



Department
for Environment
Food & Rural Affairs

Statistical Digest of Rural England

Economic Activity

This document is part of the larger compendium publication the [Statistical Digest of Rural England](#), a collection of rural statistics on a wide range of social and economic government policy areas.

The Statistical Digest of Rural England is an official statistics publication meaning these statistics have been produced to the high professional standards set out in the Code of Practice for Official Statistics.

More information on the Official Statistics Code of Practice can be found on the [Code of Practice web pages](#).

These statistics allow comparisons between the different rural and urban area classifications. The Rural-Urban Classification is used to distinguish rural and urban areas. The Classification defines areas as rural if they fall outside of settlements with more than 10,000 resident population.

More information on the Rural-Urban Classification can be found on the [Rural-Urban Classification web pages](#).

Any enquiries regarding this publication should be sent to us at:

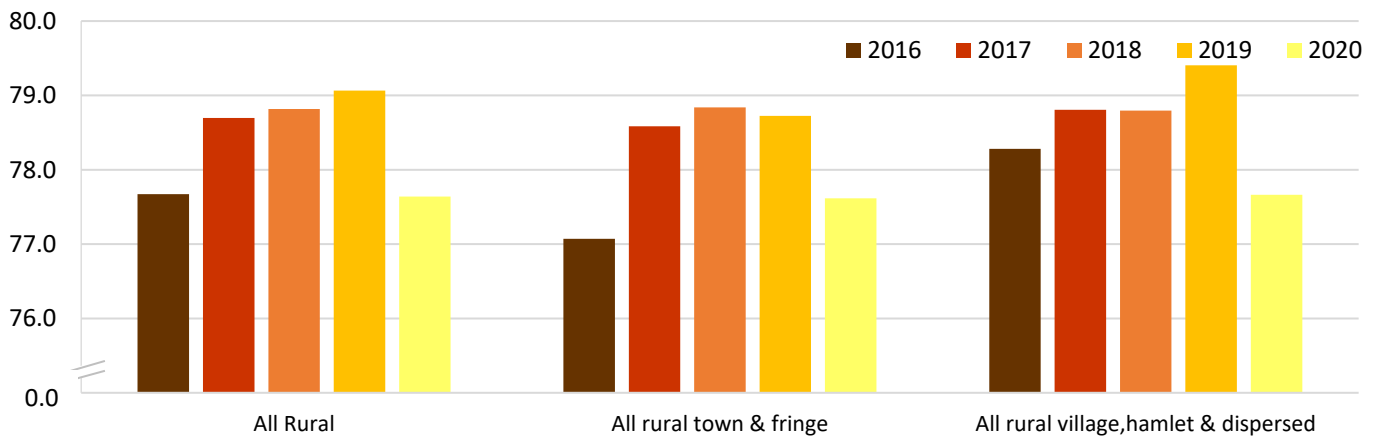
rural.statistics@defra.gov.uk

Last updated: 25th November 2021

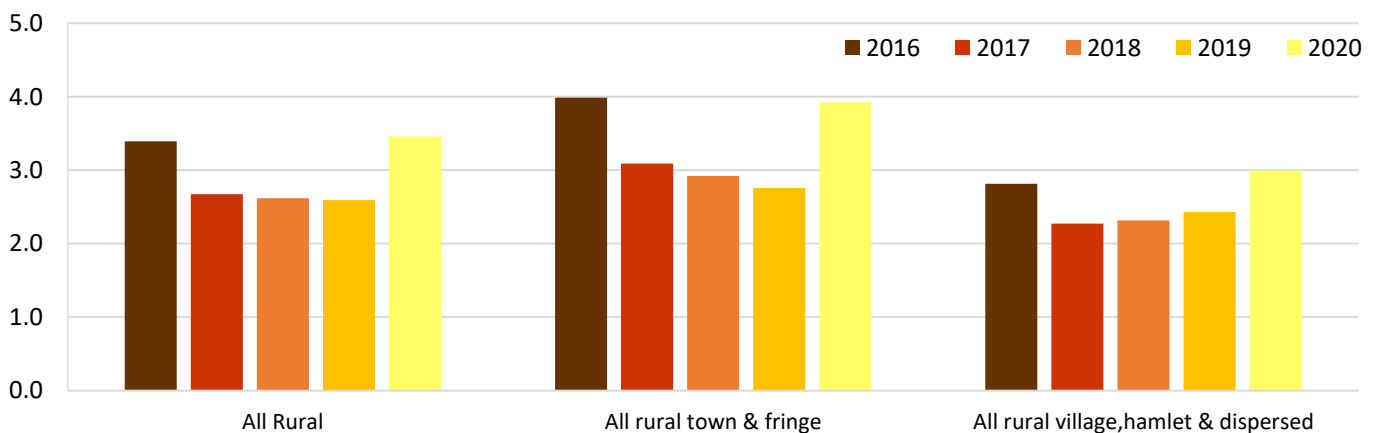
Employment

- **Employment:** The percentage of working age people in employment (employment rate) in 2020 was 75 per cent in urban settlements and 78 per cent in rural settlements. This employment rate is based on where people live and not where they work. People living in rural settlements may travel to work in larger urban settlements and vice versa for urban residents.
- **Unemployment:** The percentage of economically active people age 16 and over who were unemployed (unemployment rate) in 2020 was 5.0 per cent in urban settlements and 3.5 per cent in rural settlements.
- **Economic inactivity:** The percentage of working age people who are not available for work or not seeking work (economic inactivity rate) in 2020 was 21 per cent in urban settlements and 19 per cent in rural settlements.

Employment as a percentage of working age population (age 16 to 64 years), in rural areas of England, 2016 to 2020

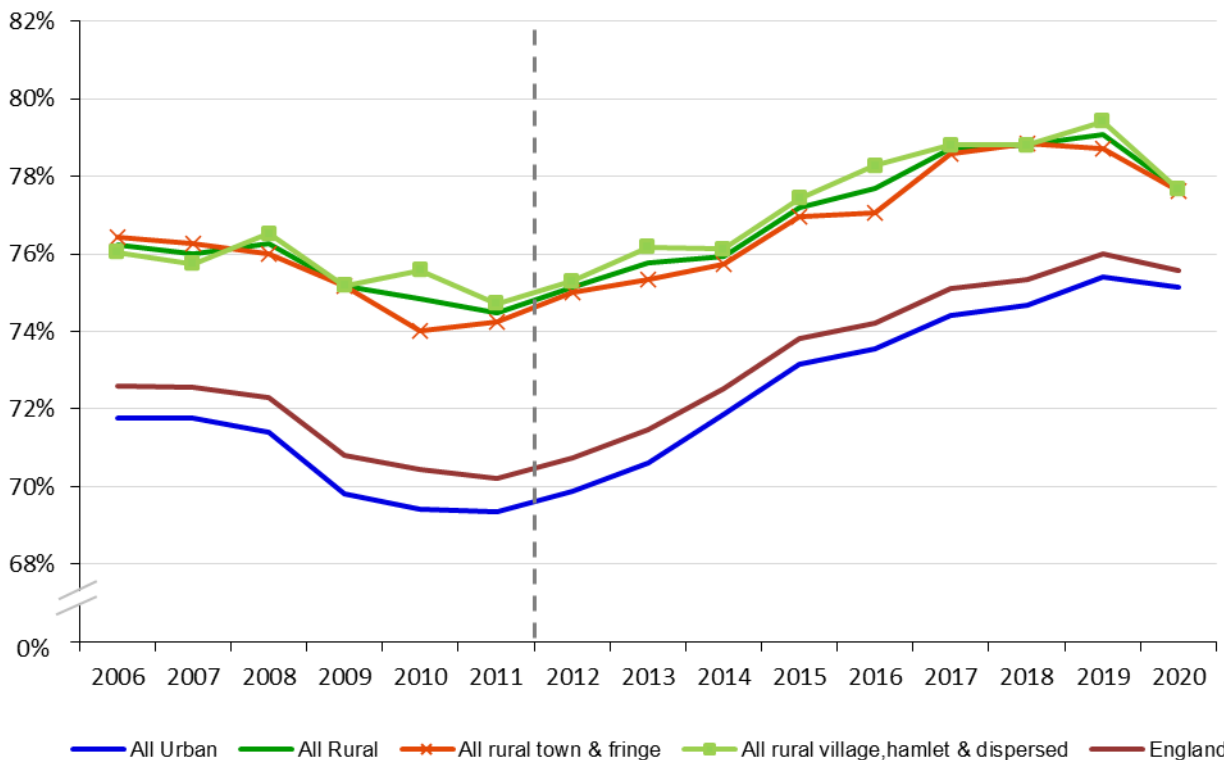


Unemployment as a percentage of economically active age 16 and over (age 16+), in rural areas of England, 2016 to 2020



Employment rate

Employment as a percentage of working age population (age 16 to 64 years), by rural-urban classification in England, 2006 to 2020

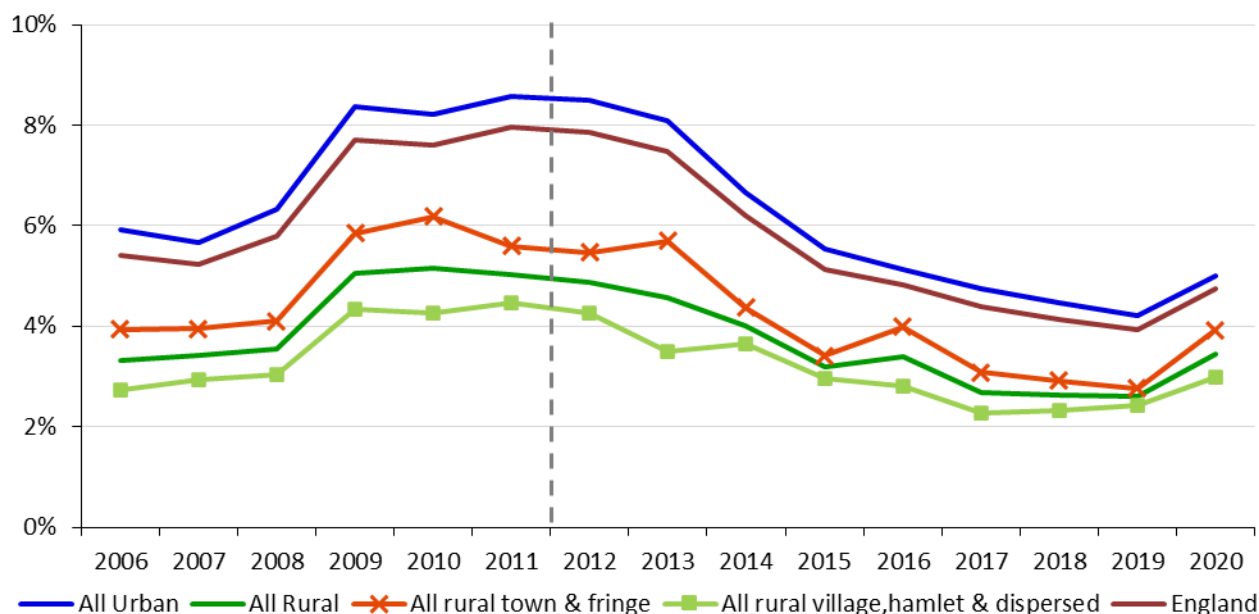


Note: The RUC01 has been applied to all data up to and including 2010. From 2011 onwards the RUC11 has been applied. See note 2.

- The employment rate in 2020 was higher in all types of rural areas compared with urban areas (in a non-sparse setting) with an average employment rate of 77.6 per cent for rural areas.
- The overall employment rate for the working age population in England had steadily increased year-on-year since 2011 until 2020 when rates fell, likely as a result of Covid-19 and the national lockdown. Between 2019 and 2020 employment rates fell by 1.4 percentage points in rural areas and 0.2 percentage points in urban areas.
- The latest England employment rate for **July to September 2021** was 75.8 per cent, up 0.4 percentage points from **April to June 2021** and up 0.3 percentage points on a year earlier^{1a}. It is not yet possible to analyse these later figures in terms of settlement type.
- The most recent figure available for rural employment is 77.2 per cent for **April to June 2021**.^{1b}
- A table of employment rates broken down by rural-urban classification covering 2011 to 2020 is available in the [rural economy supplementary data tables](#).

Unemployment rate

Unemployment as a percentage of economically active age 16 and over (age 16+), by rural-urban classification, in England, 2006 to 2020

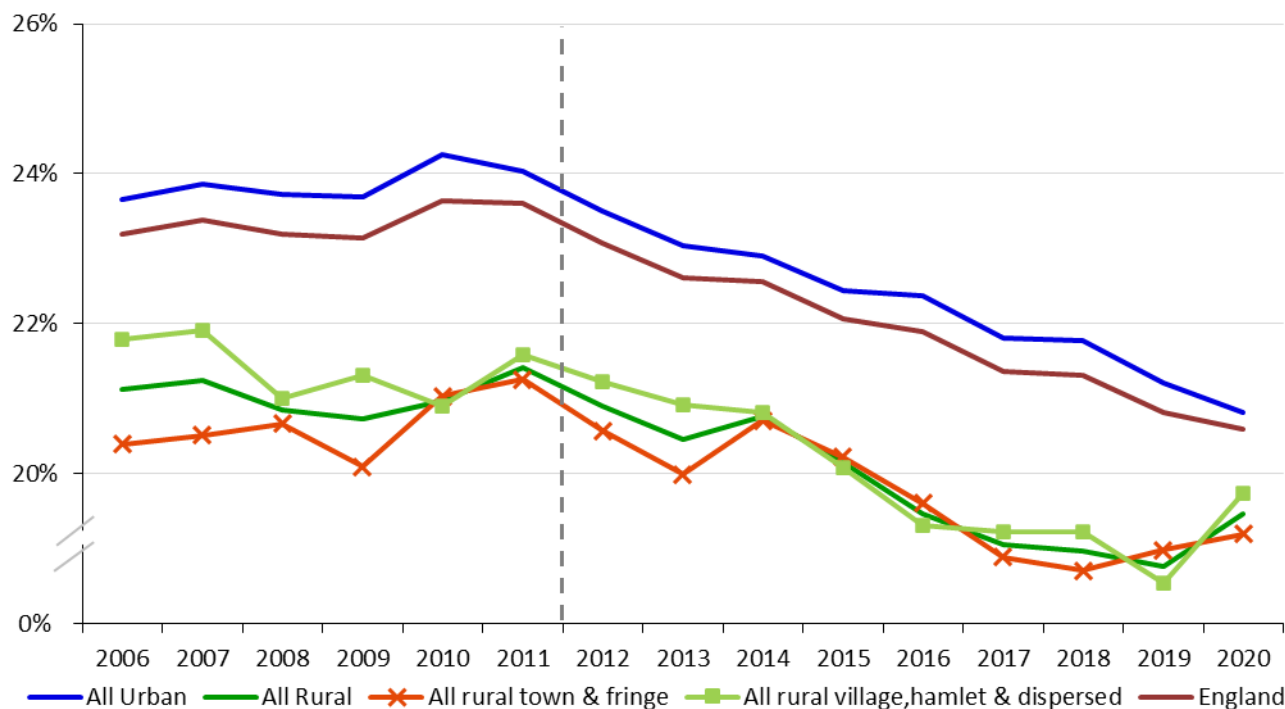


Note: The RUC01 has been applied to all data up to and including 2010. From 2011 onwards the RUC11 has been applied. See note 2.

- In 2020, the average unemployment rate in rural areas was 3.5 per cent.
- Between 2011 and 2019 the unemployment rate in rural areas had almost halved, falling from 5.0 per cent to 2.6 per cent. This trend reversed in 2020 when rates in rural areas increased by 0.9 percentage points to 3.5 per cent, likely as a result of Covid-19 and the national lockdown.
- In 2020, the average unemployment rate in urban areas was 5.0 per cent, which is 1.5 percentage points higher than the average rural unemployment rate.
- The latest England unemployment rate for **July to September 2021** was 4.3 per cent, down 0.5 percentage points on **April to June 2021** and down 0.6 percentage points on a year earlier^{1a}. It is not yet possible to analyse these more recent figures in terms of detailed settlement type.
- The most recent figure available for rural unemployment is 2.9 per cent for **April to June 2021**.^{1b}
- A table of unemployment rates broken down by rural-urban classification covering 2011 to 2020 is available in the [rural economy supplementary data tables](#).

Economic inactivity

Percentage of working age population (16 to 64 years) who are economically inactive, by rural-urban classification in England, 2006 to 2020



Note: The RUC01 has been applied to all data up to and including 2010. From 2011 onwards the RUC11 has been applied. See note 2.

- People who are economically inactive are not available for work or not seeking work and will include students, retirees and those unable to work due to sickness or disability. People who are officially unemployed are considered to be economically active.
- In 2020, the rate of economic inactivity in rural areas was 19.5 per cent of working age people, 1.3 percentage points lower than the rate of 20.8 per cent in urban areas. Within rural areas, the percentage of economic inactivity was highest in rural in a sparse setting at 21.6 per cent of the working age population.
- The latest England inactivity rate for **July to September 2021** was 20.8 per cent, no change on **April to June 2021** and up 0.2 percentage points on a year earlier^{1a}. It is not yet possible to analyse these later figures in terms of settlement type.
- The most recent figure available for rural economic inactivity is 40.0 per cent for **April to June 2021**.^{1b}
- A table of economic inactivity rates broken down by rural-urban classification covering 2011 to 2020 is available in the [rural economy supplementary data tables](#).

Notes: 1a) ONS Labour Market Statistics September 2020, see table 22 of the dataset:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/summaryoflabourmarketstatistics>

1b) Labour Force Survey, Q2 2021 (April – June 2021)

2) The RUC01 has been applied to all data up to and including 2010. From 2011 onwards the RUC11 has been applied. Although a key difference between the 2001 and 2011 version of the classification is that a distinction between major conurbations, lesser conurbations and other urban areas has been introduced, the urban categories are comparable in concept. Similarly, the rural 2001 and 2011 categories are comparable in concept. However, the classification of a settlement may have changed between 2001 and 2011 owing to changes in population and settlement pattern.

3) In 2009 and before, working age was defined as 16-64 for males and 16-59 for females. In September 2010 the definition for working age was altered to be 16-64 for both males and females. The statistics shown here have been adjusted to this new definition for all years shown.

4) Unemployment rate is expressed as a percentage of the economically active 'age 16 and over' population, this is a departure from previous analyses and is consistent with ONS Labour Market Statistics. The employment rate and economically inactive rate are expressed as a percentage of the entire working age population. Therefore, the rates should not be expected to sum to 100%.

Source: Office for National Statistics, Annual Business Inquiry via abi2@ons.gov.uk