

# Economic Inactivity Summary Bulletin for Shropshire

## March 2023

### Key Points

- The number of people in Shropshire who are economically inactive has risen significantly since 2011, far surpassing overall population growth. The ageing population and economic circumstances at the time of the Census have undoubtedly influenced the trend.
- Traditionally, Shropshire has enjoyed high levels of participation in the labour market and low levels of inactivity, especially amongst the 16-64 population. Considering the total 16+ population, more Shropshire residents are now economically inactive than the national average, which reverses the 2011 situation.
- The main reason for being economically inactive is retirement, although there are also significant numbers who are long-term sick or disabled, or who look after a home or family.

### Economic Inactivity Numbers & Rates

The number of economically inactive people in Shropshire rose by 20,920 people (+22.6%) between the 2011 and 2021 Censuses which substantially exceeds growth of 7.6% in the 16+ population. Nationally, the 16+ population rose by a similar amount (+7.0%), and again the economically inactive population rose faster, although less quickly than in Shropshire. A more rapidly ageing population in Shropshire than in the West Midlands or England has been a main factor squeezing the labour market and swelling the number who are inactive. The Covid-19 pandemic has also impacted the labour market by encouraging people to reassess their work/life balance with some workers deciding to retire earlier than they might otherwise have done.

#### Number of Economically Inactive People

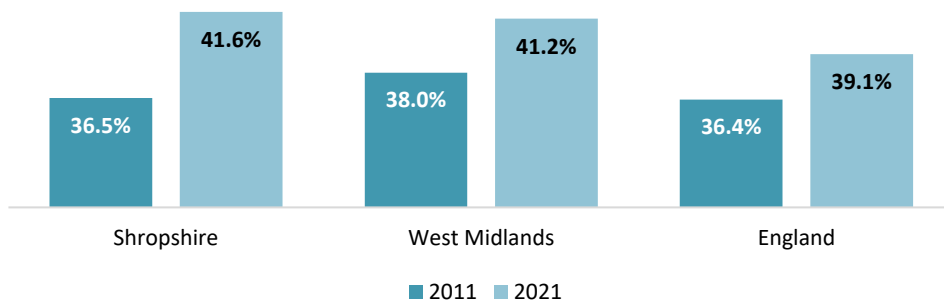
	16+ Population			Economically Inactive Population		
	2011	2021	% change	2011	2021	% change
Shropshire	252,979	272,245	+7.6%	92,415	113,335	+22.6%
West Midlands	4,507,405	4,801,331	+6.5%	1,713,792	1,977,515	+15.4%
England	42,989,620	46,006,957	+7.0%	15,657,247	18,005,455	+15.0%



Historically, Shropshire has had higher levels of economic activity than the West Midlands and England, especially amongst the working age population. Considering the total adult (16+) population, the size of the labour force and corresponding size of the economically inactive population has traditionally been more aligned to the national average, with the higher proportion of the population which is above retirement age counterbalancing high participation in the labour market amongst 16–64-year-old adults.

There has been a notable change in recent years as levels of economic inactivity have risen and while this has been more acute in Shropshire the rate has increased regionally and nationally as well.

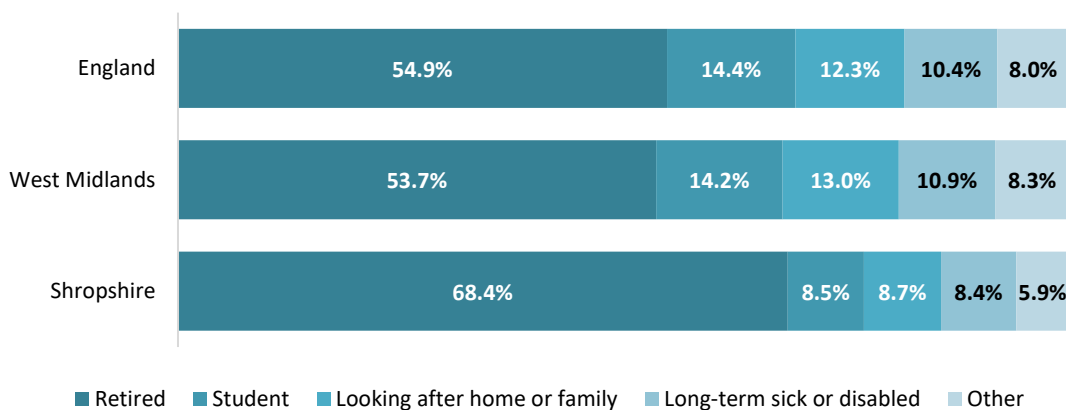
### Economic Inactivity Rates, 16+ Population, 2011 & 2021



### Composition of the Economically Inactive Population

More than two-thirds of all economically inactive people in Shropshire are retired. This is the equivalent of 77,553 people, or 28.5% of all people aged 16 and above. In contrast, 21.5% of the 16+ population nationally are retired (54.9% of the economically inactive). Shropshire’s older population profile clearly influences this. Proportionally, there are fewer students, people looking after homes or families and who are long-term sick or disabled in Shropshire compared with either England or the West Midlands.

### Breakdown of Economic Inactivity

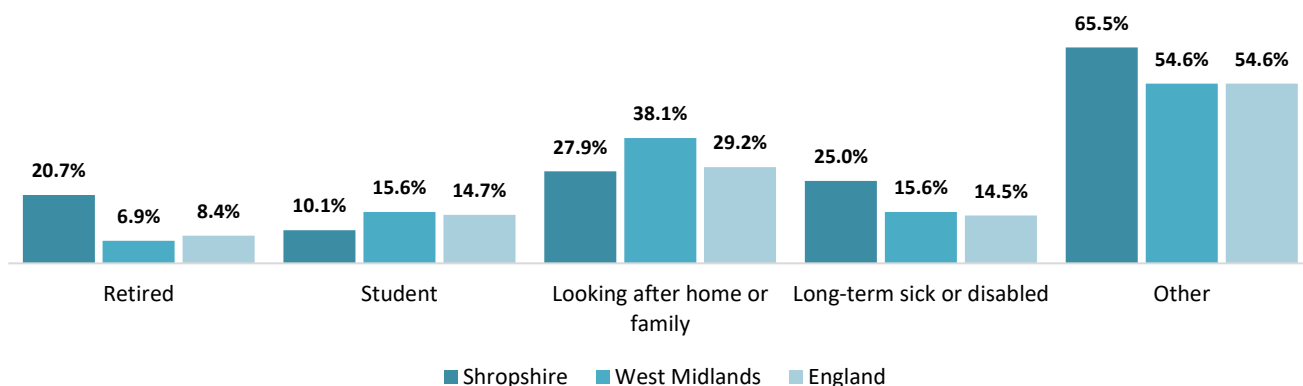


The number of people who are economically inactive because of retirement has risen by a fifth since 2011, which equates with an additional 13,321 people. This rate of growth has been much higher in Shropshire than in either the West Midlands or England. The number who are long term sick or disabled has also risen faster in Shropshire, albeit from a comparatively low base. There are now 1,916 more people who do not work for this reason than there were in 2011. The number of students has risen slower in Shropshire than nationally. Likewise, growth in the number looking after a home or family has lagged slightly behind regional or national growth; across all geographies, however, the higher number of people who do not



participate in the labour market for this reason bucks the trend of the previous decade (2001-2011) when the number not working for this reason fell.

### Growth in the Number of Economically Active People by Reason

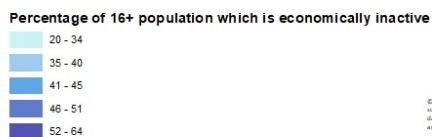
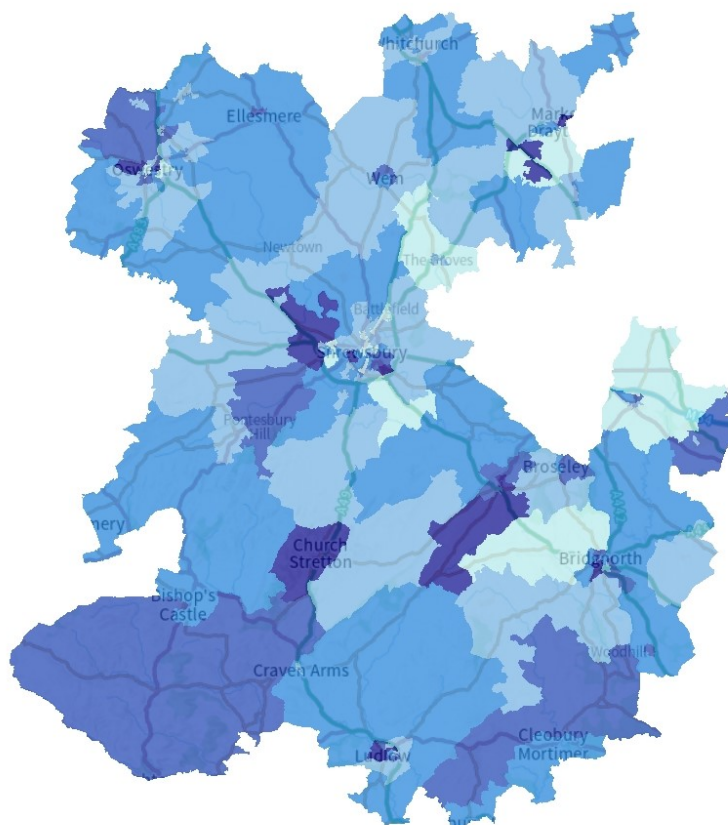


### Economic Inactivity Rates by LSOA

Economic inactivity rates vary across Shropshire, as shown in the adjacent map. Rates range from 20.5% of the 16+ population to 63.6%.

Typically, they are highest in rural areas, especially in the South and South West of Shropshire, where the population is older and more people are retired.

In contrast, labour market participation is higher in the key market towns, especially in Shrewsbury, Oswestry and in the east of the county.



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## Definitions

There are three main types of economic activity status:

- *economically active: in employment (an employee or self-employed)*
- *economically active: unemployed (those who were looking for work and could start within two weeks, or waiting to start a job that had been offered and accepted)*
- *economically inactive (those who did not have a job between 15 March and 21 March 2021 and had not looked for work between 22 February and 21 March 2021 or could not start work within two weeks)*

*Full-time students who either work, or are looking for work, are classified as economically active.*

*The economically active population includes people who were put on furlough at the time of Census 2021, who were considered to be temporarily away from work.*

*The data in this bulletin have been extracted from 2021 Census table TS066 and from 2011 Census DC620 EW*

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Or refer to ONS website:

[Labour market and travel to work: Census 2021 in England and Wales - Office for National Statistics](#)

