



Labour Market Statistics for Households, 2017/2018

27 Nov 2018
SB 74/2018

Key Points

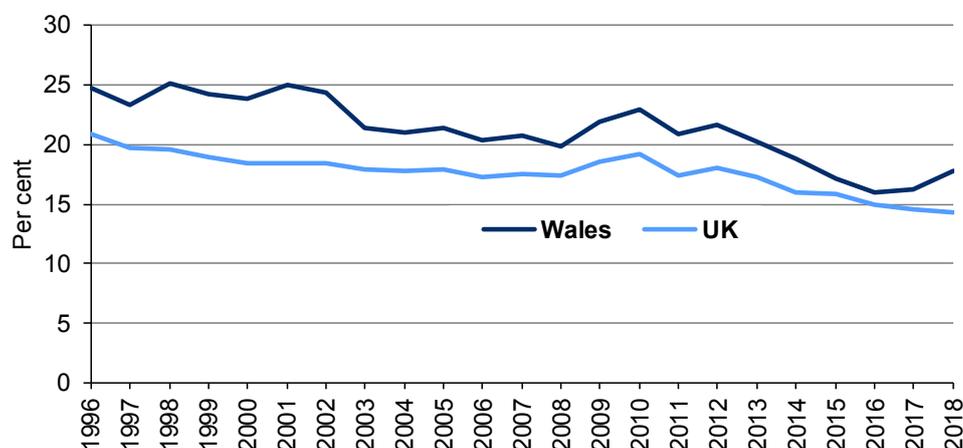
The percentage of workless households in Wales (households where no adults were in employment) in 2017 was 17.5 per cent, the lowest since the series began in 2004. In the UK it was 14.7 per cent.

- 12.6 per cent of children in Wales lived in a workless household compared with 10.9 per cent in the UK.
- The highest rates of workless households were in Neath Port Talbot (24.1 per cent) and Blaenau Gwent (24.0 per cent), whilst Monmouthshire had the lowest percentage of workless households at 11.7 per cent.

The percentage of workless households in Wales has declined since the global recession of the late 2000s but the latest Labour Force Survey data indicate a recent increase. Rates remain higher in Wales overall than across the UK.

- Quarterly Labour Force Survey data allow us to look at a longer term time series. The gap between Wales and the UK was at its highest in the early 2000s, and then grew again during the global recessionary period of the late 2000s, when the percentage of workless households increased in both Wales and the UK. Since 2010 the percentage has fallen overall in both Wales and the UK, but has begun to rise again in Wales since 2016.

Chart 1: Percentage of households that are workless, 1996-2018



Source: Quarterly Labour Force Survey (April to June), 1996-2018

About this bulletin

This bulletin analyses the household information for Wales available from the Annual Population Survey (APS) from 2004 to 2017. It also includes data from the Labour Force Survey (LFS) from 1996 to 2018 to provide a longer time series and more recent data.

In this bulletin

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Introduction

Data on children in workless households and lone parents in employment are used as indicators in the Welsh Government's [child poverty strategy](#). Further examples of APS usage are provided in the [key quality information](#) section, under 'relevance'.

The Labour Force Survey (LFS) is a household survey that collects information on the labour market. The primary use of the survey is to provide person-level statistics. However, by collecting information about each member of participating households, the LFS also provides family and household level statistics that describe the economic status of household members.

Since 2001 the LFS has been boosted in Wales to provide a sample of about 18,000 households annually and this is called the Annual Population Survey (APS). Data are available at a household level from this survey for the years 2004 to 2017 and its large sample size enables analysis at a local authority level. Estimates at the all Wales level are also less volatile than those from the LFS.

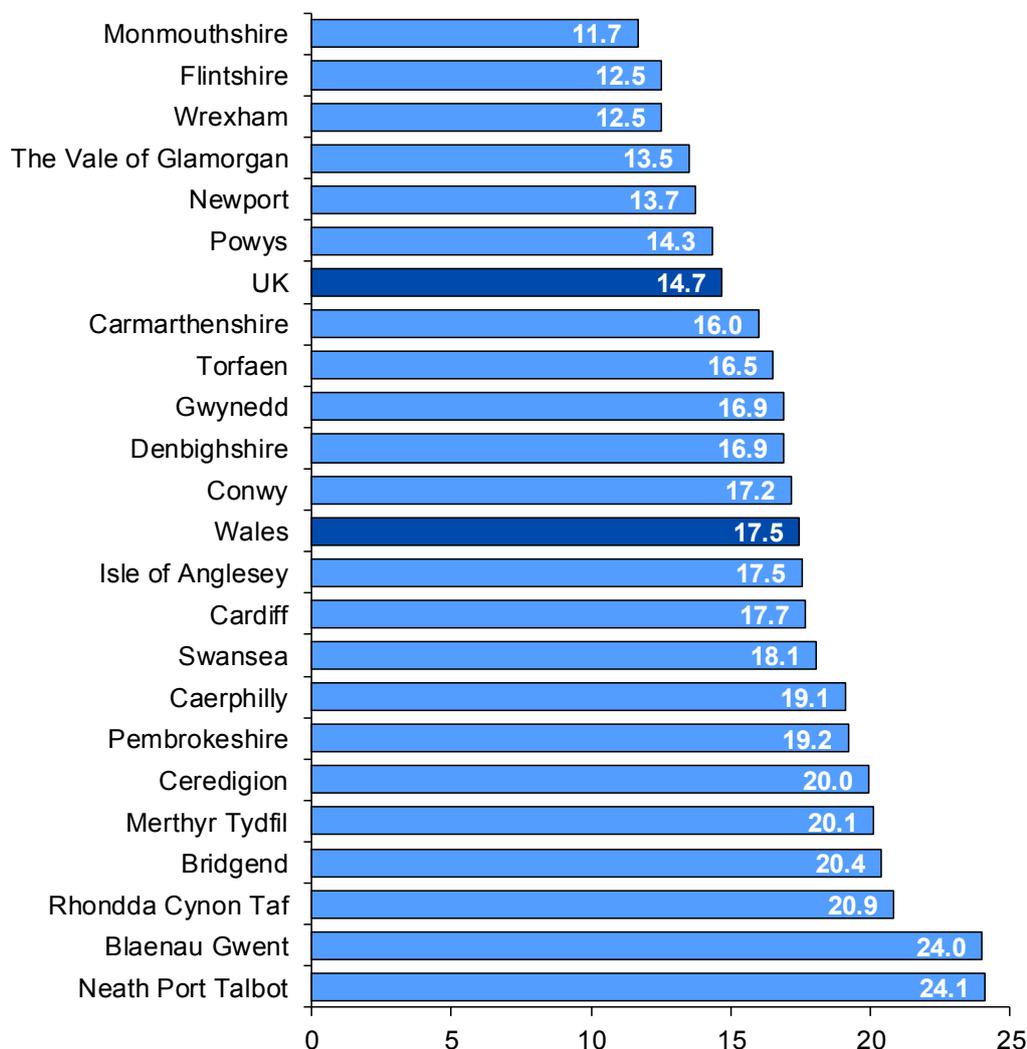
Whilst most of the tables and charts concentrate on local authority estimates from the APS, [Chart 4](#) in this publication is based on the LFS to provide a longer time series. The analyses in this bulletin are based on rates (e.g. the percentage of workless households) to allow valid comparisons between areas; however the underlying numbers are available via [StatsWales](#).

A comparison between the LFS and APS estimates is provided in the key quality information section, under [comparability and coherence](#).

Section 1: Workless households

Workless households are defined as those in which none of the adults aged 16 to 64 are in employment. They include households where all adults are unemployed, those where all adults are economically inactive, and those containing both unemployed and economically inactive adults.

Chart 2: Percentage of households that are workless, by local authority, 2017



Source: Welsh Government analysis of Annual Population Survey (Jan to Dec 2017), ONS

In 2017, the highest percentages of workless households were in Neath Port Talbot and Blaenau Gwent, at 24.1 per cent and 24.0 per cent respectively. The lowest rate of workless households in Wales was in Monmouthshire, at 11.7 per cent.

Over the course of the global recessionary period of the late 2000s, the percentage of workless households increased across most local authorities in Wales. For Wales as a whole the rate increased from 20.8 per cent in 2008 to 22.9 per cent in 2009. Since then the percentage of people in workless households in Wales has fallen each year to its lowest rate of 17.5 per cent in 2017.

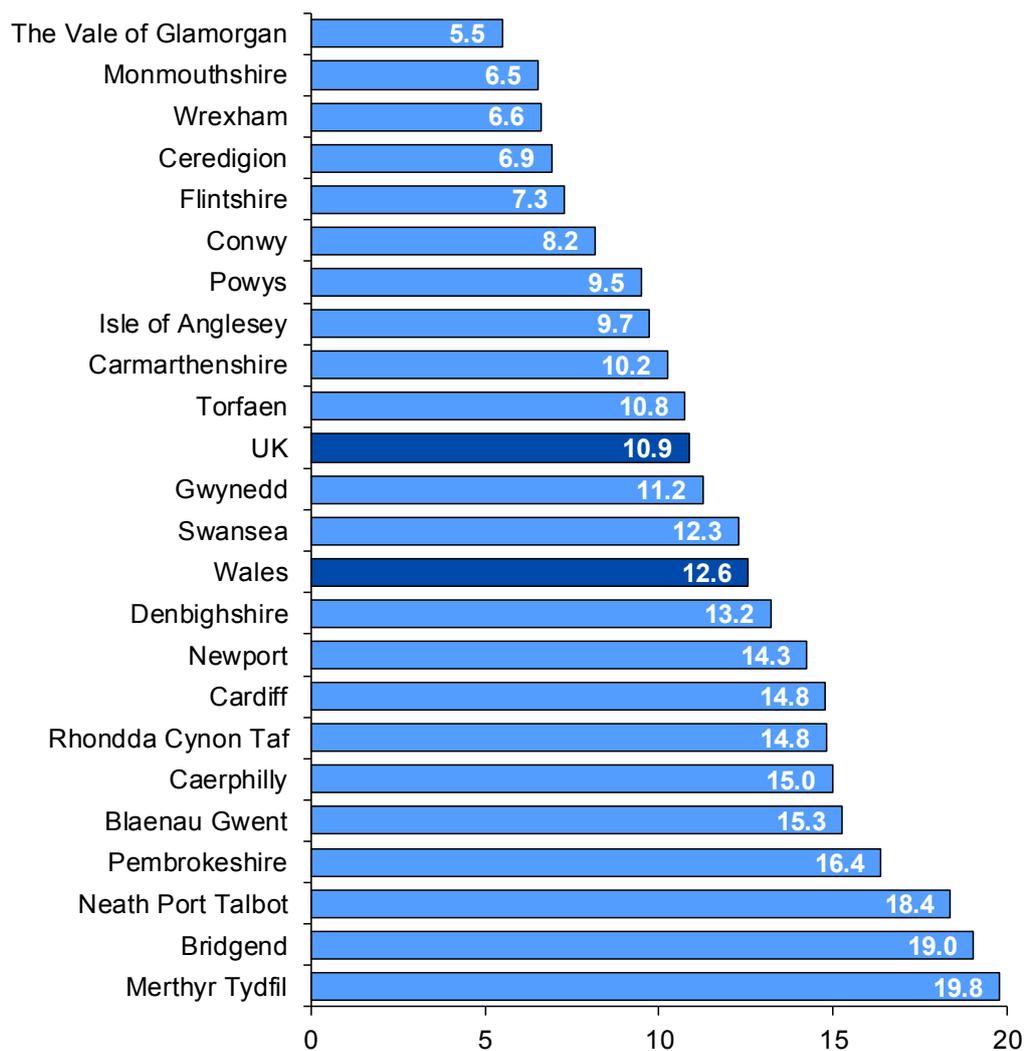
The rate of workless households in the UK was 14.7 per cent in 2017, 2.8 percentage points lower than the rate in Wales (using unrounded figures). This gap is larger than it was in 2016 (2.6 percentage points), but it has narrowed from a peak of 4.3 percentage points in 2009.

Section 2: Children living in workless households

Children in workless households are defined as dependent children aged 15 or under who live in workless households (as defined in Section 1).

Children living in workless households are particularly at risk of living in severe poverty and therefore reducing the number of children living in workless households is part of the Welsh Government's Child Poverty Strategy.

Chart 3: Percentage of children living in workless households, by local authority, 2017 (a)



Source: Welsh Government analysis of Annual Population Survey (Jan to Dec 2017), ONS

(a) Some of the estimates in this chart are regarded as unreliable for practical purposes. For 2017, these are Isle of Anglesey, Gwynedd, Conwy, Flintshire, Wrexham, Powys, Ceredigion, Vale of Glamorgan, Blaenau Gwent, Torfaen and Monmouthshire. Further information about the quality of these estimates is given under 'accuracy' in the Key Quality Information section.

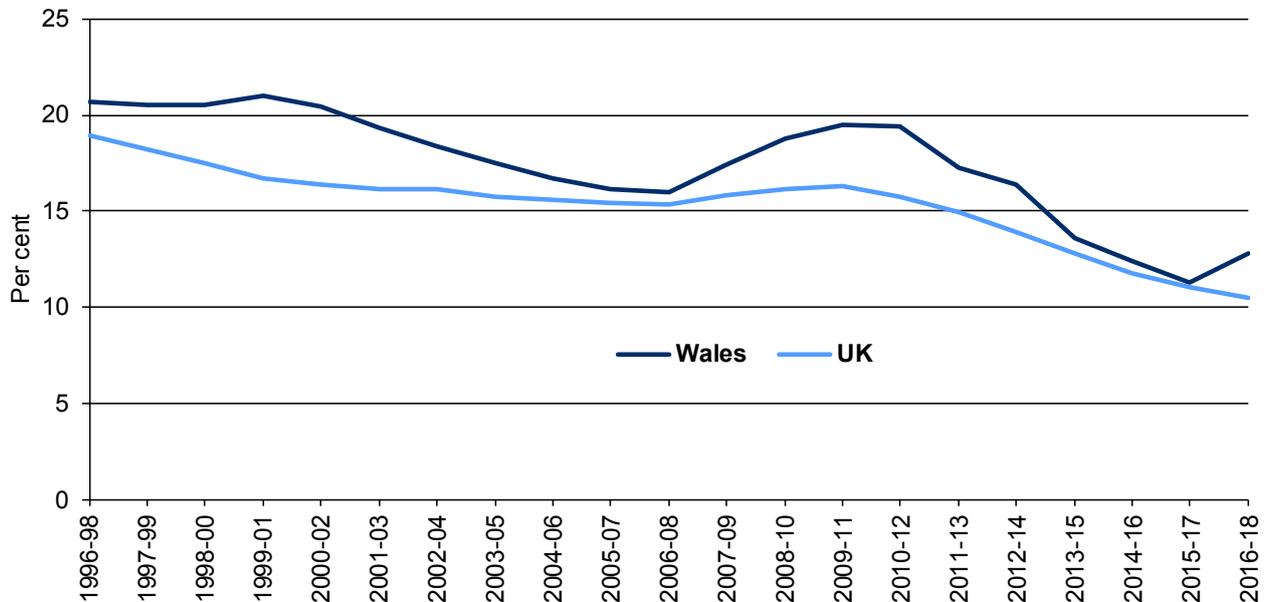
Chart 3 shows the percentage of children living in workless households in 2017 by Local Authority in Wales. Due to small sample sizes the quality of estimates at this level is poor and the estimates should be regarded as indicative only. More information about the quality of these estimates is given under 'accuracy' in the Key Quality Information section.

12.6 per cent of children in Wales lived in workless households, down from 13.9 per cent in 2016. The UK figure for 2017 was 10.9 per cent, down from 11.6 per cent in 2016.

The highest percentages of children in workless households were in Merthyr Tydfil (19.8 per cent), Bridgend (19.0 per cent) and Neath Port Talbot (18.4 per cent). The lowest rates were in The Vale of Glamorgan (5.5 per cent), Monmouthshire (6.5 per cent) and Wrexham (6.6 per cent).

Over the course of the recession, the proportion of children in workless households in Wales increased from 17.3 per cent in 2008 to 20.0 per cent in 2009. Since then it fell each year to its lowest rate of 12.6 per cent in 2017.

Chart 4: Percentage of children living in workless households, 1996-2018



Source: Quarterly Labour Force Survey (April to June), three-year averages, 1996-2018

Chart 4 shows the percentage of children who live in workless households, based on the LFS. This chart uses three year averages in order to smooth the volatility resulting from the LFS's smaller sample size.

The proportion of children living in workless households in Wales increased to 12.8 per cent in 2016-18, from 11.3 per cent in 2015-17. This is the first increase since the end of the recession in 2009-11. Looking over the longer term, the rate has fallen from 20.7 per cent in 1996-98.

The gap between Wales and the UK widened in the late 1990s before narrowing to 0.6 percentage points in 2006-08. During the recession and following years the gap widened, reaching 3.7 percentage points in 2010-12. Since then the gap narrowed considerably before widening again to 2.3 percentage points in 2016-18.

Over the longer term the trends in Wales and the UK have been similar, despite short periods of divergence. Both areas saw a decline between 1996-98 and 2006-08, followed by an increase around the recession and an overall decline since 2009-10.

Section 3: Lone parent families

Lone parent families are those in which the head of the family is a lone adult and the family unit includes at least one dependent child aged 15 or younger, or a child who is in full time education and under 19 years.

Children living in lone parent families are at greater risk of income poverty according to [Households Below Average Income](#) data. Among other factors, improving the employment rate of lone parents may reduce poverty in lone parent families and this is part of the Welsh Government's Child Poverty Strategy.

Table 1: Lone parent families, by local authority, 2015-2017 (a)

Local Authority	<i>Three-year averages</i>		
	Percentage of lone parent families ^(b)	Employment rates for lone parents	Number of lone parent families
Ceredigion	4.7	73.4	1,300
Gwynedd	6.0	67.3	2,400
Monmouthshire	6.4	69.7	1,800
Conwy	6.8	71.7	2,500
Pembrokeshire	6.9	72.6	2,700
Cardiff	7.0	52.2	10,500
The Vale of Glamorgan	7.2	66.7	2,900
Powys	7.2	77.9	3,000
Isle of Anglesey	7.9	68.7	1,700
Wrexham	8.1	71.4	3,700
Swansea	8.2	66.2	7,500
Carmarthenshire	8.3	67.3	5,000
Flintshire	8.8	68.9	4,600
Denbighshire	8.9	67.0	2,700
Rhondda Cynon Taf	8.9	57.5	7,600
Caerphilly	9.0	72.5	5,500
Torfaen	9.4	72.7	2,900
Newport	10.0	63.2	5,200
Blaenau Gwent	10.0	57.1	2,400
Bridgend	10.1	61.6	4,900
Neath Port Talbot	10.4	51.3	5,100
Merthyr Tydfil	13.0	62.6	2,700
Wales	8.2	64.2	88,500
UK	8.0	65.5	1,877,200

Source: Welsh Government analysis of Annual Population Survey (Jan to Dec), ONS

(a) A three-year average has been used as the sample sizes for some local authorities are small.

(b) Where at least one person in the household is aged 16 to 64.

From 2015 to 2017 the overall percentage of lone parent families was higher in Wales (8.2 per cent) than in the UK (8.0 per cent).

The highest percentages of lone parent families were in Merthyr Tydfil (13.0 per cent), Neath Port Talbot (10.4 per cent) and Bridgend (10.1 per cent). The lowest percentages of lone parent families in Wales were in more rural areas: Ceredigion (4.7 per cent), Gwynedd (6.0 per cent) and Monmouthshire (6.4 per cent).

The highest lone parent employment rates were in Powys (77.9 per cent), Ceredigion (73.4 per cent) and Torfaen (72.7 per cent). Neath Port Talbot (51.3 per cent), Cardiff (52.2 per cent) and Blaenau Gwent (57.1 per cent) had the lowest employment rates for lone parents.

Section 4: Tenure of households by local authority

Table 2 gives the proportions of households across Wales by tenure, and the percentage of rented households that were rented from local authorities or housing associations. These statistics are used to support housing policy in the Welsh Government.

Table 2: Tenure of households by local authority, 2017 (a)

Local Authority	Percentage			Other ^(a)	Percentage of rented	
	Percentage owned outright	Percentage being bought with mortgage or loan	Percentage being rented		households that are local authority or housing association	Total number of households
Isle of Anglesey	49.4	23.2	25.3	2.0	52.2	30,900
Gwynedd	50.9	21.2	26.2	1.7	49.0	54,600
Conwy	48.9	23.3	26.0	1.8	46.8	52,400
Denbighshire	47.0	25.6	26.0	1.4	42.1	42,300
Flintshire	40.4	35.5	22.7	1.4	55.9	66,400
Wrexham	38.4	31.0	29.0	1.4	57.4	57,200
Powys	53.4	18.1	25.7	2.8	47.1	59,600
Ceredigion	48.5	21.3	27.6	2.5	36.7	33,700
Pembrokeshire	51.1	22.1	25.5	1.1	55.4	55,100
Carmarthenshire	45.6	27.5	25.0	1.9	59.9	79,300
Swansea	34.8	29.2	33.8	2.2	49.3	102,200
Neath Port Talbot	41.1	27.5	30.3	1.1	65.0	61,000
Bridgend	42.2	29.7	27.5	0.7	53.3	62,700
The Vale of Glamorgan	44.8	34.5	19.0	1.6	51.8	52,700
Rhondda Cynon Taf	40.4	31.4	27.1	1.0	56.8	106,900
Merthyr Tydfil	39.7	28.4	29.6	2.3	67.7	25,900
Caerphilly	38.3	30.5	30.2	0.9	63.5	78,200
Blaenau Gwent	34.4	25.4	38.3	1.9	68.7	30,300
Torfaen	35.9	30.3	31.8	1.8	70.5	39,100
Monmouthshire	46.4	30.9	21.3	1.4	50.9	39,100
Newport	34.8	32.1	31.0	2.2	50.3	62,900
Cardiff	31.3	34.7	32.4	1.5	43.2	144,800
Wales	41.4	28.8	28.1	1.6	53.6	1,337,300
UK	34.4	30.6	33.3	1.6	50.3	27,195,400

Source: Welsh Government analysis of Annual Population Survey (Jan to Dec), ONS

(a) Includes part rent/part mortgage, rent free and squatting. The sum of the second, third, fourth and fifth columns may not equal 100 due to missing values.

The highest proportions of households that were owned outright were in the rural areas of Powys (53.4 per cent), Pembrokeshire (51.1 per cent) and Gwynedd (50.9 per cent). The lowest rates of outright ownership were in Cardiff (31.3 per cent), Blaenau Gwent (34.4 per cent) and Swansea (34.8 per cent).

The highest percentages of households being bought with a mortgage or loan were in Flintshire (35.5 per cent), Cardiff (34.7 per cent), and The Vale of Glamorgan (34.5 per cent). Powys had the lowest percentage at 18.1 per cent.

Blaenau Gwent (38.3 per cent), Swansea (33.8 per cent) and Cardiff (32.4 per cent) had the highest proportion of households that were rented, whilst the lowest proportion was in The Vale of Glamorgan (19.0 per cent).

Where households were rented, the highest proportions rented from the local authority or housing associations were in Torfaen (70.5 per cent), Blaenau Gwent (68.7 per cent) and Merthyr Tydfil (67.7 per cent). Ceredigion had the lowest percentage at 36.7 per cent.

Key quality information

Relevance

The headline LFS estimates in this bulletin are published by the Office for National Statistics (ONS) in their [Workless Households Statistical Bulletin](#), which includes headline figures for Wales as a whole. The ONS also publishes [sub-regional data using the APS](#).

This bulletin, produced by the Welsh Government, provides additional analysis from the APS for Wales. These statistics are used by the Welsh Government to monitor worklessness and poverty. As mentioned in the introduction the APS is used in a variety of contexts. The data on Tenure of households are used as an indicator for the [housing supply](#) initiative and the [rent smart wales](#) initiative. This bulletin is also used by other public sector organisations, businesses, academia and private individuals as a means of identifying the key trends in worklessness at a household level for Wales. Our [user consultation](#) provides more information on how our outputs are used.

Accuracy

The APS is an annual survey of households living at private addresses in the UK, with an achieved sample size of around 285,000 individuals from approximately 125,000 households. The survey uses results from responses to waves 1 and 5 of the main quarterly LFS and since 2001 an additional 'boost' sample contacted on an annual basis. This boost sample is to provide a more robust annual dataset across more detailed geographies within the UK, with estimates subject to much lower sampling variability. The household datasets for the APS are only available from 2004 onwards. The additional individuals in the boost sample are based on four waves, interviewed a year apart over four years. For the first wave, the response rate in Wales for the whole of the APS (i.e. main LFS and boost sample) is around 55 per cent. The achieved sample for Wales is around 32,000 individuals from approximately 15,000 households each year.

By collecting information about each member of participating households, the LFS also provides family and household-level statistics that describe the combined economic activity status of family and household members. In autumn 2008, the ONS launched new annual local area datasets called APS household datasets. They allow production of family and household labour market statistics at a local area level and for small sub-groups of the population across the UK. It is also the main source of statistics on 'working' households (where all the adults are working); 'mixed' households (containing both working and non-working adults); and 'workless' households (where none of the adults are working).

In order to assess the reliability of the estimates we can look at the coefficients of variation (CV – the ratio of the standard error of an estimate to the estimate itself), which have been calculated by the ONS for the 2017 figures in Tables A and B below. The CV indicates the quality of an estimate; the smaller the value the higher the quality. Where the CVs are greater than or equal to 20, the estimates are considered to be too unreliable for practical purposes. The CVs for estimates of the percentage of children in workless households are above this level for 11 local authorities and they are high for all of the others, meaning that the estimates should be used with caution.

The CV is also a useful way to compare the quality of the LFS and APS estimates. Table A below shows the CVs for the headline figures.

Table A: Coefficients of variation for the APS and LFS**Coefficients of Variation¹**

	Wales		UK	
	APS	LFS	APS	LFS
Percentage of households that are workless households	2.5	5.6	0.9	1.4
Percentage of children in workless households	4.0	13.8	1.4	3.3

Source: Welsh Government analysis of Labour Force Survey & Annual Population Survey, ONS

¹APS is for Jan-Dec 2017, LFS is for Apr-Jun 2018

Table B: Coefficients of variation for percentage of workless households and children living in workless households, 2017

Local Authority	<i>Percentage</i>			
	Workless households	CV of workless households	Children in workless households	CV of children in workless households
Isle of Anglesey	17.5	11.2	9.7	20.1
Gwynedd	16.9	13.4	11.2	23.2
Conwy	17.2	11.8	8.2	25.4
Denbighshire	16.9	12.0	13.2	18.7
Flintshire	12.5	14.2	7.3	25.2
Wrexham	12.5	14.6	6.6	27.3
Powys	14.3	14.3	9.5	24.7
Ceredigion	20.0	11.3	6.9	28.9
Pembrokeshire	19.2	11.3	16.4	15.5
Carmarthenshire	16.0	11.8	10.2	19.8
Swansea	18.1	10.7	12.3	17.3
Neath Port Talbot	24.1	9.5	18.4	14.5
Bridgend	20.4	10.8	19.0	15.2
Vale of Glamorgan	13.5	15.5	5.5	34.4
Rhondda Cynon Taf	20.9	10.5	14.8	18.1
Merthyr Tydfil	20.1	12.8	19.8	16.5
Caerphilly	19.1	10.8	15.0	15.7
Blaenau Gwent	24.0	11.0	15.3	20.0
Torfaen	16.5	12.0	10.8	20.6
Monmouthshire	11.7	15.7	6.5	26.9
Newport	13.7	13.7	14.3	16.7
Cardiff	17.7	11.8	14.8	16.8
Wales	17.5	2.5	12.6	4.0
UK	14.7	0.9	10.9	1.4

Source: Welsh Government analysis of Annual Population Survey (Jan-Dec), ONS

Timeliness and punctuality

This is an annual statistical bulletin, published in November each year, following publication of a regional workless households statistical bulletin by the Office for National Statistics.

Accessibility and clarity

Much of the data behind the charts shown in this bulletin can be found on [StatsWales](#) (a free-to-use service that allows visitors to view, manipulate and download tables from the most detailed official data on Wales).

Comparability and coherence

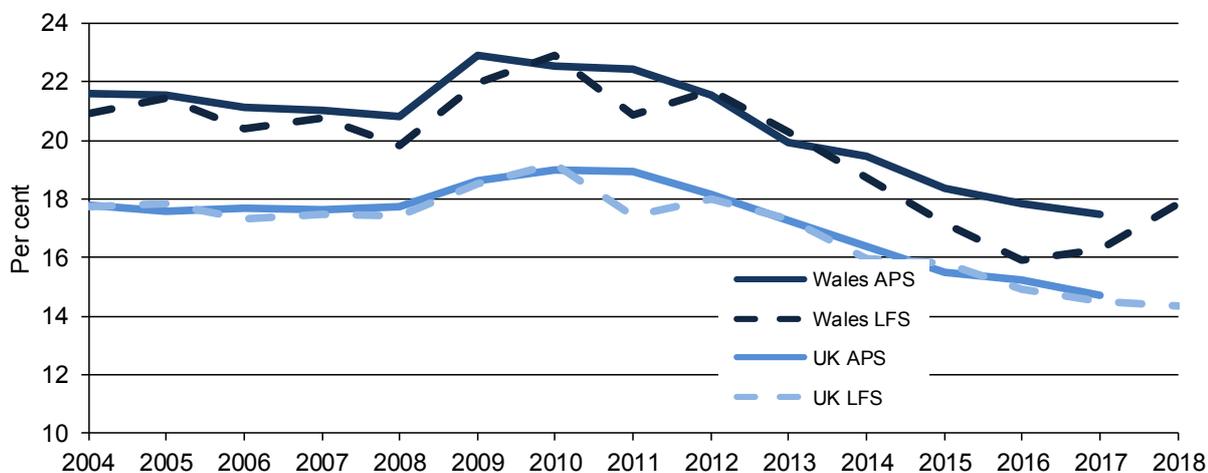
The LFS & APS estimates differ slightly due to the differences in sample design and size.

The main LFS is a quarterly survey which has an achieved sample size of around 86,000 individuals from approximately 37,000 households living at private addresses in the UK. Each quarter's sample is made up of 5 'waves' interviewed in 5 successive quarters, such that in any one quarter one wave will be receiving their first interview, one wave their second, and so on, with one wave receiving their fifth and final interview. As a result, there is an 80 per cent overlap in the samples for successive quarters. Households are interviewed face-to-face when first included in the survey and by telephone thereafter. For the first wave, the response rate in Wales for the main LFS is around 55 per cent, similar to that of the UK. The achieved sample size for Wales is around 4,500 individuals from approximately 2,000 households in each quarter.

The main LFS is based on a detailed questionnaire and hence provides for a large dataset, though there are some limitations to its use (particularly at a sub-regional level) due to sample size constraints. Its primary use is to provide labour market information for the UK, including levels and rates for employment, unemployment and economic activity/inactivity.

Chart A below shows that the APS and LFS data has followed a similar trend in both Wales and the UK. However, there is more volatility in the Wales LFS estimates, due to the smaller sample size.

Chart A: Percentage of households that are workless, APS and LFS, 2004-2018



Source: Welsh Government analysis of Annual Population Survey (Jan-Dec) and Labour Force Survey (Apr-Jun), ONS

National Statistics status

The [United Kingdom Statistics Authority](#) has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the [Code of Practice for Statistics](#).

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Statistics. They are awarded National Statistics status following an assessment by the UK Statistics Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is Welsh Government's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators ("national indicators") that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016.

Information on the indicators, along with narratives for each of the well-being goals and associated technical information is available in the [Well-being of Wales report](#).

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local well-being assessments and local well-being plans.

Further details

The document is available at:

<https://gov.wales/statistics-and-research/labour-market-statistics-households/?lang=en>

Next update

November 2019

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to

economic.stats@gov.wales

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