

Data Management and Analysis Group

Parents and work in London

Summary of key findings



DMAG Briefing 2006/6 (Summary)
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An analysis of Annual Population Survey data for 2004

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Cover

Thanks to Rachel and Sandy.



Summary of Key Findings

This report profiles the employment patterns and characteristics of London's parents and examines the association between family responsibilities and labour market participation. The analysis is part of a wider GLA programme of labour market research designed to help understand what is driving the high rates of child poverty across London. Data are drawn from the Annual Population Survey, supplemented by data from the Household Labour Force Survey. The analysis relates to the working age population (16-64 for men and 16-59 for women).

Employment rates¹, parenthood and gender in London

- Estimates from the 2004 Annual Population Survey (APS) suggest that London's working age population numbers around 4.8 million². Over one third (35 per cent) of working age Londoners are parents with dependent children: seven per cent are lone parents and 28 per cent are in couple families. Most (92 per cent) lone parents are women.
- The employment rate for London's working age women is 62 per cent, considerably lower than the rate for men (76 per cent). The gender differential in rates is mostly explained by the fact that women are far more likely than men to take time out of the labour market to care for children, as employment rates for women and men without dependent children are fairly close (68 and 71 per cent). Whereas the rate for women with children³ (54 per cent) is 31 percentage points lower than the rate for men with children (85 per cent).
- Family responsibilities are key to understanding the employment patterns of both women and men. The employment rate of mothers is 54 per cent relative to 68 per cent for women without children. Whereas the male rate is affected in the opposite way, and fathers have a higher employment rate than men without children (85 and 71 per cent).
- Employment rates of lone mothers in London are far lower (40 per cent) than for mothers in couples (60 per cent). Fathers in couples have high employment rates (86 per cent).
- One in ten couple families with children are workless (ie neither parent is in work). One third (32 per cent) have one parent working, most of whom are fathers. The remaining 58 per cent are those families with both parents in work.

Employment rates of parents by age and number of children

- For mothers, the number and age of children in the family has a strong bearing on employment rates. Mothers with three or more children were much less likely to be in employment (35 per cent) than those with one or two children (57-59 per cent). Mothers with pre-school age children were much less likely to be in employment (43 per cent) than mothers with older children⁴ (66 per cent).
- The employment rates of lone mothers are consistently lower than those of couple mothers, for all ages and numbers of children. For example, the employment rate for lone mothers with pre-school children is 29 per cent relative to 48 per cent for couple mothers.

¹ The employment rate expresses the number in employment as a percentage of the population.

² APS population estimates for London are lower than the ONS mid-year estimate for 2004 (4.95 million).

³ Hereafter, all references to children refer to dependent children.

⁴ Mothers whose youngest dependent children was aged 11 or over.

- Employment rates of fathers remain high (80 per cent or higher) regardless of the number and ages of children in the family.

Part and full-time working by gender and parenthood

- One quarter of London's mothers work on a part-time basis, representing almost one half (48 per cent) of all mothers in work. Part-time employment rates⁵ are higher for mothers in couples (30 per cent) than lone mothers (16 per cent). Fathers mainly work full-time (80 per cent) and have a low part-time employment rate (5 per cent).
- Rates of full-time working among mothers increase as children get older. The full-time employment rate for women with children aged 11 and over is twice as high as the rate for women with pre-school children (40 and 21 per cent).
- Rates of part-time working are less sensitive to the age of children in the family: the part-time employment rate for women with pre-school children was 23 per cent rising to only 26 per cent for women with older children.
- Similarly, full-time employment rates are strongly affected by the number of children a woman cares for. The rate of full-time working is three times higher (36 per cent) for mothers with one child relative to those with three or more children (12 per cent). Whereas part-time rates are the same at 23 per cent, though are higher for those women with two children (30 per cent).

Employment rates of parents by ethnicity and country of birth

- Certain groups of parents have relatively low levels of labour market participation. These include people from certain BME⁶ and migrant groups, disabled people and those with no qualifications.
- BME parents have far lower employment rates than White parents, especially mothers. Less than half of London's BME mothers (45 per cent) are in work compared to 60 per cent of White mothers. This is wholly explained by the relative position of BME couple mothers as White and BME lone mothers have the same employment rate (40 per cent), while BME couple mothers have an employment of 47 per cent relative to 67 per cent for White couple mothers.
- BME fathers have a lower employment rate than White fathers (90 and 78 per cent).
- The large difference between employment rates of White and BME couple mothers is largely explained by differences in part-time working patterns. While rates of full-time employment are fairly close for London's White and BME couple mothers (31 and 29 per cent), the proportion of working part-time is far higher for White couple mothers (37 per cent) than BME couple mothers (18 per cent).
- Employment rates among London's migrant⁷ mothers are lower (43 per cent) than rates for UK-born mothers (61 per cent). The differential in rates is widest for couple mothers: just under one half of migrant mothers in couples (47 per cent) are in work relative to 70 per cent of UK-born couple mothers. For lone parents, rates are closer but still very low: 33 per cent of migrant lone mothers and 45 per cent of UK-born lone mothers are in work.

⁵ The part-time employment rate (%) is the number of people working part-time as a % of the population.

⁶ BME (Black and minority ethnic groups) relate to all ethnic groups other than White groups.

⁷ Migrant Londoners are defined here as those Londoners who were born outside the UK

Employment rates of parents by qualifications levels

- The level of qualifications people hold is strongly associated with employment rates, and this relationship is particularly pronounced for mothers. Three quarters (74 per cent) of London mothers with higher level qualifications are in work relative to only 23 per cent of those with no qualifications. At all qualifications levels, employment rates are lower for mothers with pre-school children and higher for those with older children.
- In terms of qualifications held, lone mothers are far less likely than couple mothers to have higher level qualifications (19 per cent and 30 per cent).
- Highly qualified lone mothers have a similar employment rate to highly qualified couple mothers (74 and 75 per cent). In contrast, those lone mothers with lower level or no qualifications have significantly lower employment rates than couple mothers with similar qualifications.
- The employment rates of fathers are also closely associated with qualifications levels. The employment rate for fathers with higher level qualifications is very high at 95 per cent, 34 percentage points higher than the rate for fathers with no qualifications (61 per cent).

Employment rates of disabled parents

- 15 per cent of London's working age parents are disabled and the proportion is the same for both fathers and mothers. However, for female parents, rates of disability are far higher for lone parents (22 per cent) than for couple mothers (12 per cent).
- Employment rates are very low for disabled mothers. One third of disabled mothers are in employment (34 per cent) relative to 57 per cent of non-disabled mothers. While fathers have generally higher employment rates than mothers, the gap between disabled and non-disabled fathers is very wide. Just over half (54 per cent) of London's disabled fathers are in work relative to 91 per cent of non-disabled fathers.

Employment rates of parents: London & the rest of the UK compared

- London has a low employment rate (69 per cent) relative to the rest of the UK (75 per cent)⁸. Rates are very low in Inner London where less than two thirds of the working age population are in work (64 per cent). Across all regions, employment rates are lower for women than men, but the size of the gender gap is widest in London (62 and 76 per cent).
- Employment rate differentials between London and the rest of the UK are very pronounced among mothers. Just over half of all London's mothers (54 per cent) are in employment relative to two thirds (67 per cent) in the rest of the UK. The size of the differential between London and the rest of the UK is similar for both lone and couple mothers, though rates are much lower for lone mothers (40 and 54 per cent).
- The employment rate for mothers living in Inner London (44 per cent) is much lower than the rate for those in Outer London (60 per cent). The differential in rates between Inner and Outer London is greatest for couple mothers. Less than half of all couple mothers (48 per cent) living in Inner London are in work relative to 65 per cent in Outer London and 71 per cent in the rest of the UK.

⁸ The higher proportion of students in the capital only explains part of the differential, as once students are excluded, the differential in employment rates persists, though it does reduce from 6 to 4 percentage points.

- Rates for lone mothers in both Inner and Outer London are closer (37 and 43 per cent) but still remain low relative to lone mothers in the rest of the UK (54 per cent).
- Employment rate differentials persist for mothers with older and younger children, and for women with different numbers of children. For example, women with pre-school aged children in Inner London have an employment rate of 37 per cent, relative to 47 per cent for those in Outer London and 55 per cent in the rest of the UK.
- Fathers in London also have lower employment rates (85 per cent) than fathers in the rest of the UK (90 per cent), but relative to mothers, differentials less pronounced. Fathers in Inner London have a lower employment rate (79 per cent) than fathers in Outer London (88 per cent).
- London's couple families with children are much less likely than those outside London to have both parents working. In London, 58 per cent of couple families have both parents in work relative to 69 per cent in the rest of the UK. The proportion of families where both parents work is very low in Inner London (41 per cent) relative to Outer London (66 per cent) which is nearer to the national average.
- In Inner London, almost one in five couple families with children (19 per cent) have neither parent in work, three times higher than the percentage of workless families in Outer London (6 per cent) and almost four times higher than the percentage outside London (5 per cent).

Employment rates of mothers by key characteristics: London & Rest of UK

- Employment rates in London and the rest of the UK were compared for mothers by their ethnicity, country of birth, qualifications level and disability. Across all groups, employment rates of mothers were considerably lower in London than in the rest of the UK, except for those from BME groups, who had a low employment rate in London (45 per cent) and outside London (44 per cent).
- London's White mothers have a lower employment rate (60 per cent) relative to White mothers in rest of the UK (69 per cent). Within London, rates for White mothers were lower in Inner London (51 per cent) than Outer London (63 per cent).
- Within London, employment rates are very low for BME mothers in Inner London: just over one third (36 per cent) are in work compared with 52 per cent in Outer London. Rates were unusually low for BME mothers in couples in Inner London (33 per cent) relative to both White couple mothers (60 per cent) and BME lone mothers (39 per cent).
- London's disabled mothers have very low employment rates relative to their counterparts nationally. Around one third of disabled mothers in London are in work (34 per cent) relative to almost half (47 per cent) in the rest of the UK.
- For mothers at all qualifications levels, employment rates are lower for those living in London than the rest of the UK. However, differentials are far more pronounced for those mothers with lower or no qualifications than for those with higher-level qualifications. Three quarters (74 per cent) of London's highly qualified mothers are in work relative to 82 per cent in the rest of the UK. Whereas the gap in rates for those with no qualifications is far wider (23 and 39 per cent).

Full and part-time employment of mothers: London & Rest of UK

- The rate of part-time working among women is lower in London than in the rest of the UK, especially for mothers. The part-time employment rate for London mothers is 25 per cent relative to 40 per cent outside London. Differences in part-time working account for the overall employment rate differential between mothers in London and the UK as full-time employment rates are the same for mothers in and outside London (28 per cent). Similar patterns emerge for couple and lone mothers, and for mothers with different numbers and ages of children.
- The part-time employment rate for mothers living in Inner London is very low (19 per cent). While rates are higher in Outer London (30 per cent), they still remain well below rates in the rest of the UK (40 per cent).
- BME mothers are far less likely to work part-time relative to their White counterparts, both in and outside London. In London, 17 per cent of BME mothers work part-time relative to 31 per cent of White mothers. In the rest of the UK, the part-time employment rates of BME mothers are 20 per cent, half the rate for White mothers (41 per cent). Full-time employment rates for White and BME mothers are far closer both in London (29 and 27 per cent) and in the rest of the UK (28 and 25 per cent). Given that London has a higher proportion of BME mothers compared with the rest of the UK, this impacts heavily on overall regional differentials.

Conclusions and future work

- This analysis has profiled the labour market position of parents and highlighted the relatively low employment rate of London's mothers. Various issues emerge as important in understanding why levels and patterns of labour market participation are so different in London: the lower rates of part-time working among women in London; the relatively poor outcomes of groups who are heavily represented in the capital, including BME and migrant mothers and lone mothers; and the generally low employment rates for those living in Inner London.
- The circumstances of people from different ethnic and migrant groups vary hugely but are disguised by the aggregate statistics presented in this report (which were constrained by sample size considerations). To further the research, the GLA has commissioned 2001 Census tables to explore the issue of economic activity and family status among different ethnic groups. These will allow a more detailed study of parenting, ethnicity and labour market position.

