

Article

UK and non-UK people in the labour market: August 2017

Estimates of labour market activity by nationality and country of birth.



Release date: 16 August 2017

Next release: 15 November 2017

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1. Introduction

This article presents an analysis of the number of UK and non-UK people, by both nationality and country of birth, who were employed, unemployed and economically inactive in the UK. The estimates are sourced from the Labour Force Survey, the largest household survey in the UK. Estimates are available back to 1997. This article will be published four times a year in February, May, August and November.

2. Things you need to know about these statistics

These estimates, derived from the Labour Force Survey, are a measure of the number of people who were employed, unemployed and economically inactive in the UK. They do not provide a measure of migration flows and, consequently, net changes in the number of non-UK workers in the UK cannot be directly compared with long-term net migration. Migration statistics are published separately from this release in the Migration Statistics Quarterly Report.

Changes in the series show net changes in the number of people. For example, changes in the employment series show net changes in the number of people in work (the number of people entering employment minus the number of people leaving employment). The number of people entering or leaving employment is larger than the net changes. The employment estimates therefore do not relate to "new jobs" and cannot be used to estimate the proportion of new jobs that have been filled by UK and non-UK workers. It should also be noted that the estimates of the number of people in work differ from the number of jobs because some people have more than one job.

The estimates are not seasonally adjusted and it is therefore best practice to compare the estimates for April to June 2017 with those for a year earlier rather than with those for January to March 2017.

The estimates for the number of people in employment and the number of unemployed people are for those aged 16 and over but the estimates for the number of economically inactive people are for those aged from 16 to 64 years. You cannot therefore sum the employment, unemployment and economic inactivity estimates to obtain household population estimates for those aged 16 and over. Population estimates by nationality and country of birth are published separately in the Population Survey. based on the Annual Population Survey.

Nationality refers to the nationality stated by the Labour Force Survey respondent when they were interviewed and can be subject to change; for example, some people come to the UK as non-UK nationals and later obtain British citizenship. Country of birth refers to the country that a person was born in and cannot change.

The estimates for EU nationals and for people born in the EU, since the start of the time series in 1997, are based on the current membership of the EU; for example, Poland is included in the EU series back to 1997 although Poland did not join the EU until 2004. Since the start of the time series in 1997, the following countries have joined the EU:

- Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia joined on 1 May 2004
- Bulgaria and Romania joined on 1 January 2007
- Croatia joined on 1 July 2013

3. Where to find the data

Estimates for employment, unemployment and economic inactivity for UK and non-UK workers are available at Dataset A12. A more detailed country breakdown for employment for UK and non-UK workers is available at Dataset EMP06.

4. Accuracy of the statistics

These estimates come from the Labour Force Survey (a survey of households). Surveys gather information from a sample rather than from the whole population. The sample is designed to allow for this, and to be as accurate as possible given practical limitations such as time and cost constraints, but results from sample surveys are always estimates, not precise figures. This means that they are subject to some uncertainty. This can have an effect on how changes in the estimates should be interpreted, especially for short-term comparisons. Further information is available in the Quality and methodology section of the UK Labour Market Statistical Bulletin. Sampling variability information for estimates of UK and non-UK people in the labour market are available at Dataset A11.

In general, changes in the numbers (and especially the rates) reported in this article between 3-month periods are small and are not usually greater than the level that is explainable by sampling variability. In practice, this means that small, short-term movements in reported rates (for example, within plus or minus 0.3 percentage points) should be treated as indicative and considered alongside medium and long-term patterns in the series to give a fuller picture.

5. Employment by nationality

Looking at the employment estimates by nationality, between April to June 2016 and April to June 2017:

- UK nationals working in the UK increased by 236,000 to 28.43 million
- non-UK nationals working in the UK increased by 109,000 to 3.56 million

Looking at changes in non-UK nationals working in the UK from January to March 1997 (when comparable records began) to April to June 2017:

- the number of non-UK nationals working in the UK increased from 928,000 to 3.56 million
- the proportion of all people working in the UK accounted for by non-UK nationals increased from 3.5% to 11.1%
- this increase in non-UK nationals working in the UK reflects the admission of several new member states to the EU, particularly the accession of Poland and some other East European countries in 2004

Looking in more detail at non-UK nationals working in the UK, between April to June 2016 and April to June 2017:

- non-UK nationals from the EU working in the UK increased by 126,000 to 2.37 million
- non-UK nationals from outside the EU working in the UK fell by 18,000 to 1.20 million

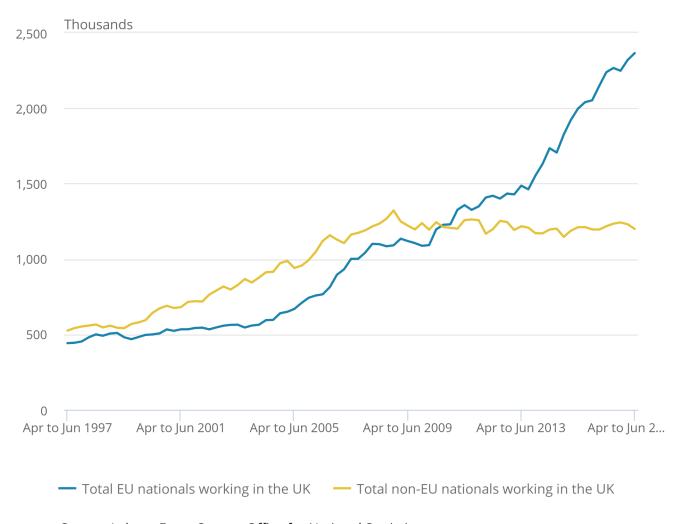
Figure 1 shows the number of non-UK nationals from EU and non-EU countries working in the UK from April to June 1997 to April to June 2017.

Figure 1: Non-UK nationals working in the UK, not seasonally adjusted

April to June 1997 to April to June 2017

Figure 1: Non-UK nationals working in the UK, not seasonally adjusted

April to June 1997 to April to June 2017



Source: Labour Force Survey: Office for National Statistics

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- 1. The EU series are based on the current membership of the EU; for example, Poland is included in the EU series throughout the entire time series back to 1997, although Poland did not join the EU until 2004.
- 2. Since 1997, an additional 13 countries have joined the EU; see "Things you need to know about these statistics" for details.

As shown in Figure 1, since January to March 2009, the number of non-UK nationals from outside the EU working in the UK has been broadly flat but the number of non-UK nationals from EU countries working in the UK has continued to increase.

Looking at employment rates for those aged from 16 to 64 years by nationality for April to June 2017:

- for UK nationals the employment rate was 75.3%, up from 74.6% for a year earlier
- for EU nationals the employment rate was 80.8%, up from 78.4% for a year earlier
- for non-EU nationals the employment rate was 60.9%, down from 63.1% for a year earlier

6. Unemployment by nationality

Looking at the unemployment estimates by nationality, for April to June 2017:

- there were 1.26 million unemployed UK nationals, 153,000 fewer than for a year earlier
- there were 100,000 unemployed EU nationals, little changed compared with a year earlier
- there were 100,000 unemployed non-EU nationals, little changed compared with a year earlier

Unemployment rates are the proportion of the economically active population (those in work plus those seeking and available to work) aged 16 and over for the relevant population group who are unemployed.

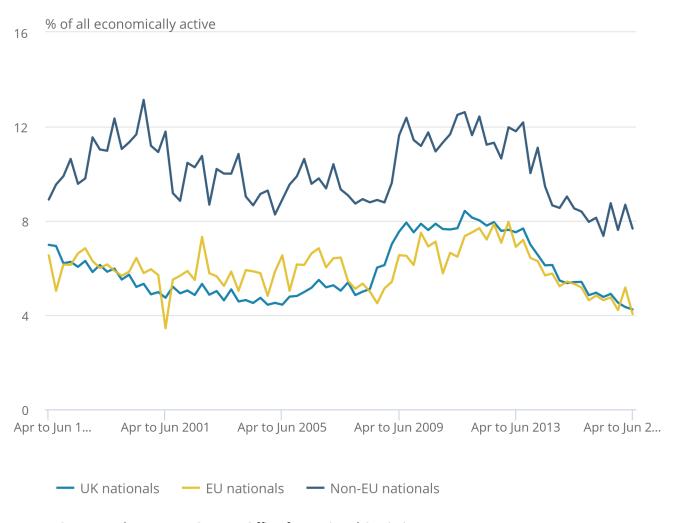
Looking at unemployment rates by nationality, for April to June 2017:

- the unemployment rate for UK nationals was 4.2%, down from 4.8% for a year earlier
- the unemployment rate for EU nationals was 4.0%, down from 4.6% for a year earlier
- the unemployment rate for non-EU nationals was 7.7%, up from 7.4% for a year earlier

Figure 2: Unemployment rates for UK and non-UK nationals, not seasonally adjusted

Figure 2: Unemployment rates for UK and non-UK nationals, not seasonally adjusted

April to June 1997 to April to June 2017



Source: Labour Force Survey: Office for National Statistics

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- 2. Since 1997, an additional 13 countries have joined the EU; see "Things you need to know about these statistics" for details.

7 . Economic inactivity (for those aged from 16 to 64 years) by nationality

Looking at the estimates for economic inactivity by nationality for people aged from 16 to 64 years, for April to June 2017:

- there were 7.73 million economically inactive UK nationals (of which 2.02 million were students), 95,000 fewer than for a year earlier
- there were 457,000 economically inactive EU nationals (of which 169,000 were students), 44,000 fewer than for a year earlier
- there were 661,000 economically inactive non-EU nationals (of which 235,000 were students), 56,000 more than for a year earlier

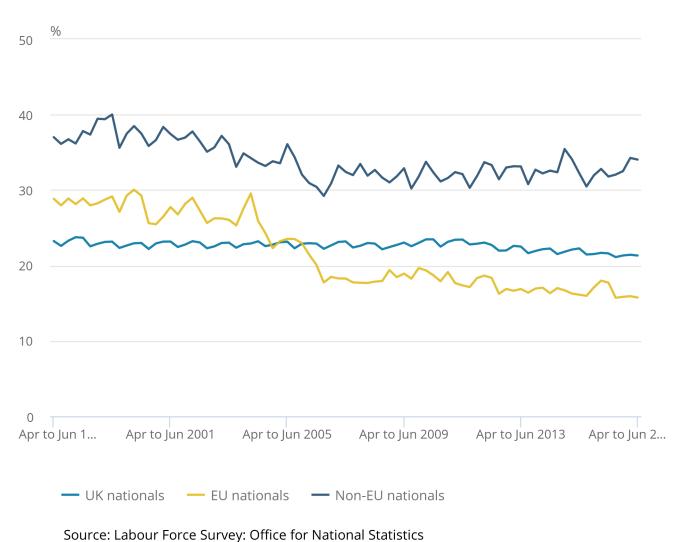
Looking at economic inactivity rates by nationality for people aged from 16 to 64 years, for April to June 2017:

- the economic inactivity rate for UK nationals was 21.3%, down from 21.6% for a year earlier
- the economic inactivity rate for EU nationals was 15.7%, down from 17.7% for a year earlier
- the economic inactivity rate for non-EU nationals was 34.0%, up from 31.8% for a year earlier

Figure 3: Economic inactivity rates for UK and non-UK nationals aged from 16 to 64 years, not seasonally adjusted

Figure 3: Economic inactivity rates for UK and non-UK nationals aged from 16 to 64 years, not seasonally adjusted

April to June 1997 to April to June 2017



Source, Labour Force Survey. Office for National Statistics

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8. Employment by country of birth

For April to June 2017, there were 5.68 million people born abroad working in the UK, but the number of non-UK nationals working in the UK was much lower at 3.56 million. This is because the estimates for people born abroad working in the UK include many UK nationals.

Looking at the employment estimates by country of birth between April to June 2016 and April to June 2017:

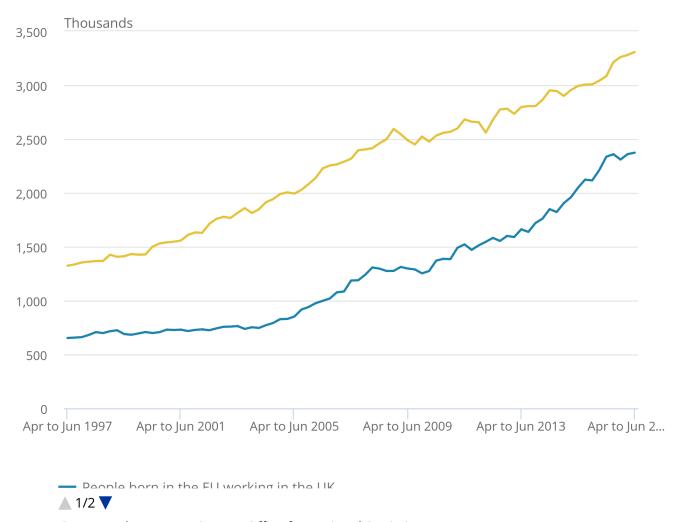
- UK born people working in the UK increased by 88,000 to 26.31 million
- non-UK born people working in the UK increased by 262,000 to 5.68 million

Figure 4 shows the number of people born in EU countries and people born in non-EU countries working in the UK from April to June 1997 to April to June 2017.

Figure 4: Non-UK born people working in the UK, not seasonally adjusted

Figure 4: Non-UK born people working in the UK, not seasonally adjusted

April to June 1997 to April to June 2017



Source: Labour Force Survey: Office for National Statistics

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Notes:

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- 2. Since 1997, an additional 13 countries have joined the EU; see "Things you need to know about these statistics" for details.

Looking at employment rates for those aged from 16 to 64 years by country of birth for April to June 2017:

- for people born in the UK the employment rate was 75.5%, up from 74.8% for a year earlier
- for people born in the EU the employment rate was 80.6%, up from 79.4% for a year earlier
- for people born outside the EU the employment rate was 67.7%, up from 67.5% for a year earlier

9. Unemployment by country of birth

Looking at the unemployment estimates by country of birth, for April to June 2017:

- there were 1.14 million unemployed UK born people, 157,000 fewer than for a year earlier
- there were 98,000 unemployed people born in the EU, little changed compared with a year earlier
- there were 219,000 unemployed people born outside the EU, little changed compared with a year earlier

Unemployment rates are the proportion of the economically active population (those in work plus those seeking and available to work) for those aged 16 and over for the relevant population group who are unemployed.

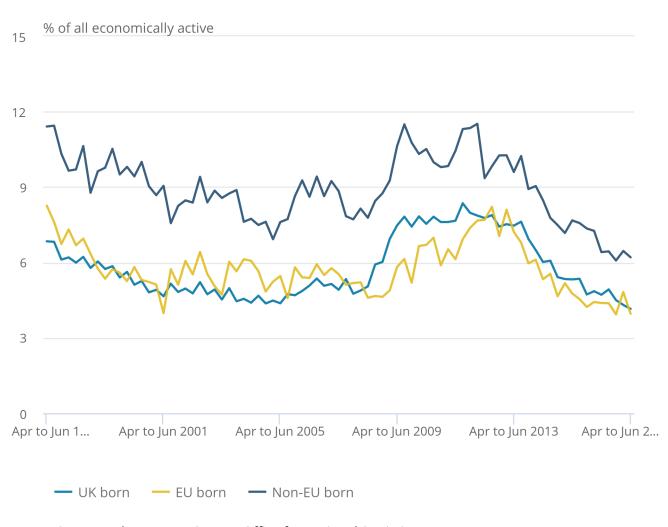
Looking at unemployment rates by country of birth, for April to June 2017:

- the unemployment rate for people born in the UK was 4.2%, down from 4.7% for a year earlier
- the unemployment rate for people born in the EU was 4.0%, down from 4.4% for a year earlier
- the unemployment rate for people born outside the EU was 6.2%, down from 6.4% for a year earlier

Figure 5: Unemployment rates for UK born and non-UK born people, not seasonally adjusted

Figure 5: Unemployment rates for UK born and non-UK born people, not seasonally adjusted

April to June 1997 to April to June 2017



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- 2. Since 1997, an additional 13 countries have joined the EU; see "Things you need to know about these statistics" for details.

10 . Economic inactivity (for those aged 16 to 64 years) by country of birth

Looking at the economic inactivity estimates by country of birth for people aged from 16 to 64 years for April to June 2017:

- there were 7.06 million economically inactive UK born people (of which 1.88 million were students), 143,000 fewer than for a year earlier
- there were 470,000 economically inactive EU born people (of which 167,000 were students), 22,000 fewer than for a year earlier
- there were 1.32 million economically inactive non-EU born people (of which 383,000 were students), 82,000 more than for a year earlier

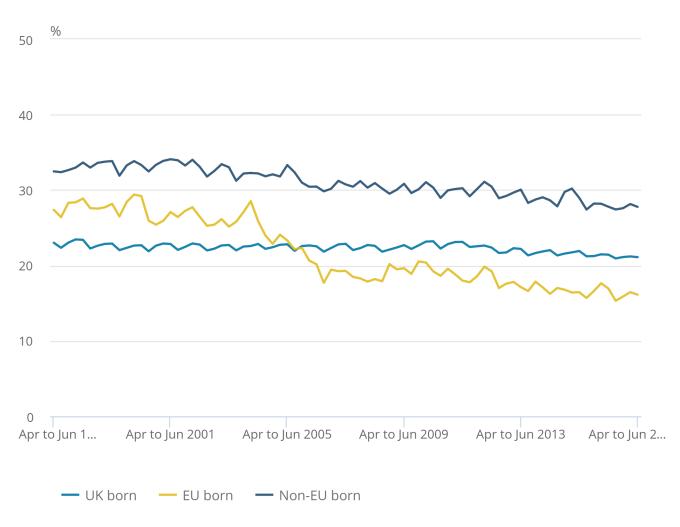
Looking at economic inactivity rates by country of birth for people aged from 16 to 64 years, for April to June 2017:

- the economic inactivity rate for UK born people was 21.1%, down from 21.4% for a year earlier
- the economic inactivity rate for EU born people was 16.1%, down from 16.9% for a year earlier
- the economic activity rate for non-EU born people was 27.8%, unchanged compared with a year earlier

Figure 6: Economic inactivity rates for those aged 16 to 64 years for UK born and non-UK born people, not seasonally adjusted

Figure 6: Economic inactivity rates for those aged 16 to 64 years for UK born and non-UK born people, not seasonally adjusted

April to June 1997 to April to June 2017



Source: Labour Force Survey: Office for National Statistics

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11. Quality and methodology information

The <u>Labour Force Survey Quality and Methodology Information report</u> is available on our website. <u>Performance and quality monitoring reports</u> for the Labour Force Survey are also available.

12. Links to related statistics

The <u>UK Labour Market Statistical Bulletin</u> is published every month.

The Migration Statistics Quarterly Report is published four times a year.

The Population of the UK by Country of Birth and Nationality release is published annually.

An article on International immigration and the labour market was published on 12 April 2017.