

# Economic Activity and Ethnic Groups in Oldham

## Introduction

This briefing note presents detailed results at Borough level, about economic activity in Oldham and identifies variations and inequalities between ethnic groups and by gender. It is based on analysis of 2001 census results from specially commissioned data from the Office for National Statistics (ONS).

## Working Age Population

The specially commissioned data allows analysis by ethnic group of findings from the working age population (males, 16-64 and females, 16-59).

**Figure 1. Working Age Population by Ethnic Group**



Figure 1 & Table 1 show that in Oldham, there were 130,871 persons of working age, of which nearly 13% were black and minority ethnic (BME) residents<sup>1</sup> – and of these, the two largest groups were people of Pakistani heritage (5.9%) and people of Bangladeshi heritage (3.9%). The overall gender split is broadly the same.

**Table 1: Economic Activity / Inactivity by Gender and Ethnic Group**

	Aged 16-64 / 59		Percentage of Ethnic group Economically		
	Number	%Ethnic group	%Gender	Active	Inactive
<b>All People</b>					
<b>Total</b>	130,871	100.0		74.0	26.0
<b>White</b>	114,266	87.3		77.4	22.6
<b>Black</b>	1,435	1.1		72.8	27.2
<b>Indian</b>	1,078	0.8		71.4	28.6
<b>Pakistani</b>	7,749	5.9		45.4	54.6
<b>Bangladeshi</b>	5,103	3.9		44.6	55.4
<b>Other</b>	1,240	0.9		62.7	37.3
<b>Male</b>					
<b>Total</b>	66,555	100.0	50.9	79.8	20.2
<b>White</b>	58,165	87.4	50.9	81.4	18.6
<b>Black</b>	788	1.2	54.9	74.4	25.6
<b>Indian</b>	551	0.8	51.1	80.0	20.0
<b>Pakistani</b>	3,896	5.9	50.3	66.8	33.2
<b>Bangladeshi</b>	2,505	3.8	49.1	67.5	32.5
<b>Other</b>	650	1.0	52.4	73.4	26.6
<b>Female</b>					
<b>Total</b>	64,316	100.0	49.1	68.0	32.0
<b>White</b>	56,101	87.2	49.1	73.3	26.7
<b>Black</b>	647	1.0	45.1	70.9	29.1
<b>Indian</b>	527	0.8	48.9	62.4	37.6
<b>Pakistani</b>	3,853	6.0	49.7	23.8	76.2
<b>Bangladeshi</b>	2,598	4.0	50.9	22.4	77.6
<b>Other</b>	590	0.9	47.6	51.0	49.0

*Source: derived from ONS 2001 Census commissioned table*

*Note: People are classified as economically active if they are employees, self-employed, unemployed or students in the workforce.*

Table 1 also shows the proportions of working age males and females are similar for each ethnic group with slightly fewer females than males except for females of Bangladeshi heritage.

<sup>1</sup> In this briefing “Black and Minority Ethnic (BME)” is used to mean all non-white minority ethnic groups.

## Economic Activity by Ethnic Groups

Table 2 shows that in Oldham, nearly 97,000 people or nearly three quarters (74%) of the working age population are economically active. People are classified as economically active if they are employees, self-employed, unemployed or students in the workforce.

For Oldham as a whole, four fifths of the economically active working age population are employees (80.6%), one in ten are self-employed (10.2%), 5.8% are unemployed and 3.3% are economically active students (table 2). The breakdown of economic activity for the white population is broadly similar to that of the Borough.

**Table 2: Ethnic Group by Gender and Economic Activity**

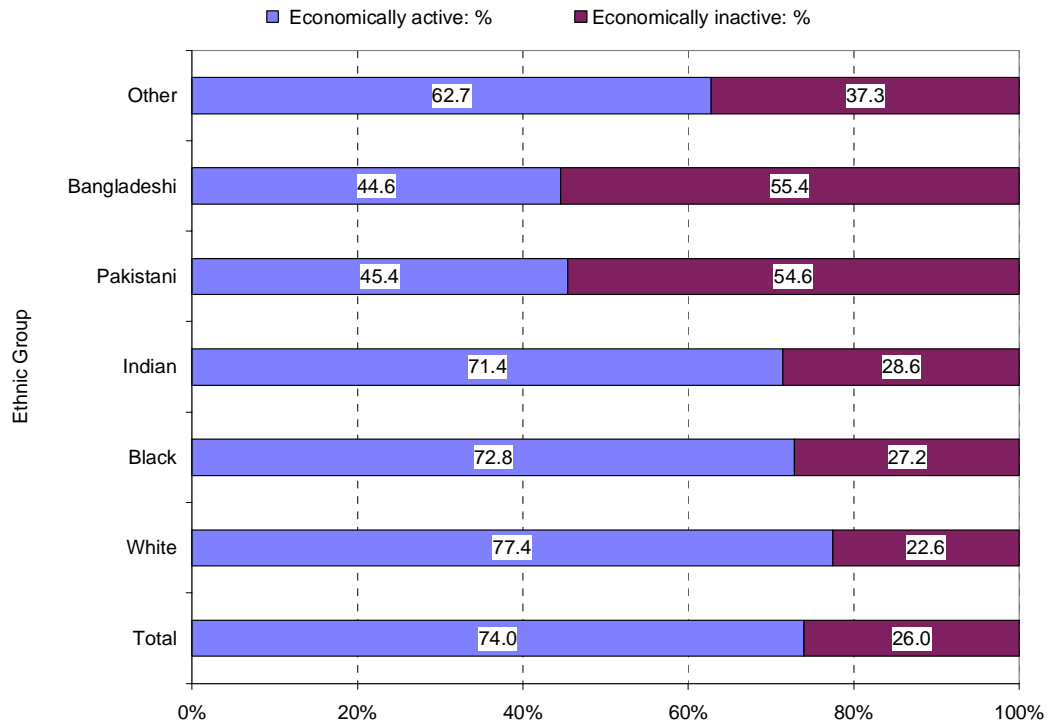
Economically active:	Total	Employee -			Self-employed -			% Unemployed	% Full-time student
		% total	% part-time	% full-time	% total	% part-time	% full-time		
<b>All People</b>									
<b>Total</b>	96,846	80.6	17.1	63.5	10.3	2.0	8.2	5.8	3.4
<b>White</b>	88,462	82.6	16.8	65.8	9.8	1.8	7.9	4.9	2.8
<b>Black</b>	1,045	78.9	13.6	65.4	4.1	1.0	3.2	11.0	5.9
<b>Indian</b>	770	69.0	13.9	55.1	16.8	2.7	14.0	6.0	8.3
<b>Pakistani</b>	3,517	52.5	18.1	34.4	20.6	5.4	15.2	16.3	10.5
<b>Bangladeshi</b>	2,274	58.8	30.7	28.1	9.9	3.8	6.1	20.4	10.9
<b>Other</b>	778	61.6	18.1	43.4	19.4	4.6	14.8	10.4	8.6
<b>Male</b>									
<b>Total</b>	53,125	75.7	5.3	70.4	14.5	2.1	12.4	6.9	2.9
<b>White</b>	47,329	78.0	3.6	74.4	13.9	1.7	12.2	5.8	2.2
<b>Black</b>	586	74.6	4.4	70.1	6.8	1.7	5.1	13.1	5.5
<b>Indian</b>	441	63.7	5.0	58.7	20.4	2.7	17.7	7.5	8.4
<b>Pakistani</b>	2,601	49.1	16.1	33.0	26.2	6.8	19.5	16.2	8.5
<b>Bangladeshi</b>	1,691	58.9	33.9	25.0	12.2	4.7	7.5	20.3	8.6
<b>Other</b>	477	58.5	14.9	43.6	23.1	5.5	17.6	10.5	8.0
<b>Female</b>									
<b>Total</b>	43,721	86.6	31.4	55.2	5.1	2.0	3.1	4.4	4.0
<b>White</b>	41,133	87.8	31.9	55.9	5.0	2.0	3.0	3.8	3.4
<b>Black</b>	459	84.5	25.3	59.3	0.7	0.0	0.7	8.3	6.5
<b>Indian</b>	329	76.0	25.8	50.2	11.9	2.7	9.1	4.0	8.2
<b>Pakistani</b>	916	62.2	23.9	38.3	4.6	1.4	3.2	16.7	16.5
<b>Bangladeshi</b>	583	58.7	21.3	37.4	3.4	1.4	2.1	20.4	17.5
<b>Other</b>	301	66.4	23.3	43.2	13.6	3.3	10.3	10.3	9.6

Source: derived from ONS 2001 Census commissioned table

A comparison of overall economic activity by ethnic group shows that there are significant variations. Notably, around 45% of the Pakistani and Bangladeshi heritage populations are economically active; compared with a Borough average of 74%, these groups have greater numbers of working age people who are economically inactive than active (figure 1). Particularly

significant are the female economic activity rates for these two groups of less than one quarter, 23.8% and 22.4% respectively (table 2).

**Figure 2. Percentage Economically Active by Ethnic Group**



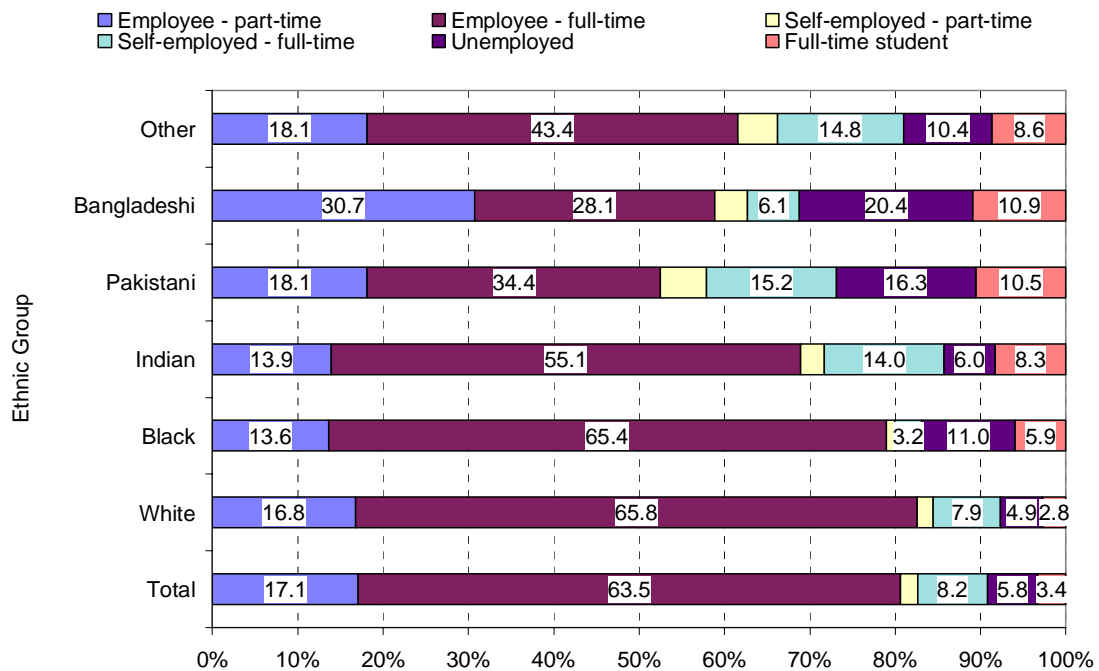
Labour force projections for Oldham<sup>2</sup> suggest that this is, partly as a result of the forecast increase in proportions of the population of Pakistani and Bangladeshi heritages, if economic activity rates continue on current trends, the size of the overall labour force will diminish. Therefore it may be useful to compare the composition of economic activity and inactivity in greater detail.

## Employees

A comparison between ethnic groups shows notable variations; table 2 shows the lowest overall employment rates (defined as a percentage of total economically active) are reported for people of Pakistani and Bangladeshi heritage (52.5% and 58.8% respectively) compared to the Borough average of 80.6%. Correspondingly, the lowest full-time employment rates are reported for the people of Pakistani and Bangladeshi heritage (34.4% and 28.1% respectively) compared to the Borough average (63.5%). However, the rate of part-time employment is the highest for the latter group (30.7%) and exceeds full-time employment (figure 3). Bangladeshi heritage men are unique amongst males and females in having higher rates of part-time employment than full-time employment.

<sup>2</sup> Oldham MBC (October 2005) *Population forecasts: the working-age population (men aged 16-64 years and women aged 16-59 years)*.

**Figure 3. Composition of Economic Activity**



### Self-employment

In Oldham, the average rate of self-employment is 10.3% (as a percentage of economically active). However, this ranges from 20.6% for Pakistani heritage to 4.1% for Black heritage people. Correspondingly, the average rate of part-time self-employment is 2% (as a percentage of economically active); this ranges from 5.4% for Pakistani heritage to 1% for Black heritage people. For full-time self-employment, the range is greater, ranging from 15.2% for people of Pakistani heritage to 3.2% for Black heritage people. In contrast, Bangladeshi heritage people exhibit below average part-time and full-time self-employment of 3.8% and 6.1% respectively. Notably, when analysed by gender, whilst Indian heritage women have the highest rates of self-employment among females, Pakistani heritage men have the highest rates among males.

### Unemployed

The average unemployment rate for the Borough was 5.8%; this is defined as the number of unemployed as a percentage of the economically active. A comparison of ethnic groups shows that people of Indian heritage have a similar rate of unemployment (6%). However, people of Bangladeshi (20.4%), Pakistani (16.3%), Black (11.0%) and Other (10.4%) heritage experienced very high rates. Analysis by gender also shows broadly similar patterns for males and females. Generally, unemployment is higher for males than females. However, to an extent this is likely to reflect the operation of the benefits system, whereby some women with partners who would like paid employment may still choose to define themselves as looking after home/family rather than unemployed. But notably, rates for female

unemployment exceed male unemployment among people of Pakistani and Bangladeshi heritages in contrast with other ethnic groups.

## Economically Active Full-time Students

The average rate of economically active full-time students is 3.4% for the Borough. However, this masks significant variations between ethnic groups. More than one in ten of the economically active populations of Pakistani and Bangladeshi heritages (10.5% and 10.9% respectively) are full-time students compared with 2.8% of the white population. Females exhibit higher rates than males across all ethnic groups, with females of Pakistani and Bangladeshi heritages showing the highest rates of 16.5% and 17.5% respectively.

## Economic Inactivity by Ethnic Group

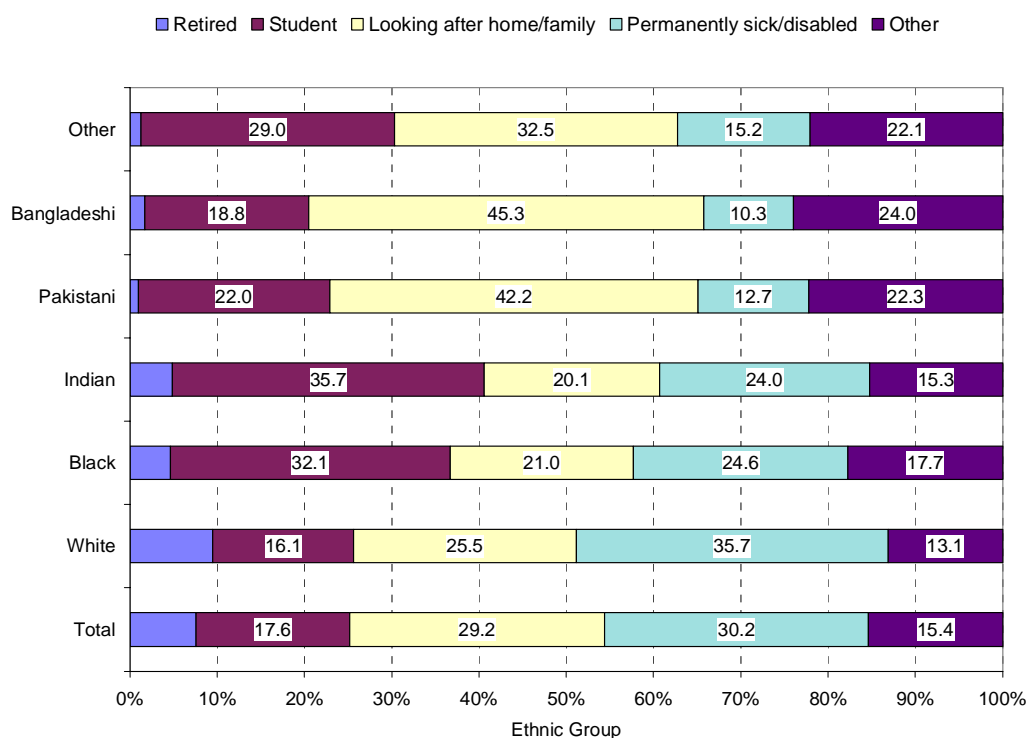
Table 3 shows that, overall, 34,025 or over a quarter (26%) of the Borough's working age population are economically inactive, of which 7.6% have retired. A further 17.6% are students, 29.2% are looking after home/family, the largest group (30.2%) are permanently sick/disabled and 15.4% cite 'Other' reasons.

**Table 3: Ethnic Group by Gender and Economic Inactivity**

<b>Economically inactive:</b>	<b>Total</b>	<b>%Retired</b>	<b>%Student</b>	<b>%Looking after home</b>	<b>%Permanently sick/disabled</b>	<b>%Other</b>
<b>All People</b>						
<b>Total</b>	34,025	7.6	17.6	29.2	30.2	15.4
<b>White</b>	25,804	9.5	16.1	25.5	35.7	13.1
<b>Black</b>	390	4.6	32.1	21.0	24.6	17.7
<b>Indian</b>	308	4.9	35.7	20.1	24.0	15.3
<b>Pakistani</b>	4,232	0.9	22.0	42.2	12.7	22.3
<b>Bangladeshi</b>	2,829	1.7	18.8	45.3	10.3	24.0
<b>Other</b>	462	1.3	29.0	32.5	15.2	22.1
<b>Male</b>						
<b>Total</b>	13,430	12.9	21.8	6.8	42.4	16.0
<b>White</b>	10,836	15.1	17.9	6.1	46.9	14.1
<b>Black</b>	202	7.4	27.7	5.4	36.1	23.3
<b>Indian</b>	110	10.9	51.8	2.7	22.7	11.8
<b>Pakistani</b>	1,295	2.2	40.3	9.1	24.2	24.5
<b>Bangladeshi</b>	814	4.4	34.9	14.0	20.3	26.4
<b>Other</b>	173	1.7	43.4	8.7	24.9	21.4
<b>Female</b>						
<b>Total</b>	20,595	4.1	14.9	43.8	22.3	14.9
<b>White</b>	14,968	5.4	14.9	39.6	27.6	12.4
<b>Black</b>	188	1.6	36.7	37.8	12.2	11.7
<b>Indian</b>	198	1.5	26.8	29.8	24.7	17.2
<b>Pakistani</b>	2,937	0.4	13.9	56.9	7.6	21.3
<b>Bangladeshi</b>	2,015	0.6	12.3	57.9	6.2	23.0
<b>Other</b>	289	1.0	20.4	46.7	9.3	22.5

Source: derived from ONS 2001 Census commissioned table

**Figure 4. Composition of Economic Inactivity**



It should be noted that to an extent differences by ethnic group in the composition of economic activity reflect the differing age structures. Future briefings will present results by age band.

## Retired

The retirement rate masks significant variation between ethnic groups ranging from 9.5% for White people to less than 1% for people of Pakistani heritage. Analysis by gender also shows higher rates for males than females, which is particularly significant for people of Indian heritage.

## Economically Inactive Students

The average rate of economically inactive students also masks significant variation between ethnic groups; this ranges from more than a third (35.7%) for people of Indian heritage to 16.1% for White people. Analysis by gender shows more than half (51.8%) of the economically inactive males of Indian heritage are students.

## Looking after home/family

In Oldham, three out of ten (29.2%) of the economically inactive population say they “look after home/family”. However, this ranges from 45.3% and 42.2% for Bangladeshi and Pakistani heritage people respectively to 20.1% for those of Indian heritage. Analysis by gender also shows that only 6.8% of

economically inactive males define themselves as looking after home/family compared with 43.8% of females. For all ethnic groups, a significantly higher proportion of females than males say they are looking after home/family. More than half of economically inactive females of Pakistani (56.9%) and Bangladeshi (57.9%) heritages are in this category. This difference is the largest contributory factor to the very high economic inactivity rates for these two ethnic groups.

## **Permanently sick/disabled**

This category accounts for three out of ten (30.2%) of the economically inactive population in the Borough. However, this varies from one in ten (10.3%) for Bangladeshi heritage population to more than a third (35.7%) for the white population. Analysis by gender shows a variation from one fifth (20.3%) for males of Bangladeshi heritage to nearly half (46.9%) for White males. For females, the range is also significant with 6.2% of those of Bangladeshi heritage being permanently sick/disabled compared to over a quarter (27.6%) for White females.

## **Other economically inactive**

'Economically inactive: other' is a residual classification; there are no further definitional details. In Oldham, this averages 15.4% of the economically inactive population of working age and ranges from 13.1% for White people to 24% for Bangladeshi heritage people. The patterns of variation are broadly similar for both males and females.

## **Conclusions**

This document highlights variations in economic activity within Oldham. It identifies some significant differences between and within ethnic groups, which have implications for future local economic policies and economic development.

**Further information on the 2001 Census can be found on the Office for National Statistics website: [www.statistics.gov.uk](http://www.statistics.gov.uk).  
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