

Update CIS2012-07

# 2011 Census Snapshot: Labour Market

October 2013

## Introduction

On the 11<sup>th</sup> of December 2012, the Office for National Statistics released *Key Statistics for Local Authorities in England and Wales* based on results from 2011 Census. These statistics cover a range of topic areas. This report presents the headline **Labour Market** findings for London and covers the following areas of the labour market;

- Economic Activity
- Industry
- Occupation
- Hours Worked
- Qualifications

All data presented here is available by local authority and can be accessed and viewed through a range of interactive maps and tools on the London Datastore at <http://data.london.gov.uk/census>. A more detailed analysis of 2011 Census Labour Market data will be published in 2013.

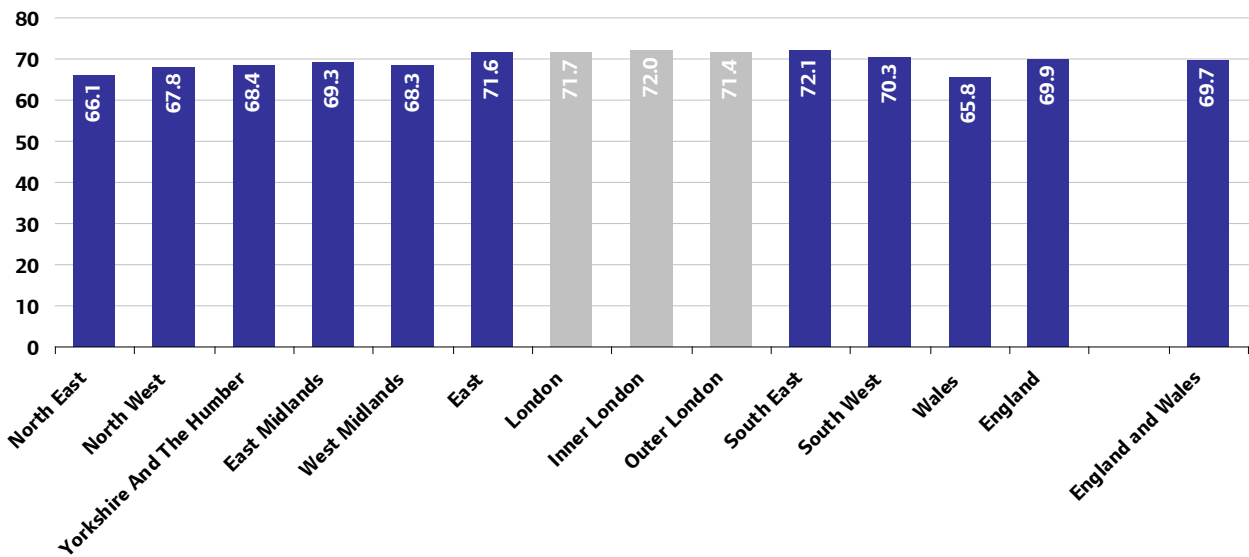
## Key findings:

- **As at 27<sup>th</sup> of March 2011 there 4.4 million economically active people in London aged 16-74, equivalent to 71.7 per cent of the population in this age-group.**
- **In London, 65 per cent of the population aged 16-74 were in employment, 5.5 per cent were unemployed and 29.5 per cent were economically inactive.**
- **Between 2001 and 2011 there has been a three percentage point increase in the share of those who are in employment, offset by a three percentage point fall in the economically active share in London.**

- **In Newham, just 57 per cent of the population aged 16-74 were in employment, compared with 73.2 per cent in Wandsworth.**
- **The proportion who are unemployed varied from 3.1 per cent in Richmond upon Thames to 7.7 per cent in Barking and Dagenham.**
- **The share of those who were economically inactive spans a low of 22.8 per cent in Wandsworth to a high of 35.8 per cent in Newham.**
- **Wholesale and retail trade; repair of motor vehicles and motor cycles and professional, scientific and technical activities are the two largest sources of employment in the capital accounting for 522,000 and 434,000 respectively.**
- **The financial and insurance services sector accounted for 7.7 per cent of London's employed population (306,000).**
- **In total more than half of Londoners in employment worked in the top three occupational classifications, compared with 41 per cent for England as a whole.**
- **Professional occupations were the fastest growing occupational group between the 2001 and 2011 Censuses, with an 82 per cent increase in the numbers employed in this group.**
- **Overall Londoners are more likely to work longer hours than the national average with a greater share in full-time employment at 74.4 per cent compared with 70.9 per cent nationally.**
- **Almost four in ten Londoners are qualified to level 4 or above (broadly equivalent to degree level), compared to 27 per cent across the country as a whole**

## **Economic Activity**

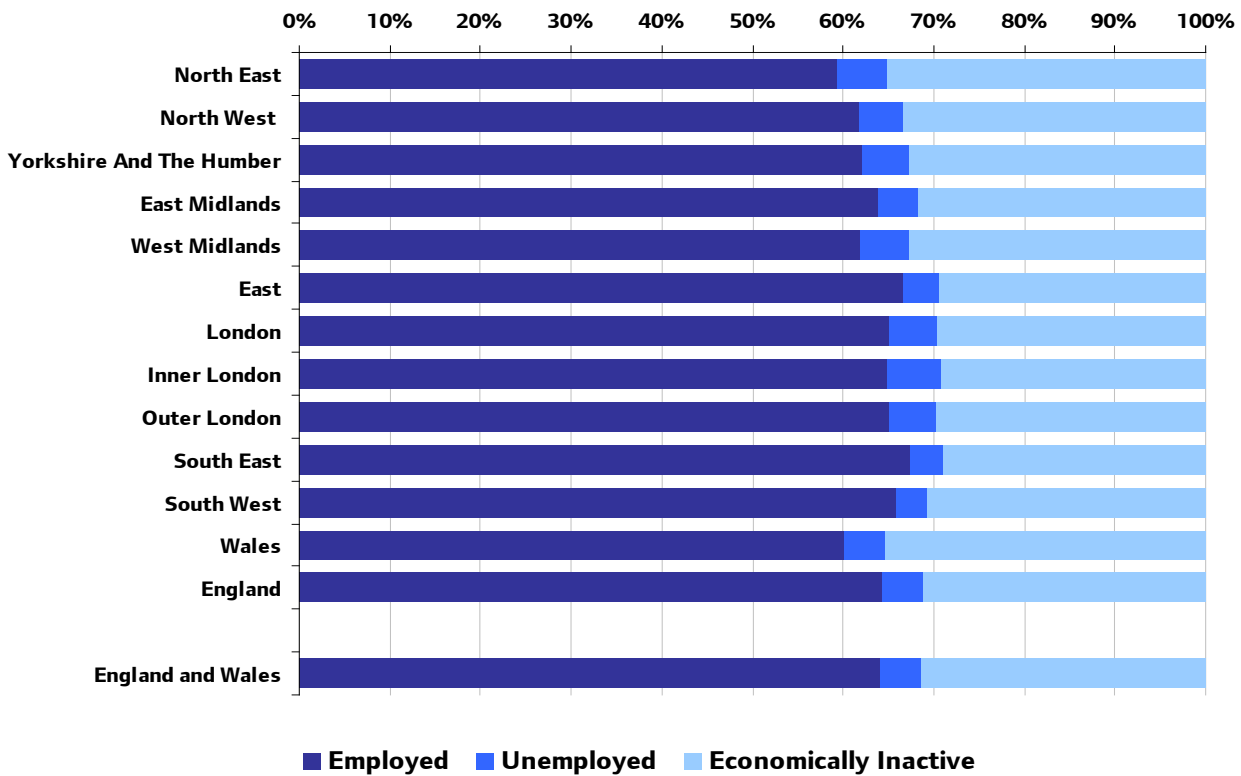
Those who are economically active are either in employment or actively seeking and available for work. According to the 2011 Census, there were 4.4 million economically active people in London aged 16-74, equivalent to 71.7 per cent of the population. This is the second highest rate regionally behind the South East (see Figure 1).

**Figure 1: Resident economic activity rate of the population aged 16-74, by region, per cent**

Source: 2011 Census, Office for National Statistics

Within the economically active category of labour market status there are two distinct groups – those are **employed** and those not in employment but actively seeking and available for work (the **unemployed**). Together with the **economically inactive** population (those not in work and not seeking work nor available for work), these three categories account for the entire population. Figure 2 shows the population aged 16-74 by share of each of the three labour market status classifications. In London, 65 per cent of the population aged 16-74 were in employment, 5.5 per cent were unemployed and 29.5 per cent were economically inactive.

**Figure 2: Resident population aged 16-74 by labour market status, by region, per cent**

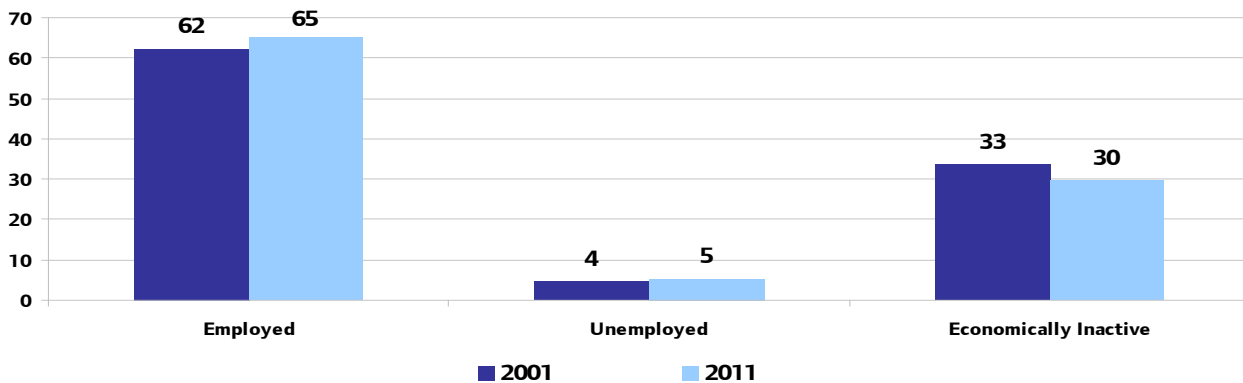


Source: 2011 Census, Office for National Statistics

These figures do not include economically active full-time students since it is not possible to specify from this release of data whether they are employed or unemployed.

Figure 3 compares the population aged 16-74 by labour market status across the 2001 and 2011 Censuses. Between 2001 and 2011 there has been a three percentage point increase in the share of those who are in employment, offset by a three percentage point fall in the share of those who are economically inactive. The proportion of the population who are unemployed has stayed broadly consistent over this time period. It is important to note that, in the statistics presented here, the percentage who are unemployed is not consistent with the definition used for the official "Unemployment rate". This is because the unemployed are expressed here as a percentage of the total population. In the official measure, they are expressed as a percentage of the economically active population.

**Figure 3: Resident population aged 16-74 by labour market status, 2001 – 2011, London, per cent**



Source: 2001 and 2011 Censuses, Office for National Statistics

These figures do not include economically active full-time students since it is not possible to specify from this release of data whether they are employed or unemployed.

Within London, there is considerable variation in terms of the relative shares of each of the three broad labour market classifications. In Newham, just 57 per cent of the population aged 16-74 were in employment, compared with 73.2 per cent in Wandsworth. The proportion who are unemployed varies from 3.1 per cent in Richmond upon Thames to 7.7 per cent in Barking and Dagenham and the share of those who are economically inactive spans a low of 22.8 per cent in Wandsworth to a high of 35.8 per cent in Newham.

Looking at change in shares of labour market classifications between 2001 and 2011 shows that each borough saw a decrease in the proportion of those who are economically inactive ranging from 0.5 percentage points in Hillingdon to 10.4 percentage points in Tower Hamlets. In contrast all but one borough (Hillingdon) saw an increase in the share accounted for by those in employment.

Hackney and Tower Hamlets both saw an increase of around ten percentage points in the share of those who are in employment, offset by a decrease of ten percentage points in those who were economically inactive (See Figure 4).

The unemployed historically account for a smaller share of the total population than either the employed or the economically inactive. As such, one would expect the change in share attributed to the unemployed to be smaller than for the other two groups. Nonetheless, there is notable variation across London in this category. Barking and Dagenham saw an increase of 3.1 percentage points on its 2001 figure of 4.6 per cent, compared to a fall of 0.5 percentage points in Camden.

**Figure 4: Resident labour market status by London borough and change in Labour market status by London borough, population aged 16-74, per cent**

	2011			Change on 2001		
	Employed	Unemployed	Economically Inactive	Employed	Unemployed	Economically Inactive
City of London	75.3	3.0	21.7	4.7	-0.6	-4.1
Barking and Dagenham	58.6	7.7	33.7	1.1	3.1	-4.2
Barnet	65.7	4.6	29.7	2.3	1.1	-3.4
Bexley	66.2	4.5	29.3	0.3	1.5	-1.9
Brent	62.6	6.1	31.3	3.6	0.9	-4.5
Bromley	67.8	4.0	28.2	1.7	1.3	-3.0
Camden	62.2	4.6	33.2	3.7	-0.5	-3.2
Croydon	65.5	5.7	28.8	0.2	1.8	-1.9
Ealing	64.9	5.4	29.7	1.5	1.4	-2.8
Enfield	61.1	6.1	32.8	0.4	1.9	-2.3
Greenwich	62.6	6.5	30.9	3.7	0.9	-4.6
Hackney	62.9	7.3	29.7	9.7	0.2	-9.9
Hammersmith and Fulham	68.1	5.0	26.9	4.4	-0.1	-4.4
Haringey	64.1	6.3	29.6	5.9	0.3	-6.2
Harrow	64.8	4.7	30.6	0.5	1.5	-2.0
Havering	65.7	4.6	29.7	1.4	1.9	-3.3
Hillingdon	64.7	4.6	30.7	-1.2	1.7	-0.5
Hounslow	66.4	4.8	28.8	1.2	1.5	-2.7
Islington	64.4	5.6	30.0	6.1	-0.3	-5.8
Kensington and Chelsea	64.3	4.4	31.3	4.1	-0.4	-3.7
Kingston upon Thames	68.1	3.4	28.5	0.2	0.8	-1.0
Lambeth	69.9	6.2	23.9	6.2	0.0	-6.2
Lewisham	65.7	6.5	27.8	3.7	0.7	-4.4
Merton	69.8	4.2	26.0	2.2	0.9	-3.1
Newham	56.7	7.5	35.8	6.8	0.5	-7.3
Redbridge	62.2	5.5	32.3	0.8	1.8	-2.6
Richmond upon Thames	71.8	3.1	25.1	2.1	0.4	-2.6
Southwark	65.3	6.3	28.4	7.1	-0.1	-7.0
Sutton	70.2	4.0	25.8	0.7	1.4	-2.1
Tower Hamlets	60.9	7.1	31.9	10.1	0.3	-10.4
Waltham Forest	63.0	6.4	30.7	2.1	1.3	-3.4
Wandsworth	73.2	4.0	22.8	4.6	0.0	-4.6
Westminster	63.0	4.7	32.3	2.4	0.1	-2.5

Source: 2001 and 2011 Censuses, Office for National Statistics

These figures do not include economically active full-time students since it is not possible to specify from this release of data whether they are employed or unemployed.

## Industry of Occupation

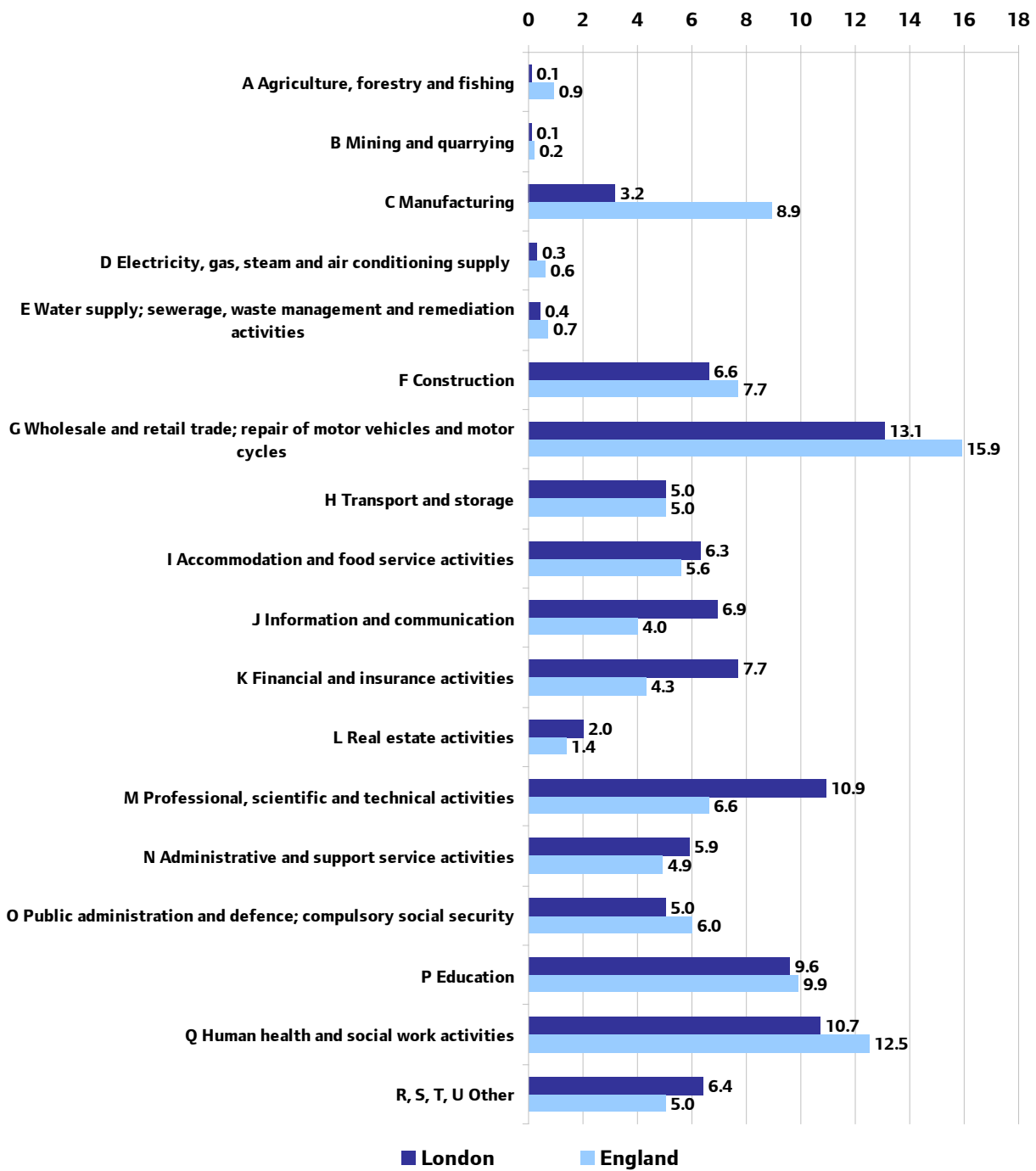
Breaking down London's employed population by industry of occupation shows that

- wholesale and retail trade; repair of motor vehicles and motor cycles (522,000) and,
- professional, scientific and technical activities (434,000).

Were the two largest sources of employment in the capital.

In terms of share of employment these two categories account for 13.1 and 10.9 per cent respectively. The financial and insurance services sector accounts for 7.7 per cent of London's employed population (306,000). This category also showed the greatest difference in share when compared with the country as a whole. Workers in London 3.4 percentage points more likely to be employed in this sector than the national average (See Figure 5). Due to a change in the industrial classification between the 2001 and 2011 Censuses it has not been possible to make comparisons in this report. Future analysis will look to examine this in more detail.

**Figure 5: Resident employed population aged 16-74 by industry of occupation, London and England, per cent**



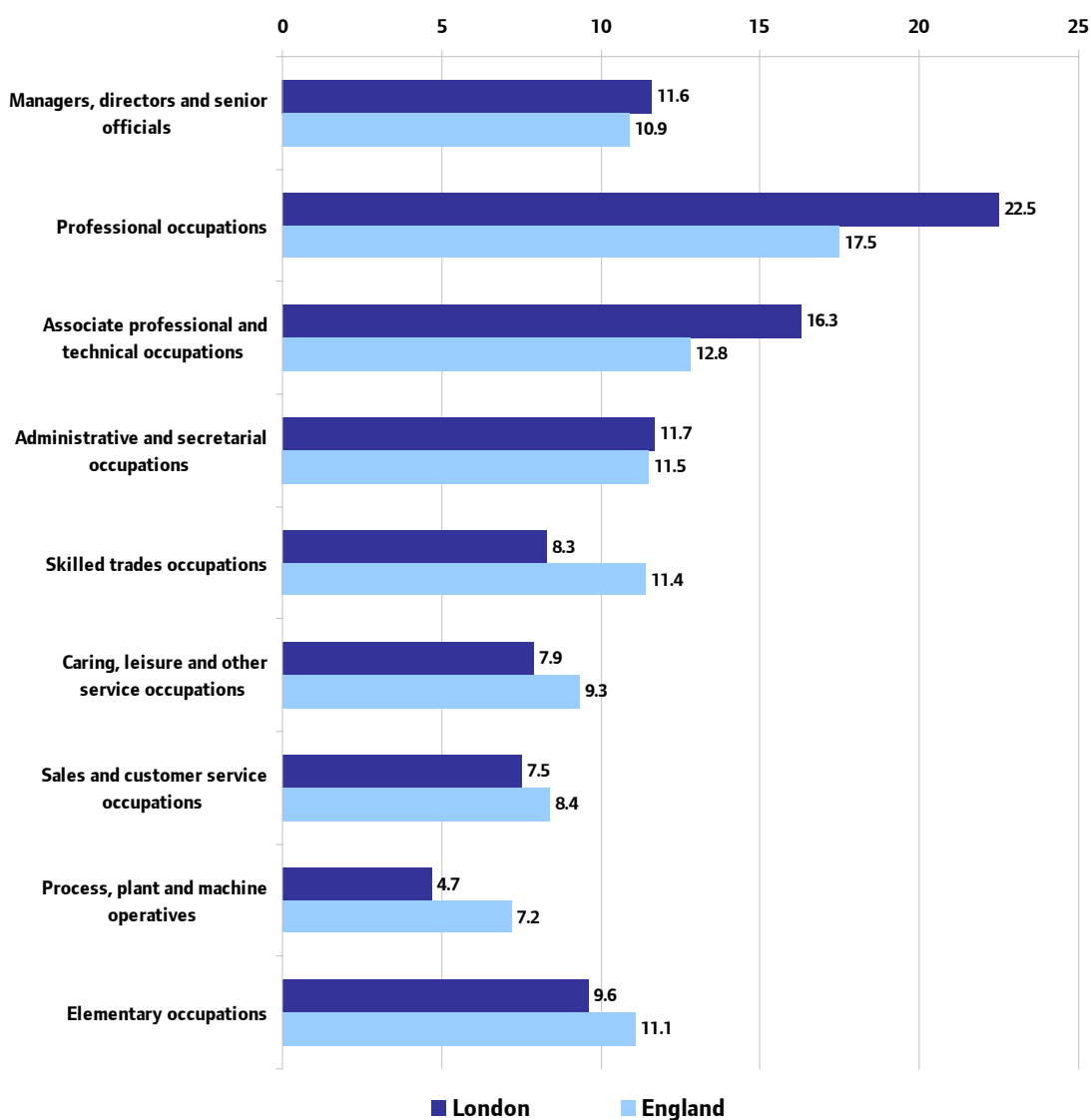
Source: 2011 Census, Office for National Statistics



## Occupation

More than one fifth of London's employed population were working in professional occupations in 2011. Londoners are five percentage points more likely to work in professional occupations than the national average. In total more than half of Londoners in employment work in the three most skilled occupational classifications, compared with 41 per cent for England as a whole (See Figure 6).

**Figure 6: Resident employed population aged 16-74 by occupation of employment, London and England, per cent**



Source: 2011 Census, Office for National Statistics

Professional occupations have also been the fastest growing occupational group between the 2001 and 2011 Censuses, with an 82 per cent increase in the numbers employed in this group. Conversely, the managers, directors and senior officials category has seen a fall in the numbers employed of 20 per cent. Administrative and secretarial occupations have also seen a fall in numbers of nine per cent. (See Figure 7).

**Figure 7: Resident employed population aged 16-74 by occupation of employment, London, 2001-2011, per cent**

	Managers and senior officials	Professional occupations	Associate professional and technical occupations	Administrative and secretarial occupations	Skilled trade occupations
2001	583468	493302	594572	513174	256346
2011	464272	898018	651058	466488	332674
Change (Num)	-119196	404716	56486	-46686	76328
Change (%)	-20	82	10	-9	30
	Personal service occupations	Sales and customer service occupations	Process plant and machine operatives	Elementary occupations	
2001	195621	222487	162745	297419	
2011	314023	299222	189123	384019	
Change (Num)	118402	76735	26378	86600	
Change (%)	61	34	16	29	

Source: 2011 Census, Office for National Statistics

In terms of changes to occupational shares, managers and senior officials saw the largest decline at 6.0 percentage points, followed by administrative and secretarial. Professional and personal service occupations saw the largest increases in share at 7.6 and 2.0 percentage points respectively (See Figure 8)

**Figure 8: Resident employed population aged 16-74 by occupation of employment share, London, 2001-2011, per cent**

	Managers and senior officials	Professional occupations	Associate professional and technical occupations	Administrative and secretarial occupations	Skilled trade occupations
2001	17.6	14.9	17.9	15.5	7.7
2011	11.6	22.5	16.3	11.7	8.3
Change	-6.0	7.6	-1.6	-3.8	0.6

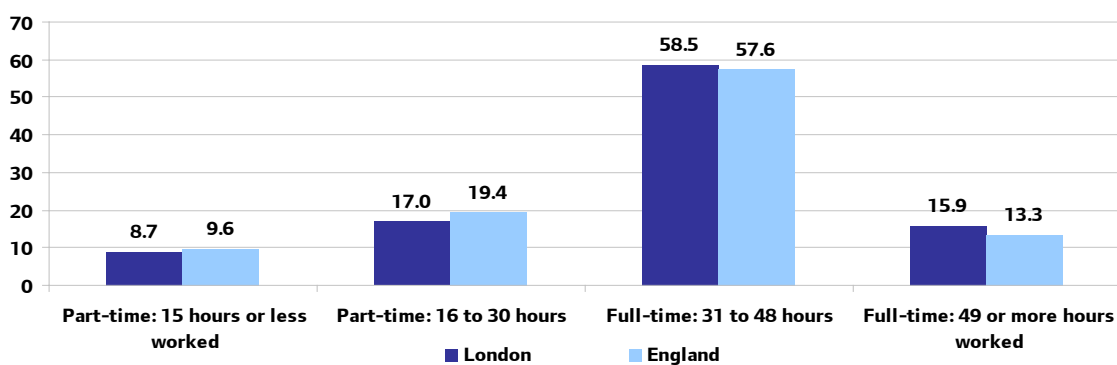
  

	Personal service occupations	Sales and customer service occupations	Process plant and machine operatives	Elementary occupations
2001	5.9	6.7	4.9	9.0
2011	7.9	7.5	4.7	9.6
Change	2.0	0.8	-0.2	0.6

Source: 2011 Census

## Hours Worked

Figure 9 shows the distribution of resident workers by the number of hours they work. Overall Londoners are more likely to work longer hours than the national average with a greater share in full-time employment (74.4 per cent compared with 70.9 per cent nationally). Londoners are also more likely to be employed in roles requiring 49 hours or more. The higher shares in longer hour jobs are offset by lower shares among those working fewer than 30 hours, or part-time employment.

**Figure 9: Resident employed population aged 16-74 by hours worked, London and England, per cent**

Source: 2011 Census, Office for National Statistics

## Qualifications

2011 Census data show that as a whole Londoners are more highly qualified than the national average. Almost four in ten Londoners are qualified to level 4 or above (broadly equivalent to degree level), compared to 27 per cent across the country as a whole. The higher share of level 4 qualified individuals in London is offset by lower shares across every other category with the exception of those with other qualifications. This is likely due to London's relatively high number of migrants with overseas qualifications which would be included under this category.