



BRIEFING PAPER

Number 6385, 11 August 2020

Unemployment by ethnic background

By Brigid Francis-Devine

1. Coronavirus

Data from the first part of section 2 is for the period April-June, but unemployment rates are yet to reflect the effect of the coronavirus, and the rest of this paper is based on data up to March 2020. For more timely data and detailed analysis on the pandemic's impact on the labour market and how this impact differs between workers from different ethnic backgrounds, see the Library briefing [Coronavirus: Impact on the labour market](#) and Insight [Which workers are economically impacted?](#)

2. Unemployment levels and rates

The (seasonally adjusted) UK unemployment rate was 3.9% in April-June 2020 (the non-seasonally adjusted rate was 3.8%). The (non-seasonally adjusted) rate was **3.5% for people from a White ethnic background** compared to **6.1% for people from minority ethnic backgrounds**, although there was substantial variation between different ethnic minority groups.¹

People from White (3%) and Indian (4%) ethnic backgrounds had the lowest unemployment rates, and people from Bangladeshi, Pakistani and Black ethnic backgrounds had the highest rates (all 8%) in April-June 2020.

¹ The unemployment rate is the proportion of the economically active population who are unemployed. Someone is economically active if they are in work (employed) or if they are looking for and available for work (unemployed). Otherwise the person is economically inactive: not in work and not looking for work.

2 Unemployment by ethnic background

Unemployment by ethnic background, UK			
April-June 2020; Thousands			
	Number unemployed	Unemployment rate	
		April-June 2019	April-June 2020
White	1,303	3%	3%
Black/African/Caribbean/Black British	80	10%	8%
Other ethnic group	44	7%	5%
Pakistani	40	8%	8%
Indian	38	6%	4%
Mixed/Multiple ethnic groups	30	7%	6%
Bangladeshi	15	8%	8%
Chinese	9	4%	5%
Total	1,347	4%	4%

Source: ONS, A09: *Labour market status by ethnic group*, August 2020

Notes: All numbers rounded to nearest 10,000 and may not sum due to rounding. Estimates based on survey responses so subject to sampling error.

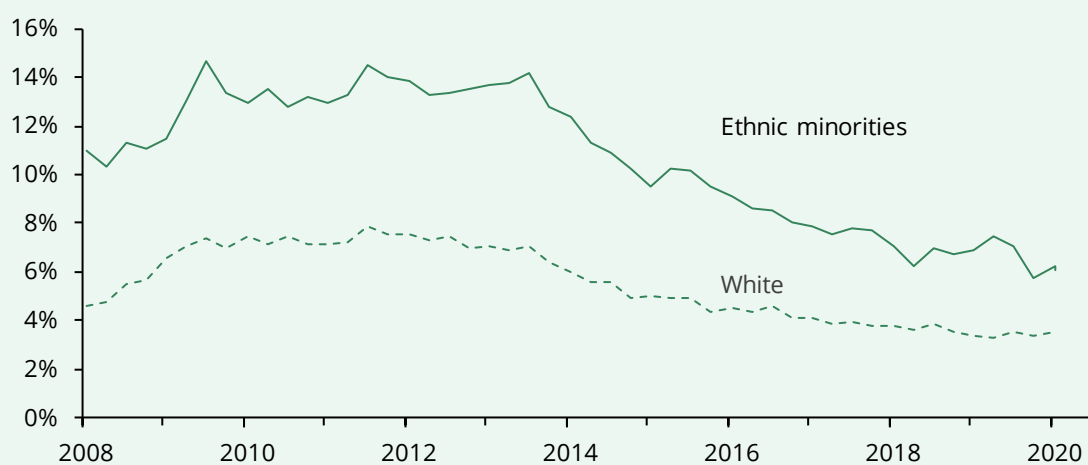
The number of people from a minority ethnic background who are unemployed has decreased slightly since the same period last year, going from a rate of 7.5% to 6.1%. The unemployment rate for people from White ethnic backgrounds has increased from the same period last year, going from 3.3% to 3.5%, and is currently close to historically low levels. Unemployment rates for people both from White and minority ethnic backgrounds are below the rates seen prior to the economic downturn in 2008.²

Following the 2008 downturn there was an increase in unemployment rates across ethnic backgrounds. The unemployment rate for people from a White ethnic background reached a peak of 7.8% in 2011 while the rate for people from ethnic minority backgrounds increased to a peak of 14.7% in 2009. Rates for those from a White ethnic background and from ethnic minority background have more than halved since 2009.

² This data comes from the [Labour Force Survey](#), and a small number of survey respondents for some ethnic groups means that a figures for change over time for each ethnic group are not reliable.

Unemployment rate by ethnic background: UK, 2008-2020

People aged 16+, not seasonally adjusted



Source: ONS, *UK Labour Market, August 2020*, Table A09

Unemployment figures are survey based. Relatively small numbers of respondents from ethnic minority groups mean that unemployment estimates for ethnic minorities are more volatile than estimates for White people, as is visible from the jagged line on the graph.

The table shows unemployment rates for different ethnic backgrounds in the year to March 2020. The unemployment rate was highest for people from a Black, Bangladeshi, Pakistani or Other (8%) ethnic background. The unemployment rate was lowest for people from a White (3%), Indian (4%) or Chinese (4%) ethnic background.

Survey error means that where there is only a small difference in unemployment rates between groups, it is best to view these rates as being about the same.

Unemployment by ethnic background, UK

Data at April 2019-March 2020; Thousands

	Number unemployed	Unemployment rate
White	1,000	3%
Black/African/Caribbean/Black British	90	8%
Other ethnic group	50	8%
Pakistani	50	8%
Indian	40	4%
Any other Asian background	30	7%
Mixed/Multiple ethnic groups	30	6%
Bangladeshi	20	8%
Chinese	10	4%
Total	1,310	4%

Source: ONS *Annual Population Survey* microdata

Notes: All numbers rounded to nearest 10,000 and may not sum due to rounding.

Estimates based on survey responses so subject to sampling error.

2.1 Estimates by age group

Across ethnic backgrounds, **unemployment rates are higher for young people than for older age groups.**

4 Unemployment by ethnic background

Among people aged 16-24, unemployment rates were highest for people from a Bangladeshi or Pakistani ethnic background (26%) and from a Black ethnic background (27%) in April 2019-March 2020. This compared to a rate of 10% for people from a White ethnic background.

Across age groups, **unemployment rates were generally lower for White people than for other ethnic backgrounds**. Some of the reported difference between groups, or the lack of difference, is likely to be attributable to survey error.

Unemployment by age and ethnic background								
Data at April 2019-March 2020; Thousands								
	16-24		25-49		50+		Total	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
White	370	10%	400	3%	230	2%	1,000	3%
Black	40	27%	40	6%	20	5%	90	8%
Bangladeshi/ Pakistani	40	26%	30	5%	0	3%	60	8%
Indian	<10	16%	20	3%	<10	3%	40	4%
Other ethnic backgrounds	40	17%	60	6%	<10	3%	110	7%
Total	490	12%	550	3%	260	2%	1,310	4%

Source: ONS *Annual Population Survey* microdata

Notes: All numbers rounded to nearest 10,000 and may not sum due to rounding. Estimates based on survey responses so subject to sampling error.

"Other ethnic backgrounds" includes people from Chinese, other Asian, mixed/multiple or other ethnic backgrounds.

2.2 Estimates by gender

The **unemployment rate for White men was 3.7%** in April 2019-March 2020, **slightly higher than for White women (3.1%)**. This continues a longstanding trend where unemployment rates tend to be higher for men than for women from a White ethnic background. The employment rate is still higher for men than for women, because women are more likely than men to be economically inactive (not in work and not looking for work).

However, among people from minority ethnic backgrounds, unemployment rates for men and women have diverged in recent years so that **the unemployment rate is higher for women from a minority ethnic background (7.1%) than for men (6.7%)**. This is observed across most ethnic minority groups. Men from a minority ethnic background also have a higher employment rate than women.

The unemployment rate was highest for women from a Pakistani or Bangladeshi ethnic background at around 9.8%, compared to an overall female unemployment rate of 3.9%.

Unemployment by ethnic background and gender: UK,						
Data at April 2019-March 2020; Thousands						
	Male		Female		Total	
	Number	Rate	Number	Rate	Number	Rate
White	570	4%	430	3%	1,000	3%
Black	50	9%	40	7%	90	8%
Bangladeshi/ Pakistani	40	7%	30	10%	60	8%
Indian	20	4%	20	5%	40	4%
Other ethnic backgrounds	50	7%	50	7%	110	7%
Total	730	4%	580	4%	1,310	4%

Source: ONS *Annual Population Survey* microdata

Notes: All numbers rounded to nearest 10,000 and may not sum due to rounding. Estimates based on survey responses so subject to sampling error.

"Other ethnic backgrounds" includes Chinese, other Asian, mixed/multiple or other ethnic backgrounds.

3. Sources and notes

The original sources for the data in this briefing paper are the quarterly Labour Force Survey and the Annual Population Survey, run by the Office for National Statistics (ONS). The annual figures are more robust than the quarterly figures as they are based on a larger number of survey respondents, so are used for the more detailed analyses in sections 1.2 and 1.3.

In this data, people from a Gypsy or Irish Traveller ethnic background are categorised as being from a White ethnic group. The [ONS](#) provides more information on how it measures ethnic groups.

Quarterly data on unemployment and employment by ethnic background is published in [Table A09](#) of the Office for National Statistics' monthly *UK Labour Market* bulletin. New data are published four times a year, in February, May, August and November. Estimates are not seasonally adjusted, meaning they do not take into account changes that would usually be expected to occur within the course of the year.

The annual data presented in this paper is not routinely available from other published sources but can be obtained via analysis of the underlying Annual Population Survey microdata, as has been done here.³

All figures are based on surveys and are therefore subject to sampling error. Estimates for ethnic minority groups are more volatile than estimates for the population as a whole, since estimates are based on smaller numbers of survey respondents. Some of the reported differences between groups (or the lack of difference) may simply be down to statistical 'noise' rather than genuine differences.

Further information on youth unemployment is available in the Library's briefing paper on [Youth unemployment statistics](#). A summary analysis of the latest labour market statistics and trends for the UK is available in the Library's monthly paper, [People claiming unemployment benefits by Constituency](#).

³ Office for National Statistics, Social Survey Division. (2019). *Annual Population Survey, July 2017-June 2018* [data collection]. 4th Edition. UK Data Service. SN: 8415, <http://doi.org/10.5255/UKDA-SN-8415-5>

About the Library

The House of Commons Library research service provides MPs and their staff with the impartial briefing and evidence base they need to do their work in scrutinising Government, proposing legislation, and supporting constituents.

As well as providing MPs with a confidential service we publish open briefing papers, which are available on the Parliament website.

Every effort is made to ensure that the information contained in these publicly available research briefings is correct at the time of publication. Readers should be aware however that briefings are not necessarily updated or otherwise amended to reflect subsequent changes.

If you have any comments on our briefings please email papers@parliament.uk. Authors are available to discuss the content of this briefing only with Members and their staff.

If you have any general questions about the work of the House of Commons you can email hcinfo@parliament.uk.

Disclaimer

This information is provided to Members of Parliament in support of their parliamentary duties. It is a general briefing only and should not be relied on as a substitute for specific advice. The House of Commons or the author(s) shall not be liable for any errors or omissions, or for any loss or damage of any kind arising from its use, and may remove, vary or amend any information at any time without prior notice.

The House of Commons accepts no responsibility for any references or links to, or the content of, information maintained by third parties. This information is provided subject to the [conditions of the Open Parliament Licence](#).