



## BRIEFING PAPER

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# Unemployment by ethnic background

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### Note

The Office for National Statistics have suspended the publication of unemployment levels by ethnic group from the beginning of 2020 onwards. They are currently carrying out a reweighting exercise of this data, which is expected to be completed in July. Further information is available in the ONS article [Labour Force Survey weighting methodology](#).

This Library briefing paper **will not be updated until these statistics are republished**. Please note that the currently published version of this briefing paper does contain the unemployment levels data that has subsequently been suspended. This information should be used with caution as it may change when the data is republished.

The ONS continue to publish employment rates by ethnic group and this is available in the ONS [Labour market status by ethnic group](#) dataset.

## 1. Coronavirus

Analysis produced to date suggests that workers who are from a minority ethnic background have been one of the groups most negatively impacted economically by the coronavirus outbreak.<sup>1</sup>

A report from Public Health England (PHE) found individuals from minority ethnic backgrounds are more likely to work in occupations with a higher risk of COVID-19 exposure, and 15% of workers in the sectors most affected by the pandemic are from a minority ethnic group, compared to 12% of all workers.<sup>2</sup>

A survey by the Runnymede Trust found people from a minority ethnic background are 'consistently more likely' than people from a White background to have experienced negative financial impacts due to Covid-19 and lockdown: 32% of people from minority

<sup>1</sup> In this paper, minority ethnic background includes Black, Indian, Pakistani, Bangladeshi, Chinese, Mixed/Multiple, and Other ethnic groups. More detail is provided in Section 3.

<sup>2</sup> PHE, [Beyond the data: Understanding the impact of COVID-19 on BAME groups](#), 16 June 2020, p5. Library analysis of the [Labour Force Survey, 2019 Q4](#), using IFS definition of vulnerable sectors.

## 2 Unemployment by ethnic background

ethnic groups reported losing 'some income', compared with 23% of people from a White background.<sup>3</sup>

Data from the first part of section 2 is for the period October-November 2020. Because of the coronavirus pandemic, the Labour Force Survey, where this data comes from has become less reliable. Therefore, some of the quarterly changes by ethnic group are due to survey error. For more 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](#).

The second part of this paper is based on data for October 2019-September 2020.

## 2. Unemployment levels and rates

The UK unemployment rate was 5.1% in October-December 2020.<sup>4</sup> The rate was **4.5% for people from a White ethnic background** compared to **9.5% for people from minority ethnic backgrounds**, although there was substantial variation between different ethnic minority groups.<sup>5</sup>

People from White (4.5%) and Bangladeshi (6.4%) ethnic backgrounds had the lowest unemployment rates, and people from Black (13.8%) and Pakistani (9.7%) ethnic backgrounds had the highest rates in October-December 2020.

Note that the reliability of this data has been compromised by the coronavirus pandemic so some of the changes are likely due to survey error.

Unemployment by ethnic background, UK				
October-December, <i>Thousands</i>				
	2019		2020	
	Level	Rate (%)	Level	Rate (%)
Black/African/Caribbean/Black British	98	8.7%	137	13.8%
Pakistani	40	7.7%	37	9.7%
Mixed/Multiple ethnic groups	26	6.7%	43	8.9%
Other ethnic group	49	5.2%	71	8.2%
Chinese	*	*	15	7.6%
Indian	16	1.8%	73	7.4%
Bangladeshi	10	4.5%	11	6.4%
White	1,022	3.4%	1,344	4.5%
Minority ethnic group	244	5.8%	386	9.5%
<b>Total</b>	<b>1,268</b>	<b>3.7%</b>	<b>1,730</b>	<b>5.1%</b>

**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.

Source: ONS, UK labour market, February 2021, [Table A09](#)

<sup>3</sup> Runnymede Trust, [Over-Exposed and Under-Protected, The Devastating Impact of COVID-19 on Black and Minority Ethnic Communities in Great Britain](#), August 2020, p11

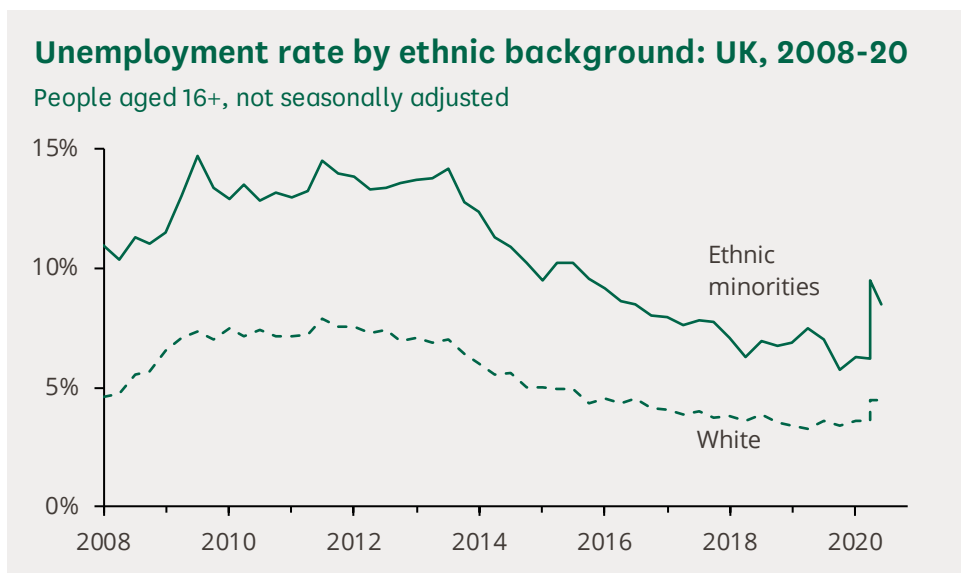
<sup>4</sup> ONS, [A09: Labour market status by ethnic group](#), 23 February 2021; Data is not seasonally adjusted

<sup>5</sup> 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.

The number of people from a minority ethnic background who are unemployed has increased from the same period last year, with the unemployment rate rising from 5.8% to 9.5%. The unemployment rate for people from White ethnic backgrounds also rose, from 3.4% to 4.5%. Unemployment rates for people from both White and minority ethnic backgrounds are below the rates seen prior to the economic downturn in 2008.

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 decreased to a record low of 3.4% for people from a White ethnic background and 5.8% for people from a minority ethnic background in October-December 2019, but both have increased since the start of the coronavirus pandemic.

In October-December 2020, **unemployment levels** for people from a minority ethnic background increased by 142,000, and by 321,000 for people from a White background from the same period in 2019.



Source: ONS, UK labour market, February 2021, [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 above.

The table below shows unemployment rates for different ethnic backgrounds in the year to September 2020. The unemployment rate was highest for people from a Pakistani (10%), or Black (9%) ethnic background. The unemployment rate was lowest for people from a White (4%), Indian (4%), or Chinese (5%) 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

October 2019-September 2020, *Thousands*

	Unemployment level	Unemployment rate (%)
White	1,100	4%
Indian	40	4%
Chinese	10	5%
Any other Asian background	30	6%
Mixed/Multiple ethnic groups	30	7%
Other ethnic group	40	7%
Bangladeshi	20	8%
Black/African/Caribbean/Black British	100	9%
Pakistani	50	10%
<b>Total</b>	<b>1,400</b>	<b>4.1%</b>

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

Among people aged 16-24, unemployment rates were highest for people from a Black (29%) or Bangladeshi or Pakistani (27%) ethnic background in October 2019-September 2020. This compared to a rate of 11% 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

October 2019-September 2020, *Thousands*

	16-24		25-49		50+		Total (16+)	
	Level	Rate (%)	Level	Rate (%)	Level	Rate (%)	Level	Rate (%)
White	400	11%	450	3%	250	3%	1,100	4%
Black	40	29%	40	7%	20	6%	100	9%
Bangladeshi/ Pakistani	30	27%	30	5%	<10	5%	60	9%
Indian	<10	17%	20	3%	0	2%	40	4%
Other ethnic backgrounds	40	16%	60	5%	<10	4%	110	7%
<i>Minority ethnic background</i>	120	21.6%	150	5.2%	40	4.5%	310	7.1%
<b>Total</b>	<b>520</b>	<b>12.4%</b>	<b>600</b>	<b>3.1%</b>	<b>290</b>	<b>2.7%</b>	<b>1,400</b>	<b>4.1%</b>

**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 was highest for women from a Pakistani or Bangladeshi ethnic background at 10.1%, compared to an overall female unemployment rate of 3.8%.

The unemployment rate for White men was 4.1% in October 2019-September 2020, slightly higher than for White women (3.3%). 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).

**The unemployment rate is higher for men from a minority ethnic background (7.3%) than for women (6.9%),** but this varies across different ethnic minority groups.

### Unemployment by ethnic background and gender: UK,

October 2019-September 2020, *Thousands*

	Male		Female		Total	
	Level	Rate (%)	Level	Rate (%)	Level	Rate (%)
White	630	4%	470	3%	1,100	4%
Black	50	11%	40	7%	100	9%
Bangladeshi/ Pakistani	40	8%	20	10%	60	9%
Indian	20	3%	20	5%	40	4%
Other ethnic backgrounds	60	7%	50	7%	110	7%
<i>Minority ethnic background</i>	<i>160</i>	<i>7%</i>	<i>140</i>	<i>7%</i>	<i>310</i>	<i>7%</i>
<b>Total</b>	<b>800</b>	<b>4%</b>	<b>610</b>	<b>4%</b>	<b>1,400</b>	<b>4%</b>

**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 2.2 and 2.3.

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

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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.<sup>6</sup>

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](#). Library paper [Coronavirus: Impact on the labour market](#) provides analysis of how the coronavirus pandemic is affecting work.

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<sup>6</sup> 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>

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