

Statistical bulletin

Economic activity status, England and Wales: Census 2021

People in and out of work covering employment, unemployment, hours worked and employment history, Census 2021 data.



Release date: 8 December 2022 Next release: To be announced

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1. Main points

This page is also available in Welsh (Cymraeg) (PDF, 596KB).

- Census 2021 took place during the coronavirus (COVID-19) pandemic, a period of unparalleled and rapid change; the national lockdown, associated guidance and furlough measures will have affected the labour market topic.
- Take care when using these data for planning and policy purposes.
- At Census Day, 21 March 2021, 29.4 million usual residents aged 16 years and over in England and Wales were economically active (60.6%), while 19.1 million (39.4%) were economically inactive.
- Among usual residents aged 16 years and over, almost half were employees (47.6%, 23.1 million), almost 1 in 10 were self-employed (9.6%, 4.7 million) and a further 3.4% (1.7 million) were unemployed but looking for work.
- Over a fifth of usual residents aged 16 years and over were economically inactive because of retirement (21.6%, 10.5 million).

Tell us what you think about this publication by answering a few questions.

2. Economic activity status

In Census 2021, we asked everyone completing the census aged 16 years and over to answer the questions on their economic activity status. The questions asked whether a person was working or looking for work in the week before Census 2021.

There are three main types of economic activity status:

- economically active: in employment (an employee or self-employed)
- economically active: unemployed (those who were looking for work and could start within two weeks, or waiting to start a job that had been offered and accepted)
- economically inactive (those who did not have a job between 15 March and 21 March 2021 and had not looked for work between 22 February and 21 March 2021 or could not start work within two weeks)

In England and Wales, of the 48.6 million usual residents aged 16 years and over, around 27.8 million were in employment (57.2%), 1.7 million were unemployed (3.4%) and 19.1 million were economically inactive (39.4%).

The economically active population includes people who were put on furlough at the time of Census 2021, who were considered to be temporarily away from work. In England and Wales, HM Revenue and Customs statistics state that <u>3.8 million employees were enrolled on the Coronavirus Job Retention Scheme on Census Day</u> while 1.8 million self-employed people made a claim to the <u>fourth grant of the Self-Employed Income Support Scheme</u> (XLSX, 613KB).

3. Economically active: in employment

In England and Wales, 27.8 million usual residents aged 16 years and over were recorded as economically active and in employment in the week before Census 2021. This was 57.2% of all usual residents aged 16 years and over. The percentage who were in employment was larger in England (57.4%) compared with Wales (53.5%).

Across English regions, the percentage who were in employment ranged from 52.2% in the North East to 61.4% in London.

Across English local authorities, the percentage who were in employment ranged from 45.8% in East Lindsey in the East Midlands to 69.6% in the London borough of Wandsworth. Across Welsh local authorities, percentages ranged from 49.1% in Ceredigion to 57.9% in Flintshire.

The percentage of people in an area who were economically active and in employment is likely to have been related to the age profile of the usual resident population. Further information on the age structure of the population can be found in the <u>Census 2021 population and household estimates</u>.

Figure 1: The percentage of people in employment varied across local authorities in England and Wales

Percentage of usual residents aged 16 years and over who were economically active and in employment, 2011 and 2021, local authorities in England and Wales

Download the data

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All usual residents aged 16 years and over who were in employment were able to specify if in their main job they were:

- an employee (those who did paid work for a private individual, organisation or business)
- self-employed or freelance (those who owned and operated their own business, professional practice, or similar enterprise)

People who were self-employed or freelance were asked to further specify if they were:

- self-employed without employees
- self-employed with employees

In England and Wales, 23.1 million were employees (47.6% of usual residents aged 16 years and over). The proportion of employees was greater in England (47.7%) than in Wales (45.2%).

There were 4.7 million self-employed people in England and Wales (9.6% of all usual residents aged 16 years and over). A total of 748,000 (1.5%) were self-employed with employees and 3.9 million (8.1%) were self-employed without employees. The proportion of usual residents aged 16 years and over in employment who were self-employed (either with or without employees) was greater in England (9.7%) than in Wales (8.3%).

Across English regions, the percentage of usual residents aged 16 years and over who were employees ranged from 45.6% in the North East to 48.9% in London. Correspondingly, the percentage who were self-employed ranged from 6.6% in the North East to 12.5% in London.

Across English local authorities, the percentage of usual residents aged 16 years and over who were employees ranged from 35.2% in North Norfolk to 57.5% in the London borough of Wandsworth. Across Welsh local authorities, percentages ranged from 35.8% in Ceredigion to 50.5% in Newport.

The percentage who were self-employed (either with or without employees) in English local authorities ranged from 5.6% in Barrow-in-Furness to 20.9% in the Isles of Scilly, whereas in Welsh local authorities the percentages ranged from 5.5% in Blaenau Gwent to 15.0% in Powys.

Figure 2: Self-employment varied at the regional level in 2021

Employees and self-employed: usual residents aged 16 years and over in employment, 2021, England, Wales and regions of England

Download the data

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4. Economically active: unemployed

At the time of Census 2021, there were 1.7 million usual residents who were economically active and unemployed (3.4% of usual residents aged 16 years and over). This included people who were looking for work and could start within two weeks, or waiting to start a job that had been offered and accepted.

The percentage of usual residents aged 16 years and over who were economically active and unemployed was greater in England (3.5%) compared with Wales (3.1%). In English regions, percentages ranged between 2.6% in the South West to 4.8% in London.

In English local authorities, the largest percentages of people who were unemployed were in the London boroughs of Newham (6.3% of usual residents aged 16 years and over) and Tower Hamlets (6.0%). In Wales, the local authority with the greatest percentage of people who were unemployed was Cardiff (4.1% of usual residents aged 16 years and over).

Figure 3: The percentage of usual residents aged 16 years and over who were unemployed varied across local authorities in 2021

Economically active and unemployed, usual residents aged 16 years and over, 2021, local authorities in England and Wales

Source: Office for National Statistics - Census 2021

Download the data

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5. Economically inactive

People aged 16 years and over were economically inactive if, in the week before Census 2021, they were not in employment, and they were:

- not looking for work
- looking for work, but were not able to start work in the next two weeks

The reason why they were inactive was recorded as being one of the following:

- retired (whether receiving a pension or not)
- studying
- · looking after home or family
- · long-term sick or disabled
- another reason

Because of the impact of the coronavirus (COVID-19) pandemic on the UK labour market, in some areas the estimated number of people who were economically inactive might be higher than anticipated. It is possible that some people on furlough may have identified as economically inactive, instead of temporarily away from work.

In total, 19.1 million usual residents aged 16 years and over in England and Wales were economically inactive in 2021 (39.4%). A greater percentage were economically inactive in Wales (43.5%, 1.1 million) compared with England (39.1%, 18.0 million).

Within England and Wales, the most-selected reasons for economic inactivity were:

- being retired (21.6% of usual residents aged 16 years and over, 10.5 million)
- studying (5.6%, 2.7 million)

There were a further:

- 2.3 million people (4.8%) who were looking after home or family
- 2.0 million (4.2%) who were long-term sick or disabled
- 1.5 million (3.1%) who were economically inactive for another reason

Figure 4: People who were retired made up the greatest percentage of the economically inactive population in 2021

Usual residents aged 16 years and over who were economically inactive, 2021, England and Wales

Download the data

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In Wales, larger percentages of usual residents aged 16 years and over were economically inactive because of being retired (24.7%), long-term sick or disabled (5.9%) or studying (5.7%) than in England (21.5%, 4.1% and 5.6% respectively).

Within England, the percentage of usual residents aged 16 years and over who were economically inactive because of being retired ranged from 12.9% in London to 25.6% in the South West. Compared with other English regions, a larger percentage of usual residents aged 16 years and over in London were economically inactive because of studying (7.2%) or looking after home or family (6.0%). A larger percentage were economically inactive because of being long-term sick or disabled in the North East (5.7%) and the North West (5.3%) compared with other English regions.

6. Hours worked

All usual residents aged 16 years and over who were in employment (27.8 million people) were asked how many hours a week they usually worked, including paid and unpaid overtime.

Furlough, and businesses being open for reduced hours in England and Wales at the time of the 2021 Census because of the coronavirus (COVID-19) pandemic, may have led to people reporting more, or fewer, hours worked than pre-coronavirus.

In England and Wales, 19.5 million usual residents aged 16 years and over in employment (70.2%) worked full time (31 hours or more a week). The percentage working full time was similar in England (70.2%) and in Wales (70.1%).

Of the people in England and Wales who worked full time, 16.4 million people worked 31 to 48 hours per week (59.1%) and 3.1 million worked 49 hours or more a week (11.0%). The proportion of people working 49 or more hours a week was higher in England (11.1%) than in Wales (10.2%).

The remaining 8.3 million (29.8%) of usual residents aged 16 years and over in employment in England and Wales worked part time (up to 30 hours a week). Of those who worked part time, 2.9 million (10.3%) worked 15 hours or less a week and 5.4 million (19.5%) worked 16 to 30 hours a week. The proportion of usual residents aged 16 years and over working 15 hours or less was greater in England (10.3%) than in Wales (9.0%).

Figure 5: Over a quarter of usual residents in employment were working part time

Hours worked per week, usual residents aged 16 years and over in employment, 2021, England and Wales

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Across English regions, the percentage of usual residents aged 16 years and over in employment who were working full time (31 hours or more) ranged from 67.7% in the South West to 72.0% in London.

Across English local authorities, the percentage of usual residents aged 16 years and over in employment who were working full time ranged from 62.2% in South Hams in the South West to 83.5% in the City of London. Across Welsh local authorities, percentages working full time ranged from 65.3% in Ceredigion to 73.7% in Blaenau Gwent.

7. Employment history

All usual residents aged 16 years and over who were either economically active and unemployed, or economically inactive (20.8 million people) were asked whether they had ever done any paid work. This meant that people in England and Wales who were not in employment during Census 2021 could be divided into three categories:

- last did paid work within the last 12 months (13.1% of all usual residents aged 16 years and over not in employment, 2.7 million)
- last did paid work more than 12 months ago (61.4%, 12.8 million)
- have never worked (25.5%, 5.3 million)

In England, a larger percentage of the usual resident population aged 16 years and over not in employment had never worked (25.6%) than in Wales (23.1%). The percentage who last did paid work more than 12 months ago was greater in Wales (65.4%) than in England (61.1%).

Within England, London was the region with the largest percentage of usual residents aged 16 years and over not in employment who had never worked (35.2%) and the smallest percentage who last did paid work more than 12 months ago (48.7%).

The English local authority with the largest percentage of usual residents aged 16 years and over not in employment who had never worked was Newham (48.7%), followed by Tower Hamlets (47.4%). The same local authorities had the smallest percentages who last did paid work more than 12 months ago (34.4% and 34.6% respectively).

Within Wales, Cardiff was the local authority with the largest percentage who had never worked (28.6%) and the smallest percentage who last did paid work more than 12 months ago (53.4%).

Figure 6: Length of worklessness varied across England and Wales

Length of worklessness, usual residents aged 16 years and over who were not in employment, 2021, local authorities in England and Wales

Download the data

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8. Economic activity status data

<u>Economic activity status</u> Dataset | Released 8 December 2022 Census 2021 estimates that classify usual residents aged 16 years and over in England and Wales by economic activity status. The estimates are as at Census Day, 21 March 2021.

<u>Hours worked</u> Dataset | Released 8 December 2022 Census 2021 estimates that classify usual residents aged 16 years and over in employment the week before the census in England and Wales by the number of hours they worked per week. The estimates are as at Census Day, 21 March 2021.

<u>Employment history</u> Dataset | Released 8 December 2022 Census 2021 estimates that classify usual residents aged 16 years and over in England and Wales who were not in employment on Census Day, 21 March 2021, by whether and when they were last employed.

9. Glossary

Economic activity

People aged 16 years and over are economically active if, between 15 March and 21 March 2021, they were:

- in employment (an employee or self-employed)
- unemployed, but looking for work and could start within two weeks
- unemployed, but waiting to start a job that had been offered and accepted

It is a measure of whether or not a person was an active participant in the labour market during this period. Economically inactive are those aged 16 years and over who did not have a job between 15 March to 21 March 2021 and had not looked for work between 22 February to 21 March 2021 or could not start work within two weeks.

The census definition differs from International Labour Organization definition used on the Labour Force Survey, so estimates are not directly comparable.

Employee

An employee is a person aged 16 years and over in employment doing paid work for an individual or organisation.

This relates to people's main jobs or, if not working at the time of the census, their last main jobs.

Self-employed

Self-employed people aged 16 years and over who own and operate their own business, professional practice or similar enterprise, including those operated with a partner.

This relates to people's main jobs or, if not working at the time of the census, their last main jobs. This can include people who work freelance, which means someone who is self-employed and works (or worked) for different companies on particular pieces of work.

Self-employed people who are not freelance can have employees who work for them.

Hours worked

The number of hours worked per week before the census includes paid and unpaid overtime. This covers the main job of anyone aged 16 years and over.

Employment history

Classifies people who were not in employment on Census Day into:

- not in employment: worked in the last 12 months
- not in employment: not worked in the last 12 months
- not in employment: never worked

Usual resident

A usual resident is anyone who on Census Day, 21 March 2021 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.

10. Measuring the data

Reference date

The census provides estimates of the characteristics of all people and households in England and Wales on Census Day, 21 March 2021. It is carried out every 10 years and gives us the most accurate estimate of all the people and households in England and Wales.

Labour market data mainly refers to respondents' activity in the last seven days, this refers to 15 to 21 March 2021. In the unemployment and economically inactive groups, the four weeks a person has been looking for a job in are from 21 February to 21 March 2021, and they must be able to start a job in the next two weeks, 21 March to 4 April 2021.

We are responsible for carrying out the census in England and Wales, but will also release outputs for the UK in partnership with the Welsh Government, the National Records of Scotland (NRS) and the Northern Ireland Statistics and Research Agency (NISRA). The census in Northern Ireland was also conducted on 21 March 2021, whereas Scotland's census was moved to 20 March 2022. All UK census offices are working closely together to understand how this difference in reference dates will impact UK-wide population and housing statistics, in terms of both timing and scope.

Response rate

The <u>person response rate</u> is the number of usual residents for whom individual details were provided on a returned questionnaire, divided by the estimated usual resident population.

The <u>person response rate</u> for Census 2021 was 97% of the usual resident population of England and Wales, and over 88% in all local authorities. The majority of returns (89%) were received online. The response rate exceeded our target of 94% overall and 80% in all local authorities.

Read more about question-specific response rates at local authority level in <u>Section 4 of our measures showing</u> the quality of <u>Census 2021 estimates</u>.

11 . Strengths and limitations

Labour market quality information

Census 2021 took place during a period of rapid change. We gave extra guidance to help people on furlough answer the census questions about work. However, we are unable to determine how furloughed people followed the guidance. Take care when using this data for planning purposes. Read more about specific quality considerations in our <u>Labour market quality information for Census 2021 methodology</u>.

Labour market definitions

As the census uses different labour market definitions from those that the Labour Force Survey uses, the estimates differ between these two sources. You can find further information in our article <u>Comparing Census 2021 and Labour Force Survey estimates of the labour market, England and Wales: March 2021</u>.

General

You can find the strengths and limitations of Census 2021 more generally in our <u>Quality and Methodology</u> <u>Information (QMI) for Census 2021</u>.

Quality assurance

Details of the quality assurance processes that we used for Census 2021 are available in our <u>How we assured the quality of Census 2021 estimates methodology</u>.

You can also read about our quality assurance processes in our <u>Maximising the quality of Census 2021 population estimates methodology</u>.

12. Related links

Census maps

Interactive content | Updated 8 December 2022

Interactive map tool that visualises Census 2021 data on different topics down to a local authority area and neighbourhood level.

Labour market quality information for Census 2021

Methodology | Released 8 December 2022

Known quality information affecting labour market data from Census 2021 in England and Wales.

Labour market variables Census 2021

Supporting information | Released 8 December 2022

Variables and classifications used in Census 2021 data about labour market.

Labour market and travel to work in Wales (Census 2021)

Bulletin | Released 8 December 2022

A summary by Welsh Government of Census 2021 data about the labour market and travel to work in Wales.

13. Cite this statistical bulletin

Office for National Statistics (ONS), released 8 December 2022, ONS website, statistical bulletin, <u>Economic activity status</u>, <u>England and Wales: Census 2021</u>