Unemployment by ethnic background

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1. Unemployment levels and rates

The (seasonally adjusted) UK unemployment rate was 3.7% in October-December 2019. The rate was **3.4% for people from a White background** compared to **5.8% for people from BAME (Black, Asian and Minority Ethnic) backgrounds**, although there was substantial variation between different ethnic minority groups.[1]

The number of people from a BAME background who are unemployed has increased slightly since the same period in 2018, going from a rate of 6.7% to 5.8%. In comparison, the unemployment rates for people from White backgrounds are currently at historically low levels. Unemployment rates for people both from White and BAME backgrounds are below the rates seen prior to the economic downturn in 2008.

Following the downturn there was an increase in unemployment rates across ethnic groups. The unemployment rate for people from a White background reached a peak of 7.8% in 2011 while the rate for people from BAME backgrounds increased to a peak of 14.7% in 2009. The rate for those from BAME background has nearly halved since 2009.

Unemployment rate by ethnic background: UK, 2008-19
People aged 16+, not seasonally adjusted

Source: ONS, UK Labour Market, February 2020, Table A09

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[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.

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 groups in the year to September 2019. The unemployment rate was highest for people from a Black, Bangladeshi and Pakistani (8%) background. The unemployment rates for people from an Indian or Chinese background was similar to that for White people.

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 October 2018 to September 2019; Thousands	Number unemployed	Unemployment rate
White	1,040	4%
Black/African/Caribbean/Black British	90	8%
Pakistani	40	8%
Indian	40	4%
Other ethnic group	40	7%
Any other Asian background	30	7%
Mixed/Multiple ethnic groups	30	6%
Bangladeshi	20	8%
Chinese	10	3%
Total	**1,320**	**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.

1.1 Estimates by age group

Across ethnic groups, **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 Bangladeshi or Pakistani background (23%) and from a Black background (20%) in October 2018-September 2019. This compared to a rate of 10% for people from a White background.

Across age groups, **unemployment rates were 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 October 2018 to September 2019; Thousands

	16-24		25-49		50+		Total	
	Number	*Rate*	Number	*Rate*	Number	*Rate*	Number	*Rate*
White	380	*10%*	410	*3%*	240	*2%*	1,040	*4%*
Black	30	*20%*	40	*6%*	20	*6%*	90	*8%*
Bangladeshi/ Pakistani	30	*23%*	30	*5%*	0	*5%*	60	*8%*
Indian	<10	*13%*	20	*3%*	<10	*3%*	40	*4%*
Other ethnic backgrounds	30	*16%*	60	*6%*	<10	*3%*	100	*6%*
Total	**490**	***11%***	**560**	***3%***	**280**	***3%***	**1,320**	***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.

1.2 Estimates by gender

The **unemployment rate for White men was 3.7% in October 2018-September 2019, 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 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 BAME backgrounds, unemployment rates for men and women have diverged in recent years so that **the unemployment rate is higher for BAME women (7.1%) than for men (6.3%)**. This is observed across most ethnic minority groups. BAME men also have a higher employment rate than BAME women.

The unemployment rate was highest for women from a Pakistani or Bangladeshi background at around 10.6%, compared to an overall female employment rate of 3.6%.

Unemployment by ethnic background and gender: UK,
Data at October 2018 to September 2019; Thousands

	Male		Female		Total	
	Number	*Rate*	Number	*Rate*	Number	*Rate*
White	580	*4%*	460	*3%*	1,040	*4%*
Black	50	*9%*	40	*7%*	90	*8%*
Bangladeshi/ Pakistani	30	*7%*	30	*11%*	60	*8%*
Indian	20	*4%*	20	*4%*	40	*4%*
Other ethnic backgrounds	50	*6%*	50	*7%*	100	*6%*
Total	**730**	***4%***	**590**	***4%***	**1,320**	***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.

2. 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.

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. [2]

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.*

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[2]   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