



# **Intelligence Briefing 2010-08**

**December 2010**

## **Disabled people and the labour market in London, 2009.**

For more information please contact:

Richard Walker  
Intelligence Unit  
Greater London Authority  
City Hall  
The Queen's Walk  
London SE1 2AA

Tel: 020 7983 4699  
Richard.walker@london.gov.uk

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### **Acknowledgements**

The GLA would like to kindly thank both the Office for National Statistics for permission to access the APS dataset, under special licence arrangements and also the UK Data Archive (University of Essex) who manage and supply the datasets.

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## Summary of Findings

- Disabled Londoners comprised 16 per cent of London's working-age population, around 820,000.
- Seven per cent of those aged 16-24 were disabled compared with a third of those aged between 55 and retirement age.
- Overall, 18 per cent of White Londoners were disabled compared with 20 per cent of BAME Londoners.
- Five per cent of the disabled population were in full-time education relative to 12 per cent of non-disabled people.
- Disabled people were less well qualified than their non-disabled counterparts. Almost half of all non-disabled Londoners of working-age were qualified to degree level or higher compared with 27 per cent of disabled Londoners. Further, disabled people were far more likely to have no qualifications at all compared with the non-disabled population (26 and 9 per cent respectively).
- Just over half of the disabled working-age population were economically active relative to 80 per cent of non-disabled Londoners.
- Forty five per cent of London's disabled population were in employment relative to 73 per cent of the non-disabled population.
- Almost nine in ten disabled people (87 per cent) who are not in employment are economically inactive, with just over a tenth unemployed.
- The employment rate for disabled Londoners from BAME groups was 37 per cent compared with 50 per cent for White disabled Londoners.
- The gap in employment rates between disabled and non-disabled Londoners was particularly wide for three groups: those with qualifications below Level 2 (26 per cent), those with "other" qualifications (including foreign qualifications – 26 per cent) and those with no qualifications (33 per cent).
- Only disabled people with NQF 3 or above had higher employment rates than non-disabled Londoners with no qualifications.
- Disabled workers were more likely to work part-time than non-disabled workers. In London 21 per cent of non disabled workers were employed on a part-time basis, but for disabled workers the percentage is 28 per cent.

- While disabled people made up 16 per cent of the working-age population generally, they comprised one quarter (25 per cent) of those in the 'never worked, unemployed and other' group.
- A higher proportion of disabled workers are employed in the public sector relative to their non-disabled counterparts. 28 per cent of disabled workers were employed in the public sector compared with 22 per cent of non-disabled workers. Of all disabled workers, more than one in eight worked in the local government sector, comprising 15 per cent of all those who work in this sector.
- In terms of composition of the employed population, disabled workers comprised ten per cent of all workers, but accounted for 13 per cent of those employed in the public sector and 15 per cent in local government, police and fire services, compared to only nine per cent of those employed in the private sector.
- The median gross hourly earnings for disabled employees was £11.86 per hour – some 13 per cent less than for non-disabled employees (£13.42).

## About this Briefing

This Briefing presents key statistics on the theme of disabled Londoners and their labour market experience. Data are based on the recently released Annual Population Survey (APS) for 2009<sup>1</sup>.

The main aims of the analysis are to:

- profile disabled Londoners of working-age and their socio-economic characteristics
- measure levels of labour market participation among key groups of disabled people
- profile disabled workers and their employment patterns
- quantify, using various measures, the degree of labour market disadvantage faced by disabled Londoners.

The report focuses on London's working-age population<sup>2</sup> and presents data on a range of labour market topics. Demographic data are presented first and are intended to contextualise the labour market analysis that follows.

The APS data used in this report are obtained under special licence<sup>3</sup> from the Office for National Statistics. This dataset allows for more flexible and tailored analysis and enables the GLA to draw out findings of particular relevance to London.

## About the Annual Population Survey

The Annual Population Survey is a large sample survey of UK households, carried out by the Office for National Statistics. The APS was introduced in 2004 and is designed to collect a wide range of data about people and their labour market circumstances. The two key strengths of the APS are:

- **Large sample size** of over 333,000 households, including over 27,000 in Greater London, which include 5,500 disabled Londoners.
- **Wide topic coverage** (including demography, labour market, educational participation and health).

The main limitations of the APS are:

- **Sampling variability:** As the APS is a sample survey, all figures are estimates not precise measures and are subject to a degree of sampling variability. This means data need to be interpreted with some care, particularly those relating to smaller population groups (e.g., people with a particular health problem or impairment).

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<sup>1</sup> Survey period is January to December 2009

<sup>2</sup> Those aged 16-64 are used to constitute the working-age population, to reflect the approach taken by the Office for National Statistics in relation to the incremental increase in female state pension age.

<sup>3</sup> A special licence is required to because the data are heavily restricted to protect respondent confidentiality.

- **Coverage Issues:** While the APS is regarded as a high quality survey, response rates are relatively low in London and it is likely that some groups of Londoners may be slightly under-represented in the overall samples (e.g. certain groups of temporary and/or foreign workers, those not fluent in English, those in multi-occupancy accommodation, those with learning difficulties and those with communication issues).

For these reasons, the data are best viewed as statistics that are stronger at profiling the characteristics of the population than estimating the precise size of different groups.

Despite these limitations, at the time of writing the APS remains the best available source of quantitative data on labour market participation among disabled people in London. The Life Opportunities Survey – due for publication on the 9<sup>th</sup> of December 2010 will offer a further resource. Please visit the following link [www.statistics.gov.uk/StatBase/Product.asp?vlnk=15386](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15386)

Appendix A provides more detail about the APS.

## **Defining Disability**

It is recognised that there are major difficulties in relating to the definition of disability and that the concept itself is both complex and controversial. The Greater London Authority has adopted the social model of disability<sup>4</sup> but the standard definitions used by the official surveys including the APS, tend to focus on medically derived definitions and terminology. These do not fit easily with the social model in that the questions asked aggregate both impairment and long-term health needs. However, while limited, the data allow a quantitative analysis of the association between impairment and disadvantage in the labour market and are able, to some extent, to distinguish between the labour market experience of people with different types of impairments. In this sense, they remain valuable data which help quantify the degree of labour market exclusion disabled Londoners face.

The APS uses two different (but overlapping) definitions of disability to categorise respondents.

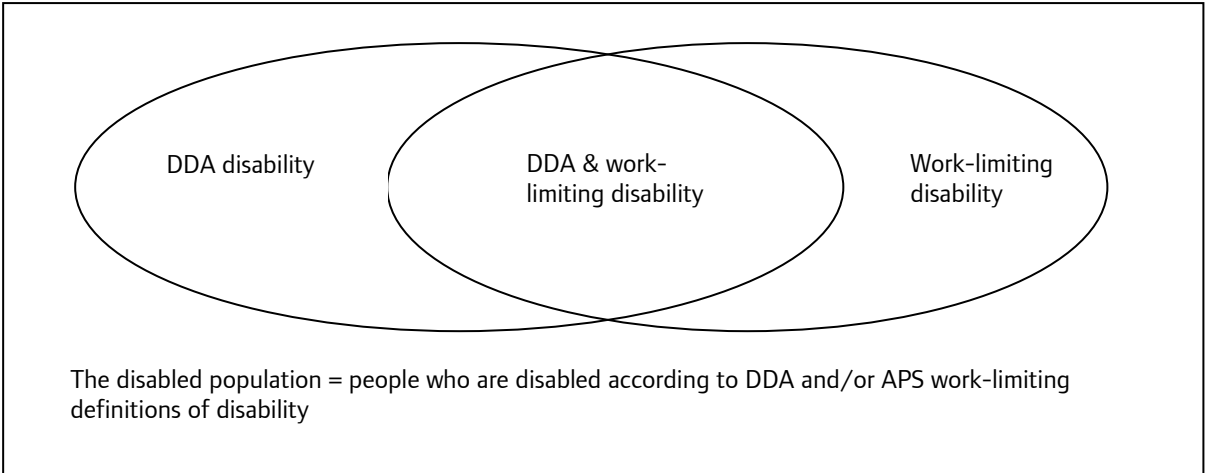
- the DDA definition
- the APS work-limiting definition

In the APS people are defined as having a current long-term disability if they are disabled according to the DDA (Disability Discrimination Act) definition and/or the APS 'work-limiting' definition of disability. People can be disabled according to one or both definitions (Figure 1)

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<sup>4</sup> The Disability Discrimination Act (DDA) defines disability as a "physical or mental impairment, which has a substantial and long term adverse effect on a person's ability to carry out normal day to day activities". However, disabled people's organisations prefer a social approach, which defines disability as 'the loss or limitation of opportunities that prevent people who have impairments from taking part in the life of the community on an equal level with others due to physical and social barriers'.

**Figure 1: The disabled population by DDA and APS work-limiting definitions of disability.**



A range of questions on health and disability is asked to determine whether respondents are disabled according to these definitions (see Figure 2).

**Figure 2: APS questions on disability**

'Do you have any health problems or disabilities that you expect will last more than a year?'

Those who answer 'yes' are then asked a series of follow up questions:  
 'Does this health problem affect the kind of paid work that you might do?'  
 'Does this health problem affect the amount of paid work that you might do?'

If a respondent says yes to either of these two questions, they are defined as having a **work-limiting disability**.

Respondents are also asked to say, out of a list of 17 different health problems/disabilities, they have. If they list more than one, they are also asked to specify which is their main health problem/disability. One of the categories is: 'progressive illness not specified elsewhere (e.g. Cancer, multiple sclerosis, symptomatic HIV, Parkinson's disease, muscular dystrophy)', which is used as one of the criteria to determine whether someone is disabled according to the 1995 DDA – see below.

After these questions respondents are then asked:  
 'Do these health problems or disabilities, when taken singularly or together, substantially limit your ability to carry out normal day to day activities? If you are receiving medication or treatment, please consider what the situation would be without the medication or treatment.'

Those who answer yes to this question or said they have a progressive illness (as specified above) are defined as having a current DDA disability.

The DDA definition relates to those individuals who identify themselves as having a current disability covered by the 1995 DDA. This covers people who said they had a health problem or disability they felt would last for more than a year and who said this problem or disability would 'substantially limit their ability to carry out normal day to day activities'. Additionally people with progressive illness (e.g. cancer, multiple sclerosis, symptomatic HIV, Parkinson's disease,

muscular dystrophy) are also included under this definition. While there have been changes to the DDA definition since 1995, the APS data presented here are based on the 1995 definition.

The APS work-limiting definition of disability relates to people who said they had a health problem or disability they felt would last more than a year and who said that the health problem or disability in question affected either the kind or amount of paid work they could do.

In effect this means that an individual unable to perform some form of daily task, but able to undertake as much and as varied amount of work as they chose, could be disabled according to the DDA definition but not the APS work-limiting definition.

People who have a current long-term impairment according to one or both of these definitions are referred to as disabled people in this report. APS data on disability are only available for those respondents aged 16 and over.

The sections that follow present data on these topics:

- Demographic profile
  - Population estimates by disability
  - Disability by type of health problem or impairment
  - Disability by age and gender
  - Disability by age and ethnicity
  - Educational participation and qualifications by disability.
- Labour market position of disabled people
  - Employment rates by type of disability and gender
  - Employment rates of disabled people by type of health problem or impairment
  - Employment rates by age and disability
  - Employment rates by disability, country of birth and ethnicity
  - Employment rates by disability and qualifications
  - Employment rates by disability and region
- Occupation and earnings of disabled workers
  - Part-time employment by disability
  - Employment by occupation and disability
  - Disabled people by socio economic group
  - Public and private sector employment by disability
  - Hourly earnings by disability.

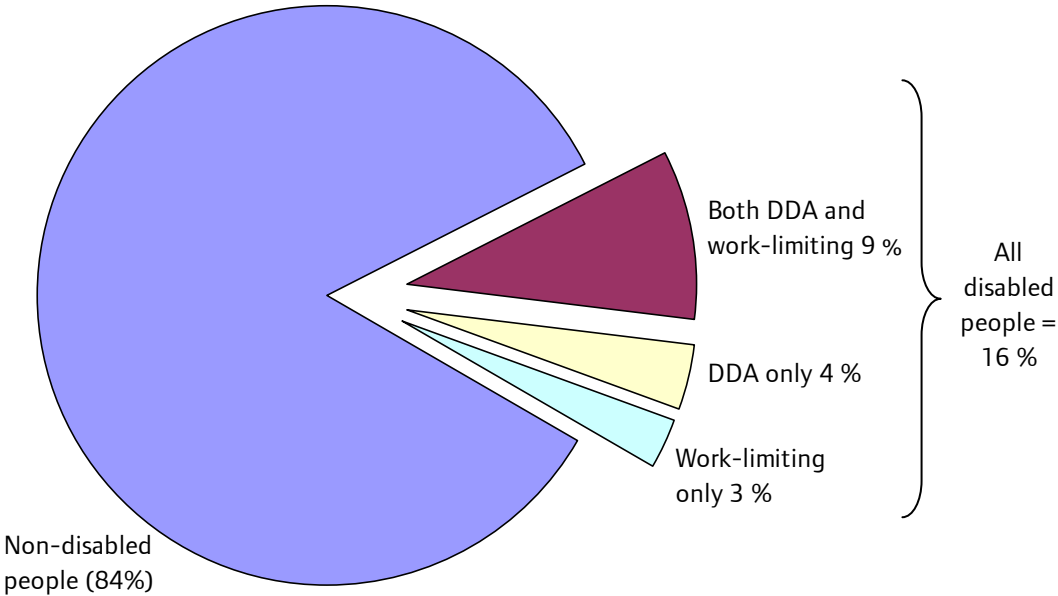
Technical Notes:

- All data relate to the working-age population (those aged 16-64).
- All data relate to the survey period January to December 2009. Most percentages quoted in the narrative are rounded to the nearest whole number.
- The data tables that underpin much of the analysis are taken from a special licence dataset, however, those that are also published tables are available on request.
- ***All numbers/rates based on grossed estimates of less than 10,000 have been suppressed in this report. Numbers below this threshold are likely to be subject to a very high degree of sampling variability.***

**Population by disability**

- According to APS estimates for 2009, London’s working population numbered 5.319 million compared with the ONS mid-year estimate of 5.362 million<sup>5</sup>. APS estimates for London are generally slightly lower than other estimates as they relate mainly to those living in private households (i.e. exclude most residents living in communal establishments).
- Figure 3 shows the working-age population of London by disability according to APS disability definitions. Disabled Londoners comprised 16 per cent of London’s working-age population, around 820,000.
- Of the total disabled population, 56 per cent were disabled according to both DDA and work-limiting definitions – nine per cent of the working-age population. The remainder (seven per cent) were disabled according to one disability definition only.

**Figure 3: Working-age population by disability, London, 2009**



Source: Annual Population Survey 2009 (January-December)

**Disability by type of health problem or impairment**

- The APS collects data on the main impairment/health problem reported by disabled people. However, it’s important to note here that the way in which the data is collected does not support the social model of disability adopted by the Greater London Authority and the Office for Disability Issues. The data do not provide information of the nature of

<sup>5</sup> Office for National Statistics, MYE released in June 2010.

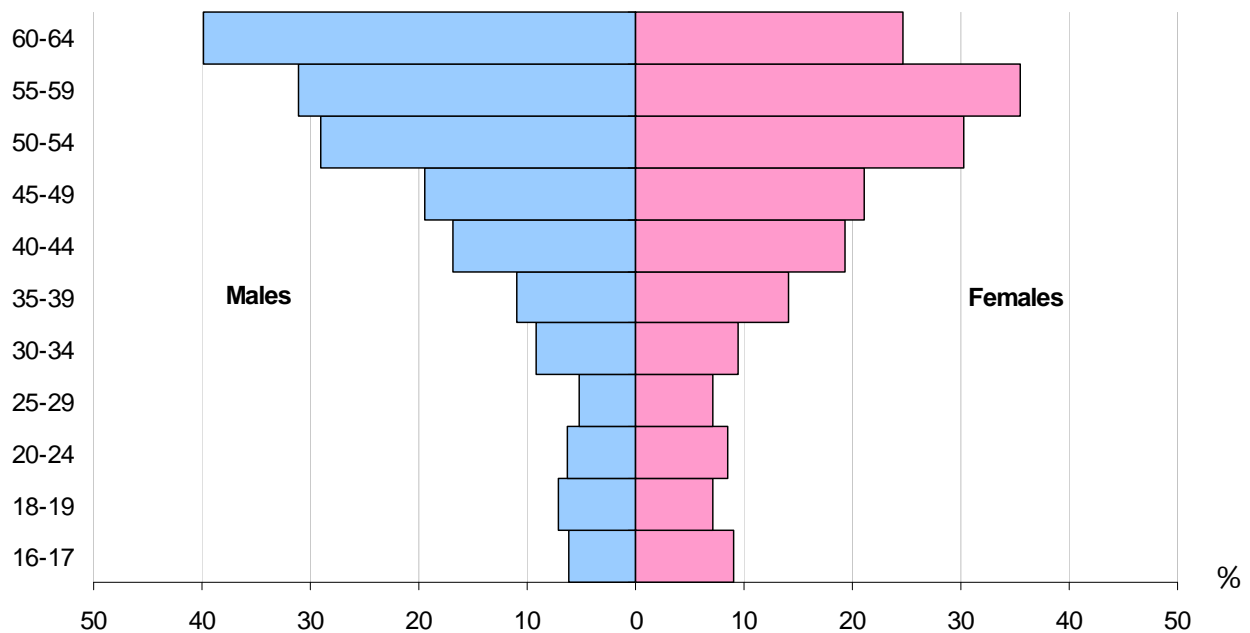
the limitations faced by those with these impairments and merely act as an indication of the distribution of different types of impairments within the disabled population. Furthermore, many of the estimates are based on extremely small numbers of responses within the sample and therefore are subject to a high degree of sampling variability.

- The data are discussed in Appendix A of this report.

### Disability by age and gender

- Figure 4 clearly demonstrates an increase in the prevalence of disability with age. Seven per cent of those aged 16-24 were disabled compared with a third of those aged between 55 and retirement age.
- Women have an equal or higher rate of disability in all age groups except for those aged 60-64. 40 per cent of males and 25 per cent of females in this age-group were disabled. In 2009 the female retirement age was 60, therefore many women would no longer be classified as disabled since they are no-longer able to meet the work-limiting definition by virtue of being retired. These two factors combined to give very similar overall rates for male and female disability among working-age people at 15 per cent for males and 16 per cent for females.

**Figure 4: Disability by age-group and gender, persons of working-age, London, 2009**

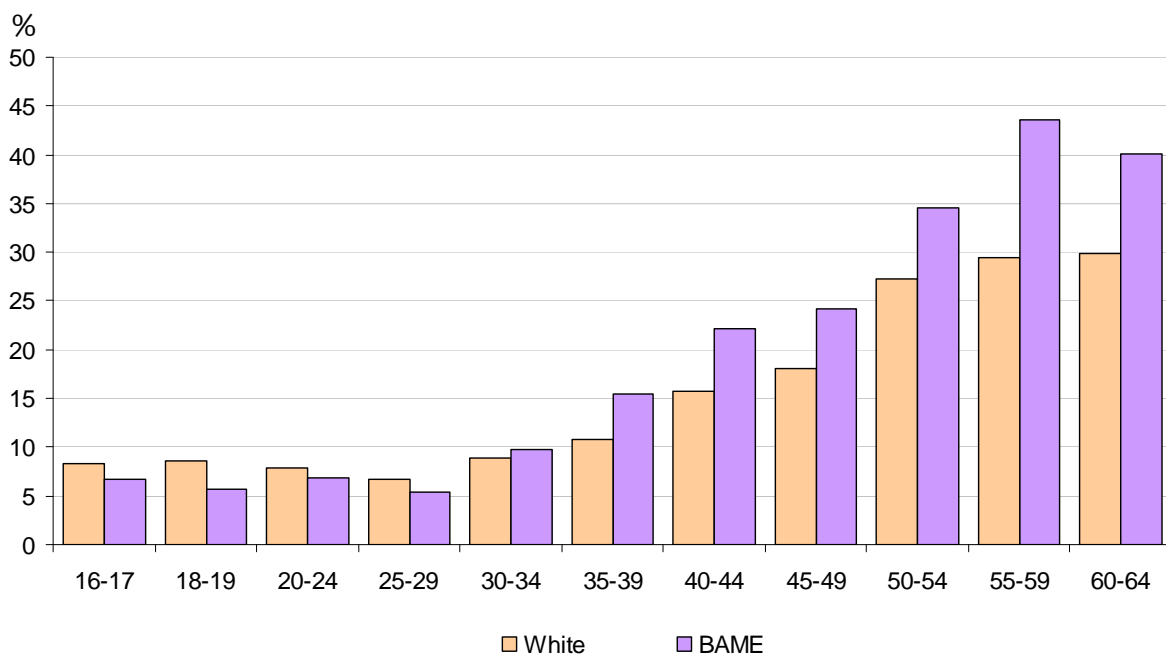


Source: Annual Population Survey 2009 (January-December)

## Disability by age and ethnicity

- Overall, 18 per cent of White Londoners were disabled compared with 20 per cent of BAME Londoners. The difference in overall rates is clearly driven by a divergence in prevalence from age 30 onwards (See Figure 5). The percentage of White Londoners aged 16-29 who are disabled was just one percentage point higher than BAME Londoners of the same age (seven per cent compared with 6 per cent). However, the percentage of those aged 30-64 rises to 29 per cent for the BAME population compared with 18 per cent for Whites.
- The largest disparity in rates occurred in the 55-59 age-group where 29 per cent of White Londoners are disabled, compared to 44 per cent of BAME Londoners.

**Figure 5: Disability by age-group and ethnicity, persons of working-age, London, 2009**



Source: Annual Population Survey 2009 (January-December)

## Educational participation and qualifications by disability

- Disabled Londoners were less than half as likely to be in full-time education as non-disabled Londoners, which is consistent with their older age profile. Five per cent of the disabled population were in full-time education relative to 12 per cent of non-disabled people (Table 1). For those aged 16-24, who comprise the majority of full-time students, the percentage of disabled people in full-time education was 40 per cent, still lower than the rate for their non-disabled counterparts (48 per cent). Six per cent of disabled people of working age were in some form of part-time education, the same rate as for non-disabled Londoners.

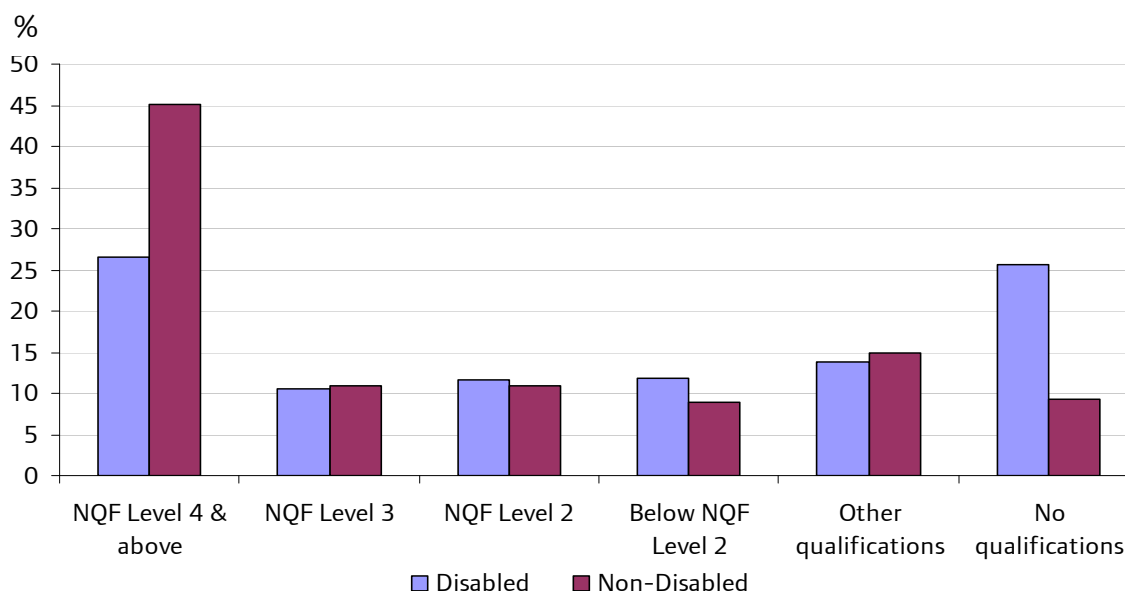
**Table 1: Participation in Education by disability, London, 2009**

	Percentage of working-age population			% of 16-24 year olds in FT education
	Full-time	Part-time	Not in Education	
All	11	6	83	47
Disabled	5	6	89	40
Non-Disabled	12	6	82	48

Source: Annual Population Survey 2009 (January-December)

- Disabled people were less well qualified than their non-disabled counterparts<sup>6</sup>. Almost half of all non-disabled Londoners of working-age were qualified to degree level or higher compared with 27 per cent of disabled Londoners (Figure 6). Further, disabled people were far more likely to have no qualifications at all compared with the non-disabled population (26 and 9 per cent respectively).

**Figure 6: Qualification Levels by disability, London, 2009**



Source: Annual Population Survey 2009 (January – December)

### Labour Market Position of disabled people:

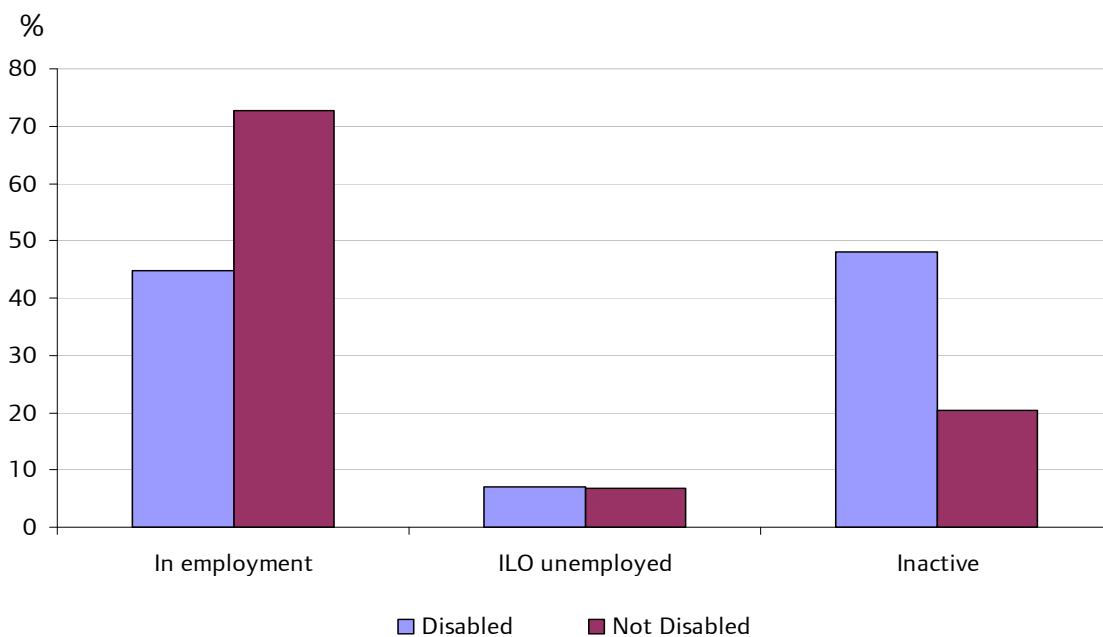
- The labour market profile of disabled people is quite distinct to that of non-disabled people. In general, disabled people had lower rates of economic activity and employment than their non-disabled counterparts and experienced far higher levels of worklessness.
- In London, just over half of the disabled working-age population were economically active relative to 80 per cent of non-disabled Londoners. The economically active

<sup>6</sup> Analysis excludes those in full-time education who are still in the process of gaining their qualifications.

population, otherwise known as the resident labour force, comprises all those in work and those who are unemployed and actively seeking work. Disabled people account for 11 per cent of London's resident labour force (Figure 7).

- Forty five per cent of London's disabled population were in employment relative to 73 per cent of the non-disabled population. Disabled Londoners who are not in work comprise two groups: those who are economically inactive and those who are unemployed. Unemployed disabled people are distinct from those who are economically inactive as they are actively seeking work. Almost nine in ten disabled people (87 per cent) who are not in employment are economically inactive, with just over a tenth unemployed.
- The two main reasons given for economic inactivity among disabled people are: sickness or disability impairment (29 per cent) and caring for family or home (9 per cent).
- Qualitative research commissioned by the GLA<sup>7</sup>, which explores the barriers that disabled people face in accessing paid work, found that many disabled people were involved in voluntary work. The research also found that the inflexibility and complexity of the benefits system was seen as a major disincentive to taking up paid employment.

**Figure 7: Economic activity by disability, London, 2009**



Source: Annual Population Survey 2009 (January-December)

<sup>7</sup> Towards joined up lives, Mayor of London March 2006

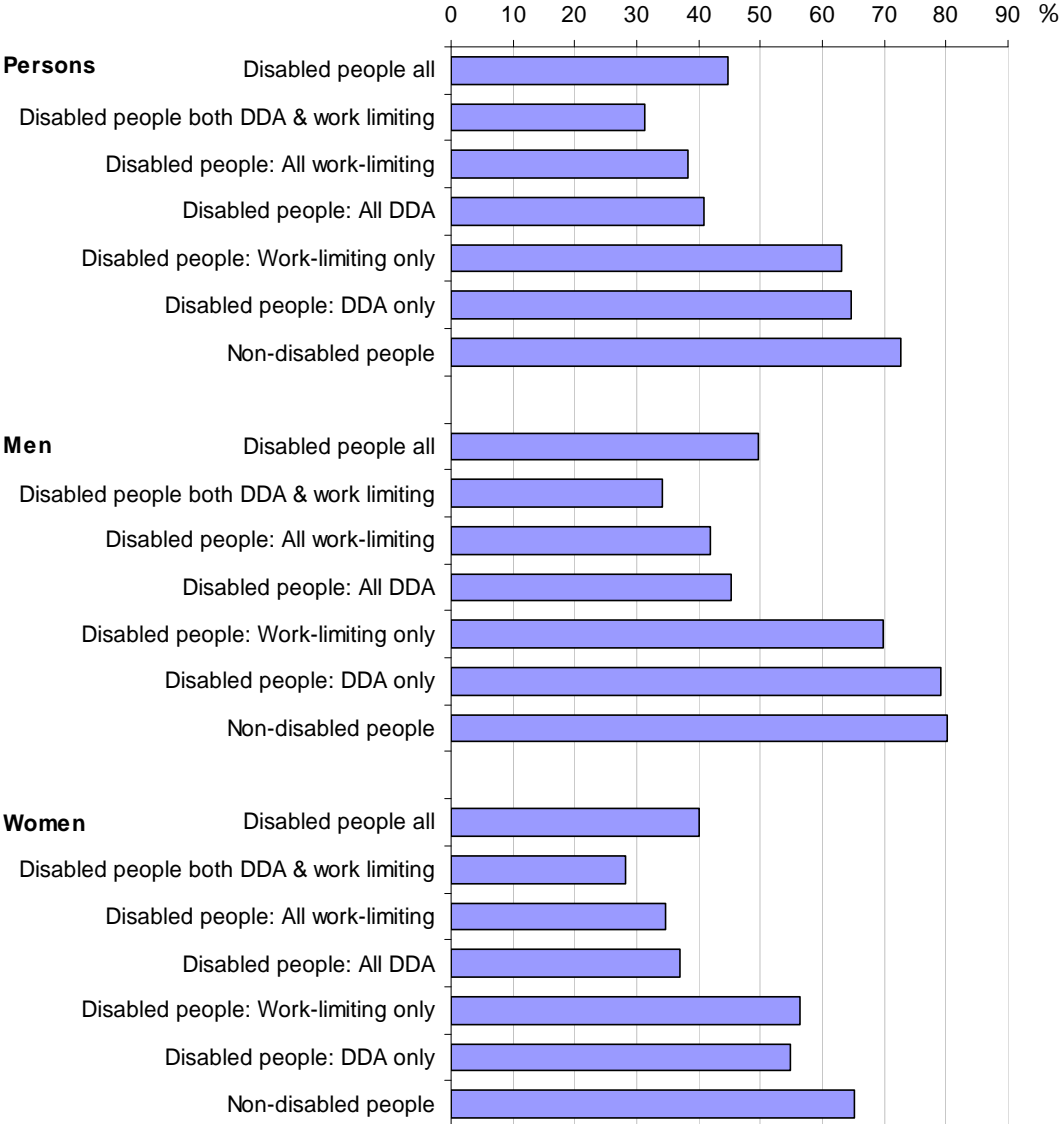
## **Employment rates by type of disability**

- The large difference in employment rates between disabled (45 per cent) and non-disabled Londoners (73 per cent) disguises considerable variation in circumstances within the disabled population. Figure 8 shows the employment rate of disabled people according to gender and whether they are disabled on both or one of the two APS definitions of disability.
- Within the disabled population, those who are disabled according to both the DDA and APS 'work-limiting' definitions of disability had the lowest employment rate at 31 per cent.
- The employment rate for all those who were disabled according to the DDA definition is 41 per cent. The rate for all those people who had a work-limiting disability is similar at 38 per cent.
- Those who are disabled according to just one of the definitions had a much higher employment rate than those disabled according to a both definitions. Those who are DDA disabled had an employment rate of 65 per cent compared with 63 per cent of those disabled according to the work-limiting definition.
- As with their non-disabled counterparts, employment rates for disabled women were lower than for men, regardless of definition. Overall, disabled females in London were ten percentage points less likely to be in employment than their male counterparts. This compares with 15 percentage points difference for non-disabled females. However, those females who are disabled according to the DDA definition only were 24 percentage points less likely to be in employment than males; 55 per cent compared to 79 per cent.

## **Employment rates by main health problem or impairment**

- An analysis of employment rates by main health problem or impairment is presented in Appendix A.

**Figure 8: Employment rates by disability and gender, using APS work-limiting and DDA definitions of disability, persons of working-age, London, 2009**



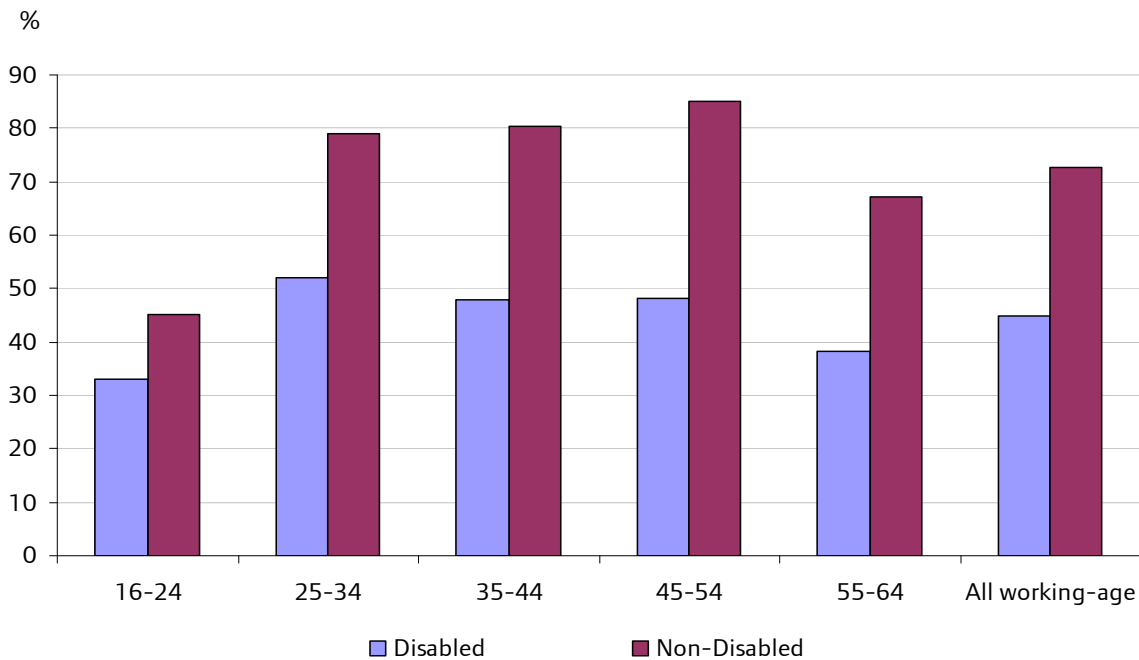
Source: Annual Population Survey 2009 (January to December)

**Employment rates by age and disability**

- The wide differential in employment rates between disabled and non-disabled Londoners is persistent across all age-groups. Employment rates were lowest for young people aged 16-24 in both the disabled (33 per cent) and non-disabled (45 per cent) populations (Figure 9). Again, this is largely due to a high number of full-time students within this age-group.
- For people aged 25 and over, the differential in employment rates widened with age and was largest for those aged 45-54 at 37 percentage points. The gap narrows slightly to 27 percentage points in the 55-64 age-group. Across the 25-64 group as a whole, the

overall employment rate for non-disabled people was 79 per cent, compared with 46 per cent for the disabled population.

**Figure 9: Employment rates by age and disability, London, 2009**



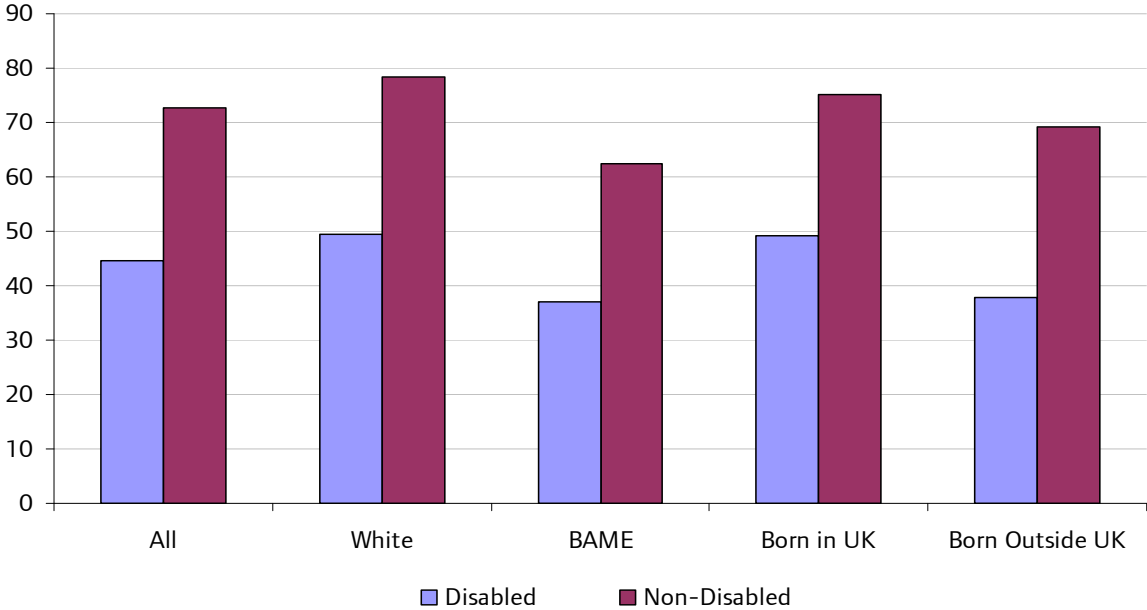
Source: Annual Population Survey 2009 (January-December)

### Employment rates by disability, country of birth and ethnicity

- Disabled Londoners from BAME<sup>8</sup> and migrant groups had lower employment rates relative to their White and UK-born counterparts. The employment rate for disabled Londoners from BAME groups was 37 per cent compared with 50 per cent for White disabled Londoners. For non-disabled Londoners the differential in employment rates between ethnic groups was (63 and 78 per cent) but rates were much higher.
- A similar picture emerges when considering UK-born and migrant populations in London. Disabled Londoners who were born outside the UK had an employment rate of 38 per cent compared with 49 per cent for UK-born disabled Londoners. The employment rates for non-disabled Londoners born outside and inside the UK were 69 and 75 per cent respectively (Figure 10). The relative employment disadvantage was therefore greatest for those disabled people born outside the UK.

<sup>8</sup> BAME = Black, Asian and Minority Ethnic (Group)

**Figure 10: Employment rates by ethnicity, country of birth and disability, London, 2009**



Source: Annual Population Survey 2009 (January-December)

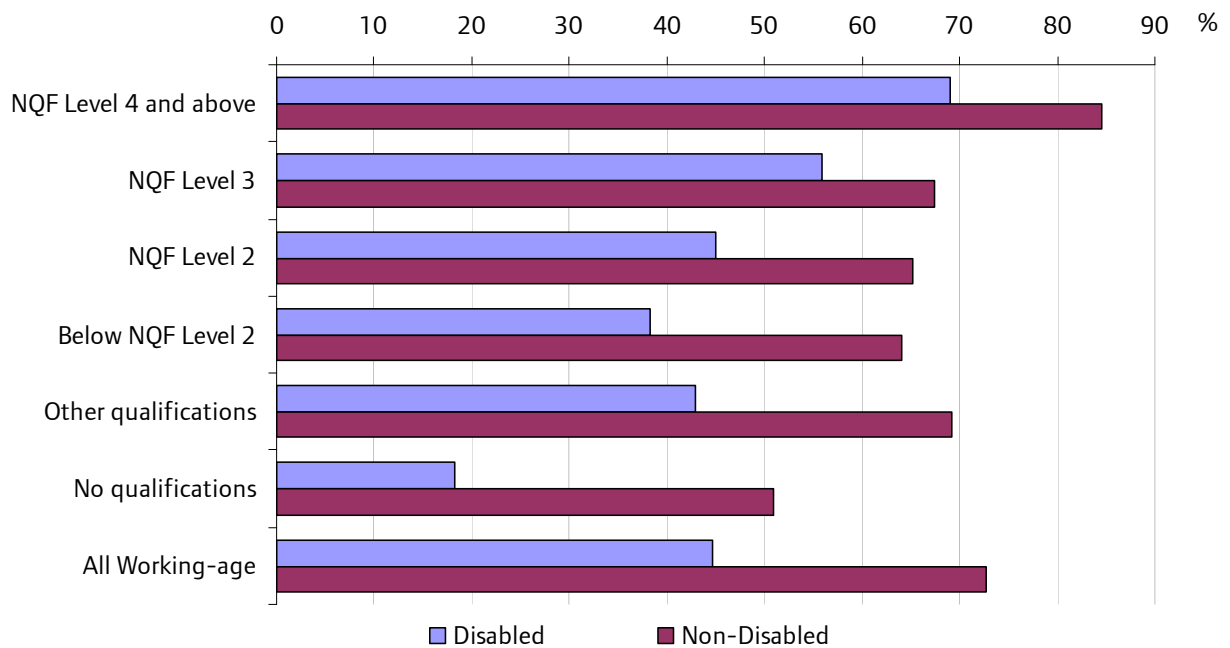
**Employment rates by disability and qualification levels<sup>9</sup>**

- Qualifications are strongly associated with levels of labour market participation, in both the disabled and non-disabled populations. People with higher level qualifications had much higher employment rates than those with lower level (or no) qualifications (Figure 12)
- The employment rate of disabled Londoners with degree level qualifications (NQF level 4 and above) was 69 per cent, almost four times greater than the rate for disabled people with no qualifications (18 per cent) (Figure 11).
- The gap in employment rates between disabled and non-disabled Londoners persists within similarly educated groups, but was particularly wide for three groups: those with qualifications below Level 2 (26 per cent), those with “other” qualifications (including foreign qualifications – 26 per cent) and those with no qualifications (33 per cent).
- For those qualified to Level 3 or above, disability appears to play less of a determining role in likely employment rates, with the difference between disabled and non-disabled populations at 12 per cent.
- Only disabled people with NQF 3 or above had higher employment rates than non-disabled Londoners with no qualifications.

<sup>9</sup> The data here refers to the National Qualification framework. There are 9 levels, however those above level 4 (degree level) are often grouped together for the purposes of analysing a population.

- The overall employment rate for the disabled population was 45 per cent roughly the same as for the disabled population qualified to level 2. The overall employment rate for the non-disabled population is 73 per cent, only exceeded by those without a disability and qualified to at least Level 4. Therefore the difference in overall rates is in part driven by the different distribution of qualifications within the two populations.

**Figure 11: Employment rates by disability and qualifications levels**



Source: Annual Population Survey 2009 (January-December)

### Employment rates by disability and region

- The employment rate for disabled people living in London (45 per cent) was slightly lower than the rate for the rest of the UK (48 per cent). Within the non-disabled population, the employment rate was also lower for those living in London (73 per cent) than in the rest of the UK (76 per cent).
- By region, employment rates were lowest for disabled people in Northern Ireland (29 per cent) with the next lowest rate in Wales at 39 per cent (Table 3). Rates were highest for disabled people living in the South East at 56 per cent. Within all regions, employment rates were far lower for disabled people than non-disabled people. The differential in rates in London is 28 percentage points, consistent with the rest of the UK. The highest differential is 45 percentage points in Northern Ireland and the lowest 23 in the South East.
- Data are available on the employment rates of disabled people by London Borough but these are based on very small samples and are subject to very high confidence intervals. As such they are not discussed in this report.

**Table 3: Employment rates by disability and region, 2009**

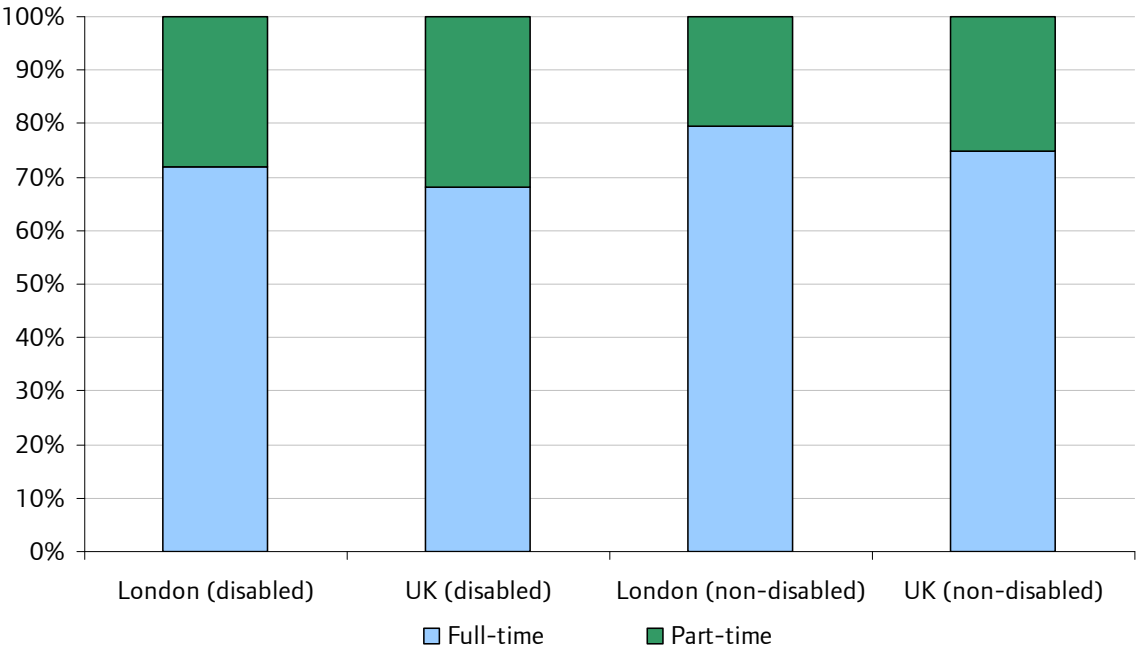
	Disabled	Non-Disabled	All Persons
North East	43	73	66
North West	43	75	68
Yorkshire & Humberside	46	75	69
East Midlands	51	77	72
West Midlands	45	74	68
Eastern	54	79	74
London	45	73	68
South East	56	79	75
South West	53	79	74
Wales	39	74	67
Scotland	46	78	72
Northern Ireland	29	74	65
UK Exc London	48	76	71

Source: Annual Population Survey 2009 (January-December)

### **Part-time employment by disability**

- Disabled workers were more likely to work part-time than non-disabled workers. In London 21 per cent of non disabled workers were employed on a part-time basis, but for disabled workers the percentage is 28 per cent. The London wide rate was 25 per cent.
- In the rest of the UK a slightly higher proportion of disabled workers were employed in part-time roles at 32 per cent. The proportion employed in part-time roles for non-disabled workers in the UK (excluding London) was 25 per cent (Figure 12).

**Figure 12: Working status by disability, London and rest of UK, 2009**



Source: Annual Population Survey 2009 (January-December)

**Employment by occupation and disability**

(All data in this section relate to London residents in employment. This means they do not include those commuting into London, but do include those who live in London but work outside the boundaries).

- While disabled people were broadly represented across all categories of employment, they were under-represented in Managerial, Professional and Technical occupations<sup>10,11</sup> relative to non-disabled workers. Forty seven per cent of disabled people in employment were employed in these occupations compared with 56 per cent of non-disabled workers (Table 4).
- Disabled workers comprised 15 per cent of the workforce employed in Personal Service Occupations and 14 per cent of Process, Plant and Machine Operatives. In total disabled workers accounted for nine per cent of those employed in occupations 1-3, compared with 12 per cent of occupations 4-9.

<sup>10</sup> These occupational groups are based on the Standard Occupational Classification 2003. This classification system was revised in 2007.

<sup>11</sup> These are based on occupational groups 1-3, summarised at the foot of the table.

**Table 4: Employment by occupational group and disability, London, 2009**

	Percentage Totals			% workers who are disabled people
	All Persons	Disabled	Non-Disabled	
1 Managers and Senior Officials	18	17	18	10
2 Professional occupations	18	15	18	9
3 Associate Professional and Technical	19	15	19	8
4 Administrative and Secretarial	11	11	11	11
5 Skilled Trades Occupations	8	8	8	11
6 Personal Service Occupations	7	10	7	15
7 Sales and Customer Service Occupations	6	8	6	13
8 Process, Plant and Machine Operatives	5	6	4	14
9 Elementary Occupations	9	9	9	11
All groups 1-3	55	47	56	9
All Groups 4-9	45	53	44	12

Source: Annual Population Survey 2009 (January – December).

### Disabled people by socio-economic group (NS-SEC)

- To complement the analysis by occupation, data are also presented on disabled people classified according to their National Statistics Socio Economic Classification (NS-SEC). This is an occupationally based classification but has rules to provide coverage of the whole population, taking account of current or last occupation, as well as coverage of those who have never worked or are long-term unemployed. NS-SEC also considers information about self-employment, supervisory responsibilities and size of workplace, providing another dimension to the standard occupational classification. Table 5 shows the NS-SEC of the working-age disabled and non-disabled population.
- Within the disabled population, 62 per cent were classified to groups 1-7 which were based on current or previous occupation. The remaining 38 per cent were classified under the 'never worked, unemployed and other' group. This far higher than the proportion of the non-disabled population: 21 per cent. While disabled people made up 16 per cent of the working-age population generally, they comprised one quarter (25 per cent) of those in the 'never worked, unemployed and other' group.
- Table 5 also compares the profile of disabled Londoners classified by just groups 1-7, excluding the 'never worked, unemployed and other' group. This provides a better like for like comparison of disabled and non-disabled populations. Within this population, disabled people were under-represented in the Higher Managerial and Professional group. 13 percent of disabled people were in this group compared to 21 per cent of the non-disabled population. Disabled people were better represented in the Lower Managerial and Professional group at 28 per cent, relative to 33 per cent of non-disabled Londoners.

- Disabled people were over-represented in both the routine and semi-routine occupation groups. 27 per cent of disabled people were classified to these two groups relative to 19 per cent of the non-disabled population.

**Table 5: Employment by NS-SEC and disability, London, 2009**

	All Persons	Disabled	Non- Disabled	% disabled people
<b>All persons working-age</b>				
1 Higher managerial and professional	16	8	17	8
2 Lower managerial and professional	24	18	26	11
3 Intermediate occupations	9	7	9	12
4 Small employers and own account workers	7	7	8	15
5 Lower supervisory and technical	5	6	5	18
6 Semi-routine occupations	9	10	9	18
7 Routine occupations	6	7	6	18
8 Never worked, unemployed, and nec	24	38	21	25
<b>All persons working-age (exc "never worked, unemployed and other"</b>				
Higher managerial and professional	20	13	21	8
Lower managerial and professional	32	28	33	11
Intermediate occupations	11	11	11	12
Small employers and own account workers	10	11	10	15
Lower supervisory and technical	7	10	7	18
Semi-routine occupations	12	16	11	18
Routine occupations	8	11	8	18

Source: Annual Population Survey 2009 (January – December)

### Public and private sector employment by disability

- Table 6 shows the proportion of those employed in the public, private and voluntary sectors by disability. In the APS, the public sector is defined as that 'owned, funded or run by central or local government' and comprises central government, local government (including schools, police and fire), further and higher education, the health authorities or NHS trusts and a range of other organisations.
- Overall, two thirds (67 per cent) of disabled workers were employed in the private sector, lower than the three quarters (75 per cent) of non-disabled workers.
- A higher proportion of disabled workers are employed in the public sector relative to their non-disabled counterparts. 28 per cent of disabled workers were employed in the public sector compared with 22 per cent of non-disabled workers. Of all disabled workers, more than one in eight worked in the local government sector, comprising 15 per cent of all those who work in this sector.

- In terms of composition of the employed population, disabled workers comprised ten per cent of all workers, but accounted for 13 per cent of those employed in the public sector and 15 per cent in local government, police and fire services, compared to only nine per cent of those employed in the private sector.

**Table 6: Employment by public and private sector, London, 2009**

	Percentage totals			% of workers who are disabled people
	All Persons	Disabled	Non-Disabled	
Private firm or business	75	67	75	9
Charity, voluntary organisation or trust	3	4	3	14
Public Sector	22	28	22	13
Central Government/Civil Service	3	4	3	12
Local government, police and fire	10	14	10	15
University and other FE	2	2	2	12
Health authority or NHS trust	5	6	5	12
Other public sector	2	2	2	11
Total	100	100	100	10

Source: Annual Population Survey 2009 (January-December)

### Hourly Earnings by disability

- APS data on earnings are limited as they are known to understate actual levels of earnings relative to data provided by employers, via the Annual Survey of Hours and Earnings (ASHE)<sup>12</sup>. However, unlike the APS, ASHE provides no data on disability so is limited in its application. APS data are presented here, with the caveat that while they are considered to be good at exploring relativities between groups, they are less accurate predictors of absolute levels of earnings (Figure 13).
- The concentration of disabled people in certain occupational groups and their higher rates of part-time working have a significant impact on relative earnings levels. The median gross hourly earnings<sup>13</sup> for disabled employees was £11.86 per hour – some 13 per cent less than for non-disabled employees (£13.42).
- Disabled women earned an average of £11.70 per hour, three per cent less than the pay of disabled men (£12.03). The gender gap in pay was much wider in the non-disabled population at 12 per cent, with women earning £12.63 compared with £14.29 for males.
- The disability pay-gap was more pronounced for males than females. Disabled males earn £12.03 per hour, 16 per cent less than their non-disabled counterparts (£14.29). In

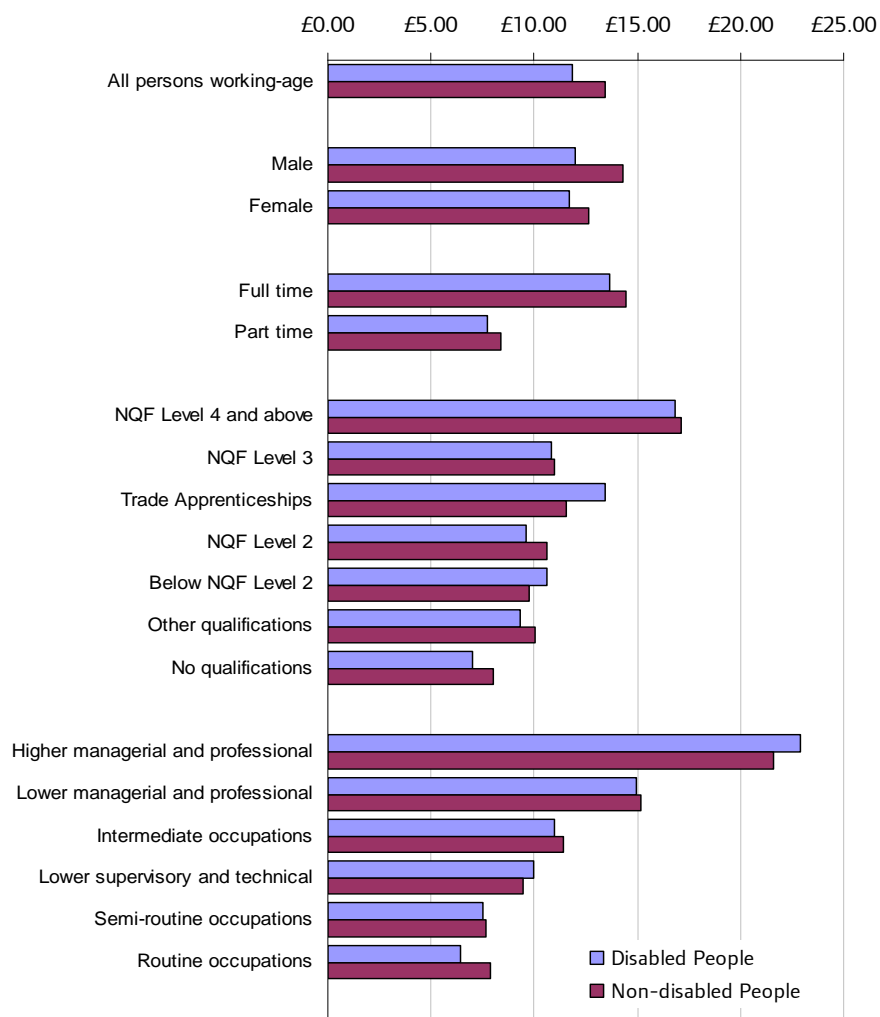
<sup>12</sup> ASHE is run by the Office for National Statistics – <http://www.statistics.gov.uk/statbase/product.asp?vlnk=13101>

<sup>13</sup> The hourly earnings figures presented in this section are median figures to give a better idea of a typical employees earnings. Mean income estimates may be skewed by the presence of a few high earners.

contrast, the difference in pay for disabled and non-disabled females was just seven per cent.

- Disabled people working part-time earned far less (£7.70 per hour) than those working full time (£13.68). The pay gap between disabled and non-disabled employees was evident for both part-time (8 per cent) and full-time workers (5 per cent).
- Qualifications levels have a considerable impact on likely earnings levels. Disabled people with degree level qualifications earned an average of £16.83 per hour, well over twice as much as those with no qualifications (£7.00). The data indicate that the pay-gap between disabled and non disabled workers persists at all qualifications levels, albeit to varying degrees.
- Disabled people working in routine occupations were on very low pay-rates averaging £6.40, less than a third of the pay rates for disabled workers in higher managerial and professional occupations (£22.90).

**Figure 13: Gross median hourly earnings for employees by disability, London, 2009**

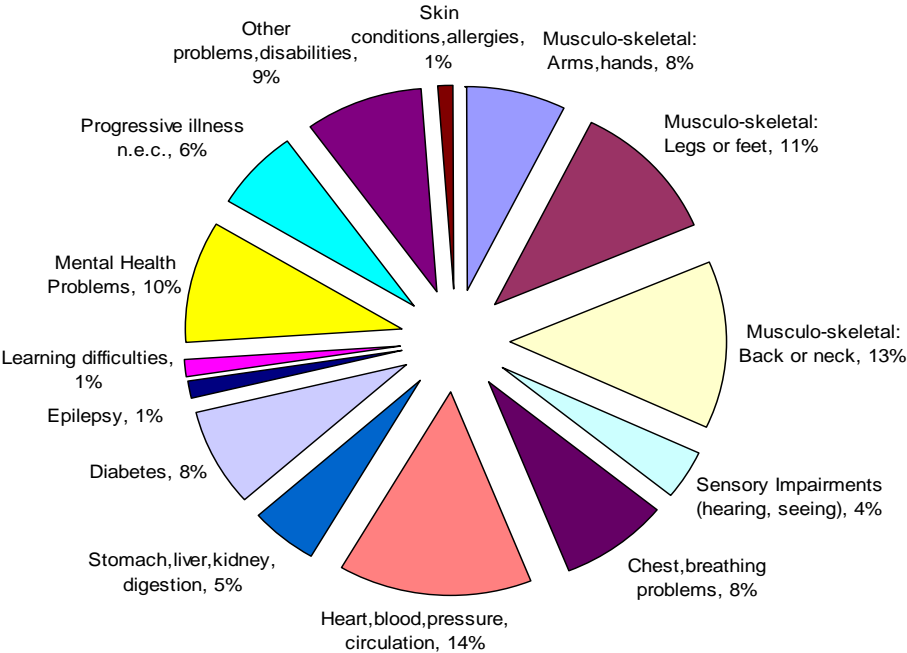


Source: Annual Population Survey 2009 (January-December)

## **Appendix A: Disability by type of health problem or impairment and employment rates by type of health problem or impairment**

- It should be noted that some of the estimates here are based on small numbers within the sample and as such all rates quoted should be treated with caution. Those reporting impairments or problems with heart, blood pressure and circulation formed the largest single grouping at 14 per cent. However, if those with musculo-skeletal problems and impairments are taken together, they formed by far the largest group at 32 per cent of all impairments for disabled people (see Figure A1). Those with either neck or back problems were the largest component of this group at 13 per cent, with a further 11 per cent suffering problems with their legs and feet and 8 per cent with arms and hands.
- Eight percent of the disabled population cited chest and/or breathing problems as their main problem, with a further eight per cent complaining of diabetes.
- One in ten of the disabled population in London suffered from mental health problems, which include those suffering from depression, bad nerves, mental illness, phobia and panics.
- Other problems report included: stomach and digestive problems, progressive illness, sensory impairments, epilepsy, skin conditions and allergies and learning difficulties. These groups are smaller in size and results must be treated with caution as they are based on very small numbers from the survey. Almost one in ten disabled people had a main health problem or impairment that was classified as other with no further disaggregation.

**Figure A1: Disabled people by main health problem or impairment, person working-age, London, 2009**



Source: Annual Population Survey 2009 (January-December)

**Employment rates by main health problem or impairment**

- The severity or nature of a person’s disability is closely associated with their likely levels of labour market participation. Table A1 explores this by showing employment rates for disabled people by the nature of their main health problem or impairment. Data for London were patchy as the sample size for some groups was very small, resulting in some data being unavailable, and most estimates being prone to considerable sampling variability. To help overcome this and provide a more complete picture, data for the rest of the UK are also presented.
- Those who report problems relating to mental health had by far the lowest employment rate of all groups. In London the employment rate for this group was 21 per cent, equal to the national rate. UK data also show that people with learning difficulties had a very low employment rate of 24 per cent (Data were not available for this group in London).
- In London, those with musculo-skeletal impairments had an employment rate of 43 per cent, just below the average for all disabled people. Within this group, the rates are similar regardless of whether the impairment is associated with arms or hands (40 per cent), legs or feet (43 per cent), or back or neck (45 per cent). The picture is similar nationally, though rates are slightly higher.
- Those with sensory impairments had an employment rate of 42 per cent, much lower than the national rate of 53 per cent. National data show that those with difficulty seeing had a lower employment rate (47 per cent) than those with difficulty hearing (60 per cent).

- Those suffering with chest and/or breathing problems in London had an employment rate of 52 per cent, almost ten percentage points lower than the national figure.
- The lower employment rates in London for impairments including those of a sensory, musculo-skeletal, and chest, respiratory or pulmonary nature may be linked to the younger age profile of Londoners when compared with those residing elsewhere in the UK.

**Table A1: Employment rates of disabled people by main health problem or impairment, Greater London and rest of UK, 2009**

	London	Rest of UK
Musculo-skeletal	43	47
Arms, hands	40	47
Legs or feet	43	46
Back or neck	45	47
Sensory Impairments	42	53
Difficulty in seeing	**	47
Difficulty in hearing	**	60
Other physical illnesses/health problems	52	55
Chest, breathing problems	52	61
Heart, blood pressure, circulation	52	55
Stomach, liver, kidney, digestion	50	54
Diabetes	63	64
Epilepsy	**	46
Progressive illness	43	42
Mental Health	21	21
Depression, bad nerves	23	26
Mental illness, phobia, panics	**	13
Other Health Problems	41	36
Learning difficulties	**	24
Skin conditions, allergies	**	62
Other	51	53

\*\* - these rates are based on grossed estimates with a value of less than 10,000.

Source: Annual Population Survey 2009 (January-December)

## **Appendix B: About the Annual Population Survey**

The Annual Population Survey (APS) is a combined survey of households in Great Britain, carried out by ONS. Its purpose is to provide information on key social and socio-economic variables between the ten-yearly censuses, with particular emphasis on providing information relating to small geographical areas.

For more information about the survey please visit the following website:

<http://www.ons.gov.uk/about-statistics/user-guidance/lm-guide/sources/household/aps/index.html>

### **Reliability of data and 95% confidence intervals**

As the APS is a sample survey, all estimates are subject to sampling variability. As a rule, the smaller the estimate the greater the margin of error as a proportion of the estimate. The degree of variability attached to an estimate is often expressed through '95% confidence intervals'. These allow the user to take a view, based on statistical probability theory, about how close an estimate is likely to be to the true population value. For example, if the employment rate for Inner London was 71.3% and this figure was estimated from the APS, then 95 times out of 100, the APS employment rate estimate would fall in the range of 69.8% to 72.8% (i.e.  $\pm 1.5$  percentage points). Sampling variability can be very high for some groups in the population (e.g. data at London borough level or for ethnic groups) and should be considered when drawing conclusions from data.

### **APS grossing and population data for London**

As the APS is a sample survey, all data need to be grossed up/weighted to reflect the size and composition of the general population. The datasets are usually grossed up according to the most up to date ONS population estimates available at the time of the data release. Grossing factors take account of the composition of the local population by age and gender. APS population estimates are usually slightly lower than the official ONS mid-year estimates and the GLA's own demographic estimates based upon them. This is because:

- ONS APS/LFS datasets are often grossed up using the latest data at the time, which is quickly superseded, but their systems are unable to incorporate the latest revisions. This means the datasets available for analysis are weighted up using out of date population data (Note: ONS is currently revamping their systems to improve the timing).
- APS/LFS data relate mainly to those living in private households and exclude many groups living in communal establishments who are usually included on official population estimates.

## **APS: Glossary of terms**

The APS employs a range of concepts and definitions to explore and measure labour market activity: some of the key definitions are presented below.

### **Disability definitions used on the APS/LFS**

See “*About the APS section*” of this report.

### **Earnings**

The earnings data presented here refer to gross median hourly earnings of employees (they do not include earnings of self employed). Data relate to earnings in the most recent period from the main job and are based on usual hours worked per week. The key limitation of the APS earnings measure is that earnings data are supplied by the employee not the employer, this can lead to poorer accuracy because a) individuals tend to slightly underestimate what they earn and b) some earnings data are given by proxy (supplied by one household member on behalf of another) which can further undermine accuracy. While the data are considered to be good at exploring relativities between groups, they are less accurate predictors of absolute levels of earnings.

### **Economic activity**

Economic activity is one of the key measures used in the APS to describe the economic status of respondents. Economically active people are those aged over 16 who are either in employment or ILO unemployed (defined below). This group of people are those active in the labour force.

### **Economic activity rate (%)**

The economic activity rate is the number of people who are in employment or unemployed as a percentage of the total population. Rates can be calculated for any population group.

### **Economically inactive**

People who are neither in employment nor unemployed (on the ILO measure). This group includes, for example, people who caring for their family or retired (as well as those aged under 16).

### **Employment**

People aged 16 or over who did some paid work in the reference week (whether as an employee or self-employed); those who had a job that they were temporarily away from (e.g. on holiday); those on government supported training and employment programmes; and those doing unpaid family work (i.e. working in family business).

### **Employment rate (%)**

The number of people in employment expressed as a percentage of the population in that age group.

### **Ethnic groups**

Ethnic groups are defined using the National Statistics interim standard classification of ethnic groups. The final categories presented are broadly similar to those used in the 2001 Census

(though there is no separate 'White Irish' category). The term BAME (Black, Asian & minority ethnic) groups is used in this context to refer to all ethnic groups except White groups.

### **Full-time/part-time employment**

The LFS classification of employees as part-time or full-time is generally on the basis of self-assessment. People on government-supported training and employment programme who are at college in the survey reference week are classified, by convention, as part-time.

### **Full-time education**

In the LFS, this is defined to include those people over the age of 16 who state that they are still at school or in some other form of full-time education, including sandwich courses. People on part-time courses, day or block release courses, or government training schemes are NOT included.

### **ILO unemployment**

The International Labour Organisation's (ILO) measure of unemployment refers to people without a job who were able to start work in two weeks following their APS interview and who had either looked for work in the four weeks prior to interview or were waiting to start a job they had already obtained. This measure is different to the claimant count measure of unemployment that is based solely on eligibility for benefits (i.e. Jobseekers' Allowance). The ILO measure is generally accepted to be a more comprehensive measure and is usually higher than the claimant count for any given period, especially for women.

### **ILO unemployment rate (%)**

The percentage of economically active people who are unemployed on the ILO measure, usually refers to those aged 16 and over or those of working age.

### **NS-SEC**

National Statistics Socio-economic Classification (NS-SEC) was introduced in 2001 to replace Social Class based on occupation, formerly the Registrar General's Social Class and Socio-Economic Group). More detail about the basis of NS-SEC and the 8 key classifications can be found on the ONS website:

<http://www.statistics.gov.uk/about/data/classifications/current/default.asp>

### **Occupation (SOC 2000)**

The APS classifies respondents according to the Standard Occupational Classification (SOC). Detail on the SOC categories can be found on the ONS website at the following link:

<http://www.ons.gov.uk/about-statistics/classifications/archived/SOC2000/index.html>

### **Public Sector**

The APS defines the public sector as 'that owned, funded or run by central or local government'. The private sector is defined as everything else and includes the voluntary sector.

## Regular Briefings from the GLA Data Management and Analysis Group (DMAG)

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2010-03	<a href="#">London Parliamentary Constituency Profiles 2010</a>	Gareth Piggott
2010-04	Pilot pan-London School Rolls Projections by cluster	David Ewens and Ben Corr
2010-05	<a href="#">London Borough Fertility Rates 2005-07</a>	John Hollis and Ben Corr
2010-06	Towards Defining a Healthy Living Income Standard for London	Rachel Leeser
2010-07	<a href="#">London Crime: A National Picture</a>	Richard Fairchild

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02-2010	<a href="#">PayCheck_2009</a>	Social Exclusion Team
03-2010	<a href="#">Unemployment in London – January 2010</a>	Social Exclusion Team
04-2010	<a href="#">The London Plan Ethnic Group Population Projections</a>	Demography Team
05-2010	<a href="#">Personal Incomes of UK Tax-Payers in 2007/2008: Survey of Personal Incomes</a>	Social Exclusion Team
06-2010	<a href="#">Migration Indicators: February 2010</a>	Demography Team
07-2010	<a href="#">The Working-Age Client Group in London – August 2010</a>	Social Exclusion Team
08-2010	<a href="#">2009 Round Demographic Projections for the London Plan</a>	Demography Team
09-2010	<a href="#">Infant Mortality 2002 to 2008</a>	Demography Team
10-2010	<a href="#">Poverty figures for London: 2008/09</a>	Social Exclusion Team
11-2010	<a href="#">ONS 2009 Provisional Births</a>	Demography Team
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### Focus on London:

Focus on London 2010 is a series of reports, being published regularly during 2010-11, accompanied by extensive data on the [London Datastore](#).

A full list of DMAG Briefings is available to internal customers through the GLA Intranet; otherwise please contact [dmag.info@london.gov.uk](mailto:dmag.info@london.gov.uk) A CD containing PDF versions of the Briefings can be provided.

## Intelligence Contacts

### Contact details for the Intelligence Unit

**Andrew Collinge (020 7983 4652)** is **Assistant Director**, Intelligence and Analysis taking responsibility for all aspects of the GLA Intelligence unit. [andrew.collinge@london.gov.uk](mailto:andrew.collinge@london.gov.uk)

**John Hollis (020 7983 4604)** is the **Demographic Consultant** responsible for the work of the **Demography, Education and Social Exclusion Teams**, and particularly for demographic modelling. [john.hollis@london.gov.uk](mailto:john.hollis@london.gov.uk)

**Eileen Howes (020 7983 4657)** is responsible for the work of the **Census, SASPAC and General Statistics Teams** and particularly for census analysis. [eileen.howes@london.gov.uk](mailto:eileen.howes@london.gov.uk)

**Gareth Baker (020 7983 4965)** is the **GIS Manager** with responsibility for leading work on GI including strategy, the development of data holdings, analysis and dissemination. [gareth.baker@london.gov.uk](mailto:gareth.baker@london.gov.uk)

**Steve Forgan (020 7983 4185)** is the London Analyst Support Site (**LASS**) **Manager** and is responsible for data exchange & analysis projects for crime reduction in London. [stephen.forgan@london.gov.uk](mailto:stephen.forgan@london.gov.uk)

**Kelly Rump (020 7983 4655)** is the **Business Coordinator**. [kelly.rump@london.gov.uk](mailto:kelly.rump@london.gov.uk)

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### Demography Team

**Baljit Bains (020 7983 4613)** is responsible for the analysis of ethnic demography, including ethnic group demographic projections. [baljit.bains@london.gov.uk](mailto:baljit.bains@london.gov.uk) **(on Maternity Leave)**

**Ed Klodawski (020 7983 4694)** specialises in ethnicity and health issues. His post is joint with the London Health Observatory. [edmund.klodawski@london.gov.uk](mailto:edmund.klodawski@london.gov.uk)

### Social Exclusion Team

**Rachel Leeser (020 7983 4696)** is responsible for deprivation indicators, ad hoc surveys and the Social Exclusion Data Users Group. [rachel.leeser@london.gov.uk](mailto:rachel.leeser@london.gov.uk)

**Richard Walker (020 7983 4699)** is responsible for social exclusion data analysis and research. [richard.walker@london.gov.uk](mailto:richard.walker@london.gov.uk)

### Education Team

**David Ewens (020 7983 4656)** is responsible for education research and data analysis. [david.ewens@london.gov.uk](mailto:david.ewens@london.gov.uk)

**Shen Cheng (020 7983 4889)** is responsible for education research and data analysis. [shen.cheng@london.gov.uk](mailto:shen.cheng@london.gov.uk)

### Business Support Team

**Elizabeth North (020 7983 4658)** is responsible for the administration for the Data Management and Analysis Group. [elizabeth.north@london.gov.uk](mailto:elizabeth.north@london.gov.uk)

**Ben Crofts (020 7983 4922)** is responsible for the administration for the Data Management and Analysis Group. [ben.crofts@london.gov.uk](mailto:ben.crofts@london.gov.uk)

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Please use the above descriptions in deciding whom to contact to assist you with your information needs. For further details of DMAG staff please contact Elizabeth North ([elizabeth.north@london.gov.uk](mailto:elizabeth.north@london.gov.uk)) or Ben Crofts ([ben.crofts@london.gov.uk](mailto:ben.crofts@london.gov.uk)).