

Article

2011 Census: Labour Market participation in England and Wales - Local Area analysis

Using information from the 2011 Census, this report focuses on the Labour market characteristics of the usually resident population. Its aim is to give extra information each month using the Labour Force Survey (LFS).



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1. Main points

- Among the 45.5 million usual residents in England and Wales, aged 16 and over in March 2011, 26.7 million were in employment, 2.1 million were unemployed and 16.7 million were economically inactive
- Across the local authorities of England and Wales, the Isles of Scilly had the highest employment rate (89.4%) and lowest unemployment rate (1.5%) and inactivity rates (9.1%). Tourism is a major part of its economy along with farming and agriculture. Most businesses tend to be small and family run and therefore most people are working
- Middlesbrough was the local authority with the highest unemployment rate for those aged 16 and over at almost double the average for England and Wales as a whole. It is an area impacted by the decline of several industries over the past 50 years
- Nottingham had the highest inactivity rate (34.6%) among local authorities across England and Wales. The next two highest inactivity rates were in Oxford (33.7%) and Cambridge (33.1%). All three areas contain a higher than average concentration of students

2. Data

Detailed Characteristics for labour market for MSOAs and wards can be found on the [Nomis website](#).

3. Introduction

This report focuses on the labour market characteristics of the usually resident ¹ population in England and Wales using information from the 2011 Census.

The strength of the Census is that it includes information on the whole population and so it is possible to look at the labour market characteristics for smaller areas than using the Labour Force Survey (LFS) or the Annual Population Survey (APS), which are sample surveys. Therefore this report will give an overview of some statistics for England and Wales before going into more detail for local areas.

This report aims to supplement information that is published monthly by ONS using the LFS which gives an updated picture of the labour market. The LFS is the best source for looking at trends within the labour market as the survey asks a number of questions, using an interviewer, to establish the employment status of individuals. In December 2012 ONS published a paper explaining some of the [differences between the 2011 Census and the LFS](#). These include;

- The Census is based on self-reporting and individuals had to use written guidance when responding to questions. With the LFS a wide range of questions are asked face-to-face or over the telephone.
- The Census includes communal establishments but the LFS is mainly based on the household population with a small number of communal establishments covered.

In December 2012 ONS released a [statistical bulletin](#) detailing several economic activity and inactivity characteristics of the population based on the initial set of census data which used the age band of 16 to 74 to remain consistent with the 2001 Census. This report looks at those aged 16 to 64 and 16 and over which is consistent with other ONS labour market outputs. Additionally, in the earlier release students were placed in a separate category; 'economically active students', again to maintain consistency with the 2001 Census. For this report, students are included within total employment or unemployment where applicable.

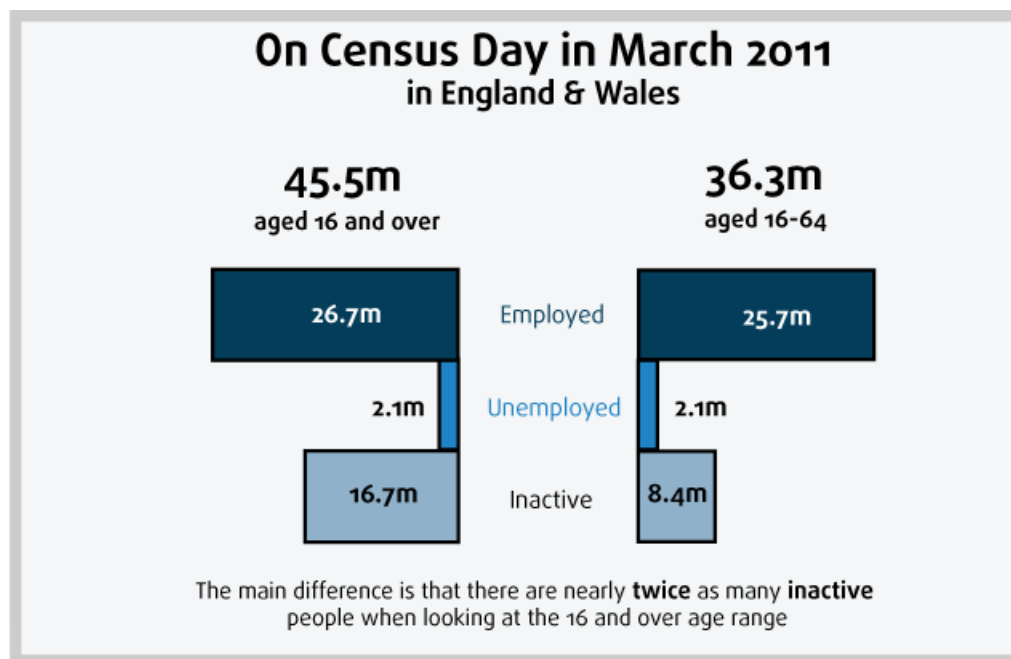
Notes for Introduction

1. A usual resident is anyone who, on census day, was in the UK and had stayed or intended to stay in the UK for a period of 12 months or more, or had a permanent UK address and was outside the UK and intended to be outside the UK for less than 12 months

4. Economic Activity and Inactivity across England and Wales

On Census day, 27th March 2011, there were 45.5 million people aged 16 and over in England and Wales with 28.8 million people economically active (either employed or actively seeking work). Of this number, 26.7 million were employed, 2.1 million were unemployed and the remaining 16.7 million were economically inactive (neither working nor actively seeking work). More than eight out of every ten of those in employment were employees (85%), while the rest (15%) were self employed, either working on their own or employing staff.

Figure 1: Labour market participation in England and Wales



Source: Census - Office for National Statistics

Of the 16.7 million people aged 16 and over who were economically inactive (Figure 1), more than half (58%) reported that they were retired¹, while 14% were students, 11% each were either looking after the home/family or long term sick or disabled and the remaining 6% were economically inactive for other reasons.

When we consider the 36.3 million people aged between 16 and 64, three out of every four (77%) were economically active, while less than one in four (23%) were economically inactive. In the following sections we shall present summary statistics for employment, unemployment and inactivity level and rates at national and regional geographies.

Notes for Economic Activity and Inactivity across England and Wales

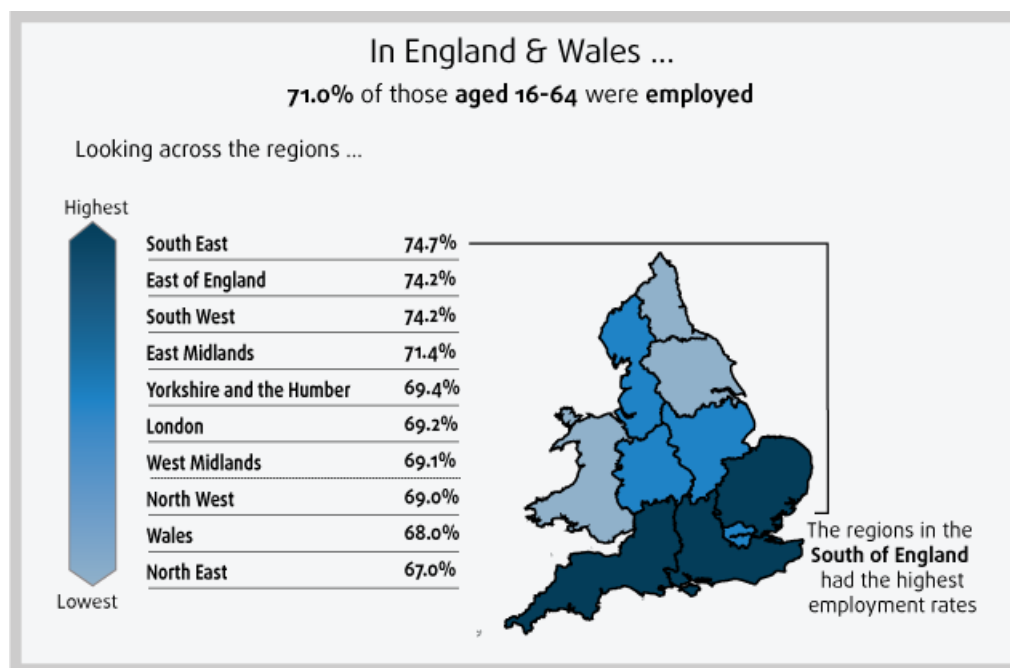
1. Please note that respondents who provide multiple responses to the question on why they are inactive and indicate 'retired' as an option and 'student' is not indicated are defaulted to 'retired' on the census

5. Employment Levels and Rates across England and Wales

There were 25.7 million people across England and Wales who were aged between 16 and 64 years in employment on Census day 2011 with an employment rate of 71.0% (Figure 2).

Ranking the employment rates of those aged 16 to 64 shows that the South East (74.7%) had the highest percentage of this population in employment followed by the South West and the East of England each with an employment rate of 74.2%. The North East and Wales had the lowest employment rates at 67.0% and 68.0% respectively.

Figure 2: Employment rates across the English regions and Wales (16-64)



Source: Census - Office for National Statistics

6. Unemployment Levels and Rates across England and Wales

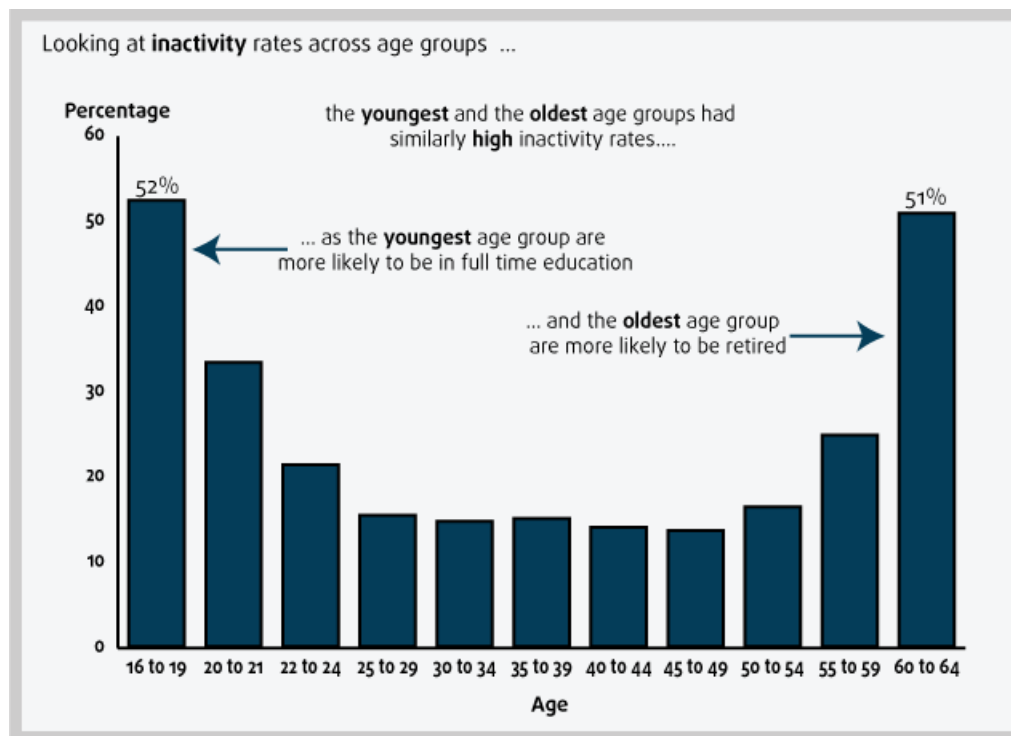
On Census day, 27th March, 2011, there were 2.1 million usual residents across England and Wales aged 16 and over who were unemployed with an unemployment rate of 7.4%. Unemployment rates are calculated by looking at all those who are unemployed as a percentage of those who are economically active aged 16 and over. The North East had the highest unemployment rate at 9.3%, followed by London (8.8%), the West Midlands (8.7%) and Yorkshire and The Humber (8.3%), while South West and South East had the lowest unemployment rates at 5.5% and 5.7% respectively.

7. Economic Inactivity Rates across England and Wales

Across England and Wales there were 8.4 million people aged 16 to 64 who were economically inactive, representing 23.2% of the 16 to 64 population. Females (28%) were more likely than males (18%) to be inactive, with the primary reason for inactivity for females being 'looking after the family or home' while for males the primary reason for inactivity was being a 'student'.

Economic activity varied at different ages, with high levels of inactivity among the young and old. For those aged 16 to 19, 52% were inactive but more than 9 in every 10 of these were studying. The inactivity rate for those aged 60 to 64 was similar to the youngest age group at 51% but the reason differed with more than 8 out of every 10 retired (Figure 3).

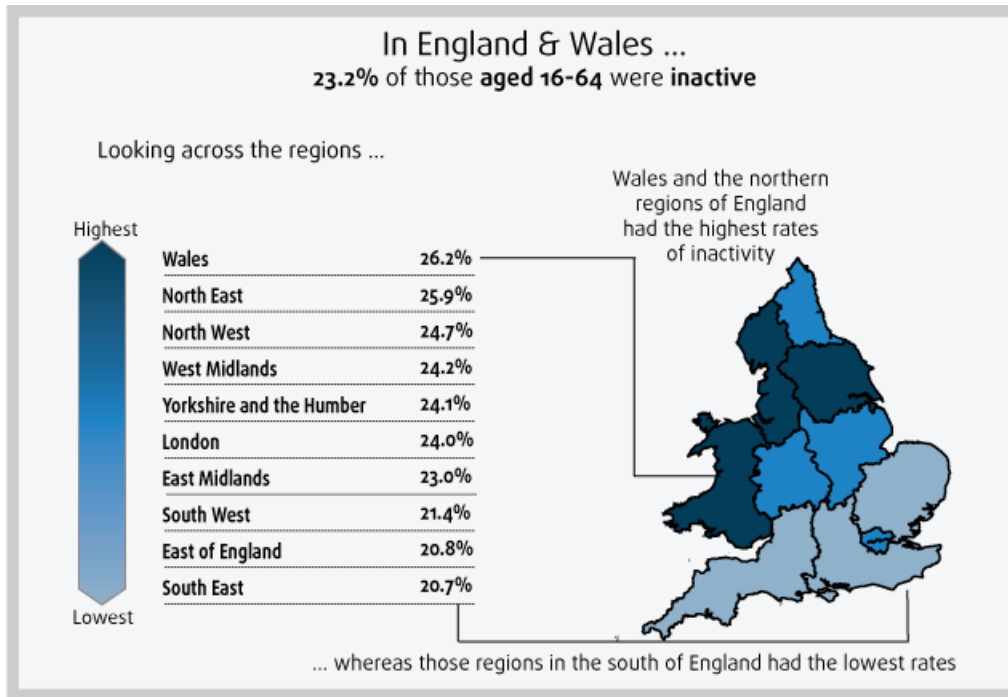
Figure 3: Economic inactivity rates by age groups across England and Wales



Source: Census - Office for National Statistics

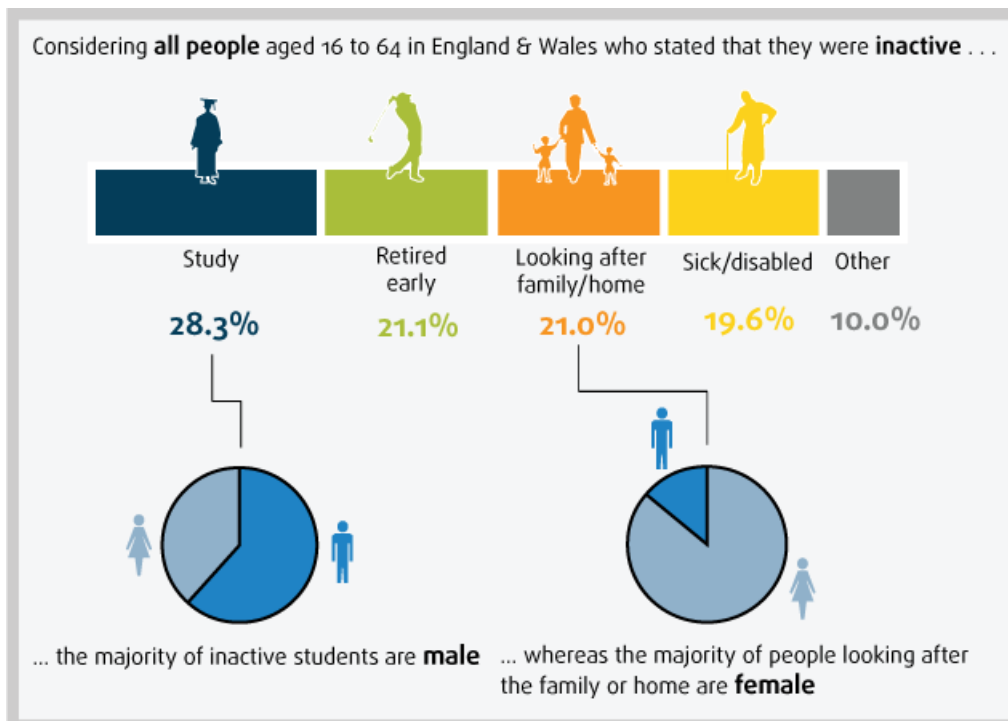
Wales had the highest inactivity rate at 26.2%, closely followed by the North East at 25.9%. The lowest economic inactivity rates were for the South East at 20.7%, and the East of England at 20.8% (Figure 4). Across all the English regions the most common reason for inactivity was study but in Wales the main reason for inactivity was due to being long term sick or disabled.

Figure 4: Inactivity rates across the regions and Wales (16-64)



Source: Census - Office for National Statistics

Figure 5: Reasons for inactivity among usual residents of England and Wales (16-64)



Source: Census - Office for National Statistics

8. Local Area Analysis

This section presents analysis at the level of local authorities and [2011 census merged wards](#), ranking areas in terms of the 5 highest and lowest areas for their employment, unemployment and inactivity rates. As these areas are of various population sizes and nested within larger geographical zones, the socio-economic factors and the context would vary. The local authority with the highest employment rate (89%) and the lowest rates for both unemployment (1.5%) and inactivity (9.1%) was the Isles of Scilly, which is a small island off the south-western tip of Cornwall in the South West of England. Tourism is a major part of its economy along with farming and agriculture. Most businesses tend to be small and family run and therefore most people aged 16 to 64 are working. The rest of the report when talking about the highest and lowest rates of employment, unemployment and inactivity will exclude commentary on the Isles of Scilly.

Local Authority employment, unemployment and inactivity rates

Employment

Outside of the Isles of Scilly the local authority with the highest employment rate across England and Wales was West Oxfordshire in the South East of England. This local authority contains the Royal Air Force station at Brize Norton and many of the service personnel working there live within the authority. The next highest employment rate was in the rural area of South Northamptonshire at 81.2% which is in the East Midlands but on the border of the South East of England. This was followed by the rural area of South Cambridgeshire at 80.5%.

Table 1: Highest ranked local authorities by employment rate (16-64)

Rank	Area	Region	Employment rate (%)	In Employment (count)
1	Isles of Scilly	South West	89.4	1,208
2	West Oxfordshire	South East	81.9	54,126
3	South Northamptonshire	East Midlands	81.2	44,030
4	South Cambridgeshire	East of England	80.5	76,141
5	Hart	South East	80.3	46,292
5	Eden	North West	80.3	26,041
England and Wales			71.0	25,747,691

Source: Office for National Statistics

The lowest employment rate across England and Wales was in Nottingham at 56.5%. Nottingham contains many universities and has a higher than average concentration of students and these are less likely to work. It therefore has the highest inactivity rate across England and Wales. However it also has a high level of unemployment, with it being ranked among the top 5 highest areas in terms of unemployment rates. The second lowest employment rate was in Manchester at 58.8% followed by Middlesbrough at 59.7%.

The rankings illustrate some of the variability that exists within a region as within the East Midlands there is an area (South Northamptonshire) with one of the highest employment rates and another area (Nottingham) with the lowest employment rate.

Table 2: Lowest ranked local authorities by employment rate (16-64)

Rank	Area	Region	Employment rates (%)	In employment (count)
1	Nottingham	East Midlands	56.5	121,154
2	Manchester	North West	58.8	210,712
3	Middlesbrough	North East	59.7	53,520
3	Liverpool	North West	59.7	192,895
5	Birmingham	West Midlands	60.0	414,325
England and Wales			71.0	25,747,691

Source: Office for National Statistics

Unemployment

Middlesbrough was the area with the highest unemployment rate for those aged 16 and over at 14.2%, almost double the average for England and Wales as a whole. Historically the iron and steel industry provided employment opportunities for those resident in Middlesbrough and this has since been in long term decline, reducing the opportunities for residents. The decline has also coincided with a fall in the population size of Middlesbrough over the past 50 years. The second highest unemployment rate was in Newham within London at 13.8%, which has previously been classed as one of the most deprived areas within England. The third highest unemployment rate was in Kingston Upon Hull at 13.4% which like Middlesbrough was heavily reliant on work that has declined over the past 50 or so years.

Table 3: Highest ranked local authorities by unemployment rate (16 and over)

Rank	Area Name	Region	Unemployment rate (%)	Unemployed (count)
1	Middlesbrough	North East	14.2	9,043
2	Newham	London	13.8	21,327
3	Kingston upon Hull, City of	Yorkshire and The Humber	13.4	17,242
3	Nottingham	East Midlands	13.4	19,135
5	Wolverhampton	West Midlands	13.3	16,133
England and Wales			7.4	2,136,787

Source: Office for National Statistics

The lowest unemployment rates outside of the Isles of Scilly were in South Lakeland and the Ribble Valley, both at 3.2%. South Lakeland is located within the Lake District within the North West of England and has a high concentration of employment within Tourism. The Ribble Valley, also within the North West is located within the Yorkshire Dales National Park and again is a tourist hotspot.

Table 4: Lowest ranked local authorities by unemployment rate (16 and over)

Rank	Area Name	Region	Unemployment rate (%)	Unemployed (count)
1	Isles of Scilly	South West	1.5	20
2	South Lakeland	North West	3.2	1,731
2	Ribble Valley	North West	3.2	960
4	Eden	North West	3.3	955
5	West Oxfordshire	South East	3.4	1,996
England and Wales			7.4	2,136,787

Source: Office for National Statistics

Inactivity levels and rates

As mentioned earlier, Nottingham had the highest inactivity rate among local authorities across England and Wales. The next two highest rates were in Oxford (33.7%) and Cambridge (33.1%), both areas well known for their educational establishments and contain a higher than average concentration of students.

Table 5: Highest ranked local authorities by inactivity rate (16-64)

Rank	Area	Region	Inactivity rate (%)	Economically Inactive (count)
1	Nottingham	East Midlands	34.6	74,338
2	Oxford	South East	33.7	37,145
3	Cambridge	East of England	33.1	30,232
4	Manchester	North West	33.0	118,036
5	Ceredigion	Wales	32.0	15,682
England and Wales			23.2	8,407,471

Source: Office for National Statistics

Table 6: Lowest ranked local authorities by inactivity rate (16-64)

Rank	Area	Region	Inactivity rate (%)	Economically Inactive (count)
1	Isles of Scilly	South West	9.1	123
2	West Oxfordshire	South East	15.1	9,957
3	South Northamptonshire	East Midlands	15.7	8,514
4	Bracknell Forest	South East	16.0	12,059
4	Basingstoke and Deane	South East	16.0	17,608
England and Wales			23.2	8,407,471

Source: Office for National Statistics

9. Ward Level Analysis and Ranking

As well as looking at variations across local authorities it is possible using Census data to look at smaller areas such as ward level data. Here we look at 2011 census merged wards which are a frozen geography created specifically for 2011 Census Detailed Characteristics (DC) tables. Larger 2011 wards which meet the minimum population threshold are not merged but smaller wards are merged to avoid the confidentiality risks of releasing data for small areas. For this paper these wards will be referred to as merged wards.

Employment levels and rates for merged wards

Within the Isles of Scilly, because of its small nature, all of the wards within it have been merged and as with the local authority analysis they have the highest employment rate at 89.4%. Merged wards within the South East of England make up the majority of the rest of the top 5, with Bicester South in Cherwell having the second highest rate at 88% followed by Carterton South in West Oxfordshire at 87.4%. The latter is where a number of the RAF personnel at Brize Norton reside.

Table 7: Highest ranked census merged wards by employment rate (16-64)

Rank	Merged Ward	Local authority	Region	Employment rate (%)	In employment (count)
1	Bryher, St. Agnes, St. Martin's, St. Mary's, Tresco	Isles of Scilly	South West	89.4	1,208
2	Bicester South	Cherwell	South East	88.0	3,302
3	Carterton South	West Oxfordshire	South East	87.4	3,337
4	Grange Park	South Northamptonshire	East Midlands	86.9	2,483
5	Thame North	South Oxfordshire	South East	86.7	3,279
5	Didcot Ladygrove	South Oxfordshire	South East	86.7	5,021
England and Wales				71.0	25,747,691

The lowest employment rate among merged wards was in Heslington within York at 20.4% followed by Elvet in County Durham at 23.1% and Wollaton East and Lenton Abbey in Nottingham at 26.2%. These merged wards also have a high percentage of residents who are economically inactive and they are close to the Universities of York, Durham and Nottingham where the majority of residents are studying.

Table 8: Lowest ranked census merged wards by employment rate (16-64)

Rank	Merged Ward	Local authority	Region	Employment rate (%)	In employment (count)
1	Heslington	York	Yorkshire and The Humber	20.4	900
2	Elvet	County Durham	North East	23.1	2,140
3	Wollaton East and Lenton Abbey	Nottingham	East Midlands	26.2	2,200
4	Carfax	Oxford	South East	26.4	1,580
5	Blean Forest	Canterbury	South East	27.1	1,430
England and Wales			71.0	25,747,691	

Source: Office for National Statistics

Unemployment levels and rates for merged wards

At 30.9%, 30.8% and 26.7%, Blean Forest in Canterbury, Middlehaven in Middlesbrough and Stockton Town Centre in Stockton-on-Tees had the highest unemployment rates, respectively, among the merged wards. With the exception of Blean Forest, the other merged wards and also those ranked fourth (University within Middlesbrough) and fifth (Grangetown within Redcar and Cleveland) are all close together in the Tees Valley. This area was heavily industrialised in the last century and has suffered from the long term decline of many of the industries it was built around. Blean Forest has a relatively young population and contains many students, of which a higher than average percentage of them are looking to work alongside their study. Unemployment excluding the student population is actually relatively low in comparison to other merged wards.

Table 9: Highest ranked census merged wards by unemployment rate (16 and over)

Rank	Merged Ward	Local authority	Region	Unemployment rate (%)	Unemployed (count)
1	Blean Forest	Canterbury	South East	30.9	671
2	Middlehaven	Middlesbrough	North East	30.8	592
3	Stockton Town Centre	Stockton-on-Tees	North East	26.7	690
4	University	Middlesbrough	North East	26.6	688
5	Grangetown	Redcar and Cleveland	North East	26.4	555
England and Wales				7.4	2,136,787

Source: Office for National Statistics

The lowest unemployment rates were within Llanafanfawr in Powys at 1.3% and Yscir also in Powys and Leith Hill in the Mole Valley, both at 1.4% each. These areas have relatively few people unemployed and are very rural.

Table 10: Lowest ranked census merged wards by unemployment rate (16 and over)

Rank	Merged Ward	Local authority	Region	Unemployment rate (%)	Unemployed (count)
1	Llanafanfawr	Powys	Wales	1.3	10
2	Yscir	Powys	Wales	1.4	8
2	Leith Hill	Mole Valley	South East	1.4	13
4	Bryher, St. Agnes, St. Martin's, St. Mary's, Tresco	Isles of Scilly	South West	1.5	20
5	Ravensthorpe	Daventry	East Midlands	1.5	15
England and Wales				7.4	2,136,787

Source: Office for National Statistics

Inactivity level and rates

The highest inactivity rates as mentioned earlier were all concentrated around universities. The highest rate was 73.5% in Elvet within County Durham followed by Heslington in York at 72.1%.

Table 11: Highest ranked census merged wards by inactivity rates (16-64)

Rank	Merged Ward	Local authority	Region	Inactivity rate (%)	Economically inactive (count)
1	Elvet	County Durham	North East	73.5	6,825
2	Heslington	York	Yorkshire and The Humber	72.1	3,177
3	Carfax	Oxford	South East	70.7	4,229
4	Wollaton East and Lenton Abbey	Nottingham	East Midlands	66.8	5,605
5	Newnham	Cambridge	East of England	66.4	4,224
England and Wales				23.2	8,407,471

Source: Office for National Statistics

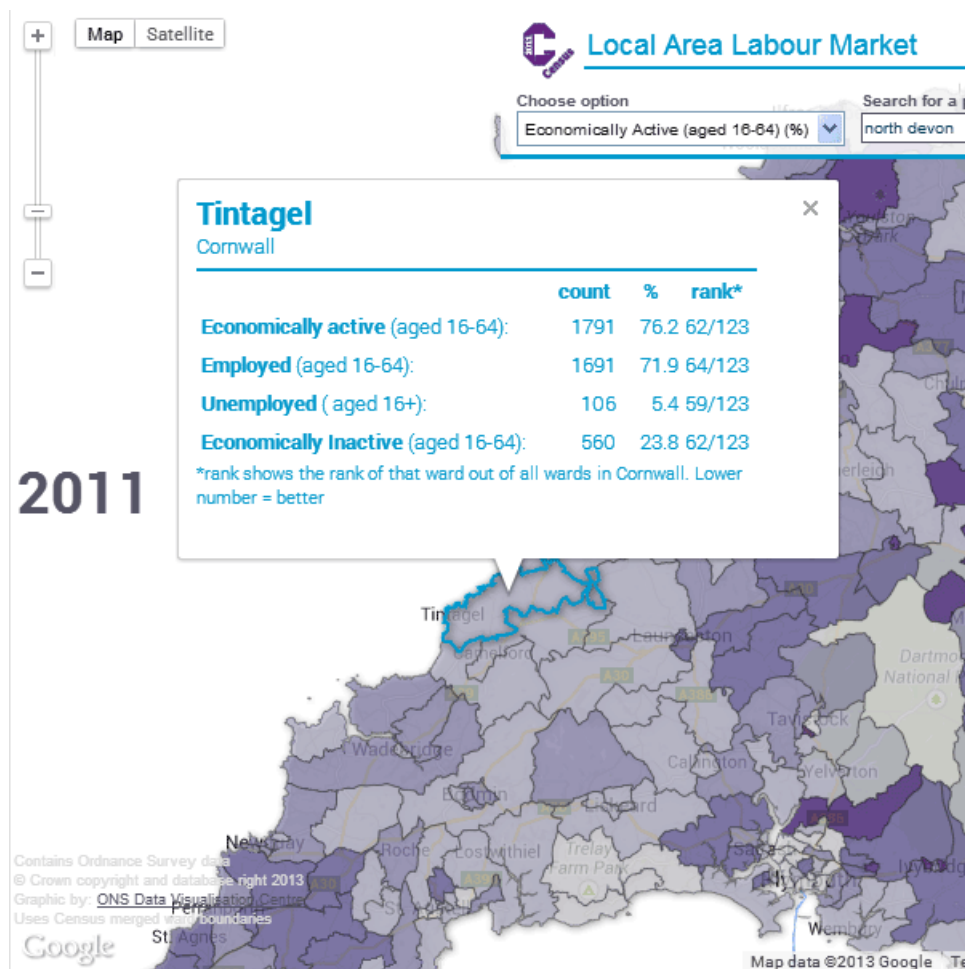
Table 12: Lowest ranked census merged wards by inactivity rates (16-64)

Rank	Merged Ward	Local authority	Region	Inactivity rate (%)	Economically inactive (count)
1	Bryher, St. Agnes, St. Martin's, St. Mary's, Tresco	Isles of Scilly	South West	9.1	123
2	Bicester South	Cherwell	South East	9.4	353
3	Carterton South	West Oxfordshire	South East	9.7	372
4	Grange Park	South Northamptonshire	East Midlands	10.0	286
5	Didcot Ladygrove	South Oxfordshire	South East	10.3	596
England and Wales				23.2	8,407,471

Source: Office for National Statistics

An [interactive map](#) (image below) accompanies the article and release. It allows users to drill down and make comparisons of labour market characteristics at the census merged ward level.

Employment and unemployment for local areas



10. Background notes

1. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.