

## 7.0 Economic Activity and Employment Patterns

A large-scale investigation into the Labour Market in the East of England was conducted by Cambridgeshire County Council Regional Labour Market team in association with the East of England Regional Assembly (EERA) and funded by the East of England Development Agency (EEDA) and the European Social Fund (ESF). The outputs from this project included three reports concerned with different aspects of ethnicity and the labour market. The following section briefly summarises the information available in these reports, the full text of which is available on the East of England Observatory<sup>8</sup>.

The reports are mainly based on data from the 2001 Census, and are concerned with the six Counties and former Counties of the Eastern Region. In this geographical arrangement, Bedfordshire includes Luton, Cambridgeshire includes Peterborough and Essex includes both Thurrock and Southend-On-Sea.

The first in the series of reports is concerned with economic activity. Regionally, in every ethnic group, males showed higher economic activity rates than the females. Overall, Indian males showed the highest levels of economic activity, with 77.9% economically active, and Bangladeshi females the lowest levels of economic activity, with only 26.3% economically active.

With the exception of the former county of Cambridgeshire, Bangladeshi females showed the lowest levels of economic activity throughout the Eastern Region, ranging from 22.7% economically active in the former county of Bedfordshire to 33.5% economically active in Essex. In the former county of Cambridgeshire, where Bangladeshi females have an economic activity rate of 28.2%, Pakistani women show the lowest rates of economic activity at 28.0%. In all other counties, Pakistani women show the second lowest rates of economic activity. It is possible that this can largely be explained by the high tendency of women from these groups to be at home looking after children.

The highest rates of economic activity were found in White British males in the former county of Bedfordshire, where this group had an economic activity rate of 80%, the former county of Cambridgeshire (78.3%) and Hertfordshire (80.3%). In the former county of Essex, the highest economic activity rates were found in Black Caribbean males (81.3%) and in Norfolk and Suffolk, Indian men showed the highest rates, with 81.1% and 86.9% respectively being economically active.

In the female groups, Black Caribbean women showed the highest rates of economic activity in the Eastern Region as a whole (69.5%).

Unemployment was also considered. Unemployment refers to those who are not in employment but who are seeking to work. Regionally, at the time of the Census, 3.6% of working age (16-64) White people were unemployed compared to 4.6% nationally. In the non-White group 6.8% of working age people were unemployed compared to 10.0% nationally. The highest unemployment rates regionally, were found among Bangladeshi women, 14.4% of whom were unemployed, followed by

---

<sup>8</sup> The East of England Labour Market – Census 2001 Analysis Project  
<http://www.eastofenglandobservatory.org.uk/census.asp>

Pakistani women, with an unemployment rate of 12.0%. This combined with the low rates of economic activity found in these two groups suggests the existence of certain penalties for these groups in the labour market that could be explored further. The lowest unemployment rates were found among Chinese males, of whom only 3.2% were classed as unemployed.

Across the counties, the unemployment rates found in the different ethnic groups were not consistent. In the former county of Bedfordshire, the lowest rates of unemployment were found among White British females, only 3.1% of whom were unemployed. The lowest rates of unemployment in the former county of Cambridgeshire were among Chinese males (2.6%). In both the former county of Essex and in Hertfordshire, the lowest unemployment rates were among White Irish females, having rates of 3.3% and 2.1% respectively. In Norfolk there were no unemployed Bangladeshi women, however this is likely due to the small population of Bangladeshi women in this county coupled with the low rates of economic activity in this group. The next lowest rate in this county was among Other Black males, only 2.6% of whom were unemployed. This group also had the lowest proportion of unemployment in Suffolk (2.6%).

The highest unemployment rates in the former county of Bedfordshire were among Bangladeshi females who had a rate of 19.3%. This group also showed the greatest proportion of unemployment in Suffolk at 14.3%, along with Pakistani females whose unemployment rate in Suffolk was also 14.3%. Pakistani females also had the highest rates of unemployment in both the former county of Cambridgeshire (13.6%) and Norfolk (14.5%). In the former county of Essex, Other Black males had the greatest proportion of unemployment at 11.7%, and the group with the highest rate of unemployment in Hertfordshire was Mixed White and Black Caribbean males, with a rate of 11.1%.

#### *More recent economic activity data*

More recent data on the economic activity of different ethnic groups of working age (16 to 64 years) is also available from the Annual Population Survey conducted by the Office of National Statistics (ONS). This survey relies on a sample and data is not published for population estimates of less than 500. Certain ethnic groups have small sample sizes that make a detailed analysis of the data problematic. The results below are therefore only presented for White and non-White groups. Small numbers also prevent analysis by county/unitary authority of unemployment figures even within these aggregated ethnic groups, and so instead employment rates are presented. It is important to remember that unemployment is not the 'opposite' of employment and these figures cannot be used to gauge the numbers of unemployed.

It can be seen from Table 7.1, below, that the proportion of economically inactive members of the non-White group is higher than that of the White group by a magnitude of 8%. Just over one quarter of the non-White group is not economically active. While we do not have an ethnic or gender breakdown of this figure, one could conjecture that a fair proportion of these economically inactive people are comprised of Pakistani and Bangladeshi women, although, of course, a large proportion will also be retired people, students, etc.

**Table 7.1 % of Whites and non-Whites of working age who are economically inactive by area**

*Annual Population Survey 2004, ONS*

	% of whites of working age: economically inactive		% of non-whites of working age: economically inactive	
	number	%	number	%
Bedfordshire	34,800	15.4	4,100	21.7
Cambridgeshire	53,500	15.7	3,700	22.7
Essex	143,900	18.6	5,900	22.9
Hertfordshire	96,200	16.3	11,400	22.1
Suffolk	74,800	19.5	2,800	23.4
Norfolk	92,400	19.9	2,500	28.5
Peterborough UA	15,600	17.7	2,700	30.6
Luton UA	12,500	16.2	14,400	38.6
Southend UA	17,500	18.9	900	18.6
Thurrock UA	16,400	19.3	1,100	15.3
<b>Total</b>	<b>557,500</b>	<b>17.9</b>	<b>49,500</b>	<b>25.9</b>

White groups have a lower rate of economic inactivity than non-White groups in every county in the East of England, however the issue is less clear-cut in the unitary authorities. White groups have lower rates of economic inactivity in both Southend and Thurrock, although in these areas the numbers are small and this may confound the results. The lowest proportion of economically inactive people in the White group are found in Bedfordshire where the rate is 15.4%, whilst the lowest rates for the non-White groups are found in Thurrock, with a comparable proportion of 15.3%.

The highest rates of economic inactivity in the non-White groups are found in Luton (38.6%) and Peterborough (30.6%), again it is tempting to speculate that this might reflect the large Asian communities in these areas. The highest rates of economic inactivity in the White groups are in Norfolk (19.9%) and Suffolk (19.5%). One possibility that could explain these rates is the presence of a large and ageing, rural White community resulting in many retired people.

**Table 7.2 Employment rates among Whites and non-Whites of working age (16-64) by area**

*Annual Population Survey 2004, ONS*

	working age employment rate - white		working age employment rate non-white	
	number	%	number	%
Bedfordshire	184,700	81.8	14,200	75.1
Cambridgeshire	276,500	81.3	11,000	68.1
Essex	605,400	78.3	18,600	72.2
Hertfordshire	477,200	81.1	37,900	73.3
Norfolk	353,600	76.3	5,900	67.5
Suffolk	302,300	78.8	8,500	71.4
Peterborough UA	69,700	78.9	5,700	63.9
Luton UA	61,200	79.5	20,500	55.1
Southend UA	70,900	76.6	3,900	81.4
Thurrock UA	66,500	78.1	6,000	82.6
<b>Total</b>	<b>2,468,100</b>	<b>79.2</b>	<b>132,200</b>	<b>69.1</b>

The proportion of non-White groups in any form of employment is lower than the proportion of White groups by around 10%. For White groups the regional proportion

of 79.2% in employment is largely consistent across the different authorities, ranging from 76.6% in Southend-On-Sea UA to 81.3% in both Bedfordshire and Cambridgeshire. There is more regional variation in employment rates in the non-White groups, with only 55.1% of working age people employed in Luton but conversely over 80% in both Southend and Thurrock. Indeed these two areas once again stand out as non-White groups here have higher rates of employment than White groups in any area.