

### Summary

This factsheet presents 2011 Census statistics about unemployment and ethnicity in Tower Hamlets. Key points:

- In 2011, residents from Black and Minority Ethnic (BME) groups had an average unemployment rate of 19 per cent, more than double the rate for White Groups (7 per cent). The gap in rates between White and BME residents was wider in Tower Hamlets than regionally or nationally (12 percentage point gap in Tower Hamlets vs. 7 points in both London and England & Wales).
- Within the BME population, there is considerable diversity: unemployment rates were highest for residents from the Other Black (27 per cent), Bangladeshi (25 per cent) and Black African (22 per cent) groups, and lowest for Indian and Chinese residents (7 and 8 per cent), who had rates similar to the White British population (7 per cent).
- Residents from BME groups comprised almost half (48 per cent) of the borough's adult population, but made up two thirds (67 per cent) of the unemployed population.

### The Census unemployment measure

The Census definition of unemployment is based on the International Labour Organisation (ILO) measure. This defines unemployed people as those: *who were not in employment the week before the Census, were seeking work, and were available to start work in 2 weeks, or those waiting to start a job already obtained*. Full-time students who were unemployed according to this definition are also included as unemployed on this measure.

While the Census is not very timely, as it relates to 2011, it remains one of the few data sources that can provide detailed information about unemployment for the borough's 18 different ethnic group populations.

### Overview

In Tower Hamlets, a total of 16,379 residents were unemployed on Census day according to this definition. This equates to 8 per cent of the adult population or 12 per cent of the economically active population (ie all those employed or unemployed but actively seeking work). The latter measure is the equivalent of the (ILO) unemployment rate, which expresses the number unemployed as a percentage of those active in the labour force. The analysis that follows uses this measure to explore ethnic differentials in unemployment.

**Table 1 Unemployment numbers and rates, Tower Hamlets, 2011**

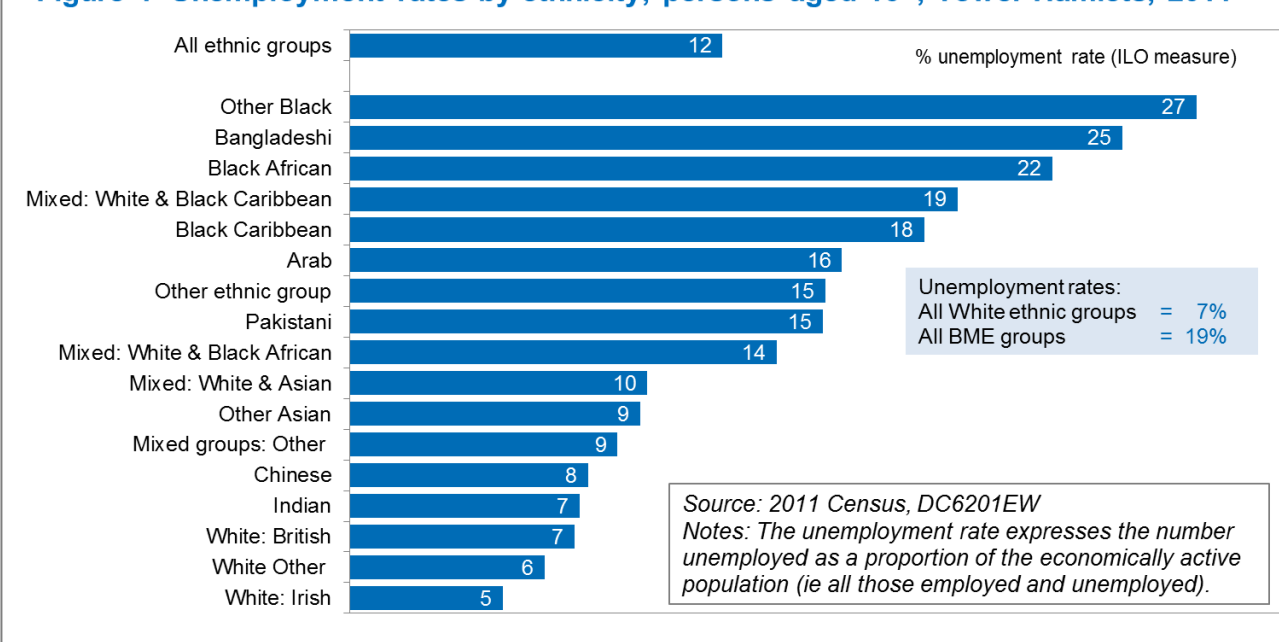
All persons aged 16 and over	203,953
All economically active	137,623
Unemployed (ILO measure)	16,379
Unemployed expressed as a % of population	8
<b>Unemployment rate (%), ILO definition</b>	<b>12</b>
<i>Source: 2011 Census, DC6201EW</i>	

## Unemployment rates by ethnic group: Tower Hamlets

In 2011, residents from Black and Minority Ethnic (BME) groups had an average unemployment rate of 19 per cent, more than double the rate for residents from White groups (7 per cent). Within the BME population, there is considerable diversity (Figure 1): rates were highest for residents from the Other Black (27 per cent), Bangladeshi (25 per cent) and Black African (22 per cent) groups, and lowest for Indian and Chinese residents (7 and 8 per cent), who had rates similar to the White British population (7 per cent).

Black Caribbean residents and those from the Mixed White and Black Caribbean group also experienced unemployment rates well above average (18 and 19 per cent).

**Figure 1 Unemployment rates by ethnicity, persons aged 16+, Tower Hamlets, 2011**



Residents from the White Other ethnic group had relatively low unemployment rates, similar to the rate for White British residents (6 per cent and 7 per cent). White Irish residents had the lowest rate of all groups at 5 per cent.

## Tower Hamlets compared with London and England & Wales

Unemployment levels are higher in Tower Hamlets than rates regionally or nationally. In 2011, the borough's unemployment rate was 12 per cent compared with 9 per cent in London and 7 per cent across England & Wales (7 per cent).

Table 2 compares rates in Tower Hamlets to those in London and England & Wales for all ethnic groups. Unemployment rates for White groups were similar across the three areas (6-7 per cent), whereas the rate for the BME population was significantly higher in Tower Hamlets (19 per cent) than regionally or nationally (both 13 per cent). Consequently, the size of the ethnic differential in rates (between White and BME groups) was wider in Tower Hamlets than in London or England & Wales (12 vs. 7 percentage point gap).

The gap in rates between Tower Hamlets and elsewhere, was particularly wide for Bangladeshi residents and those from the Other Black group, whose unemployment rates were 6-7 points higher in Tower Hamlets than in London or nationally.

While rates were relatively high for Bangladeshi residents in Tower Hamlets, the rates for those from the other four Asian ethnic groups (Indian, Pakistani, Chinese and Other Asian) were all similar to their counterparts regionally and nationally.

The rates for two of the mixed ethnic groups (Other mixed, and White & Black African) were 3 and 2 points lower in Tower Hamlets than in London and England & Wales (Table 2).

**Table 2 Unemployment rates by ethnicity, Tower Hamlets, London and England & Wales, 2011**

Base: persons aged 16 and over	Number unemployed (Tower Hamlets)	Unemployment rate (%) (ILO measure)			Percentage point difference	
		Tower Hamlets	London	England & Wales	TH-London	TH-E&W
<b>All residents</b>	<b>16,379</b>	<b>12</b>	<b>9</b>	<b>7</b>	<b>3</b>	<b>4</b>
White ethnic groups	5,388	7	6	7	1	0
- White British	3,702	7	6	7	1	1
- Irish	130	5	6	6	-1	-1
- Gypsy or Irish Traveller*	12	15	21	20	-6	-5
- White Other	1,544	6	6	6	0	0
Mixed ethnicity	587	12	14	15	-2	-3
- White & Black Caribbean	222	19	20	19	0	0
- White & Black African	100	14	16	16	-2	-2
- White & Asian	128	10	9	11	0	-2
- Other Mixed	137	9	12	12	-3	-3
Asian/Asian British	7,957	19	10	11	9	9
- Indian	349	7	8	8	0	-1
- Pakistani	175	15	14	15	1	0
- Bangladeshi	6,766	25	19	18	6	7
- Chinese	375	8	7	8	0	-1
- Other Asian	292	9	9	9	0	0
Black ethnic groups	1,963	22	18	17	4	5
- African	1,045	22	18	18	4	4
- Caribbean	553	18	16	15	3	4
- Other Black group	365	27	20	20	7	7
Any other ethnic group	484	15	13	14	2	2
- Arab	207	16	16	17	0	-1
- Any other ethnic group	277	15	12	13	3	3
<b>All BME Groups</b>	<b>10,991</b>	<b>19</b>	<b>13</b>	<b>13</b>	<b>6</b>	<b>6</b>
<b>All groups except White British</b>	<b>12,677</b>	<b>15</b>	<b>11</b>	<b>11</b>	<b>4</b>	<b>4</b>
<b>Percentage point gap (BME-White rate)</b>		<b>12</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>6</b>

Source: 2011 Census, DC6201EW

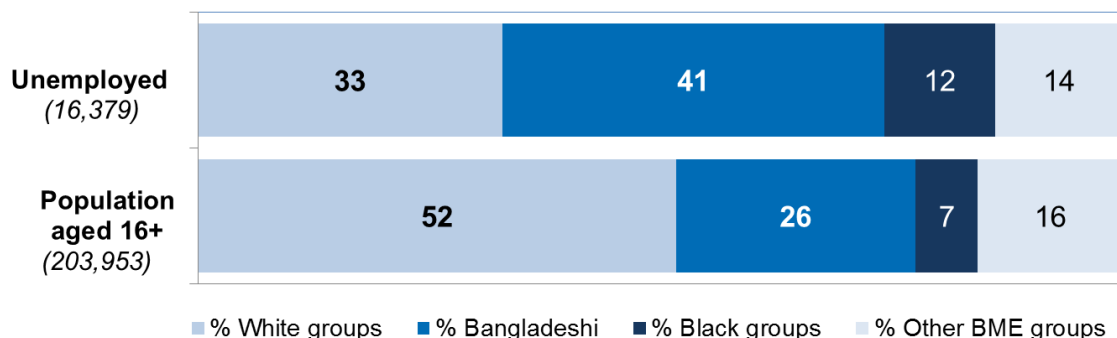
Notes: The unemployment rate expresses the number unemployed as a proportion of the economically active population (which is all those in employment and all unemployed). The term 'BME' refers to Black and Minority Ethnic and represents all ethnic groups except the four White groups.

\* The size of the Gypsy/Irish Traveller population is very small in the borough (for this reason this group is not included in figure 1).

## The ethnic composition of the unemployed population

Table 2 shows the numbers unemployed, as well as rates, for all ethnic groups in the borough. Not surprisingly, the borough's largest ethnic groups – the Bangladeshi and White British populations - had the largest numbers unemployed (6,766 and 3,702). In contrast, groups such as the Other Black population, despite having the highest unemployment rate, had a relatively small number of unemployed people (365), reflecting its smaller population size. The figures illustrate the importance of considering both numbers and rates when exploring patterns of unemployment by ethnicity.

**Figure 2. Ethnic composition of unemployed population compared with adult population, Tower Hamlets, 2011**



Source: 2011 Census, Table DC6201

Figure 2 summarises the broad ethnic make-up of the borough's unemployed population which comprised: Bangladeshi residents (41 per cent); White residents (33 per cent); Black residents (12 per cent) and all other groups (14 per cent).

Consistent with their high unemployment rates, Bangladeshi and Black residents were particularly over-represented in the unemployed population relative to their numbers in the population:

- Bangladeshi residents comprised 26 per cent of the borough's adult population but made up 41 per cent of the unemployed population.
- Residents from the three Black ethnic groups (African, Caribbean and Other) together represented 7 per cent of the adult population but made up 12 per cent of the unemployed population.

Conversely, residents from the borough's White ethnic groups, who, together, comprised over half of the borough's adult population (52 per cent), made up only one third of the unemployed population, consistent with the low unemployment rates in this group.

**Further information:** This factsheet was produced by the Council's Corporate Research Unit. For more detailed information about the Census results, please see the Council's [website](#).

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