



“Factors Shaping Economic inactivity in the United Kingdom”

Data source: ONS
Population count: 1 unit = 1000 people
Date range: Q1 of 2001(01) - Q1 of 2023(23)

ECONOMIC INACTIVITY OVER TIME

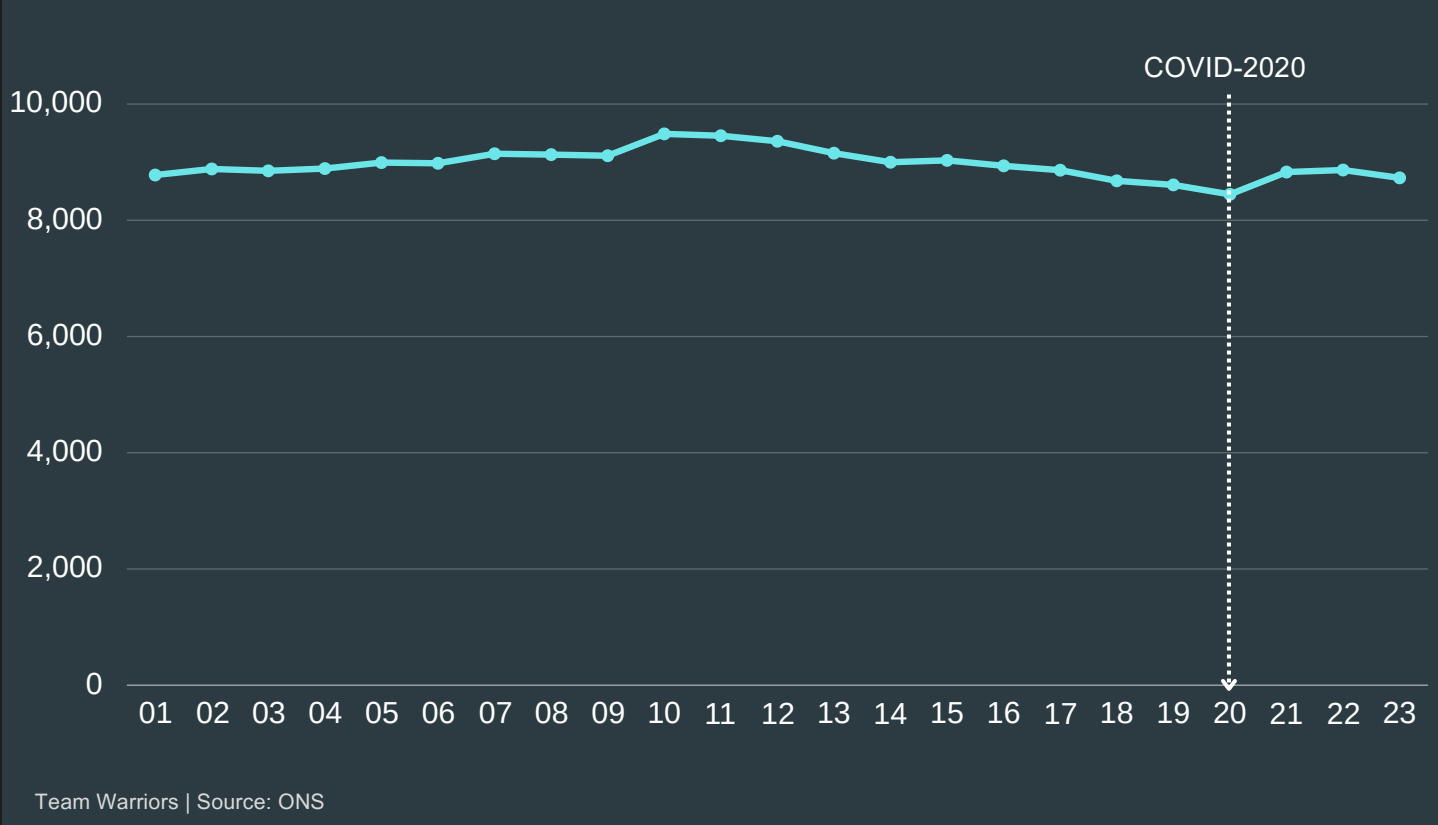


Fig 1: Economic inactivity count over the years

Despite the UK Government is implementing various measures to decrease economic inactivity, there has been limited observable change in the overall count between 2001 and 2023

IS UK ECONOMIC INACTIVITY STABLE OR STAGNATING OVER THE YEARS ?

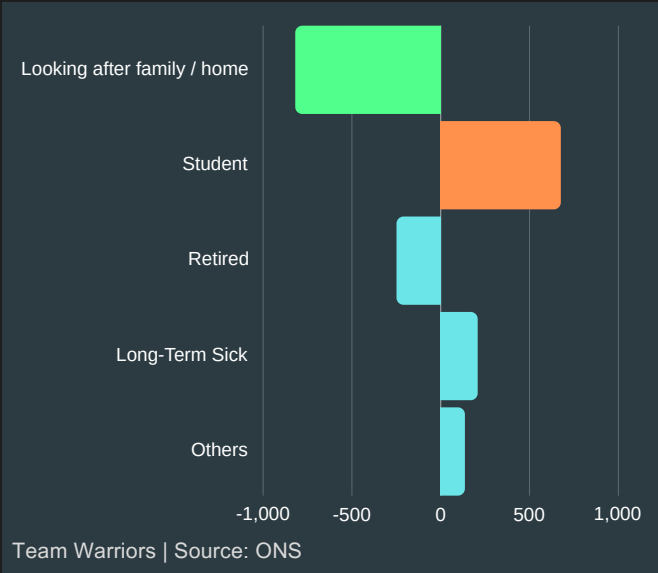


Fig 2: Change in economic inactivity count by factors

Taking care of one’s family and home responsibilities has a positive effect by significantly reducing economic inactivity count, and students between the age band of 16 and 24 exhibit a negative impact by significantly increasing economic inactivity count.

Economic Inactivity in the UK is primarily influenced by family/home responsibilities as well as educational commitments.

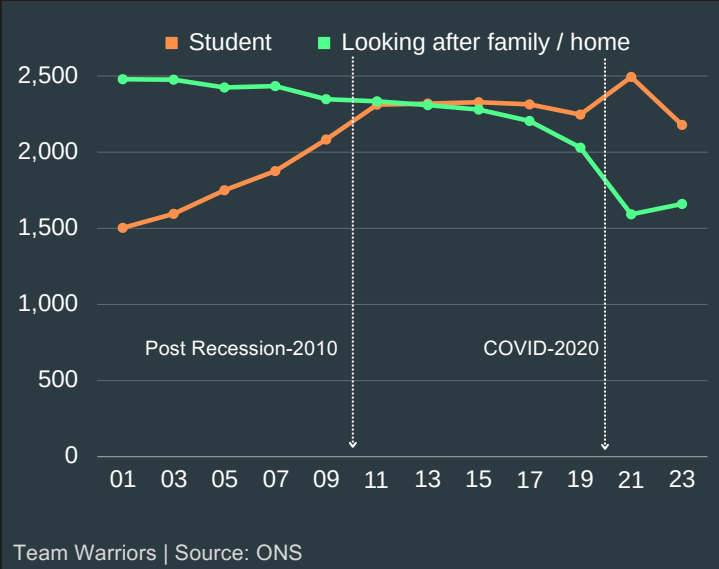


Fig 3: “Students” & “Looking after family/home” over the years



Students

Individuals aged 16 to 24 who are in Full-time / Part-time education, including university students and those pursuing vocational training, as students.

Economically inactive change **52%▲**

CHANGE IN STUDENT’S PREFERENCES OVER THE YEARS

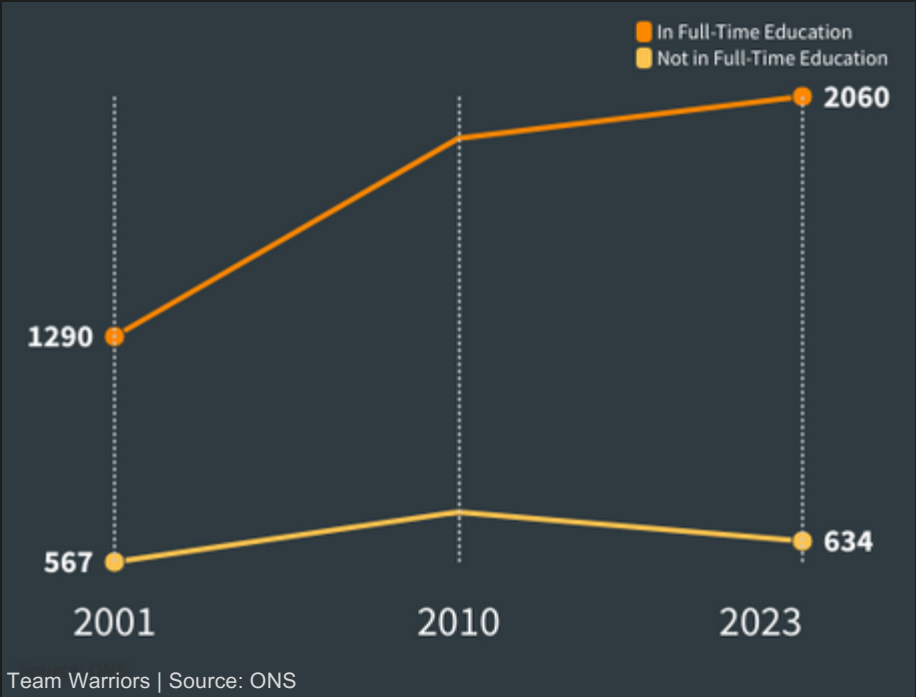


Fig 4: Students enrolled in full time / part time education

Regarding the students who are exhibiting a rise in economic inactivity, the proportion of students enrolled in full-time programs increased, and the proportion of students enrolled in part-time programs remained nearly stable.

STUDENT’S JOB PREFERENCE OVER TIME.

Due to changes in full-time education and evolving global requirements, the job preferences of students aged between 16 and 24 have shifted. Over the years, the number of students who do not want a job has increased by nearly 59%, while the count of students who want a job has remained relatively constant.

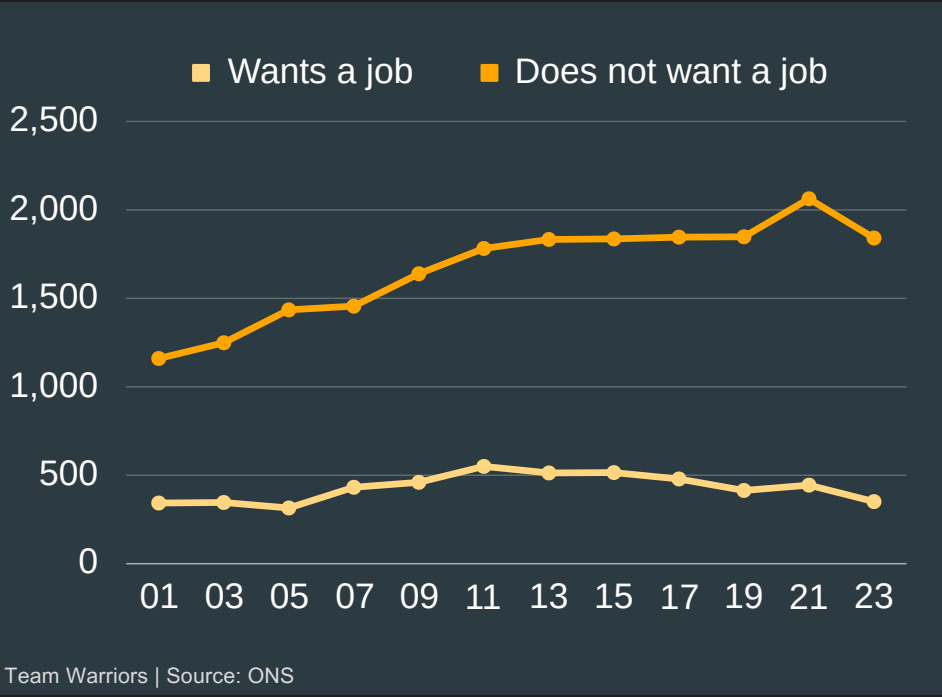


Fig 5: Students wants / does not want a job



Fig 6: Change in student’s count who does not want a job based on gender.

Since 2001, full-time student enrollment has risen by 60%, while the number actively seeking employment has decreased by 60%, indicating a shift in students' economic engagement.



Looking after family/home

Individuals primarily engaged in caring responsibilities for family members or managing household duties.

Economically inactive change

45% ▼

MEN VS WOMEN LOOKING AFTER FAMILY/HOME

According to the data, women predominantly assume the responsibility for family and home care, and over the past 20 years, this trend has significantly decreased.

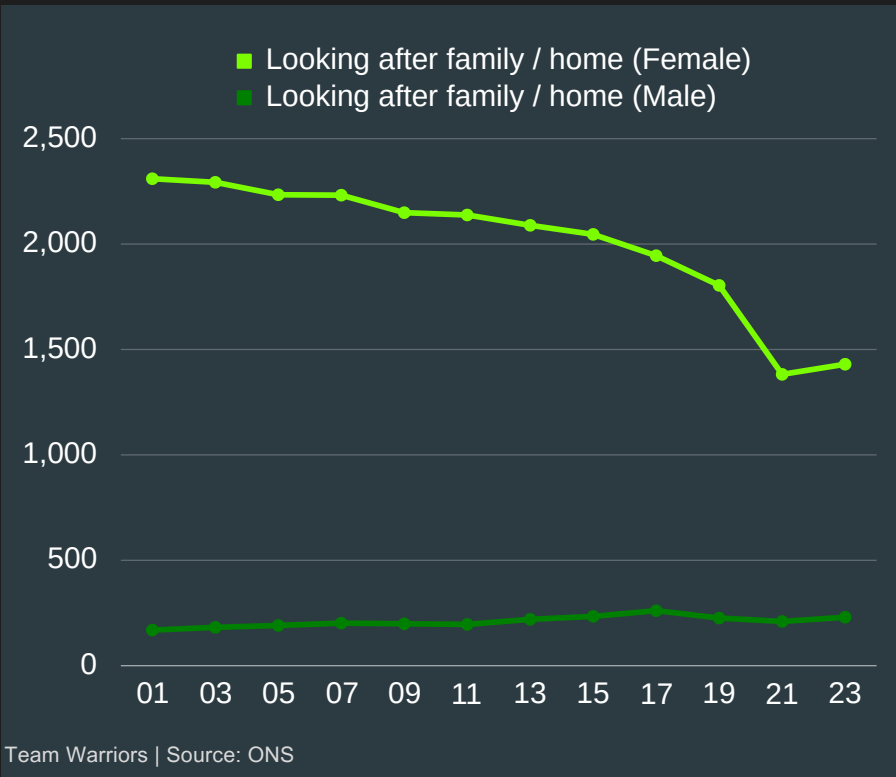


Fig 7: Looking after family / home based on gender

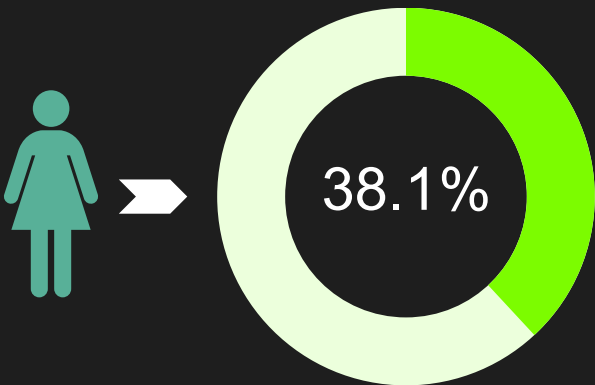


Fig 7.1: Decrease in women percentage

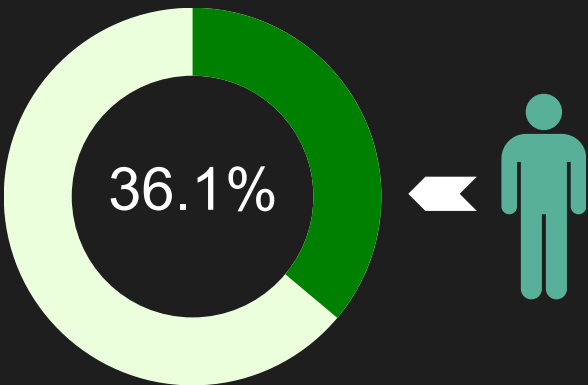


Fig 7.2: Increase in men percentage

Over the past 20 years, there has been a nearly 40% decrease in the number of women taking care of their families and homes, which has had a positive effect on the UK's economic inactivity.

LOOKING AFTER FAMILY/HOME, DIVERSE RESPONSIBILITIES

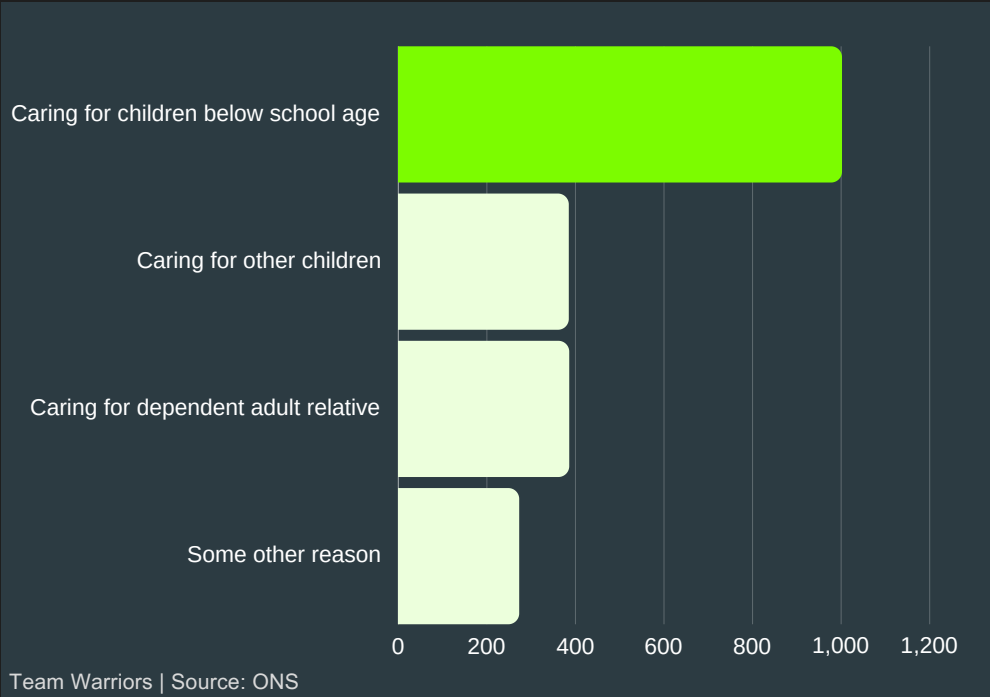
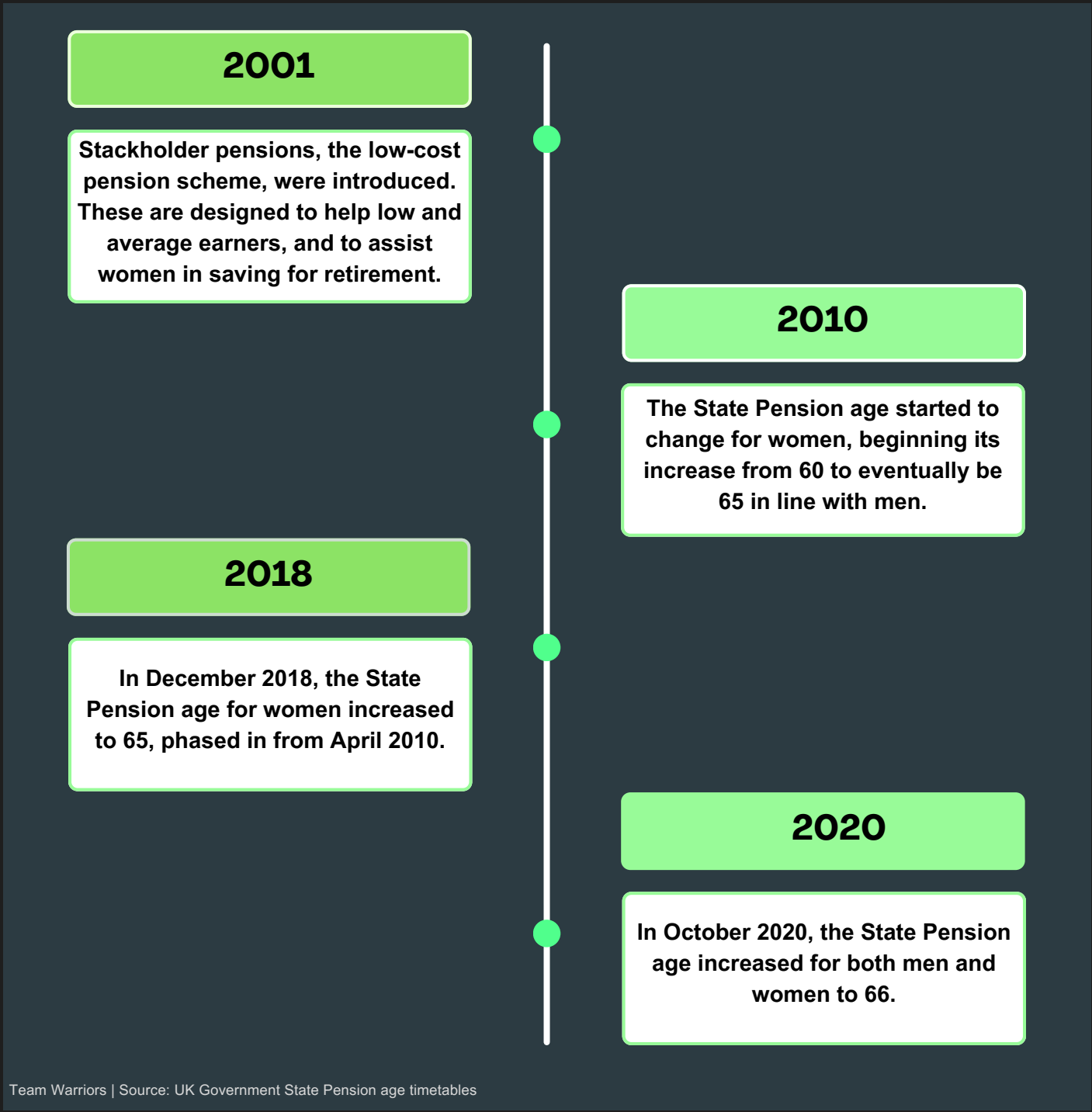


Fig 8: Reasons for looking after family

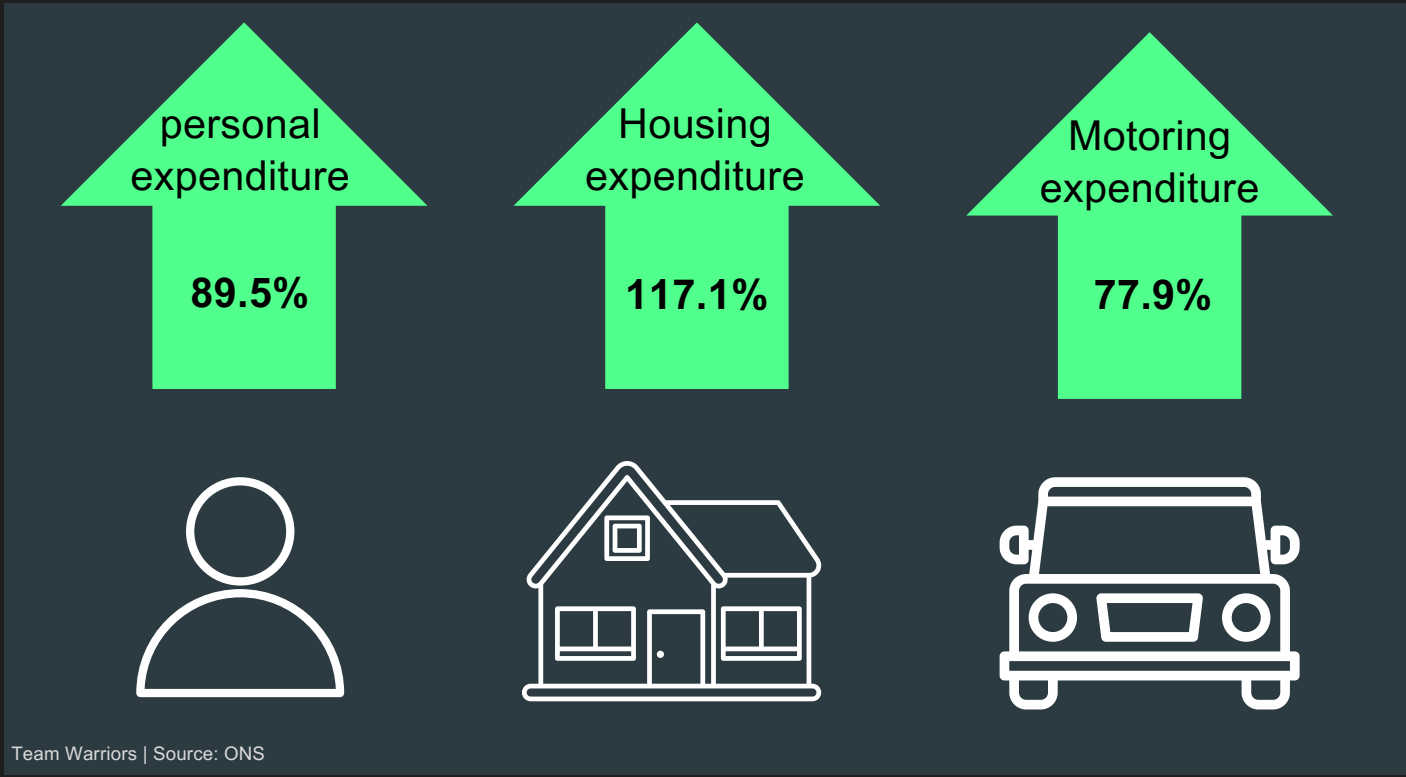
The primary reason for looking after family / home to be economically inactive is caring for children under school age (i.e., Below 16 years).

FACTORS CONTRIBUTING TO HIGHER ECONOMIC ACTIVITY AMONG FEMALES

The alterations in pension schemes for women have played a pivotal role in encouraging greater economic activity among them over the years.



Rising expenditures over time have been key factors in encouraging women to work and become more economically active.



Consequently, the demonstrated willingness of women responsible for family and home care to work, coupled with the combination of increased expenses and government support, has led to a notable shift toward economically active over the past two decades.

CALL OF ACTION



Among the countries in the UK, **England** boasts the highest population with **85%** and has seen the least decrease of **1.70%** in economic inactivity rates over the past two decades.

Hence, targeted policies are essential to address economic inactivity among students and those with family responsibilities in England.

The government should consider the following:

Students:

- Create unique employment opportunities that fit the schedules of the students.
- Give part-time workers monetary incentives like scholarships.
- Encourage employers, colleges, and students to work together.

Support for Family Responsibilities:

- Put in place comprehensive programs for child care and family support.
- Promote flexible work schedules and other flexible work policies.
- For those returning to the workforce because of family obligations, offer training.

These steps not only lower economic inactivity but also help create a workforce that is more diverse and effective. Thus, England can establish an atmosphere that encourages people to pursue their education, fulfill their family responsibilities, and engage in the economy all at the same time, building a more robust and inclusive economy.

CONCLUSION

Despite the stability in the trend of economic inactivity over the years, achieving substantial progress in reducing the count requires targeted government action, focusing on major influencing factors such as Students and Looking after family/home.

References:

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- UK Government State Pension age timetables. Available at: <https://assets.publishing.service.gov.uk/media/5a7f02e640f0b62305b84929/spa-timetable.pdf>
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