

Workplace Employment in Birmingham 2023

Introduction

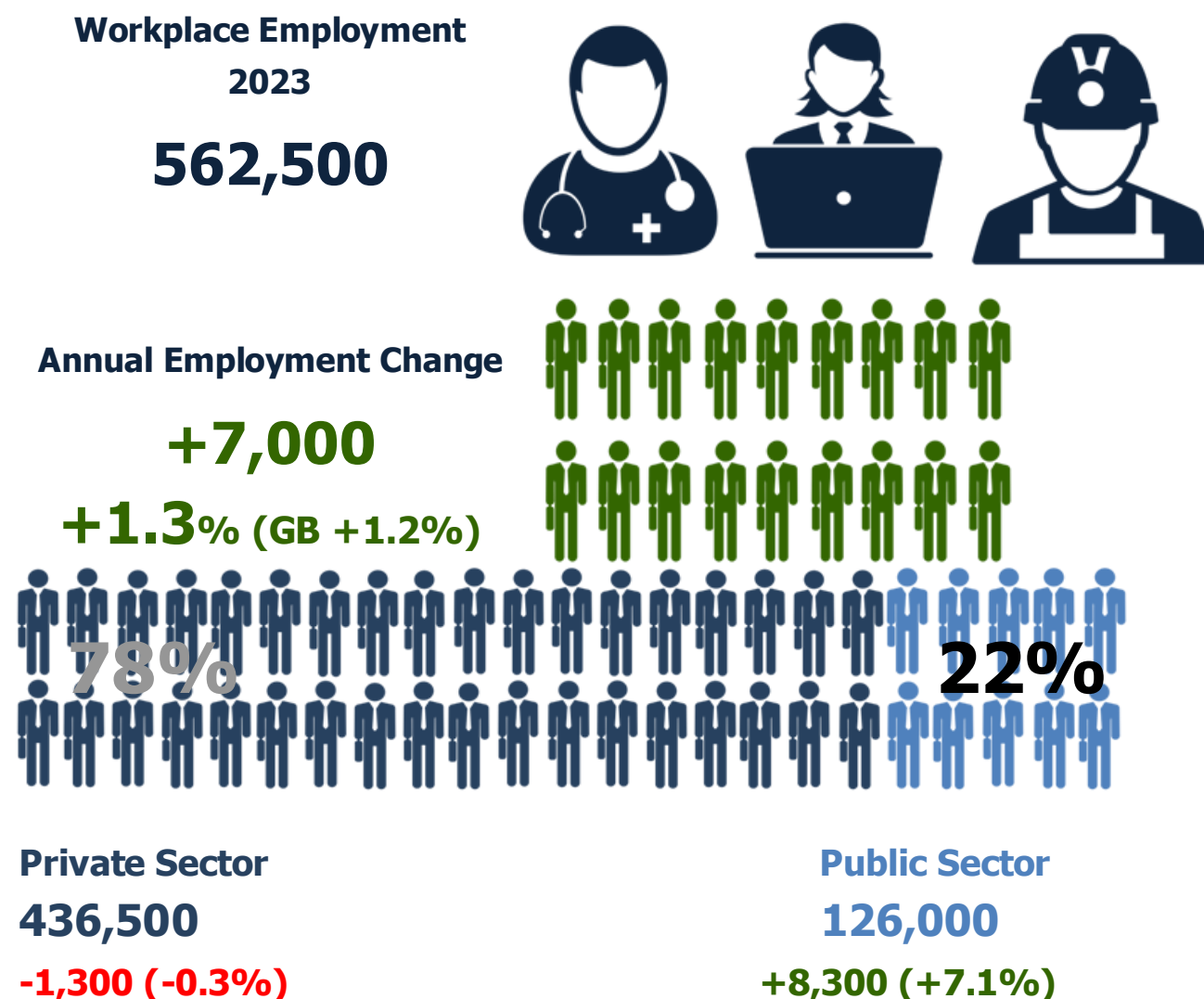
The latest official workplace based employment figures for 2023 were released by the Office for National Statistics (ONS) in November 2023. The data is taken from the 2023 Business Register and Employment Survey (BRES), which provides workplace based employment data for Birmingham (those who work in the city, including in-commuters).

This report sets out the change in overall employment in the city in 2023 with comparisons with other areas. The report also explores the changes in private and public sector employment and which sub-sectors in the local economy have seen the largest increases in employment during 2023.

Key Findings

During 2023 workplace employment in Birmingham increased by 7,000 on the previous year, to stand at 562,500, a 1.3% increase in employment for the year, compared to a 1.2% growth in employment nationally (GB). Birmingham saw the 3rd slowest growth in employment in 2023 amongst the 10 UK core cities.

Employment increased in the public sector in 2023 but declined slightly in the private sector. Private sector employment in the city decreased by 1,300 (-0.3%) and the public sector workforce locally increased by 8,300 (+7.1%).



Employment in the West Midlands

Employment growth for the 7 West Midlands Met areas is shown in figure 1 below. Overall employment in the Met area increased by 7,500, a rise in employment of 0.6%. Employment rose in 5 of the 7 Met areas last year with Birmingham (+7,000) and Coventry (+3,000) seeing the largest increase. Employment fell by 2,500 in Walsall and by 2,000 in Solihull in 2023.

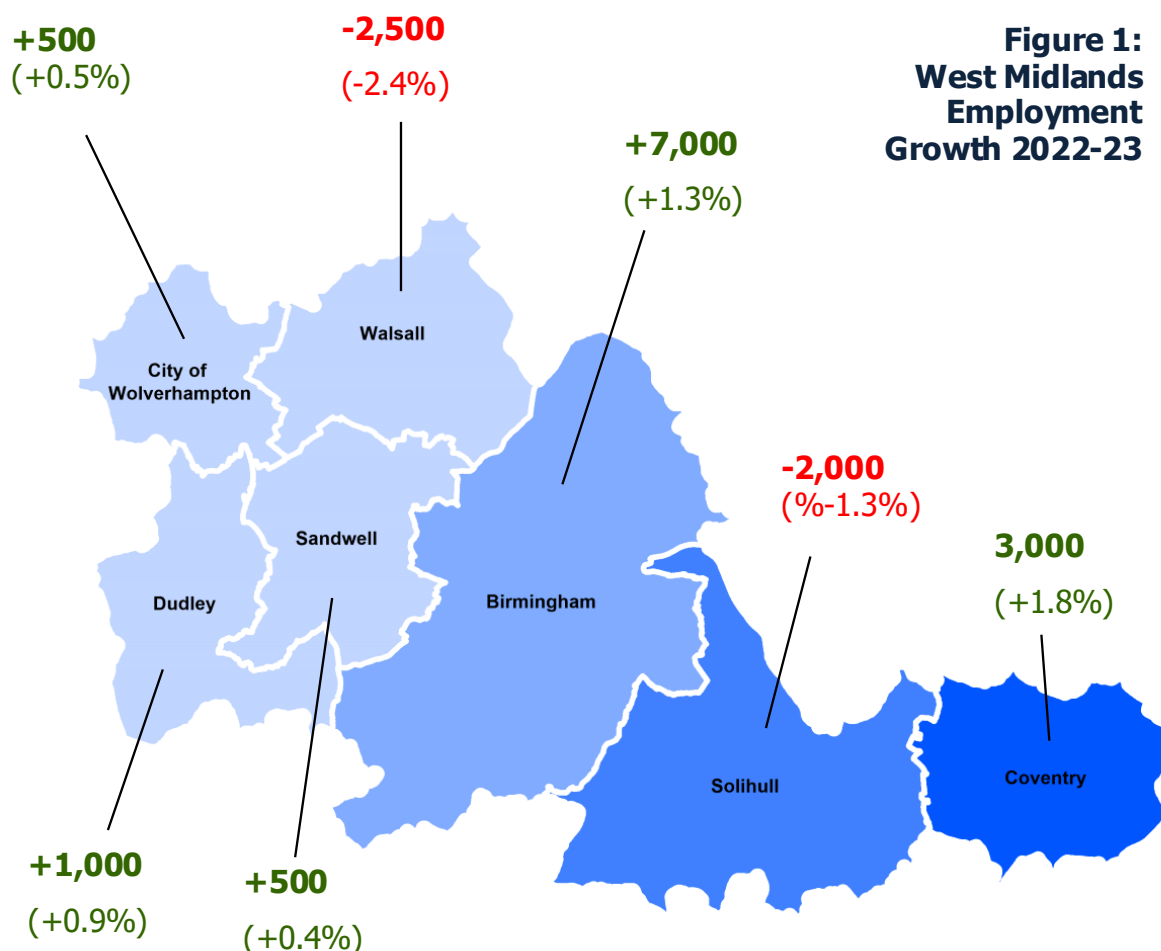


Table 1: Employment Growth by West Midlands Met Authorities

Area	2022	2023	Annual Change	Annual Change %
Coventry	165,500	168,500	3,000	1.8%
Birmingham	555,500	562,500	7,000	1.3%
Dudley	112,000	113,000	1,000	0.9%
Wolverhampton	111,000	111,500	500	0.5%
Sandwell	128,500	129,000	500	0.4%
Solihull	150,000	148,000	-2,000	-1.3%
Walsall	103,500	101,000	-2,500	-2.4%
WMCA Met Area	1,325,500	1,354,500	29,000	2.2%
West Midlands	2,741,500	2,775,500	34,000	1.2%
GB	31,876,500	32,258,000	381,500	1.2%

Employment in the Core Cities

The table below shows the change in employment for the core cities and nationally. Birmingham had the 3rd lowest employment growth rate between 2022 and 2023 amongst the 10 UK core cities. All the core cities saw employment increase last year.

Table 2: Employment Growth by Core City Ranked

	Area	2021	2023	Annual Change	Annual Change %
1	Manchester	433,500	457,000	23,500	5.4%
2	Newcastle	194,000	202,500	8,500	4.4%
3	Bristol	303,000	313,500	10,500	3.5%
4	Cardiff	223,500	231,000	7,500	3.4%
5	Nottingham	210,000	214,000	4,000	1.9%
6	Liverpool	281,000	285,500	4,500	1.6%
7	Sheffield	272,500	276,500	4,000	1.5%
8	Birmingham	555,500	562,500	7,000	1.3%
9	Glasgow	441,000	446,500	5,500	1.2%
10	Leeds	498,500	504,000	5,500	1.1%
	Core Cities	3,412,500	3,493,000	80,500	2.4%
	GB	31,876,500	32,258,000	381,500	1.2%
	London	5,727,000	5,803,000	76,000	1.3%

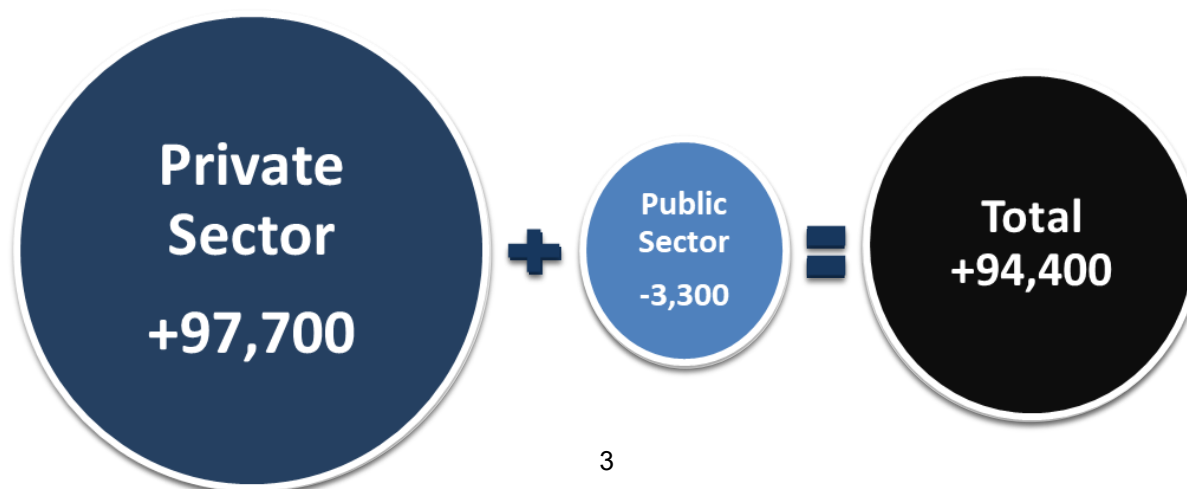
Long Term Employment Growth

Since 2010 Birmingham has seen overall employment grow by 94,400 an increase of 17%.

Within the overall increase in employment in the city over the past 13 years there has been divergence in the performance of the private and public sector. Public sector employment has declined (-3,300) but the local economy has produced enough private sector employment growth (+97,700) to more than compensate for this.

The changes in employment set out above have seen the proportion of public sector employment in the city decline over the last 13 years from 28% in 2010 to 22% in 2023.

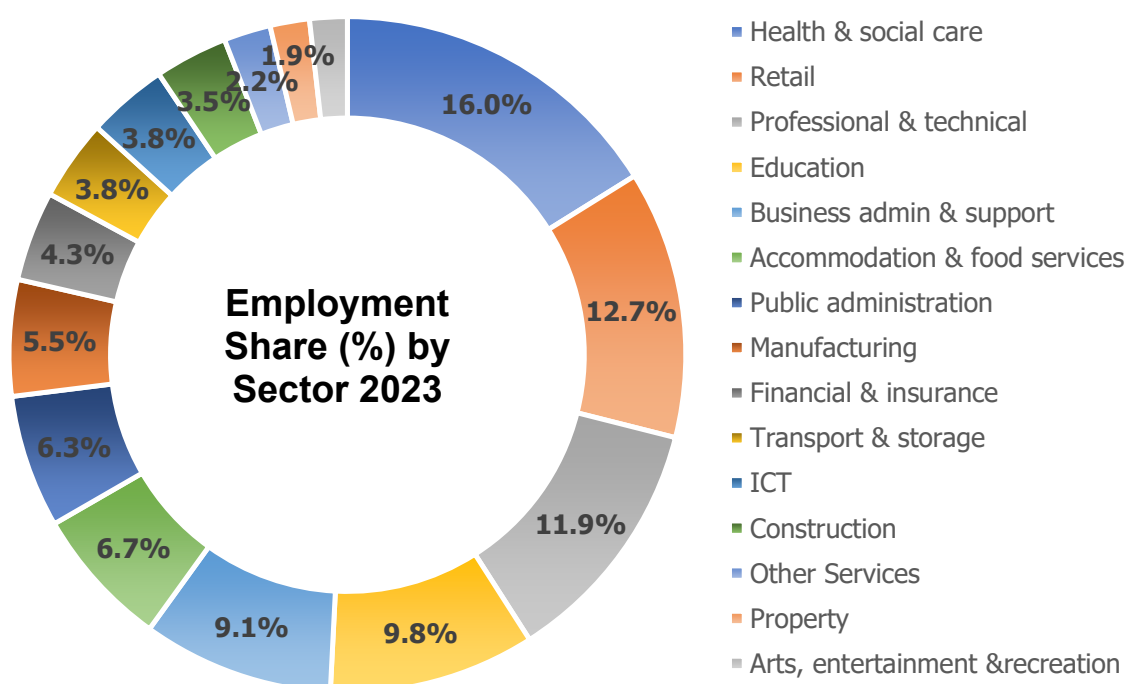
Figure 2: Employment Change in Birmingham 2010 -2023



Employment by Sector

The chart opposite shows the share of workplace based employment in the city by broad sector. The largest sector locally is health & social care which employs 90,000 people and accounts for 16% of employment in the city, followed by retail employing 71,500 (13%). Professional & technical which includes professional services like legal and accounting and R&D is the next largest, employing 67,000 (12%). The wider combined Business, Professional & Financial Services sector employs 142,000 (24%).

Other large employers in the city are the Education sector, employing 55,000 (10%) and Business & admin support which employs 51,000 (9%). Despite being much smaller than in the city's industrial past, Manufacturing still remains a key sector locally employing 31,000 (6%).



Growth in Employment by Sector

Between 2022 and 2023 the city has seen workplace based employment increase by 7,000 (+1.3%). Within this overall growth the sectors that have seen the largest growth in employment numbers are shown in the chart opposite. Education has seen the largest increase in employment numbers up by 5,000 (+10%). Public administration also saw strong growth up by 4,000 (13%).

Professional & technical activities and ICT also saw strong growth up by 3,500 (+6%) and (+19%) respectively. Growth in Accommodation & food services of 3,000 (+9%) rounded out the top 5 growing sectors.

The sectors that saw the largest decline in employment numbers in 2023 were Real estate down by 6,000 (-36%), Health & social care down 4,500 (-5%) and Other services down by 3,000 (-19%).

Employment by Sub Sector

Table 3 shows the largest sub sectors in the city by number of people employed. Health, education, and retail are the three largest sub sectors. Many of the largest sub sectors are public sector related activity and activities related to retail and hospitality. Other notable sub sectors locally are activities of head offices and management consultancies, legal and accounting and computer programming.

Table 3 – Top 40 Sub-Sectors by Number Employed

Ran k	Sub Sector	2021	2023	Change 2021-2023	% Change 2020-2021
1	Human health activities	63,000	64,000	1,000	1.6%
2	Education	51,000	50,000	-1,000	-2.0%
3	Retail trade	44,000	42,000	-2,000	-4.5%
4	Public administration and defence; compulsory social security	30,000	32,000	2,000	6.7%
5	Food and beverage service activities	30,000	29,000	-1,000	-3.3%
6	Activities of head offices; management consultancy activities	22,000	25,000	3,000	13.6%
7	Employment activities	27,000	25,000	-2,000	-7.4%
8	Legal and accounting activities	21,000	24,000	3,000	14.3%
9	Wholesale trade, except of motor vehicles and motorcycles	20,000	21,000	1,000	5.0%
10	Social work activities without accommodation	16,000	19,000	3,000	18.8%
11	Real estate activities	10,000	17,000	7,000	70.0%
12	Financial service activities, except insurance and pension funding	12,000	12,000	0	0.0%
13	Residential care activities	12,000	12,000	0	0.0%
14	Land transport and transport via pipelines	10,000	10,000	0	0.0%
15	Warehousing and support activities for transportation	7,000	10,000	3,000	42.9%
16	Computer programming, consultancy and related activities	11,000	10,000	-1,000	-9.1%
17	Activities auxiliary to financial services and insurance activities	7,000	9,000	2,000	28.6%
18	Architectural and engineering activities; technical testing and analysis	10,000	9,000	-1,000	-10.0%
19	Services to buildings and landscape activities	10,000	9,000	-1,000	-10.0%
20	Other personal service activities	9,500	7,500	-2,000	-21.1%
21	Other personal service activities	9,500	7,500	-2,000	-21.1%
22	Warehousing and support activities for transportation	9,500	7,000	-2,500	-26.3%
23	Office administrative, office support and other business support activities	8,000	7,000	-1,000	-12.5%
24	Construction of buildings	6,500	6,500	0	0.0%

25	Manufacture of fabricated metal products, except machinery and equipment	6,000	6,000	0	0.0%
26	Telecommunications	5,500	6,000	500	9.1%
27	Accommodation	6,000	5,500	-500	-8.3%
28	Sports activities and amusement and recreation activities	4,500	5,500	1,000	22.2%
29	Security and investigation activities	4,500	5,000	500	11.1%
30	Postal and courier activities	4,500	4,750	250	5.6%
31	Activities of membership organisations	5,500	4,750	-750	-13.6%
32	Manufacture of motor vehicles, trailers and semi-trailers	4,250	4,500	250	5.9%
33	Civil engineering	3,250	3,750	500	15.4%
34	Other professional, scientific and technical activities	2,750	3,750	1,000	36.4%
35	Manufacture of food products	4,000	3,500	-500	-12.5%
36	Waste collection, treatment and disposal activities; materials recovery	1,750	3,500	1,750	100.0%
37	Manufacture of rubber and plastic products	3,000	2,750	-250	-8.3%
38	Manufacture of machinery and equipment n.e.c.	3,000	2,375	-625	-20.8%
39	Other manufacturing	2,125	2,250	125	5.9%
40	Creative, arts and entertainment activities	1,625	2,250	625	38.5%
	Total Employment	555,500	562,500	7,000	1.3%