

NORTH EAST

CITY REGION EMPLOYMENT PROFILE | NOVEMBER 2023

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SUMMARY

The proposed North East Mayoral Combined Authority has a population of 1,968,700. Its employment rate is 70.4%, which is lower than the English average, while its unemployment rate (4.8%) is higher. It also has a higher level of economic inactivity (26% compared to 21.4%).¹

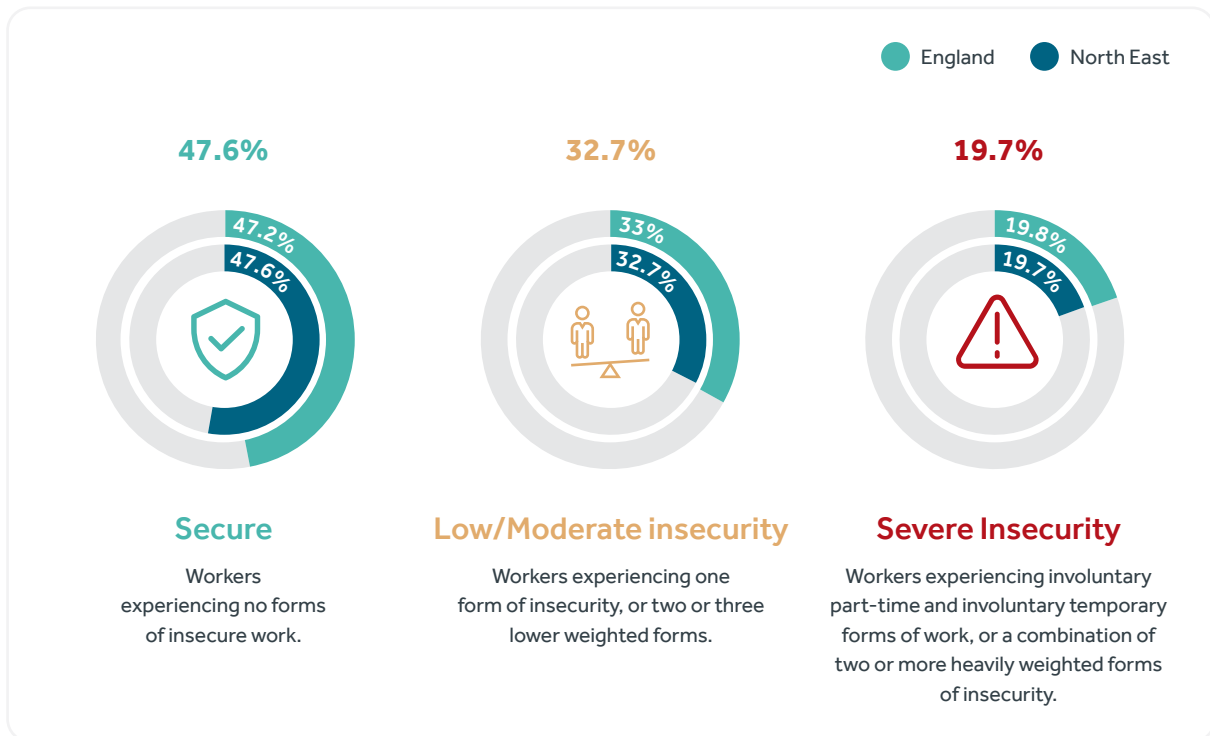
The proposed North East Mayoral Combined Authority has a slightly lower rate of severely insecure work at 19.7%, compared to the English average of 19.8%.

The Work Foundation defines insecure work through a single holistic measure which combines:

- contractual insecurity, where people are not guaranteed future hours or future work - such as jobs in the gig economy, zero contract work or part-time work
- financial insecurity, where people have unpredictable pay or their pay is simply too low to get by
- lack of access to employment rights and protections.

Across the proposed North East Mayoral Combined Authority, there is significant variation in the incidence of severely insecure work amongst the seven local authorities. Sunderland is the hotspot in the city region with 23.9% of its workers in severely insecure work. In County Durham, 16.9% of workers are in severely insecure work, which is approximately three percentage points below the English average.

Figure 1: Insecurity amongst the North East workforce, 2021-2022



Source: Work Foundation calculations of the Office for National Statistics Labour Force Survey; 2021- 2022.

1. ONS 2023, Annual Population Survey, January-December 2022.

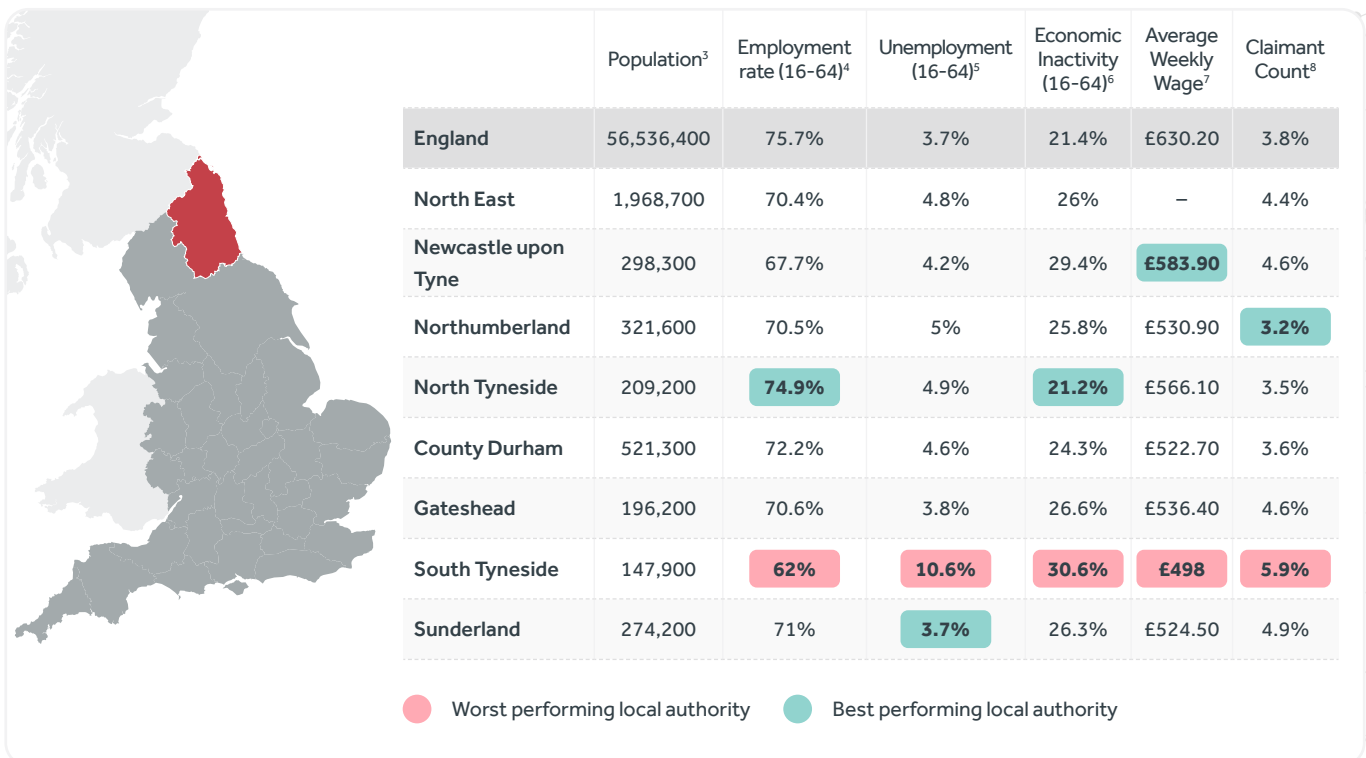
1. NORTH EAST OVERVIEW

In May 2024, the North East Mayoral Combined Authority will be formed and will bring together the current North of Tyne Combined Authority (Newcastle upon Tyne, Northumberland, North Tyneside) and County Durham, Gateshead, South Tyneside and Sunderland. As of May 2024, the North of Tyne Combined Authority will no longer exist. Candidates for the first Mayor of the North East Mayoral Combined Authority include Kim McGuinness (Labour) and the current Mayor of the North of Tyne, Jamie Driscoll (Independent).

As of November 2023, the Conservatives had not selected their candidate. It has a population of 1,968,700 with a working age population of 1,220,900.²

Its unemployment rate is 4.8%, which is higher than the England wide average. Newcastle upon Tyne has the highest average weekly wages at £584, which is £46 below the national average.

Figure 1: Proposed North East Mayoral Combined Authority economy



Source: Work Foundation calculations of the Office for National Statistics Labour Force Survey; 2021- 2022.

2. ONS 2022, Population estimates-local authority based by five-year age band, 2021 data.

3. ONS 2022, Population estimates-local authority based by five-year age band, 2021 data.

4. ONS 2023, Annual Population Survey, January-December 2022.

5. ONS 2023, Annual Population Survey, January-December 2022.

6. ONS 2023, Annual Population Survey, January-December 2022.

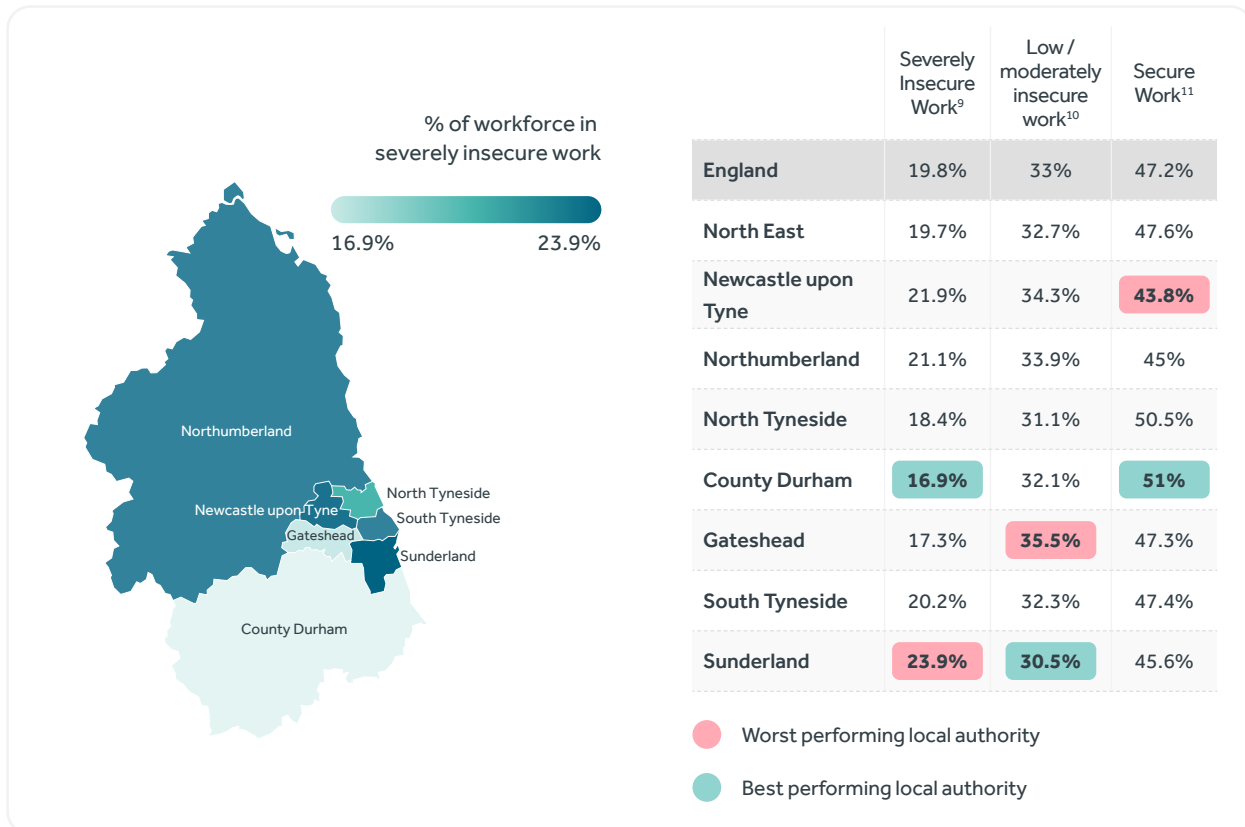
7. ONS 2022, Annual Survey of Hours and Earnings (ASHE), average gross weekly workplace-based earnings, 2022 data.

8. ONS 2023, Claimant Count, June 2022 data.

2. INSECURE WORK IN THE NORTH EAST

There is some variation in the incidence of severely insecure work within the local authorities of the proposed North East Mayoral Combined Authority too. Sunderland has the highest proportion of workers in severely insecure work (23.9%). In County Durham, only 16.9% of workers are in severely insecure work and more than half (51%) are in secure work. South Tyneside has the lowest employment rate (62%) and highest inactivity rate (30.6%) in this region, and is above the English average for severely insecure work at 20.2%.

Figure 2: Proposed North East Mayoral Combined Authority labour market



Map created with Datawrapper.

9. Work Foundation calculations of the ONS Labour Force Survey; 2021-2022.
 10. Work Foundation calculations of the ONS Labour Force Survey; 2021-2022.
 11. Work Foundation calculations of the ONS Labour Force Survey; 2021-2022.

3. HOW SECURE WORK CAN REDUCE REGIONAL INEQUALITY

Insecure work is a national issue, but the consequences are felt locally. In order to reduce regional inequalities and limit the impacts of severely insecure work on individuals in the proposed North East Mayoral Combined Authority, the UK Government and Combined Authority Mayors must focus on two complementary ambitions over the next five years:

1. To significantly reduce levels of severely insecure jobs across the UK by 2030
2. To ensure that no English Mayoral Combined Authority is home to higher levels of severely insecure work than the national average.

Recommendations for Combined Authorities

- **Recognise insecure work in economic development and skills strategies** based on the sectors and roles within where it is concentrated, and the worker groups who are primarily impacted
- **Include the regular tracking of insecure work indicators** as part of existing Combined Authority labour market analysis
- **Explore partnerships and engagement with employment charters** to share lessons and best practice
- **Harness procurement and investment incentives** by building clear employment standards requirements into the commissioning and procuring goods and services
- **Support national enforcement bodies** by helping to build relationships with local employers and reporting non-compliance or violations of rights in your area.

For further research and recommendations on insecure work across England's Mayoral Combined Authorities, please see: [Delivering Levelling up? How secure work can reduce regional inequality \(2023\)](#).

For further information on our methodology, please see our [Technical Annex for the UK Insecure Work Index](#).

Please note: our insecurity measure counts people where they live as opposed to where they work. Household composition and demographic traits can therefore affect results meaning that insecurity at a local level will not always correlate with the level of economic deprivation in that area.

CITATION

If you are using this document in your own writing, our preferred citation is: Tigwell, R., Florisson, R., Navani A. North East city region employment profile. The Work Foundation at Lancaster University.

MORE INFORMATION

For further information, please contact the Work Foundation at Lancaster University at: info@theworkfoundation.com.