



Labour market statistics for households, 2018

26 Nov 2019

SB 54/2019

Main points

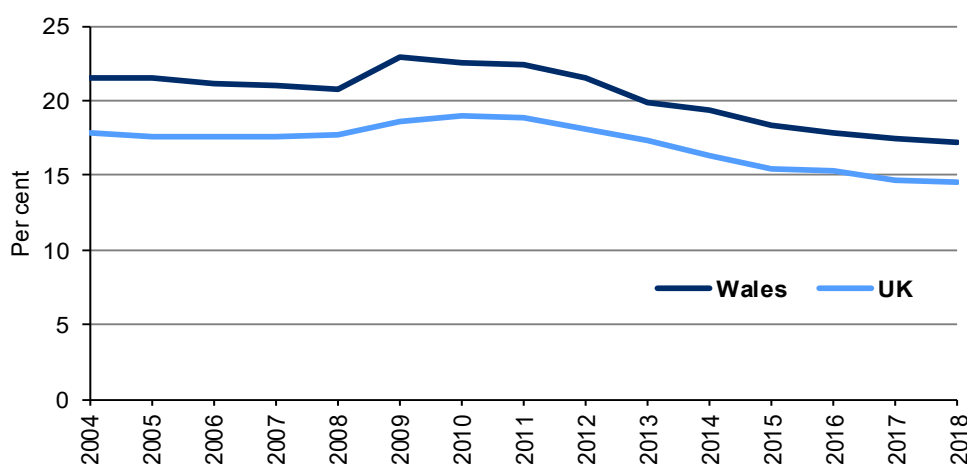
17.2 per cent of households in Wales were workless (no adults were in employment) in 2018, the lowest figure since the series began in 2004. In the UK it was 14.5 per cent.

- 12.6 per cent of children in Wales lived in a workless household, compared with 10.5 per cent in the UK.
- The highest rates of workless households were in Pembrokeshire (22.4 per cent) and Bridgend (22.3 per cent), whilst Monmouthshire had the lowest percentage of workless households at 10.3 per cent.

The percentage of workless households in Wales has fallen since the global recession of the late 2000s. Rates remain higher in Wales than across the UK as a whole.

- During the recession workless household rates increased in Wales and the UK. They fell to pre-recession levels by 2013 and have continued to fall since then.

Chart 1: Percentage of households that are workless, 2004-2018



Source: Annual Population Survey (January to December), 2004-2018

About this bulletin

This bulletin analyses the household information for Wales available from the Annual Population Survey (APS) from 2004 to 2018.

In this bulletin

This bulletin contains new data on:

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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](#). The data presented here are collected through the Labour Force Survey (LFS) and the Annual Population Survey (APS).

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.

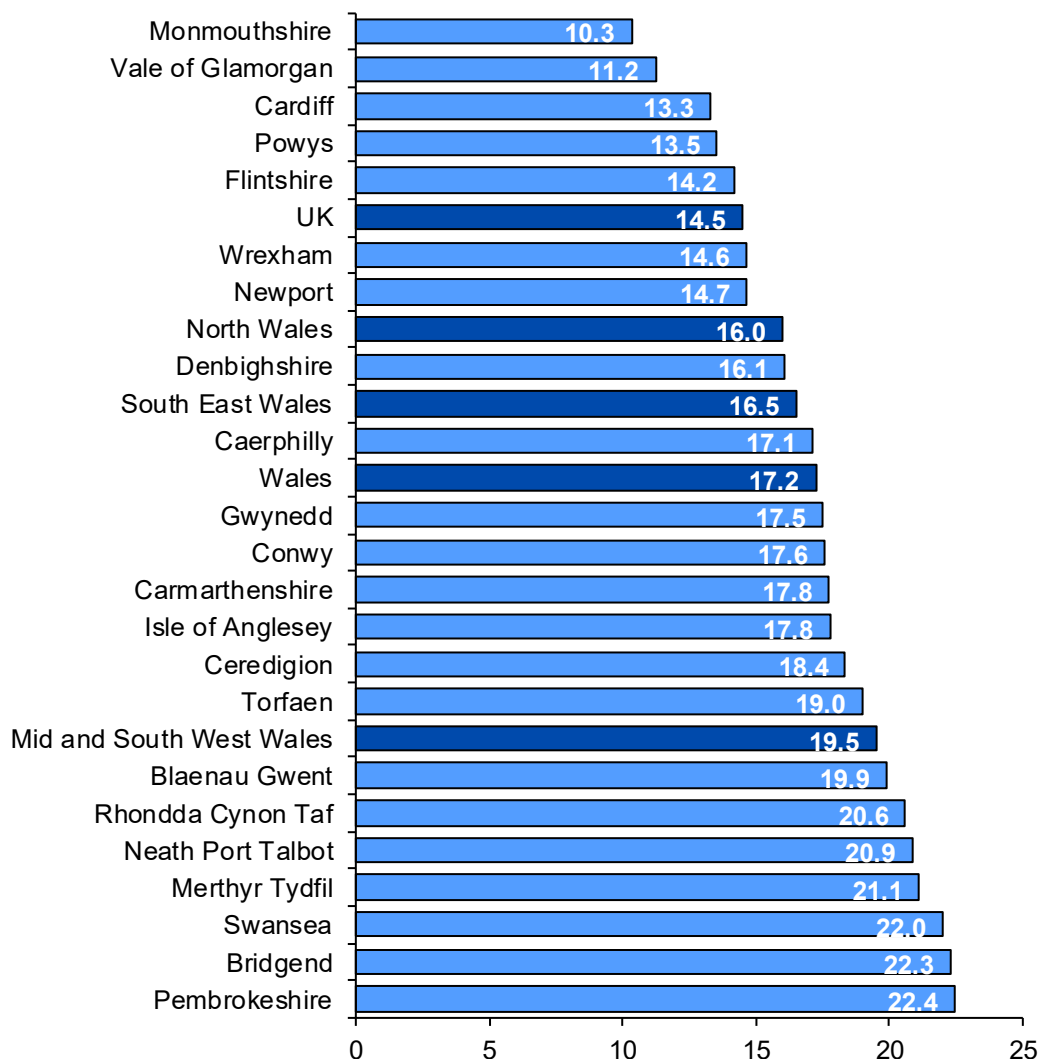
Since 2001 the LFS has been boosted in Wales to provide a sample of about 18,000 households annually and this is called the Annual Population Survey (APS). Data are available at a household level from this survey for the years 2004 to 2018 and its large sample size enables analysis at a local authority level. Estimates at the all Wales level are also less volatile than those from the LFS.

The analyses in this bulletin are based on rates (e.g. the percentage of workless households) to allow valid comparisons between areas. The underlying numbers are available from [StatsWales](#).

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, 2018



Source: Welsh Government analysis of Annual Population Survey (Jan to Dec 2018), ONS

In 2018, the highest percentages of workless households were in Pembrokeshire and Bridgend at 22.4 per cent and 22.3 per cent respectively. The lowest rate of workless households in Wales was in Monmouthshire, at 10.3 per cent. These estimates are subject to some margin of error so should be interpreted with caution.

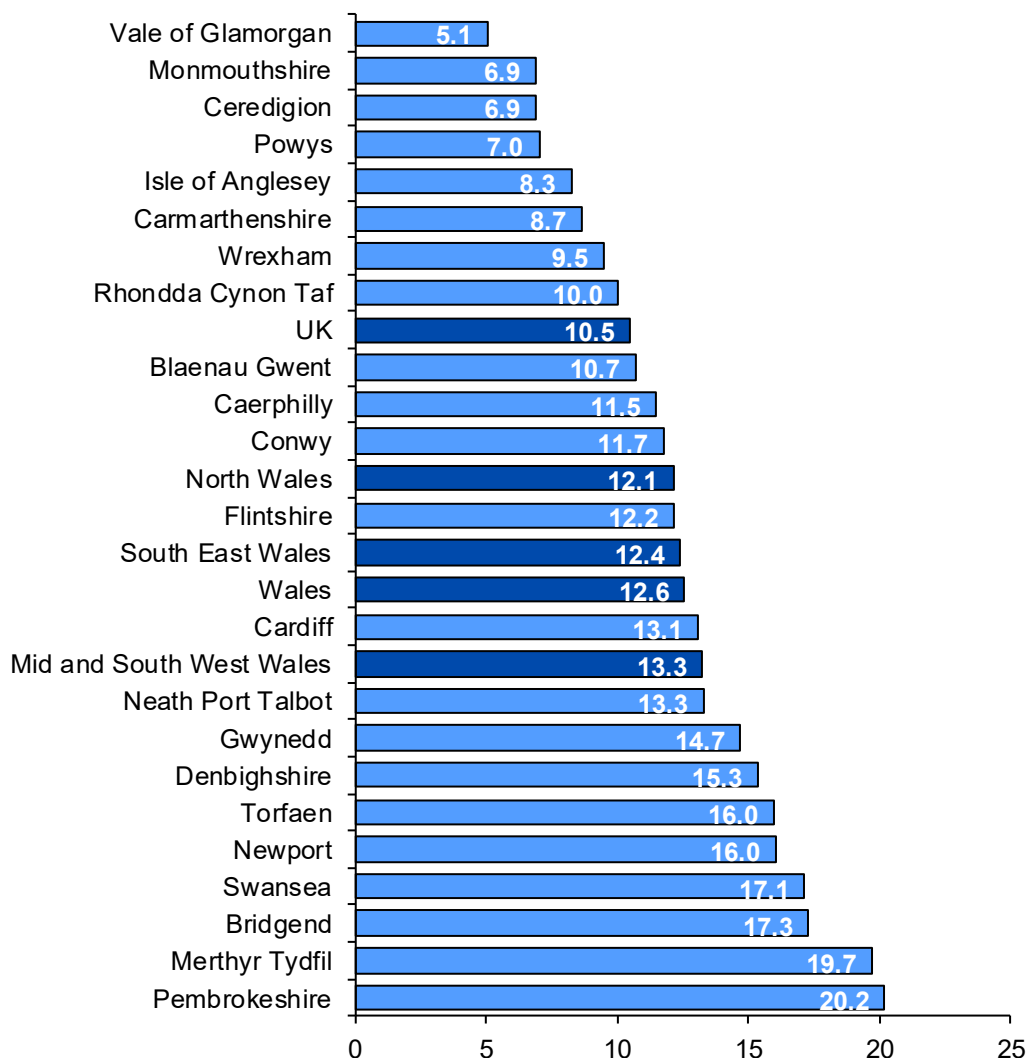
Over the course of the global recession of the late 2000s, the percentage of workless households increased across most local authorities in Wales. For Wales as a whole, the rate increased from 20.8 per cent in 2008 to 22.9 per cent in 2009. Since then the percentage of households that are workless in Wales has fallen each year to its lowest rate of 17.2 per cent in 2018.

The rate of workless households in the UK was 14.5 per cent in 2018, 2.8 percentage points lower than the rate in Wales (using unrounded figures). This gap is slightly larger than it was in 2017 (2.7 percentage points), but it has narrowed from a peak of 4.3 percentage points in 2009.

Section 2: Children living in workless households

Children (those aged 15 or under) 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, 2018 (a)



Source: Welsh Government analysis of Annual Population Survey (Jan to Dec 2018), ONS

(a) Some of the estimates in this chart are regarded as unreliable for practical purposes. For 2018, these are Isle of Anglesey, Conwy, Flintshire, Wrexham, Powys, Ceredigion, Carmarthenshire, Neath Port Talbot, Vale of Glamorgan, Rhondda Cynon Taf, Merthyr Tydfil, Blaenau Gwent, and Monmouthshire. Further information about the quality of these estimates is given under 'accuracy' in the Key Quality Information section.

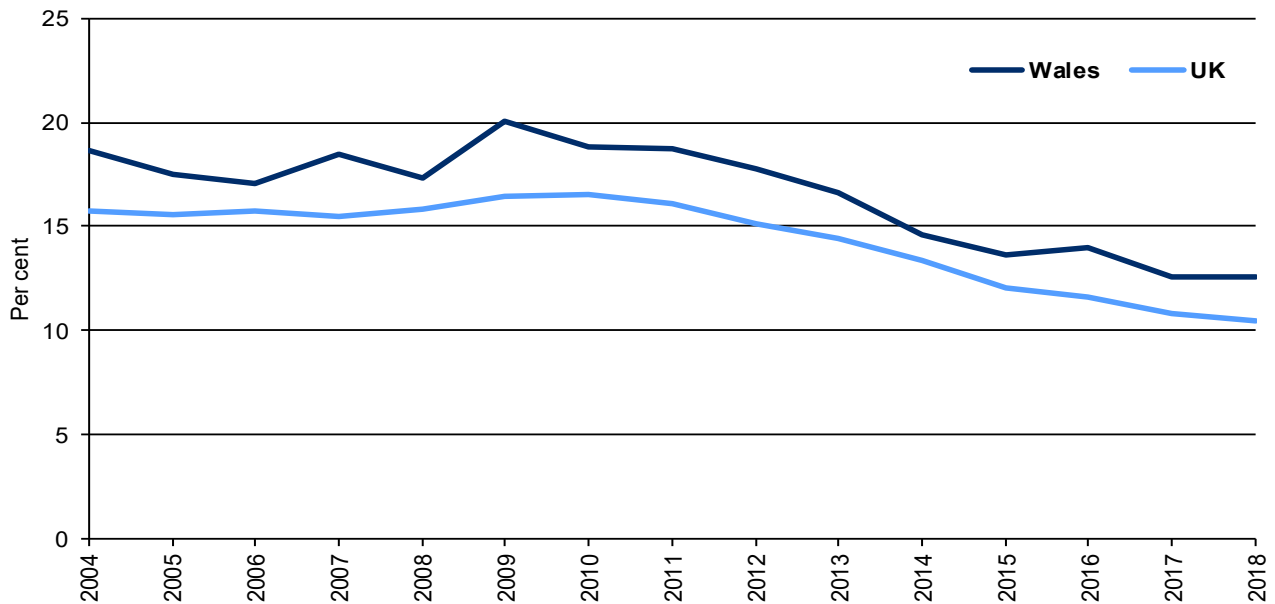
Chart 3 shows estimates for the percentage of children living in workless households in 2018 by local authority in Wales. Due to small sample sizes, the quality of estimates for individual local authorities is poor and the estimates should be regarded as indicative only. More information about the quality of these estimates is given under 'accuracy' in the Key Quality Information section.

In Wales, 12.6 per cent of children lived in workless households in 2018. This is unchanged from 2017. The UK figure for 2018 was 10.5 per cent, down from 10.9 per cent in 2017.

The highest estimates for the proportion of children in workless households were in Pembrokeshire, Merthyr Tydfil and Bridgend. The lowest rates were in the Vale of Glamorgan, Monmouthshire and Ceredigion.

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 and stayed at that level in 2018.

Chart 4: Percentage of children living in workless households, 2004-2018



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

Data from the LFS prior to 2004 indicate that rates of children in workless households were higher in the late 1990s than in the early 2000s. This was the case for Wales and the UK. Trends in Wales and the UK have been similar over the long term, despite short periods of divergence.

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, 2016-2018 (a)

<i>Three-year averages</i>			
Local Authority	Percentage of lone parent families ^(b)	Employment rates for lone parents	Number of lone parent families
Isle of Anglesey	8.3	73.9	1,800
Gwynedd	6.6	63.4	2,700
Conwy	6.8	76.4	2,400
Denbighshire	9.3	67.2	2,800
Flintshire	8.9	70.9	4,600
Wrexham	7.8	71.6	3,500
Powys	7.2	80.9	2,900
Ceredigion	4.6	76.9	1,200
Pembrokeshire	8.1	60.9	3,100
Carmarthenshire	8.0	73.2	4,900
Swansea	7.9	65.2	7,200
Neath Port Talbot	9.8	55.8	4,800
Bridgend	9.7	63.7	4,600
Vale of Glamorgan	7.3	73.7	3,000
Rhondda Cynon Taf	8.6	55.5	7,400
Merthyr Tydfil	12.2	59.9	2,500
Caerphilly	9.2	76.0	5,600
Blaenau Gwent	9.8	62.7	2,400
Torfaen	9.2	70.9	2,900
Monmouthshire	5.9	67.0	1,700
Newport	9.8	63.0	5,200
Cardiff	6.7	56.6	10,000
North Wales	7.9	70.4	17,700
Mid and South West Wales	7.9	66.9	24,200
South East Wales	8.4	63.2	45,400
Wales (2018)	7.9	66.7	85,100
UK (2018)	7.8	66.6	1,857,500

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.

In 2018, 7.9 per cent of households were lone parent families, which is broadly similar to the UK figure (7.8 per cent).

For 2016 to 2018, the highest percentage of lone parent families was in Merthyr Tydfil (12.2 per cent), followed by Newport, Blaenau Gwent and Neath Port Talbot (all at 9.8 per cent). The lowest

percentages of lone parent families in Wales were in more rural areas: Ceredigion (4.6 per cent), Monmouthshire (5.9 per cent) and Gwynedd (6.6 per cent).

The highest lone parent employment rates were in Powys (80.9 per cent), Ceredigion (76.9 per cent) and Conwy (76.4 per cent). The lowest employment rates for lone parents were in Rhondda Cynon Taf (55.5 per cent), Neath Port Talbot (55.8 per cent) and Cardiff (56.6 per cent).

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.

The Welsh Government also publishes [estimates of dwelling stock broken down by tenure](#). The APS household estimates differ from the dwelling stock estimates as there isn't always a one to one relationship between households and dwellings. Some dwellings contain more than one household and some dwellings are vacant. Further methodological information is provided in the [dwelling stock statistical release](#).

Table 2: Tenure of households by local authority, 2018 (a)

Local Authority	Percentage				Percentage of rented households that are local authority or housing association	Total number of households
	Percentage owned outright	Percentage being bought with mortgage or loan	Percentage being rented	Other ^(a)		
Isle of Anglesey	53.0	22.3	23.6	1.1	54.7	31,500
Gwynedd	46.8	23.0	28.7	1.5	56.4	52,500
Conwy	51.0	23.8	23.5	1.6	47.6	53,200
Denbighshire	46.5	24.6	27.6	1.3	41.9	42,400
Flintshire	41.3	34.7	22.8	1.2	54.3	67,500
Wrexham	39.7	27.6	31.5	1.1	65.5	58,200
Powys	51.5	18.0	27.8	2.8	45.5	60,600
Ceredigion	52.1	20.5	25.1	2.3	37.6	34,500
Pembrokeshire	51.3	20.7	26.8	1.3	59.0	57,300
Carmarthenshire	48.5	25.2	25.0	1.1	53.1	82,600
Swansea	37.1	27.6	33.4	2.0	55.0	103,600
Neath Port Talbot	41.9	27.8	28.9	1.4	68.3	61,100
Bridgend	45.7	29.4	24.0	0.9	52.3	62,800
Vale of Glamorgan	41.5	35.3	22.1	1.1	44.0	53,200
Rhondda Cynon Taf	39.0	32.6	26.7	1.8	43.8	105,100
Merthyr Tydfil	42.0	23.4	32.4	2.3	66.3	26,300
Caerphilly	37.6	31.9	28.8	1.7	60.4	76,500
Blaenau Gwent	36.2	28.8	33.2	1.6	67.6	30,800
Torfaen	36.5	28.4	33.2	1.9	71.7	39,300
Monmouthshire	42.7	32.3	24.2	0.7	51.7	38,700
Newport	34.4	30.0	33.1	2.5	54.8	62,600
Cardiff	28.6	37.3	32.2	2.0	35.5	147,300
North Wales	45.6	26.8	26.4	1.3	54.4	305,400
Mid and South West Wales	45.7	24.1	28.5	1.8	54.5	399,700
South East Wales	36.9	32.4	29.0	1.7	50.3	642,700
Wales	41.5	28.6	28.2	1.6	52.4	1,347,800
UK	34.9	30.5	32.9	1.7	50.2	27,405,600

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 local authorities with the highest proportions of households that were owned outright were Isle of Anglesey (53.0 per cent), Ceredigion (52.1 per cent) and Powys (51.5 per cent). The lowest rates of outright home ownership were in Cardiff (28.6 per cent), Newport (34.4 per cent) and Blaenau Gwent (36.2 per cent).

The highest percentages of households who bought their home with a mortgage or loan were in Cardiff (37.3 per cent), the Vale of Glamorgan (35.3 per cent), and Flintshire (34.7 per cent). Powys had the lowest percentage at 18.0 per cent.

The highest proportion of households that were renting were in Swansea (33.4 per cent), Torfaen (33.2 per cent) and Blaenau Gwent (33.2 per cent), whilst the lowest proportion was in the Vale of Glamorgan (22.1 per cent).

Where households were renting, the highest proportions rented from the local authority or housing associations were in Torfaen (71.7 per cent), Neath Port Talbot (68.3 per cent) and Blaenau Gwent (67.6 per cent). Cardiff had the lowest percentage at 35.5 per cent.

Key quality information

Relevance

The Office for National Statistics (ONS) publishes headline estimates for the UK and the twelve countries and regions in their [Workless Households Statistical Bulletin](#). The ONS also publishes [sub-regional data using the APS](#).

This bulletin provides additional analysis from the APS for Wales. These statistics are used by the Welsh Government to monitor worklessness and poverty. APS data are 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](#).

The total number of households presented in this bulletin are households where at least one adult is aged 16 to 64. A workless household is defined as a household where all adults are either unemployed or economically inactive.

The proportion of workless households is defined as:

$$\text{Proportion of workless households} = 100 \times \frac{\text{Workless households}}{\text{Total number of households}}$$

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 provides 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 2018 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 12 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

	Wales		UK	
	APS	LFS	APS	LFS
Percentage of households that are workless households	2.6	5.7	1.0	1.4
Percentage of children in workless households	4.2	13.0	1.5	3.5

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

¹APS is for Jan-Dec 2018, LFS is for Apr-Jun 2019

Table B: Coefficients of variation for percentage of workless households and children living in workless households, 2018

Local Authority	Percentage			
	Workless households	CV of workless households	Children in workless households	CV of children in workless households
Isle of Anglesey	17.8	12.1	8.3	24.4
Gwynedd	17.5	12.3	14.7	17.2
Conwy	17.6	12.2	11.7	21.2
Denbighshire	16.1	13.2	15.3	17.1
Flintshire	14.2	14.4	12.2	20.4
Wrexham	14.6	13.7	9.5	22.8
Powys	13.5	15.5	7.0	32.2
Ceredigion	18.4	12.0	6.9	31.5
Pembrokeshire	22.4	10.2	20.2	14.5
Carmarthenshire	17.8	11.1	8.7	22.9
Swansea	22.0	9.7	17.1	14.2
Neath Port Talbot	20.9	11.3	13.3	20.1
Bridgend	22.3	11.0	17.3	17.5
Vale of Glamorgan	11.2	16.6	5.1	33.2
Rhondda Cynon Taf	20.6	10.3	10.0	21.7
Merthyr Tydfil	21.1	13.6	19.7	18.5
Caerphilly	17.1	11.2	11.5	17.7
Blaenau Gwent	19.9	12.5	10.7	24.9
Torfaen	19.0	11.3	16.0	16.5
Monmouthshire	10.3	16.5	6.9	26.1
Newport	14.7	12.9	16.0	15.4
Cardiff	13.3	13.4	13.1	17.2
Wales	17.2	2.6	12.6	4.2
UK	14.5	1.0	10.5	1.5

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 ONS headline estimates on worklessness and tenure are based on the LFS. The analyses presented in this bulletin are based on the APS, which has a much larger sample than the LFS in Wales and enables sub-Wales analysis. The LFS has a quarterly reporting cycle and the APS has an annual reporting cycle, meaning that direct comparisons are not possible for any particular reference periods. However, the two sources are methodologically the same and they exhibit similar trends over the long term.

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.

These statistics last underwent a [full assessment against the Code of Practice](#) in 2010.

Since the latest review by the Office for Statistics Regulation, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Removed large tables of data from the release and ensured that the data is available in online interactive tables
- Improved visuals and commentary to make it easier for the readers to draw out key messages

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/labour-market-statistics-households>

Next update

November 2020

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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