

## Employment rates of parents in London in 2007

### Key points

- Parents living in London have far lower employment rates than those living in the rest of the UK, and differentials are most pronounced among mothers. Just over half of all London's mothers (54 per cent) are in employment relative to 70 per cent in the rest of the UK.
- The employment rate for lone parents living in London (42 per cent) is well below the rate for lone parents outside London (58 per cent). For mothers in couples, whose rates are generally higher, there is a similar differential in rates (59 and 74 per cent).
- During 1995-2007, the employment rates of London's parents have remained well below those outside London and in the case of mothers, rates have shown some divergence from national trends.

### Data and definitions

The labour market position of London's parents is key to understanding what is driving the high child poverty rates evidenced in the capital. This Update profiles the employment rates of London's parents, compares them to rates for parents outside London and looks at trends over time. The GLA reports annually on this indicator as part of its monitoring programme in the area of child poverty.

The data presented here are drawn from the UK Labour Force Survey (LFS) household level datasets, supplied by the Office for National Statistics (via the UK Data Archive). These data are published for two quarters each year. The LFS is a sample survey so all data are estimates and have a degree of sampling variability attached to them. The analysis concentrates the employment patterns of working age parents with dependent children<sup>1</sup>.

### Employment rates<sup>2</sup> of parents in Greater London

During Oct-Dec 2007, the employment rate for London's working age women was 62 per cent, considerably lower than the rate for men (77 per cent). The gender differential is mainly explained by the fact that women are more likely than men to take time out of the labour market to care for children. Employment rates of men and women without dependent children are close (72 and 69 per cent respectively) whereas the rate for mothers is 34 percentage points lower than the rate for fathers.

The data in Table 1 also illustrate the importance of family responsibilities in understanding the employment patterns of both women and men. The employment rate for women with children is 54 per cent relative to 69 per cent for women without children. Conversely, the male employment rate is

<sup>1</sup> Dependent children are children aged under 16 and those aged 16-18 who are never married and in full-time education. Parents are defined as fathers or mothers who have dependent children living with them (or those away at boarding school or halls of residence). Adoptive and step-parents are included but foster parents and those who live in a separate household from their children are not. Only parents of working age are included in the analysis (age 16-59 for women and age 16-64 for men).

<sup>2</sup> The *employment rate* is a measure of labour market participation and expresses the number in employment as a percentage of the population. Here, all employment rate data relate to the working age population.

affected in the opposite way and men with children have a higher employment rate (87 per cent) than those without children (72 per cent).

For parents, employment rates are lowest for lone parents (42 per cent). Most lone parents are female so the rate for lone mothers is also 42 per cent (no estimate is available for lone fathers, due to small sample size). The employment rate for couple mothers (59 per cent) is far lower than the rate for couple fathers (89 per cent).

**Table 1 Employment rates (%) by family status & gender, Greater London, Oct-Dec 2007**

	Persons	Male	Female	Gender gap in rates
<b>Persons working age</b>	<b>69</b>	<b>77</b>	<b>62</b>	<b>14</b>
All parents	67	87	54	34
In couples	74	89	59	30
Lone parents	42	**	42	**
No dependent children	71	72	69	3

Source: Labour Force Survey household dataset, Oct-Dec 2007

Notes: \*\* Sample too small to provide reliable estimate. All data rounded to nearest percentage point.

### Employment rates of parents in London and the rest of the UK

The employment rate for working age Londoners is low (69 per cent) relative to the rate across the rest of the UK (75 per cent), but differentials are most pronounced among parents, especially mothers. Just over half of all London's mothers (54 per cent) are in employment relative to 70 per cent in the rest of the UK. The size of the differential between London and the rest of the UK is the same for both lone mothers and mothers in couples, though employment rates are much lower for lone mothers (42 and 58 per cent).

**Table 2 Employment rates of parents, London & UK, Oct-Dec 2007**

	Employment rates (%), persons working age				Differential* (in percentage points)	
	Inner London	Outer London	Greater London	UK (excluding London)	London- Rest UK	Inner -Outer
All parents	60	72	67	79	-12	-11
All mothers	47	58	54	70	-17	-11
- Couple mothers	52	62	59	74	-15	-11
- Lone mother	(39)	(46)	42	58	-15	(-7)
All fathers	81	91	87	91	-4	-10
- Couple fathers	82	92	89	92	-3	-10
All lone parents**	(39)	(45)	42	58	-15	(-6)

Source: Labour Force Survey household dataset, Oct-Dec 2007

\*All data rounded to nearest percentage point.

\*\* Estimate not available for lone fathers due to small sample size. Data based on relatively small samples (<100) are shown in brackets to emphasise their higher levels of sampling variability.

Within London, the employment rate for mothers living in Inner London (47 per cent) is far lower than the rate for those in Outer London (58 per cent). Just over half (52 per cent) of all couple mothers in Inner London are in work relative to 62 per cent in Outer London and 74 per cent in the rest of the UK. Lone mothers in both Inner and Outer London have very low employment rates (39 and 46 per cent) relative to lone mothers in the rest of the UK (58 per cent).

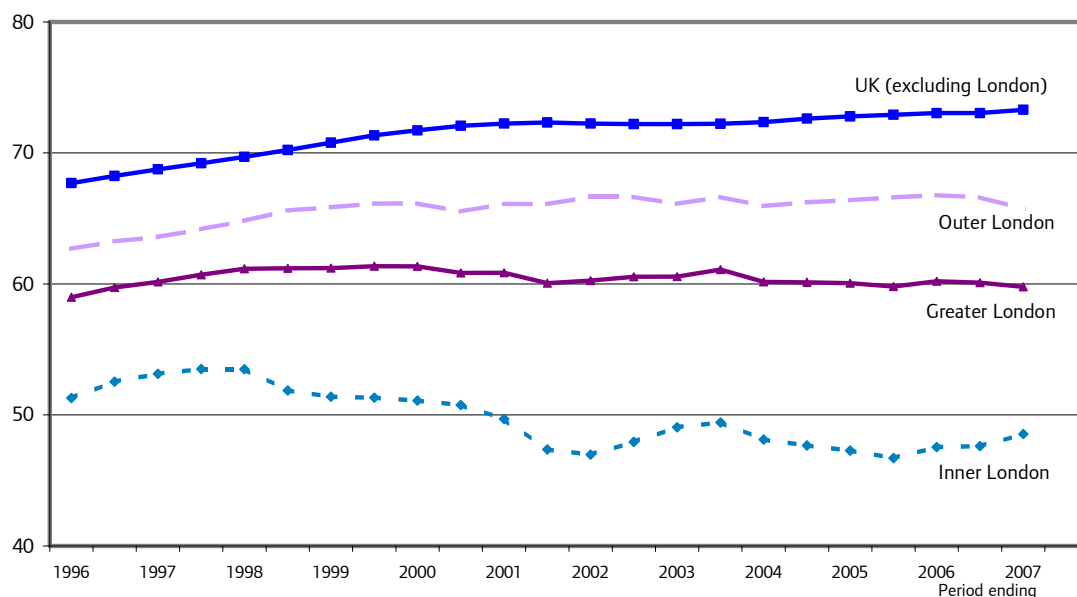
The same patterns are evident for male parents but employment rates are generally far higher and differentials less pronounced. The employment rate for London’s fathers (87 per cent) is lower than the rate for fathers in the rest of the UK (91 per cent). Fathers in Inner London have an employment rate of 81 per cent, 10 percentage points lower than for fathers in Outer London, whose rates are the same as those in the rest of the UK.

The gender gap in employment rates between mothers and fathers is strongest in London – where the employment rate for fathers is 34 percentage points higher than the rate for mothers. Outside London, where rates are higher, the gender gap is 21 percentage points.

### Employment rates of parents 1995-2007

Figures 1-3 show the employment rates of couple and lone parents over the period 1995-2007 in and outside London. ONS publish quarterly household LFS data twice a year<sup>3</sup>. As data are prone to large confidence intervals, the analysis uses two year rolling averages (using four estimates over each two year period) to improve the reliability of trend data.

**Figure 1 Employment rates of couple mothers, London & UK, 1995-2007**



Source: Labour Force Survey Household datasets 1995-2007.

Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

During 1995-2007, the employment rate of mothers in couples in London has remained well below the rate in the rest of the UK and the gap between the two has widened (Figure 1). During the period, the employment rate of couple mothers in London has remained around 59-61 per cent whereas outside London employment rates of couple mothers have shown a steady increase from 68

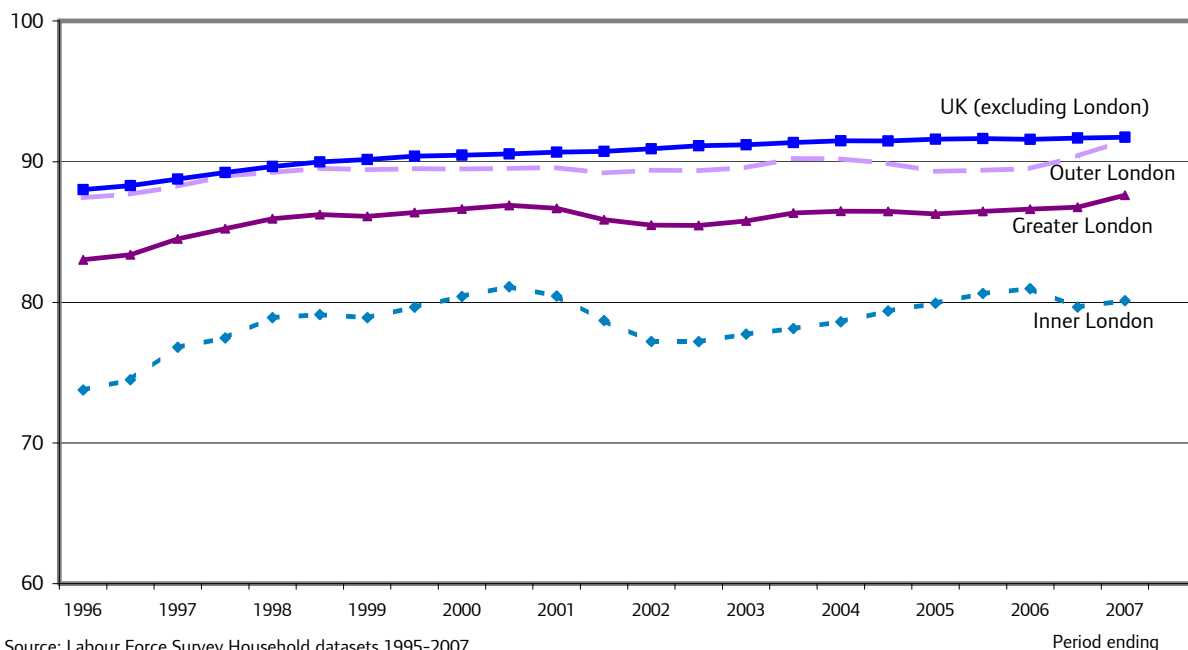
<sup>3</sup> Data are produced for two calendar quarters each year: April-June and October-December. Prior to 2006, LFS household data were based on seasonal quarters: Spring (Mar-May) and Autumn (Sept-Nov).

to 73 per cent (most of which took place before 2001)<sup>4</sup>. Over the entire period, the gap in employment rates between London and the rest of the UK has increased from 9 to 14 percentage points.

Data for Greater London disguise two distinct trends across Inner and Outer London. The employment rate for couple mothers in Outer London has increased from 63 to 66 per cent over the period, largely following national trends, whereas in Inner London, the employment rate of couple mothers has fallen from 51 to 48 per cent. The most recent data for 2007 indicate an improvement in rates in Inner London, but given the nature of the survey data, it is difficult to know whether this is evidence of real improvement.

In the case of fathers, there has been an upward trend in employment rates of fathers both in and outside London. Nationally, the employment rate of couple fathers increased slowly and steadily over the period 1995-2007 from 88 to 92 per cent. In London, the rise was of a similar magnitude (83 to 88 per cent) though was less steady, faltering in 2001/02 due to a fall in the Inner London rate.

**Figure 2 Employment rates of couple fathers, London and UK, 1995-2007**



Source: Labour Force Survey Household datasets 1995-2007.

Notes: Data are two year moving averages. Household data are produced twice per year so each average is based on four survey estimates.

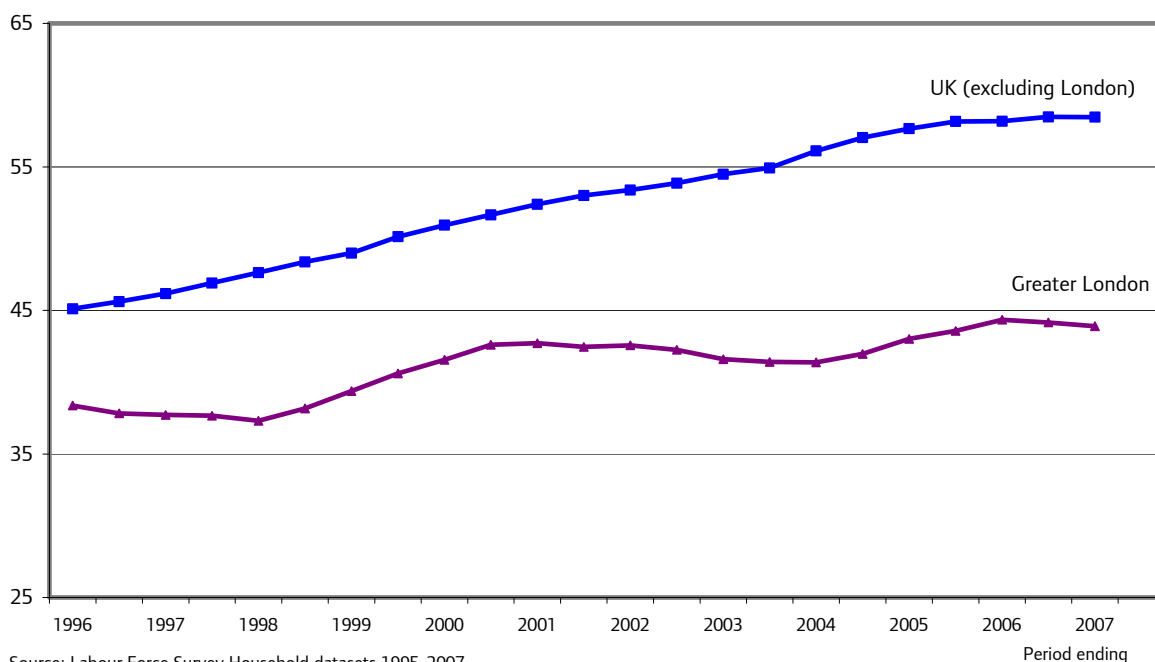
Whilst it is difficult to come to draw firm conclusions from short term trends, the most recent survey data indicate a slight narrowing of the gap in rates between London and the UK, driven by an increase in the employment rate of those fathers living in Outer London, where the rate is now the same as the rate in the rest of the UK.

Figure 3 shows the employment rate of lone parents over the same period. Nationally, there has been a strong and steady increase in the employment rate of lone parents. The employment rate for lone parents who live outside London, in the rest of the UK, increased from 45 to 58 per cent

<sup>4</sup> All change data quoted refer to two year averages.

between 1995 and 2007. In London, while rates have shown some improvement, it has been less dramatic. Over the period, the lone parent employment rate in London increased from 38 to 44 per cent. As a result, trends in lone parent employment rates in London have shown increasing divergence from national trends. Between 1995-2007, the gap in lone parent employment rates between London and the rest of the UK has doubled in size from 7 to 15 percentage points.

**Figure 3 Employment rates of lone parents, London & UK, 1995-2007**



**Date of next Update**

The GLA will be monitoring these indicators on an annual basis. The next update is planned for May 2009.

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## A1. Employment rates of mothers in couples, working age, London and UK 1995-2007

		Employment rates of mothers (with dependent children) in couples								
		Quarterly estimates				2 year averages (period ending)				Difference in rates (London- Rest UK)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)	
Spring	1995	50.2	61.7	58.1	66.8					
Autumn	1995	49.0	62.8	58.3	67.4					
Spring	1996	52.4	63.0	59.6	67.6					
Autumn	1996	53.5	63.2	59.9	69.0	51.3	62.7	59.0	67.7	-8.7
Spring	1997	55.2	64.0	61.1	69.0	52.5	63.3	59.7	68.2	-8.5
Autumn	1997	51.4	64.1	60.0	69.4	53.1	63.6	60.2	68.7	-8.6
Spring	1998	53.9	65.4	61.7	69.5	53.5	64.2	60.7	69.2	-8.5
Autumn	1998	53.5	65.7	61.8	70.9	53.5	64.8	61.2	69.7	-8.5
Spring	1999	48.7	67.2	61.2	71.1	51.9	65.6	61.2	70.2	-9.0
Autumn	1999	49.4	65.1	60.1	71.6	51.4	65.8	61.2	70.8	-9.6
Spring	2000	53.7	66.5	62.3	71.8	51.3	66.1	61.4	71.3	-10.0
Autumn	2000	52.5	65.8	61.7	72.5	51.1	66.2	61.3	71.7	-10.4
Spring	2001	47.4	64.7	59.2	72.5	50.8	65.5	60.8	72.1	-11.2
Autumn	2001	45.2	67.4	60.1	72.3	49.7	66.1	60.9	72.2	-11.4
Spring	2002	44.3	66.4	59.2	72.1	47.4	66.1	60.1	72.3	-12.3
Autumn	2002	51.0	68.1	62.5	72.1	47.0	66.6	60.2	72.2	-12.0
Spring	2003	51.3	64.7	60.4	72.3	47.9	66.6	60.6	72.2	-11.7
Autumn	2003	49.7	65.3	60.2	72.2	49.1	66.1	60.6	72.2	-11.6
Spring	2004	45.8	68.5	61.3	72.2	49.4	66.6	61.1	72.2	-11.1
Autumn	2004	45.8	65.2	58.7	72.6	48.1	65.9	60.1	72.4	-12.2
Spring	2005	49.5	65.9	60.3	73.4	47.7	66.2	60.1	72.6	-12.5
Autumn	2005	48.1	65.9	59.9	72.9	47.3	66.4	60.1	72.8	-12.7
April-June	2006	43.5	69.4	60.2	72.8	46.7	66.6	59.8	72.9	-13.1
Oct-Dec	2006	49.1	65.9	60.3	73.1	47.5	66.8	60.2	73.0	-12.8
April-June	2007	49.8	65.2	59.9	73.4	47.6	66.6	60.1	73.0	-12.9
Oct-Dec	2007	51.8	62.4	58.6	73.9	48.5	65.7	59.8	73.3	-13.5

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to mothers of working age (16-59). From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

## A2. Employment rates of fathers in couples, working age, London and UK 1995-2007

		Employment rates of fathers (with dependent children) in couples								
		Quarterly estimates				2 year averages (period ending)				Difference in Rates (London -Rest UK)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)	
Spring	1995	73.8	87.3	83.1	87.8					
Autumn	1995	70.5	87.1	81.8	87.9					
Spring	1996	76.1	86.9	83.4	87.6					
Autumn	1996	74.8	88.5	83.8	88.7	73.8	87.4	83.0	88.0	-5.0
Spring	1997	76.7	88.3	84.5	88.9	74.5	87.7	83.4	88.3	-4.9
Autumn	1997	79.7	89.3	86.3	89.8	76.8	88.2	84.5	88.8	-4.3
Spring	1998	78.7	89.8	86.3	89.5	77.5	89.0	85.2	89.2	-4.0
Autumn	1998	80.6	89.5	86.7	90.5	78.9	89.2	85.9	89.7	-3.7
Spring	1999	77.5	89.5	85.7	90.2	79.1	89.5	86.2	90.0	-3.7
Autumn	1999	78.8	88.9	85.7	90.5	78.9	89.4	86.1	90.2	-4.1
Spring	2000	81.7	90.1	87.4	90.4	79.6	89.5	86.4	90.4	-4.0
Autumn	2000	83.6	89.4	87.7	90.7	80.4	89.5	86.6	90.5	-3.8
Spring	2001	80.3	89.7	86.8	90.6	81.1	89.5	86.9	90.6	-3.7
Autumn	2001	76.2	89.1	84.9	91.0	80.4	89.6	86.7	90.7	-4.0
Spring	2002	74.7	88.6	84.2	90.6	78.7	89.2	85.9	90.7	-4.9
Autumn	2002	77.7	90.2	86.1	91.5	77.2	89.4	85.5	90.9	-5.4
Spring	2003	80.2	89.5	86.7	91.4	77.2	89.4	85.5	91.1	-5.7
Autumn	2003	78.3	90.0	86.2	91.3	77.7	89.6	85.8	91.2	-5.4
Spring	2004	76.3	91.2	86.5	91.3	78.1	90.2	86.4	91.4	-5.0
Autumn	2004	79.6	90.1	86.7	92.0	78.6	90.2	86.5	91.5	-5.0
Spring	2005	83.3	88.3	86.6	91.4	79.4	89.9	86.5	91.5	-5.0
Autumn	2005	80.5	87.7	85.4	91.8	79.9	89.3	86.3	91.6	-5.3
April-June	2006	79.0	91.5	87.2	91.4	80.6	89.4	86.5	91.6	-5.2
Oct-Dec	2006	81.0	90.5	87.3	91.8	81.0	89.5	86.6	91.6	-5.0
April-June	2007	78.1	91.8	87.1	91.8	79.7	90.4	86.8	91.7	-4.9
Oct-Dec	2007	82.3	92.4	88.8	92.1	80.1	91.5	87.6	91.7	-4.1

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to fathers of working age (16-64). From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.

### A3. Employment rates of lone parents, working age, London and UK 1995-2007

		Employment rates of lone parents (with dependent children) in couples								
		Quarterly estimates				2 year averages (period ending)				Difference in rates (London-Rest UK)
LFS quarter:		Inner London	Outer London	Greater London	UK (exc. London)	Inner London	Outer London	Greater London	UK (exc. London)	
Spring	1995	32.9	44.4	38.9	44.7					
Autumn	1995	29.9	43.3	36.9	45.1					
Spring	1996	35.8	41.9	38.8	44.9					
Autumn	1996	36.5	41.2	38.9	45.7	33.8	42.7	38.4	45.1	-6.7
Spring	1997	35.6	37.8	36.7	46.7	34.5	41.1	37.8	45.6	-7.8
Autumn	1997	34.8	38.3	36.5	47.3	35.7	39.8	37.7	46.2	-8.5
Spring	1998	31.8	46.4	38.6	47.8	34.7	40.9	37.7	46.9	-9.2
Autumn	1998	30.8	43.8	37.5	48.7	33.2	41.6	37.3	47.6	-10.3
Spring	1999	33.3	46.5	40.1	49.7	32.7	43.7	38.2	48.4	-10.2
Autumn	1999	36.4	46.1	41.3	49.8	33.0	45.7	39.4	49.0	-9.6
Spring	2000	37.5	49.5	43.5	52.3	34.5	46.4	40.6	50.1	-9.5
Autumn	2000	35.6	47.7	41.3	51.9	35.7	47.4	41.6	50.9	-9.4
Spring	2001	40.4	47.8	44.4	52.6	37.5	47.8	42.6	51.7	-9.1
Autumn	2001	41.5	42.0	41.7	52.7	38.7	46.7	42.7	52.4	-9.7
Spring	2002	43.6	41.4	42.4	54.8	40.3	44.7	42.5	53.0	-10.5
Autumn	2002	40.2	43.0	41.7	53.4	41.4	43.6	42.6	53.4	-10.8
Spring	2003	40.6	45.5	43.1	54.5	41.5	43.0	42.3	53.9	-11.6
Autumn	2003	37.0	41.1	39.1	55.2	40.4	42.8	41.6	54.5	-12.9
Spring	2004	39.3	43.8	41.7	56.5	39.3	43.4	41.4	54.9	-13.5
Autumn	2004	35.0	47.2	41.6	58.2	38.0	44.4	41.4	56.1	-14.7
Spring	2005	38.9	51.1	45.5	58.2	37.6	45.8	42.0	57.0	-15.1
Autumn	2005	39.4	47.1	43.3	57.8	38.2	47.3	43.0	57.7	-14.6
April-June	2006	40.9	46.5	43.9	58.5	38.6	48.0	43.6	58.2	-14.6
Oct-Dec	2006	40.3	48.4	44.7	58.2	39.9	48.3	44.3	58.2	-13.8
April-June	2007	40.6	48.0	44.7	59.4	40.3	47.5	44.1	58.5	-14.3
Oct-Dec	2007	39.0	44.9	42.3	57.7	40.2	47.0	43.9	58.5	-14.6

Source: Office for National Statistics, Labour Force Survey household datasets

Notes: Data relate to lone parents of working age (16-59/64). From 2006 onwards, data relate to calendar quarters (eg April-June) as opposed to seasonal quarters (Spring: March-May). All data are subject to a considerable degree of sampling variability, particularly data for Inner and Outer London which are based on relatively small samples. For this reason, 2 year averages are also presented which provide more reliable trend data.