

NORTH OF TYNE

CITY REGION EMPLOYMENT PROFILE | NOVEMBER 2023

Aman Navani and Rebecca Florisson



SUMMARY

The North of Tyne Combined Authority has the second smallest population of the nine English Combined Authorities. Its employment rate (70.5%) is lower than the English average while its unemployment (4.7%) and economic inactivity rates (26.1%) are higher than the English average.¹ Workers in the region earn a weekly wage of £566,² which is £64 below the national average. The North of Tyne Combined Authority has a higher rate of severely insecure work (20.7%) and greater incidence of low-paid jobs relative to England.

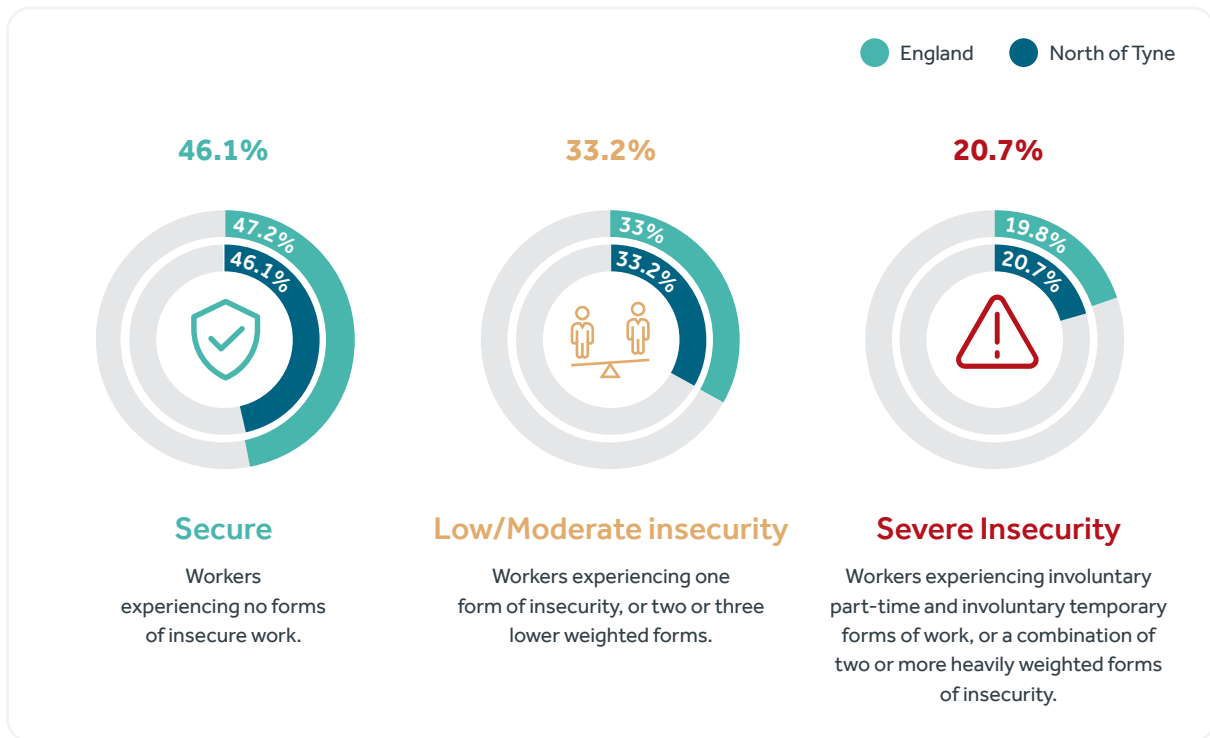
The Work Foundation defines insecure work through a single holistic measure which combines:

- 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 Combined Authority, there is significant variation in the incidence of insecure work amongst the three local authorities. Newcastle upon Tyne is the hotspot in the region with 21.9% of its workers in severely insecure work. In North Tyneside, 18.9% of workers are in severely insecure work, which is below the English average of 19.8%.

Analysis shows that women, workers from ethnic minority backgrounds, disabled people, and workers between the ages of 16 to 24 are more likely than other workers to be in severely insecure work in the North of Tyne Combined Authority.

Figure 1: Insecurity amongst the North of Tyne Combined Authority 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

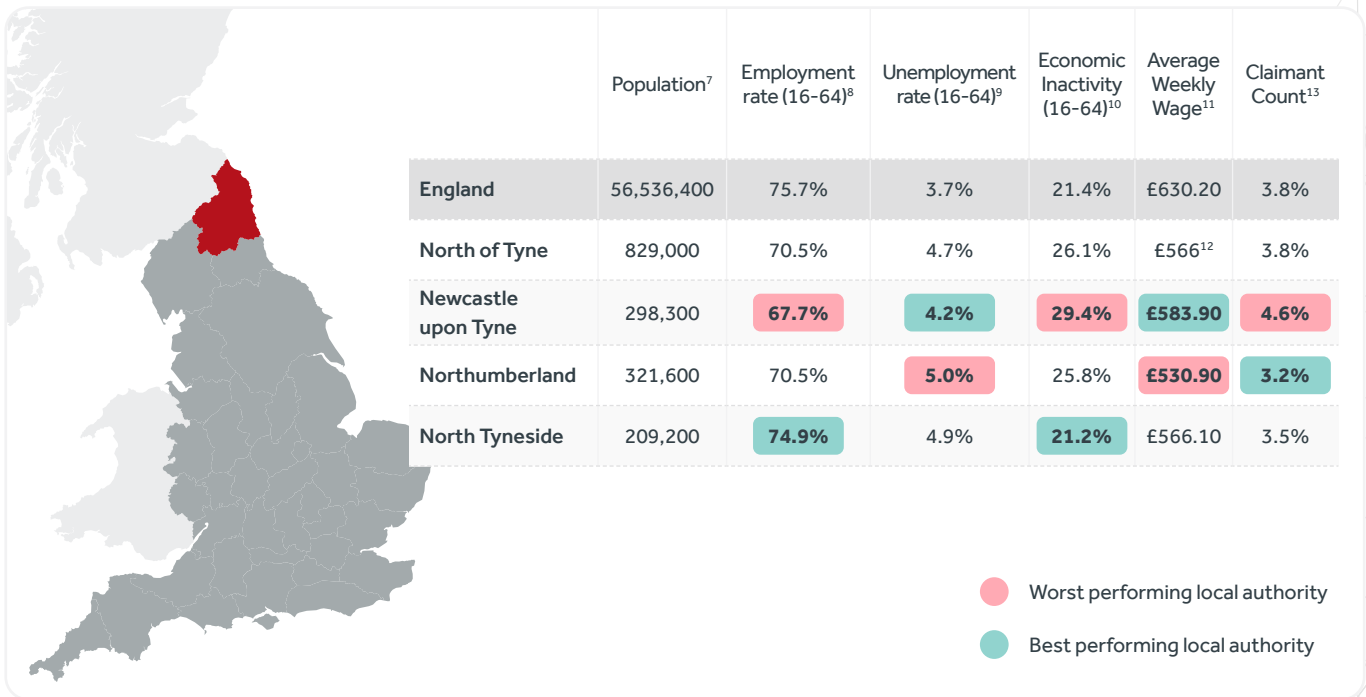
2. Centre for Cities North of Tyne Factsheet (2023): Available at: <https://www.centreforcities.org/combined-authority/north-east/>

1. NORTH OF TYNE COMBINED AUTHORITY OVERVIEW

The North of Tyne Combined Authority came into being in November 2018 and brings together three local authorities: Newcastle upon Tyne, North Tyneside, and Northumberland. It has a population of 829,000 and a working age population of 517,900.³ In 2024, the North of Tyne Combined Authority will be abolished and the three local authorities will become part of the larger North East Mayoral Combined Authority. The elected mayor, Jamie Driscoll, came to office in May 2019, and has focussed on helping small and medium size businesses grow, creating a new Green Deal Fund to help the economy decarbonise and overseeing the annual £25 million Adult Education Budget.⁴

The Combined Authority has also published its voluntary good work charter, the *Fair Work Pledge*,⁵ which explicitly mentions promoting job security as part of one of its pillars of good work. Nearly a third of the workforce in the North of Tyne work in the public administration, education, and health and social care sectors. One-third (32.7%) of the jobs in the Combined Authority area are publicly funded while 12.4% of jobs are high-skilled jobs in the private sector.⁶ The economy has an average annual economic growth (2001-2021) of 3.3%, which is below the English average, while its unemployment rate is 4.7%, which is higher than the national average.

Figure 2: North of Tyne Combined Authority economy



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

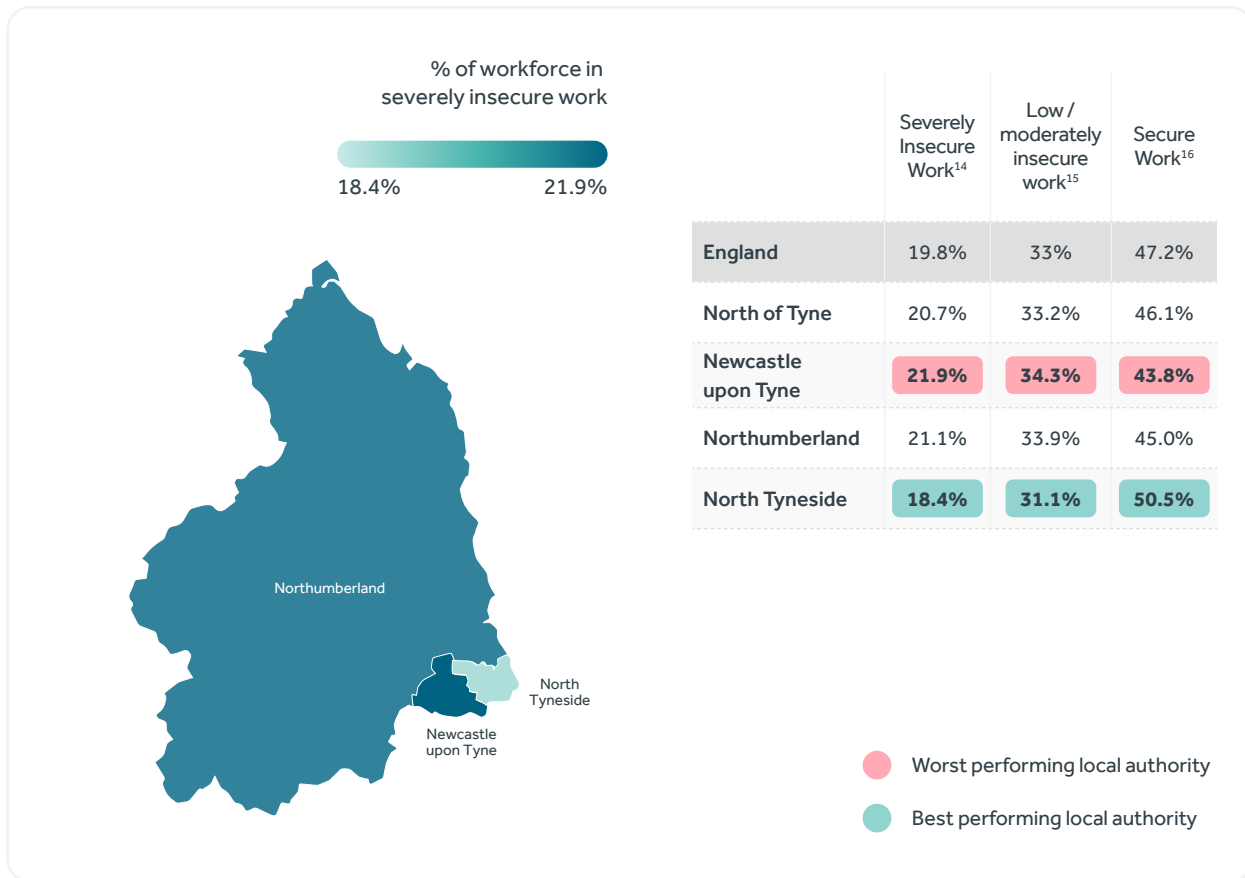
3. ONS 2022, Population estimates-local authority based by five-year age band, 2021 data
 4. Your North of Tyne Mayor - NTCA - Jamie Driscoll - About the Mayor (northoftyne-ca.gov.uk)
 5. Good-Work-Pledge-Full-Criteria.pdf (northoftyne-ca.gov.uk)
 6. Centre for Cities North of Tyne Factsheet (2023): Available at: [North of Tyne | Centre for Cities](http://www.centreforcities.org/north-of-tyne)
 7. ONS 2022, Population estimates-local authority based by five-year age band, 2021 data.
 8. ONS 2023, Annual Population Survey, January-December 2022.
 9. ONS 2023, Annual Population Survey, January-December 2022.
 10. ONS 2023, Annual Population Survey, January-December 2022.
 11. ONS 2022, Annual Survey of Hours and Earnings (ASHE), average gross weekly workplace-based earnings, 2022 data.
 12. Centre for Cities North of Tyne Factsheet (2023). Available at: <https://www.centreforcities.org/combined-authority/north-east/>
 13. ONS 2023, Claimant Count, June 2022 data.

2. INSECURE WORK IN THE NORTH OF TYNE COMBINED AUTHORITY

North of Tyne has the fourth highest level of severely insecure work out of the nine Combined Authorities. There is some variation in the incidence of severely insecure work within the local authorities of the North of Tyne Combined Authority too. Newcastle upon Tyne has the highest proportion of workers in severely insecure work (21.9%). It also has the lowest employment rate (67.7%) and highest inactivity rate (29.4%) in the region.

In North Tyneside, only 18.4% of workers are in severely insecure work and more than half are in secure work. Its workers also earn an average weekly wage of £566.10 which is the highest in the region.

Figure 3: North of Tyne Combined Authority labour market



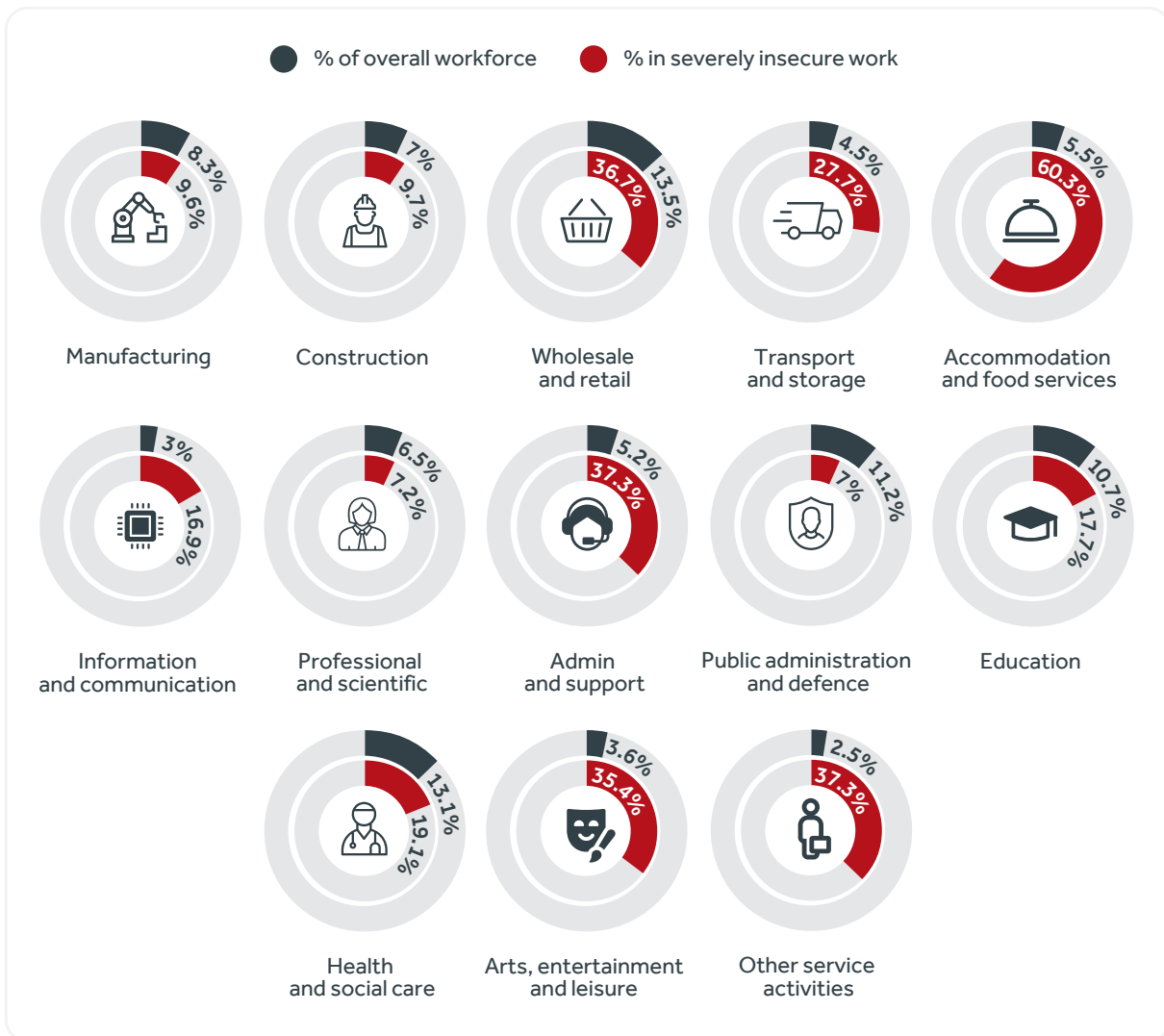
Map created with Datawrapper.

14. Work Foundation calculations of the ONS Labour Force Survey; 2021-2022.
15. Work Foundation calculations of the ONS Labour Force Survey; 2021-2022.
16. Work Foundation calculations of the ONS Labour Force Survey; 2021-2022.

Sectors

Insecure work in the North of Tyne Combined Authority is driven by the wholesale and retail, and accommodation and food services sectors. 20% of the workforce is employed in these two sectors and of these workers, nearly half (46%) are in severely insecure work. Over a third of workers in the administration, and arts and entertainment industries are in severely insecure work as well, although these sectors make up a small proportion of the overall workforce. A quarter of the workforce is employed in the health and social care, and education sectors where the proportion of severely insecure workers is around the national average.

Figure 4: Insecurity across sectors in North of Tyne Combined Authority

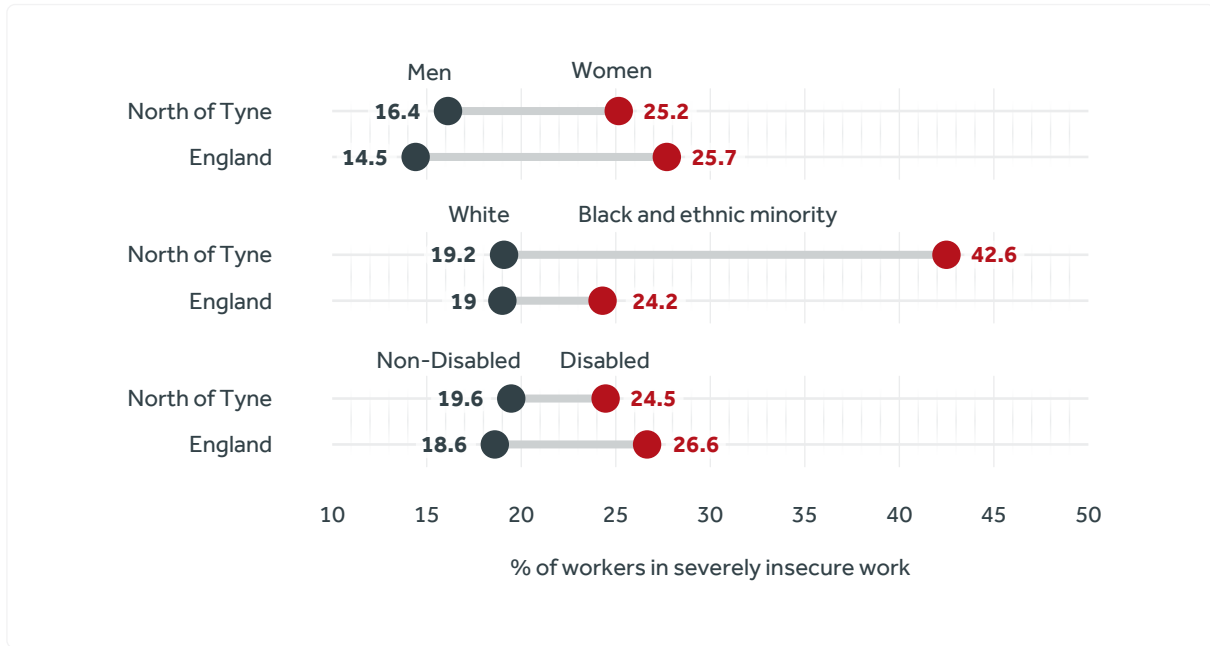


Source: Work Foundation calculations of the Office for National Statistics Labour Force Survey; 2021 - 2022.

The insecurity gap

Women in the North of Tyne Combined Authority are 1.5 times more likely to be in severely insecure work than men. Nearly a quarter of disabled workers (24.5%) are in severely insecure work, however they are less likely to be in severely insecure work compared to other disabled workers across England. Only 6.2% of workers in the North of Tyne are from a Black and ethnic minority background, however, nearly half of these workers are in severely insecure work. They are 2.2 times more likely to be in severely insecure work relative to white workers.

Figure 5: The gender, ethnicity and disability insecurity gaps



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

The age insecurity gaps in the Combined Authority are approximately on par with the rest of England. Two in five workers aged 16-24 (39.4%) are in severely insecure work while workers aged 35-65 face lower levels of insecurity.

Figure 6: The age insecurity gap



Source: Work Foundation calculations of the Office for National Statistics 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 North of Tyne Combined Authorities, 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: Navani, A. & Florisson, R. (2023). North of Tyne 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.