

# Labour Market

# Chapter 3

- » **Over three quarters (77 per cent) of London's working-age population were economically active** in the labour force in 2007. This group comprises those who are in work and those who are unemployed and looking for work.
- » **London's employment rate (72 per cent) was slightly below the UK average (74 per cent)**. The rate for men was around average but the rate for women was the lowest of any UK region.
- » Within London, **the employment rate was lower in Inner London (67 per cent) than Outer London (72 per cent)**, where rates were closer to the national average in 2007.
- » In London, as in most areas, **women have a lower employment rate (64 per cent) than men (79 per cent)**. However, the gender gap in London was far greater than average - 14 percentage points compared with 8 for the UK as a whole.
- » Of all regions, **the gender gap in employment rates was widest in London**, reflecting the relatively low employment rate of women, especially those in Inner London (60 per cent).
- » Within London, **employment rates ranged from 82 per cent in Bromley down to 57 per cent in Tower Hamlets**, a difference of 25 percentage points – the biggest difference between the top and bottom authority of any British region. **For London's women, rates were even more polarised** across boroughs from 76 per cent in Bromley down to 43 per cent in Tower Hamlets – a gap of 33 percentage points.
- » **Disabled Londoners had a very low employment rate (45 per cent) relative to non-disabled Londoners (74 per cent)**. Disabled Londoners comprised 15 per cent of the working-age population.
- » **The employment rate for BAME Londoners overall is 60 per cent, far lower than the rate of White Londoners (75 per cent)**.
- » Londoners who were **born outside the UK tend to have lower employment rates (66 per cent) than UK-born Londoners (73 per cent)**.
- » Londoners with UK nationality had a higher employment rate (71 per cent) than foreign nationals (65 per cent). However, **foreign nationals from White ethnic groups had a higher employment rate (75 per cent) than UK nationals**. BAME foreign nationals had a very low employment rate (57 per cent).
- » Around 287 thousand Londoners of working-age were unemployed. **Unemployment rates for men in London have increased at a far slower rate than for women during 2008**.

## Introduction

Annual Population Survey (APS) estimates for 2007 suggest that London's working-age population numbers just over 5 million. The population of London is quite different to other UK regions. London has a relatively young working-age population, has long been the top destination for migrants from overseas and is one of the most diverse cities in the world. Thirty-nine per cent of London's working-age population are migrant Londoners who were born outside the UK. A quarter of London's working-age population are foreign nationals. All of these factors affect London's employment rates when compared with the national rates.

This chapter presents statistics on the theme of Londoners and their relationship with the labour market. Data are mostly based on the Labour Force Survey (LFS) quarterly data for October to December 2008, the APS for 2007 and Annual Survey of Hours and Earnings (ASHE) for 2008. APS data remain the best source of inter-censal data on labour market participation among Londoners. LFS quarterly data can only provide headline employment data for London and cannot be broken down into smaller geographical areas. For smaller geographies the 2007 APS data will be used.

## Labour market position of working-age Londoners

The APS shows there to be 4.13 million people who work in London. Just over four-fifths of these people are Londoners. Around 326 thousand Londoners work outside London - about the same number who live in the East or South East regions and work in central London (Table 3.22).

According to LFS data from the last three months of 2008, over three-quarters (77 per cent) of London's working-age population were economically active in the labour force; that is they are either employed or unemployed. The remaining 23 per cent of the population were economically inactive. This group includes those caring for children, those too sick to work, those who have retired and students (who are not also in work). The economically inactive population are, by definition, less ready or able to enter the labour market relative to the unemployed who are actively seeking work.

In London, 3.6 million people or 72 per cent of the working-age population were in employment (the employment rate) and the remaining 28 per cent represent the 'workless' population. This latter group comprise both the economically inactive population and the unemployed.

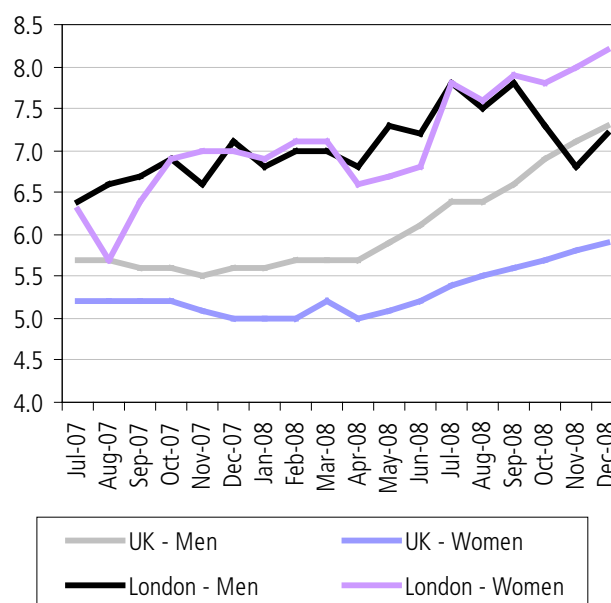
The employment rate for the UK was 74 per cent, which is 2.5 percentage points higher than the London rate. However, while the employment rate for London's men is slightly above the average (79 per cent in London and 78 per cent for the UK), the rate for women is considerably lower - almost six percentage points lower than the average (64 per cent in London compared with 70 per cent in the UK as a whole).

The LFS indicates that 287 thousand working-age Londoners were unemployed at the end of 2008. This group comprises 7.3 per cent of the economically active population. This measure is the unemployment rate and expresses the number unemployed as a percentage of the labour force. The unemployment rate for the UK was 6.5 per cent. When the rate is broken down by gender, there is a similar pattern to the employment rate. The

**Figure 3.1**

### Unemployment rates<sup>1</sup>, working-age, July 2007 to December 2008

Percentages



1 Seasonally adjusted data. ILO definition of unemployment.

Source: Labour Market Statistics March 2009, Labour Force Survey, Office for National Statistics

unemployment rate for men is slightly below average (6.8 per cent in London and 7.1 per cent for the UK), while the rate among women is well above average (8.0 per cent in London and 5.8 per cent for the UK).

London is the only region with a higher unemployment rate for women than for men and there are nearly as many unemployed women as men in London.

Over the past 18 months the unemployment rate in London has increased from 6.4 per cent in July 2007 to 7.6 per cent in December 2008. An increase of 1.2 percentage points is very similar to the change for the UK as a whole. However, again when broken down by gender there are significant differences. The unemployment rate for men in London has increased slightly whereas the rate nationally has increased significantly. Conversely the rate for London women has increased considerably more than for UK women on average. Therefore, while rates for men have converged,

the rates for women have drifted further apart (Figure 3.1).

### Employment rates by region

The most recent full-year APS data from 2007 shows London's employment rate (70 per cent) is significantly below the UK average (74 per cent) and is one of the lowest employment rates of all UK regions, alongside Northern Ireland. Rates are around eight to nine percentage points higher in London's neighbouring regions of the South East and East of England.

Within London, the employment rate is lower in Inner London (67 per cent) than Outer London (72 per cent), closer to the national average.

Across all regions, employment rates for women are lower than those of men, but the gender gap in employment rates is particularly pronounced in London (a difference of 14 percentage points). Employment rates for women in London average 63 per cent relative to a

**Table 3.2**

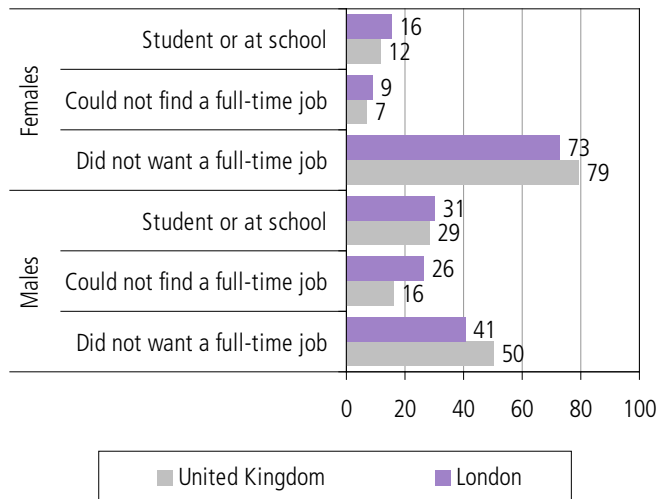
### Employment rates (working-age) by gender and region, 2007

	Percentages									
	Employment rates				Self-employed			Employed Part-time		
	All persons	Men	Women	Difference	All persons	Males	Females	All persons	Males	Females
North East	71.6	74.3	68.6	5.7	9.0	12.7	4.7	24.3	10.1	41.1
North West	72.3	75.7	68.6	7.1	10.7	14.7	5.9	23.3	9.9	39.5
Yorkshire and The Humber	73.2	77.3	68.8	8.5	11.0	15.0	6.0	24.2	9.5	42.3
East Midlands	75.9	79.8	71.6	8.2	12.0	15.7	7.4	24.2	8.3	43.7
West Midlands	72.4	77.1	67.3	9.8	11.4	15.7	6.0	23.3	9.2	41.1
East	77.4	82.3	71.9	10.4	14.0	19.1	7.7	24.0	9.2	42.6
London	69.8	76.6	62.7	13.9	15.6	20.1	9.7	19.5	10.8	30.7
Inner London	66.5	73.0	59.6	13.4	15.9	19.2	11.7	17.6	11.6	25.4
Outer London	72.3	79.1	64.9	14.2	15.4	20.7	8.4	20.7	10.3	34.2
South East	78.4	82.7	73.8	8.9	13.9	18.1	8.8	24.3	9.3	42.3
South West	78.2	81.2	75.0	6.2	14.0	18.5	8.7	27.7	11.4	47.1
Wales	71.1	74.3	67.8	6.5	12.2	17.1	6.3	25.1	10.4	42.4
Scotland	76.0	79.1	72.7	6.4	10.0	13.7	5.9	23.5	9.4	39.7
Northern Ireland	70.3	74.9	65.5	9.4	14.0	21.0	5.6	20.8	6.9	37.8
England	74.4	78.8	69.6	9.2	12.8	17.1	7.5	23.6	9.8	40.7
England and Wales	74.2	78.6	69.5	9.1	12.8	17.1	7.5	23.7	9.8	40.8
United Kingdom	74.3	78.5	69.7	8.8	12.6	16.9	7.3	23.6	9.7	40.6

Source: Annual Population Survey 2007, Office for National Statistics

**Figure 3.3**  
Reasons given for working part-time<sup>1,2,3</sup>, second quarter 2007

Percentages



- 1 Based on respondents' own definition of part-time. Excludes those who did not provide a reason why they work part-time. Does not include people who said they worked part-time because they were ill or disabled. Hence percentages shown do not add to 100 per cent.
- 2 The data in this table are weighted based on the 2003 population estimates. Not seasonally adjusted.
- 3 Employees and the self-employed only.

Source: Labour Force Survey, Office for National Statistics

national average of 70 per cent. Employment rates for men in London (77 per cent) are far closer to the national average (79 per cent) (Table 3.2).

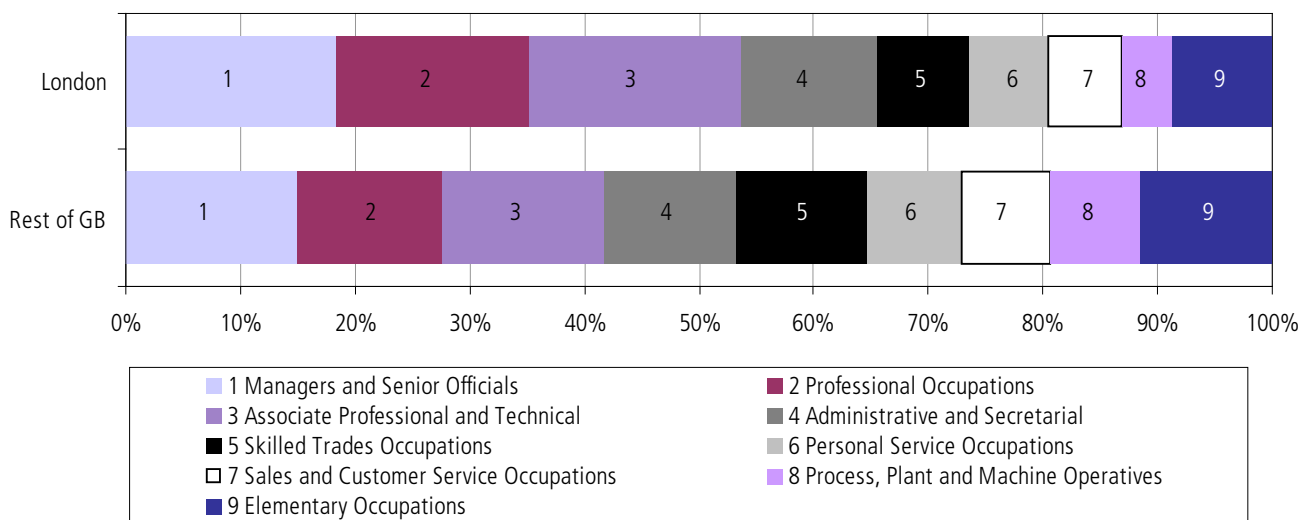
**Part-time and Self-employed working**

The percentage of workers who are employed part-time (20 per cent) is the lowest of all UK regions, and is four percentage points below the UK average (24 per cent) (Table 3.2). Despite this, men in London actually are more likely to work part-time than the national average (11 per cent compared with 10 per cent respectively). It is among women that the London part-time rate falls considerably below the UK average. Only 31 per cent of women in work are in part-time employment in London compared with 41 per cent in the UK as a whole. In Inner London this figure is even lower at just 25 per cent.

Amongst women in London, the most common reason given for working part-time is that they did not want a full-time job (73 per cent) followed by that they were a student or at school (16 per cent). For men, 41 per cent said they did not want a full-time job, but this was well below the UK average (50 per cent). However, 26 per cent gave "they could not find a full-time job" as the reason for working part-time, 10 percentage points more than the UK average (Figure 3.3).

**Figure 3.4**  
Employment by occupation, working-age residents, 2007

Percentages



Source: Annual Population Survey 2007, Office for National Statistics

The self-employment rate in London is the highest of any UK region. The London rate of 16 per cent is 3 percentage points above the UK average. Men are considerably more likely to be self-employed than women, with over a fifth of all men in work in London being self-employed compared with less than half that proportion for women. Only Northern Ireland has a higher proportion of men in self-employment, though London is top for women.

### Employment by occupation

London has a distinct occupational profile from the rest of Great Britain. Londoners are more likely to be in managerial and professional occupations. More than half (54 per cent) of all those in employment in London work in professional, managerial or technical occupations compared with just 42 per cent outside the capital (Figure 3.4).

Conversely, only 20 per cent of London residents in work are employed in Sales and Customer Service, Process, Plant or Elementary occupations compared with 27 per cent in the rest of GB. There is also a higher proportion of Skilled trades employment outside the capital.

**Table 3.5**

#### Occupational composition of employee jobs, 2001 and 2007

Percentages

	London		Rest of GB	
	2001	2007	2001	2007
1 Managerial	16.4	18.0	13.5	14.9
2 Professional	15.8	16.7	11.1	12.5
3 Technical	18.2	18.4	12.8	14.0
4 Administrative	15.0	12.0	13.3	11.7
5 Skilled	7.4	8.0	12.4	11.3
6 Personal Service	6.2	6.8	7.4	8.2
7 Sales	6.9	6.4	8.1	7.8
8 Process & Plant	4.5	4.5	8.9	7.6
9 Elementary	9.3	8.7	12.4	11.8

1 See legend in Figure 3.3 for descriptions of major occupational groups.

2 Columns may not sum to 100 due to rounding.

Source: Local Labour Force Survey 2001 and Annual Population Survey 2007, Office for National Statistics

Table 3.5 shows that since 2001 the percentage of people employed in managerial or professional occupations has increased by 2.5 percentage points in London (179 thousand jobs), in line with national trends. The proportion of people in Administrative and Secretarial jobs has decreased by 3.0 percentage points. To put that in context, despite there being around 272 thousand more Londoners in work in 2007, there were 69 thousand fewer people in this occupational group. Although there was also a drop in this occupational group outside London, it was much smaller (1.6 percentage points).

There were 41 thousand more people in Skilled trades between 2001 and 2007, an increase in share of 0.6 percentage points, which is in stark contrast to the national picture, where there was a drop of 1.1 percentage points (66 thousand jobs).

The Process, Plant and Machine operative category in London is another group that bucks the national trend. There were 11 thousand more of these jobs in London in 2007, but outside London there were 189 thousand fewer employees in this group - a drop in share of 1.3 percentage points.

### Employment rates by London borough

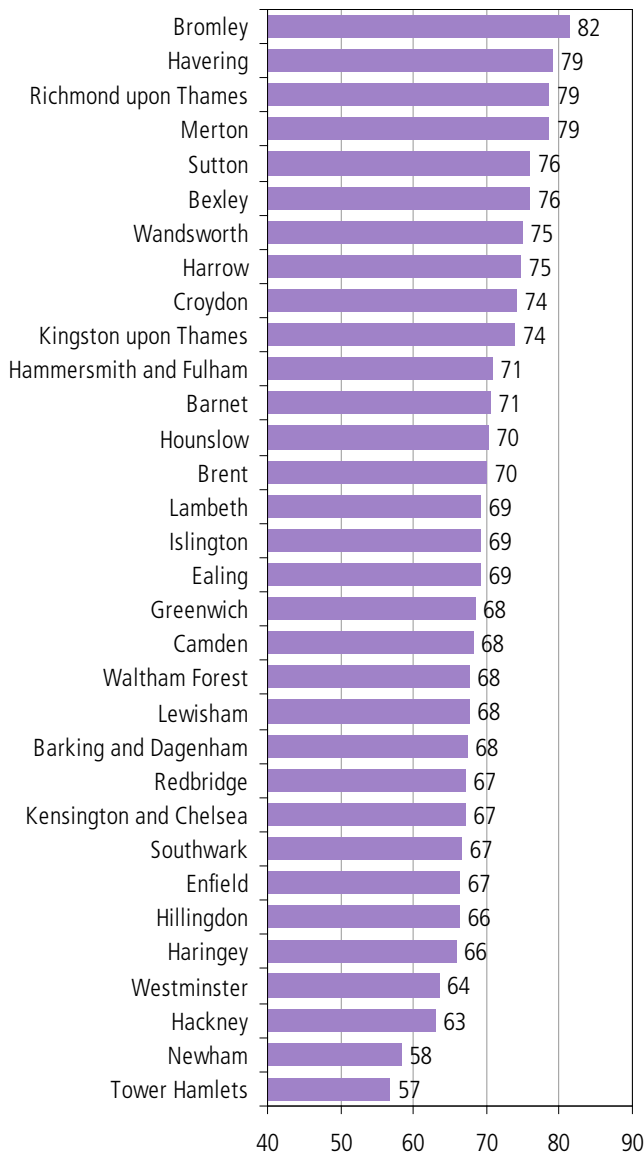
Within London, there is considerable variation in employment rates at borough level. Rates range from 82 per cent in Bromley down to 57 per cent in Tower Hamlets (Figure 3.6). In London's neighbouring regions, the South East and the East of England, rates are generally higher and a little less polarised (Table 3.18).

For London, women's rates are even more polarised across boroughs from 76 per cent in Bromley down to 43 per cent in Tower Hamlets: a gap of 34 percentage points. For men rates range from 86 per cent in Bromley down to 67 per cent in Hackney: a gap of 19 percentage points.

Within London, the three boroughs with the lowest employment rates are: Tower Hamlets (57 per cent), Newham (58 per cent) and Hackney (63 per cent). Tower Hamlets and Newham have the lowest employment rates in Great Britain and Hackney is ranked fourth lowest (Table 3.19).

**Figure 3.6**  
**Employment rates, persons working-age, for London Boroughs, 2007**

Percentages



Source: Annual Population Survey 2007, Office for National Statistics

**Trends in employment rates**

Over the last decade employment rates in London have varied between 69 and 71 per cent, though overall between 1997 and 2007 there has only been a slight increase of 0.4 percentage points. The changes in London are so small, that it is impossible to know how much of the change is real and how much is down to sampling error. The confidence interval on the 2007 London employment rate is +/- 0.7. Over the same period

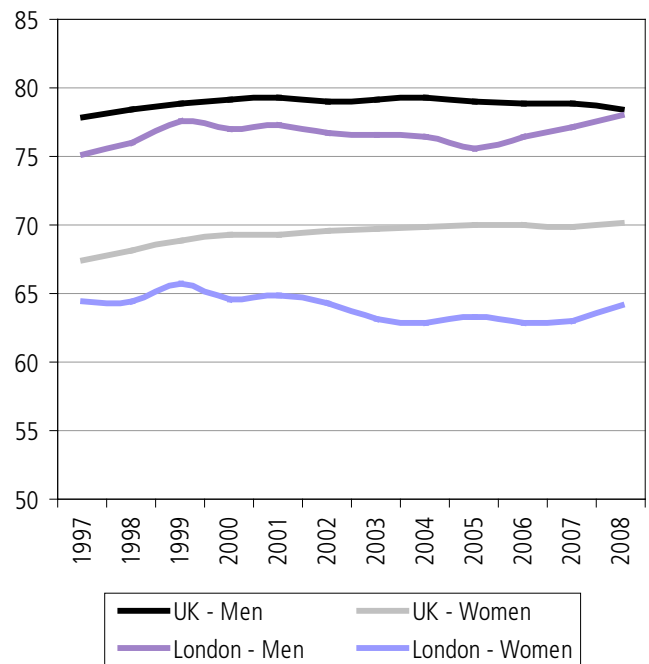
in the rest of Great Britain, rates have stabilised since 2000 at 75 per cent, an increase of around 2 percentage points since 1997.

The rates for men in London have slowly increased from 75 per cent in 1997 to 78 per cent in 2008. The gap between the London rate and UK was around three percentage points in 1997 and again between 2003 and 2005 but has since dropped to just one point, and the recent trend shows the gap narrowing to the GB average.

For women, the employment rates in London have fallen slowly since 1999 when they were 66 per cent down to 63 per cent between 2003 and 2007. This is in contrast to the picture in the UK where rates have steadily increased from 68 in 1997 to 70 in 2008. The gap between London and UK rates has doubled from three percentage points in 1999 to six points in 2008 (Figure 3.7).

**Figure 3.7**  
**Employment rates by gender, working-age, 1997-2008<sup>1</sup>**

Percentages



1 Seasonally adjusted

Source: Office for National Statistics

## Labour force projections

GLA projections studies shows the labour force of London, that is those people who are economically active, is projected to grow by 11 per cent between 2006 and 2016, an increase of 408 thousand people. The resident labour force of Inner London is set to grow at a far faster rate than Outer London (14 per cent and 8 per cent respectively). The biggest growth rates at a borough level are projected to be in Newham (37 per cent), Tower Hamlets (29 per cent) and Barking and Dagenham (26 per cent) (Table 3.21). For more on population projections refer to Chapter 1.

## Employment rates by gender and age

Employment rates vary significantly for different groups within the population. Working-age women have a lower employment rate (63 per cent) than men (77 per cent). The gender gap in rates is mainly due to the lower employment rate of women with children, as rates for men and women without children are similar. This is consistent with the fact that the gender gap in rates is widest for the age groups 25-49, the age where women are most likely to care for children. Across all age groups, employment rates are lowest for young people, aged 16-24 (47 per cent), consistent with the high proportions of students in this group, the majority of whom do not work (Table 3.20).

While employment rates begin to decline as people approach pensionable age, many people work beyond standard retirement age. Around one in eight (13 per cent) of all Londoners of pensionable age and over are in employment. This group comprise four per cent of all those in employment.

## Employment rates by parenthood

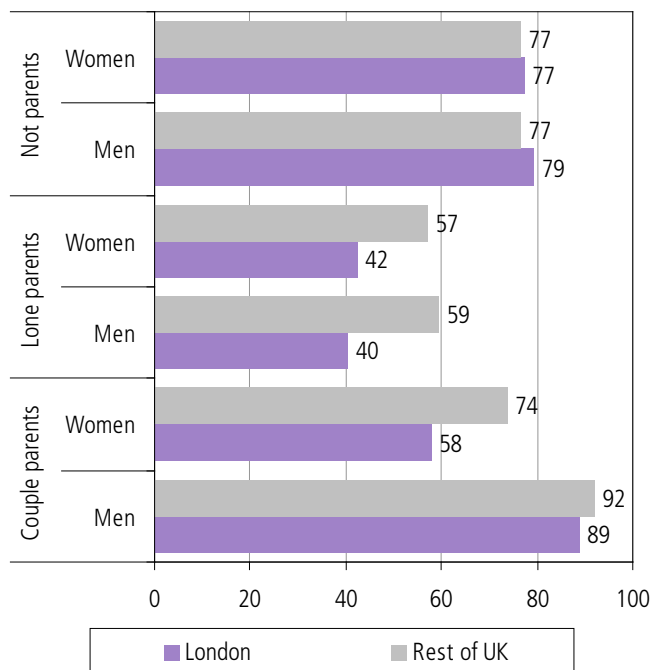
The employment rate for men in London who are not parents is 79 per cent, which is higher than the proportion in the rest of the UK (77 per cent). Among women who do not have children, the rate is the same as that outside London at 77 per cent. Nationally at least, the employment rate of men and women without dependent children is the same.

In couple families, the employment rate of fathers with dependent children (89 per cent) is 10 percentage points higher than that of those without dependent children.

Figure 3.8

## Employment rates of working-age persons, by parenthood<sup>1</sup>, 2007

Percentages



<sup>1</sup> Couple and Lone parents include all parents with dependent children. People who are classified as 'not parents' have no children either dependent or non-dependent. All definitions are based on family units living together.

Source: Labour Force Survey Household datasets Oct-Dec 2007

However, this is not as much as the difference observed in the rest of the UK where the gap between the two rates is 15 percentage points.

While the employment rates for fathers in couples are higher than for men without children, the rates for mothers in couples in London are 19 percentage points lower than for women without children (58 per cent). This is in sharp contrast to the rest of the UK where rates for couple mothers are still relatively high at 74 per cent – only three percentage points lower than for women without children. This makes the London rate 16 percentage points lower than that outside London.

Rates for lone mothers in London are lower still at 42 per cent, which is considerably lower than outside London where the employment rate of 57 per cent is 15 percentage points higher (Figure 3.8). The rate for lone fathers is lower still, though numbers of lone fathers are far lower and consequently the low sample size means

confidence intervals for this group are relatively high for London.

If women in London had the same employment rates as for women outside London, an additional 102 thousand couple mothers and 42 thousand lone mothers would be in employment. This is partially offset by the 36 thousand men and women in work in London who are not parents, due to the slightly higher employment rates compared with rates outside London.

### Employment rates by disability

Disabled Londoners comprise 15 per cent of London's working-age population. Of this group, almost two-thirds (62 per cent) are disabled according to both commonly used definitions (ie DDA only and work-limiting only definitions) – nine per cent of the working-age population. The remaining six per cent are disabled according to one disability definition only, split approximately evenly between the two (see [Notes and Definitions](#)).

The employment rate for working-age disabled Londoners is very low (45 per cent) relative to the rate for non-disabled Londoners (74 per cent). Within the disabled population, those who are disabled according to both DDA and work-limiting definitions of disability have the lowest employment rate (31 per cent) ([Table 3.20](#)).

Those who are disabled according to the DDA definition but not according to the work limiting definition have much higher employment rates (73 per cent), the same as the rate for the non-disabled population. Those who are disabled according to the work-limiting definition but not according to the DDA definition have an employment rate of 60 per cent.

The gap in rates between disabled and non-disabled men is 35 percentage points relative to 23 percentage points for disabled and non-disabled women.

In terms of the composition of the working-age population, disabled Londoners comprise 15 per cent of the overall population, 10 per cent of the employed population and 27 per cent of the workless population.

### Employment rates by ethnicity

The employment rate for Londoners from Black, Asian and minority ethnic (BAME) groups is 60 per cent, far

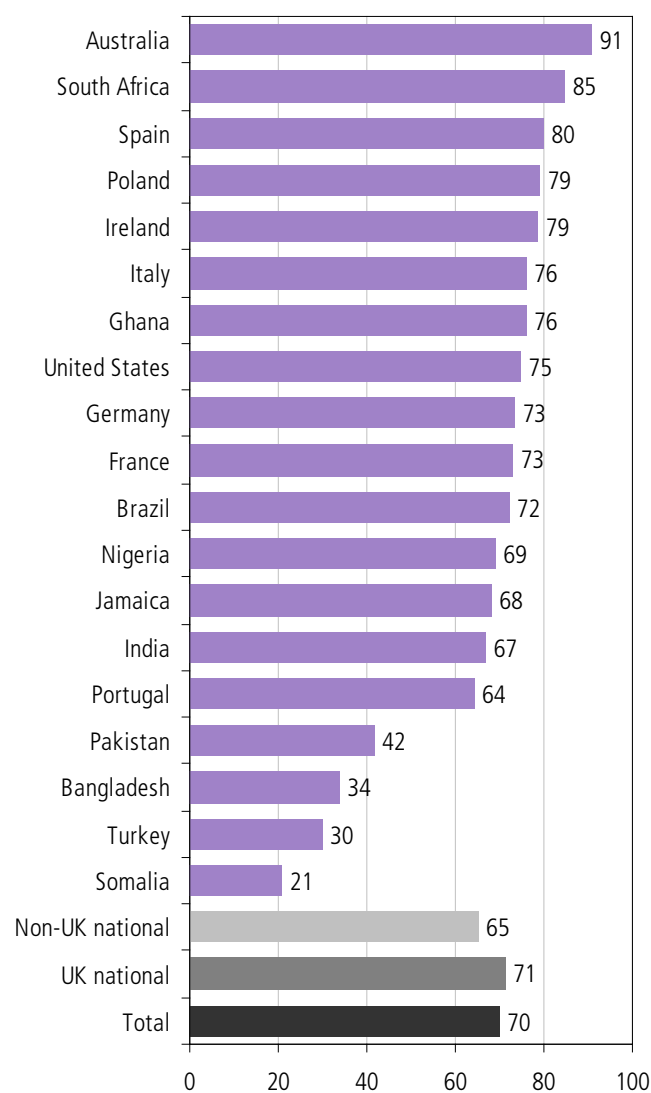
lower than the rate for White Londoners (75 per cent). Within the BAME population, rates are lowest for those from Bangladeshi/Pakistani groups (45 per cent) and highest for the Indian population (71 per cent), whose employment rate is around the London average ([Table 3.20](#)).

The employment rate is very low among BAME women (52 per cent), especially those of Bangladeshi/Pakistani origin (26 per cent).

**Figure 3.9**

### Employment rates for London's twenty largest working-age populations by nationality, 2007

Percentages



Source: *Annual Population Survey 2007, Office for National Statistics*

In terms of the composition of the working-age population, BAME Londoners comprise 36 per cent of the overall population, 31 per cent of the employed population and 47 per cent of the workless population.

### Employment rates by ethnicity, country of birth and nationality

Londoners who were born outside the UK tend to have lower employment rates (66 per cent) than UK-born Londoners (73 per cent). However, the employment rate for BAME migrant Londoners is far lower (60 per cent) relative to the rate for White migrants (74 per cent).

The employment rate for UK nationals is slightly higher than average at 71 per cent, and around six percentage points higher than the rate for non-UK nationals (65 per cent). However, analysis by nationality, reveals enormous dispersion of employment rates ranging from 21 per cent for Somalians up to 91 per cent for Australians. Londoners with Turkish, Bangladeshi or Pakistani

nationalities have low employment rates - between 30 and 42 per cent. [Figure 3.9](#) shows employment rates for London's 20 largest populations by nationality.

The differences between employment rates for migrants by country of origin compared with rates by nationality are usually very small. However, migrants from Bangladesh (47 per cent) have a much higher employment rate than people with Bangladeshi nationality (34 per cent).

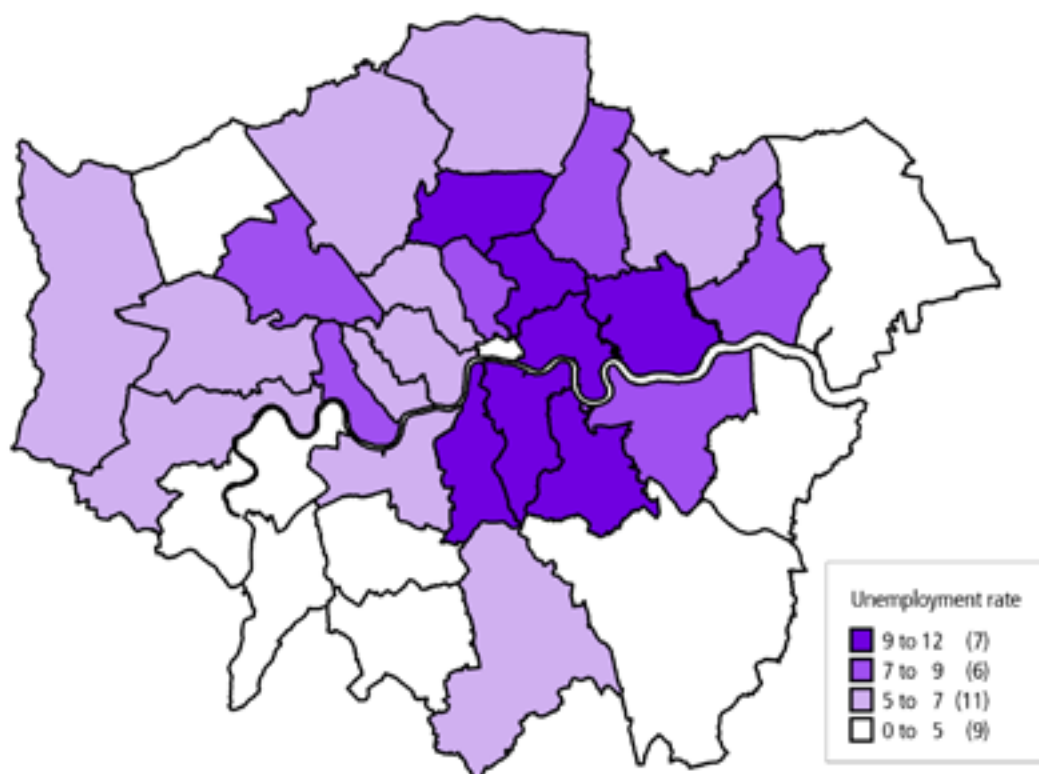
### Unemployment rates by region

In 2007 the unemployment rate in London was around seven per cent - the highest rate of all UK regions. Rates average 8.5 per cent across Inner London and 5.8 per cent in Outer London. Unemployment rates are relatively high for young people aged 16-24 (18 per cent), disabled people (13 per cent) and BAME Londoners (11 per cent). The rate is the same for both men and women (seven per cent).

## Map 3.10

### Model based unemployment rates<sup>1</sup> for London boroughs, 2007

Percentages



<sup>1</sup> Unemployment rates express the number unemployed as a percentage of those economically active.

Source: Office for National Statistics (modelled estimates)

## Unemployment rates for London Boroughs: New modelled estimates

Within London, unemployment rates range from 12 per cent in Tower Hamlets down to four per cent in Richmond upon Thames, a gap of eight percentage points. Tower Hamlets has the highest unemployment rate of all local authorities across Great Britain, followed by Hackney and Newham (both 11 per cent) (Map 3.10).

## Earnings

Data from the Annual Survey of Hours and Earnings shows that the median gross weekly earnings in 2008 for Londoners was £503, 30 per cent more than the UK median. Median earnings are used for the average rather than mean because a small number of very high earners will skew the results. On average Londoners earn more than people from any other UK region – 18 per cent more than the second ranked region, the South East, and 45 per cent more than the lowest ranked region, the North East (Table 3.11).

Men living in London earned on average 34 per cent more each week than women, though some of this differential is because more women work part-time. When the figures are broken down into full-time and part-time work, men in full-time work earned 18 per cent more than women. Conversely women in part-time work earned 12 per cent more than men, and the same difference can be observed for hourly pay suggesting men and women part-time workers in London work roughly the same number of hours per week. The difference here may be down to highly skilled women returning to work to relatively high paid jobs, but with reduced hours, having previously looked after a family. Nationally the pay gender gap is much larger than seen in London, where men earned 62 per cent more than women, and men in full-time work earned 27 per cent more than women.

When earnings are analysed for people who work in London rather than people who live in London, earnings in London are seven per cent higher at £538, though it makes more of a difference for men compared with women (nine and four per cent higher respectively). Workplace earnings for full-time employees are higher than the national average for men and women (30 and 32 per cent respectively) (Table 3.12). Workplace earnings

are higher than resident earnings in London because in general commuters who live outside London are paid more than the average, because they are prepared to travel further for higher wages.

## Earnings by occupation

In the workplace analysis, Managers and Senior Officials have the highest earnings in London (£862 per week), 60 per cent more than the London average. Full-time male managers earn 37 per cent more than women in the same occupation group – the largest gap between the genders – only slightly bigger than between men and women in full-time elementary occupations (34 per cent). The gender gap is slightly smaller in professional occupations where the difference is 17 per cent. Men and women employed full-time in both Administrative and Secretarial Occupations and Sales and Customer Service Occupations are paid around the same on average. People employed in Sales and Customer Service Occupations earn the least of any group (£210 per week) (Table 3.16).

**Table 3.11**  
Median gross weekly resident based earnings<sup>1</sup>, by region 2008

	£ per week	Full-time workers	
		Male	Female
North East	346	465	363
North West	371	494	389
Yorkshire and The Humber	360	485	373
East Midlands	371	494	380
West Midlands	367	488	380
East	403	550	424
London	503	630	535
South East	425	584	437
South West	366	498	378
Wales	347	474	373
Scotland	377	506	399
Northern Ireland	347	441	385
United Kingdom	388	521	412

<sup>1</sup> Median earnings, rounded to the nearest pound. Median earnings are used for the average rather than mean because a small number of very high earners will skew the results. The median is the number separating the higher half of a sample, from the lower half.

Source: Annual Survey of Hours and Earnings (ASHE), ONS

**Table 3.12**  
**Gross weekly earnings<sup>1</sup>, 2008**

£ per week

	UK	London	
		Workplace based	Resident based
Total	388	538	503
Male	484	632	580
Male Full-Time Workers	521	677	630
Male Part-Time Workers	137	155	147
Female	299	449	433
Female Full-Time Workers	412	542	535
Female Part-Time Workers	150	175	167

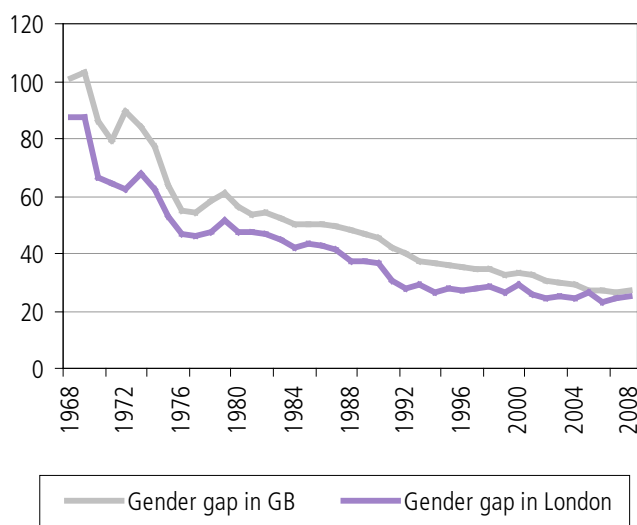
1 Median earnings, rounded to the nearest pound.  
 Source: Annual Survey of Hours and Earnings (ASHE), ONS

**Trends in full-time earnings**

In 2008, men working in London in full-time employment earned £677 on average, 25 per cent more than women. The gender gap was far larger in the past. In 1966, men earned 91 per cent more, but by the mid-seventies this figure had fallen considerably to around 50 per cent. The gap continued to narrow steadily until the early nineties

**Figure 3.13**  
**Gap between median full-time earnings of males and females, 1968-2008**

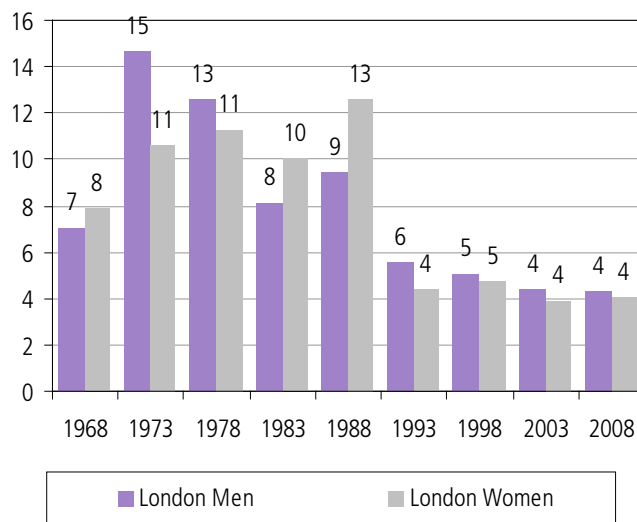
Percentages



Source: Annual Survey of Hours and Earnings (ASHE), ONS

**Figure 3.14**  
**Year on year increase in earnings 1968-2008 (5 year intervals)**

Percentages



Source: Abstract of regional statistics, HMSO, 1965-1969 - Gross annual earnings in civil employment; New Earnings Survey (NES) 1970-1996 - Median Gross 'Full Time' Weekly Earnings; Annual Survey of Hours and Earnings (ASHE) 1997-2008 - Median Gross 'Full Time' Weekly Earnings.

when it stabilised and has fluctuated between 23 and 29 per cent ever since.

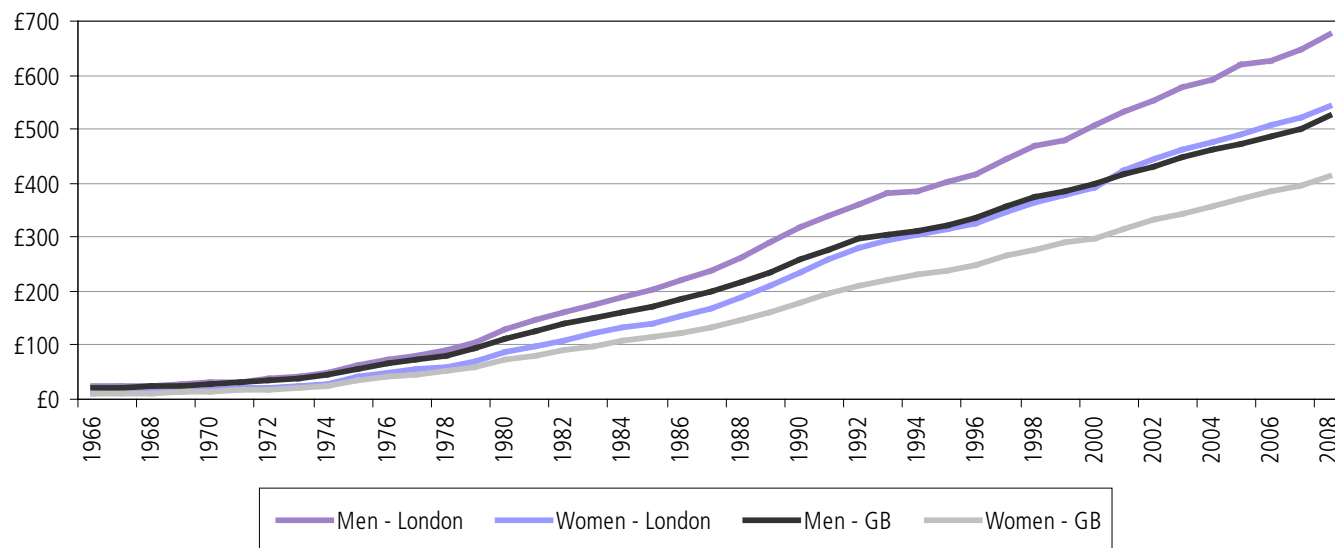
Nationally the gender gap has followed a similar pattern to that of London but has been a few years behind, probably because the gap started off a bit bigger than in London, but in the last few years has come in line with London and now stands at 27 per cent (Figure 3.13).

In 1966 the median full-time weekly wage for a man working in London was £23.20. The 2008 figure is almost 30 times higher, and the most recent male earnings are around £28.00 per week more than in 2007. While this is a much bigger increase than say between 1966 and 1967 when earnings increased by £1.30 per week, proportionally earnings growth was far greater between the sixties and the eighties than it has been in the last two decades. For example, annual growth in male earnings was seven per cent in 1968, which increased significantly to 15 per cent in 1973 and remained high throughout that decade and into the early eighties. Growth then fell a little in 1983 to eight per cent and in 1988 was nine per cent – both figures

Figure 3.15

Trends in median full-time gross weekly earnings<sup>1</sup> of employees<sup>2</sup> by gender, 1966-2008

£ per week



1 Workplace based weekly earnings.

2 Employees on adult rates whose pay for the survey pay-period was not affected by absence.

Source: Abstract of regional statistics, HMSO, 1965-1969 - Gross annual earnings in civil employment; New Earnings Survey (NES) 1970-1996 - Median Gross 'Full Time' Weekly Earnings; Annual Survey of Hours and Earnings (ASHE) 1997-2008 - Median Gross 'Full Time' Weekly Earnings.

were lower than the increase for women (Figure 3.14). When taken as a whole decade, average growth in the seventies was 14 per cent, which fell slightly in the eighties to 11 per cent. Throughout the nineties and since the millennium earnings growth has been lower. Growth in the nineties averaged five per cent and since then has been four per cent per annum on average.

It is important over this length of time to consider overall price inflation in order to gauge real earnings growth. Despite a very high rate of inflation during much of the seventies and early eighties, overall earnings growth has been significantly higher than inflation, running on average over 2 per cent per year higher than inflation since 1966.

The gap between earnings in London and the UK has increased steadily over the last 40 years. In the 1960's the difference was nine per cent, during the 1970s, this had doubled to 18 per cent, and increased further in the 1980s to 24 per cent. The gap currently stands at 29 per cent.

Interestingly, earnings for women in London have overtaken earnings for men in Great Britain. In 1966 women in London earned 57 per cent of what the average man in Great Britain earned, but very steadily the gap was eroded and in 2001, women in London overtook the national male average. Women Londoners currently earn four per cent more than the British male average (Figure 3.15).

Table 3.16

Median weekly earnings - All employee<sup>1</sup> jobs by occupation: UK and London<sup>2</sup>, 2008

	£ per week						
	All people	Male		Female			
		All Males	Full-Time	Part-Time	All Females	Full-Time	Part-Time
<b>United Kingdom</b>	<b>388</b>	<b>484</b>	<b>521</b>	<b>137</b>	<b>299</b>	<b>412</b>	<b>150</b>
Managers and Senior Officials	669	750	767	241	529	575	261
Professional Occupations	636	696	724	272	574	634	317
Associate Professional and Technical Occupations	496	558	575	180	443	502	258
Administrative and Secretarial Occupations	309	371	397	142	295	352	171
Personal Service Occupations	234	311	353	134	222	305	157
Sales and Customer Service Occupations	180	232	303	108	160	275	115
Process, Plant and Machine Operatives	396	417	429	160	272	302	149
Elementary Occupations	225	300	342	104	129	263	89
<b>London</b>	<b>538</b>	<b>632</b>	<b>677</b>	<b>155</b>	<b>449</b>	<b>542</b>	<b>175</b>
Managers and Senior Officials	862	987	999	x	704	729	419
Professional Occupations	747	812	849	292	662	724	378
Associate Professional and Technical Occupations	606	676	692	224	550	586	285
Administrative and Secretarial Occupations	412	449	477	147	397	458	200
Personal Service Occupations	302	393	454	168	279	355	192
Sales and Customer Service Occupations	210	251	330	125	180	318	122
Process, Plant and Machine Operatives	501	505	516	x	x	447	x
Elementary Occupations	256	325	382	111	157	284	100

1 Employees on adult rates whose pay for the survey pay-period was not affected by absence.

2 Workplace Figures. x = unreliable data.

Source: Annual Survey of Hours and Earnings, Office for National Statistics

Table 3.17

Employment and unemployment rates by gender, October to December 2008<sup>1</sup>

	Percentages					
	Employment rate <sup>2</sup>			Unemployment rate <sup>3</sup>		
	Persons	Males	Females	Persons	Males	Females
North East	70.1	73.7	66.2	8.4	9.2	7.4
North West	71.0	73.2	68.5	7.8	8.8	6.5
Yorkshire and The Humber	72.3	76.2	67.9	6.6	7.5	5.6
East Midlands	76.2	80.1	72.0	6.1	6.5	5.6
West Midlands	71.8	75.9	67.2	7.7	8.7	6.4
East	77.5	81.3	73.4	5.5	6.3	4.6
London	71.6	78.5	64.2	7.2	6.7	7.9
South East	78.7	82.8	74.1	4.9	5.3	4.5
South West	78.1	80.6	75.3	4.7	5.5	3.8
Wales	70.7	72.5	68.7	7.0	8.4	5.3
Scotland	75.4	78.6	72.1	5.1	5.9	4.3
Northern Ireland	68.8	72.0	65.5	5.1	7.3	2.5
England	74.3	78.4	69.9	6.4	7.0	5.7
United Kingdom	74.1	77.9	69.9	6.3	6.9	5.5

1 Seasonally adjusted

2 Denominator is all persons of working age.

3 Denominator is total economically active.

Source: Labour Force Survey

Table 3.18

Employment rates by region, lowest and highest local authority<sup>1</sup> rates, persons working-age, 2007

Region	Emp. rate (%)	Unitary/district local authority in each region with:				
		Lowest rate (%)		Highest rate (%)		Difference
		Authority	Rate (%)	Authority	Rate (%)	
North East	71.6	Easington	65.5	Derwentside	80.6	15.1
North West	72.3	Hyndburn	63.3	Ribble Valley	85.2	21.9
Yorkshire and The Humber	73.2	Kingston upon Hull	66.1	Harrogate	81.8	15.7
East Midlands	75.9	Nottingham	63.3	Kettering	87.2	23.9
West Midlands	72.4	Birmingham	63.1	Shrewsbury & Atcham	84.9	21.8
East of England	77.4	Luton	67.5	St Edmundsbury	87.4	19.9
<b>London</b>	<b>69.8</b>	<b>Tower Hamlets</b>	<b>56.9</b>	<b>Bromley</b>	<b>81.5</b>	<b>24.6</b>
South East	78.4	Oxford	66.0	Test Valley	88.5	22.5
South West	78.2	Torridge	68.7	Tewkesbury	87.1	18.4
Wales	71.1	Ceredigion	62.6	Monmouthshire	76.8	14.2
Scotland	76.0	Glasgow City	66.7	Shetland Islands	88.1	21.4

1 City of London and Isles of Scilly excluded from analysis.

Source: Annual Population Survey 2007

Table 3.19

### Employment rates (working-age) by gender, for London boroughs, including self-employed, part-time and unemployment rates<sup>1</sup>, 2007

	Percentages					
	Employment rate			% in employment who are self-employed	% in employment working part-time	Modelled unemployment estimates, 2007
	All people	Males	Females			
Barking and Dagenham	67.5	76.5	58.2	12.5	20.5	7.6
Barnet	70.6	77.0	64.0	22.3	21.1	5.1
Bexley	76.0	80.2	71.5	12.8	25.2	4.5
Brent	70.1	76.8	62.7	19.6	19.2	8.5
Bromley	81.5	86.4	76.4	14.6	20.6	4.4
Camden	68.2	74.3	61.9	17.7	16.4	6.6
Croydon	74.3	78.3	70.1	13.9	20.8	5.9
Ealing	69.2	77.2	60.1	16.0	19.2	6.4
Enfield	66.5	76.6	55.8	13.4	19.1	6.5
Greenwich	68.4	75.3	61.4	12.6	23.1	7.4
Hackney	63.1	67.2	59.1	11.6	22.1	11.4
Hammersmith and Fulham	70.7	76.5	64.7	21.2	15.9	7.0
Haringey	65.9	70.1	61.4	20.9	23.1	9.3
Harrow	74.8	81.3	67.8	16.6	18.2	4.8
Havering	79.1	84.8	73.0	14.1	24.6	3.9
Hillingdon	66.4	73.2	59.3	14.0	16.8	5.8
Hounslow	70.4	78.9	61.1	14.8	20.8	5.6
Islington	69.2	71.7	66.7	17.0	17.9	7.8
Kensington and Chelsea	67.1	75.3	58.3	20.7	13.7	5.5
Kingston upon Thames	74.0	81.2	66.1	14.0	19.7	4.2
Lambeth	69.2	76.3	61.1	14.8	16.9	9.7
Lewisham	67.8	70.2	65.3	13.4	23.5	9.3
Merton	78.6	85.0	71.6	13.6	15.8	4.6
Newham	58.4	69.5	46.2	11.7	22.5	11.3
Redbridge	67.1	77.7	55.6	18.6	20.5	6.2
Richmond upon Thames	78.6	86.3	70.4	20.1	22.2	3.6
Southwark	66.6	73.9	58.4	12.1	15.0	9.0
Sutton	76.0	79.9	71.9	13.7	26.5	4.7
Tower Hamlets	56.9	69.8	42.7	12.4	18.7	11.7
Waltham Forest	67.8	74.7	60.3	10.9	21.6	7.8
Wandsworth	74.9	78.9	70.9	17.5	13.7	5.4
Westminster	63.6	73.0	53.6	16.6	11.7	6.5
Inner London	66.5	73.0	59.6	15.9	17.6	8.3
Outer London	72.3	79.1	64.9	15.4	20.7	5.7
London	69.8	76.6	62.7	15.6	19.5	6.9

1 The definition of unemployment used in the APS is the International Labour Organisation's (ILO) measure of unemployment that refers to people without a job who were able to start work in two weeks following their APS interview and who had either looked for work in the four weeks prior to interview or were waiting to start a job they had already obtained.

2 Unemployment rates calculated as percentage of 16+ economically active population. See [Notes and Definitions](#).

Source: Annual Population Survey 2007

Table 3.20

Employment rates, working-age<sup>1</sup> 2007<sup>2</sup>

Numbers and percentages

	United Kingdom			London			Percentage point difference
	In employment	Population	Rate	In employment	Population	Rate	
<b>Gender</b>							
All working-age	27,900,900	37,573,600	74.3	3,518,400	5,037,200	69.8	-4.5
All men working-age	15,345,900	19,548,400	78.5	1,990,600	2,600,100	76.6	-1.9
All women working-age	12,555,100	18,025,200	69.7	1,527,800	2,437,100	62.7	-7.0
<b>Age</b>							
Aged 16-24	4,150,800	7,228,300	57.4	417,800	897,200	46.6	-10.8
Aged 25-34	6,238,700	7,791,300	80.1	1,124,200	1,458,600	77.1	-3.0
Aged 35-49	11,013,100	13,416,800	82.1	1,345,800	1,775,900	75.8	-6.3
Aged 50-retirement age	6,498,400	9,137,200	71.1	630,500	905,500	69.6	-1.5
Aged over retirement age	1,227,000	11,084,000	11.1	133,700	1,009,800	13.2	2.1
<b>Disability</b>							
Disabled	3,392,700	6,860,300	49.5	338,400	749,800	45.1	-4.4
Males - Disabled	1,828,900	3,605,000	50.7	179,100	382,800	46.8	-3.9
Females - Disabled	1,563,800	3,255,300	48.0	159,300	367,000	43.4	-4.6
Both DDA & also work-limiting	1,387,700	4,172,100	33.3	145,000	463,600	31.3	-2.0
DDA only disabled	1,261,100	1,559,800	80.9	119,400	162,700	73.4	-7.5
Work-limiting only disabled	743,900	1,128,400	65.9	74,000	123,400	59.9	-6.0
<b>Ethnic group</b>							
White groups	25,441,400	33,502,200	75.9	2,436,800	3,243,900	75.1	-0.8
BAME groups	2,443,600	4,043,300	60.4	1,077,700	1,785,600	60.4	0.0
Mixed ethnic group	191,600	299,400	64.0	62,500	102,700	60.9	-3.1
Indian	588,200	834,400	70.5	233,000	328,400	70.9	0.4
Pakistani/Bangladeshi	361,900	796,600	45.4	109,700	244,000	45.0	-0.4
Black or Black British	597,600	936,600	63.8	342,900	546,600	62.7	-1.1
Other ethnic groups	704,300	1,176,300	59.9	329,600	563,900	58.4	-1.5
<b>Country of birth</b>							
UK born	24,551,100	32,607,200	75.3	2,221,300	3,056,900	72.7	-2.6
Not UK Born	3,333,700	4,938,200	67.5	1,293,200	1,972,600	65.6	-2.0
White UK born	23,735,800	31,249,100	76.0	1,889,800	2,506,700	75.4	-0.6
BAME UK born	815,300	1,358,100	60.0	331,500	550,200	60.2	0.2
White not UK born	1,705,500	2,253,000	75.7	547,000	737,200	74.2	-1.5
BAME not UK born	1,628,200	2,685,200	60.6	746,200	1,235,400	60.4	-0.2
<b>Nationality</b>							
UK national	25,816,300	34,474,100	74.9	2,704,500	3,786,100	71.4	-3.5
Not UK national	2,066,000	3,066,700	67.4	808,900	1,242,000	65.1	-2.2
White UK national	24,256,800	31,944,400	75.9	2,005,400	2,667,700	75.2	-0.7
BAME UK national	1,559,500	2,529,700	61.6	699,100	1,118,400	62.5	0.9
White not UK national	1,182,600	1,554,300	76.1	430,900	575,700	74.8	-1.3
BAME not UK national	883,400	1,512,400	58.4	378,000	666,300	56.7	-1.7

1 Unless age is stated, working-age is men aged 16-64 and women aged 16-59.

2 2007 data has been reweighted in line with the latest ONS population estimates.

Source: Annual Population Survey 2007

Table 3.21

## Projected resident labour force in 2016 (PLP Low): borough summary

Area	Numbers and Percentages								
	2006			2016			Change		
	Activity Rate (%)	Population (000s)	Econ. Active (000s)	Activity Rate (%)	Population (000s)	Econ. Active (000s)	Activity Rate (%)	Population (000s)	Econ. Active (000s)
City of London	76.6	7.3	5.6	76.4	8.7	6.7	-0.2	1.4	1.1
Barking & Dagenham	65.6	116.7	76.6	67.7	143.1	96.9	2.1	26.4	20.3
Barnet	69.5	233.6	162.4	70.7	268.0	189.5	1.2	34.4	27.1
Bexley	70.5	156.6	110.4	71.7	157.4	112.8	1.1	0.9	2.4
Brent	67.2	201.8	135.7	68.3	215.9	147.4	1.0	14.0	11.7
Bromley	70.7	215.9	152.6	71.4	220.2	157.3	0.8	4.3	4.7
Camden	67.8	157.1	106.5	68.6	167.1	114.7	0.9	9.9	8.2
Croydon	70.9	240.7	170.6	72.0	269.9	194.3	1.1	29.2	23.7
Ealing	69.6	228.9	159.2	70.0	240.5	168.3	0.4	11.6	9.1
Enfield	67.8	206.9	140.3	68.5	207.1	141.9	0.7	0.2	1.6
Greenwich	67.7	165.4	112.0	69.0	196.5	135.5	1.3	31.0	23.5
Hackney	64.6	157.6	101.9	66.3	173.0	114.6	1.6	15.3	12.7
Hammersmith & Fulham	71.4	136.9	97.7	72.3	147.5	106.6	0.9	10.6	8.9
Haringey	68.0	172.7	117.4	69.6	190.2	132.4	1.6	17.6	15.0
Harrow	70.1	158.4	111.1	71.9	168.4	121.1	1.8	10.0	10.0
Havering	69.5	165.0	114.7	71.1	175.8	124.9	1.5	10.8	10.2
Hillingdon	71.1	178.8	127.1	72.2	189.6	136.9	1.1	10.9	9.8
Hounslow	70.9	162.9	115.5	71.6	175.8	125.9	0.7	13.0	10.4
Islington	68.1	146.3	99.7	69.3	166.5	115.4	1.1	20.2	15.7
Kensington & Chelsea	68.0	129.6	88.2	69.2	140.2	97.0	1.2	10.6	8.8
Kingston upon Thames	73.1	112.6	82.4	73.0	118.1	86.2	-0.1	5.5	3.8
Lambeth	72.6	217.7	158.0	73.1	231.3	169.2	0.6	13.6	11.2
Lewisham	71.1	196.2	139.5	72.3	216.8	156.8	1.2	20.6	17.3
Merton	72.6	143.1	103.9	72.7	144.2	104.9	0.1	1.1	0.9
Newham	62.1	183.7	114.0	64.4	243.6	156.8	2.3	59.9	42.7
Redbridge	67.9	178.1	120.8	68.9	189.6	130.6	1.0	11.5	9.8
Richmond upon Thames	73.8	133.9	98.8	73.6	138.2	101.6	-0.2	4.2	2.8
Southwark	68.6	199.1	136.6	70.2	229.9	161.3	1.6	30.8	24.7
Sutton	73.5	132.6	97.4	73.7	137.5	101.3	0.2	4.9	3.9
Tower Hamlets	62.9	163.2	102.6	64.6	205.6	132.8	1.7	42.5	30.1
Waltham Forest	68.1	160.2	109.1	68.9	165.1	113.7	0.7	5.0	4.6
Wandsworth	74.8	221.2	165.4	75.5	235.4	177.8	0.7	14.2	12.3
Westminster	68.9	168.1	115.9	70.3	178.1	125.2	1.4	10.0	9.4
Central London <sup>1</sup>	68.4	462.2	316.1	69.5	494.1	343.6	1.1	31.9	27.5
Rest of Inner London	68.7	1,794.6	1,232.8	69.8	2,039.9	1,423.5	1.1	245.3	190.7
Inner London	68.6	2,256.7	1,548.9	69.7	2,534.0	1,767.1	1.1	277.3	218.2
Outer London	69.9	3,292.0	2,300.7	70.7	3,520.9	2,491.0	0.9	228.9	190.3
London	69.4	5,548.7	3,849.6	70.3	6,054.9	4,258.0	0.9	506.2	408.4

<sup>1</sup> Central London is City of London, Westminster, Camden and Kensington and Chelsea.

Source: GLA 2008 Round Demographic Projections

Table 3.22

## Number of people in work by place of residence and work (main job), 2007/08

	Place of work						Numbers
	Central London <sup>1</sup>	Inner London (not central)	Outer London	East	South East	Rest of UK /outside UK	Total
<b>Place of residence</b>							
London	1,095,000	932,000	1,324,000	98,000	154,000	74,000	3,676,000
East	162,000	53,000	102,000	2,368,000	57,000	52,000	2,794,000
South East	164,000	71,000	181,000	42,000	3,614,000	79,000	4,151,000
Rest of UK	29,000	6,000	11,000	68,000	133,000	18,217,000	18,464,000
Total	1,449,000	1,062,000	1,618,000	2,576,000	3,958,000	18,422,000	29,086,000

1 Central London in the APS is made up by a collection of wards.

Central London:

City of London, All wards

Camden, Ward codes - AGFT,AGFC,AGFR,AGFD,AGFZ

Islington, Ward codes - AUFE,AUFB

Kensington and Chelsea, Ward code - AWFL

Lambeth, Ward codes - BEFJ,BEFK,BEFU

Westminster, Ward codes - BKFA,BKFC,BKFD,BKFE,BKFF,BKFL,BKFK,BKFR,BKFU,BKFW,BKFX,BKFZ

Source: Annual Population Survey June 2007-July 2008