

Statistical bulletin

# Working and workless households in the UK: Oct to Dec 2016

Statistics on the economic status of households in the UK and the people living in them. Taken from the Labour Force Survey (LFS), covering April to June 2016, and only include households where at least 1 person is aged 16 to 64.



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# 1 . Main points

- Of the 20.7 million households (where at least 1 member is aged 16 to 64) in the UK, 11.9 million (57.7%) were classed as working, up 107,000 or 0.6 percentage points over the past year.
- 5.7 million households (27.5%) had a mix of least 1 working and 1 workless adult, down 55,000 or 0.3 percentage points over the year.
- There were 3.1 million households (14.8%) classed as workless, down 72,000 or 0.3 percentage points over the last year.
- Growth in the share of working households in the UK has been partly driven by increased proportions of lone parents working, which has risen from 55.4% in 2004 to 67.9% in 2016.

## 2 . Things you need to know about this release

### Introduction to working and workless households

This bulletin provides statistics on the economic status of households in the UK and the people living in them. These statistics are from the Labour Force Survey (LFS), covering the period October to December 2016 unless otherwise stated, and only include households where at least 1 person is aged 16 to 64 years.

All estimates are not seasonally adjusted and all comparisons are made on an annual basis, comparing October to December 2016 with October to December 2015.

Due to the greater sample size at local level in the Annual Population Survey (APS), the highest-quality statistics for the economic status of households at a local level within England, Scotland, Wales and Northern Ireland are available, up to January to December 2015 in the bulletin [Workless households for regions across the UK: 2015](#). Estimates for January to December 2016 will be published later in the year.

As with any sample survey, estimates from the LFS are subject to a certain level of uncertainty. [Please see the Quality and methodology](#) section for an explanation of sampling variability.

### Main definitions

This statistical bulletin uses a number of main definitions:

#### Households

For the purposes of this bulletin, estimates only include those households where at least 1 person is aged 16 to 64.

#### Student households

Households where all adults are aged 16 to 24 and in full-time education. The definition excludes households where all members are in education but some members are aged 25 years or more.

## **Working households**

Households where all members aged 16 or over are employed.

## **Workless households**

Households where no-one aged 16 or over is in employment. These members may be unemployed or economically inactive. Economically inactive members may be unavailable to work because of family commitments, retirement or study, or unable to work through sickness or disability.

## **Mixed households**

Households that contain both working and workless members.

## **Other household types**

This refers to households that contain 2 or more family units, or 2 or more people belonging to separate family units.

Lone parent households contain at least 1 dependent child under the age of 19. There may be other non-dependent children present, that is those aged over 18.

## **Employment**

A measure of the number of people in work.

## **Unemployment**

A measure of people without a job who have been actively seeking work within the last 4 weeks and are available to start work within the next 2 weeks.

## **Economically inactive**

People who are not in employment but do not meet the internationally accepted definition of unemployment because they have not been seeking work within the last 4 weeks and/or they are unable to start work within the next 2 weeks.

[Annex A](#) contains more detailed concepts and definitions.

## Data source

The source for the statistics in this bulletin is the Labour Force Survey (LFS) household datasets. These are available historically for the April to June quarters from 1996 and October to December quarters from 2004. In this release, estimates for the July to September and January to March quarters are available for the first time from 2014 and 2015, respectively. They do not contain information on earnings. All members of the household are weighted equally in the household datasets.

Further information on quality of the data within the Labour Force Survey is available at the [Quality and Methodology Information \(QMI\) for the LFS](#).

## How these data should be interpreted

The Labour Force Survey household datasets should be used for analysis of family or household characteristics. This statistical bulletin particularly focuses on the economic status of household members. For example:

- number of people in employment in the household
- number of people unemployed in the household
- number of people economically inactive in the household

All estimates in this release are not seasonally adjusted and all comparisons should be carried out on an annual basis as in comparing April to June periods with April to June periods or October to December periods with October to December periods. Comparisons made in this release are made between the latest available period, October to December 2016, and October to December 2015.

**Table 1: Summary of latest estimates by type of household, October to December 2016, thousands, UK, not seasonally adjusted**

	<b>Working households</b>	<b>Mixed Households</b>	<b>Workless Households</b>
Number of households <sup>1</sup>	11,938 (57.7%)	5,684 (27.5%)	3,060 (14.8%)
Number of people <sup>2</sup>	22,306 (54.3%)	14,586 (35.5%)	4,184 (10.2%)
Number of children <sup>3</sup>	7,192 (58.3%)	3,823 (31.0%)	1,316 (10.7%)

Notes:

1. Number of households where at least 1 person is aged 16 to 64.
2. Number of people aged between 16 and 64.
3. Number of dependent children aged 15 or under.

## The main uses of the data, main users and why it's produced

Users of the data in this statistical bulletin include government departments, devolved administrations, independent research organisations and members of the media and general public. These data are used to understand how the economic status of households in the UK, countries of the UK and regions within England are changing. Time series are available between April to June 1996 and October to December 2016.

A more detailed breakdown of data at the local level within the countries of the UK will be released later in the year. [Workless households for regions across the UK: 2015](#) uses the Annual Population Survey (APS) which has a larger sample size than the Labour Force Survey. This allows labour market analysis to be carried out on families and households at local-area levels and for small sub-groups of the population across the UK.

Working and workless households: [Pre-release access list 2016](#)

### 3 . The proportion of working households continues to rise

Out of the 20.7 million households in the UK in October to December 2016, 11.9 million (57.7%) were classed as working, a further 5.7 million (27.5%) were classed as mixed, and 3.1 million (14.8%) were classed as workless. Within the 14.8% of workless households, 83.4% of those were economically inactive (no-one in the household participating in the labour market).

Excluding student households, which are more likely to be workless than the rest of the population, there were 20.5 million households. Of these, 11.9 million (58.1%) were classed as working households, 5.6 million (27.4%) as mixed and 3.0 million (14.4%) as workless households. Student households are more likely to be economically inactive households; as a result, the percentage of households that are economically inactive is lower, at 12.0%, when excluding students compared with 12.3% for all households.

**Table 2: Percentage of households by combined economic status, UK, not seasonally adjusted, 2004, 2015, 2016**

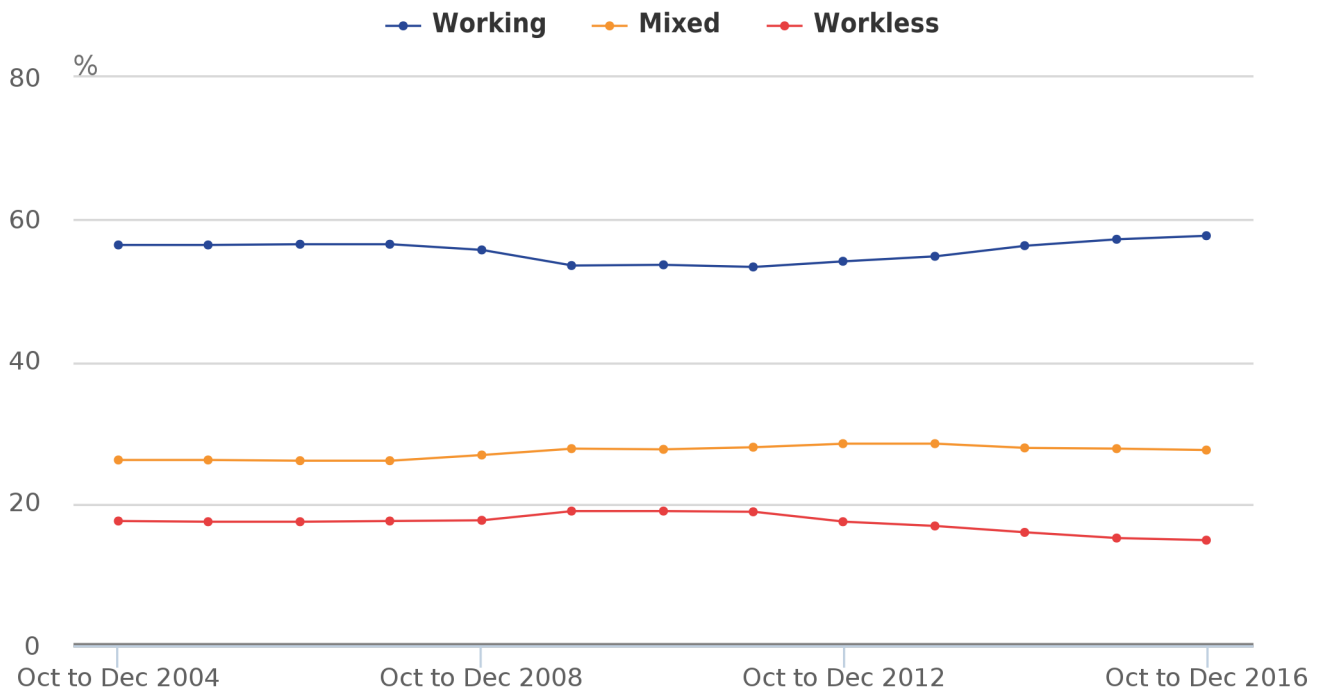
	All households			Excluding student households		
	October to December 2004 (%)	October to December 2015 (%)	October to December 2016 (%)	October to December 2004 (%)	October to December 2015 (%)	October to December 2016 (%)
Working households	56.4	57.2	57.7	56.8	57.5	58.1
Mixed households	26.1	27.7	27.5	26.1	27.7	27.4
Workless households	17.5	15.1	14.8	17.1	14.7	14.4

Source: Office for National Statistics

Working households increased by 107,000 or 0.6 percentage points compared with the same period a year ago, to stand at 11.9 million or 57.7% of all households for the period October to December 2016. This is the highest level and percentage for an October to December period since records began in 2004.

The proportion of workless households has been generally falling since comparable records began, from 17.5% in 2004 to 14.8% in 2016, with the exception of the period between 2008 and 2010, when it rose due to the economic downturn. Over the past year this has decreased 0.3 percentage points.

**Figure 1: Percentage of households by combined economic status, 2004 to 2016, UK**



Source: Household Labour Force Datasets

The number of households in which no adult has ever worked was at its highest level for an October to December period in 2011 at 390,000 and now stands at 316,000. In relation to all households in the UK containing at least 1 person aged 16 to 64 years, the percentage of households containing only people who have never worked was 1.5%, unchanged over the year.

In October to December 2016, the percentage of all households with dependent children, that were workless, was 9.1% (726,000), down 1.4 percentage points on the same period a year ago. This is the lowest proportion at this time of year since comparable records began in 2004.

## 4 . Around 10% of people aged 16 to 64 live in workless households

For the period October to December 2016, 22.3 million people aged 16 to 64 (54.3%) were living in working households, up 0.6 percentage points over the year. A further 14.6 million people (35.5%) were living in mixed households, down 0.1 percentage points, and 4.2 million people (10.2%) were living in workless households, down 0.4 percentage points.

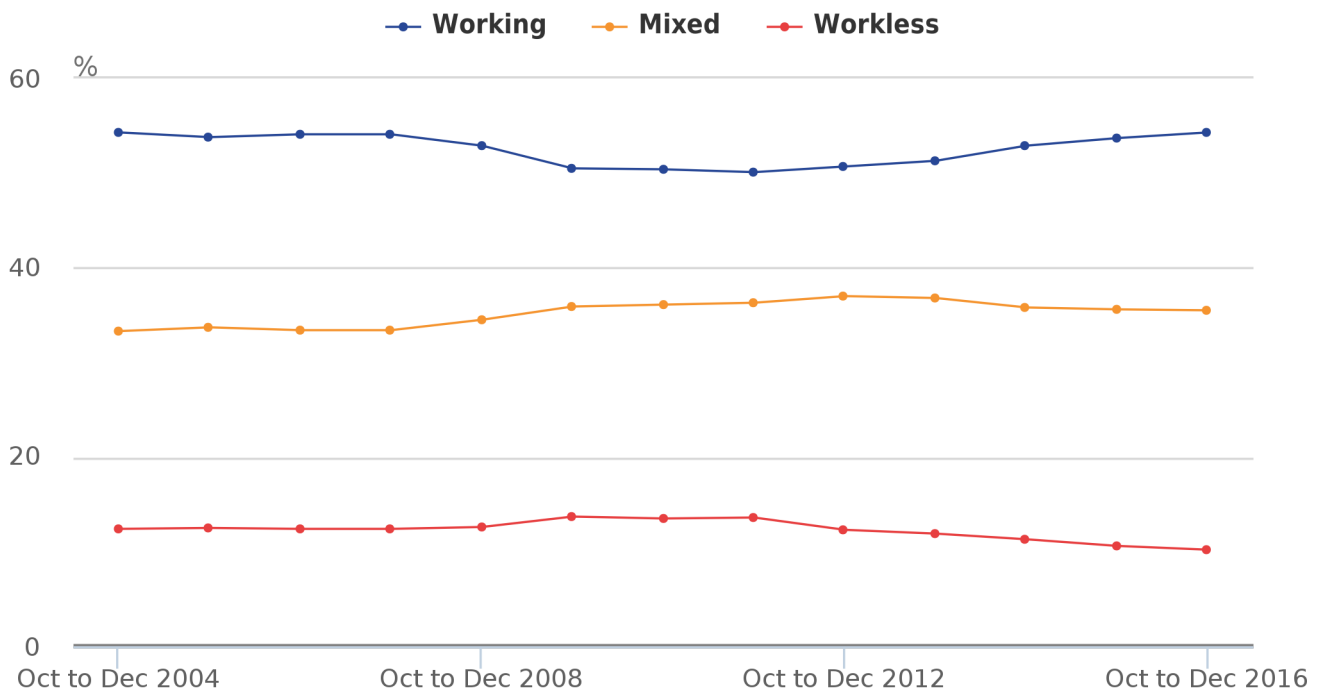
Excluding student households, which are more likely to be workless than the rest of the population, there were 22.2 million people (55.0%) living in working households, 14.3 million people (35.3%) living in households classed as mixed and 3.9 million people (9.7%) living in workless households.

**Table 3: Percentage of people aged 16 to 64 living in households by combined economic status, UK, not seasonally adjusted, 2004, 2015, 2016**

	All households			Excluding student households		
	October to December 2004 (%)	October to December 2015 (%)	October to December 2016 (%)	October to December 2004 (%)	October to December 2015 (%)	October to December 2016 (%)
Working households	54.3	53.7	54.3	54.8	54.4	55.0
Mixed households	33.3	35.6	35.5	33.1	35.6	35.3
Workless households	12.4	10.6	10.2	12.1	10.0	9.7

Source: Office for National Statistics

**Figure 2: Percentage of people living in households by combined economic status, 2004 to 2016, UK**



Source: Household Labour Force Datasets

The number of people who live in households where all members had never worked decreased by 26,000 over the last year to 484,000, the lowest level for an October to December period since 2005. Excluding student households, the number of people living in households where all members had never worked increased by 27,000 to 349,000.

In October to December 2016, of those people aged 16 to 64 living in households with dependent children, 6.4% were living in workless households, the lowest percentage since comparable records began. This compares to 13.0% of people aged 16 to 64 living in households without dependent children who were in workless households.

Of those people aged 16 to 64 living in households with dependent children, the percentage who were in working households increased by 2.3 percentage points over the past year to 51.4%. This compares with a decrease of 0.7 percentage points to 56.5% of people in households without dependent children who were living in working households.

The percentage of people aged 65 and over living in working households increased by 0.2 percentage points over the year to stand at 11.8%, the highest percentage in an October to December period since comparable records began in 2004. There was also an increase of 0.7 percentage points in the proportion of people in this age group living in workless households.

## 5 . Children living in workless households is at its lowest level since comparable records began

For the period October to December 2016, 7.2 million children (58.3%) were living in working households, a further 3.8 million children (31.0%) were living in mixed households, and 1.3 million children (10.7%) were living in workless households in the UK.

**Table 4: Percentage of children living in households by combined economic activity status of household members, UK, not seasonally adjusted, 2004, 2015, 2016**

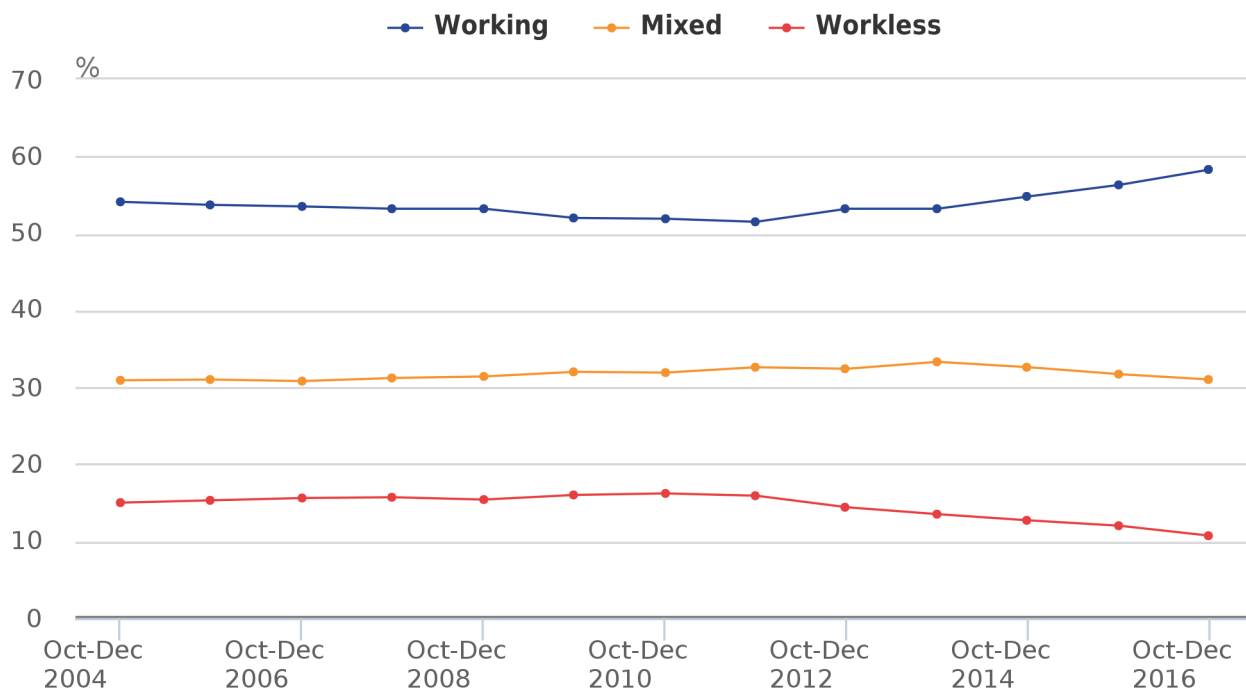
	All households			Excluding student households		
	October to December 2004 (%)	October to December 2015 (%)	October to December 2016 (%)	October to December 2004 (%)	October to December 2015 (%)	October to December 2016 (%)
Working households	54.1	56.3	58.3	54.2	56.4	58.4
Mixed households	30.9	31.7	31.0	31.0	31.8	31.1
Workless households	15.0	12.0	10.7	14.8	11.8	10.6

Source: Office for National Statistics

The number of children living in workless households decreased by 145,000 or 1.3 percentage points compared with the previous year to 1.3 million or 10.7% of all children, the lowest level since comparable records began. The percentage of children living in working households was at a record high of 58.3%, an increase of 2.0 percentage points over the past year.



**Figure 3: Percentage of children living in households by combined economic status, 2004 to 2016, UK**



Source: Household Labour Force Datasets, Office for National Statistics

Children in lone-parent families were more likely to be living in workless households (36.2%) than couple households (4.5%) or other households (5.0%). However, this percentage has decreased 3.3 percentage points compared with a year ago to a record low and continues the general trend of decreases since records began. Lone-parent families account for 65.9% of all children in workless households.

The percentage of children in lone-parent families living in working households increased by 2.2 percentage points over the last year to a record high of 52.5%.

The number of children living in households where all members had never worked, decreased by 28,000 to 195,000, or 1.6% of all children. This is the lowest level and percentage for an October to December period.

Although lone-parent and 1-person households have a higher proportion of workless households, these household types are more likely to be workless households as there is often only 1 person in the household that could be in work.

## 6 . Employment rates by parental status

In October to December 2016, 81.3% of people aged 16 to 64 with dependent children were employed compared with 74.7% of people without dependent children. The employment rate for married or cohabiting men was 92.7% and for women, 74.0%. The disparity in employment rates between men and women without dependent children was much smaller, at 73.2% for men versus 69.1% for women.

In October to December 2016, there were 1.2 million lone parents in employment in the UK, or 4.0% of all people in employment, aged 16 to 64. This compares with 1.0 million lone parents in employment, or 3.6% of all people in employment, aged 16 to 64, in October to December 2004.

## 7 . Links to related statistics

For detail on working and workless households for local authorities see [Workless households for regions across the UK Statistical bulletins](#)

## 8 . What's changed in this release?

For the first time estimates are included for July to September and January to March quarters from 2014 and 2015 respectively.

Tables C, H and M have been improved for this release. The tables contain the same information as in previous versions but are now more concise, making comparisons between regions and over time easier.

## 9 . Quality and methodology

### Household datasets

The figures in this statistical bulletin come from the Labour Force Survey (LFS). Each month we issue many estimates of the labour market using the LFS person datasets, designed to provide estimates of people. The estimates within this statistical bulletin differ as they combine responses of all people within households. This is to provide estimates involving all the labour market characteristics of the people within the household.

The [Labour Force Survey Quality and Methodology Information](#) document contains important information on:

- the strengths and limitations of the data and how it compares with related data
- uses and users of the data
- how the output was created
- the quality of the output including the accuracy of the data

Household datasets are weighted differently to person datasets, in that each person in a household is given the same weight. This ensures that weighted estimates at the household level are consistent. When using the household datasets to give estimates of the total number of people, the different weighting procedure will give marginally different estimates to those from the person datasets.

Estimates in this statistical bulletin go back to 1996, which is the first year a consistent time series, on a calendar quarter basis, is available.

## Sampling variability

The Labour Force Survey (LFS) is the source for each estimate within this statistical bulletin. The LFS is a sample survey; all estimates from it are subject to sampling variability. Sampling variability is dependent on several factors, including the size of the sample, the size of the estimate as a proportion of the population, and the effect of the design of the sample on the variable of interest. Therefore, it is subject to a margin of uncertainty, as different samples give different results. For example, if the estimate for the percentage of children in workless households is 10.7%, with a sampling variability of plus or minus 0.7%. This variability gives a confidence interval, which is such that there is 95% certainty that the percentage of children in workless households lies between 10.0% and 11.4%.

Sampling variability tables for other estimates in this statistical bulletin are available in the quality measures spreadsheet.

## Seasonal adjustment

The data in this statistical bulletin cannot be seasonally adjusted at the present time because the Labour Force Survey household datasets were only produced for Quarter 2 (Apr to June) and Quarter 4 (Oct to Dec) prior to 2014. More years' estimates will be required from Quarter 1 (Jan to Mar) and Quarter 3 (July to Sept) before the series can be assessed to see if it exhibits any seasonal patterns.

Details of the policy governing the release of new data are available by visiting the [UK Statistics Authority website](#).

## 10 . Annex 1: Concepts and definitions for Working and workless households

A household is defined as a single person, or a group of people living at the same address who have the address as their only or main residence and either share one main meal a day or share living accommodation (or both).

- A working household is a household that contains at least 1 person aged 16 to 64, where all individuals aged 16 and over are in employment.
- A workless household is a household that contains at least 1 person aged 16 to 64, where no-one aged 16 or over is in employment.
- A mixed household is a household that contains at least one person aged 16 to 64, where at least one person aged 16 and over is in employment and at least one other is either unemployed or economically inactive.
- Children refers to all children under 16.
- Dependent children are children aged under 16 and those aged 16 to 18 who have never married and are in full-time education.
- The other household types columns in Tables B, G and L refer to households which contain 2 or more family units, or 2 or more people belonging to separate family units.
- The household reference person is the householder who: a) owns the household accommodation, or b) is legally responsible for the rent of the accommodation, or c) has the household accommodation as part of their job, or d) has the household accommodation by virtue of some relationship to the owner who is not a member of the household. If there are joint householders the household reference person will be the one with the higher income. If the incomes are the same, then the eldest householder is taken.
- Parental status refers to 3 groups of parents: married or cohabiting women, married or cohabiting men and lone parents, each defined as people with dependent children who are resident in their household. Foster parents, women or men with non-dependent children and those whose children live in a separate household are not included.