

Article

Characteristics of those not in employment as of Census Day 2021

Breakdown of people out of work, using data from Census 2021. This covers economic inactivity, unemployment, employment history, occupation, and industry.



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1. Main points

- Two in five (42.8%) adults aged 16 years and over were not in employment as of Census Day, 21 March 2021; 1.7 million (3.4%) were not in employment because they were unemployed and 19.1 million (39.4%) were not in employment because they were economically inactive, with retirement being the most common reason (21.6%).
- Most people not in employment left work more than 12 months before the census (61.4%); a smaller proportion (13.1%) left work in the 12 months leading to the census and a further quarter (25.5%) had never held paid employment.
- Formerly employed adults tended to be older (75.3% aged over 50 years), whereas those who had never worked tended to be younger (28.5% aged between 16 and 19 years); unemployed adults were more likely to be male (55.0%) and economically inactive adults were more likely to be female (57.3%).
- "Human health and social care" was one of the most common industries for formerly employed
 economically inactive adults because of long-term sickness; compared with all formerly employed adults,
 there were also higher rates of long-term sickness or disability in younger age groups for those who were
 formerly employed in health care professional occupations such as doctors.
- "Police officers (sergeant and below)" was the most common occupation for retired adults aged between 50 and 54 years, and primary and secondary teaching professionals appeared in the top 10 occupations for all other age groups from 55 years and older; the age people were retiring to take their pensions was a possible explanation for this.
- While most local authorities recorded "elementary occupations" as their broad occupation group for those formerly employed, there was a concentration of local authorities in the South East of England that recorded the most common group as "administrative and secretarial occupations".

2. People not in employment

On Census Day, 21 March 2021, 27.8 million adults (57.2%) aged 16 years and over were in employment. Overall, 20.8 million adults (42.8%) were not in employment; 1.7 million were not in employment because they were unemployed (3.4%) and 19.1 million were not in employment because they were economically inactive (39.4%).

Being retired was the most common reason for being economically inactive (21.6%, 10.5 million). This was followed by: being a student (5.6%, 2.7 million), looking after home or family (4.8%, 2.3 million), being long-term sick or disabled (4.2%, 2.0 million). A further 3.1% (1.5 million) were economically inactive for another reason.

Census 2021 was conducted during the coronavirus (COVID-19) pandemic, a period of unparalleled and rapid change, and it is possible that this affected the way some people responded to the labour market questions on the census. Estimates from the census will also differ to those collected on the <u>Labour Force Survey (LFS)</u> because of a range of conceptual differences between the two sources. Please see <u>Section 8: Data sources and quality</u> for further information about interpreting census labour market data.

Having more people out of work has wider implications, such as possibly restricting economic growth (in the absence of improvements to productivity) or increasing skills shortages in certain areas. There are many contributing factors as to why people have left work, some being changes in health because of the pandemic, or the cost of childcare or social care for relatives.

The article explores the composition of those not in employment, and for those who have left employment, what jobs they had. Local authority data can also be explored using our data visualisations, such as that in <u>Section 4:</u> The most frequently reported previous industries, among those who were formerly employed.

Most people that were not in employment left work more than 12 months before the census (61.4%), with a smaller proportion (13.1%) who had left work in the 12 months leading to the census. Around a quarter (25.5%) of those not in employment had never held paid employment.

More unemployed adults had worked in the last 12 months (45.5%) than economically inactive adults (10.3%), and more than three in five (63.6%) economically inactive adults last worked more than 12 months ago, compared with more than two in three (35.8%) unemployed adults. Less than a fifth (18.8%) of those unemployed had never worked, compared with over a quarter (26.1%) of those economically inactive.

Of the economically inactive population, the highest percentage of people who last worked more than 12 months ago was found in the retired group (82.4%). The highest percentage of those who had never worked (59.6%) was found among economically inactive students.

Figure 1: Retired economically inactive adults were the most likely to have left work more than 12 months ago

Economically inactive usual residents aged 16 and above by employment history

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3. Characteristics of those not in employment

There are sub-groups of those not in employment, such as unemployed and economically inactive people. The characteristics of these sub-groups vary; we describe the most relevant characteristics in this section, with other data available in the accompanying datasets.

Formerly employed adults were older than adults who had never worked

Among adults not in employment, the percentage who had not worked in the last 12 months increased with age, reflecting the fact that older adults were more likely to transition out of the work force. For example, more than four in five (82.9%) adults aged 75 years and over had not worked in the last 12 months.

For those who had never worked, there was a decreasing trend by age (until reaching over the age of 70 years), likely reflecting transitions into the labour market. Nearly three-quarters of adults aged between 16 and 19 years had never worked (73.2%), showing that this group was likely to still be in full-time education.

Figure 2: More than four in five adults aged 75 and over last worked more than 12 months ago

Usual residents aged 16 and above not in employment, by employment history and age

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Over half (51.6%) of economically inactive adults were aged 65 years or over. However, there were different age profiles by reason for inactivity. "Being a student" had higher proportions of young adults below the age of 25 years (87.4% of inactive students), "looking after the family or home" had higher proportions of adults in their 30s and early 40s (39.8%), "long-term sick or disabled" had higher proportions of adults in their 50s and early 60s (45.8%), whereas "retired" had higher proportions of adults aged 65 years and over (89.0%).

Respondents were able to select more than one reason for being inactive. Census processing chose one of these reasons for analytical purposes. Retirement was selected in preference to other reasons for older adults. More information on this can be found in our Comparing Census 2021 and Labour Market, England and Wales: March 2021 article.

Figure 3: Economically inactive students were younger than other inactive groups

Economically inactive usual residents aged 16 and above by age, reason for inactivity

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Females were more likely to be economically inactive and males were more likely to be unemployed

The economically inactive group had the highest percentage of females (57.3%), and the unemployed group had the smallest percentage (45.0%).

Looking at the inactive groups more closely, the greatest imbalance between the sexes was seen by those looking after family or the home, where 84.4% were female, and 15.6% were male.

Figure 4: Over four in five were economically inactive because of looking after family or home were female

Economically inactive usual residents aged 16 and above, reason for inactivity, by sex

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There were similar levels of females that last had a paid job within the previous 12 months (12.1%) as males (14.4%).

Around 7 in 10 formerly employed disabled adults had been out of work for more than 12 months

Disabled adults who were not in employment were less likely to say they have worked in the past 12 months (5.8%) and were more likely to say that they had been out of work for more than 12 months (69.0%), when compared with non-disabled adults who were not in employment (16.9% and 57.4%, respectively). The remaining 25.2% of disabled adults who were not in employment said they had never worked.

"Disabled adults" refers to those who were disabled under the Equality Act (2010) definition of disability. Those who were recorded as economically inactive because of long-term sickness or disability, are those who selected this option. These questions are independent of each other in their origin, see <u>Section 7: Glossary</u> for more information.

More than one in three (35.7%) economically inactive adults were disabled compared with 16.0% of unemployed adults. Like the economically inactive population, disabled adults had an older age profile, which shows the importance of age when interpreting these patterns of findings. More information can be found in our <u>Disability by age</u>, sex and depravation, England and Wales: Census 2021 article.

The economic inactivity group with the highest percentage of disabled adults (92.4%) consisted of those that were disabled or long-term sick.

Figure 5: Over 9 in 10 of those economically inactive because of long-term sickness or disability also report having a disability

Economically inactive usual residents aged 16 and above, reason by disability status

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Differences by local authority

In England, the top three local authorities where those not in employment last held paid employment within the last 12 months, were Oxford (26.1%), Cambridge (24.1%), and Nottingham (22.3%). In Wales, this was Cardiff (18%), Gwynedd (14.5%) and Ceredigion (13.7%). These local authorities also have high student populations.

Figure 6: Local authorities with greater numbers of full-time students have higher proportions of people who last worked in the 12 months before census

Usual residents aged 16 and above within local authority by employment history

Source: Office for National Statistics - Census 2021

Analysis of how economic inactivity and unemployment varied by local authority is available in our <u>Employment in local authority</u>, <u>England and Wales</u>; <u>Census 2021 article</u>.

4. The most frequently reported previous industries, among those who were formerly employed

Those who were not in employment but had formerly been employed, either within the 12 months leading to the census or more than 12 months beforehand, were asked about their last occupation and industry.

The top three industrial sectors among the formerly employed were also the most frequently reported among those in employment, with the "retail, wholesale and motor trade" industrial sector being the largest. This was the most common sector when breaking down the formerly employed, by reason for inactivity, or if they were unemployed. The retail industry within this sector employed the most within each group.

Figure 7: "Retail, wholesale and motor trade" was the most common sector for formerly employed adults, regardless of reason for not being employed

Formerly employed usual residents with employment status by industrial sector

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The "human health and social work activities" sector was the second most common sector for economically inactive people who were either retired, long-term sick or disabled, looking after family or home or for another reason. It was the third most common industry for economically inactive students and unemployed adults. Three in five (60.1%) formerly employed in human health and social care were retired.

Within this sector, human health activities had the highest percentage of retired formerly employed adults (69.2%). Residential care activities had the highest percentage of formerly employed long-term sick or disabled (13.5%). Social work activities without accommodation had the highest percentage of formerly employed people looking after family or home (18.8%).

For inactive students and unemployed adults, their second most common former industry was "accommodation and food service activities." Food and beverage service activities made up the largest part of this; nearly a quarter (24.3%) of those formerly employed in the food and beverage service activities industry were students, and 16.3% were unemployed.

Manufacturing was the third most common industry for those who were inactive because of long-term sickness or disability, however they only made up 8.3% of this sector. Retirement was the most common reason for those formerly employed in this sector.

There was some variation in the former occupations reported by sex

While the most common former industry was the same by sex ("retail, wholesale and motor trade"), there was variation in the ranking of industries below this. For females, this was "human health and social care activities" then "education". For males, this was "manufacturing" then "construction".

Figure 8: "Retail, wholesale and motor trade" was the most common former industry by sex

Usual residents by sex and employment history by industry

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Of the 309 local authorities in England, 17 did not have "retail, wholesale and motor trade" as their most common former industry. Of these, seven recorded "education" (particularly around areas with prominent universities), four had "manufacturing" (concentrated in the Northern parts of England), and four had "Human health and social work activities".

Of the 22 local authorities in Wales, all (apart from two) have "retail, wholesale and motor trade" as their most common former industry. These are Blaenau Gwent (Manufacturing) and Denbighshire (Human health and social work activities).

Figure 9: "Retail, wholesale and motor trade" was the most common former industry across most areas of England and Wales

Formerly employed usual residents by former occupation by local authority

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5. The most frequently reported previous occupations among those who were formerly employed

The most common broad occupation group of those formerly employed was the "elementary occupations" (16.8%) such as cleaners, postal workers, and bar staff. This was the fourth most common occupation in the currently employed population. "Professional occupations", such as doctors, nurses, teachers, and solicitors, was the most common broad occupational group for those in employment (20.2%) and was the second most common group for the formerly employed (13.9%).

The most common specific occupation for the currently and formerly employed groups was the same. Sales and retail assistants accounted for 4.0% and 7.2%, respectively, yet there was some variation in the top 10 occupations in each group.

Figure 10: "Sales and retail assistants" was the most common occupation for each group of the formerly employed

Rank of each occupation for formerly employed adults and the reason for not being in employment

Notes:

1. This chart shows the top 10 ranking for each group. Additionally, where an occupation appears in the top 10 for one of the groups but does not appear in the top 10 for another, we also show the ranking for context. For example, while primary education teaching professionals appears in the top 10 for "retired", it is ranked 74th in the unemployed group.

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Please see our article titled <u>The occupations most dependent on older and younger workers</u> for data on the occupation characteristics of those in employment.

Retired formerly employed adults were the only group where "professional occupations" was the most common broad occupation group, with 17.9% having worked in these occupations. Professional occupations might be a more secure job than other occupations groups and may also reflect lifelong careers and highly experienced and higher paid roles. The age profile was older in this group, over 8 in 10 adults (84.5%) who used to work in professional occupations were over the age of 50 years, compared with half (50.8%) of elementary occupations. The most common professional occupations for those formerly employed in each group were:

- retired secondary education teaching professionals
- student teaching professionals (not elsewhere classified)
- looking after family or home primary education teaching professionals
- unemployed programmers and software developers
- long-term sick or disabled and other other nursing professionals

The age people are retiring to take their pension could explain some of the findings for "Professional occupations"

Pensionable age is likely an explanation for why some professional occupations are highly ranked for some age groups. Teaching professionals start to appear in later age groups, when the rules for these occupations allow people to start collecting their pensions. Pensions might be a factor in why "police officers (sergeant and below)" appear higher in the younger age groups, possibly because of changes in the police pensions made by the Home Office from 1 April 2015.

Figure 11: The percentage of retired formerly employed adults who had previously worked as a "sales and retail assistant" increases with age

Retired formerly employed usual residents by age and occupation

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Healthcare related professional occupations are often cited as leaving the profession early, with <u>rules around pensions (PDF, 354KB)</u> being one possible explanation. Formerly employed adults in human healthcare related occupations have a higher percentage of retired adults between 55 and 64 years than all professional occupations and the general retired population. For example, 17.2% of doctors fall into this group compared with 15.1% of professional occupations and 10.4% for all retired adults.

Some medical professions have higher rates of long-term sickness or disability than those of the same age

The distribution of inactivity because of long-term sickness or disability also varied for different medical professionals. Nearly a quarter (23.4%) of formerly employed doctors, who were inactive because of sickness or disability, were in their 40s, compared with 18.2% of all adults in this group. Around 4 in 10 (39.2%) formerly employed nurses and midwives aged between 55 and 64 years were inactive for the same reason, compared with 3 in 10 among all adults of the same age (31.8%).

Figure 12: There were higher rates of long-term sickness or disability in earlier age groups for health care professionals than all formerly employed

Formerly employed usual residents in healthcare occupations by age and reason for inactivity

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"Elementary occupations" are frequently reported among formerly employed students

There was more variation in the most common occupations in the group who were formerly employed and are now economically inactive because of being a student. Nearly a third (32.4%) used to work in the "elementary occupations," over a fifth (22.9%) worked in "sales and customer service occupations" and 11.7% previously worked in "caring, leisure and other service occupations". The most common occupations people used to work in were:

- sales and retail assistants (17.6%)
- waiters and waitresses (9.9%)
- kitchen and catering assistants (6.2%)
- bar staff (4.0%)
- care workers and home carers (3.1%)

Many of these occupations tend to involve more part time work so they have the potential to be conducted around studying. These occupations were among the most common in young people aged between 16 and 29 years. These occupations might have also been affected by coronavirus (COVID-19) restrictions.

While "elementary occupations" were the most common former occupation of those economically inactive, because of looking after the family or home (20.7%), they had the highest proportion who had worked in "caring, leisure, and other service occupations" (17.6%). "care workers and home carers" was the was the most common occupation within this broad occupation group.

The most common occupation was "sales and retail assistants" among formerly employed adults for both sexes. The next most common was "care worker or home carers" for females and "warehouse operatives" for males. The accompanying datasets provide further detail when considering differences by sex.

While "elementary occupations" was the most common occupation group when considering all formerly employed adults, this was not the case when looking at a local authority level.

Around half of local authorities in England and Wales reported "Elementary occupations" as the most frequent former occupation

Of the 309 local authorities in England, 161 had the most formerly employed in "elementary occupations", 90 had "professional occupations" and the remaining 58 had this as "administration and secretarial occupation". "elementary occupations" were more common in local authorities in the Midlands, Yorkshire and the Humber and the North East. Administrative and secretarial occupations were more concentrated in the South East.

In Wales, 16 local authorities had "elementary occupations" as the most common group, with the remaining six reporting "professional occupations".

Figure 13: Elementary occupations were the most common occupation for most areas of the country

Formerly employed usual residents by former occupation and local authority

Download the data

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6. Characteristics of those not in employment as of Census Day 2021 data

Characteristics of those not in employment as of Census Day 2021: broad industry estimates

Dataset | Released 15 September 2023

Census 2021 data outlining the primary industry for people who were not employed on census day. This dataset is at the section level of the Standard Industrial Classification.

Characteristics of those not in employment as of Census Day 2021: broad occupation estimates

Dataset | Released 15 September 2023

Census 2021 data outlining the last main occupation for people who were not employed on census day. This dataset is at the one-digit level of the Standard Occupational Classification.

Characteristics of those not in employment as of Census Day 2021: detailed industry estimates

Dataset | Released 15 September 2023

Census 2021 data of the industry of people's last main job who were not employed on census day. This dataset is at the division level of the Standard Industrial Classification.

Characteristics of those not in employment as of Census Day 2021: detailed occupation estimates

Dataset | Released 15 September 2023

Census 2021 data outlining the occupation of the last main job of those who were not employed on census day. This data is at the four-digit level of the Standard Occupational Classification.

Characteristics of those not in employment as of Census Day 2021: employment history

Dataset | Released 15 September 2023

Census 2021 data outlining the employment history of those not in employment on census day, including estimates by personal characteristics and reason for not being employed.

7. Glossary

Employment

The number of people aged 16 years and over who carried out paid work as an employee or as self-employed. It also includes those who had a job that they were temporarily away from.

Those not in employment

Those not in employment were all those who did not have paid employment in the week before the census and includes all those who were unemployed or were economically inactive.

Unemployment

People without a job, but who were actively looking for work between 22 February and 21 March 2021 and could start within two weeks. They are also people who had found a job and were waiting to start it in the two weeks after Census Day, 21 March 2021.

Economically inactive

People aged 16 years and over who did not have a job between 15 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.

Reasons for inactivity

Economically inactive people could state that, between 15 and 21 March 2021, they were:

- retired
- studying
- · looking after home or family
- long-term sick or disabled
- other

For definitions of labour market variables more generally, see our Guide to labour market statistics.

Employment history

Classifies people who were not in employment on Census Day, 21 March 2021, 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

Formerly employed

Those who are not in employment but their employment history states that they previously were employed.

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.

Industry

Classifies people aged 16 years and over who were in employment between 15 and 21 March 2021 by the <u>Standard Industrial Classification (SIC) 2007 code</u> that represents their current industry or business.

The SIC code is assigned based on the information provided about a firm or organisation's primary activity.

Occupation

Classifies what people, aged 16 years and over, do as their primary job. Their job title or details of the activities they do in their job, and any supervisory or management responsibilities form this classification. This information is used to code responses to an occupation using the <u>Standard Occupational Classification (SOC) 2020</u>.

It classifies people who were in employment between 15 and 21 March 2021, by the SOC code that represents their current occupation. The lowest level of detail available is the four-digit SOC code, which includes all codes in three-, two- and one-digit SOC levels.

Disability

People who assessed their day-to-day activities as limited by long-term physical or mental health conditions or illnesses are considered disabled. This definition of a disabled person meets the harmonised standard for measuring disability and is in line with the Equality Act (2010).

The census asked separate questions to measure if someone was disabled, according to the Equality Act (2010), or if someone was economically inactive because they were long-term sick or disabled. Both questions were asked independently, with the economically inactive because of being long-term sick or disabled representing a broader group, with 92.4% saying that they were disabled under the Equality Act and 7.6% reporting that this was not the case.

8. Data sources and quality

The census provides the most detailed picture of the entire population, with the same core questions asked to everybody across England and Wales. Census results can be more reliable than survey results based on a sample of the population, because the whole population is included. The UK Statistics Authority has assigned National Statistics status to Census 2021 outputs, providing assurance that these statistics are of the highest quality and value to users.

Census 2021 achieved a very high response rate of 97%. We ensure the census results reflect the whole population by using statistical methods to estimate the number and characteristics of people who were not recorded on a census response. This means that the census statistics are estimates rather than simple counts of responses, so they have some statistical uncertainty associated with them. We take numerous steps to minimise possible sources of error.

Census 2021 was conducted during the coronavirus (COVID-19) pandemic, a period of unparalleled and rapid change, and it is possible that this affected the way some people responded to the labour market questions on the census. Specifically, analysis suggests that there was a tendency for some people who were furloughed to report that they were out of work rather than in employment when completing the census.

Compared with estimates from the <u>Labour Force Survey (LFS)</u>, the census shows fewer people in employment and more people in unemployment or economic inactivity. Some of the discrepancy will be explained by the issue of recording the labour market status of some furloughed individuals in the census. There are also a range of conceptual differences, between Census 2021 and the LFS, which make comparisons between the two sources difficult.

The timing of the census data collection was around 12 months after the UK and Welsh Governments placed England, and Wales, respectively, into lockdown. There have been changes to the labour market since the census so any changes in the later stages of the pandemic or the increases to the cost of living cannot be assessed, but the census gives us an opportunity to look in detail at the data, beyond the timelier LFS figures, which are available in the monthly updates.

Users should be aware of these issues when analysing Census 2021 labour market figures. However, overall, most census respondents responded to the labour market questions in the way we expected. Therefore, the census continues to be a valuable tool for understanding the labour market conditions in small geographical areas and for population sub-groups. Please see our Comparing Census 2021 and Labour Force Survey estimates of the labour market, England and Wales: 13 March 2021 article for further information about interpreting census labour market data.

We apply statistical disclosure control to protect the confidentiality of census respondents. Differences in the methods used for statistical disclosure control may result in minor differences in data totals between census products. As we round all figures individually, table totals may not sum exactly.

Quality considerations along with the strengths and limitations of Census 2021 are more generally provided in our Quality and Methodology Information (QMI) for Census 2021. Read more about the specific quality considerations in our Labour market quality information for Census 2021 methodology. Further information on our quality assurance processes is provided in our Maximising the quality of Census 2021 population estimates methodology.

Industry employment

People in employment were asked to provide their job title and the primary activity of their organisation, business, or freelance work. This information was then used to derive the industry in which they worked. This measure of industry employment differs from the measure used in other business surveys, which may lead to different counts of the population in employment.

9. Related links

Labour market overview, UK: September 2023

Bulletin | Released 12 September 2023

Estimates of employment, unemployment, economic inactivity and other employment-related statistics for the UK.

The occupations most dependent on older and younger workers

Article | Released 31 May 2023

Census 2021 data for England and Wales show which jobs had the most young people, how work varies for men and women, and that some professions might be at risk of dying out.

Employment in local authorities, England and Wales: Census 2021

Article | Released 13 March 2023

Adults living in England and Wales who are in and out of work. Covering employment, unemployment and inactivity. Census 2021 data.

Disability and economic activity

Dataset | Released 28 March 2023

Census estimates that classify all usual residents in England and Wales by disability and economic activity status.

Economic activity status by sex by age

Dataset | Released 28 March 2023

Census 2021 estimates that classify usual residents aged 16 years and over in England and Wales by economic activity status, by sex, and by age.

10. Cite this article

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