



Economic activity and qualifications of Herefordshire residents

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Statistics on a range of topics from the 2011 Census have been published since the winter of 2012/13 including Key Statistic, Detailed Characteristic and Local Characteristic tables. This document looks at what this information means for the understanding of the economic activity of Herefordshire residents.

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Key points

- Economic activity rates had increased slightly since 2001 and remained slightly above the national rate: 71 per cent of Herefordshire residents aged 16-74 were either working or seeking work in the week before the census (up from 68 per cent in 2001). 80 per cent of working age population (16-64) were economically active (80 per cent) in 2011.
- Despite the recession, the last decade saw an increase of 7,500 people aged 16-64 who were employees and a 1,200 increase in the number self-employed. The number of unemployed people (aged 16-64) decreased by 900 and the number of economically inactive by 2,100. Overall the population aged 16-64 increased by 5,700.
- Lone parents were more likely to be working than not (34 per cent of those aged 16+ not employed) – and less likely to be out of work than nationally (41 per cent).
- Residents born in EU accession countries had the lowest rate of economic inactivity of any group of residents even taking account of their age profile (eight per cent of 16-64s inactive compared to twenty per cent of UK born residents).
- Two thousand more residents were self-employed than in 2001 – a 12 per cent increase. The rate of 14 per cent of all 16-74 year-olds is one of the top ten per cent nationally (15 per cent if measured as proportion of 16-64 population)
- There was a disproportionate increase in the number of people in the county working part-time (up to 30 hours) between 2001 and 2011 – part-time working increased by 23 per cent compared to just 6 per cent for full-time (5,200 and 3,800 more people respectively).
- A relatively high proportion of county residents were working in skilled trade occupations compared to nationally (16 per cent vs. 11 per cent - in the top ten per cent of LAs), but a relatively low proportion in administrative and secretarial (10 per cent vs 11 per cent – amongst the lowest 15 per cent) and professional occupations (15 per cent vs 17 per cent - lowest 15 per cent). Men are much more likely to be employed in the skilled trade occupations (26 per cent of men compared to just 5 per cent of women)
- The most common industry of employment for Herefordshire residents was the wholesale and retail trade, which accounted for 17 per cent of 16-74 year olds in employment. Residents were more likely than those across the country as a whole to work in agriculture, forestry and fishing (five per cent vs. one per cent - the 11th highest rate in the country) and manufacturing (13 per cent vs. nine per cent - amongst the highest 20 per cent).
- The largest occupation and industry group of county residents was professionals working in public administration, education and health: 7,900 people (nine per cent of all people aged 16+ in employment).
- Qualification rates are very similar to those across England, although there are noticeable differences by age: generally speaking younger county residents are less well qualified than older residents when compared to England as a whole.

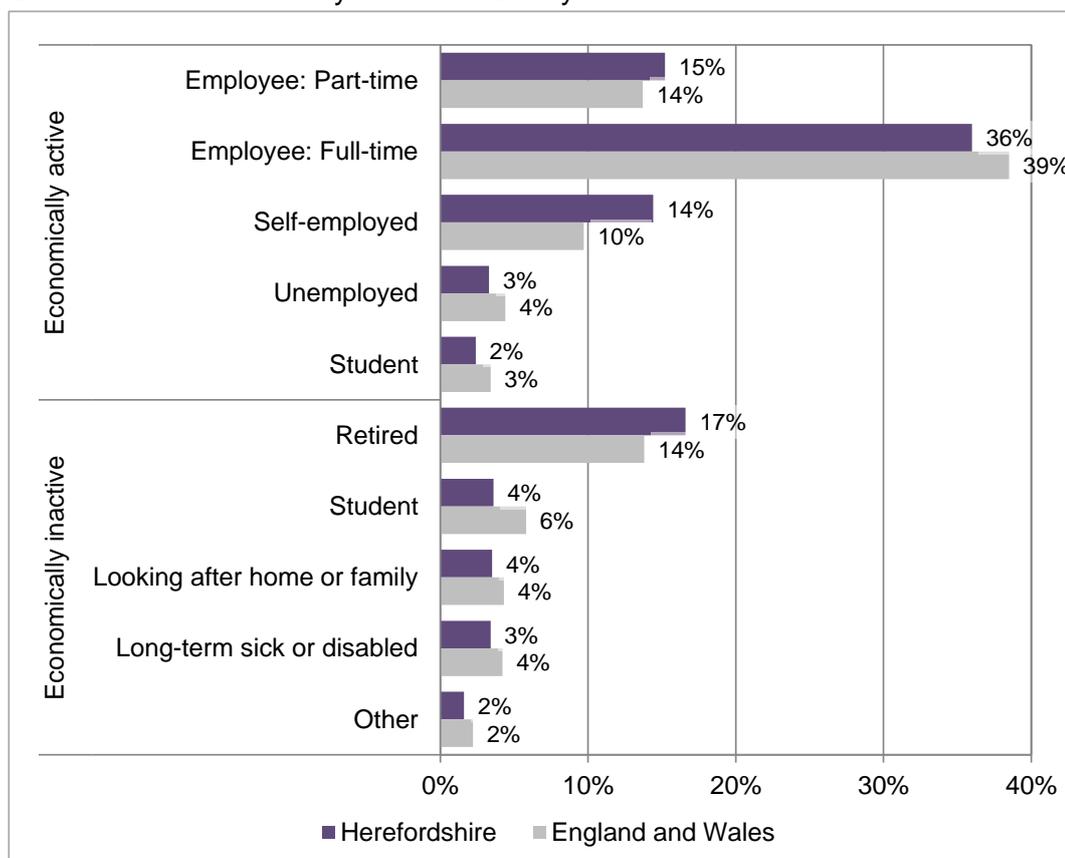
Economic Activity

Economic activity rates had increased slightly since 2001 and remained slightly above the national rate: 71 per cent of Herefordshire residents aged 16-74 were either working or seeking work in the week before the census (up from 68 per cent in 2001).

Looking at just those of working age (16-64), a greater proportion were economically active (80 per cent) in 2011. Despite the recession, the decade 2001-2011 saw an increase of 7,500 people aged 16-64 who were employees and a 1,200 increase in the number self-employed. The number of unemployed people (aged 16-64) decreased by 900 and the number of economically inactive by 2,100. The overall employment rate increased over the decade, although the Annual Population Survey shows a reduction in the percentage of working age people (16-64) who are employees since 2008, whilst self-employment saw no significant change.

Considering this decrease in economic inactivity in more detail, the greatest component of this change was a reduction of nearly 3,000 people aged 16-64 looking after home or family. This was offset by an increase of 1,300 students. The number of working age people who were retired increased, whilst the number of long term sick or disabled and those classified as other decreased.

Chart 1. Economic activity status of 16-74 year olds



Source: 2011 Census (Tables KS601EW to KS603EW). Crown copyright.

2 in 3

lone parents in employment

Lone parents were more likely to be working than not (34 per cent of those aged 16+ not employed) – and less likely to be out of work than nationally (41 per cent). They were more likely to be employed part-time (39 per cent) than full-time (27 per cent).

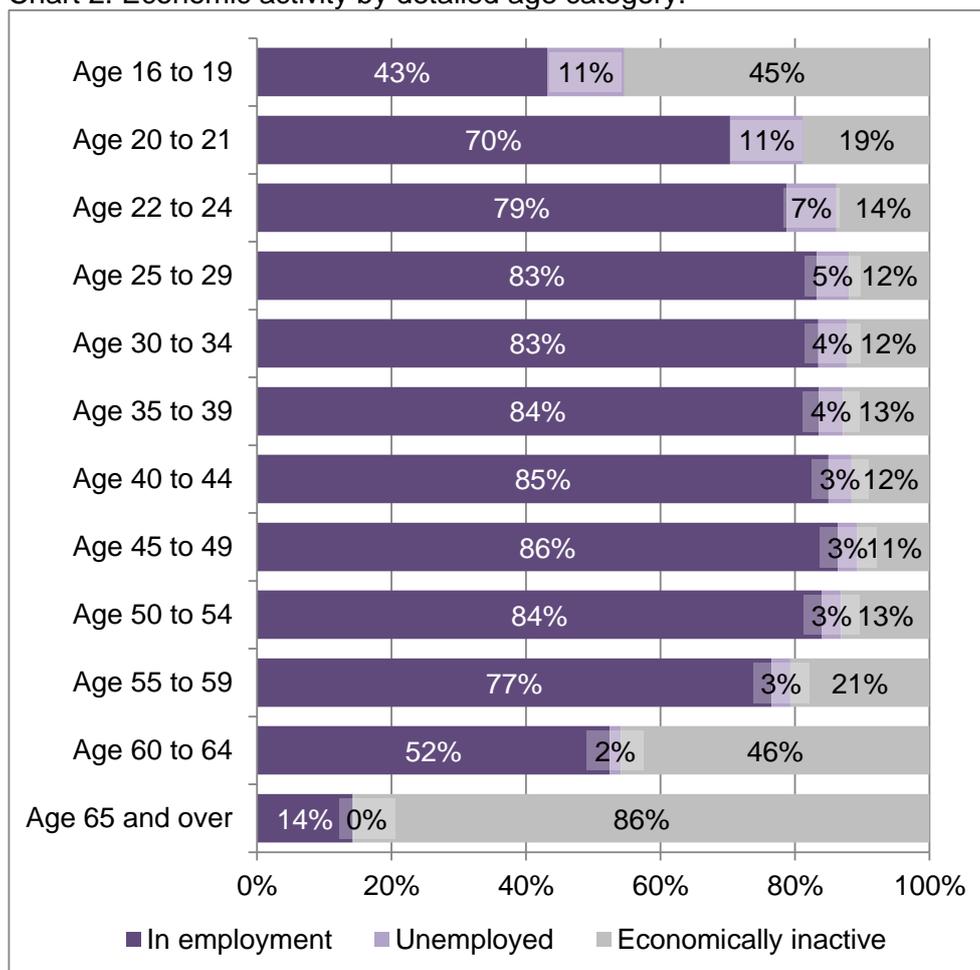
The proportion of households with no adults in employment and dependent children fell slightly from 2001 both nationally and locally, and remained lower in Herefordshire than across England and Wales (three per cent compared to four per cent). In absolute terms, this equated to 2,100 households in 2011 - a fall of almost 400.

400 fewer workless households with dependent children than in 2001

Economic activity by age

Analysis of economic activity by detailed age category shows that younger residents (under the age of 22) and older residents (over the age of 54) have higher rates of economic inactivity (see chart below). The younger age group also has a greater rate of unemployment. Between the ages 25 and 54 rates of economic activity are fairly consistent.

Chart 2. Economic activity by detailed age category.



Source: 2011 Census (DC6107EW)

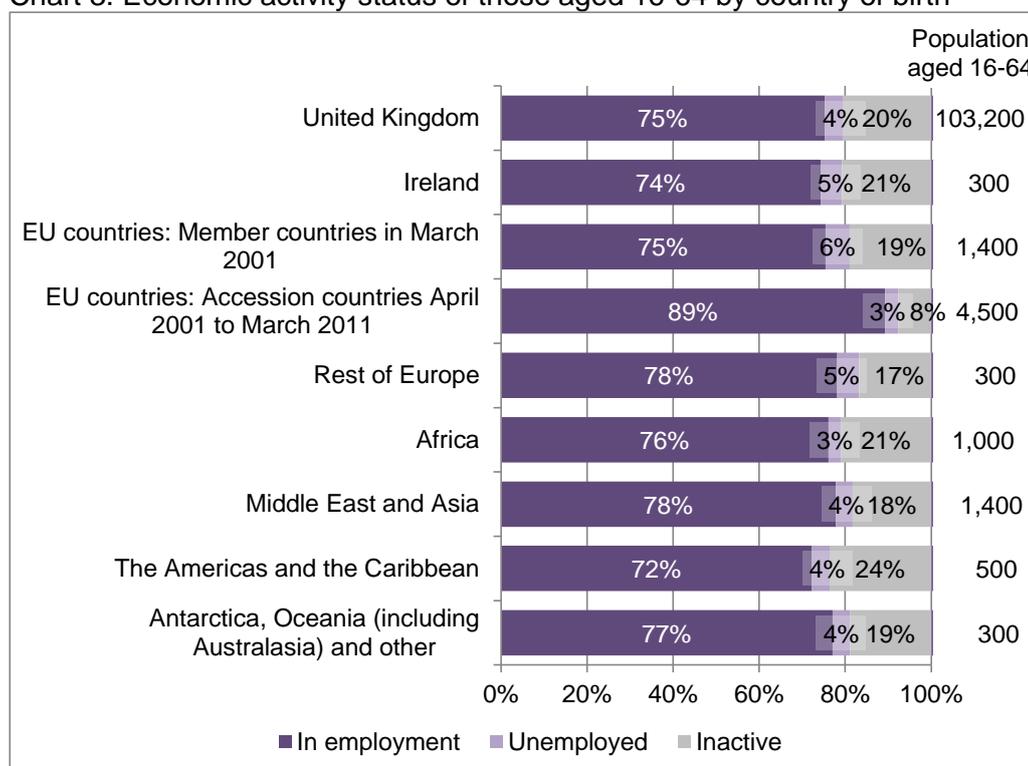


Economic activity by country of birth

Analysis of economic activity by country of birth (16-64 population) shows that residents born in EU accession countries¹ had the lowest rate of economic inactivity (eight per cent) or unemployment (three per cent) and the highest rate of employment (89 per cent). Those from the Americas or Caribbean had the highest inactivity rate (24 per cent) and the lowest employment rate (72 per cent), although there were only around 500 residents of this origin in the county. This compares to an economic inactivity of 20 per cent, employment rate of 75 per cent and unemployment rate of four per cent for UK born residents.

Analysis of the same data at a national level shows that there is less difference in economic activity between UK and non-UK born residents once you remove those that are full-time students². This effect is unlikely to account for differences in economic activity locally though because there is limited higher education provision in the county. Herefordshire residents born in EU accession countries are generally much younger (83 per cent are aged between 16 and 49 compared to 41 per cent of all residents), meaning they are more likely to be economically active (see previous section). Even taking this into account EU accession born residents still had less inactivity. The lowest inactivity for all county residents was for those aged 45-49 (11 per cent) – still three percentage points higher than for all residents born in EU accession countries.

Chart 3. Economic activity status of those aged 16-64 by country of birth



Source: 2011 Census (DC6210EW)

¹ Accession countries that joined the EU in 2004 or 2007: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia, Romania, Bulgaria, Malta and Cyprus.

² www.ons.gov.uk/ons/rel/census/2011-census/detailed-characteristics-for-regions-in-england-and-for-wales/sty-economic-activity.html



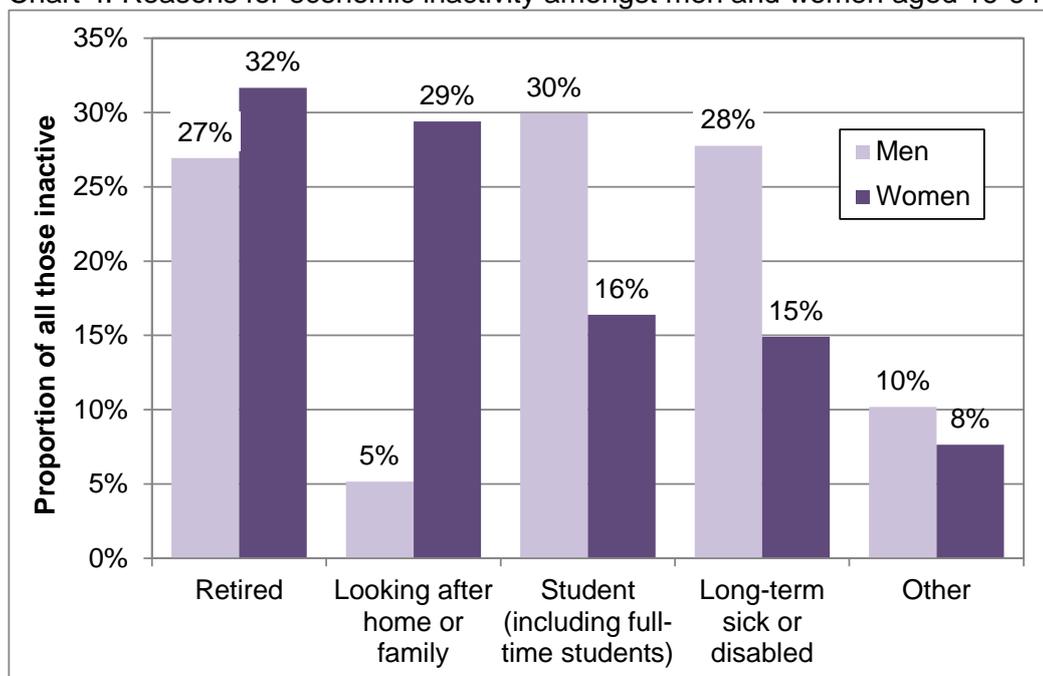
Economic activity by gender

In Herefordshire, as nationally, men have a higher economic activity rate than women – locally 85 per cent of men aged 16-64 were economically active compared to 75 per cent of women at the time of the 2011 Census. This difference in economic activity (ten percentage points) is the same as for England as a whole.

In total 14,000 women aged 16-64 in the county were economically inactive in 2011 (25%) compared to 8,400 men (15%). The most common reason for women to be economically inactive was because they were retired (32 per cent of those who were inactive) followed by looking after home or family (29 per cent) (see chart below). A greater number of women in these two categories accounts for most of the difference in inactivity between men and women.

The 2011 Census also tells us that of women who are in employment a greater proportion work part-time (48 per cent compared to 13 per cent of men).

Chart 4. Reasons for economic inactivity amongst men and women aged 16-64



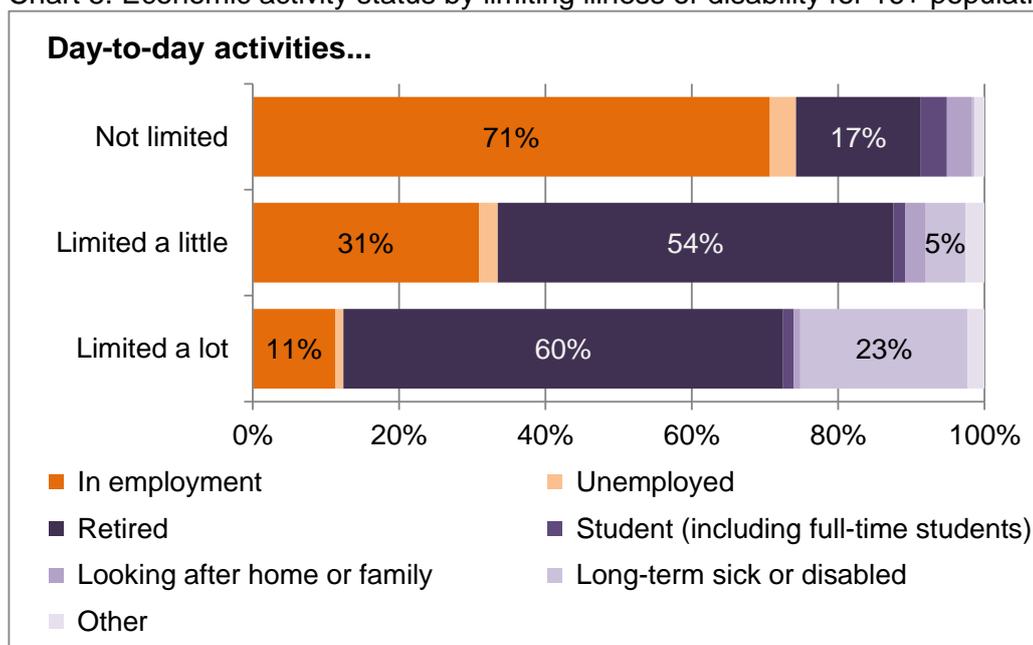
Source: 2011 Census (DC6107EW)

Economic activity by health and disability

There were large differences in economic activity between residents whose day-to-day activities were limited by illness or disability and those whose were not. The economic activity rate of those aged 16+ whose activity was not limited was 74 per cent – more than twice that for those whose day-to-day activity was limited a little (33 per cent) and six times those whose was limited a lot (12 per cent).

Economic inactivity amongst those whose day-to-day activities are limited a lot is mainly due to retirement (60 per cent) – the assumption is that this is mostly at an older age. For this group there is also a large proportion who reported being inactive due to long-term sick or disabled (23 per cent). Older age groups most frequently reported themselves as economically inactive due to being long-term sick or disabled (regardless of whether they said their day-to-day activity was limited). Seven per cent of 55-59 year olds and five per cent of 45-54s were long term sick or disabled in economic terms (compared to three per cent of all working age people). [DC6107EW]

Chart 5. Economic activity status by limiting illness or disability for 16+ population



Source: 2011 Census (LC6302EW)

Information from the Public Health Outcomes Framework looks at the gap in employment rates between those accessing mental health services, those with learning disability, those with a limiting-long-illness and the population as a whole. The measures are based on data for those accessing services and the local sample of the Labour Force Survey. The table below summarises the measures as well as two taken from the 2011 Census. The census measures are based on different age groups and different methodology to those from the Labour Force Survey (LFS) so are not directly comparable. The greatest gap in employment rate of the Labour Force Survey measures is for those accessing secondary mental health services. People accessing these services had an employment rate 66 percentage points below that for the whole working age population. The gap in employment rate

between those whose day-to-day activities were limited a lot and the wider population aged 16+ was 49 percentage points – based on 2011 Census.

Table 6. Gap in employment rate for population groups

	Gap with employment rate for whole population (percentage point)	
	Herefordshire	England
Those accessing secondary mental health services (18-69) – <i>LFS</i>	66	62
Learning disability (18-64) - <i>LFS</i>	59	63
Day-to-day activities limited a lot (16+) – <i>Census</i>	49	48
Bad or very bad health (16+) - <i>Census</i>	45	45
Long-term health condition (16-64) - <i>LFS</i>	9	7

Source: Public Health Outcomes Framework and the 2011 Census

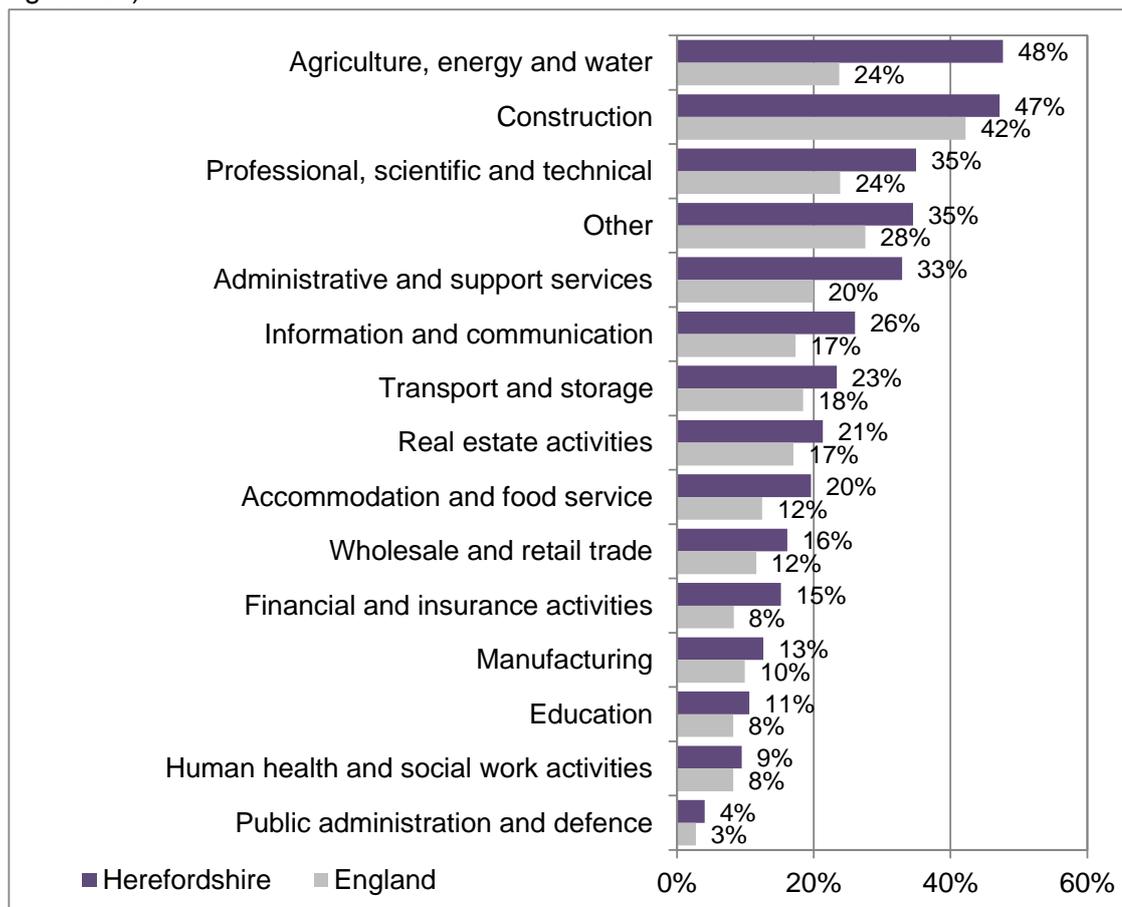
Self-employment

Self-employment in the county grew between 2001 and 2011, as it did England as a whole. In 2011 14 per cent of people aged 16-74 (15 per cent of 16-64s) were self-employed compared to ten per cent across England, putting Herefordshire in the top ten per cent of local authorities nationally on this measure. Rates of self-employment are much higher amongst males than amongst females – 21% of men aged 16-64 were self-employed compared to 9% of women. People aged between 45 and 59 had the greatest rates of self-employment amongst both men and women.

1 in 7
 self-employed:
 one of highest
 rates in country

The chart below shows the proportion of residents that work in each industrial sector who are self-employed. All industrial sectors have a greater proportion that are self-employed in Herefordshire compared to England as a whole – the most marked difference is for ‘agriculture, energy and water’ where twice as many are self-employed compared to nationally.

Chart 7. Proportion employed in each sector that are self-employed (population aged 16+).



Source: 2011 Census (DC6602EW)

Full-time vs part-time employment

Part-time working (defined as 30 or fewer hours per week) increased slightly (15 per cent of all 16-74 year-olds, up from 14 per cent). In 2011 there were 5,200 more people working part-time in the county than in 2001 – a 23 per cent rise. There was also an increase of 3,800 people working full-time – a six per cent rise.

In 2001 Herefordshire had a relatively high proportion of residents working part-time hours - 14 per cent compared to 12 per cent across England. Between 2001 and 2011 large swathes of the country saw an increase in part-time working, narrowing this gap – 15 per cent in Herefordshire compared to 14 per cent across England (see map of the change here). Correspondingly fewer people were working full-time across England (41 per cent in 2001 compared to 38 per cent in 2011), whilst Herefordshire saw no change (36 per cent in both years).

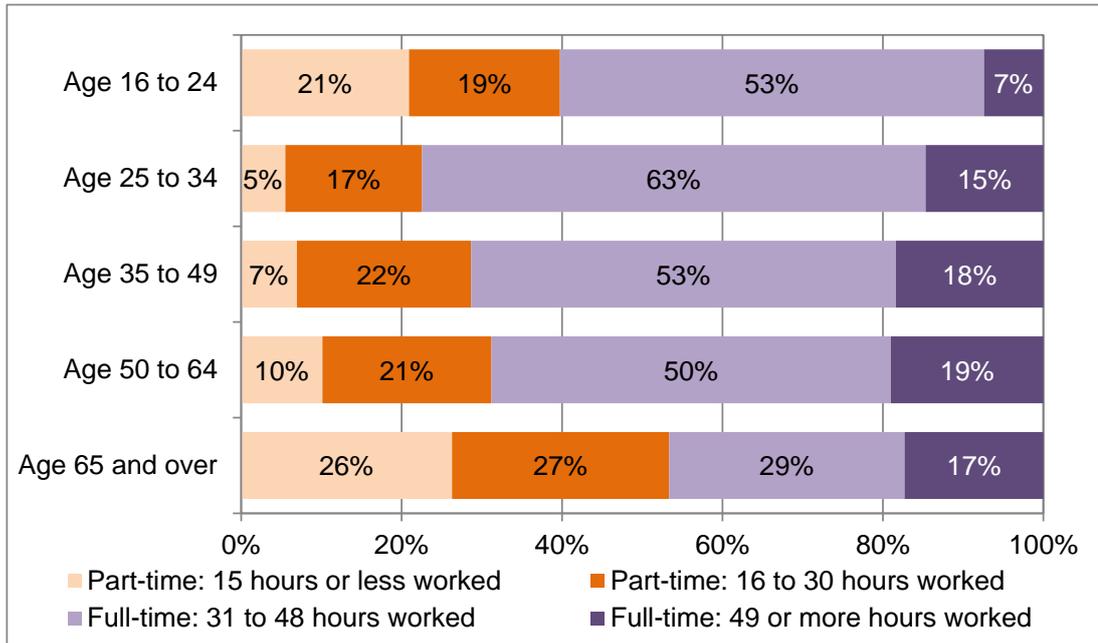
The increase in part-time working recorded by the census is also related to an increase in underemployment as demonstrated by analysis of the Labour Force Survey. The survey shows that nationally the proportion of people that are underemployed i.e. those wanting more hours, has increased considerably since 2008 for both people working full-time and part-time³. In 2012 24% of part-time workers reported that they were underemployed i.e. wanted more hours, an additional job or a new job with more hours. This is compared to just 16% in 2008. For full time workers the underemployment rate jumped from 4% in 2008 to 6% in 2012.

The increase in part-time working was more notable when only considering those in employment. In 2001 28 per cent of 16-74 year olds in employment worked part-time. By 2011 this proportion had increased to 31 per cent. The change was similar across England with the proportion of those working part time increasing from 25 per cent to 29 per cent.

When broken down by age, workers over retirement age (i.e. 65 and over) were most likely to be working part-time (53 per cent of all in employment). 16-24 year-olds were the next most likely (40 per cent). Looking in more detail at the younger age group it was those aged 16-19 which had the greatest rate of part-time working – close to half worked for 15 hours or less. This is a result of students working part-time – an estimated three fifths of 16-19 year olds in employment were full-time students, so it seems reasonable to assume the vast majority would be unable to work full-time hours.

³ Source: Underemployed workers in the UK 2012 (ONS – Labour Force Survey)

Chart 8. Proportion of those in employment that work part-time by age



Source: 2011 Census (LC6117EW)

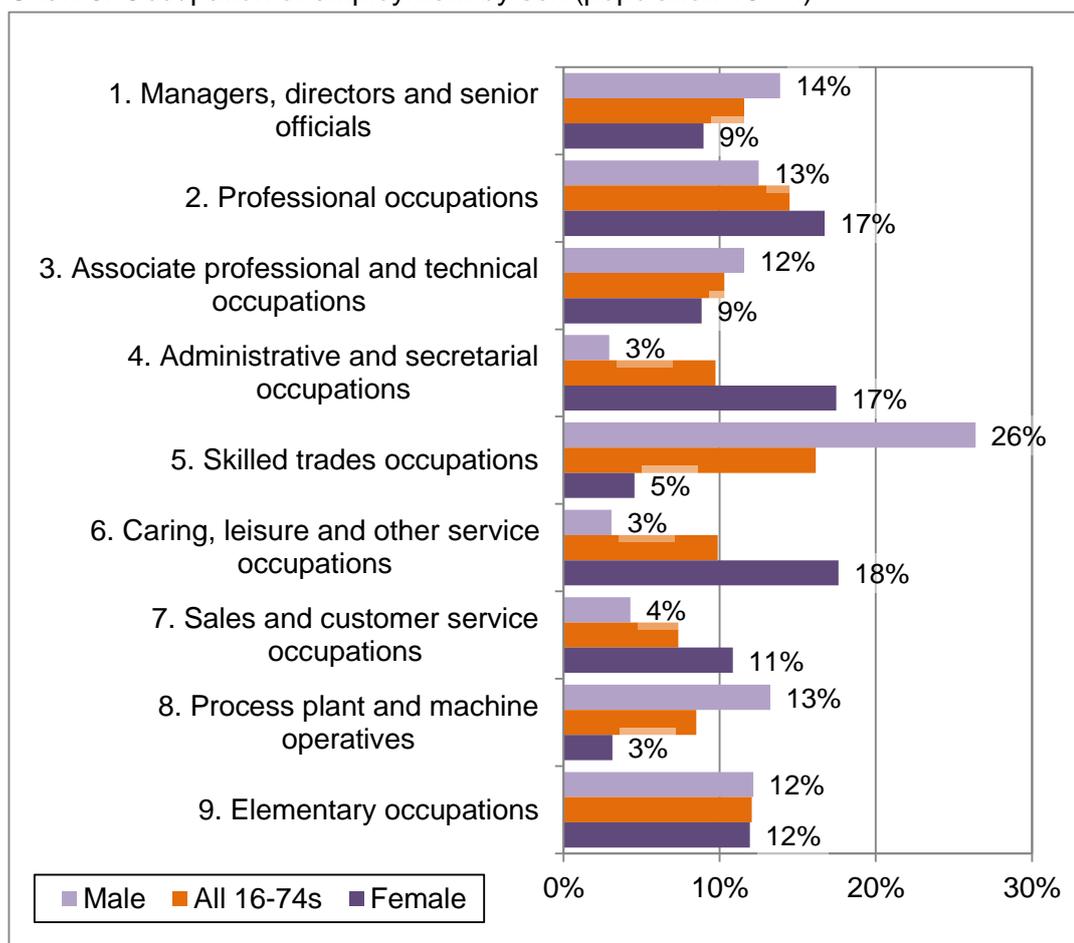
Occupation

A relatively high proportion of residents worked in skilled trade occupations (16 per cent - amongst the highest ten per cent of local authorities in the country), but a relatively low proportion worked in administrative and secretarial or professional occupations (ten per cent and 15 per cent respectively - both amongst the lowest 15 per cent in the country).

16% work in skilled trades: one of highest rates in England & Wales

There were some noticeable differences between occupational structure between men and women (see chart below). Most notable is the much bigger proportion of men employed in skilled trade occupations (26 per cent of men compared to just five per cent of women) and the much bigger proportion of women employed in administrative and secretarial occupations (17 per cent of women compared to three per cent of men) and caring, leisure and other service occupations (18 per cent of women compared to three per cent of men).

Chart 9. Occupation of employment by sex (population 16-74)



Source: 2011 Census (KS608EW to KS610EW)

Industry of employment

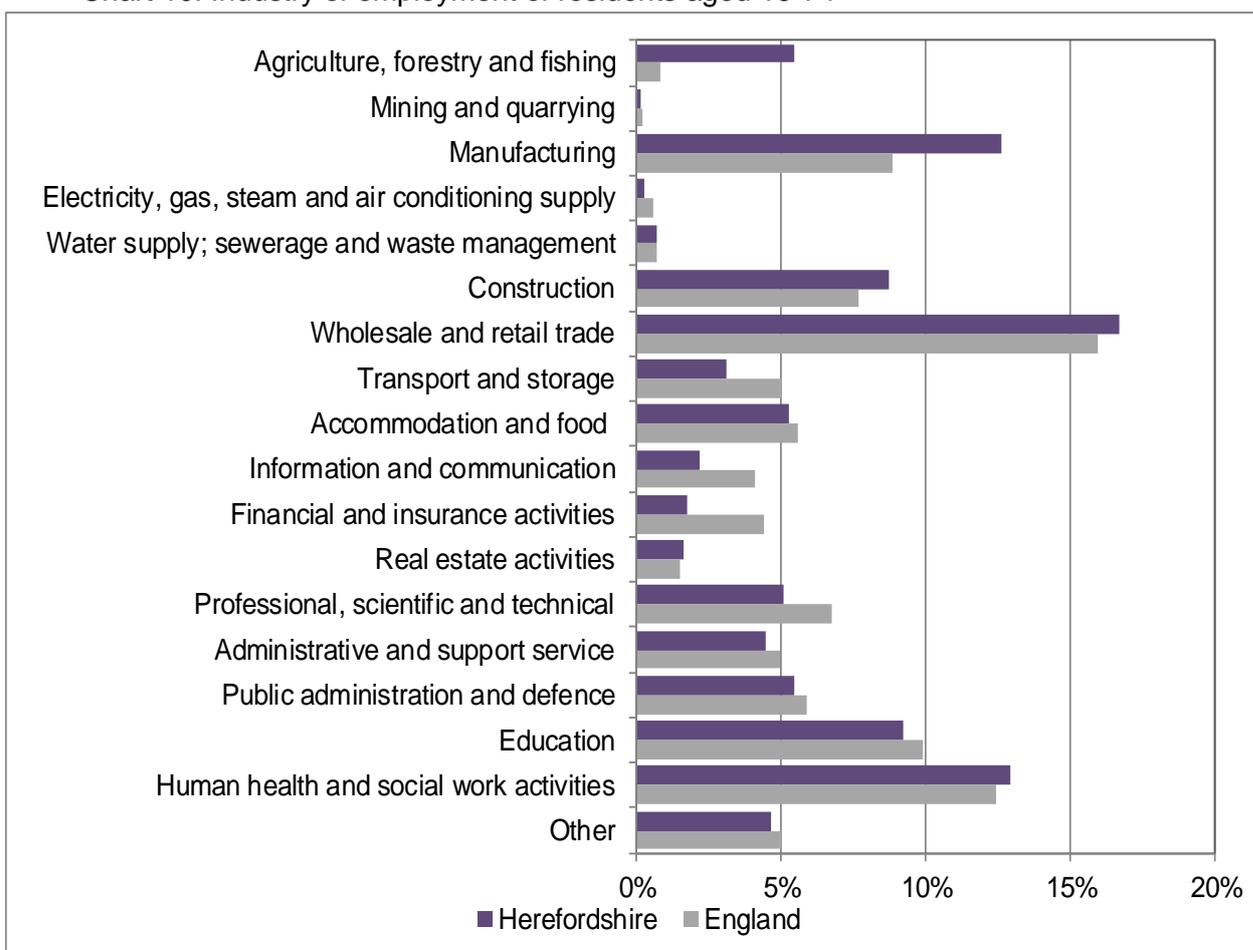
The largest industry of employment for Herefordshire residents was the wholesale and retail trade, accounting for 17 per cent of 16-74 year olds in employment. Manufacturing and human health and social work activities were the next biggest industries (both 13 per cent).

11th highest
 rate of employment in
 agriculture in England
 & Wales (5.4%)

Herefordshire's working residents were more likely than those across the country as a whole to work in agriculture, forestry and fishing (five per cent vs. one per cent - the 11th highest rate in the country) and manufacturing (13 per cent vs. nine per cent - amongst the highest 20 per cent). They were *less* likely to be employed in financial and insurance activities (two per cent vs. four per cent); information and communication (two per cent vs. four per cent); and transport and storage (three per cent vs. five per cent).

Just under 1,200 usual residents of Herefordshire were employed in the Armed Forces; all but 50 living in private households.

Chart 10. Industry of employment of residents aged 16-74



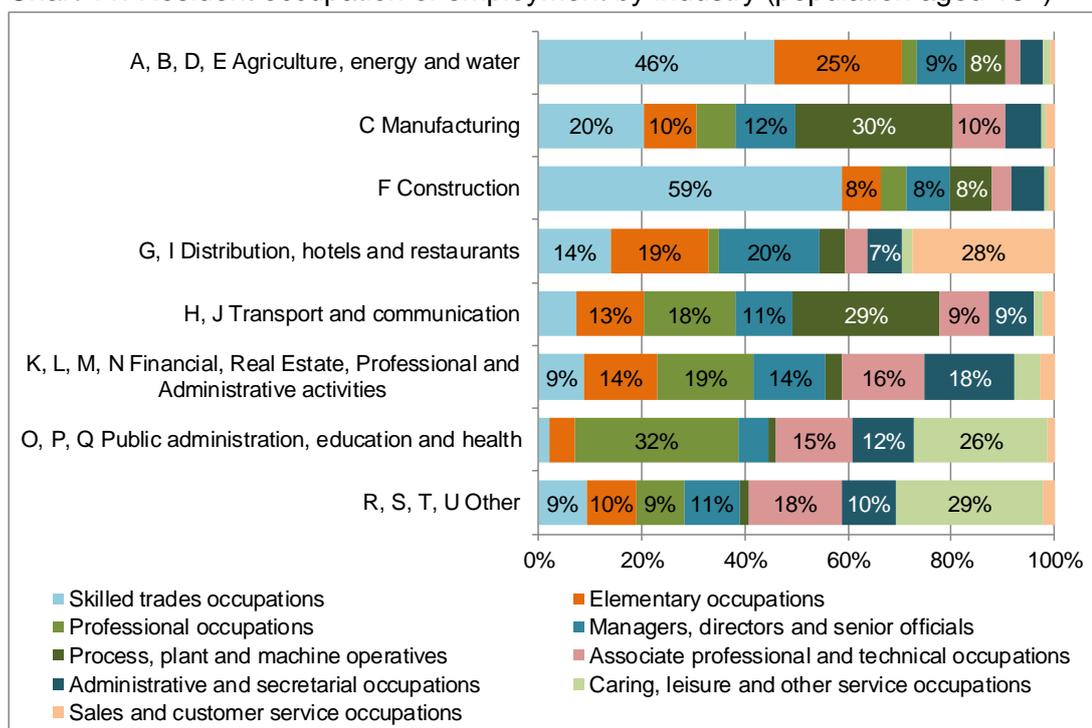
Source: 2011 Census (KS605EW to KS607EW)

Combined industry and occupation of employment

In terms of absolute numbers, the largest occupation and industry group of county residents is for professionals working in public administration, education and health: 7,900 people (nine per cent of all people aged 16+ in employment). The next biggest were 'caring, leisure and other service occupations' working in public administration, education and health (6,500) and 'sales and customer service occupations' working in distribution, hotels and restaurants (5,500). See table 12 for the numbers in other groups (next page). These were also the largest groups across England.

Looking at the proportion in each industry sector by occupation (chart 11 below) the most notable groups are the high proportion of skilled trade occupations employed in the 'agriculture energy and water' and 'construction' sectors (46 per cent and 59 per cent). Also of note was the proportion of those working in 'public administration, education and health' in professional occupations (32 per cent), the proportion of those working in manufacturing and 'transport and communication' that were process, plant and machine operatives (30 per cent and 29 per cent respectively), and of those in 'other' industries in the caring, leisure and other service occupations (29 per cent). 'Other' industries includes 'arts, entertainment and recreation' and 'other services', which are likely to explain the large proportion (29%) of those in caring, leisure and other service occupations.

Chart 11. Resident occupation of employment by industry (population aged 16+)



Source: 2011 Census (DC6604EW)

Table 12. Resident employment by occupation and industry (population aged 16+)

	1. Managers, directors and senior officials	2. Professional	3. Associate professional and technical	4. Administrative and secretarial	5. Skilled trades	6. Caring, leisure and other service	7. Sales and customer service	8. Process, plant and machine operatives	9. Elementary	All occupations
A, B, D, E Agriculture, energy and water	578	183	180	274	2,818	79	48	485	1,523	6,168
C Manufacturing	1,342	857	1,170	814	2,333	100	187	3,488	1,182	11,473
F Construction	669	397	291	500	4,647	70	89	645	609	7,917
G, I Distribution, hotels and restaurants	3,920	412	894	1,338	2,787	382	5,514	961	3,773	19,981
H, J Transport and communication	534	843	449	417	346	83	112	1,363	625	4,772
K, L, M, N Financial, Real Estate, Professional and Administrative activities	1,632	2,199	1,854	2,058	1,038	562	327	373	1,644	11,687
O, P, Q Public administration, education and health	1,444	7,912	3,741	3,014	542	6,484	304	357	1,223	25,021
R, S, T, U Other	459	388	761	443	390	1,213	90	76	411	4,231
All industries	10,578	13,191	9,340	8,858	14,901	8,973	6,671	7,748	10,990	91,250

Source: 2011 Census (DC6604EW)

Qualifications

Levels of qualification in Herefordshire were almost identical to the national picture. More than a quarter (29 per cent) of adults (16-64) had at least a degree (level 4 or above⁴), although almost a sixth (15 per cent) had no formal qualifications at all. In total, just under a third (30 per cent) did not have the equivalent of five GCSEs grades A*-C (up to Level 2 qualification).

Although not directly comparable there does seem to have been some change in qualification levels over the last decade. Broadly speaking the proportions of residents (aged 16-64) with no qualifications and those with up to level 2 decreased from 2001, whilst the proportions with level 3 and 4 and above has increased. The most extreme changes were at either end of the qualification spectrum. This is a trend that has also been seen nationally. This trend is confirmed for the latter part of the decade by data from the Annual Population Survey.

Chart 13. Proportion of 16-64 population by minimum level of qualification (see footnote for description of qualifications)



Source: 2011 Census (DC5102EW)

⁴ **Level 1:** 1-4 O Levels/CSE/GCSEs (any grades), Entry Level, Foundation Diploma, NVQ level 1, Foundation GNVQ, Basic/Essential Skills

Level 2: 5+ O Level (Passes)/CSEs (Grade 1)/GCSEs (Grades A*-C), School Certificate, 1 A Level/ 2-3 AS Levels/VCEs, Intermediate/Higher Diploma, Welsh Baccalaureate Intermediate Diploma, NVQ level 2, Intermediate GNVQ, City and Guilds Craft, BTEC First/General Diploma, RSA Diploma

Level 3: 2+ A Levels/VCEs, 4+ AS Levels, Higher School Certificate, Progression/Advanced Diploma, Welsh Baccalaureate Advanced Diploma, NVQ Level 3; Advanced GNVQ, City and Guilds Advanced Craft, ONC, OND, BTEC National, RSA Advanced Diploma

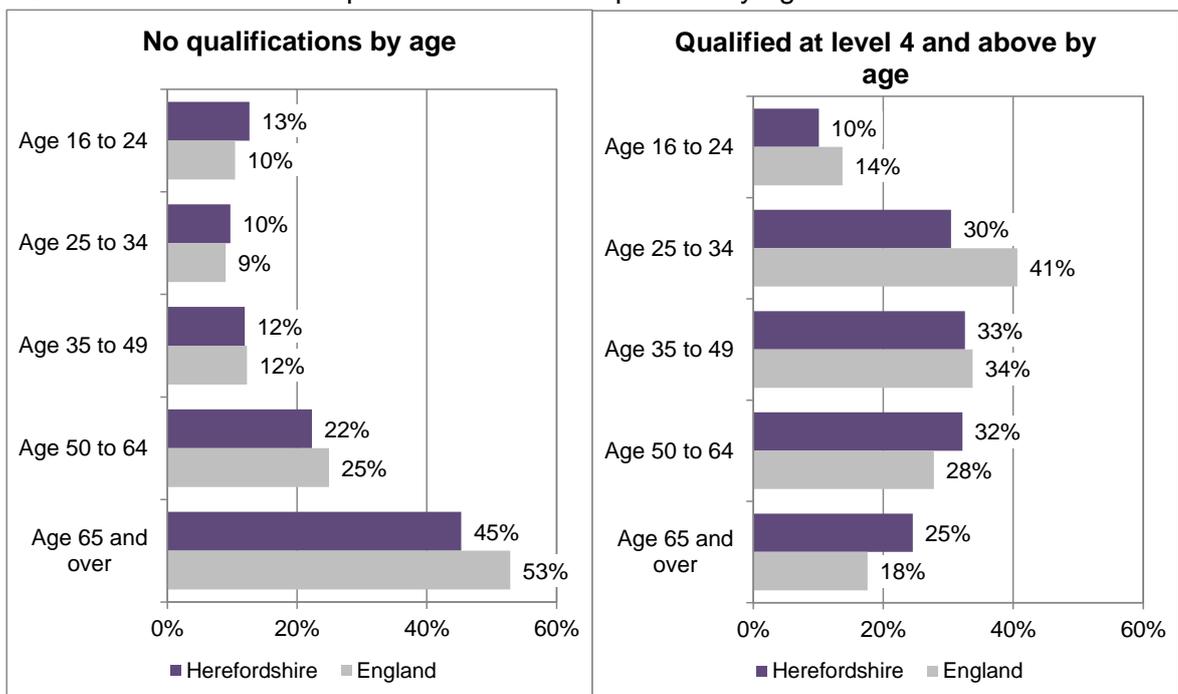
Level 4+: Degree (for example BA, BSc), Higher Degree (for example MA, PhD, PGCE), NVQ Level 4-5, HNC, HND, RSA Higher Diploma, BTEC Higher level, Foundation degree (NI), Professional qualifications (for example teaching, nursing, accountancy)

Other qualifications: Vocational/Work-related Qualifications, Foreign Qualifications (Not stated/ level unknown).

Qualifications by age

Whilst Herefordshire had rates of qualification very similar to those nationally when looking at all ages, there were distinct differences between age-groups. Generally speaking younger county residents were less well qualified than older county residents compared to England as a whole. For example, proportionally fewer county residents were qualified at level 4 and above for all age groups below 50 (see chart below). The most notable difference was for the 25-34 age group - 30 per cent of Herefordshire residents of this age were qualified at level 4 and above compared to 41 per cent across England. Conversely, 25 per cent of county residents aged 65+ have this level of qualification compared to 18 per cent nationally. The opposite pattern is true of those with no qualifications, with a greater proportion of young people and lesser proportion of older people being unqualified locally compared to nationally.

Charts 14a and 14b. Proportion of residents qualified by age



Source: 2011 Census (DC5102EW)

Qualifications by country of birth

Analysis of qualification rates by country of birth shows that generally speaking non-UK born residents have higher qualification rates than those born outside the UK. For example those born in the Americas or Caribbean had the highest proportion that were qualified at level 4 or above (49 per cent compared to 27 per cent of the UK born population). At least 44 per cent of those born in Africa, Middle East and Asia and Antarctica, Oceania were qualified to this level. This is likely to reflect the fact that many move to the UK to study or to take up professional positions. Those residents born in EU accession countries⁵ had the lowest proportion with a level 4 qualification or higher (17 per cent). This group however had a much higher proportion with apprenticeships and other qualifications, so it is possible that level 4 qualifications have been reported under 'other'.

At the other end of the spectrum the UK born population had the second highest proportion without any qualifications (24 per cent - second only to Ireland 27 per cent). Those from the EU and elsewhere had much smaller proportions without qualifications. Just six per cent of those from Africa had no qualifications.

Chart 15. Proportion of 16+ population with minimum level of qualification by country of birth



Source: 2011 Census (LC5203EW)

⁵ Accession countries that joined the EU in 2004 or 2007: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia, Romania, Bulgaria, Malta and Cyprus.

Where to find out more

Results for other topics in Herefordshire can be found on the [Facts & Figures about Herefordshire](#) website, as can links to the ONS website for further analysis and raw data.

If you have any queries about the census data for Herefordshire please contact the research team on 01432 2601944 or at researchteam@herefordshire.gov.uk.

