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12 September 2023

UK labour market statistics



Summary

- 1 Employment
- 2 Unemployment and economic inactivity
- 3 Earnings
- 4 People in the labour market

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Summary

This briefing summarises the latest labour market statistics for the UK.

In May to July 2023 the labour market continued to loosen: employment fell, and unemployment and inactivity rose. Vacancies fell on the quarter in June to August 2023, as they have every quarter since March to May 2022. Nominal pay growth remained strong and there was an increase in real pay including bonuses in the three months to July 2023, despite high inflation.

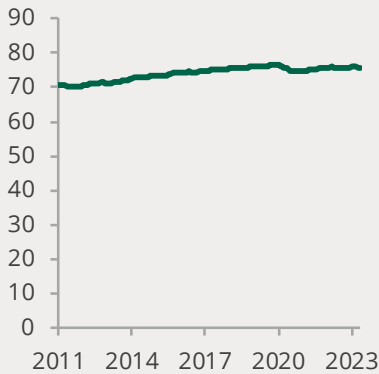
Key figures

- In May to July 2023, the number of people aged 16+ in employment was **32.88 million**, and the employment rate for people aged 16-64 was **75.5%**, down from 76.0% in the previous quarter. Employment levels decreased by 207,000 in the last quarter but increased by 135,000 over the last year. They were 103,000 below pre-pandemic levels (January to March 2020).
- The UK unemployment rate was **4.3%**, and 1.46 million people aged 16+ were unemployed. Unemployment levels rose in the last quarter and the last year and were 89,000 above pre-pandemic levels.
- **8.78** million people aged 16-64 were economically inactive, and the inactivity rate was **21.1%**. Inactivity levels rose by 63,000 from the previous quarter but fell by 231,000 in the last year. They were 334,000 above their pre-pandemic level.
- There were **102,000** redundancies, an increase of 39,000 from the previous year.
- The number of vacancies fell in the last quarter and over the year to 989,000 in June to August 2023, but remain 188,000 above pre-pandemic levels.
- Average wages including bonuses increased in real terms in the three months to July 2023, with an annual change of 0.6%. The real annual change in wages excluding bonuses was 0.0%. Nominal wages continued to rise, at a rate of 8.5% including bonuses and 7.8% excluding bonuses. This is the same as the three months to June 2023 and is the highest annual increase in nominal pay excluding bonuses since comparable records began in 2001.

UK labour market 2011-2023

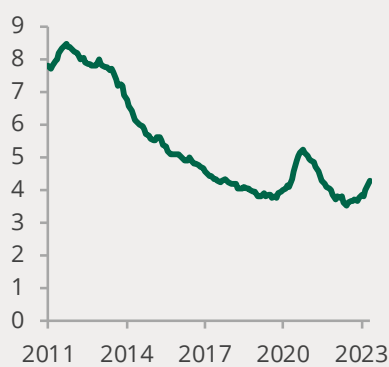
Employment rate

Aged 16-64, %



Unemployment rate

Aged 16+, %



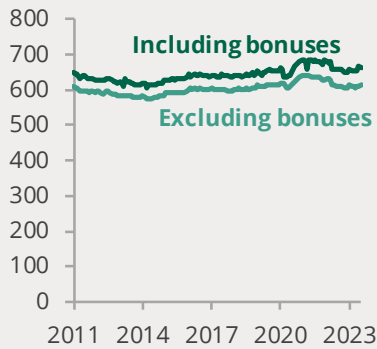
Economic inactivity rate

Aged 16-64 olds, %



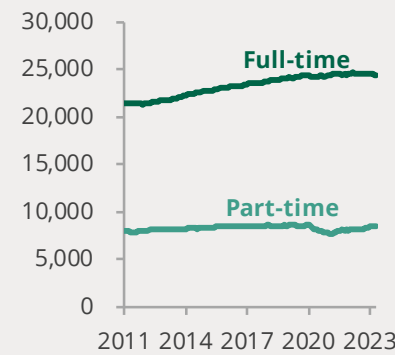
Average weekly pay

Employees in GB, July
2023 prices, £



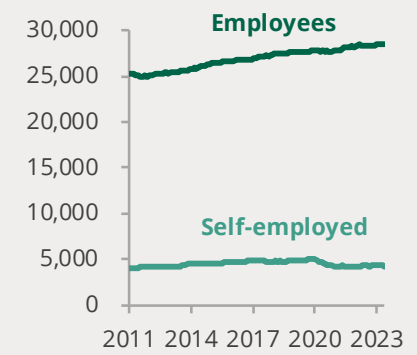
Part-time and full-time workers

Thousands



Employees and self-employed

Thousands



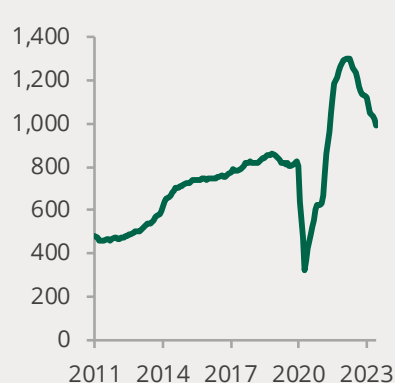
Redundancies

Thousands



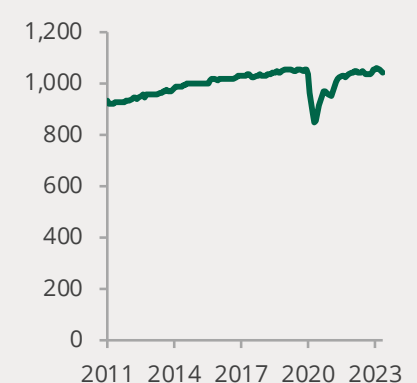
Vacancies

Thousands



Total hours worked

Millions



Source: ONS, Labour Force Survey, Tables [A01](#), [EARN01](#), [RED01](#), [VACS01](#) and [HOUR01](#)

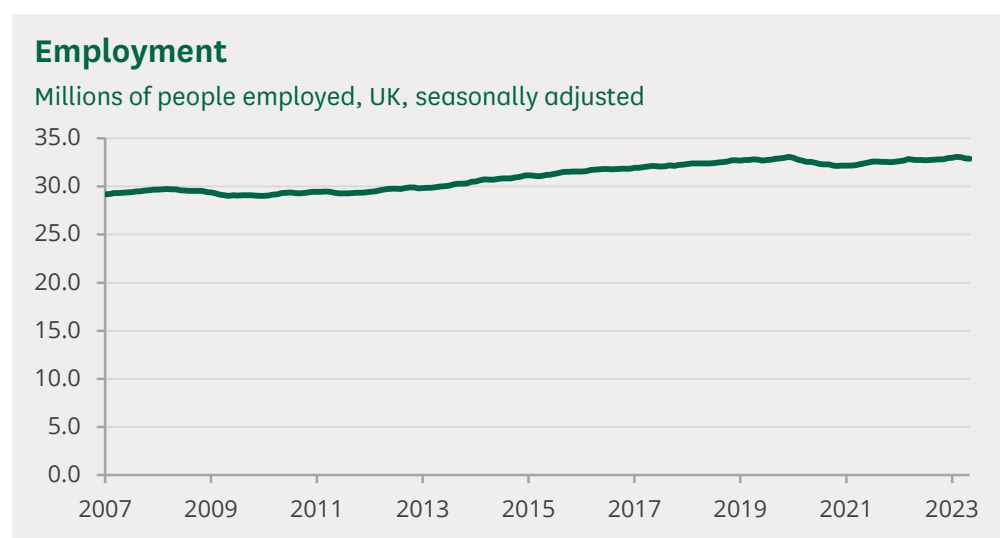
1 Employment

Employment levels are 103,000 below their pre-pandemic levels.

In May to July 2023, there were 32.88 million people in employment in the UK. The employment rate (the proportion of the population aged 16-64 in work) was 75.5%.¹

Employment May to July 2023	
Rate (16-64)	75.5%
Rate last quarter	76.0%
Rate last year	75.4%
Level (millions)	32.88
Change on quarter	-207,000
Change on year	135,000

The employment rate gradually rose from 2011 to the start of the coronavirus pandemic. It reached a maximum rate of 76.6% in early 2020, which was the highest recorded level since records began in 1971. This compares to a post-recession low of 70.1% in July to September 2011.



Source: ONS, [A01: Summary of labour market statistics](#), 12 September 2023

Employment levels fell following the UK-wide coronavirus lockdown in March 2020 and continued to fall throughout 2020, with levels dropping down to

¹ Unless otherwise indicated, all the data in this briefing is from the ONS Labour Force Survey. Please note that due to survey error, some changes over time may be smaller or larger than the data suggests.

32.13 million at the end of 2020. Employment levels began to recover during the first half of 2021 and slowly returned to pre-pandemic levels, before falling below them again in April to June 2023. The employment rate remains below the pre-pandemic rate of 76.3%.

1 The labour market is tight but showing signs of loosening.

Low unemployment rates and high vacancy levels have meant the labour market has been tight in 2022 and 2023: most of those who want to work have been in work, meaning that recruitment has been more difficult than usual.

This was driven by the growth in the number of economically inactive people since the beginning of the pandemic. Lower net migration from the EU also caused a fall in the number of people in the labour market. The Bank of England explained that this was due to demand for labour recovering much faster than labour supply since the pandemic, although demand has started to slow.

Labour market tightness is a causal factor in the growth of nominal wages, and has caused some upward pressure on inflation. In August 2023, the [Bank of England's Monetary Policy Commission \(MPC\) identified a tight labour market and wage growth](#) as persistent inflationary pressures in the economy.²

However, demand for labour is slowing: job vacancies have fallen from their peak in 2022, and unemployment is rising. The Bank of England expects unemployment to continue to rise, to 4.8% in Q3 2025.³

The Library debate pack [Skills and labour shortages](#) provides more detail on the causes of labour shortages.

1.1 Type of employment

The increase in employment levels over the last ten years has been driven by full-time workers. The number of full-time workers continued to increase after the outbreak of the pandemic, while there was a sharp fall in part-time employment. There was also a fall in the number of people who were self-employed, partly due to workers in the same job switching from describing themselves as self-employed to calling themselves employees.

² Bank of England, [Monetary Policy Report - August 2023](#), 3 August 2023

³ Bank of England, [Monetary Policy Report - August 2023](#), 3 August 2023

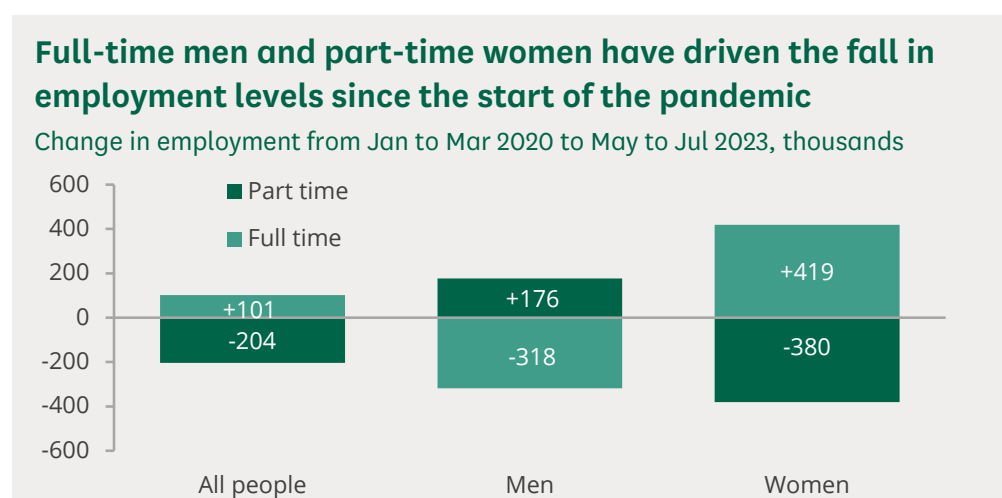
The employment growth over the last year, however, has been driven by part-time employees and part-time self-employed people, with a fall in the number of full-time workers.

Full time/part time

In May to July 2023, 24.42 million people were employed on a full-time basis while 8.46 million were employed on a part-time basis.

Full-time and part-time workers		
May to July 2023		
	Full-time	Part-time
All workers		
Level (millions)	24.42	8.46
Change on quarter	-216,000	8,000
Change on year	-158,000	293,000
Men		
Level (millions)	14.73	2.42
Change on quarter	-155,000	-81,000
Change on year	-145,000	154,000
Women		
Level (millions)	9.69	6.04
Change on quarter	-61,000	89,000
Change on year	-13,000	140,000

Since the start of the pandemic, the number of people working full-time has increased, but there has been a fall in the number of people working part-time. As shown in the chart below, there has been a fall in men working full-time and a particularly large fall in women working part-time.



Source: ONS, [EMP01 SA: Full-time, part-time and temporary workers](#), 12 September 2023

Employees and the self-employed

In May to July 2023, there were 28.50 million people working as employees, while a further 4.24 million were self-employed.

Employees and self-employed			
May to July 2023			
	Total	Full-Time	Part-time
Employees			
Level (millions)	28.50	21.60	6.90
Change on quarter	31,000	-29,000	59,000
Change on year	184,000	-46,000	229,000
Self employed			
Level (millions)	4.24	2.77	1.47
Change on quarter	-202,000	-158,000	-45,000
Change on year	-46,000	-114,000	68,000

The increases in employment since 2011 have been mainly driven by people working as employees, although the number of people working in self-employment had also gradually increased.

The number of employees continued to increase after the start of the pandemic, driven by full-time employees. In May to July 2023, the number of full-time employees was 806,000 above pre-pandemic levels. In contrast, the number of part-time employees was 138,000 below pre-pandemic levels. There has, however, been a fall in the number of full-time employees and an increase in the number of part-time employees over the last year.

The number of self-employed workers fell following the start of the pandemic and remained 732,000 below pre-pandemic levels in May to July 2023. The ONS have reported that this fall was partly due to people describing themselves as employees rather than self-employed after the furlough scheme was created.⁴

1.2

Public/private

The ONS publishes two sets of figures for public and private sector employment: one which reflects the actual number of workers in the public and private sector and one which excludes the effects of major reclassifications, where bodies employing large numbers of people have moved between the public and private sectors. The ONS advises using the data excluding the effects of reclassification when looking at changes over time, so this data is provided in the table below. For reference, including the

⁴ ONS, [Painting the full picture: what our statistics tell us about the labour market](#), 29 January 2021

effects of reclassification, public sector employment was 5.87 million and private sector employment was 27.01 million June 2023.⁵

Excluding the effects of reclassification, the public sector employed 5.74 million people in June 2023, while private sector employment was 27.15 million.

Public and private sector employment		
March 2023		
	Public sector	Private sector
% in each sector	17.4%	82.6%
% last year	17.1%	82.9%
Level (millions)	5.74	27.14
Change on quarter	41,000	248,000
Change on year	129,000	7,000

Note: Data excludes the effects of major reclassifications

The fall in employment since the start of the pandemic has been driven by the private sector. Between March 2020 and June 2023, private sector employment has fallen by 264,000 while public sector employment has increased by 367,000.

17.4% of those in employment worked in the public sector in June 2023, compared to 16.4% in March 2020.

Before the pandemic the percentage of all workers who worked in the private sector had been steadily increasing since 2010. The pandemic reversed this pattern.

1.3

Vacancies

Vacancies reached a record high of 1.30 million in March to May 2022.

The number of vacancies fell on the quarter to 989,000 in June to August 2023. Vacancies have been falling every quarter since March to May 2022 but vacancies were still 188,000 higher than the pre-pandemic quarter of January to March 2020.⁶

The number of vacancies was higher than the number of unemployed people in the middle of 2022, but there were 1.4 unemployed people for every vacancy in May to July 2023.

⁵ ONS, [FMP02: Public and private sector employment](#), 12 September 2023

⁶ ONS, [Vacancies and jobs in the UK](#), 12 September 2023

Vacancies

June to August 2023

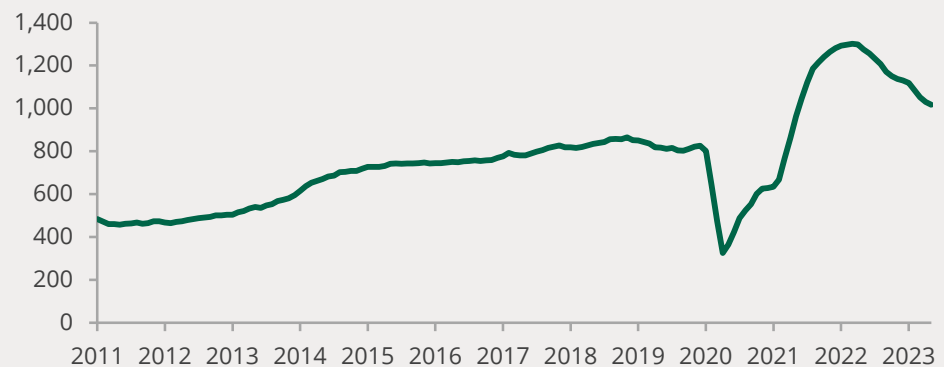
Level (millions)	0.99
Change on quarter	-63,000
Change on year	-268,000

One of the earliest indicators of the impact that the pandemic was having on the labour market was a record fall in the number of job vacancies in April to June 2020. The number of vacancies in that 3-month period was at a record low of 326,000. This was 475,000 less than in January to March 2020.

Since then, the number of vacancies has steadily recovered and moved back to their pre-pandemic levels in spring 2021. Vacancy levels rose quickly throughout the rest of 2021, and reached their highest level in March to May 2022 since comparable records began in 2001, before falling in recent quarters. This is a sign of labour demand gradually decreasing.

Despite falling in recent quarters, vacancies remain above pre-pandemic levels

Thousands, seasonally adjusted



Source: ONS, [VACS01: Vacancies and unemployment](#), 12 September 2023

2 Vacancies by Industry

The Library Insight [How has the pandemic affected industries and labour in the UK?](#) looks at the trends in vacancies across different industry sectors.

Most sectors had a fall in vacancies at the start of the pandemic, but vacancies in all sectors increased above their pre-pandemic levels, and many sectors currently have large levels of vacancies.

As this high level of vacancies is accompanied by relatively low unemployment, it means that certain sectors are experiencing labour shortages.

2 Unemployment and economic inactivity

2.1 Unemployment

In May to July 2023, there were 1.46 million unemployed people in the UK, with levels rising since the previous quarter and the previous year. The unemployment rate (the percentage of the economically active population who are unemployed) was 4.3%.⁷

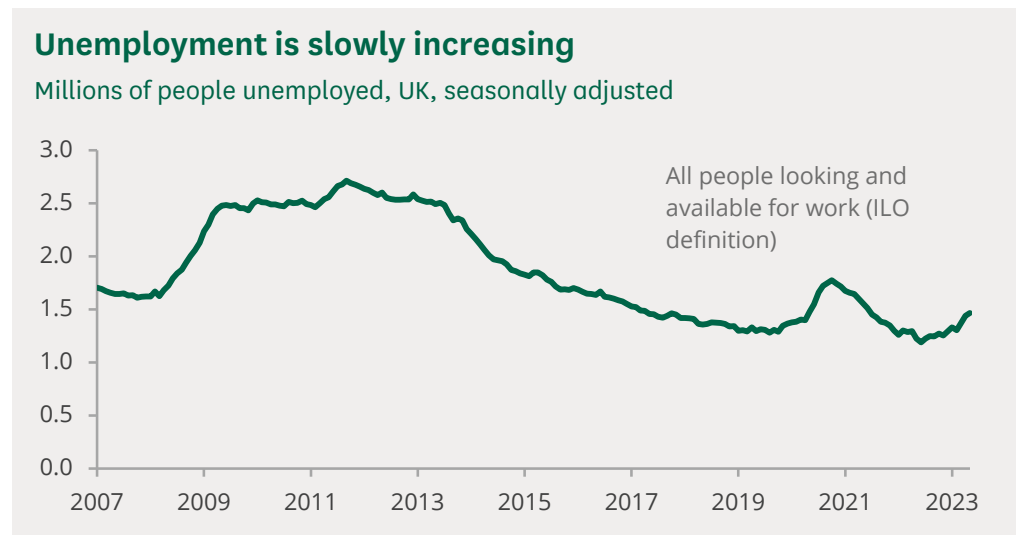
The unemployment rate was 4.3%, above the pre-pandemic rate.

Unemployment May to July 2023	
Rate (16+)	4.3%
Rate last quarter	3.8%
Rate last year	3.6%
Level (millions)	1.46
Change on quarter	159,000
Change on year	240,000

Prior to the start of the coronavirus pandemic, the unemployment rate was at a historically low level. The rate rose as a result of the pandemic, to a high of 5.2% in late 2020, although this was much lower than the rates that were forecast at the beginning of the pandemic. In comparison, the rate reached a post-recession high of 8.5% in late 2011 following the 2008 financial crisis.

Unemployment fell between the end of 2020 and June to August 2022, but has been slowly increasing ever since. Unemployment levels in April to June 2023 exceeded pre-pandemic levels for the first time since October to December 2021.

⁷ The International Labour Organisation (ILO) definition of unemployment includes everyone looking for and available for work whether or not they are claiming benefits and is measured using surveys.



Source: ONS, [A01: Summary of labour market statistics](#), 12 September 2023

Looking across the **countries and regions of the UK** in May to July 2023, the unemployment rate was highest in the North West (5.3%) and lowest in Northern Ireland (2.7%). Note that smaller survey samples make regional estimates more volatile than estimates for the UK as a whole.⁸

Unemployment forecasts

In March 2023, the Office for Budget Responsibility forecast a rise in unemployment to peak at 4.4% in 2024.⁹ The OBR has revised down its forecasts since November 2022, when it expected unemployment to peak at 4.9% in Quarter 4 2024.¹⁰

In its August 2023 Monetary Policy Report, the Bank of England forecasted unemployment rise to 4.3% in Q3 2024, 4.8% in Q3 2025 and remain at 4.8% in Q3 2026. The Bank revised up its forecasts between its May and August reports, citing a loosening labour market.¹¹

The Treasury's August 2023 survey of independent forecasts for the unemployment rate showed an average forecast of 4.1% for Quarter 4 2023 and 4.3% for Quarter 4 2024.¹²

2.2

Redundancies

In May to July 2023 there were 102,500 redundancies, a small increase from the previous quarter.

⁸ ONS, [Labour market in the regions of the UK](#), 12 September 2023

⁹ OBR, [Economic and fiscal outlook – March 2023](#), 15 March 2023

¹⁰ OBR, [Economic and fiscal outlook – November 2022](#), 17 November 2022

¹¹ Bank of England, [Monetary Policy Report – August 2023](#), 13 August 2023

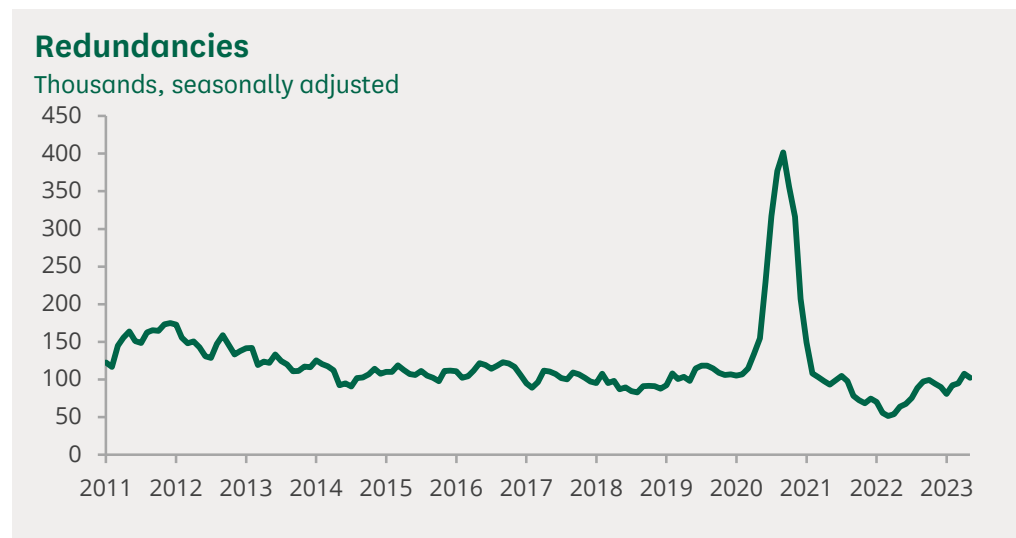
¹² HM Treasury, [Forecasts for the UK economy](#), 24 August 2023

Redundancies

May to July 2023

Level	102,500
Change on quarter	9,900
Change on year	38,500

Redundancies rose sharply during the coronavirus pandemic, and then fell equally sharply as coronavirus restrictions lifted. They reached their lowest level since records began in 1995, of 51,000 in March to May 2022, when businesses were finding it difficult to recruit in a tight labour market. They have since been slowly increasing as labour demand slows.



Source: ONS, [A01: Summary of labour market statistics](#), 12 September 2023

2.3

Economic Inactivity

In May to July 2023, there were 8.78 million people in the UK who were economically inactive (not in work and not actively looking for work). The inactivity rate (the proportion of the population aged 16-64 who are economically inactive) was 21.1%. Inactivity increased on the quarter but fell on the year.

1.66 million of those who were inactive in May to July 2023 wanted a job, which was 19% of inactive people.¹³

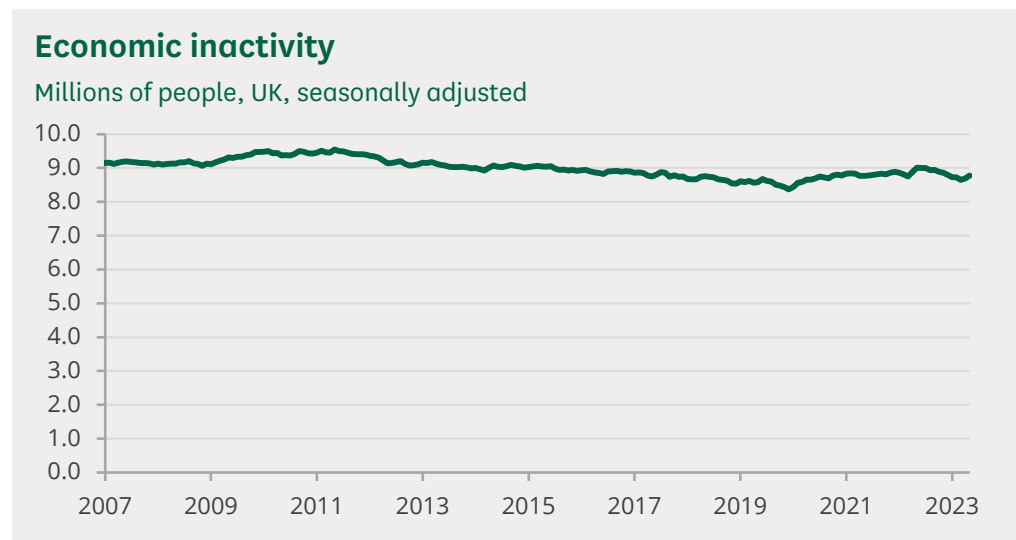
¹³ ONS, [JNAC01 SA: Economic inactivity by reason \(seasonally adjusted\)](#), 12 September 2023

Economic inactivity

May to July 2023

Rate (16-64)	21.1%
Rate last quarter	21.0%
Rate last year	21.7%
Level (millions)	8.78
Change on quarter	63,000
Change on year	-231,000

As employment levels rose after 2011, the number of economically inactive people fell, but economic inactivity rose as a result of the pandemic. The number of economically inactive people in May to July 2023 was 334,000 above pre-pandemic levels in January to March 2020.



Source: ONS, [A01: Summary of labour market statistics](#), 12 September 2023

Reasons for inactivity

Long term sickness and being a student were the leading reasons for economic inactivity in May to July 2023, with 30% of economically inactive people saying their inactivity was because of a long-term illness and 26% saying it was because they were a student. The number of economically inactive people with a long-term illness is at its highest recorded level since comparable records began in 1993.

The Library Insight [How is health affecting economic inactivity?](#) provides more analysis on health as a reason for economic inactivity.

The age group that has seen the largest increase in inactivity since the start of the pandemic is those aged 50-64. The Library Insight [Why have older workers left the labour market?](#) provides more analysis on early retirement as a reason for inactivity.

There has also been a rise in inactivity among young people. The Library Insight [Why are young people leaving the labour market?](#) discusses why young people may not be entering the workforce after leaving education.

The Resolution Foundation report [Left behind, Exploring the prevalence of youth worklessness due to ill health in different parts of the UK](#) provides data on ill-health as a reason for inactivity among young people by area. It found that young people with low levels of skills were particularly likely to be inactive due to ill health: around 80% of young people who are too had qualifications at GCSE-level or below.

3 Trends in inactivity during the pandemic

The Library Insight, [Will more economic inactivity be a legacy of the pandemic?](#) looks at the impact the pandemic had on economic inactivity.

Inactivity increased during the coronavirus pandemic, particularly among men, young people and those aged 50-65. More people reported being inactive due to long-term sickness.

The Bank of England expects these effects to fade. Long-term sickness is expected to slowly return to pre-pandemic trends and those who retired early will reach retirement age, when they would have left the labour market anyway.¹⁴

2.4

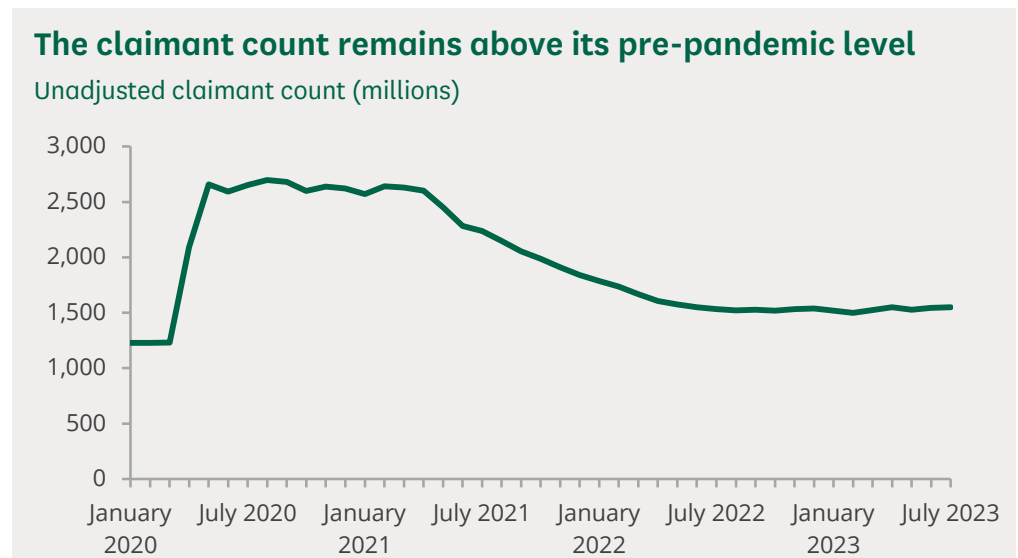
People claiming unemployment benefits

In August 2023, 1.55 million people claimed unemployment related benefits, around the same as in July 2023, and 30,000 more than August 2022.¹⁵

The claimant count was 321,000 higher in August 2023 than it was in March 2020, when the first coronavirus lockdown began. However, as shown in the chart below, most of this increase occurred between March and May 2020. The number of claimants fell from the end of 2020 to mid-2022 but has levelled off in recent months.

¹⁴ Bank of England, [Monetary Policy Report - February 2023](#), 2 February 2023

¹⁵ ONS, [CLA01: Claimant Count](#), 12 September 2023



Source: ONS, [Claimant count](#), 12 September 2023

The claimant count is useful for tracking changes in the labour market, although many of those who have started to claim may not be unemployed.

Constituency level claimant count figures are published in the Library briefing [People claiming unemployment benefits by constituency](#).

3

Earnings

There was high year-on-year growth in average pay in cash terms in the three months to July 2023, with the growth in pay excluding bonuses at a joint record high. Despite this high inflation, real-terms growth for earnings including bonuses was positive for the first time since 2021, at 0.6%, while growth in earnings excluding bonuses were 0.0%. CPI inflation averaged 7.8% in the same period.

Annual growth in average weekly pay

Three months to July 2023

	Cash	Real
Including bonuses	8.5%	0.6%
Excluding bonuses	7.8%	0.0%

As discussed in Box 1, a tight labour market along with short-term inflation expectations is still strengthening underlying nominal wage growth. The Bank of England has identified high nominal wage growth as an inflationary pressure: the Bank's Monetary Policy Commission raised the Bank's interest rate to 5.2% in August 2023, and one reason it cited for this increase was that it expected nominal wages to take longer to fall than they had done to increase.¹⁶

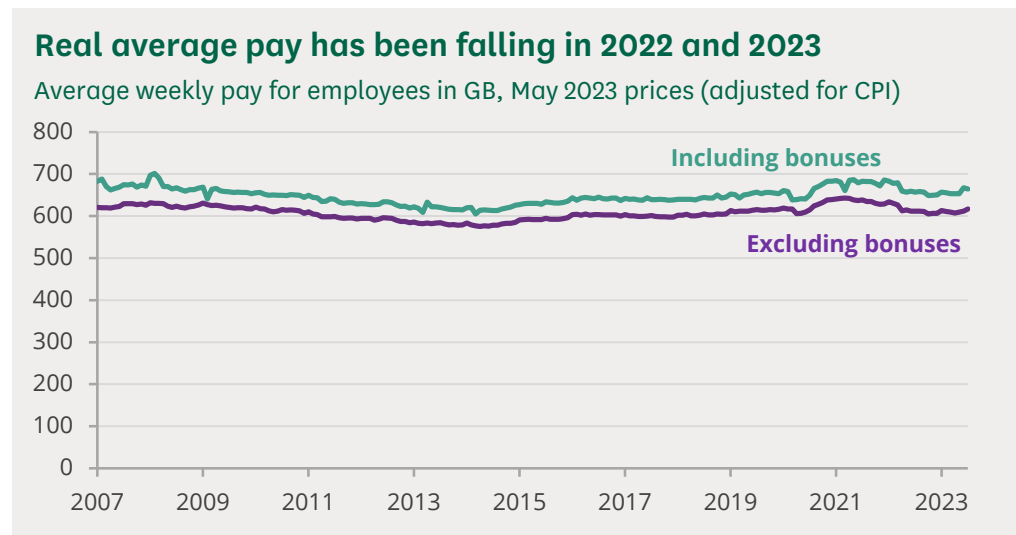
The Bank of England expects pay growth in the private sector to be 7.5% in Q4 2023, 4.0% in Q4 2024 and 2.5% in Q4 2025.¹⁷

High inflation since 2021 has meant despite growth in nominal wages, real wages have been falling, and are expected to continue to fall in 2023.¹⁸ The Library briefing [Rising cost of living in the UK](#) provides more detail.

¹⁶ Bank of England, [Bank Rate increased to 5.25% - August 2023](#), 3 August 2023

¹⁷ Bank of England, [Monetary Policy Report - August 2023](#), 3 August 2023

¹⁸ Bank of England, [Monetary Policy Report - November 2022](#), 3 November 2022



Source: ONS, [EARN01: Average weekly earnings](#), 12 September 2023

Average pay in the **private sector** increased by 7.6% including bonuses and by 8.1% excluding bonuses. In the **public sector**, average pay grew by 12.2% including bonuses and by 6.6% excluding bonuses. After adjusting for inflation, private sector pay fell by 0.2% including bonuses and increased by 0.2% excluding bonuses. Public sector pay increased by 4.0% including bonuses and fell by 1.1% excluding bonuses.

Part of the increase in public sector pay including bonuses is due to the one-off payment received by NHS staff in June.¹⁹

The Resolution Foundation's most recent [Labour market outlook Q2 2023](#) discusses the real terms fall in public sector pay during the rising cost of living.

¹⁹ Gov.uk, [Over one million NHS staff to receive pay rises from today](#), 1 June 2023

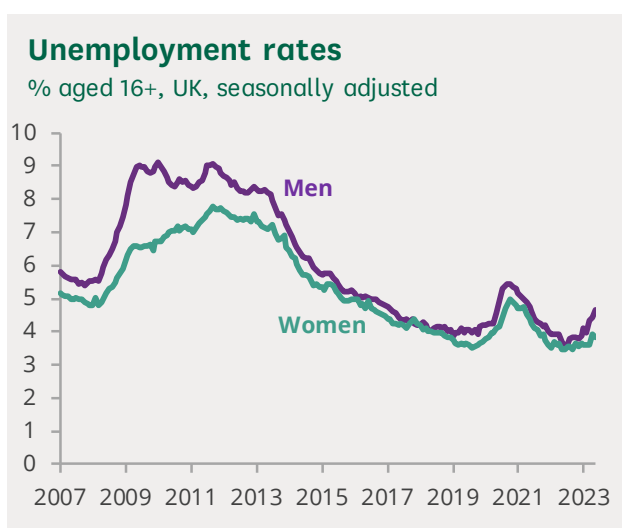
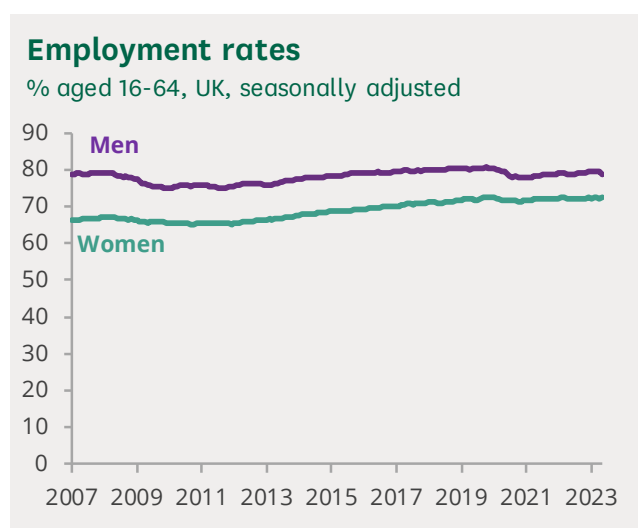
4 People in the labour market

4.1 Women and men

15.73 million women and 17.15 million men were in employment in May to July 2023. The female employment rate was 72.4% and the male employment rate was 78.6%.

Employment for men and women May to July 2023			
	Total	Women	Men
Rate (16-64)	75.5%	72.4%	78.6%
Rate last quarter	76.0%	72.3%	79.6%
Rate last year	75.4%	72.1%	78.8%
Level (millions)	32.88	15.73	17.15
Change on quarter	-207,000	28,000	-236,000
Change on year	135,000	127,000	9,000

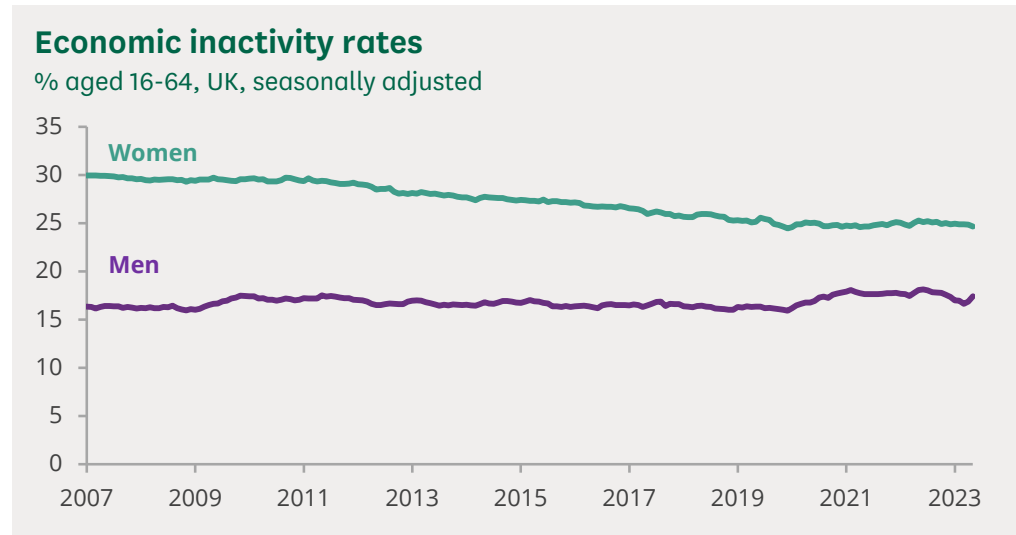
As shown in the charts below, both unemployment rates and employment rates are higher for men than for women. The gap for unemployment, however, is now very small.



Source: ONS, [A05 SA: Employment, unemployment and economic inactivity by age group \(seasonally adjusted\)](#), 12 September 2023

Economic inactivity rates are higher for women: in May to July 2023, the percentage of women aged 16-64 who were not in work and not looking for work was 24.7%, compared to 17.4% for men.

The gap between the rates for men and women has been narrowing steadily due to a fall in the number of women who are economically inactive. As there has been a flow from inactivity to employment for women, this has meant that the employment gap between men and women has also been closing steadily in recent years.



Source: ONS, [A05 SA: Employment, unemployment and economic inactivity by age group \(seasonally adjusted\)](#), 12 September 2023

Increases in the employment rate for women over recent years are partly due to changes to the State Pension age.²⁰

Employment and parenting

Parents of dependent children in a couple have the highest employment rates, with 93% of fathers and 80% of mothers in a couple in employment in April to June 2023.

Among people with no dependent children, the gap between employment rates for men and women was much smaller.

Lone parents with dependent children have the lowest employment rates, at 69%.²¹

²⁰ Library briefing [Increases in the State Pension age for women born in the 1950s](#) provides more information.

²¹ ONS, [Employment rates of people by parental status: Table P](#), 30 August 2023

Employment rates by parental status

April to June 2023

Parental status	Employment rate
People with dependent children	84%
Married/ cohabiting mothers with dependent children	80%
Married/ cohabiting fathers with dependent children	93%
Lone parents with dependent children	68%
People without dependent children	71%
Women without dependent children	69%
Men without dependent children	74%
All	76%

Source: ONS, [Employment rates of people by parental status: Table P](#), 30 August 2023

Employment rates have remained relatively stable in recent years for all of the groups in the table above, apart from lone parents. Employment rates among lone parents have been falling since the beginning of the pandemic; from 69.7% in January to March 2020, to 68.9% in April to June 2023.

4.2

Young people

In May to July 2023, 526,000 young people aged 16-24 were unemployed, a rate of 12.7%. By historical standards, unemployment levels for young people remain low.²²

Youth unemployment

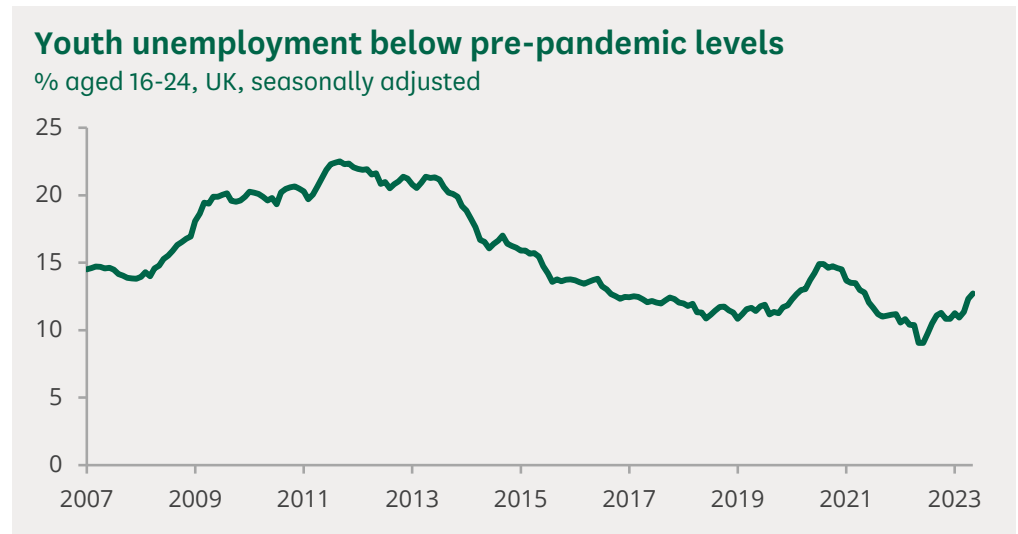
May to July 2023

Rate (16+)	12.7%
Rate last quarter	10.9%
Rate last year	9.1%
Level	526,000
Change on quarter	62,000
Change on year	154,000

In the months following the start of the pandemic there was a large fall in employment levels for young people aged 16-24, and this was followed by a rise in unemployment. In July to September 2020, it had increased by 15% from pre-pandemic levels.

²² ONS, [A06 SA: Educational status and labour market status for people aged from 16 to 24](#), 12 September 2023

Unemployment levels for young people started to fall after that and were 159,000 below pre-pandemic levels in June to August 2022. Since then, youth unemployment has been mostly increasing and in May to July 2023 it was back to around pre-pandemic levels.



Source: ONS, [Table A06 SA](#): Educational status and labour market status for people aged from 16 to 24, 12 September 2023

Library briefing [Youth unemployment statistics](#) provides more detail on this subject.

4.3 Ethnic groups

The unemployment rate for minority ethnic groups (7.1%) in April to June 2023 was more than double the rate for White ethnic groups (3.5%).²³

In April to June 2023 rates were highest for people from Bangladeshi (10.3%) and Pakistani (9.7%) ethnic groups and lowest for White ethnic groups (3.5%). The UK unemployment rate was 4.1% in the same period.

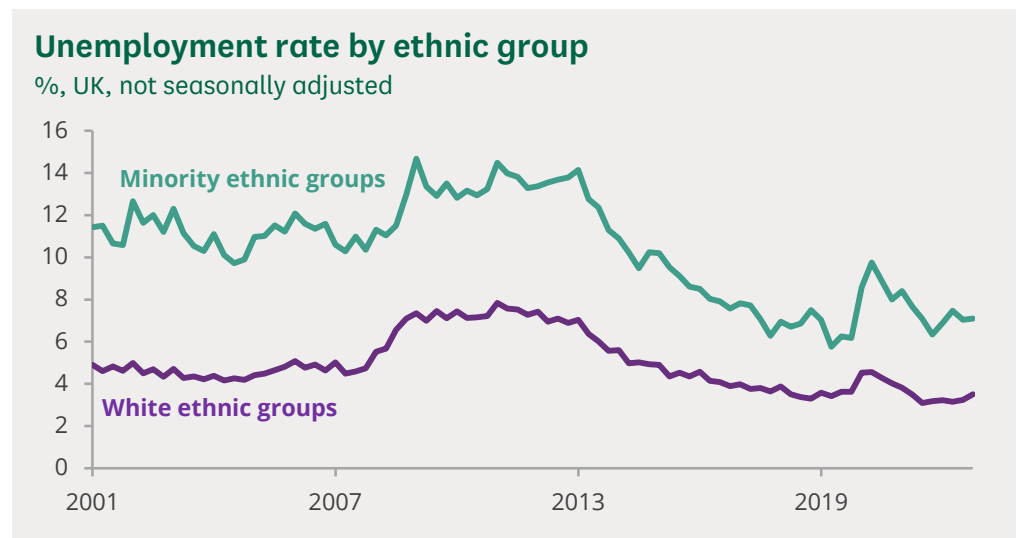
²³ ONS, UK labour market, [Table A09](#), 15 August 2023

Unemployment by ethnic group	
April to June 2023	
	Rate
White	3.5%
Other	5.8%
Mixed/multiple ethnic groups	6.0%
Chinese	6.1%
Indian	7.1%
Black	7.2%
Pakistani	9.7%
Bangladeshi	10.3%

Unemployment rates vary substantially between ethnic groups, although small survey sample sizes mean that the unemployment rates can be unreliable for these groups. The table above and chart below groups all minority ethnic groups together to improve reliability.

Before the pandemic, the gap between unemployment for White ethnic groups and minority ethnic groups was gradually narrowing, but the pandemic reversed this trend. Unemployment rates for minority ethnic groups increased from 6.3% in the pre-pandemic quarter January to March 2020, to a high of 9.8% in October to December 2020. In comparison, the unemployment rate for people from a White ethnic group increased from 3.6% to a high of 4.6%.

The gap narrowed after the pandemic as the unemployment rate for minority ethnic groups returned to pre-pandemic levels in April to June 2022. It has stayed at a similar level in recent quarters.



Source: ONS, UK labour market, [Table A09](#), 15 August 2023

Library briefing [Unemployment by ethnic background](#) provides more detail on this subject.

4.4

Nationality

In April to June 2023, the employment rate for all non-UK nationals was 76.0%, compared to a rate of 75.5% for UK nationals. Nationals of EU countries had an employment rate of 83.1%, compared to 69.2% for non-EU nationals.²⁴

Employment by nationality				
January to March 2023				
	UK	Non-UK	EU	Non-EU
Rate (16-64)	75.5%	76.0%	83.1%	69.2%
Rate last quarter	75.9%	76.1%	82.6%	69.8%
Rate last year	75.4%	75.3%	81.8%	68.8%
Level (millions)	28.69	4.17	2.24	1.93
Change on quarter	-35,000	-94,000	-40,000	-54,000
Change on year	-64,000	205,000	63,000	142,000

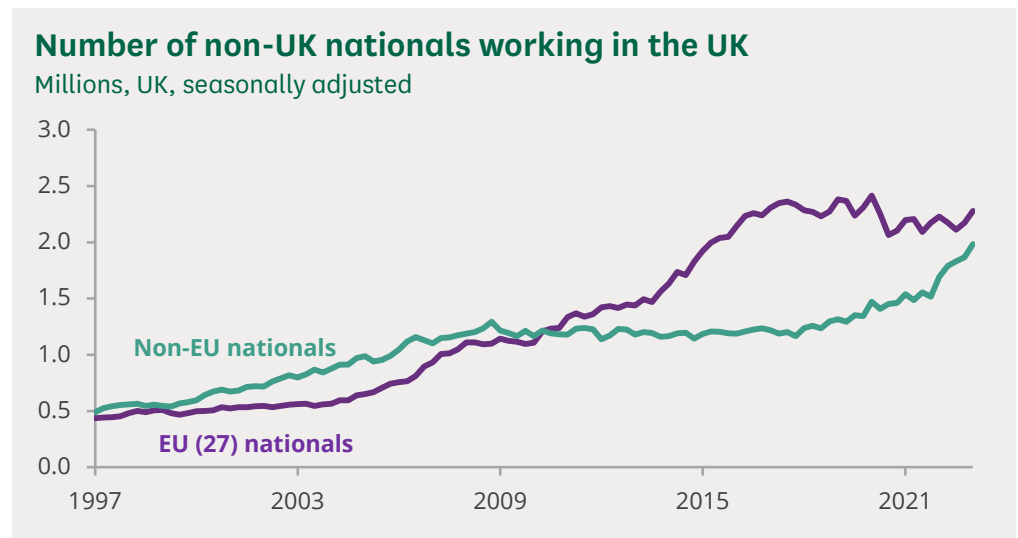
In April to June 2023, there were 4.17 million people working in the UK who were not UK nationals, 12.7% of all people in employment. This included:

- 2.24 million people who were nationals of the 27 EU countries (6.8%)
- 1.93 million people who were nationals of countries outside the EU (5.9%)

The chart below shows that there were big increases in the number of EU nationals in work up to the end of 2017, but numbers have since been falling in response to Brexit and the coronavirus pandemic. The number of non-EU nationals in work has been steadily increasing in recent years.

Compared to the pre-pandemic quarter of January to March 2020, there was a fall in employment of 378,000 for UK nationals. There was also a fall for EU nationals of 175,000, but an increase for non-EU nationals of 458,000, meaning the increase in employment for non-UK nationals was 282,000.

²⁴ ONS, [EMP06: Employment by country of birth and nationality](#), 15 August 2023



Source: ONS, [EMP06: Employment by country of birth and nationality](#), 15 August 2023

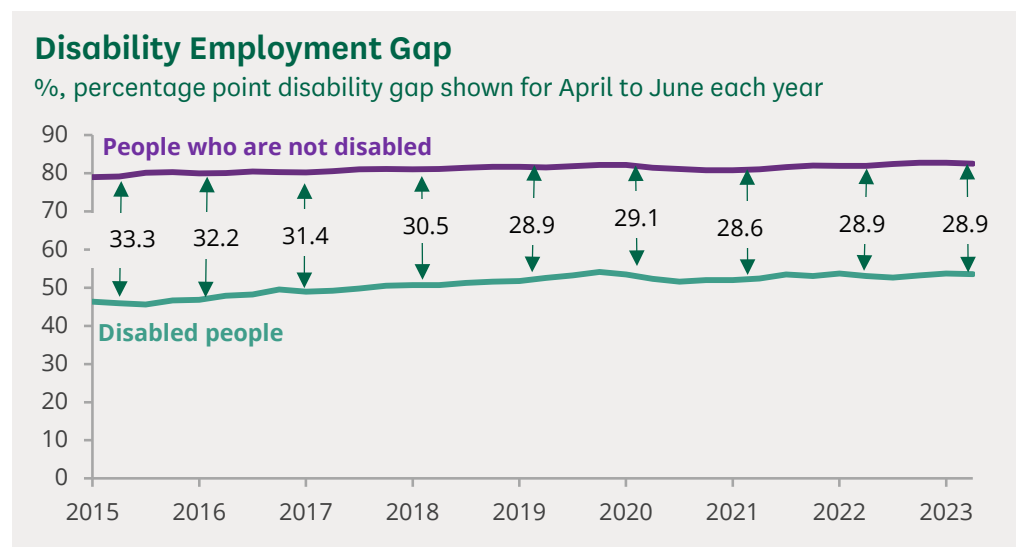
4.5

Disability

In April to June 2023, the employment rate for disabled people was 53.6% and the rate for people who are not disabled was 82.5%, meaning that the disability employment gap (the difference in the employment rate of disabled people and people who are not disabled) was 28.9 percentage points.

Between April to June 2013 and April to June 2023, the disability employment gap reduced by 4.2 percentage points. This has been because the employment rate for disabled people has been rising faster than the employment rate for people who are not disabled.

The gap increased slightly during the coronavirus pandemic.



Source: ONS, [Table A08: Labour market status of disabled people](#), 15 August 2023

Library briefing [Disabled people in employment](#) provides more detail on this subject.

The Resolution Foundation found that the number of people with a disability in employment has increased by 2.3 million since 2013, but more than half of this increase (1.9 million) is because there are more people with a disability overall.

Since 2013, the percentage of disabled people with mental health illnesses has increased: in 2022 there were around 1.1 million more workers reporting a mental health illness than in 2013. It is difficult to know whether rising employment rates mean a removal of barriers to work for disabled people, or a rise in self-reported disability among workers.²⁵

²⁵ Resolution Foundation, [Labour market outlook Q3 2022](#), 6 October 2022

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