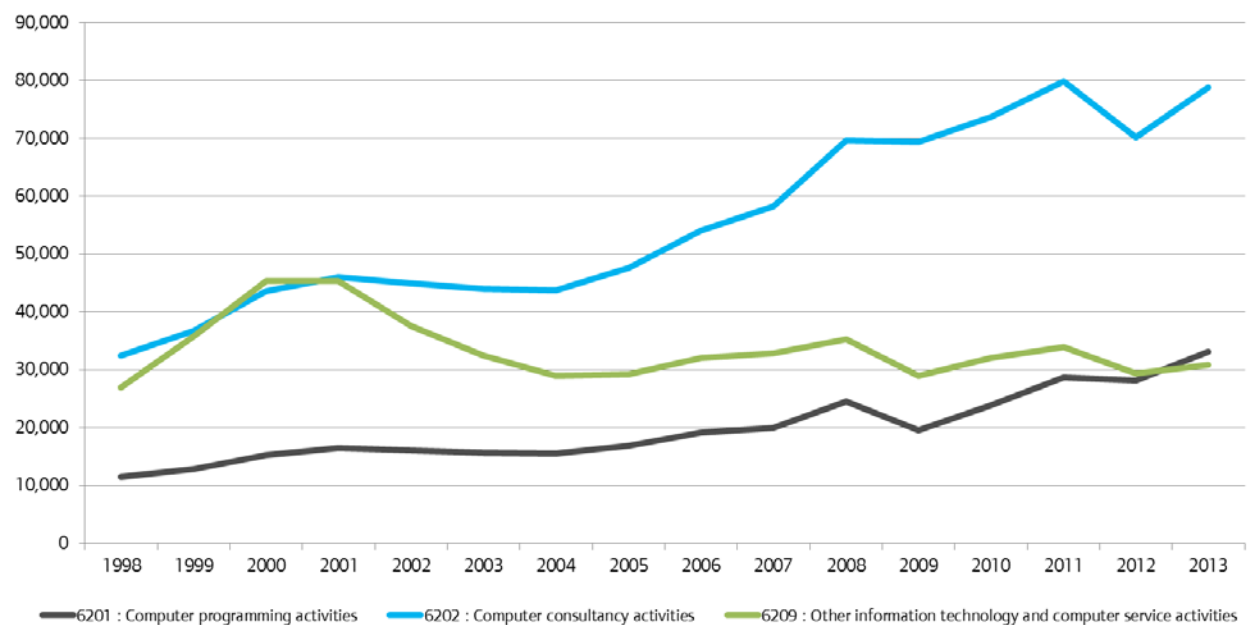
Figure 25: Information and communication employee jobs by sector



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Figure 26 demonstrates the recent trends in Computer programming, consultancy and related activities. The number of Computer consultancy activities has risen from around 32,400 in 1998 to 78,700 in 2013. Similarly, employee jobs in Computer programming activities have almost tripled from 1998 and the number of jobs in the sector in 2013 totalled 33,100.

Figure 26: Computer programming, consultancy and related activities employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

As demonstrated in Table 9, London has a very significant specialisation in the Information and communication sector with almost a third (32.2 per cent) of all employee jobs located in the capital. A significant proportion of jobs in film, television and sound production activities are in London (61.4 per cent) with around 52,800 jobs in the sector in 2013. Around two thirds of all employee jobs in motion picture, video and television programme production activities are located in London, whilst employee jobs in post-production activities in London account for over 80 per cent of the total in Great Britain (with the majority of employee jobs located in the borough of Westminster). However, division level information on self-employed jobs suggests that employee jobs data provide only a partial picture of the trends in the industry.

Concentration of the key broadcasters in London helps to explain the high specialisation of Programming and broadcasting jobs in London with an index of specialisation of 19.1.

Television programming and broadcasting activities employee jobs in London make up 83.4 per cent of the total in Great Britain with an index of specialisation of 24.8. London also specialises in Publishing of journals and periodicals with an index of specialisation score of 2.9 and employee jobs in the industry account for almost half of the total in Great Britain.

Table 9: Information and communication – London's share of employee jobs in 2013

Sector	Share of total		London share of GB employee jobs	Index of specialisation
	London employee jobs	London employee jobs		
Information and communication	350,000	7.6%	32.2%	2.3
58 : Publishing activities	52,300	1.1%	38.2%	3.0
581 : Publishing of books, periodicals and other publishing activities	48,900	1.1%	38.7%	3.1
5811 : Book publishing	10,600	0.2%	42.6%	2.5
5813 : Publishing of newspapers	13,100	0.3%	29.4%	1.7
5814 : Publishing of journals and periodicals	19,400	0.4%	49.6%	2.9
582 : Software publishing	3,400	0.1%	31.8%	2.3
59 : Motion picture, video and television programme production, sound recording and music publishing activities	52,800	1.2%	61.4%	7.8
591 : Motion picture, video and television programme activities	47,000	1.0%	59.9%	7.4
5911 : Motion picture, video and television programme production activities	30,400	0.7%	66.8%	4.0
5912 : Motion picture, video and television programme post-production activities	8,500	0.2%	80.4%	4.8
592 : Sound recording and music publishing activities	5,800	0.1%	76.7%	16.2
60 : Programming and broadcasting activities	31,100	0.7%	79.4%	19.1
601 : Radio broadcasting	7,500	0.2%	69.1%	11.0
602 : Television programming and broadcasting activities	23,600	0.5%	83.4%	24.8
61 : Telecommunications	50,200	1.1%	23.9%	1.6
611 : Wired telecommunications activities	2,500	0.1%	34.4%	2.6
612 : Wireless telecommunications activities	4,100	0.1%	28.1%	1.9
613 : Satellite telecommunications activities	1,000	0.0%	9.8%	0.5
619 : Other telecommunications activities	42,600	0.9%	24.0%	1.6
62 : Computer programming, consultancy and related activities	144,900	3.2%	26.2%	1.7
620 : Computer programming, consultancy and related activities	144,900	3.2%	26.2%	1.7
63 : Information service activities	18,500	0.4%	30.3%	2.1
631 : Data processing, hosting and related activities; web portals	11,400	0.2%	24.8%	1.6
639 : Other information service activities	7,100	0.2%	47.4%	4.4

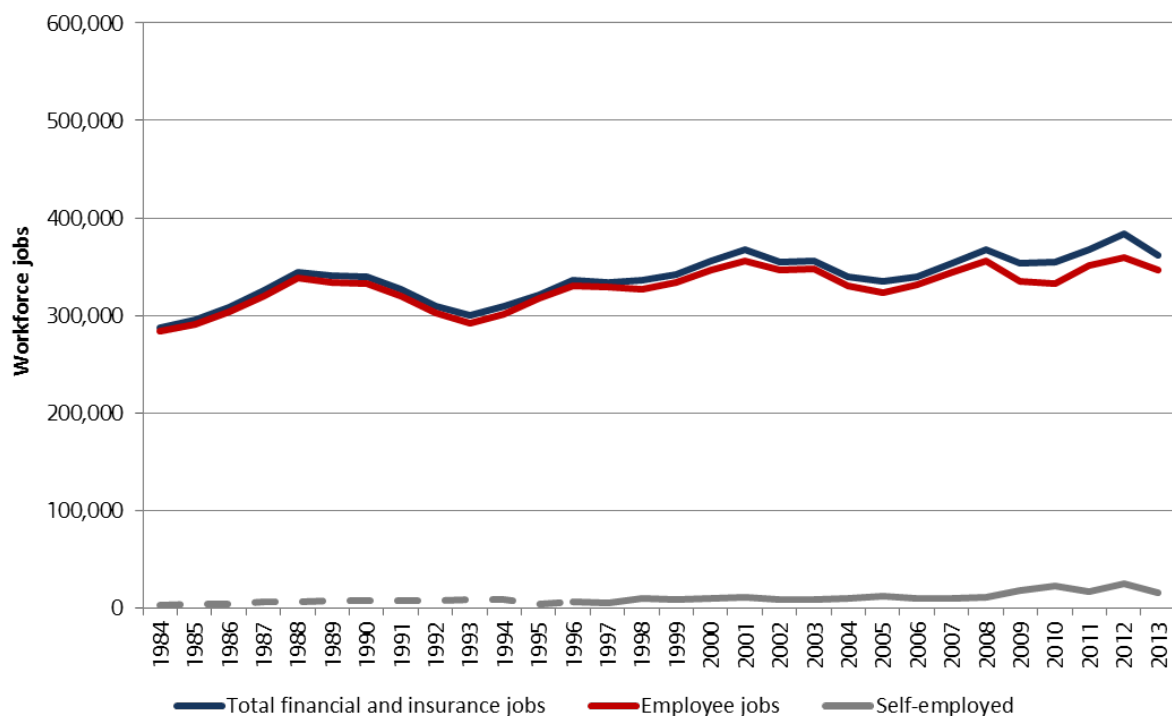
Source: Business Register and Employment Survey 2013, ONS.

12 Financial and insurance activities

Financial and insurance activities are one of London's key industry sectors. Despite the fact that workforce jobs in Financial and insurance activities accounted for around 6.9 per cent of all workforce jobs in London in 2013, in Gross Value Added (GVA) terms the sector output is approximately 19 per cent of London's total GVA²⁰.

Workforce jobs trends in Financial and insurance activities are demonstrated in Figure 27. The total number of jobs in the sector has shown a moderate upward trend since 1984. Jobs in the sector contracted sharply following the early 1990s recession and again more recently during the financial crisis. However, in 2013, the sector provided around 362,000 jobs, 6 per cent lower than in 2012 and a 1 per cent decrease compared to 367,000 in 2008.

Figure 27: Financial and insurance activities workforce jobs



Source: Workforce jobs, ONS and GLA Economics modelling

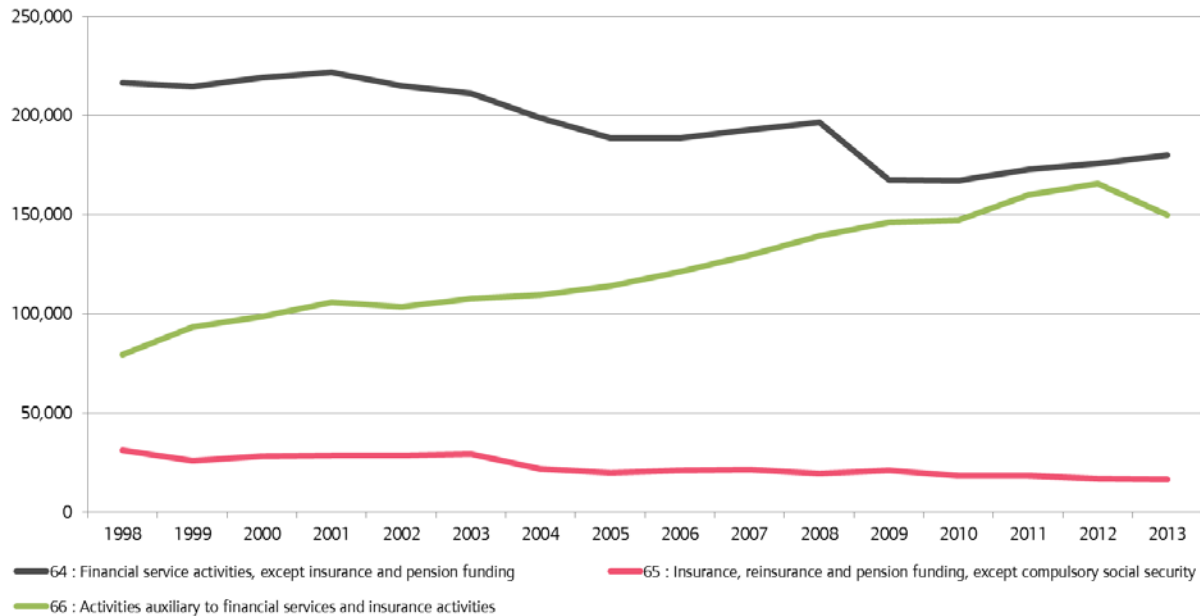
Financial and insurance activities are analysed by looking at employee jobs in three key industries: Financial service activities, except insurance and pension funding; Insurance, reinsurance and pension funding, except compulsory social security; and Activities auxiliary to financial services and insurance activities.

Financial service activities, except insurance and pension funding is the largest sector out of the three by jobs and focuses on financial intermediation (Figure 28). The number of employee jobs in the sector has seen a gradual decline since 1998 providing around 180,100 jobs in 2013. Industry jobs in Insurance, reinsurance and pension funding, except compulsory social security have also declined over time and totalled 16,700 in 2013, accounting for around 5 per cent of total employee jobs in Financial and insurance activities sector. The modelled historic time series constructed from different business surveys suggest that Activities auxiliary to financial services

²⁰ The published official GVA data are on current prices and the latest sector breakdown refers to 2012.

and insurance activities has been the main driver of growth in jobs in Financial and insurance activities providing around 149,700 employee jobs in 2013²¹.

Figure 28: Financial and insurance activities employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

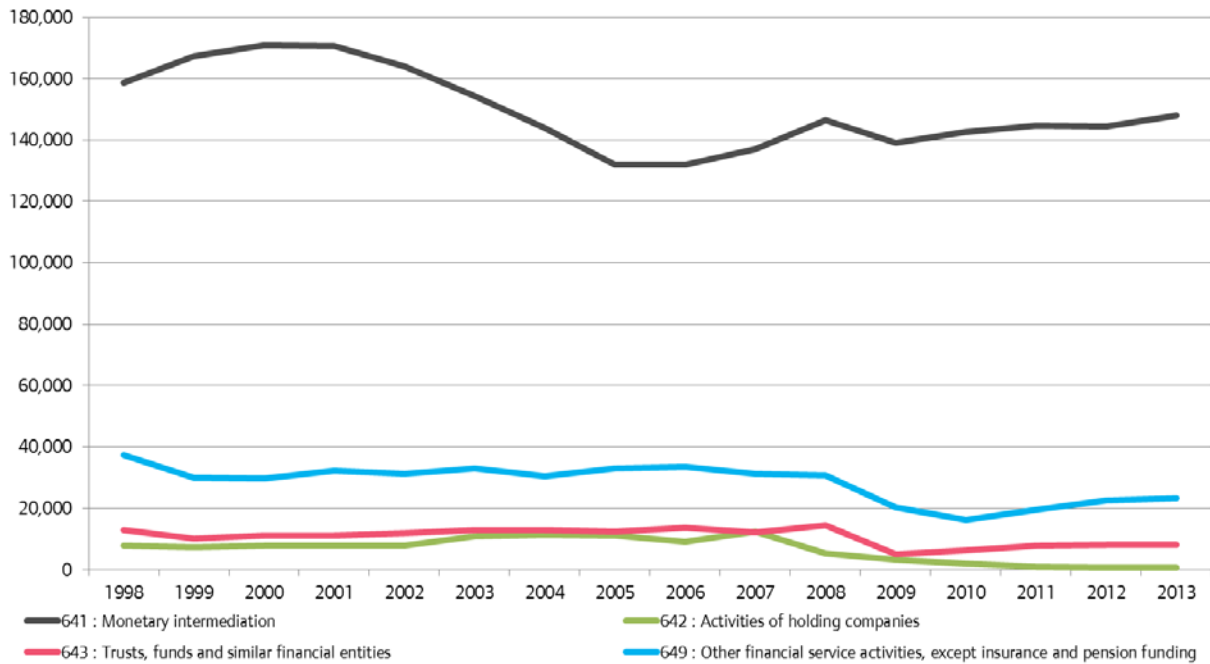
Financial service activities, except insurances and pension funding

Figure 29 breaks down the different components of Financial service activities, except insurance and pension funding. A closer examination of the sector indicates that Monetary intermediation accounts for most of the employee jobs; this implies that most jobs in this sector are provided by banks and building societies that redistribute funds by using bank deposits to lend to their other clients. In 2013, there were 147,900 jobs in Monetary intermediation, accounting for around 43 per cent of all London's employee jobs in Financial and insurance activities.

Other financial service activities, except insurance and pension funding provided a further 23,400 jobs in 2013. These activities include services such as security dealing, activities of mortgage finance companies, and financing provided by organisations that are not banks.

²¹ Activities auxiliary to financial services and insurance activities include, for example, investment advisory services, financial transaction processing and settlement activities (including credit card transactions) and activities of mortgage advisers and brokers. Other key components of the division are security and commodity contracts brokerage and activities of insurance agents and brokers in selling, negotiating of annuities and insurance policies.

Figure 29: Financial service activities, except insurance and pension funding employee jobs

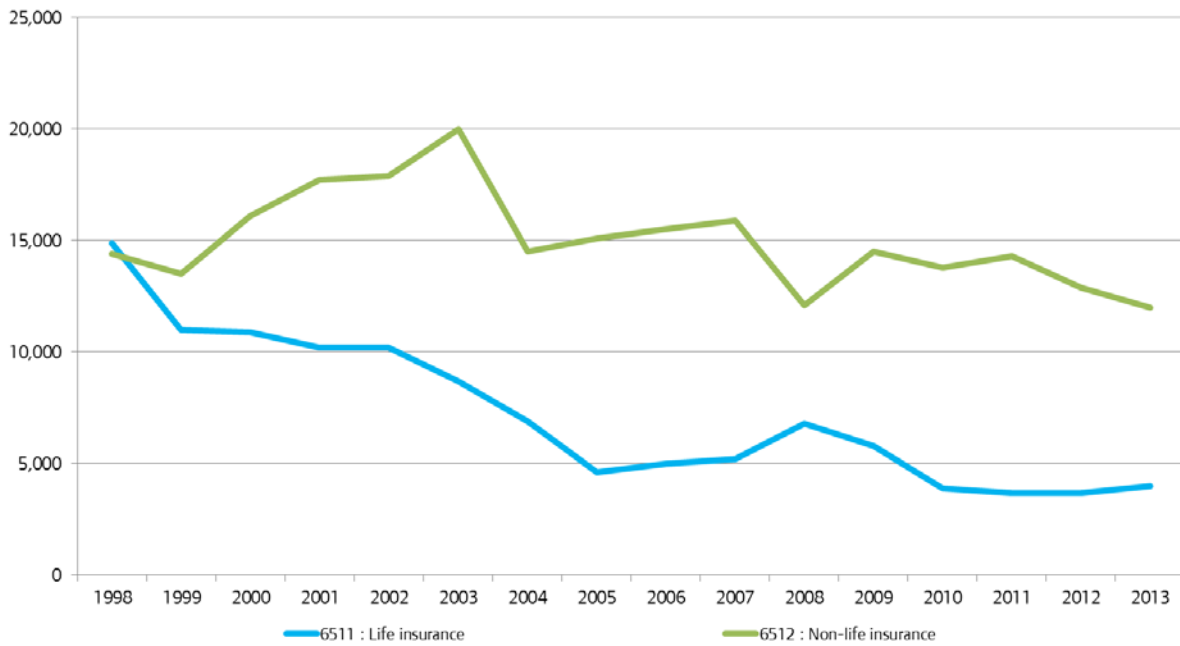


Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Insurance, reinsurance and pension funding, except compulsory social security

Figure 30 displays the recent trends in the number of employee jobs in Insurance, reinsurance and pension funding. In 2013, Non-life insurance accounted for the largest number of jobs in the sector in London (12,000) followed by around 4,000 jobs in the Life insurance sector. Employee jobs in Life insurance activities is 73 per cent lower in 2013 compared with 1998, whilst employee jobs in non-life insurance declined by 17 per cent from the end of 1990s. The remaining 700 industry employee jobs are in Reinsurance and Pension funding activities.

Figure 30: Insurance, reinsurance and pension funding employee jobs



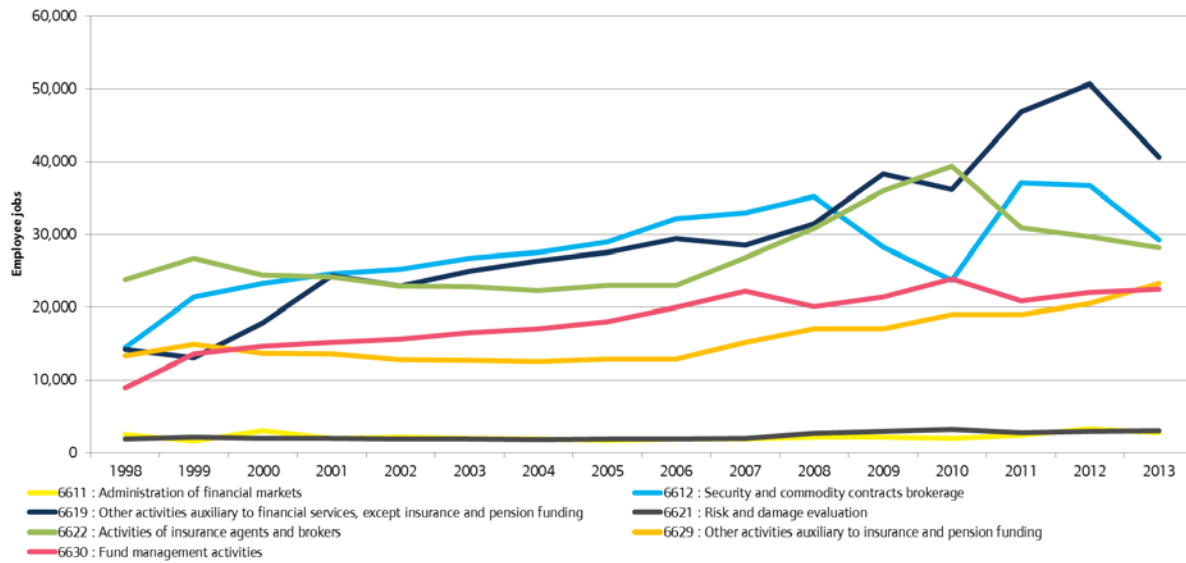
Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Activities auxiliary to financial services and insurance activities

Historic data series in Figure 31 demonstrates that employee jobs in Activities auxiliary to financial services and insurance activities has seen continuous growth over the last decade. The sector activities include services closely associated with financial and insurance services such as insurance agents, security and commodity brokerage as well as fund managers' activity.

Other activities auxiliary to financial services, except insurance and pension funding is the largest employer providing around 40,600 jobs in London in 2013, albeit that this was a 20 per cent decrease compared with 2012. Recent employee job trends in Security and commodity contracts brokerage have been volatile. These activities consist of stock broking and other fund management activities. In 2009, the number of employee jobs in the sector fell by 20 per cent followed by a further 16 per cent decline in 2010 before a strong recovery in 2011. After two years of decline, the number of employee jobs in 2013 totalled around 29,200 jobs.

Figure 31: Activities auxiliary to financial services and insurance activities employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

London has a significant specialism in Financial and insurance activities with around a third of all employee jobs located in the capital, equivalent to around 337,000 jobs (Table 10). Financial service activities, excluding insurance and pension funding provide around 175,200 employee jobs in London (accounting for over a third of the sector total in Great Britain) with an index of specialisation of 2.6. Similarly, Activities auxiliary to financial services and insurance activities is another sub-sector that London has a significant specialisation over the rest of Great Britain. London specialises in Fund management activities in particular, and employee jobs in the capital account for 71.3 per cent of the total GB total, with the City of London and Westminster the two key locations, whilst the index of specialisation score for London as a whole in the industry is 12.2.

Key sub-sectors with respect to the index of specialisation include Reinsurance, Fund management activities and activities associated with Trusts, funds and similar financial entities. Monetary intermediation provides around 143,800 jobs in London and these jobs account for 34.6 per cent of all industry in Great Britain.

Table 10: Financial and insurance services – London's share of employee jobs in 2013

Sector	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
Financial and insurance activities	337,000	7.4%	33.4%	2.5
64 : Financial service activities, except insurance and pension funding	175,200	3.8%	34.2%	2.6
641 : Monetary intermediation	143,800	3.1%	34.6%	2.6
642 : Activities of holding companies	700	0.0%	17.3%	1.0
643 : Trusts, funds and similar financial entities	7,900	0.2%	67.5%	10.2
649 : Other financial service activities, except insurance and pension funding	22,700	0.5%	28.2%	1.9
65 : Insurance, reinsurance and pension funding, except compulsory social security	16,300	0.4%	15.8%	0.9
651 : Insurance	15,600	0.3%	15.3%	0.9
652 : Reinsurance	700	0.0%	81.2%	21.3
66 : Activities auxiliary to financial services and insurance activities	145,600	3.2%	36.9%	2.9
661 : Activities auxiliary to financial services, except insurance and pension funding	70,700	1.5%	44.5%	4.0
6611 : Administration of financial markets	2,700	0.1%	75.6%	15.3
6612 : Security and commodity contracts brokerage	28,400	0.6%	63.8%	8.7
6619 : Other activities auxiliary to financial services, except insurance and pension funding	39,500	0.9%	35.7%	2.7
662 : Activities auxiliary to insurance and pension funding	53,000	1.2%	25.8%	1.7
6621 : Risk and damage evaluation	3,000	0.1%	19.7%	1.2
6622 : Activities of insurance agents and brokers	27,400	0.6%	25.4%	1.7
6629 : Other activities auxiliary to insurance and pension funding	22,700	0.5%	27.6%	1.9
663 : Fund management activities	21,900	0.5%	71.3%	12.2

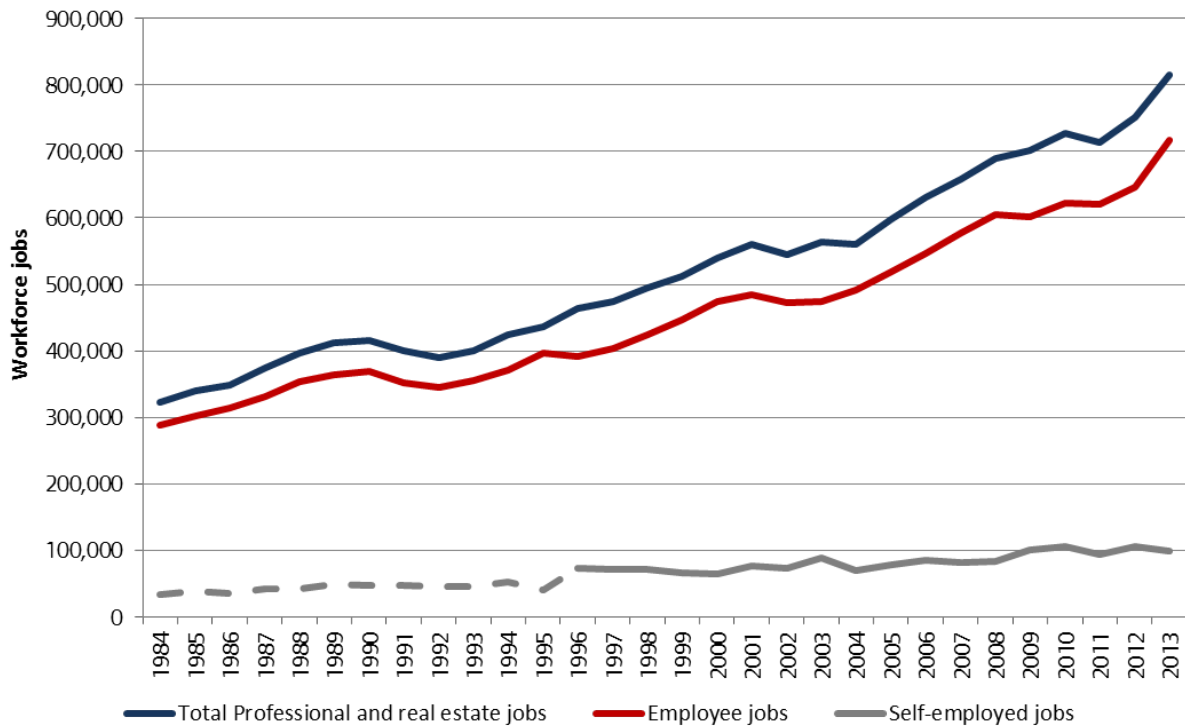
Source: *Business Register and Employment Survey 2013, ONS.*

13 Professional, scientific, technical and real estate activities

This section refers to Section L of the SIC, Real estate activities, and Section M that cover Professional, scientific and technical activities.

Figure 32 illustrates that workforce jobs in Professional, scientific, technical and real estate activities have risen by around 76 per cent since 1996. Despite the recent recession jobs in Professional, scientific, technical and real estate activities declined only in 2011 falling by 2 per cent but in 2013 were almost a quarter higher (816,000) than in 2007 (659,000).

Figure 32: Professional, scientific, technical and real estate activities workforce jobs



Source: Workforce jobs, ONS and GLA Economics modelling

Professional, scientific, technical and real estate activities provide around 15.5 per cent of all workforce jobs in 2013. The sector employers include head offices and management consultancy activities, real estate, legal and accounting services as well as advertising and market research activities. In addition, architectural and engineering, and other professional, scientific and technical activities provide a significant number of employee jobs.

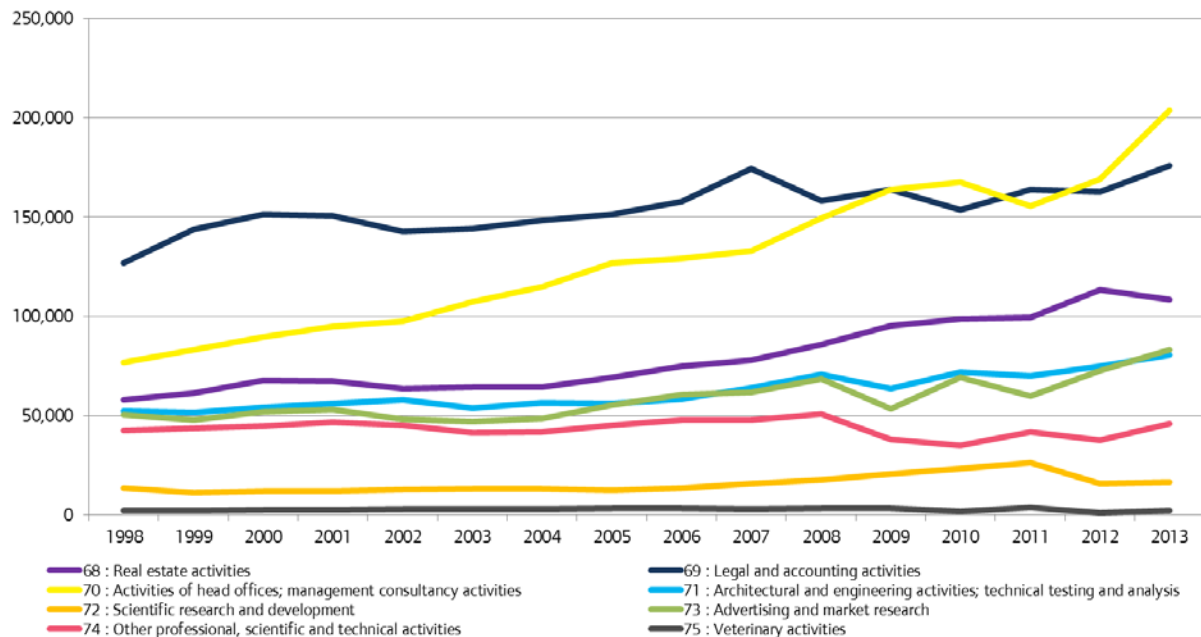
Growth in jobs in Professional, scientific, technical and real estate activities since the late 1990s, as demonstrated by Figure 32, has been largely driven by the rise in the number of employee jobs in head office and management consultancy activities supported by growth in real estate, and legal and accounting services (Figure 33)²².

²² It is worth noting, however, that the treatment of head office activities changed within the Standard Industrial Classification in 2002 affecting the historic time series data before 2002. For more information on the modelling work and how the analysis was adjusted for this change see the accompanying Methodology paper .

Despite the financial crisis and the recession that followed, the number of employee jobs in activities of head offices and management consultancies has shown strong growth between 1998 and 2013. In 2013, employee jobs in the sector in London totalled 203,700 employee jobs.

Legal and accounting activities, the second largest component of professional, scientific and technical activities, provided around 175,900 employee jobs in 2013, whilst in advertising and market research there were approximately 83,200 employee jobs. Architectural and engineering activities were another significant employer in London with around 80,600 employee jobs provided in 2013.

Figure 33: Professional, scientific, technical and real estate activities employee jobs



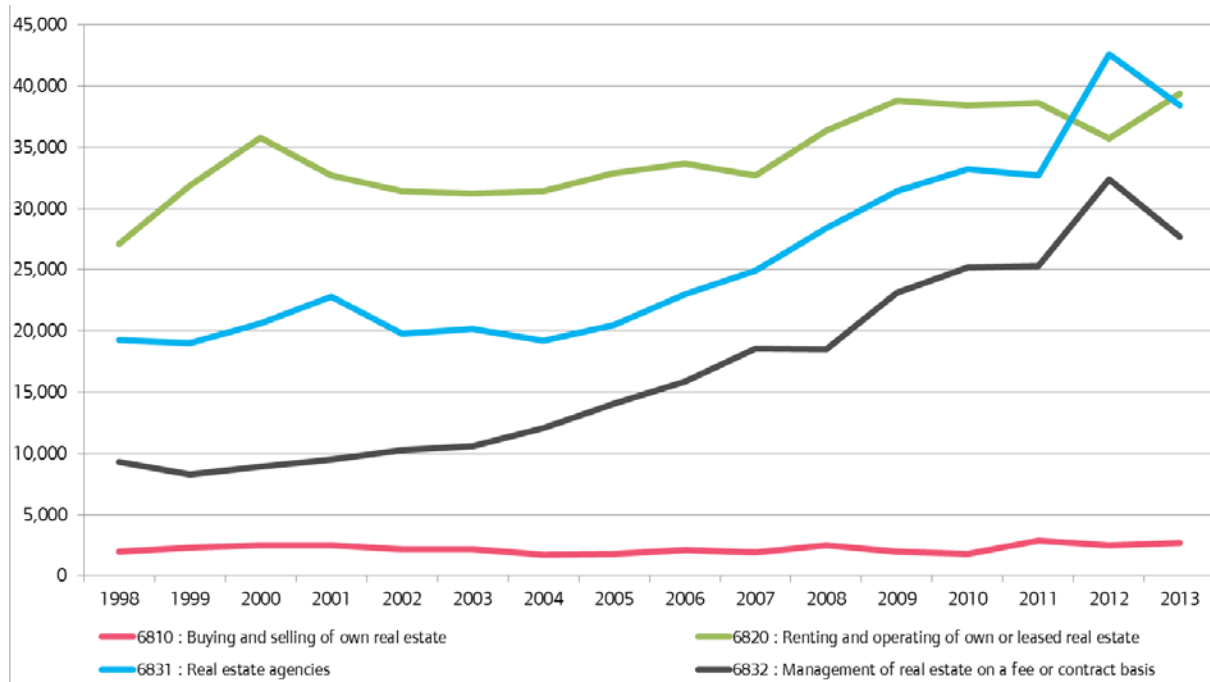
Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Real estate activities

Real estate activities include services provided on fee or contractual basis; these activities include buying and selling, renting and operating, or management of real estate but also activities and services provided by real estate agencies.

A detailed analysis of the business survey data shown in Figure 34 suggest that this sector's jobs growth in recent years has been driven by expansion in both Real estate agencies and Management of real estate on a fee or contract basis, although the number of employee jobs in buying and selling of real estate also grew strongly in 2013 probably following the wider recovery in the housing market. In 2013, there were 39,400 employee jobs in Renting and operating of own or leased real estate, whilst Real estate agencies in London provided around 38,400 jobs.

Figure 34: Real estate activities employee jobs

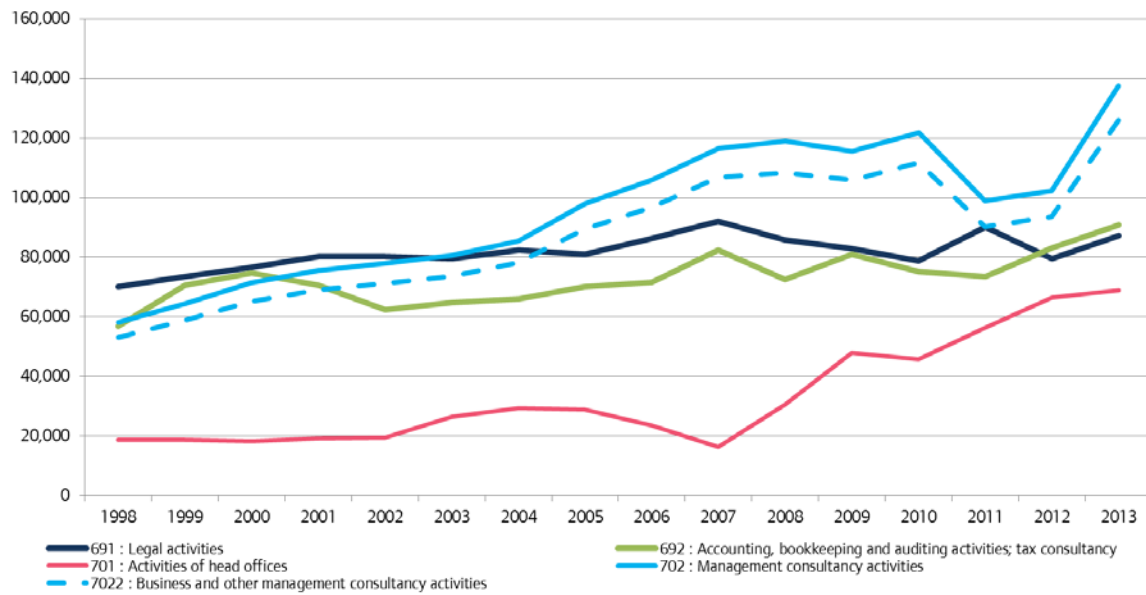


Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Professional, scientific and technical activities

As an individual sector, Management consultancy activities (which can be further divided into public relations and business consultancy activities) account for the largest share of total Professional, scientific and technical activities as demonstrated in Figure 35. Following the recession the number of employee jobs in the sector declined in 2009 and 2011, but recovered strongly in 2012 and 2013. Employee jobs in accounting, bookkeeping and auditing activities, the second largest component of all professional employee jobs, has increased over time and, in 2013, it provided around 89,800 number of employee jobs in London. Legal activities also show an upward trend over time but jobs in the sector fell following the recession before increasing in 2013 totalling around 86,200. This was 23 per cent higher than the number of employee jobs in 1998.

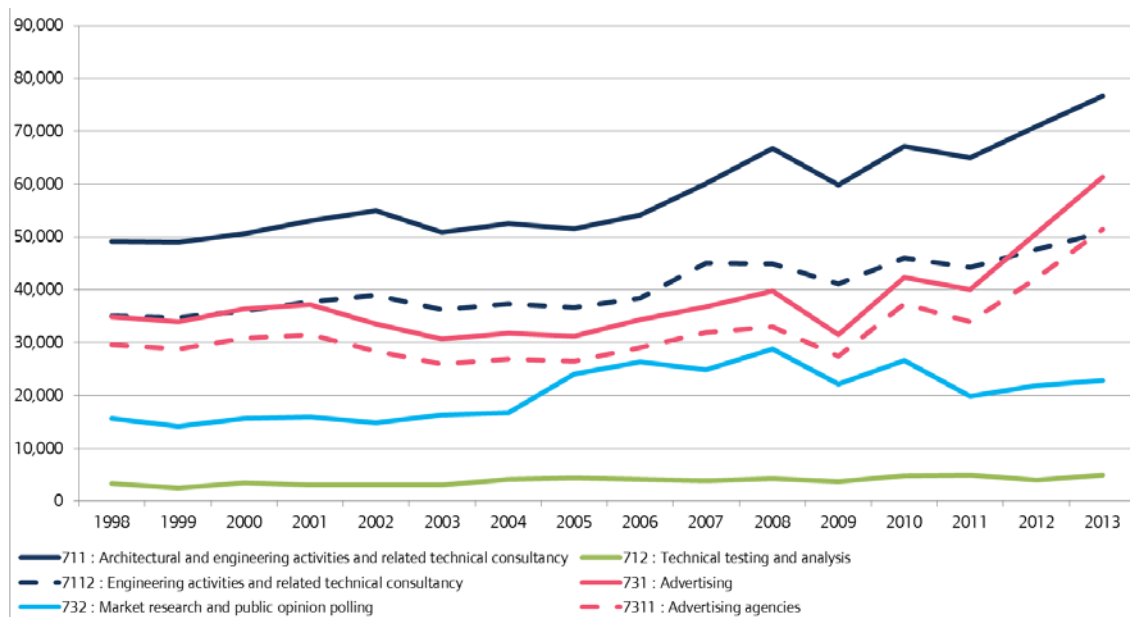
Figure 35: Legal and accounting; head offices and management consultancy



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Architectural and engineering activities as well as Advertising and market research are also important industry sectors in London and the recent employee job trends are highlighted in Figure 36. Employee jobs in Engineering activities and related technical consultancy account for the largest proportion of employee jobs in Architectural and engineering activities in London providing around 50,300 employee jobs in 2013. Following a steady rise in jobs over time, the number of jobs in 2013 is 44 per cent higher than in 1998. Employee jobs in advertising (that consists of advertising agencies and media representation) have risen strongly since the mid-2000s, apart from falls in jobs in 2009 and 2011. In 2013 jobs in the sector are almost double the number in 2005.

Figure 36: Architectural and engineering activities; Advertising and market research



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

London has a high share of jobs in real estate activities with around 23.9 per cent of all GB employee jobs located in the capital and an index of specialisation of 1.6 as shown in Table 11. Employee jobs in Real estate activities on a fee or contract basis and Management of real estate on fee or contract basis account for 29.4 per cent of all employee jobs in Great Britain. Almost a third of all Management of real estate on a fee or contract basis jobs are in London with an index of specialisation of 2.3.

Table 11: Real estate activities – London's share of employee jobs in 2013

Sector	Share of total		London share	Index of specialisation
	London employee jobs	London employee jobs	of GB employee jobs	
Real estate activities	109,200	2.4%	23.9%	1.6
681 : Buying and selling of own real estate	2,700	0.1%	29.4%	2.1
682 : Renting and operating of own or leased real estate	39,800	0.9%	18.1%	1.1
683 : Real estate activities on a fee or contract basis	66,700	1.5%	29.4%	2.1
6831 : Real estate agencies	38,700	0.8%	27.7%	1.9
6832 : Management of real estate on a fee or contract basis	28,000	0.6%	32.2%	2.3

Source: *Business Register and Employment Survey 2013, ONS.*

Professional, scientific and technical activities in London account for a significant proportion of the sector's jobs in Great Britain, with around 28.9 per cent located in London (Table 12). The index of specialisation for the sector as a whole is 2.0, which indicates that London has a significant specialisation compared to the rest of Great Britain. More detailed business survey data indicate that London specialises in Activities of head offices and management consultancies, and in particular Public relations and communication activities with an index of specialisation of 8.0. Media representation and Advertising agencies are also specialist industries for London and employee jobs in the capital account for around 54.1 per cent and 49.9 per cent of industry jobs respectively in Great Britain. There is a significant specialisation in legal and accounting activities in London with an index of specialisation of 2.2. Similarly, London's global importance as one of the key financial centres will, at least in part, explain the specialisation in accounting, bookkeeping and auditing activities due to its links to finance.

In contrast, Scientific research and development activities and some activities associated with Architectural and engineering, are areas where the rest of Great Britain has a greater specialisation than London (although using the more detailed data the index of specialisation score for London in architectural activities is 3.4). Despite the high number of universities located in London, the index of specialisation score in London in Scientific research and development is only 0.8 with employee jobs accounting for around 14.0 per cent of all employee jobs in Great Britain. This is likely to reflect at least in part the concentration of research centres and spin out research companies around Oxford and Cambridge.

Table 12: Professional, scientific and technical activities – London's share of employee jobs in 2013

Sector	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
Professional, scientific and technical activities	618,900	13.5%	28.9%	2.0
69 : Legal and accounting activities	179,000	3.9%	31.2%	2.2
691 : Legal activities	87,700	1.9%	33.1%	2.4
692 : Accounting, bookkeeping and auditing activities; tax consultancy	91,300	2.0%	29.6%	2.1
70 : Activities of head offices; management consultancy activities	207,200	4.5%	32.7%	2.4
701 : Activities of head offices	69,200	1.5%	28.1%	1.9
702 : Management consultancy activities	138,000	3.0%	35.7%	2.7
7021 : Public relations and communication activities	11,600	0.3%	61.9%	8.0
7022 : Business and other management consultancy activities	126,300	2.8%	34.4%	2.6
71 : Architectural and engineering activities; technical testing and analysis	82,000	1.8%	18.8%	1.1
711 : Architectural and engineering activities and related technical consultancy	77,000	1.7%	19.8%	1.2
7111 : Architectural activities	25,900	0.6%	40.8%	3.4
7112 : Engineering activities and related technical consultancy	51,100	1.1%	15.7%	0.9
712 : Technical testing and analysis	4,900	0.1%	10.2%	0.6
72 : Scientific research and development	16,900	0.4%	14.0%	0.8
721 : Research and experimental development on natural sciences and engineering	15,800	0.3%	13.7%	0.8
722 : Research and experimental development on social sciences and humanities	1,100	0.0%	20.4%	1.3
73 : Advertising and market research	84,600	1.8%	49.1%	4.8
731 : Advertising	61,600	1.3%	50.5%	5.0
7311 : Advertising agencies	51,800	1.1%	49.9%	4.9
7312 : Media representation	9,900	0.2%	54.1%	5.8
732 : Market research and public opinion polling	22,900	0.5%	45.7%	4.2
74 : Other professional, scientific and technical activities	46,800	1.0%	30.4%	2.2
741 : Specialised design activities	16,200	0.4%	37.0%	2.9
742 : Photographic activities	5,600	0.1%	33.8%	2.5
743 : Translation and interpretation activities	1,000	0.0%	29.0%	2.0
749 : Other professional, scientific and technical activities n.e.c.	24,000	0.5%	26.6%	1.8
75 : Veterinary activities	2,500	0.1%	5.0%	0.3

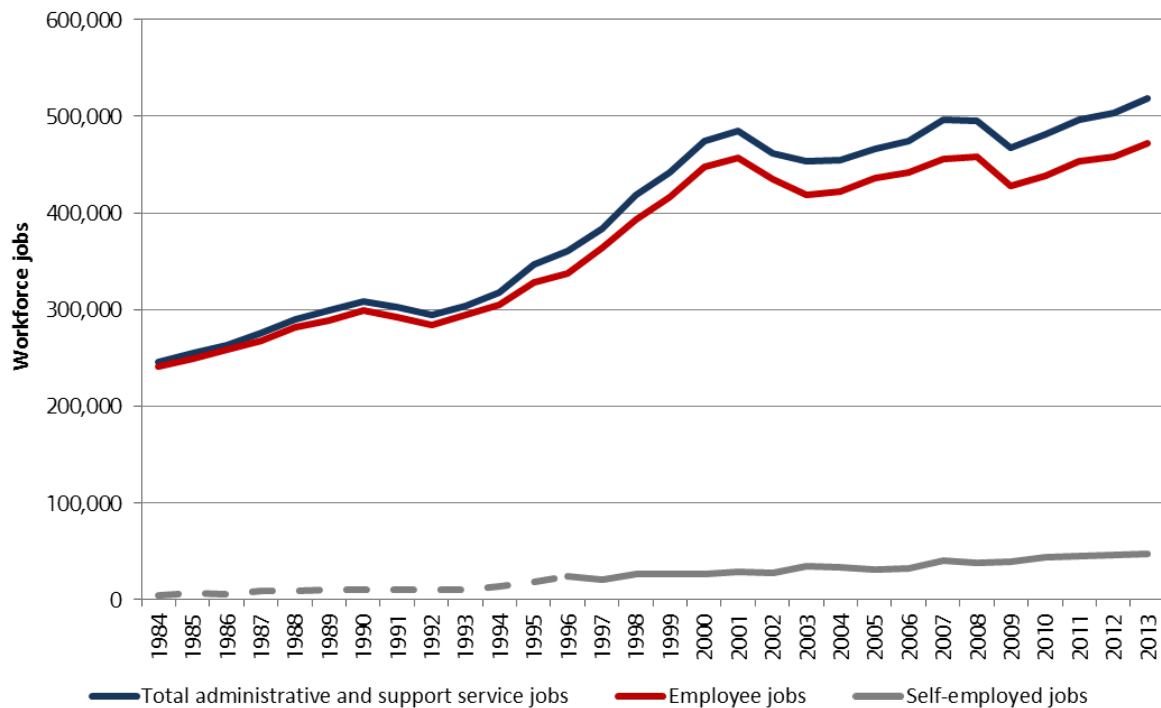
Source: *Business Register and Employment Survey 2013, ONS.*

14 Administrative and support service activities

Administrative and support service activities include jobs provided by employment agencies on a temporary basis, travel agency activities, private security services, industrial cleaning and other business support service activities.

Employee jobs in Administrative and support service activities grew strongly in the 1990s before falling in 2002 and 2003 as demonstrated in Figure 37. Following the financial crisis, workforce jobs in the sector fell in 2009 but have recovered since 2010 reaching 519,000 jobs in 2013.

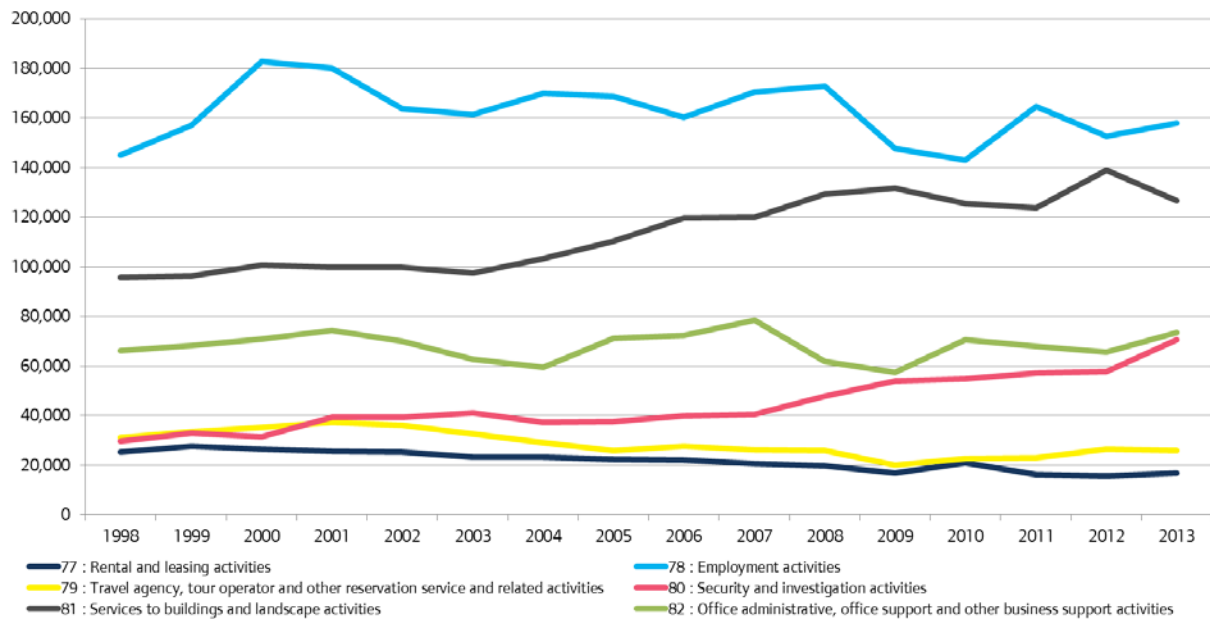
Figure 37: Administrative and support service activities workforce jobs



Source: *Workforce jobs, ONS and GLA Economics modelling*

Figure 38 provides an overview of trends in employee jobs within individual divisions as part of the Administrative and support service activities section. The number of employee jobs in services to building and landscape activities and Security and investigation activities display a clear upward trend over time; between 1998 and 2013 these jobs increased by 32 and 139 per cent respectively. However, in 2013, Employment activities, including temporary jobs placement by employment agencies, and Services to buildings and landscape activities were the two key sectors accounting for 33 and 27 per cent of employee jobs respectively (the sectors provided 157,900 and 126,700 jobs respectively). In addition, both, Office administrative, office support and other business services as well as Security and investigation activities provide a sizeable contribution to sector's jobs around 73,600 and 70,600 respectively, accounting jointly for approximately 31 per cent of the total.

Figure 38: Administrative and support service activities employee jobs

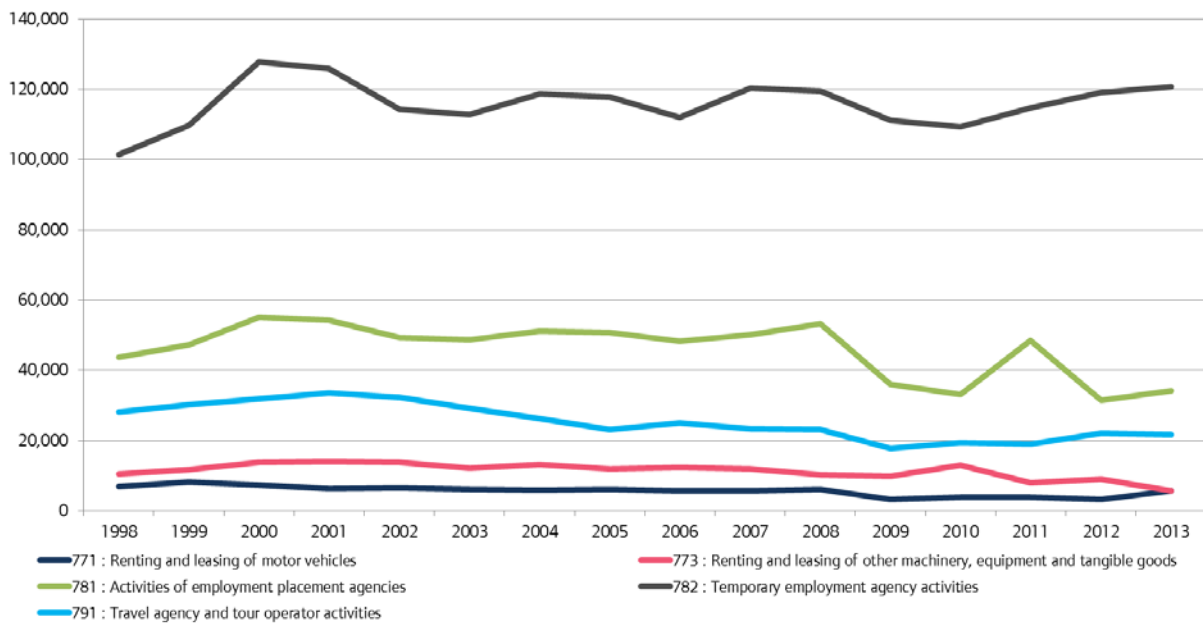


Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Temporary employment agency activities account for 60 per cent of all Administrative service activities providing 120,700 employee jobs in 2013 (Figure 39). The second most significant provider of Administrative service activities jobs are Activities of employment placement agencies and these activities are divided into two categories; Motion picture, television and other theatrical casting and other activities where individuals referred or placed are not employees of the employment agencies²³. As a whole, Activities of employment placement agencies provided around 34,100 jobs in 2013.

²³ These sub-class definitions (5-digit SIC) are: 78.10/1 Motion picture, television and other theatrical casting and 78.10/9 Activities of employment placement agencies (other than motion picture, television and other theatrical casting) n.e.c.

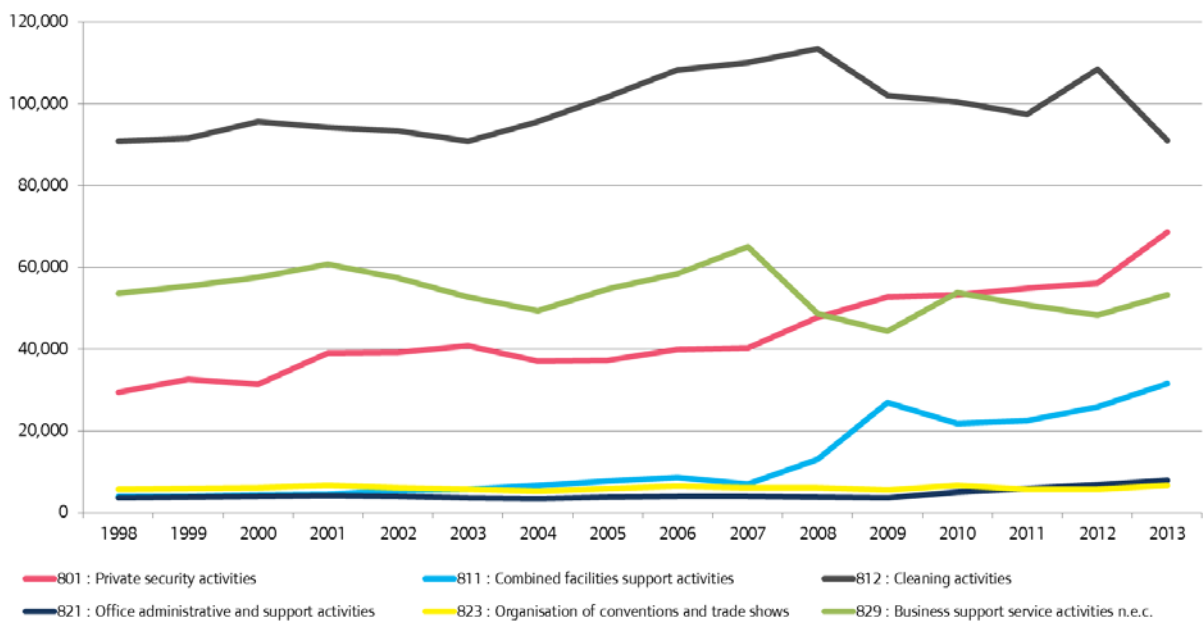
Figure 39: Administrative service activities employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

In Support service activities, Cleaning activities account for around a third of this sector's employee jobs with around 91,000 employee jobs provided in 2013 (Figure 40). Employee jobs in private security activities have increased over time and, in 2013, is the second largest employer accounting for a quarter of Support service activity employee jobs (equivalent to around 68,600 jobs). There has also been a substantial rise in the Combined facilities support activities in London since 2008 potentially reflecting increased business activity in the capital. Between 2008 and 2013, the number of jobs in the sector more than doubled totalling around 31,600 in 2013.

Figure 40: Support service activities employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

As Table 13 demonstrates, London has some areas of specialisation in Administrative and support service activities. More detailed industry data indicate that in some sectors, for example, in Security and investigation activities London's specialisation is higher (2.8) with employee jobs accounting for around 36.0 per cent of the sector's jobs in Great Britain. Employment activities in 2013 provided around 158,800 jobs in London accounting for 19.0 per cent of employee jobs located in the capital. London specialises in activities associated with travel agencies, tour operators and other reservation services and the index of specialisation is 1.9.

Table 13: Administrative and support service activities – London's share of employee jobs in 2013

Sector	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
Administrative and support service activities	474,600	10.4%	20.8%	1.3
77 : Rental and leasing activities	17,100	0.4%	11.9%	0.7
771 : Renting and leasing of motor vehicles	5,700	0.1%	10.9%	0.6
772 : Renting and leasing of personal and household goods	5,400	0.1%	22.8%	1.5
773 : Renting and leasing of other machinery, equipment and tangible goods	5,800	0.1%	8.6%	0.5
774 : Leasing of intellectual property and similar products, except copyrighted works	300	0.0%	19.0%	1.2
78 : Employment activities	158,800	3.5%	19.0%	1.2
781 : Activities of employment placement agencies	34,300	0.7%	28.3%	1.9
782 : Temporary employment agency activities	121,400	2.7%	17.3%	1.0
783 : Other human resources provision	3,100	0.1%	28.0%	1.9
79 : Travel agency, tour operator and other reservation service and related activities	26,100	0.6%	27.6%	1.9
791 : Travel agency and tour operator activities	21,800	0.5%	26.3%	1.8
799 : Other reservation service and related activities	4,300	0.1%	36.5%	2.8
80 : Security and investigation activities	71,100	1.6%	35.9%	2.8
801 : Private security activities	69,000	1.5%	36.8%	2.9
802 : Security systems service activities	1,700	0.0%	19.7%	1.2
803 : Investigation activities	400	0.0%	22.1%	1.4
81 : Services to buildings and landscape activities	127,500	2.8%	20.0%	1.2
811 : Combined facilities support activities	31,800	0.7%	20.7%	1.3
812 : Cleaning activities	91,600	2.0%	21.4%	1.3
8121 : General cleaning of buildings	81,700	1.8%	22.3%	1.4
8122 : Other building and industrial cleaning activities	2,400	0.1%	11.1%	0.6
8129 : Other cleaning activities	7,500	0.2%	18.8%	1.1
813 : Landscape service activities	4,100	0.1%	7.4%	0.4
82 : Office administrative, office support and other business support activities	74,000	1.6%	20.0%	1.2
821 : Office administrative and support activities	8,000	0.2%	27.8%	1.9
822 : Activities of call centres	5,700	0.1%	6.0%	0.3
823 : Organisation of conventions and trade shows	6,700	0.1%	36.1%	2.8
829 : Business support service activities n.e.c.	53,600	1.2%	23.6%	1.5

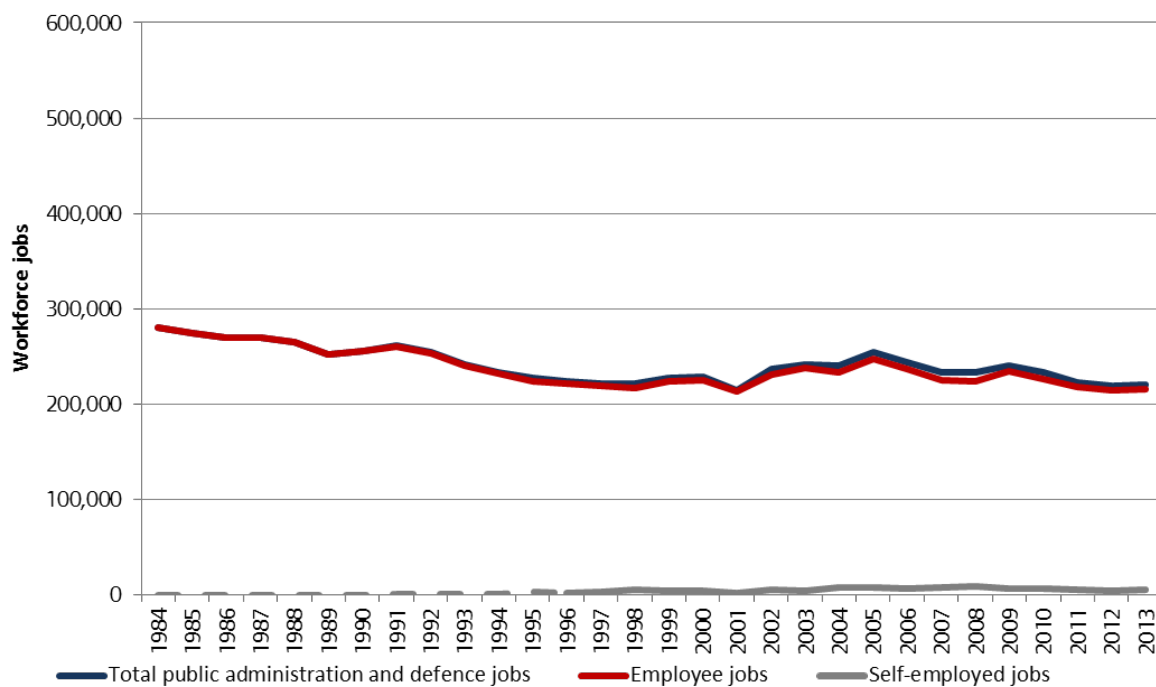
Source: Business Register and Employment Survey 2013, ONS.

15 Public administration and defence activities

Jobs in Public administration and defence activities comprise jobs provided by the central and local government combined with other public sector bodies such as police, fire services and compulsory social security activities.

Workforce jobs in the sector display a gradual downward trend as demonstrated by Figure 41. In 2013, workforce jobs in the sector totalled 221,000 accounting for approximately 4.2 per cent of all jobs in London.

Figure 41: Public administration and defence activities workforce jobs

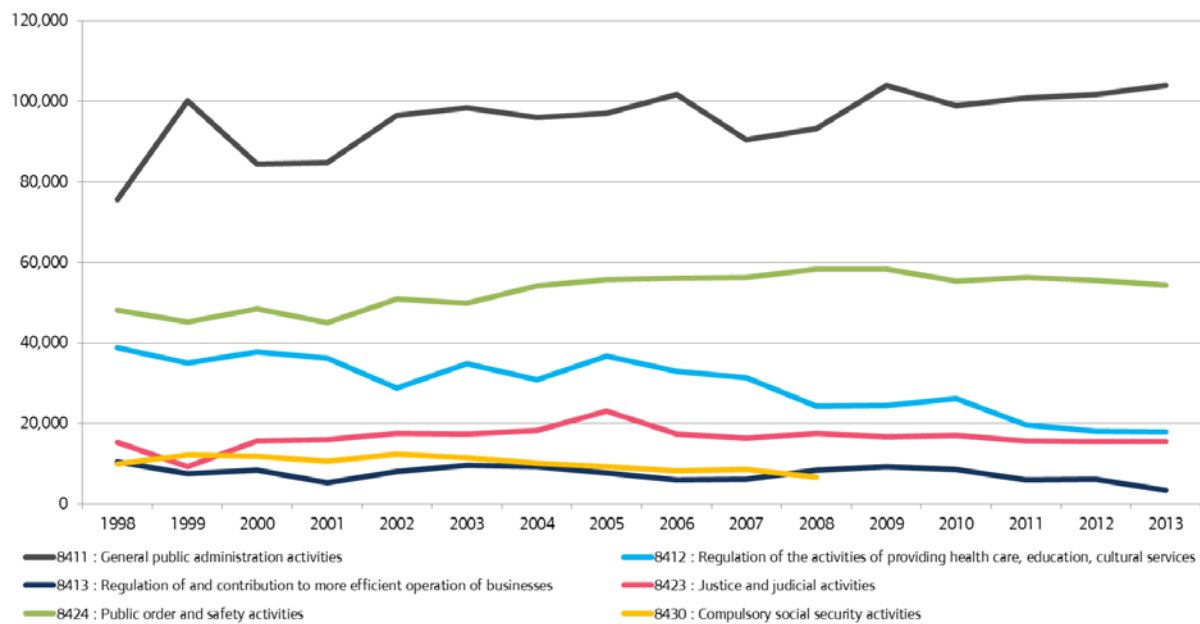


Source: *Workforce jobs, ONS and GLA Economics modelling*

Detailed industry data demonstrated in Figure 42 show that General public administration accounts for over half of employee jobs (53 per cent) equivalent to around 104,000 jobs, whilst Public order and safety activities contribute towards 28 per cent of all public administration jobs (or around 54,300 jobs). These detailed industry job figures do not include employee job information on the number of jobs provided by Foreign affairs or Defence activities due to data suppression.

Despite austerity measures introduced by the Government since the 2010 election, employee jobs in General public administration activities in London have risen year-on-year since 2007 in each calendar year except in 2010 when the total employee jobs contracted by 5 per cent. In 2013, employee jobs in General public administration activities were broadly unchanged compared to 2009. However, the number of public sector jobs in 'Regulation of the activities of providing health care, education and cultural services' and 'Regulation of and contribution to more efficient operation of businesses' have seen substantial declines over the same period. The number of employee jobs in these sectors fell by 27 and 63 per cent respectively between 2009 and 2013.

Figure 42: Public administration and defence activities employee jobs²⁴



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

Despite the central government functions in the capital, in general, London does not specialise in public administration and defence compared to the rest of Great Britain (Table 14). The employee job share in Public order and safety activities is higher than in the rest of Great Britain and London-based jobs in the sector account for around 21 per cent of the sector total.

Table 14: Public administration and defence – London’s share of employee jobs in 2013

Sector	London employee jobs	Share of total	London share	Index of specialisation
		London employee jobs	of GB employee jobs	
Public administration and defence	212,200	4.6%	16.2%	1.0
84 : Public administration and defence; compulsory social security	212,200	4.6%	16.2%	1.0
841 : Administration of the State and the economic and social policy of the community	123,400	2.7%	15.3%	0.9
8411 : General public administration activities	102,400	2.2%	15.3%	0.9
8412 : Regulation of the activities of providing health care, education, cultural services and other social services, excluding social security	17,600	0.4%	18.1%	1.1
8413 : Regulation of and contribution to more efficient operation of businesses	3,400	0.1%	8.4%	0.5
8423 : Justice and judicial activities	15,300	0.3%	17.7%	1.1
8424 : Public order and safety activities	53,400	1.2%	20.8%	1.3

Source: Business Register and Employment Survey 2013, ONS.

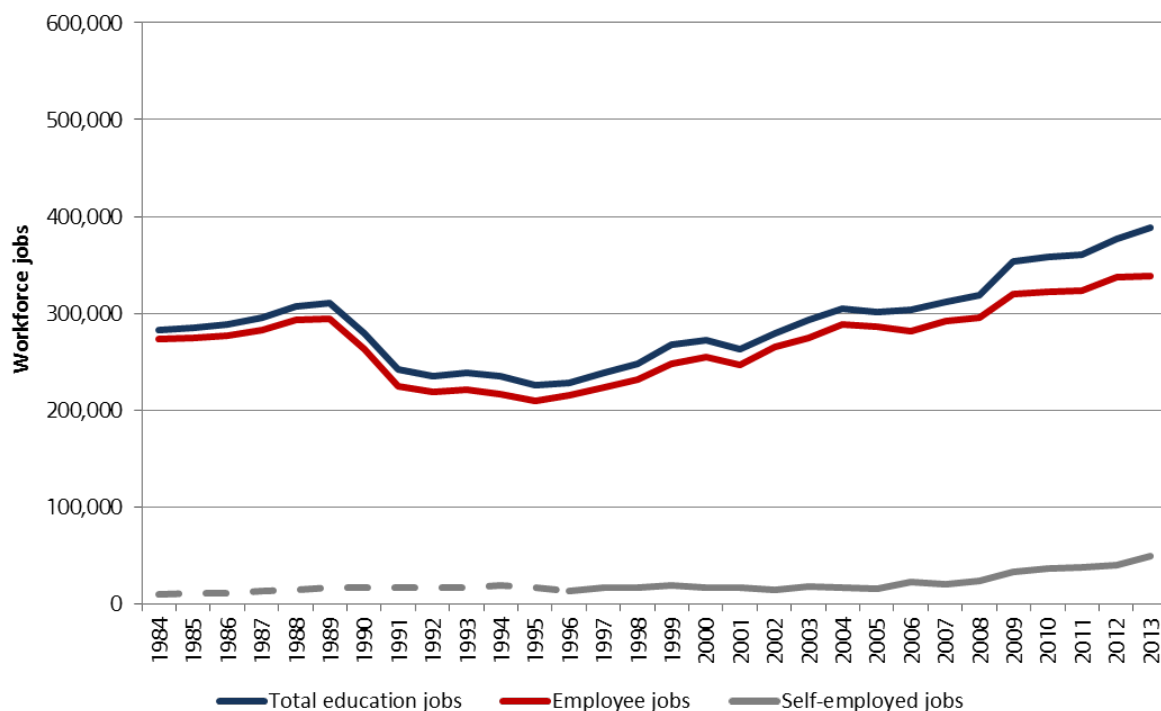
²⁴ Employee numbers for ‘compulsory social security activities’ between 2009 and 2013 are disclosive and therefore excluded from the analysis.

16 Education

Jobs in the Education sector includes jobs provided from Pre-primary school education to Tertiary education but also includes Educational support activities including, for example, Cultural education²⁵ and Driving school activities.

Workforce jobs in education have shown a continuous upward trend since the mid-1990s as shown in Figure 43. Total workforce jobs in the sector has risen from around 228,000 in 1996 to approximately 388,000 in 2013, equivalent to a 70 per cent increase in workforce jobs over the period. Employee jobs understandably account for the majority of total jobs, although since 1996 the proportion of self-employed jobs of the total has risen, with the most substantial rises recorded over the last five years, from around 5 per cent in 1996 to 13 per cent in 2013.

Figure 43: Education workforce jobs

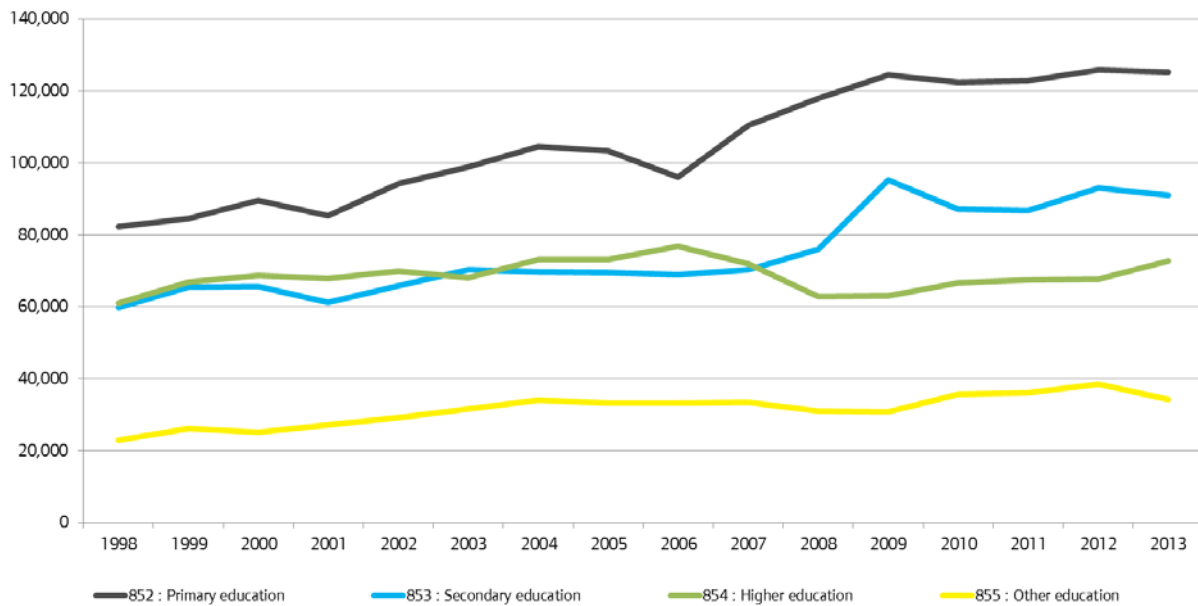


Source: Workforce jobs, ONS and GLA Economics modelling

Figure 44 demonstrates recent trends in employee jobs in education. Growth in the total number of employee jobs has been driven by the increase in jobs in Primary and secondary education, with employee jobs in these sectors totalling around 125,200 and 90,900 respectively. Employee jobs provided in Higher education (including jobs in Post-secondary non-tertiary, First-degree level higher education and Post-graduate level higher education) totalled 72,800 in 2013.

²⁵ Cultural education includes provision of instruction in the arts, drama and music. The class (4-digit SIC code) includes, for example: piano teachers and other music instruction; art instruction; dance instruction and dance studios.

Figure 44: Education employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

London does not specialise in education compared to the rest of Great Britain and the index of specialisation in the sector is 0.8 (Table 15). However, despite the fact that the overall index of specialisation in education is below one, indicating that London is under represented, the index of specialisation in higher education is one reflecting the number of universities in London compared to the rest of Great Britain (and potentially the draw of London universities for students located outside the capital). This also implies that London is no less or more specialised in higher education than the rest of Great Britain. London specialises in Education support activities (including for example, educational consulting, guidance counselling activities and testing activities) jobs.

Table 15: Education – London’s share of employee jobs in 2013

Education	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
85 : Education	354,400	7.7%	13.7%	0.8
851 : Pre-primary education	8,600	0.2%	13.8%	0.8
852 : Primary education	131,100	2.9%	13.0%	0.7
853 : Secondary education	95,100	2.1%	11.7%	0.7
854 : Higher education	76,200	1.7%	16.6%	1.0
855 : Other education	35,900	0.8%	16.1%	0.9
856 : Educational support activities	7,500	0.2%	44.2%	3.9

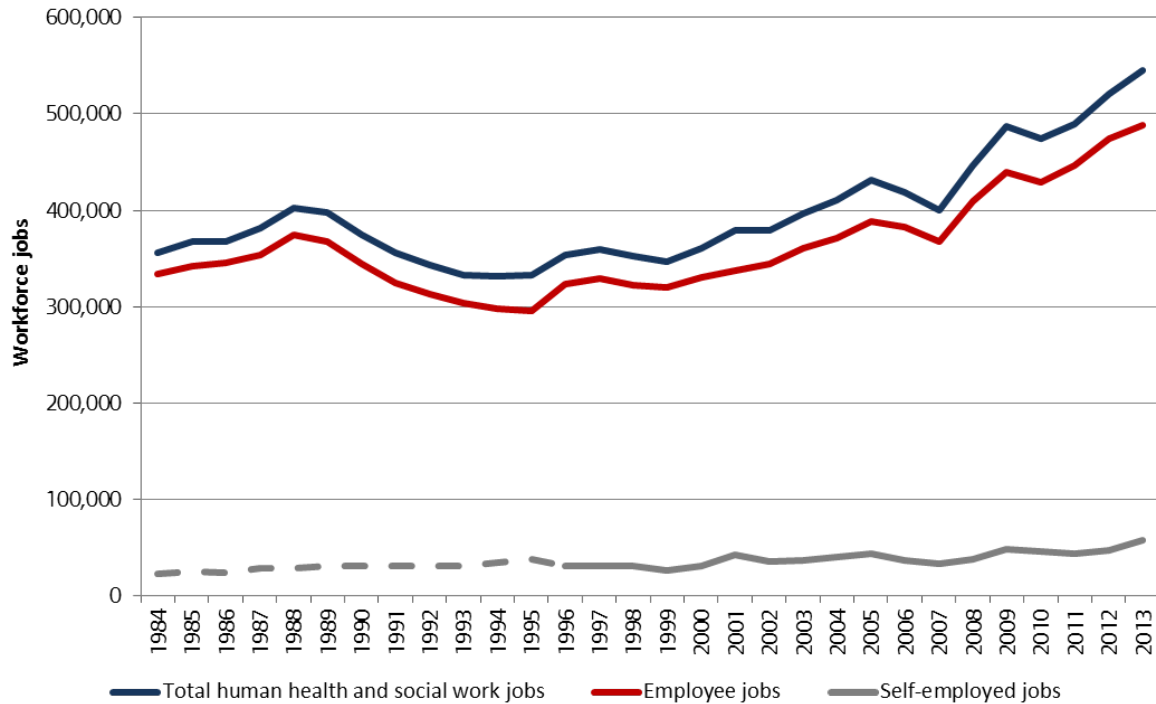
Source: Business Register and Employment Survey 2013, ONS.

17 Human health and social work activities

Human health and social work activities consist of two components: health activities associated with physical and mental health services; and residential, social and other care activities.

Workforce jobs in health and social work activities in London display a growing trend between 1996 and 2013 (Figure 45). The total number of workforce jobs in the sector was 545,000 in 2013, a 54 per cent increase compared to 1996.

Figure 45: Human health and social work workforce jobs

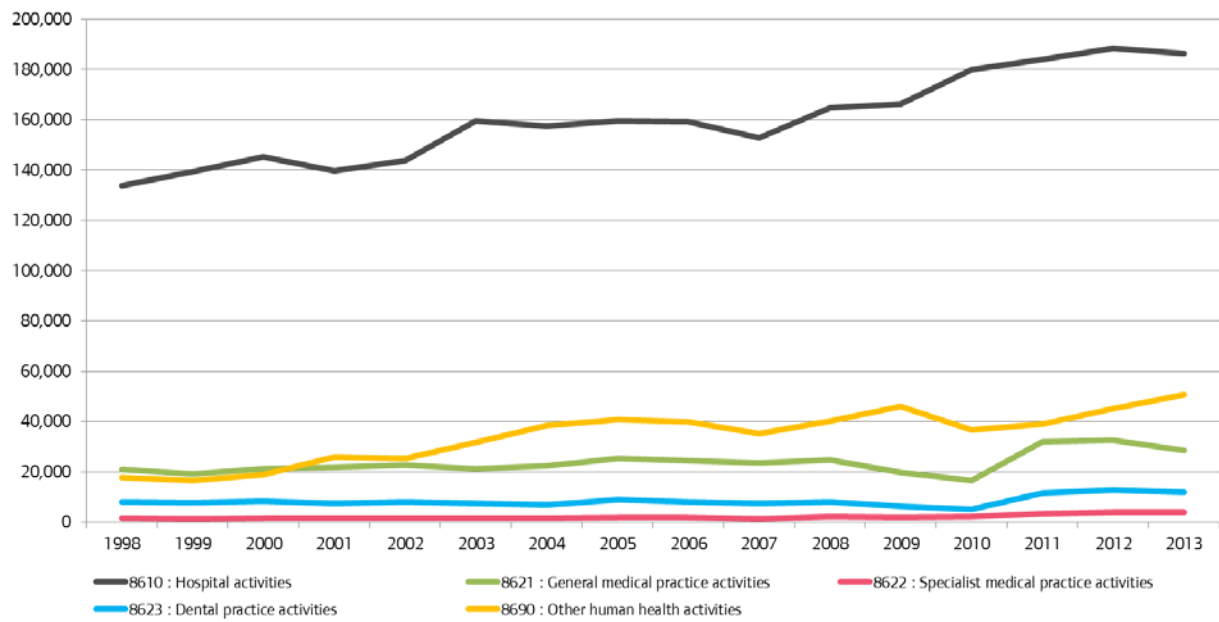


Source: *Workforce Jobs, ONS and GLA Economics modelling*

The key underlying driver of growth in employee jobs in the Human health activities in recent years has been from Hospital activities (Figure 46). Employee jobs in Hospital activities totalled 186,300 in 2013, accounting for 66 per cent of all employee jobs in Human health activities. Other human health activities provided 50,700 jobs in 2013, contributing towards 18 per cent of the total. General medical practice activities also provided a significant number of jobs, 28,600 in total²⁶.

²⁶ It is feasible that the change in the definition of working owners in 2010 is at least in part driving the results in the number of general medical practice activities between 2010 and 2013. For more information on this change in definitions, see 'Working owners discontinuity in the Business Register and Employment Survey (BRES), ONS'.

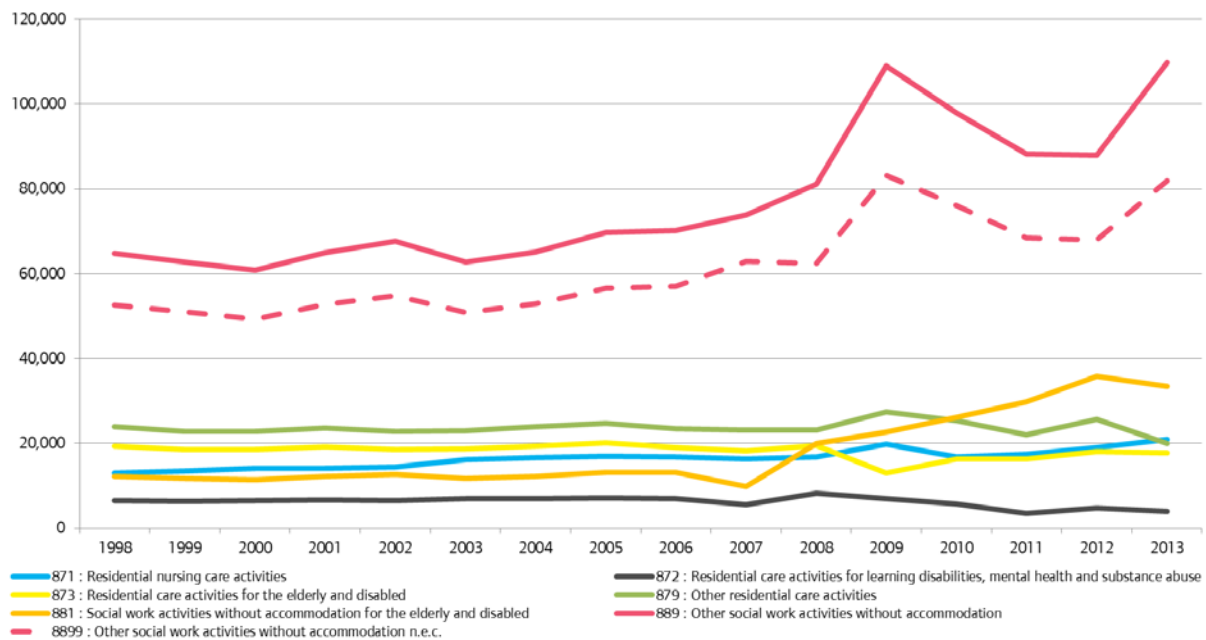
Figure 46: Human health activities employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Figure 47 shows trends in the different components of Residential care and social work activities between 1998 and 2013. Other social work activities without accommodation (this includes child day-care and other social work not specified elsewhere) is the most important provider of jobs, with around 109,900 jobs provided in 2013, accounting for around 53 per cent of all jobs in Residential care and social work activities. Other social work without accommodation n.e.c. (including social, counselling, welfare, refugee, referral and similar services) accounts for around 75 per cent of social work activities without accommodation and, in 2013, provided around 82,100 jobs in London. There has been a clear increasing trend in the number of jobs in Social work activities without accommodation for the elderly and disabled since 2008 arguably in part driven in part by changes in demographics; the number of jobs in the sub-sector in 2013 totalled 33,600, a 69 per cent increase from 2008.

Figure 47: Residential care and social work activities employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

Similarly to the Education sector, the index of specialisation across most of the different health services in London is below one indicating that the number of people employed in the sector is lower than that in the rest of Great Britain (Table 16). The index of specialisation in Other social work activities without accommodation (including child-day care and a range of other social services, for example, counselling, welfare, refugee and other similar services not identified elsewhere) is 1.1. Similarly, specialist medical practice activities is an area where the difference between London and the rest of Great Britain is the highest with an index score of 1.2.

Table 16: Health – London’s share of employee jobs in 2013

Sector	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
Health	469,500	10.2%	12.8%	0.7
86 : Human health activities	271,100	5.9%	13.0%	0.7
861 : Hospital activities	179,400	3.9%	12.9%	0.7
862 : Medical and dental practice activities	42,800	0.9%	13.1%	0.7
8621 : General medical practice activities	27,500	0.6%	12.8%	0.7
8622 : Specialist medical practice activities	3,900	0.1%	19.1%	1.2
8623 : Dental practice activities	11,400	0.2%	12.5%	0.7
869 : Other human health activities	48,900	1.1%	13.3%	0.8
87 : Residential care activities	60,300	1.3%	8.7%	0.5
871 : Residential nursing care activities	20,200	0.4%	10.4%	0.6
872 : Residential care activities for learning disabilities, mental health and s	3,900	0.1%	8.2%	0.4
873 : Residential care activities for the elderly and disabled	17,100	0.4%	7.4%	0.4
879 : Other residential care activities	19,100	0.4%	8.7%	0.5
881 : Social work activities without accommodation for the elderly and disa	32,300	0.7%	11.4%	0.6
889 : Other social work activities without accommodation	105,800	2.3%	17.2%	1.0
8891 : Child day-care activities	26,800	0.6%	15.8%	0.9
8899 : Other social work activities without accommodation n.e.c.	79,100	1.7%	17.6%	1.1

Source: Business Register and Employment Survey 2013, ONS.

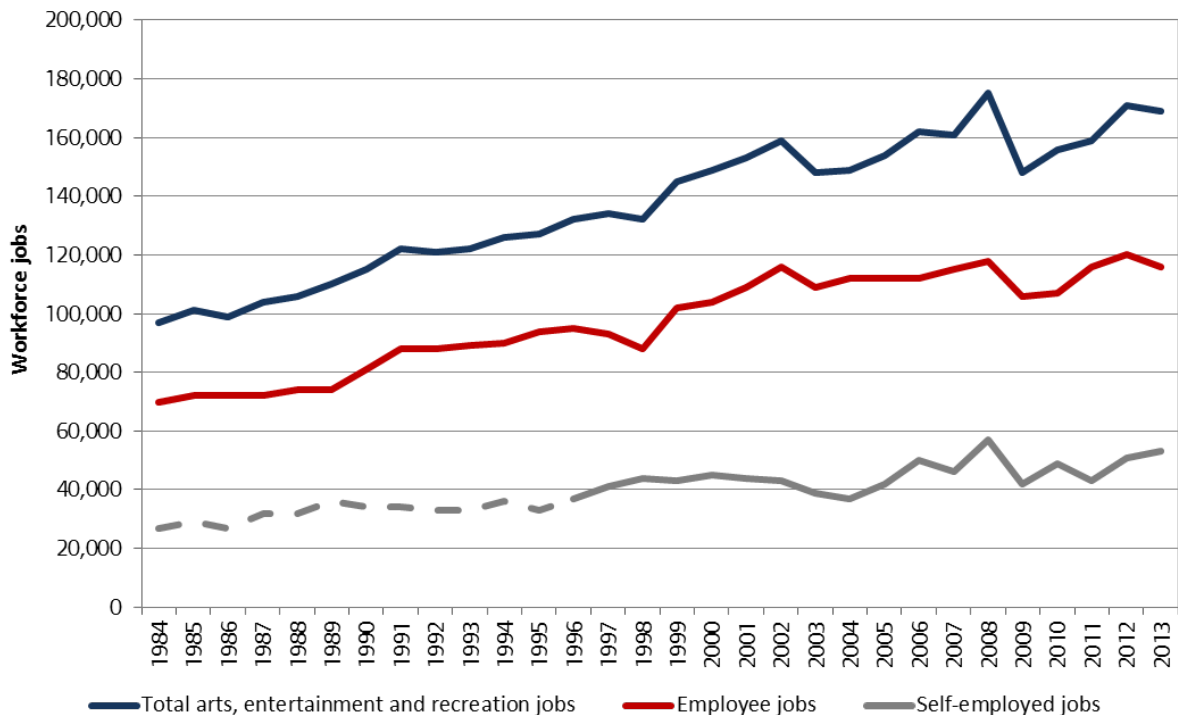
18 Arts, entertainment and recreation

Activities in Arts, entertainment and recreation covers a range of activities and are grouped into four divisions: Creative, arts and entertainment activities; Libraries, archives, museums and other cultural activities; Gambling and betting activities; and Sports activities and amusement and recreation activities.

Figure 48 demonstrates the gradual increase in workforce jobs in Arts, entertainment and recreation activities over time. Following the recent recession, the number of workforce jobs in this sector declined by 15 per cent in 2009 but has recovered since. By 2013, total workforce jobs in the sector totalled 169,000; 28 per cent higher than in 1996.

Self-employed jobs in Arts, entertainment and recreation contribute to a sizeable proportion of the industry total; in 2013, self-employed jobs accounted for around 30 per cent of the total. Therefore, the inclusion of self-employed jobs would produce a more comprehensive picture of the state of the labour market in this sector.

Figure 48: Arts, entertainment and recreation workforce jobs



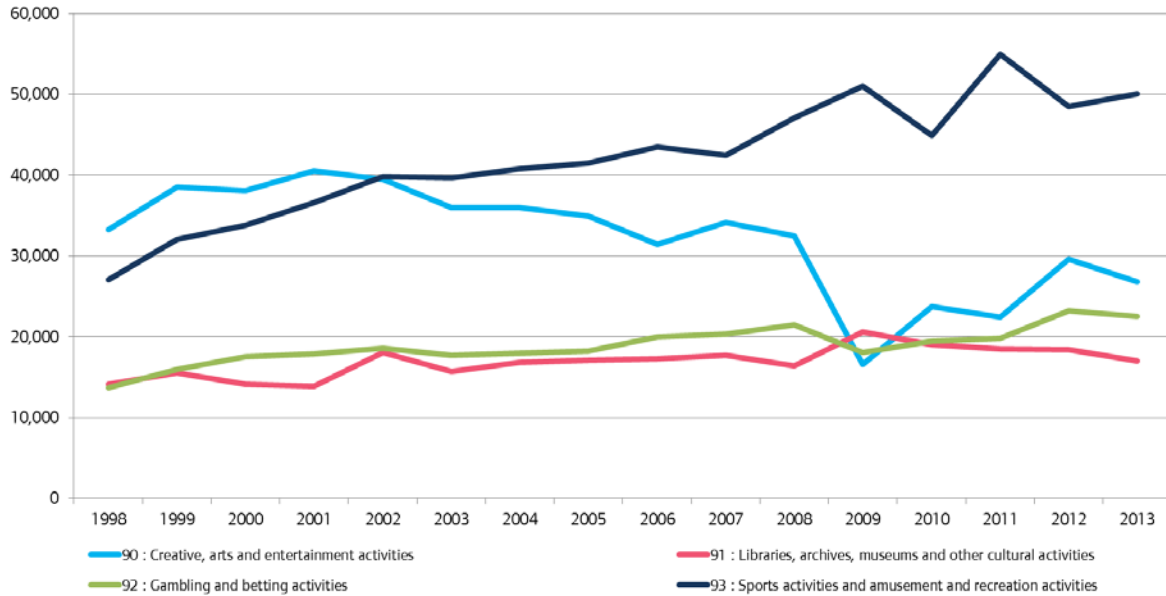
Source: *Workforce Jobs, ONS and GLA Economics modelling*

A rise in the number of employee jobs in Sports activities and amusement and recreation activities has been a key driver of growth in employee jobs in Arts, entertainment and recreation since 1998 (Figure 49). Sports activities and amusement and recreation accounted for 43 per cent of all employee jobs in the sector and provided 50,000 jobs in 2013. Activities included in the division are, for example, the operation of sports facilities such as swimming pools and bowling lanes, operation of different sports clubs, operation of fitness and body-building clubs.

Recent trends in Creative, arts and entertainment activities, indicate that job trends in the sector has been fairly volatile since the financial crisis and, in 2009 alone, the number of employee jobs in the sector fell by 49 per cent, driven by a sharp reduction in demand. However, since 2009,

employee jobs in the sector has started to recover and, in 2013, there were around 26,800 jobs in the Creative, arts and entertainment activities sector providing almost a quarter of all employee jobs in the sector.

Figure 49: Arts, entertainment and recreation employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

Overall, Table 17 suggests that London is not specialised in Arts, entertainment and recreation – as a whole – compared to the rest of Great Britain. However, most notably in division 90, Creative, arts and entertainment facilities London is more specialised than the rest of Great Britain. Employee jobs in Performing arts in London account for over a third (36.0 per cent) of the sector jobs in Great Britain, providing 26,700 jobs in 2013. In particular, London specialises in Artistic creation (this includes activities of individual artists such as painters, writers and independent journalists) with an index of specialisation of 2.6 and accounting for over a third of the total in Great Britain. Similarly, Performing arts and Support activities to performing arts are specialist industries for London with index of specialisation scores of 2.8 and 3.1 respectively. London also specialises in Museum activities and jobs in London accounts for almost a third of employee jobs in Great Britain (32.2 per cent) reflecting London's importance as a travel destination.

In contrast, despite the recent increases in Sports activities and amusement and recreation activities the rest of Great Britain is more specialised than London. Only Fitness facilities in London provide a disproportionate share of jobs compared to the rest of Great Britain with an index of specialisation of 1.6, potentially reflecting the younger demographic with higher incomes in London. Below 1.0 index score in activities of sport clubs may reflect a constraint in space but also potentially the high cost of such facilities in the capital.

Table 17: Arts, entertainment and recreation – London's share of employee jobs in 2013

Sector	London employee jobs	Share of total London employee jobs	London share of GB employee jobs	Index of specialisation
Arts, entertainment and recreation	115,700	2.5%	17.0%	1.0
90 : Creative, arts and entertainment activities	26,700	0.6%	35.2%	2.7
9001 : Performing arts	12,700	0.3%	36.0%	2.8
9002 : Support activities to performing arts	1,900	0.0%	38.2%	3.1
9003 : Artistic creation	7,800	0.2%	34.9%	2.6
9004 : Operation of arts facilities	4,200	0.1%	32.4%	2.4
91 : Libraries, archives, museums and other cultural activities	16,900	0.4%	18.6%	1.1
9101 : Library and archive activities	5,900	0.1%	16.9%	1.0
9102 : Museum activities	8,300	0.2%	32.2%	2.3
92 : Gambling and betting activities	22,400	0.5%	22.3%	1.4
93 : Sports activities and amusement and recreation activities	49,700	1.1%	12.0%	0.7
9311 : Operation of sports facilities	16,300	0.4%	11.7%	0.7
9312 : Activities of sport clubs	13,100	0.3%	10.0%	0.5
9313 : Fitness facilities	9,800	0.2%	24.0%	1.6
9319 : Other sports activities	3,200	0.1%	10.0%	0.5

Source: *Business Register and Employment Survey 2013, ONS.*

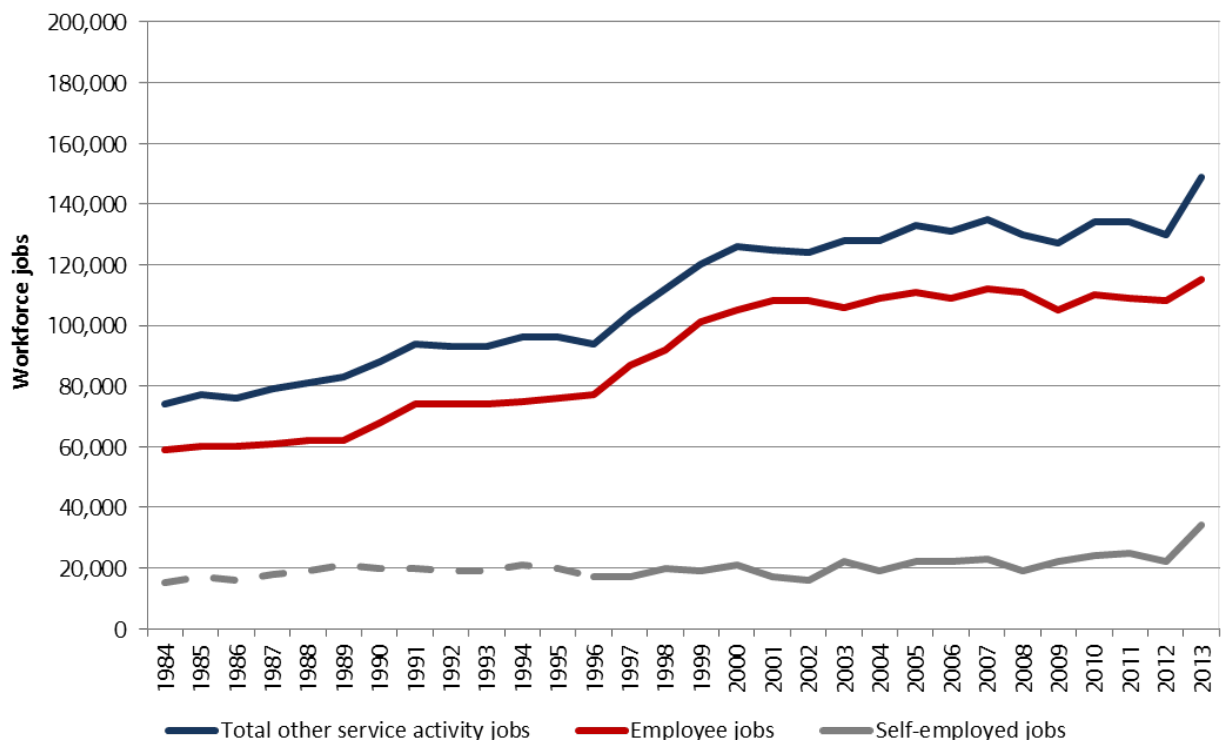
19 Other service activities

Other services comprise activities not covered elsewhere in the industrial classification. The sector covers three different elements that are outlined below:

- Activities of membership organisations typically including different professional membership organisations, for example, trade associations and trade unions.
- Repair of computers and personal and household goods including consumer electronics, footwear and leather goods, furniture, watches and other personal and household goods.
- Other personal service activities that include, for example, washing and dry-cleaning, hairdressing and other beauty treatment, funeral and related activities and different physical well-being activities.

As demonstrated in Figure 50, workforce jobs in Other services increased by over a third between 1996 and 2000 after which growth in the sector slowed. As a result of the wider economic slowdown, the number of jobs in the sector fell over two years in 2008 and 2009 before returning to growth in 2010. After a 3 per cent fall in 2012 in jobs, workforce jobs in the Other services sector grew by 15 per cent in 2013, driven by a rise in self-employed jobs, and were 59 per cent higher than in 1996. This recent rise in self-employed jobs in Other services may at least in part reflect growth in the number of beauty salons and barbers on the high street identified as one of the key growth sectors in Britain by the Local Data Company²⁷.

Figure 50: Other services workforce jobs

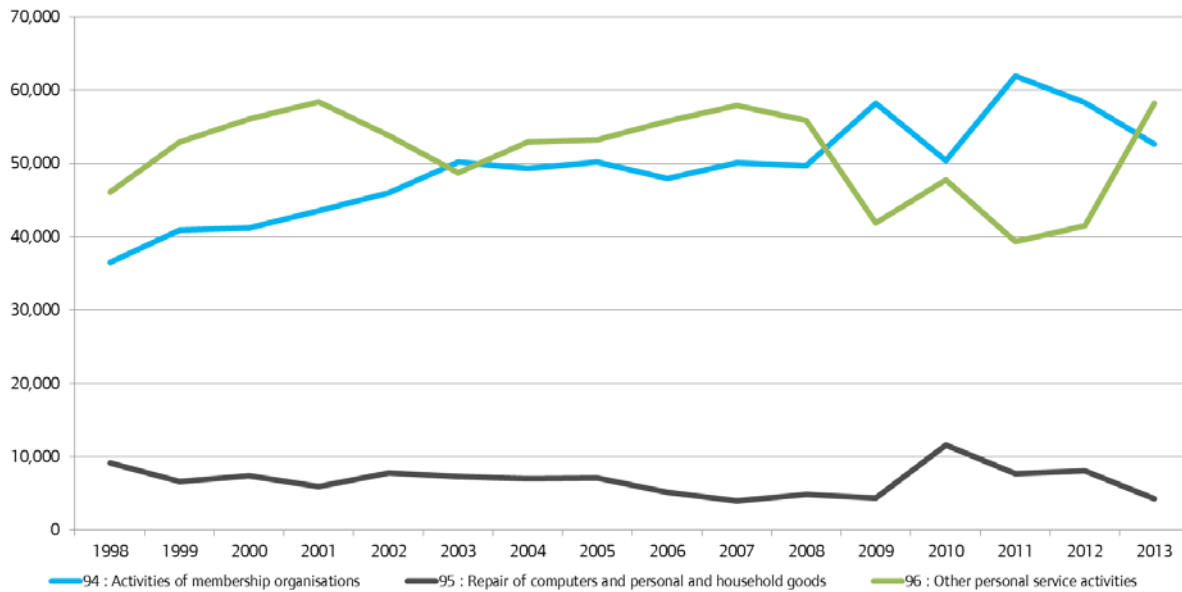


Source: *Workforce jobs*, ONS and GLA Economics modelling

²⁷ Research published by the British Independent Retailers Association (bira) and the Local Data Company (LDC) in October 2014.

Growth in recent years in the number of employee jobs in Other service activities has been driven by a recovery in Other personal service activities as demonstrated in Figure 51. In 2013, the sector provided around 58,200 jobs accounting for over half of employee jobs in Other service activities. The second largest sector component is Activities of membership organisations; prior to the recession this division was largest provider of jobs in the section before employee jobs fell sharply, first in 2010 and again by 6 per cent in 2012. In 2013, the number of employee jobs provided by Activities of membership organisations declined a further 10 per cent with employee jobs totalling 52,600.

Figure 51: Other service activities employee jobs



Source: Annual Business Inquiry and Business Register and Employment Survey, ONS and GLA Economics modelling

Index of specialisation

London's main area of specialisation within Other service activities is in the Activities of business, employers and professional membership organisations with around 48.8 per cent of all employee jobs in Great Britain located in London (Table 18). Similarly, a relatively high proportion of jobs provided by trade unions are located in the capital, at 43.8 per cent.

Table 18: Other service activities – London's share of employee jobs in 2013

Sector	Share of total		London share of GB	Index of specialisation
	London employee jobs	London employee jobs		
Other service activities	119,200	2.6%	21.7%	1.4
94 : Activities of membership organisations	54,500	1.2%	24.9%	1.6
941 : Activities of business, employers and professional membership organisations	16,800	0.4%	48.8%	4.7
942 : Activities of trade unions	3,600	0.1%	43.8%	3.8
949 : Activities of other membership organisations	34,100	0.7%	19.4%	1.2
95 : Repair of computers and personal and household goods	4,400	0.1%	10.0%	0.5
951 : Repair of computers and communication equipment	3,700	0.1%	10.8%	0.6
952 : Repair of personal and household goods	800	0.0%	7.3%	0.4
96 : Other personal service activities	60,300	1.3%	21.1%	1.3

Source: Business Register and Employment Survey 2013, ONS.

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