

Qualification levels of adults in the North East

Date of issue	12 May 2008
LSC office	North East Region
Publication intent	Public

Summary

- 1 Qualification levels among adults in the North East compare favourably with the national average at Level 2, but the region underperforms at Level 3 and Level 4.
- 2 An estimated 458,000 adults aged 19 to retirement – a third of the region's adult population – are not qualified to Level 2.
- 3 A further 317,000 adults in the region are qualified to Level 2, but not Level 3. This includes an estimated 40,000 adults under the age of 25, who are eligible for free tuition towards a first full Level 3 qualification.
- 4 Women are less likely to be qualified to Level 2 or above than men.
- 5 The older an adult, the less likely he or she is to be qualified to Level 2 or Level 3. Older adults are significantly less likely to have any formal qualifications than younger adults.
- 6 Adults from black and minority ethnic communities are slightly less likely to have qualifications at Level 2 than white people, though they are more likely to be qualified to Level 4 or above.
- 7 Adults with disabilities are less likely to be qualified to Level 2 or above than those without. In particular, they are less likely to have qualifications at Level 3 or Level 4. They are more likely to have no formal qualifications at all.
- 8 Adults who claim Incapacity Benefit or Severe Disablement Allowance are far less likely to be qualified to Level 2 or above than those who do not claim these benefits. They are significantly less likely to have *any* formal qualifications.
- 9 Lone parents are less likely to hold qualifications at Level 2 or above than other adults. Around a fifth of lone parents have no formal qualifications at all.

LSC North East Region

Regional Office

Moongate House 5th Avenue Business Park Team Valley Gateshead Tyne and Wear
NE11 0HF

T 0845 019 4181 F 0191 491 6159 www.lsc.gov.uk

- 10 Low qualification levels can act as a barrier to economic activity and employment. The higher an adult's qualifications, the more likely he or she is to be economically active and in employment. Reflecting this, unemployment rates decline as qualifications rise.
- 11 Economically inactive adults are significantly less likely to be qualified to Level 2 or above than economically active adults. This is reflected in inequalities in economic activity.
- 12 Among economically active adults, those in employment are more likely to have qualifications than those who are unemployed. Unemployed adults who are less well qualified are more likely to experience long-term unemployment than those who are more highly qualified.
- 13 Adults working in the public sector are more likely to have qualifications at Level 2 or above than those working in the private sector. Adults working in the service sector are generally more likely to have qualifications at this level than those working in production or manufacturing sectors.
- 14 Adults working in occupations with higher level skills needs are more likely to have qualifications at Level 2 or above than those working in occupations with lower level skills needs. While this reflects occupational skills needs, it also reflects inequalities in access to job-related training by occupation.
- 15 Adults who work full-time are more likely to have qualifications at Level 2 or above than those who work part-time. This may reflect gender inequalities in full-time and part-time work.
- 16 The better qualified an adult, the more likely he or she is to participate in learning. In part, this reflects inequalities in opportunities to access learning, and job-related training in particular. But more highly qualified adults are also more likely to take up training if it is offered than adults who are less well qualified.
- 17 Adult learners without qualifications at Level 2 are not significantly more likely to be studying for a qualification than those already qualified to this level.
- 18 A significant proportion of adult learners whose highest qualification is a Level 2 are studying for further qualifications at Level 2 or below, rather than progressing to Level 3. Similarly, the proportion of adult learners with qualifications below Level 2 who are studying for further qualifications below this level is significant.
- 19 Qualification levels vary across different parts of the North East. Fewer adults in Tyne and Wear are qualified to Level 2 or above than in other sub-regions. More adults in Northumberland are qualified to this level than in other areas.

Introduction

- 20 The LSC is committed to delivering Government targets for adult qualifications. New targets for adult attainment at Level 2 and Level 3 were set in the 2007 Comprehensive Spending Review.
- 21 Qualification levels among adults in the North East compare favourably with the national average at Level 2, but the region underperforms at Level 3 and Level 4.
- 22 Previous analysis of the inequalities in attainment that exist between different groups of adults in the North East has tended to be based on data from the 2001 Census. The Census classifies qualification levels in a far more simplistic way than that used to measure progress towards national targets. It is also now several years out of date. The Census is therefore of limited use in exploring adult qualification levels in the context of the new targets.
- 23 This paper uses alternative data, not previously available to us, to explore the characteristics of adults in the region according to the level of their highest qualification. Its focus is on identifying the characteristics of adults without Level 2 qualifications, or who are qualified to Level 2 but not Level 3.

A note on methodology

- 24 In the context of national targets and the local targets derived from them, qualification levels are calculated using the quarterly Labour Force Survey or its close cousin the Annual Population Survey. These datasources form the basis of the analysis in this paper.
- 25 Both the Labour Force Survey and the Annual Population Survey classify an individual's highest level of qualification using a hierarchy that includes Trade Apprenticeships and Other Qualifications (whose level is unknown) as distinct categories.
- 26 When calculating qualification levels against the strict NVQ-equivalent hierarchy used to measure progress towards national and local targets, those whose highest qualifications are identified in the datasources as Trade Apprenticeships or Other Qualifications are *apportioned* to NVQ levels using a series of assumptions specified by the Office for National Statistics.
- Half of those whose highest qualification is a Trade Apprenticeship are assumed to have a Level 3 qualification, and half a Level 2 qualification.
- 10 per cent of those whose highest qualification is an Other Qualification are assumed to be qualified to Level 3, 35 per cent to Level 2 and the remaining 55 per cent to Below Level 2.
- 27 We have taken a similar approach in our analysis in this paper. To construct a dataset that classifies adult qualifications according to a strict NVQ-equivalent hierarchy, we have randomly assigned half of the adults whose highest qualification is a Trade Apprenticeship to the Level 3 group, and half to the Level 2 group. We have also randomly assigned 10 per cent of the adults whose highest qualification is an Other Qualification to the Level 3

group, 35 per cent to the Level 2 group and the remaining 55 per cent to the Below Level 2 group.

- 28 Assigning individuals to specific groups in this way risks introducing statistical bias to our analysis. To reduce this risk, we have repeated the random assignment process a number of times. Our dataset therefore includes several groups of adults whose highest qualification is a Level 3, for example. Each of these groups includes the same core membership (those whose highest qualification was identified as a Level 3 in the original data), and other members assigned from those whose highest qualification was identified as either a Trade Apprenticeship or an Other Qualification in the original data.

Statistically, it is likely that there will be some crossover among the people in the non-core part of every Level 3 group (i.e. that some individuals were randomly assigned to this group every time we repeated the assignment process). However, it is statistically possible – if unlikely – that one of our assigned groups may include an entirely different set of non-core members from other assigned groups.

- 29 Each of the queries undertaken to inform this paper has been run against all of the groups we have created during the assignment process. The results reported are the average of all the queries run against each group. The analysis is therefore not exact, but should be considered indicative.
- 30 Due to its sample size, Labour Force Survey data can be subject to quite large margins of error when analysis looks at relatively small groups of people. We have suppressed the results of our analysis where the sample size in question (the unweighted base) is ten or less. More generally, results where the unweighted base is low should be treated with caution.

Qualification levels among adults

- 31 Historically, the proportion of adults aged 19 to retirement in the North East who are qualified to at least Level 2 has been below the national average. In recent years, attainment among adults in the region has improved more quickly than nationally, and the qualifications gap at Level 2 has closed.

Table 1: Qualification levels among adults aged 19 to retirement, 2006

Highest qualification	North East	England
Qualified to Level 4 or above	24.3%	28.9%
Qualified to Level 3 or above	45.5%	47.8%
Qualified to Level 2 or above	67.8%	68.1%
Without a Level 2 qualification	32.2%	31.9%
All people	100.0%	100.0%
Base – weighted	1,423,409	28,726,144

Source: DIUS (2008) *Qualifications and Participation in Learning at a local level: England 2006*

- 32 Although improvement in attainment at Level 3 has also been more rapid in the region than nationally, the proportion of adults in the North East who are qualified to Level 3 or above remains smaller than that in England.
- 33 A qualifications gap at Level 4 also remains.
- 34 Despite improving attainment, an estimated 458,000 people aged 19 to retirement – a third of the region’s adult population – are not qualified to Level 2.

A further 317,000 adults in the region are qualified to Level 2, but not Level 3.

The characteristics of adults by qualification level

Gender

- 35 Although women are slightly more likely than men to be qualified to Level 4, they are less likely to be qualified to Level 2 or above.

Women are more likely than men to have qualifications below Level 2, and are also more likely to have no formal qualifications at all.

Table 2: Qualification levels among adults aged 19 to retirement by gender, North East, 2007

Gender			Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
	Base – unweighted	Base – weighted						
Male	1,510	729,379	23.0%	50.6%	72.0%	15.9%	12.1%	100.0%
Female	1,470	693,945	25.5%	44.6%	66.9%	18.6%	14.4%	100.0%
All people	2,980	1,423,324	24.2%	47.7%	69.5%	17.2%	13.2%	100.0%

Source: Labour Force Survey Q4 2007

- 36 Some 49 per cent of the North East’s adult population are female, but women account for just 40 per cent of adults whose highest qualification is a Level 3. By comparison, 53 per cent of adults without a Level 2 are women.

Age

- 37 The older an adult, the less likely he or she is to be qualified to Level 2 or Level 3. Around one in five 19–34 year olds do not have a Level 2 qualification, compared with one in three 35–49 year olds and two in five adults aged 50 to retirement age¹.
- 38 Older adults are significantly less likely to have any formal qualifications than younger adults. Adults aged 50 to retirement account for less than one in three of the population, but half of those without formal qualifications.

¹ The 50 to retirement age group includes men aged 50–64 and women aged 50–59 years old.

Table 3: Qualification levels among adults aged 19 to retirement by age, North East, 2007

Age	Base – unweighted	Base – weighted	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
19–24	373	206,301	18.1%	59.3%	79.1%	14.0%	6.9%	100.0%
25–34	585	282,146	32.8%	56.8%	78.9%	14.1%	7.0%	100.0%
35–49	1,132	534,039	24.1%	44.0%	67.5%	21.5%	11.0%	100.0%
50–retirement	890	400,838	21.5%	40.1%	60.7%	15.4%	23.9%	100.0%
All people	2,980	1,423,324	24.2%	47.7%	69.5%	17.2%	13.2%	100.0%

Source: Labour Force Survey Q4 2007

39 Adults aged 35–49 are significantly more likely than younger and older adults to have qualifications below Level 2. Adults aged 35–49 account for just over a third of the population, but almost half of those whose highest qualification is below Level 2.

Level 3 entitlement

40 There are an estimated 40,000 adults under the age of 25 living in the region who are qualified to Level 2 but not Level 3, and who are therefore eligible for free tuition towards a first full Level 3 qualification.

Ethnicity

41 Adults from black and minority ethnic communities are more likely to have qualifications at Level 4 and above than white people, and slightly more likely to be qualified to Level 3 but no higher. They are also less likely to have qualifications at Level 2.

Table 4: Qualification levels among adults aged 19 to retirement by ethnicity, North East, 2007

Ethnicity	Base – unweighted	Base – weighted	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
White	2,875	1,373,370	23.7%	47.5%	69.7%	17.2%	13.2%	100.0%
Black and Minority Ethnic	104	49,954	38.0%	52.3%	66.3%	19.6%	14.1%	100.0%
All people	2,980	1,423,324	24.2%	47.7%	69.5%	17.2%	13.2%	100.0%

Source: Labour Force Survey Q4 2007

42 Sample sizes mean that it is difficult to draw firm conclusions about qualification levels by ethnicity except at the broadest level. The available data suggests that adults from Asian and Asian British communities are less

likely to hold qualifications at Level 2 and above than other adults from black and minority ethnic communities, and less likely to do so than white adults. Adults from Asian and Asian British communities appear to be the group most likely to have qualifications below Level 2.

- 43 Adults from Chinese and other ethnic groups appear most likely to have qualifications at Level 2. Relatively few adults from Chinese backgrounds, however, appear to have qualifications at Level 4 or above.
- 44 Adults from Black and Black British backgrounds appear no more likely than white adults to have qualifications at Level 2 or above. They appear to be far more likely to have qualifications at Level 3 or at Level 4 and above. A significant proportion, however, have no formal qualifications at all.
- 45 Adults from mixed race backgrounds appear slightly less likely than other groups to have qualifications at Level 2 or above. Relatively few appear to have qualifications below Level 2. Adults from mixed race backgrounds appear less likely to have any formal qualifications at all than other groups.

Disability

- 46 Around 325,000 adults living in the North East have disabilities². Adults with disabilities are less likely to hold qualifications at Level 2 or above than those without disabilities. In particular, they are less likely to hold qualifications at Level 3 or Level 4, and are more likely to have no formal qualifications at all.

Table 5: Qualification levels among adults aged 19 to retirement by disability, North East, 2007

Disability	Base		Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
	unweighted	weighted						
Both DDA disabled and work-limiting disabled	465	215,863	9.8%	25.6%	46.6%	20.2%	33.2%	100.0%
DDA disabled only	157	73,038	22.9%	46.2%	70.8%	12.2%	16.9%	100.0%
Work-limiting disabled only	79	36,886	18.9%	41.0%	66.4%	13.7%	19.9%	100.0%
Not disabled	2,279	1,097,537	27.3%	52.3%	74.1%	17.1%	8.8%	100.0%
All people	2,980	1,423,324	24.2%	47.7%	69.5%	17.2%	13.2%	100.0%

Source: Labour Force Survey Q4 2007

² The Labour Force Survey identifies disabled people using two different definitions. *DDA disabled* is the definition used in the Disability Discrimination Act, which defines a disabled person as someone who has a physical or mental impairment that has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities such as eating, washing, walking and going shopping. *Work-limiting disabled* includes those who have a long-term disability which affects the kind or amount of work they might do. Compared with the number of adults with disabilities falling within both definitions, there are relatively few adults with *only* work-limiting disabilities, and few who *only* have disabilities defined by the Disability Discrimination Act.

- 47 Adults with disabilities which affect the type or amount of work they can do are most likely to lack Level 2 qualifications.
- 48 Adults with disabilities account for 23 per cent of the population, but 49 per cent of those without formal qualifications. 18 per cent of those whose highest qualifications are a Level 3, and 13 per cent of those qualified to Level 4, are disabled.

Household type

- 49 There are an estimated 25,000 lone parents aged 19 to retirement in the region. Lone parents are less likely than other adults to hold qualifications at Level 2 or above. Indeed, they are less likely to have *any* formal qualifications than other adults.

Table 6: Qualification levels among adults aged 19 to retirement by household type³, North East, 2007

Household type	Base –		Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
	unweighted	weighted						
Single person	324	153,673	27.8%	49.1%	67.0%	17.2%	15.8%	100.0%
Couple, no children	739	343,234	28.2%	50.1%	70.7%	13.9%	15.4%	100.0%
Couple with children	1,406	674,890	23.6%	46.0%	70.7%	18.6%	10.7%	100.0%
Lone parent	309	148,104	17.2%	34.1%	58.9%	19.8%	21.2%	100.0%
Other	202	103,423	19.6%	67.8%	77.0%	15.9%	7.1%	100.0%
All people	2,980	1,423,324	24.2%	47.7%	69.5%	17.2%	13.2%	100.0%

Source: Labour Force Survey Q4 2007

- 50 Adults living in lone parent households account for around 10 per cent of the region's adult population. They account for 17 per cent of adults with no formal qualifications, and 12 per cent of those with qualifications below Level 2. Around 9 per cent of adults with qualifications at Level 2 or above live in lone parent households.

Economic activity

- 51 Economically active adults are significantly more likely to be qualified to Level 2 or above than economically inactive adults⁴. They are no less likely to

³ Couples include both married and cohabiting couples. Lone parents include married persons whose spouse is not part of the household (e.g. working away from home, in prison). Children include dependents and non-dependents. Other household types include those with multiple persons from different family units, multiple family units, and same sex couples and Civil Partners (the Labour Force Survey does not identify the number of children in same sex couples' or Civil Partners' households, and they cannot be assigned to the 'couples' categories used in the analysis). All household types might include persons who are not part of the main family unit.

have qualifications below Level 2, but are far less likely to have no formal qualifications at all.

Table 7: Qualification levels among adults aged 19 to retirement by economic activity, North East, 2007

Economic activity	Base		Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
	unweighted	weighted						
Economically active	2,308	1,103,341	28.0%	51.4%	74.7%	16.9%	8.4%	100.0%
Employee	1,969	939,931	29.1%	52.2%	75.4%	16.7%	7.8%	100.0%
Self-employed	224	106,544	27.6%	56.1%	77.2%	15.4%	7.4%	100.0%
Government employment and training programmes	6	–	–	–	–	–	–	–
Unpaid family worker	5	–	–	–	–	–	–	–
ILO unemployed	104	51,710	8.8%	29.5%	54.1%	25.4%	20.5%	100.0%
Economically inactive	672	319,983	11.2%	34.7%	51.9%	18.3%	29.8%	100.0%
Student	92	47,310	12.9%	83.9%	92.5%	4.6%	2.9%	100.0%
Looking after family or home	178	86,916	9.9%	22.7%	47.2%	24.9%	28.0%	100.0%
Temporarily sick or injured	16	7,765	6.6%	20.9%	55.4%	12.9%	31.7%	100.0%
Long-term sick or disabled	288	134,477	7.4%	23.1%	39.0%	18.1%	42.9%	100.0%
Retired	57	24,734	27.1%	41.4%	50.8%	19.2%	30.0%	100.0%
Other reason	41	18,781	21.4%	45.9%	64.3%	25.0%	10.7%	100.0%
Seeking work but not immediately available	19	9,672	9.7%	63.3%	71.1%	19.7%	9.2%	100.0%
Not seeking work but would like a job	177	84,778	7.6%	26.3%	45.6%	19.8%	34.6%	100.0%
Not seeking work, would not like a job	476	225,533	12.7%	36.6%	53.5%	17.7%	28.8%	100.0%
All people	2,980	1,423,324	24.2%	47.7%	69.5%	17.2%	13.2%	100.0%

Source: Labour Force Survey Q4 2007

⁴ Economically active adults include those who are in employment or self-employment, including those on Government employment or training programmes and those working unpaid for family businesses, and those who are unemployed but actively seeking a job and available to work. All other adults are economically inactive, including students, those who are retired or looking after the home, and those in receipt of Incapacity Benefit or Severe Disablement Allowance.

- 52 This may reflect gender inequalities in economic activity. Men, who are more likely to have Level 2 qualifications than women, are also more likely to be economically active.
- 53 Self-employed adults are more likely to have qualifications at Level 2 or above than other economically active adults. Slightly less than a quarter are not qualified to Level 2. Most of these have qualifications below this level.
- 54 Adults who are employed by an employer are only slightly less likely to have qualifications at Level 2 or above than self-employed adults. They are less likely to have qualifications at Level 3, but more likely to be qualified to Level 4 and above. Around a quarter of adults who work for an employer – over 230,000 people – don't have qualifications at Level 2. Almost a third of these have no formal qualifications at all.
- 55 Unemployed adults⁵ are less likely to have qualifications at Level 2 or above than other economically active adults. Almost half are not qualified to Level 2. Unemployed adults account for less than 5 per cent of all economically active adults, but 11 per cent of those without any formal qualifications and 7 per cent of those with qualifications below Level 2.

Economic inactivity

- 56 Economically inactive adults are far less likely to be qualified to Level 2 or above than economically active adults. Around half do not have a Level 2 qualification. Almost one in three do not have formal qualifications at all.
- 57 Among economically inactive adults, those with long-term health problems or disabilities are least likely to be qualified to Level 2 or above. A relatively high percentage have no formal qualifications at all. Adults with long-term health problems or disabilities account for 42 per cent of all economically inactive adults, but 61 per cent of those with no qualifications.
- 58 Long-term health problems or disabilities are more common among older adults, who are generally less well qualified than their younger counterparts. Some 58 per cent of economically inactive adults with long-term health problems are aged 50–retirement, while 32 per cent are 35–49 years old.
- 59 Less than half the economically inactive adults who look after the home or family have qualifications at Level 2 or above. This reflects gender inequalities in qualification levels. Almost nine in ten economically inactive adults who look after the home or family are female.
- 60 Relatively few economically inactive adults are looking for a job. Economically inactive adults who are seeking work⁶ are more likely to have qualifications at Level 2 than those who aren't looking for a job. Indeed, they are only slightly less likely to have a Level 2 qualification than adults who are economically active.

⁵ Unemployed adults include only those who have actively sought work in the last two weeks and are available to start a job in the next two weeks.

⁶ By definition, economically inactive adults may be seeking work but not available to start a job in the next two weeks. Alternatively, economically inactive adults may want a job while not actively seeking work.

- 61 This may be related to gender and age. Economically inactive men are more likely to be seeking work than economically inactive women. The youngest economically inactive adults (those aged 19–24) are more likely to be seeking work than their older counterparts.
- 62 Economically inactive adults who are not seeking work but would like a job are generally less well qualified than those who would not like to work. This is because economically inactive adults who are less well qualified are generally more likely to want to work than not want to work, while those who are more highly qualified are generally more likely to *not* want to work than they are to want a job (unless they are actively seeking work). The implication of this is that low qualification levels act as a barrier to economic activity.
- 63 Economically inactive adults who are looking after home or family, and those who have long-term health problems or disabilities, are more likely to want a job than not want a job. They are less likely to have qualifications at Level 2 and above than other economically inactive adults.
- 64 Among economically inactive adults who are not actively seeking work, those who are students and those who are retired are more likely to *not* want to work than they are to want a job. Students are significantly more likely to have qualifications at Level 2 or above than other economically inactive adults. Retired adults are often more highly qualified than other economically inactive adults, too, particularly at Level 4.

Economic activity rates

- 65 Economic activity rates are significantly higher among adults with qualifications (at any level) than among those without. 83 per cent of adults qualified to Level 2 or above are economically active, compared with 76 per cent of those with qualifications below Level 2 and just 49 per cent of those with no formal qualifications at all.
- 66 Similarly, employment rates are higher among adults with qualifications than among those without. 80 per cent of adults with qualifications at Level 2 or above are in employment, compared with 71 per cent of those with qualifications below Level 2 and 44 per cent of those without qualifications.
- 67 Broadly speaking, the higher an individual's qualifications, the more likely they are to be economically active and in employment. However, economic activity rates and employment rates are slightly lower among adults whose highest qualification is at Level 3 than among those whose highest qualification is at Level 2. This is due to the number of students in the region with qualifications at Level 3 but no higher (students are classified as economically inactive).

If students are excluded from the analysis, there is a clear increase in economic activity and employment rates as qualification levels rise.

Table 8: Economic activity rates⁷ among adults aged 19 to retirement by highest qualification level, North East, 2007

	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
Employment rate	88.2%	74.3%	78.2%	70.7%	43.8%	73.9%
Unemployment rate	1.5%	4.1%	5.0%	7.0%	11.4%	4.7%
Economic activity rate	89.6%	77.5%	82.3%	76.1%	49.4%	77.5%

Source: Labour Force Survey Q4 2007
Base: All people

68 Unemployment rates decline as qualification levels rise. Around 3 per cent of adults with qualifications at Level 2 or above are unemployed, compared with 7 per cent of adults with qualifications below Level 2 and around 11 per cent of those with no formal qualifications at all.

Employment by sector

69 Adults who work in the public sector are more likely to have qualifications at Level 2 or above than those who work in the private sector. Almost half the public sector's adult workforce are qualified to Level 4 or above, compared with just one in five adults who work in the private sector.

Table 9: Qualification levels among adults aged 19 to retirement in employment⁸ by sector, North East, 2007

	Base – unweighted	Base – weighted	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
Private	1,536	741,535	21.5%	47.9%	73.1%	17.8%	9.1%	100.0%
Public	660	306,273	47.2%	64.0%	81.7%	13.5%	4.8%	100.0%
All people in employment	2,196	1,047,808	29.0%	52.6%	75.6%	16.6%	7.8%	100.0%

Source: Labour Force Survey Q4 2007

70 Qualification levels show significant variation by sector⁹. Broadly, they appear to be lower in production and manufacturing sectors than in service sectors.

⁷ The employment rate is the number of people in employment or self-employment as a percentage of the population. Similarly, the economic activity rate is the number of people who are economically active (in employment or unemployed) as a percentage of the population. The unemployment rate is the number of people who are unemployed and actively seeking work as a percentage of the economically active population.

⁸ Statistics relating to adults who are in employment are residence-based. They relate to adults who live in the North East (3.5 per cent of whom work outside the region) rather than those who work in the region (2.3 per cent of whom live outside the North East).

Qualification levels appear particularly low among adults working in the Skillfast sector, for example. In contrast, qualification levels appear particularly high among adults working in the Skills for Health and Lifelong Learning sectors.

- 71 Analysis suggests that fewer adults employees in the Skillfast sector have qualifications at Level 2 or above than in any other sector. Three in five adults working in the Skillfast sector don't have a Level 2. More employees in this sector have no formal qualifications than in any other sector.
- 72 Other sectors which appear to have higher shares of adults without Level 2 qualifications than their share of employment might suggest include Skillsmart, People 1st, SEMTA, Skills for Logistics, Cogent, Asset Skills, GoSkills, ProSkills, Energy and Utility Skills, Automotive Skills and Lantra.
- 73 In contrast, analysis suggests that higher proportions of adults working in the Skills for Health and Lifelong Learning sectors have qualifications at Level 4 or above than in other sectors. Some 3 per cent of employed adults living in the North East work in Lifelong Learning, but this sector accounts for 7 per cent of those qualified to Level 4 or above. Similarly, around 9 per cent of employed adults living in the North East work in Skills for Health, but this sector accounts for 18 per cent of those with qualifications at Level 4 or above.
- 74 Sectors which appear to have high proportions of adults whose highest qualifications are at Level 2 include Construction (Construction Skills / Summit Skills), Skills for Care and Development, People 1st, Skills for Logistics, Asset Skills, Financial Services Skills, Improve, Automotive Skills and Lantra.
- 75 Sectors which appear to have high proportions of adults whose highest qualifications are at Level 3 include Construction (Construction Skills / Summit Skills), SEMTA, Financial Services Skills, Cogent, e-skills UK, GoSkills, Automotive Skills, Energy and Utility Skills, SkillsActive and Improve.
- 76 Skills gaps are no more likely than average to affect many of these sectors, suggesting that qualification levels among their workforce broadly reflect skills needs.

A higher than average proportion of the workforce in Improve, Skillfast, Cogent, Energy and Utility Skills, SummitSkills, People 1st, Financial Services Skills and e-skills UK sectors are reported to have skills gaps¹⁰. Qualification levels in these sectors appear to reflect skills needs less closely. Employers in these sectors may not attach significant value to existing qualifications, even though they value higher levels of skills among their workforce. There may therefore be opportunities to develop more relevant employer qualifications in these sectors. The relationship between

⁹ While the Labour Force Survey is the most robust source of information on qualification levels among employed people available to us, its sample size means that disaggregation by sector is not always reliable where a sector has relatively few employees.

¹⁰ National Employer Skills Survey 2007.

qualification levels and skills needs is not straightforward, however, and further investigation is needed.

Table 10: Qualification levels among adults aged 19 to retirement in employment by Sector Skills Council, North East, 2007

Sector Skills Council	Base – unweighted	Base – weighted	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people in employment
Lantra	19	24,854	10.0%	28.5%	59.1%	24.9%	16.0%	100.0%
ProSkills	33	14,561	18.6%	44.1%	69.3%	17.3%	13.4%	100.0%
Improve	26	68,371	7.2%	37.9%	72.1%	10.3%	17.6%	100.0%
Skillfast	18	29,534	9.3%	15.3%	40.2%	28.9%	30.9%	100.0%
Cogent	60	121,476	28.8%	53.0%	71.4%	23.8%	4.8%	100.0%
SEMTA	135	5,210	22.1%	53.6%	73.7%	22.0%	4.3%	100.0%
Energy & Utility Skills	32	24,758	22.1%	47.0%	68.0%	25.4%	6.6%	100.0%
Construction Skills / Summit Skills	244	14,749	16.5%	49.4%	79.0%	10.8%	10.2%	100.0%
Automotive Skills	30	24,963	3.5%	38.1%	66.2%	26.8%	7.0%	100.0%
Skillsmart	198	18,946	11.7%	36.7%	60.7%	27.4%	12.0%	100.0%
People 1st	110	12,347	11.4%	36.3%	65.0%	24.3%	10.7%	100.0%
GoSkills	40	9,053	14.5%	42.0%	65.2%	20.1%	14.7%	100.0%
Skills for Logistics	66	33,240	6.8%	33.8%	62.8%	26.1%	11.1%	100.0%
Financial Services Skills	51	52,566	28.5%	59.6%	89.1%	7.7%	3.2%	100.0%
Asset Skills	52	15,778	19.5%	40.4%	71.8%	16.3%	11.9%	100.0%
E-Skills	52	66,421	40.0%	64.7%	87.1%	9.6%	3.3%	100.0%
Lifelong Learning	72	8,535	65.2%	74.1%	85.6%	11.3%	3.1%	100.0%
Central Government	149	61,001	35.7%	57.9%	80.3%	17.9%	1.8%	100.0%
Skills for Justice	54	90,938	38.2%	62.5%	82.4%	12.6%	5.0%	100.0%
Skills for Health	196	25,389	59.1%	67.3%	82.3%	12.8%	4.9%	100.0%
Skills for Care & Development	131	32,339	30.5%	52.5%	81.6%	13.2%	5.2%	100.0%
Skillset	2	–	–	–	–	–	–	–
Creative & Cultural Skills	11	1,104	52.9%	81.1%	100.0%	0%	0%	100.0%
SkillsActive	24	95,247	27.3%	59.0%	81.7%	9.6%	8.7%	100.0%
Non-SSC employers	385	185,579	39.1%	60.6%	80.0%	12.1%	8.0%	100.0%
All people in employment	2,190	1,049,080	29.0%	52.6%	75.7%	16.5%	7.8%	100.0%

Source: Labour Force Survey Q4 2007

Employment by occupation

77 Broadly, adults who work in more highly skilled occupations are more likely to have qualifications at Level 2 and above than those who work in less highly skilled occupations.

Table 11: Qualification levels among adults aged 19 to retirement in employment by occupation, North East, 2007

Occupation	Base – unweighted	Base – weighted	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people in employment
Managers and Senior Officials	263	122,597	38.1%	62.3%	86.0%	10.4%	3.5%	100.0%
Professional occupations	258	120,956	81.2%	92.9%	96.3%	3.0%	0.7%	100.0%
Associate Professional and Technical occupations	289	134,949	60.2%	78.2%	90.1%	8.5%	1.4%	100.0%
Administrative and Secretarial occupations	261	122,616	21.0%	45.6%	73.8%	22.6%	3.6%	100.0%
Skilled Trades occupations	275	136,508	10.7%	51.4%	77.3%	12.0%	10.7%	100.0%
Personal Service occupations	202	95,307	15.1%	41.1%	78.4%	15.3%	6.3%	100.0%
Sales and Customer Service occupations	177	87,350	10.6%	36.7%	66.8%	21.4%	11.8%	100.0%
Process, Plant and Machine Operatives	209	102,882	4.2%	28.2%	60.8%	29.0%	10.2%	100.0%
Elementary occupations	267	126,931	7.6%	24.9%	47.0%	30.1%	22.9%	100.0%
All people in employment	2,201	1,050,096	28.9%	52.6%	75.7%	16.5%	7.8%	100.0%

Source: Labour Force Survey Q4 2007

78 Relatively few adults working in higher level occupations¹¹ do not have qualifications at Level 2. This is particularly true of Professional occupations.

79 Although higher level occupations are generally regarded as needing skills at a level broadly equivalent to Level 4 and above, they clearly do not need *qualifications* at this level. Relatively few adult Managers and Senior Officials are qualified to Level 4 and above, for example, compared with adults in Professional or Associate Professional and Technical occupations. There is

¹¹ Managers and Senior Officials, Professional occupations and Associate Professional and Technical occupations. Descriptions of the jobs in each occupation are available from ONS: http://www.statistics.gov.uk/methods_quality/soc/structure.asp

also a qualifications gap at Level 3 between Managers and Senior Officials and adults in other higher level occupations.

- 80 Around a quarter of adults working in intermediate level occupations¹² are not qualified to Level 2. Among those in intermediate level occupations, adults in Sales and Customer Service jobs are least likely to be qualified to Level 2 and most likely to have no formal qualifications at all. This may reflect the nature of employment in these occupations. Half the adults in Sales and Customer Service jobs are employed on a part-time basis. The majority of these are women.
- 81 Few adults in Administrative and Secretarial jobs lack formal qualifications, although a relatively high proportion have qualifications below Level 2. There is a relatively high level of part-time employment in these occupations, but any negative statistical effect this has on qualification levels may be offset by the distribution of Administrative and Secretarial jobs by sector. Almost half the adults working in these jobs are employed in public sector organisations, where qualification levels tend to be higher.
- 82 Intermediate level occupations are generally regarded as needing skills at a level broadly equivalent to Level 3, but as with higher level occupations they do not need qualifications at this level. In total, around two in five adults working in intermediate level occupations have qualifications at Level 3. Those in Personal Service jobs are least likely to be qualified to this level, though they are more likely to have qualifications at Level 2 than adults in other intermediate level jobs.
- 83 Broadly, adults in craft level occupations¹³ are slightly more likely to be qualified to Level 2 or above than those in intermediate level occupations. Craft level occupations are also generally regarded as needing skills at a level broadly equivalent to Level 3, though around half the adults in Skilled Trades jobs do not have qualifications at this level. One in ten adults in craft level occupations do not have any formal qualifications at all.
- 84 Adults employed in lower level occupations¹⁴ are least likely to have qualifications at Level 2 or above. This is particularly true of those in unskilled and low-skilled jobs in Elementary occupations. Although lower level occupations are generally regarded as needing skills at a level broadly equivalent to Level 2, only around three in five adults employed as Process, Plant and Machine Operatives and less than half of those in Elementary occupations are qualified to this level.
- 85 Adults in Elementary occupations are less likely to have formal qualifications than those in other occupations. Some 12 per cent of adults working in the region are employed in Elementary occupations, but these jobs account for 36 per cent of employed adults with no formal qualifications, and 22 per cent of those whose highest qualification is below Level 2. As with Sales and

¹² Administrative and Secretarial occupations, Personal Service occupations and Sales and Customer Service occupations.

¹³ Skilled Trades occupations.

¹⁴ Process, Plant and Machine Operatives and Elementary occupations.

Customer Service jobs, this may reflect the nature of employment in these occupations. Half the adults in Elementary occupations work on a part-time basis. The majority of these are female.

- 86 Differences in qualification levels between occupations may be due in part to variable access to training and development. Adults working in higher level occupations are more likely to participate in job-related training than those in intermediate level occupations. Adults working in lower level occupations are least likely to participate in training.

Full-time and part-time employment

- 87 Adults working full-time are more likely to have qualifications at Level 2 and above than those working part-time.
- 88 Though they are only slightly less likely to have qualifications below Level 2, adults in full-time employment are noticeably less likely to have no formal qualifications at all than those in part-time work. Adults in part-time work account for 24 per cent of all adults in employment, but 39 per cent of those without formal qualifications.

Table 12: Qualification levels among adults aged 19 to retirement in employment by hours worked, North East, 2007

	Base – unweighted	Base – weighted	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people in employment
Part-time	522	247,027	21.4%	44.6%	68.7%	18.3%	13.0%	100.0%
Full-time	1,673	800,726	31.3%	55.1%	77.8%	16.0%	6.2%	100.0%
All people in employment	2,195	1,047,753	29.0%	52.6%	75.7%	16.5%	7.8%	100.0%

Source: Labour Force Survey Q4 2007

- 89 Adults who work part-time due to illness or disability are significantly less likely to have qualifications at Level 2 or above than others in part-time employment. Less than half are qualified to Level 2, while more than a quarter have no formal qualifications at all. Students who work part-time are most likely to have qualifications at Level 2. Almost all are qualified to this level or above.
- 90 Differences in qualification levels between adults working full-time and those working part-time are likely to reflect gender. Women, who are less likely to be qualified to Level 2 or above, account for more than 80 per cent of adults in part-time employment but just a third of those in full-time employment.
- 91 Access to training and development also differs among adults in part-time employment and those in full-time work. Adults who work full-time are more likely to participate in job-related training than those who work part-time.

Unemployment

- 92 Broadly, unemployed people who are less well qualified are more likely to experience long-term unemployment of six months or more than those who are more highly qualified.
- 93 Unemployed adults without qualifications appear to be particularly vulnerable to long-term unemployment. As many as 70 per cent of unemployed people without qualifications have been out of work (and actively seeking a job) for six months or more, compared with 44 per cent of all unemployed adults.

Table 13: Duration of unemployment among adults aged 19 to retirement by highest qualification level, North East, 2007

	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All un-employed people
Less than 6 months	–	71.9%	61.2%	56.7%	29.9%	56.5%
6 to 12 months	–	10.2%	14.1%	16.6%	16.9%	15.1%
12 months or more	–	17.9%	24.7%	26.7%	53.2%	28.5%
All unemployed people	–	100.0%	100.0%	100.0%	100.0%	100.0%
Base – unweighted	9	22	25	26	22	104
Base - weighted	–	10,702	12,752	13,144	10,581	51,710

Source: Labour Force Survey Q4 2007

Economic inactivity and future work

- 94 Among economically inactive adults who are not actively seeking work, those with low or no qualifications are generally less likely to say that they will *definitely* work in the future than those who are more highly qualified.
- 95 In contrast, those with low or no qualifications, and those qualified to Level 2 but no higher, are more likely to say they will *probably* work in the future than those who are more highly qualified.
- 96 Those whose highest qualifications are at Level 2 are most likely to say they probably won't work in the future, but least likely to say they definitely won't. Economically inactive adults without qualifications at Level 2 are generally more likely to say they definitely won't work in the future than those qualified to Level 2 or above.
- 97 Economically inactive adults with qualifications at Level 4 or above are the exception. They are less likely to say they will definitely work in the future than those whose highest qualification is a Level 3, and only slightly more likely to do so than those qualified to Level 2 but no higher.
- 98 Similarly, economically inactive adults with qualifications at Level 4 or above are more likely to say they definitely will not work in the future than those whose highest qualifications are at Level 2 or Level 3, and only slightly less

likely to do so than economically inactive adults with qualifications below Level 2.

Table 14: Intention to work in future among economically inactive adults aged 19 to retirement who are not actively seeking work, by highest qualification level, North East, 2007

	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All economically inactive people who are not seeking work
Definitely will work in future	40.9%	57.1%	39.2%	28.6%	17.4%	35.1%
Probably will work in future	7.3%	9.0%	14.5%	16.8%	14.1%	12.7%
Probably won't work in future	12.0%	6.8%	16.8%	9.9%	11.1%	11.0%
Definitely won't work in future	31.8%	21.1%	20.2%	33.3%	46.4%	31.9%
Don't know	7.9%	6.0%	9.3%	11.4%	11.0%	9.3%
All economically inactive people who are not seeking work	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Base – unweighted	77	150	116	121	205	670
Base - weighted	35,175	74,622	55,637	58,613	95,197	319,244

Source: Labour Force Survey Q4 2007

99 Future intentions to work may reflect age more strongly than qualification levels. Some 46 per cent of economically inactive adults aged 19–24 say they will definitely work in the future, for example, compared with 5 per cent of those aged 50 to retirement. Conversely, less than 2 per cent of economically inactive adults aged 19–24 say they will definitely not work in the future, compared with 78 per cent of those aged 50 to retirement. Older adults, of course, are less likely to be qualified to Level 2.

Benefit claimants

100 According to the Labour Force Survey, around 100,000 adults in the North East (7 per cent of the population) claim Incapacity Benefit or Severe Disablement Allowance¹⁵. The majority of these claim Incapacity Benefit.

101 Adults who claim Incapacity Benefit or Severe Disablement Allowance are far less likely to be qualified to Level 2 or above than those who do not claim these benefits. They are only slightly more likely to have qualifications below Level 2, but are significantly more likely to have no formal qualifications at all. This is particularly true of adults claiming Severe Disablement Allowance.

¹⁵ This is well below the 150,000 or so working age adults claiming Incapacity Benefit or Severe Disablement Allowance in the region recorded by the Department for Work and Pensions in the second quarter of 2007. It is unlikely that young people aged 16–18 account for the difference. It is equally unlikely that the number of claimants fell in the second half of 2007 to such an extent as to account for the difference.

Around 7 per cent of adults living in the North East claim Incapacity Benefit or Severe Disablement Allowance. Some 21 per cent of those with no qualifications claim such benefits.

Table 15: Qualification levels among adults aged 19 to retirement claiming Incapacity Benefit or Severe Disablement Allowance, North East, 2007

	Base – unweighted	Base – weighted	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
Claiming either IB or SDA	217	100,522	6.4%	23.5%	41.4%	19.4%	39.3%	100.0%
<i>Incapacity Benefit</i>	202	93,704	6.8%	25.0%	43.2%	19.5%	37.2%	100.0%
<i>Severe Disablement Allowance</i>	23	10,602	4.3%	17.5%	29.7%	19.4%	50.9%	100.0%
Not claiming IB or SDA	2,763	1,322,802	25.6%	49.5%	71.7%	17.1%	11.2%	100.0%
All people	2,980	1,423,324	24.2%	47.7%	69.6%	17.2%	13.2%	100.0%

Source: Labour Force Survey Q4 2007

Education and training

- 102 Data on participation in adult learning (taught and non-taught learning) is not available to us in the context of this analysis. We have therefore developed a broad proxy measure of participation among adults which includes those currently participating in learning and those who have participated in learning in the last four weeks.
- 103 This proxy measure significantly under-estimates participation compared with official measures of adult learning (derived by DIUS from Annual Population Survey data), which consider participation in learning in the last three years. Nevertheless, we believe the characteristics of current or recent adult learners will to some extent reflect those of adults who have participated during the last three years.
- 104 The better qualified an adult, the more likely he or she is to participate in learning. Participation rates appear to be particularly low among adults with no formal qualifications. This is partly a reflection of age. Younger adults, especially 19–24 year olds, are more likely to participate in learning than older adults. Some 53 per cent of adults aged 19–24 are current or recent participants in learning, compared with 16 per cent of adults aged 50 to retirement.

Table 16: Participation rates in education and training among adults aged 19 to retirement by highest qualification level, North East, 2007

Participation	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people
Current or recent learner	41.3%	35.5%	19.6%	14.6%	7.0%	26.1%
Not a current or recent learner	58.7%	64.5%	80.4%	85.4%	93.0%	73.9%
All people	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Base – unweighted	732	674	651	518	404	2,979
Base – weighted	344,475	333,960	311,367	245,317	188,206	1,423,324

Source: Labour Force Survey Q4 2007

105 There is a noticeable increase in participation rates between adults whose highest qualifications are at Level 2 and those whose highest qualifications are at Level 3. The increase remains significant, though less so, even if students (who are most likely to be qualified to Level 3) are excluded from the analysis. This increase appears to reflect age, given the high participation rate among 19–24 year olds, the age group most likely to have qualifications at Level 3 but no higher.

106 Participation in learning also reflects economic activity. Participation rates are higher among economically active adults, especially among those in employment, than among adults who are economically inactive. This is particularly true if adults who are economically inactive because they are students are excluded from the analysis. Economically active adults are more likely to have qualifications at Level 2 or above than economically inactive adults.

Participation in job-related training

107 Participation rates in job-related training among economically active adults are higher among those who are more highly qualified than among those who are not so well qualified. Participation is particularly low among those with no formal qualifications.

108 Access to job-related training among economically active adults appears to be uneven. Economically active adults who are more highly qualified appear more likely to have opportunities to access job-related training than those who are less well qualified.

Table 17: Participation rates in job-related training among economically active adults aged 19 to retirement by highest qualification level, North East, 2007

	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All economically active people
Participated in job-related training in last 13 weeks	42.0%	29.4%	22.0%	18.6%	9.6%	27.7%
Has not participated in job-related training in last 13 weeks	58.0%	70.6%	78.0%	81.4%	90.4%	72.3%
All economically active people	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Base – unweighted	652	517	534	397	198	2,298
Base – weighted	307,459	256,047	255,213	186,703	92,389	1,097,811

Source: Labour Force Survey Q4 2007

109 As well as access, take-up of job-related training is also uneven. Employed adults who have been offered training by their employer are more likely to have taken up the offer if they are more highly qualified.

110 This is reflected in occupational analysis. Adults working in higher level occupations, who are most likely to have higher level qualifications, are most likely to be offered opportunities to participate in job-related training, and are also most likely to take up training. Adults in lower level occupations are least likely to be offered training, and to take up training.

Table 18: Access to job-related training among economically active adults aged 19 to retirement by highest qualification level, North East, 2007

	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All economically active people
Job-related training taken up or offered	76.7%	62.5%	60.8%	54.8%	40.9%	62.9%
Job-related training not taken up or offered	23.3%	37.5%	39.2%	45.2%	59.1%	37.1%
All economically active people	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Base – unweighted	654	523	536	397	199	2,308
Base – weighted	308,529	258,978	256,152	186,703	92,979	1,103,341

Source: Labour Force Survey Q4 2007

111 Similarly, adults in full-time work are more likely to be offered training than those in part-time work, and are also more likely to take up training. Full-time employees are more likely to have qualifications at Level 2 or above.

Table 19: Participation in job-related training in the last 13 weeks among employed adults aged 19 to retirement who have been offered training, by highest qualification level, North East, 2007

	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All employed people offered training
Participated in job-related training in last 13 weeks	54.3%	45.5%	35.2%	33.3%	21.6%	43.1%
Has not participated in job-related training in last 13 weeks	45.7%	54.5%	64.8%	66.7%	78.4%	56.9%
All employed people offered training	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Base – unweighted	504	322	321	215	81	1,443
Base – weighted	235,213	158,749	153,662	101,297	37,183	686,104

Source: Labour Force Survey Q4 2007

112 Unfortunately, the available data does not allow us to consider opportunities to participate in learning among economically *inactive* adults. However, it is likely that economically inactive adults have fewer opportunities to take up learning than those who are economically active – not least because they do not have opportunities to participate in training funded or arranged by an employer.

Study towards qualifications

113 Just over half the adults who are currently participating in learning or have recently done so¹⁶ are studying for a qualification. Adults without formal qualifications are not significantly more likely to be studying for qualifications than those who are already qualified. Adults with qualifications below Level 2 are slightly less likely than average to be studying for qualifications.

¹⁶ Defined using our proxy measure.

Table 20: Qualification levels among current or recent learners aged 19 to retirement by current study towards qualifications, North East, 2007

	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All current or recent learners
Currently studying towards a qualification	40.4%	70.6%	51.5%	46.9%	55.2%	53.0%
Not currently studying towards a qualification	59.6%	29.4%	48.5%	53.1%	44.8%	47.0%
All current or recent learners	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Base – unweighted	304	232	126	77	27	765
Base – weighted	142,111	118,484	61,082	35,910	12,735	370,322

Source: Labour Force Survey Q4 2007

114 Unsurprisingly, current or recent learners are least likely to be studying for a qualification if they are already qualified to Level 4 or above. Adult learners are most likely to be studying towards a qualification if they are already qualified to Level 3.

The number of adults qualified to Level 3 who are studying towards a qualification is likely to reflect existing qualification levels among students. If students are excluded from the analysis, however, it remains true that adults who are already qualified to Level 3 are most likely to be studying towards a qualification.

Table 21: Qualification levels among adults aged 19 to retirement who are studying towards a qualification by highest notional level of qualifications studied towards, North East, 2007

Highest notional level of qualification studied towards	Level 4 and above	Level 3	Level 2	Below Level 2	No qualifications	All people studying towards a qualification
Level 4 and above	60.0%	77.7%	31.3%	33.9%	20.7%	59.4%
Level 3	6.7%	7.9%	29.7%	7.0%	14.6%	11.2%
Level 2	11.7%	7.0%	18.6%	35.7%	21.9%	13.2%
Below Level 2	21.6%	7.5%	20.4%	23.4%	42.8%	16.2%
All people studying towards a qualification	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Base – unweighted	118	158	63	36	14	390
Base – weighted	56,531	83,588	31,174	16,751	6,569	194,613

Source: Labour Force Survey Q4 2007

- 115 Adults who are studying for a qualification appear most likely to be studying for a qualification at Level 4 or above¹⁷. This is particularly true of adults who are already qualified to Level 3 but no higher (a reflection of qualification levels among students), and those who are already qualified to Level 4.
- 116 Adults with qualifications at Level 2 but no higher who are studying for a qualification appear to be most likely to be studying for a qualification at Level 3 or Level 4. However, almost one in five appear to be studying for another qualification at Level 2, while a similar proportion appear to be studying for a qualification below Level 2.
- 117 Just over a third of adults with qualifications below Level 2 who are currently studying for a qualification appear to be studying for a qualification at Level 2. A similar proportion appear to be studying for a qualification at Level 4 or above. Very few appear to be studying for a Level 3 qualification. Almost a quarter appear to be studying for another qualification below Level 2.
- 118 Unqualified adults who are studying for a first qualification appear most likely to be studying for a qualification below Level 2. Around one in five appear to be studying for a qualification at Level 2, with a similar proportion studying for a qualification at Level 4 or above. Fewer unqualified adults are studying for a first qualification at Level 3 than at other levels, though unqualified adults appear more likely to be studying for a qualification at Level 3 than adults with qualifications below Level 2. This may be a statistical effect caused by low sample sizes.

The geography of adult qualifications

- 119 Labour Force Survey data is subject to quite large margins of error at small geographies, due to the size of the sample in the survey. Because it is based on a boosted sample, Annual Population Survey data is more reliable – though it remains subject to confidence intervals which can be significant in some areas. District level analysis in particular should be treated with caution.
- 120 Previous analysis based on Census data has suggested that there are close correlations between areas with high levels of deprivation and low qualification levels, low participation in learning and high unemployment among the population¹⁸. Unfortunately, neither Labour Force Survey nor Annual Population Survey data can shed further light on this issue because sample sizes are not large enough to allow analysis at small geographical levels.

¹⁷ Data on the equivalent NVQ levels of the qualifications which adults are studying towards is not available. We have attached notional levels to these qualifications using a methodology which reflects as closely as possible that used to ascertain prior qualifications. However, data on the qualifications which adults are studying towards is not as detailed as data on their current qualifications. The analysis here should therefore be considered indicative.

¹⁸ LSC North East (2007) *North East Regional Strategic Analysis 2007/08*.

CI = Confidence interval

Table 22: Qualification levels among adults aged 19 to retirement by local authority, North East, 2006

Local authority	Base – weighted	Level 4 and above		Level 3		Level 2		Below Level 2		All people %
		%	CI	%	CI	%	CI	%	CI	
Northumberland	174,230	27.5%	2.9%	48.1%	3.2%	71.5%	2.9%	28.5%	2.9%	100.0%
Alnwick	17,422	24.1%	9.4%	49.7%	11.0%	64.7%	10.5%	35.3%	10.5%	100.0%
Berwick-upon-Tweed	13,854	15.2%	8.9%	37.1%	11.9%	60.1%	12.1%	39.9%	12.1%	100.0%
Blyth Valley	48,156	24.3%	5.2%	44.5%	6.0%	69.5%	5.6%	30.5%	5.6%	100.0%
Castle Morpeth	26,458	30.4%	7.5%	53.2%	8.1%	75.8%	6.9%	24.2%	6.9%	100.0%
Tynedale	33,105	41.7%	7.5%	55.1%	7.6%	79.9%	6.1%	20.1%	6.1%	100.0%
Wansbeck	35,235	22.7%	5.8%	46.0%	6.9%	70.8%	6.3%	29.2%	6.3%	100.0%
Tyne & Wear	615,043	24.4%	1.2%	44.5%	1.3%	66.4%	1.3%	33.6%	1.3%	100.0%
Gateshead	109,828	21.1%	2.4%	41.1%	2.9%	64.3%	2.8%	35.7%	2.8%	100.0%
Newcastle upon Tyne	155,323	29.2%	2.6%	52.8%	2.9%	71.4%	2.6%	28.6%	2.6%	100.0%
North Tyneside	109,108	26.7%	2.7%	46.5%	3.1%	68.2%	2.9%	31.8%	2.9%	100.0%
South Tyneside	85,684	22.5%	2.5%	43.5%	3.0%	67.3%	2.8%	32.7%	2.8%	100.0%
Sunderland	155,100	21.1%	2.5%	37.6%	3.0%	61.0%	3.0%	39.0%	3.0%	100.0%
County Durham	276,169	22.8%	2.5%	45.2%	3.0%	68.2%	2.8%	31.8%	2.8%	100.0%
Chester-le-Street	32,151	26.4%	7.6%	49.8%	8.7%	68.6%	8.0%	31.4%	8.0%	100.0%
Derwentside	46,882	22.0%	5.9%	44.8%	7.1%	67.9%	6.7%	32.1%	6.7%	100.0%
Durham	52,918	33.8%	6.4%	53.7%	6.8%	76.6%	5.8%	23.4%	5.8%	100.0%
Easington	50,915	15.6%	5.1%	33.0%	6.6%	64.0%	6.7%	36.0%	6.7%	100.0%
Sedgefield	48,374	17.8%	5.5%	42.6%	7.1%	62.8%	6.9%	37.2%	6.9%	100.0%
Teesdale	12,075	20.4%	12.8%	64.4%	15.2%	83.9%	11.7%	16.1%	11.7%	100.0%
Wear Valley	32,854	21.7%	7.2%	43.1%	8.6%	63.2%	8.4%	36.8%	8.4%	100.0%
Tees Valley	357,967	23.9%	1.2%	46.4%	1.4%	68.3%	1.3%	31.7%	1.3%	100.0%
Hartlepool	50,454	20.1%	2.4%	42.6%	3.0%	64.7%	2.9%	35.3%	2.9%	100.0%
Middlesbrough	74,302	20.7%	2.4%	44.8%	2.9%	67.8%	2.8%	32.2%	2.8%	100.0%
Redcar and Cleveland	76,305	20.9%	2.4%	44.2%	3.0%	66.4%	2.8%	33.6%	2.8%	100.0%
Stockton-on-Tees	102,503	27.3%	2.8%	49.7%	3.2%	71.8%	2.9%	28.2%	2.9%	100.0%
Darlington	276,169	29.5%	2.9%	49.2%	3.2%	68.7%	2.9%	31.3%	2.9%	100.0%
North East	54,403	24.3%	0.8%	45.5%	0.9%	67.8%	0.8%	32.2%	0.8%	100.0%
England	1,423,409	28.9%	0.2%	47.8%	0.3%	68.1%	0.2%	31.9%	0.2%	100.0%

Source: DIUS (2008) *Qualifications and Participation in Learning at a local level: England 2006*
CI = Confidence interval

- 121 A higher proportion of the adult population in Northumberland are qualified to Level 2 or above than the population of other sub-regions in the North East. Numerically, this is significant. Only around 12 per cent of adults in the region live in Northumberland.
- 122 The proportion of the adult population with qualifications at Level 2 or above appears to be higher than the regional and national averages in both Tynedale and Castle Morpeth. In contrast, the proportion of the adult population with qualifications at Level 2 or above appears well below average in Berwick-upon-Tweed, and also below average in Alnwick.
- 123 Similarly, Tynedale and Castle Morpeth also appear to have higher than average proportions of the adult population qualified to Level 3, while the proportion in Berwick appears to be lower than average. In contrast to the picture at Level 2, the proportion of Alnwick's adult population with qualifications at Level 3 appears to be higher than average.
- 124 Fewer adults in Tyne and Wear are qualified to Level 2 than in other sub-regions. Around 43 per cent of adults in the North East live in Tyne and Wear.
- 125 The proportion of the adult population qualified to Level 2 or above in Tyne and Wear districts tends to be close to average. Sunderland, however, has a lower than average proportion of adults qualified to Level 2. Gateshead also appears to have a slightly lower than average proportion of adults with qualifications at this level.
- 126 The proportion of adults with qualifications at Level 3 is well below average in Sunderland, and also appears to be below average in Gateshead. Newcastle has a higher than average proportion of adults qualified to Level 3.
- 127 Qualification levels in County Durham appear to be close to average. Around 20 per cent of adults in the North East live in County Durham.
- 128 The proportion of adults with qualifications at Level 2 appears to be particularly high in Teesdale. The City of Durham also appears to have a higher than average proportion of adults with qualifications at Level 2 or above. In contrast, the proportion of adults with qualifications at this level appears to be below average in Easington and Sedgefield.
- 129 Teesdale and Durham districts also appear to have higher than average proportions of adults with qualifications at Level 3. The proportion of adults qualified to this level also appears to be above average in Chester-le-Street. Sedgefield and Wear Valley, meanwhile, appear to have lower than average proportions of adults qualified to Level 3.
- 130 Like County Durham, qualification levels in Tees Valley also appear to be close to average. Around 25 per cent of adults in the North East live in Tees Valley.
- 131 The proportion of adults qualified to Level 2 or above appears to be above average in Stockton-on-Tees. In contrast, the proportion of adults with qualifications at this level appears to be below average in Hartlepool.

132 Stockton and Darlington each appear to have slightly higher than average proportions of adults with qualifications at Level 3. In contrast, the proportion of adults with qualifications at Level 3 appears to be below average in Hartlepool.

133 Targets relating to adult qualifications are proposed in a number of Local Area Agreements in the region. Targets for Level 2 attainment are proposed for Northumberland, Gateshead, Sunderland, Hartlepool, Middlesbrough, and Redcar and Cleveland. Targets for Level 3 attainment are proposed for Newcastle, South Tyneside, Durham, Hartlepool and Stockton. Gateshead and Darlington also propose targets for attainment at Level 4.

Paper creator	Andrew Rowell
Date created	10 March 2008
Publication no.	LSC-P-NER-080008