



Department
for Work &
Pensions

Labour market status by ethnic group

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Summary

New population estimates based on the 2011 Census of Population have recently been used by the Office for National Statistics (ONS) to produce updated Labour Force Survey data and labour market statistics. This re-weighting affects all data from 2001 onwards.

This publication updates a previous DWP statistical release on Labour Market Status by Ethnic Group from June 2014 on the basis of the re-weighted Labour Force Survey data. It contains data for the same time periods and breakdowns as before. Overall the re-weighting tends to increase population numbers, but only makes relatively small differences to rates of employment, unemployment and inactivity. Examples of how this re-weighting has affected household population estimates for 2013 are shown below.

- The new re-weighted figures estimate the ethnic minority population of Great Britain (aged 16+) at 5,594,000. This is up 160,000 from the previous estimate.
- The new re-weighted figures estimate the total population of Great Britain (aged 16+) at 49,879,000. This is up 380,000 from the previous estimate.

The link below provides more information on the re-weighting. Further information can also be found in the methodology section.

<http://www.ons.gov.uk/ons/rel/lms/revisions-to-labour-force-survey-estimates-due-to-re-weighting-to-the-census-2011-population/article/index.html>

As before, this publication provides historical data on the labour market status of the population aged 16 and over from 1993-2013 in Great Britain, broken down by ethnic group, gender and age. Further breakdown by full-time education status is also provided for those aged 16-24. In addition, employment figures by sector and ethnicity are also provided from 2009-2013.

Key Figures for 2013

	Ethnic minorities	Overall population
Employment rate (16-64)	59.8%	71.7%
Unemployment rate (16+)	13.7%	7.6%
Inactivity rate (16-64)	30.7%	22.3%

The employment rate gap between ethnic minorities and the overall population in 2013 stood at 11.9 percentage points. This is lower than the employment rate gap of 15.2 percentage points seen 10 years ago, but is up from 11.0 percentage points in 2010. Large differences can be seen in the labour market status of different ethnic groups.

The pattern of ethnic minority employment by sector broadly follows that for the GB population as a whole. However, ethnic minority groups appear disproportionately more likely to be employed in sectors relating to accommodation and food services; wholesale and retail trade; transportation and storage and human health and social work activities. They are less likely to be employed in the manufacturing, construction sectors and education sectors.

Background

This publication is based on Labour Force Survey (LFS) data that is released quarterly. The LFS is a survey of households living at private addresses in the UK, conducted by the Office for National Statistics (ONS). It provides information on the UK labour market which can then be used to develop, manage, evaluate and report on labour market policies. Further details can be found at the following link:

<http://www.ons.gov.uk/ons/guide-method/surveys/respondents/household/labour-force-survey/index.html>

Definitions:

Employed: These are people who are in paid work (as an employee or self-employed); those who have a job that they are temporarily away from; some participants on government-supported training and employment programmes; and those doing unpaid family work. Employed people are classed as economically active.

ILO unemployed: These are people who are jobless, have been actively seeking work in the past four weeks and are available to start work in the next two weeks; or are out of work, but have found a job and are waiting to start it in the next two weeks. This definition of unemployment is the one laid down by the International Labour Organisation and is used in regular published UK statistics. Unemployed people are classed as economically active.

Economically inactive: These are people without a job who have not actively sought work in the last four weeks and/or are not available to start working in the next two weeks. Someone in full-time education will normally be classified as economically inactive if they are not in paid work, but if they are looking for and are available for work then they will be classified as unemployed and hence economically active.

Full-time education (FTE): FTE is defined as those who are either (1) at school (full-time), (2) on a sandwich course or (3) in full time university or college education.

Methodology

The data shows figures for the labour market status of people aged 16 and over, covering annual averages between 1993 and 2013 (excluding 2001). The data is all drawn from the Labour Force Survey and broken down by ethnic group, as reported by survey respondents. All data is for Great Britain and has not been seasonally adjusted.

Results derived from a low number of responses are more likely to be affected by statistical variation, so observed changes might not reflect real differences. As such, caution is needed when interpreting short-term trends in the data especially for sub groups (for example, a particular ethnicity, age group and gender). Any values based on fewer than five responses have been completely suppressed. Values based on 5-10 responses are shown, but marked by an asterisk (*). These should be used with particular caution.

Labour Force Survey (LFS) re-weighting

The LFS is a UK household sample survey which collects information from approximately 45,000 households each quarter. Since those responses reflect only a sample (around 1 in 650) of the total population, they are weighted (scaled-up) on the basis of subnational population totals by age and sex to give estimates for the entire UK household population.

New population estimates based on the 2011 Census of Population were used by the Office for National Statistics to produce updated LFS data and labour market statistics. These re-weighted figures were available from October 2014.

The link below provides more information on the re-weighting:

<http://www.ons.gov.uk/ons/rel/lms/revisions-to-labour-force-survey-estimates-due-to-re-weighting-to-the-census-2011-population/article/index.html>

Changes in ethnicity recording

In spring 2001 and January/April 2011, the ethnicity questions used by the Labour Force Survey were updated in line with the Census. These changes resulted in a discontinuity in the number of people reporting that they belonged to a particular ethnic minority group. Due to this discontinuity in the recording of ethnicity, the results should be interpreted with caution and it is not recommended to make direct comparisons across the affected time periods.

Additionally, in March 2001, there was a break in the recording of ethnicity before the introduction of a new ethnicity variable in April 2001. This has a substantial impact on ethnicity figures for 2001 as a whole, and for this reason, no data for 2001 is presented.

Labour market status by ethnic group

The links below provide further details on changes to the ethnicity classification in the Labour Force Survey:

<http://www.ons.gov.uk/ons/rel/lms/labour-market-trends--discontinued-/volume-110--no--12/the-new-ethnicity-classification-in-the-labour-force-survey.pdf>

<http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/subnational-labour/changes-made-to-ethnicity-questions-on-the-lfs-during-2011-and-effect-on-aps.pdf>

<http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/labour-market-statistics/volume-3---2011.pdf>

More detailed notes are provided in the *Notes* section of the accompanying Excel workbooks.

Results

Historical record of labour market status by ethnic group (1993-2013)

Within each worksheet, the following figures are reported:

- The number of people who were employed, unemployed or inactive;
- Total population;
- Employment rate, inactivity rate and ILO unemployment rate. ILO unemployment rate is calculated as the proportion of the economically active (employed and unemployed) population who are unemployed;
- The proportion of the population who are unemployed.

In addition, the worksheets covering those aged 16-24 contain the following information:

- Employment, unemployment, inactivity and population levels for both those in Full Time Education (FTE) and those not in FTE;
- The employment, unemployment and inactivity rates for people not in FTE;
- The proportion of the total population aged 16-24 who are unemployed and not in FTE and the proportion who are inactive and not in FTE;
- The proportion of the population aged 16-24 in either FTE or employment.

This data is included only for those aged 16-24 due to the relatively high proportions of people in full-time education which influences the labour market statistics. The proportion of other groups in full-time education is much smaller and therefore is not shown in this publication.

Labour market status by ethnic group

Employment by sector and ethnic group (2009-2013)

Each worksheet shows employment figures broken down by ethnic group and sector of employment.

Within each worksheet, the following figures are reported:

- The number of people from each ethnic group employed in each sector;
- Sectors as a proportion of ethnic group employment;
- Ethnic groups as a proportion of sector employment.

Future Release Plans

An update will be provided annually each spring with data for the previous calendar year. We continue to accept views on the content to be included in future publications.

Contacts

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Media Enquiries: 0203 267 5129

Out of hours: 0203 267 5144

Website: <https://www.gov.uk>

Follow us on Twitter: www.twitter.com/dwppressoffice

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