Cities Outlook 2023
Deep Dive Series

East Midlands

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#CitiesOutlook2023
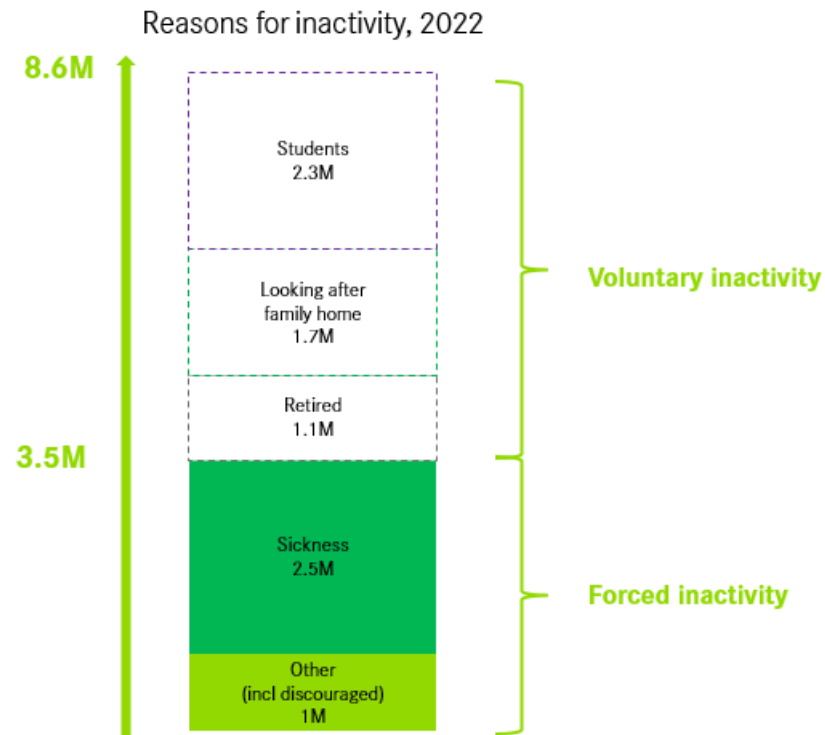
@paulswinney @centreforcities

The national picture: an army of missing workers

Historically low unemployment

- A total of **1.2 million** people are unemployed

- The lowest it's been since the **1970s**
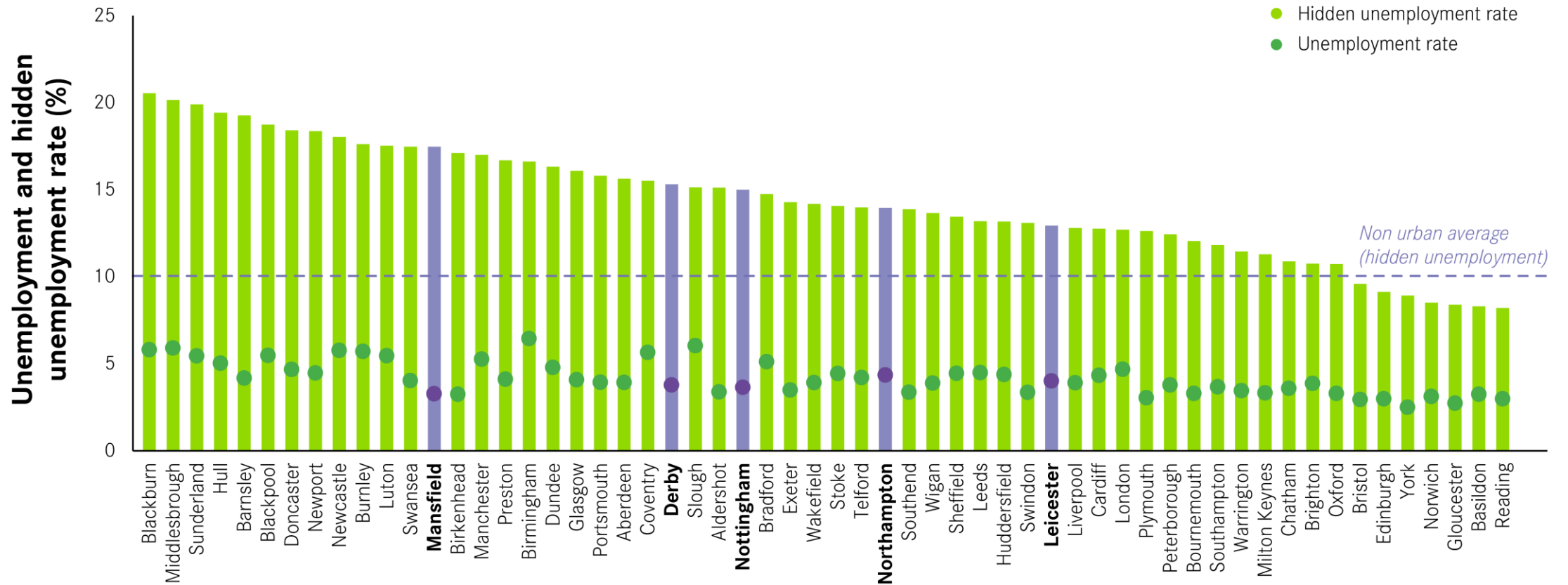
Hide high levels of 'forced inactivity'

Reasons for inactivity, 2022

8.6M

Students
2.3M

Looking after family home
1.7M

Voluntary inactivity

3.5M

Retired
1.1M

Sickness
2.5M

Forced inactivity

Other
(incl discouraged)
1M

Source: ONS

Resulting in high hidden unemployment

More than triples unemployment numbers to **4.7 million**

The picture across the East Midlands is relatively mixed, but many cities in the region have higher than average hidden unemployment
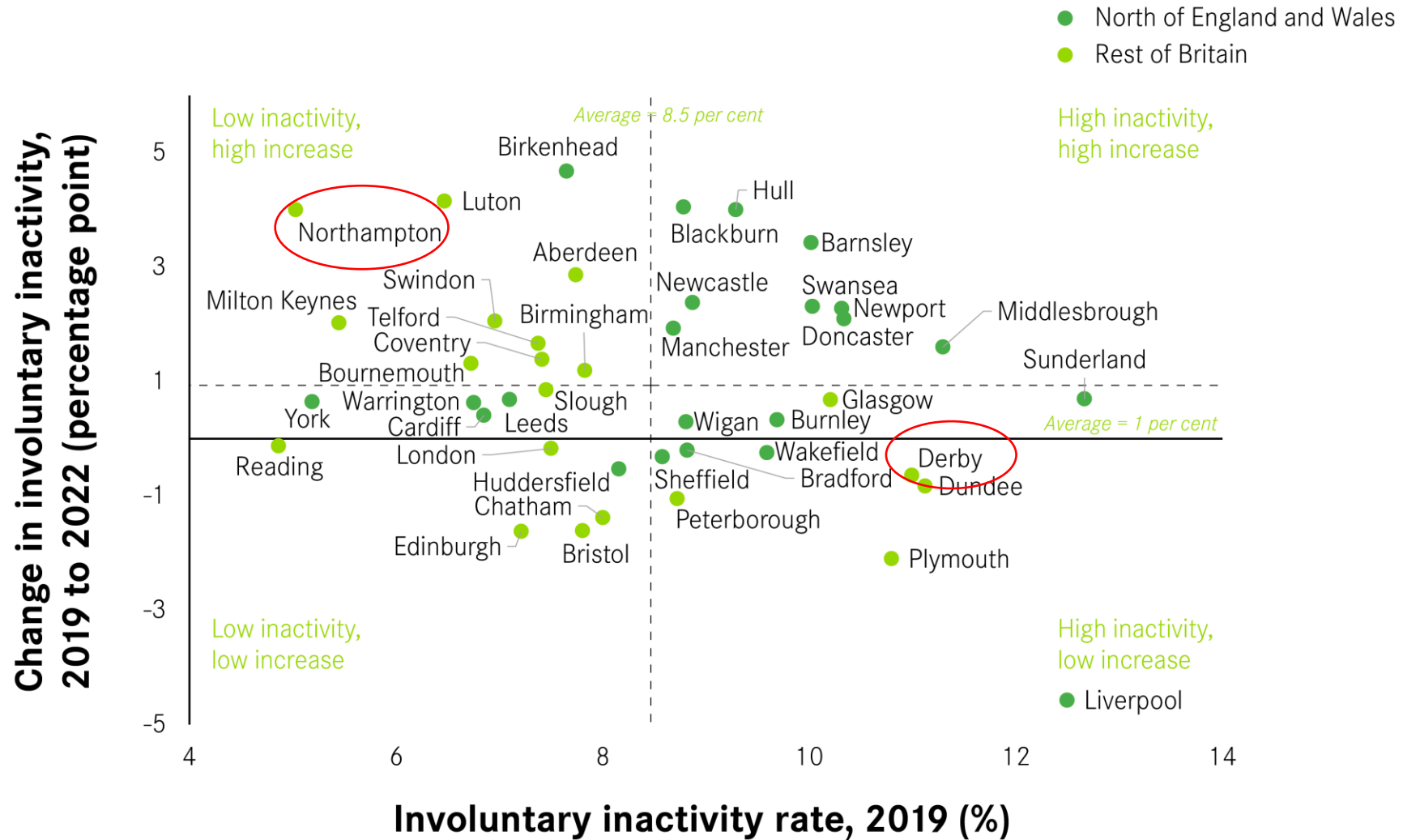
Unemployment and hidden unemployment, June 2022

In total, there are about 282,000 'involuntary inactive' and 360,000 hidden unemployed in the North-West
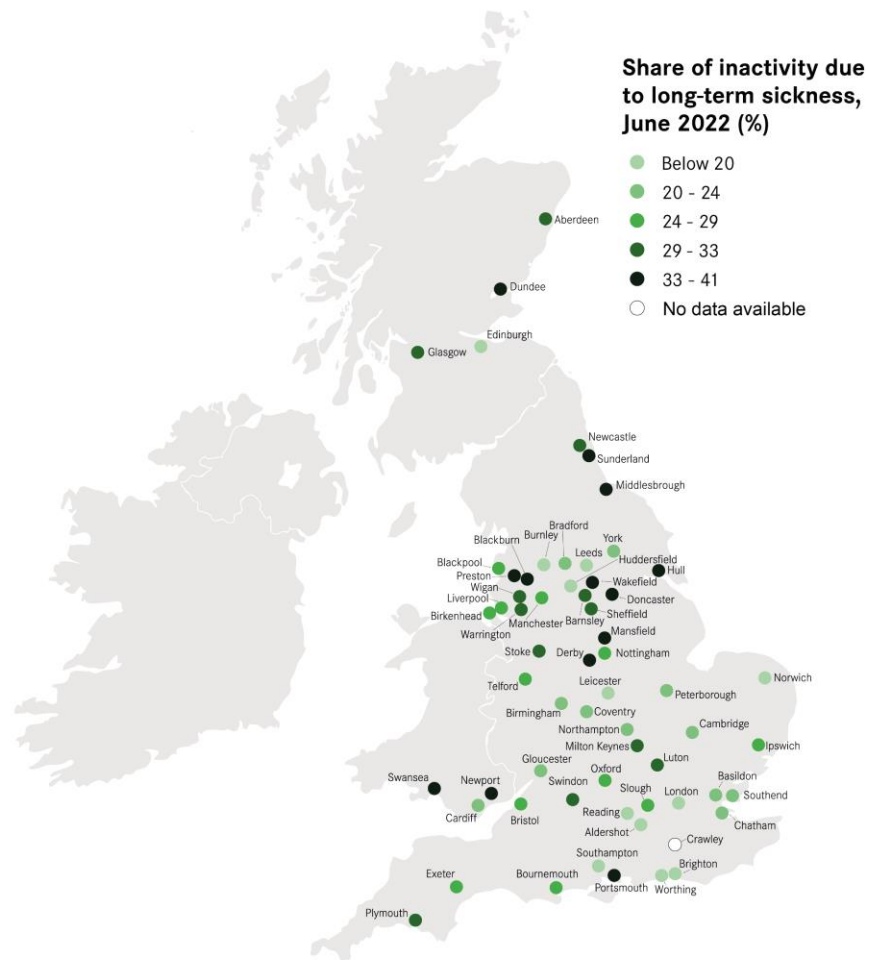
Involuntary inactivity in 2019 and change to 2022

- North of England and Wales
- Rest of Britain

Change in involuntary inactivity, 2019 to 2022 (percentage point)

Involuntary inactivity rate, 2019 (%)

Low inactivity, high increase

Average = 8.5 per cent

High inactivity, high increase

Birkenhead

Luton

Northampton

Hull

Blackburn

Barnsley

Aberdeen

Swansea

Newcastle

Swindon

Newport

Middlesbrough

Milton Keynes

Telford

Birmingham

Manchester

Doncaster

Coventry

Sunderland

Bournemouth

Glasgow

Warrington

Slough

Wigan

Burnley

Average = 1 per cent

York

Cardiff

Leeds

Derby

London

Wakefield

Reading

Huddersfield

Sheffield

Bradford

Dundee

Chatham

Peterborough

Edinburgh

Bristol

Plymouth

Low inactivity, low increase

High inactivity, low increase

- Liverpool

Source: ONS

Two key factors help explain the spatial disparities in hidden unemployment rates

Poor health is a strong predictor of economic inactivity

Share of inactivity due to long-term sickness, June 2022 (%)
- Below 20
- 20 – 24
- 24 – 29
- 29 – 33
- 33 – 41
- No data available

The strength of the local economy also plays a role

36% of people in the East Midlands have **high-levels qualifications**, compared to **54%** in the South-East

10% of jobs are **private-knowledge** services against **19%** in the South-East

More data on Centre for Cities' data tool

https://www.centreforcities.org/data-tool/#graph=map&city=show-all