



Women want work

"Want work" levels and women's labour market participation

The way the monthly labour market figures are constructed understates the shortage of jobs and does so in a way that in particular understates the number of women who want jobs but cannot get them. The number of women in paid work (and who are therefore less likely to be poor and more likely to have greater economic independence) has been rising over several decades but this progress slowed down dramatically at the end of the 90s and is glacial now, despite the overall improvements in the headline figures for employment and unemployment.

In labour market statistics, people are put in two broad categories: “economically active” and “economically inactive”. The economically active are the employed (including self-employed) and the unemployed; the economically inactive are everyone else. The unemployed are people who are not working but have looked for a job in the last four weeks and would be available to start that job at two weeks’ notice.

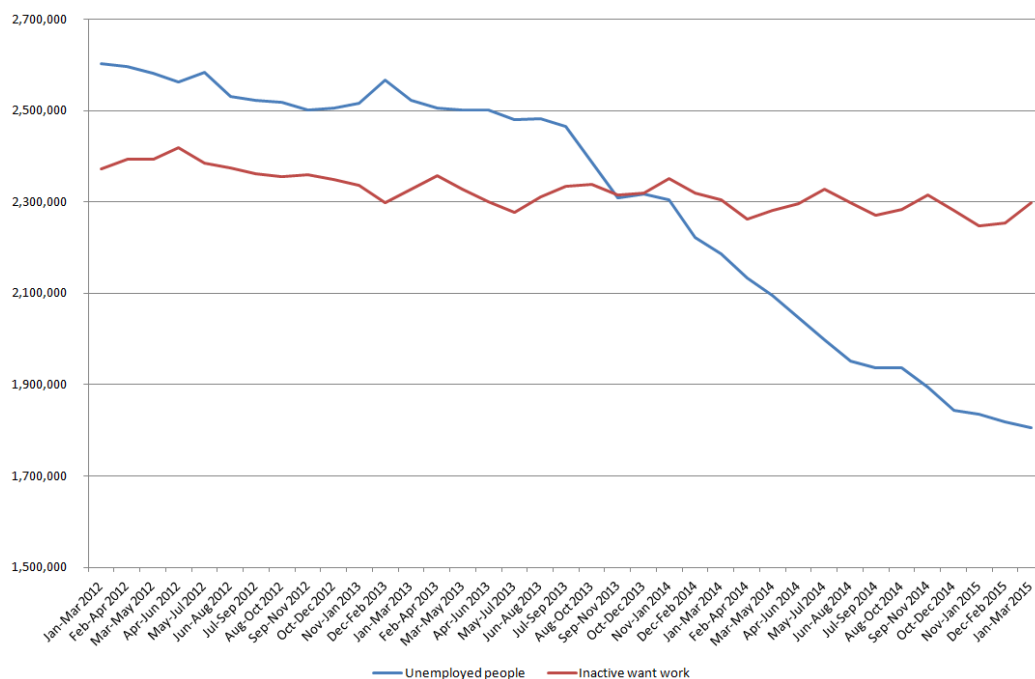
This means that, if you want a job but have not looked for one recently or would not be able to start very soon after being offered one, you are counted as economically inactive. There are a number of categories of economically inactive, but there are four large groups – retired, long-term sick, students and people looking after their family or home. In each group there will be significant numbers of people who want a job but are not included in the unemployment figures because of the way unemployment is defined. The Labour Force Survey therefore asks economically inactive people if they would like a regular paid job and the monthly employment figures include the numbers who say “yes” in response to this question.

Over the past three years the headline figures for employment and unemployment have been very good. Between Jan-Mar 2012 and Jan-Mar 2015, the number in employment rose more than 1.5 million, from 29,460,000 to 31,098,000. The headline unemployment figure fell by more than 800,000, from 2,633,000 to 1,827,000.

But, in the same three years, the number of economically inactive people who want work hardly moved, from 2,371,000 to 2,298,000. The number of women in this position actually went up a little, from 1,363,000 to 1,379,000.

Three years ago there were significantly more unemployed people than economically inactive people who wanted jobs; today that picture is more than reversed:

Unemployed and economically inactive who want work



This means that only focusing on the headline unemployment figure now seriously understates the shortage of jobs for everyone who wants one. The TUC calculates a “want work rate” to measure labour market slack. The unemployment rate is the number of unemployed people as a proportion of the number of employed and unemployed together. The want work rate adds the economically inactive who want work to both sides of this equation.

If we look only at the unemployment rate, about one working age person in twenty needs a job, if we look at the want work rate it is more like one in eight who want paid work but do not currently have any form of employment.

Want work rates since 2012

	Unemployment rate	Want work rate
Jan-Mar 2012	8.4%	14.8%
Feb-Apr 2012	8.3%	14.9%
Mar-May 2012	8.3%	14.8%
Apr-Jun 2012	8.2%	14.8%
May-Jul 2012	8.2%	14.7%
Jun-Aug 2012	8.1%	14.5%
Jul-Sep 2012	8.1%	14.5%
Aug-Oct 2012	8.0%	14.5%
Sep-Nov 2012	8.0%	14.4%
Oct-Dec 2012	8.0%	14.4%
Nov-Jan 2013	8.0%	14.4%
Dec-Feb 2013	8.2%	14.4%
Jan-Mar 2013	8.0%	14.4%
Feb-Apr 2013	8.0%	14.4%
Mar-May 2013	8.0%	14.3%
Apr-Jun 2013	8.0%	14.2%
May-Jul 2013	7.9%	14.1%
Jun-Aug 2013	7.9%	14.2%
Jul-Sep 2013	7.8%	14.2%
Aug-Oct 2013	7.6%	14.0%
Sep-Nov 2013	7.3%	13.7%
Oct-Dec 2013	7.4%	13.7%
Nov-Jan 2014	7.3%	13.7%
Dec-Feb 2014	7.0%	13.4%
Jan-Mar 2014	6.9%	13.2%
Feb-Apr 2014	6.7%	13.0%
Mar-May 2014	6.6%	12.9%
Apr-Jun 2014	6.5%	12.8%
May-Jul 2014	6.3%	12.8%
Jun-Aug 2014	6.2%	12.5%
Jul-Sep 2014	6.1%	12.4%
Aug-Oct 2014	6.1%	12.5%
Sep-Nov 2014	6.0%	12.4%
Oct-Dec 2014	5.8%	12.2%
Nov-Jan 2015	5.8%	12.0%
Dec-Feb 2015	5.7%	12.0%
Jan-Mar 2015	5.7%	12.1%

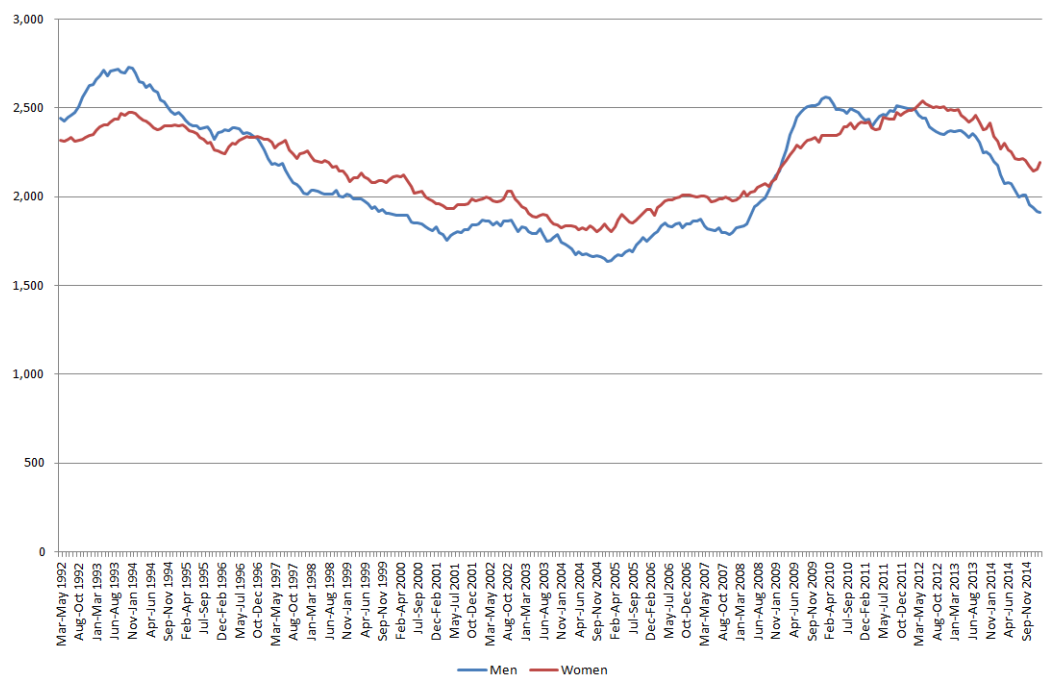
Over this period, want work levels have declined more slowly for women than for men:

Want work levels since 2012



But over a longer period of time levels have tended to be similar for men and women:

Want work levels since 1992



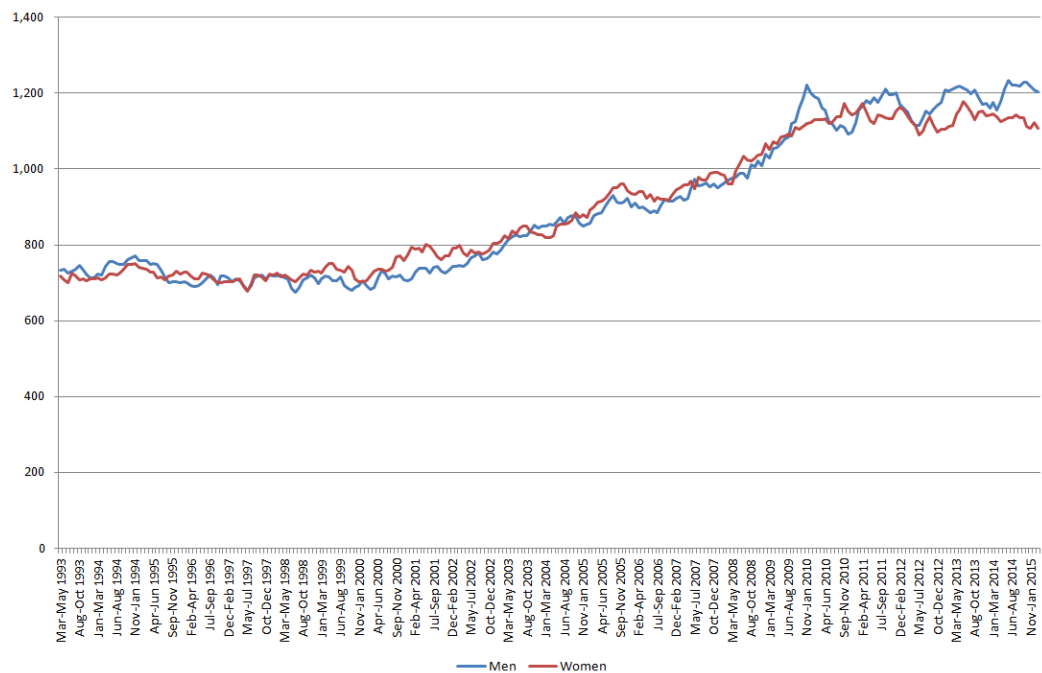
Men are more likely to be unemployed than women: in Jan-Mar 2015 there were 990,000 unemployed men and 815,000 unemployed women; women are more likely to be economically inactive and want work: in the same three month period there were 1,379,000 economically inactive women who wanted jobs, compared

with 920,000 men. The unemployment rate reacts more strongly to the economic cycle than the want work rate, so there tend to be more women who want work during the good times, more men during recessions.

This means that, during a recovery, such as we are experiencing now, relying on the headline unemployment rate and ignoring the number who are economically inactive but want jobs tends to understate women’s relative disadvantage.

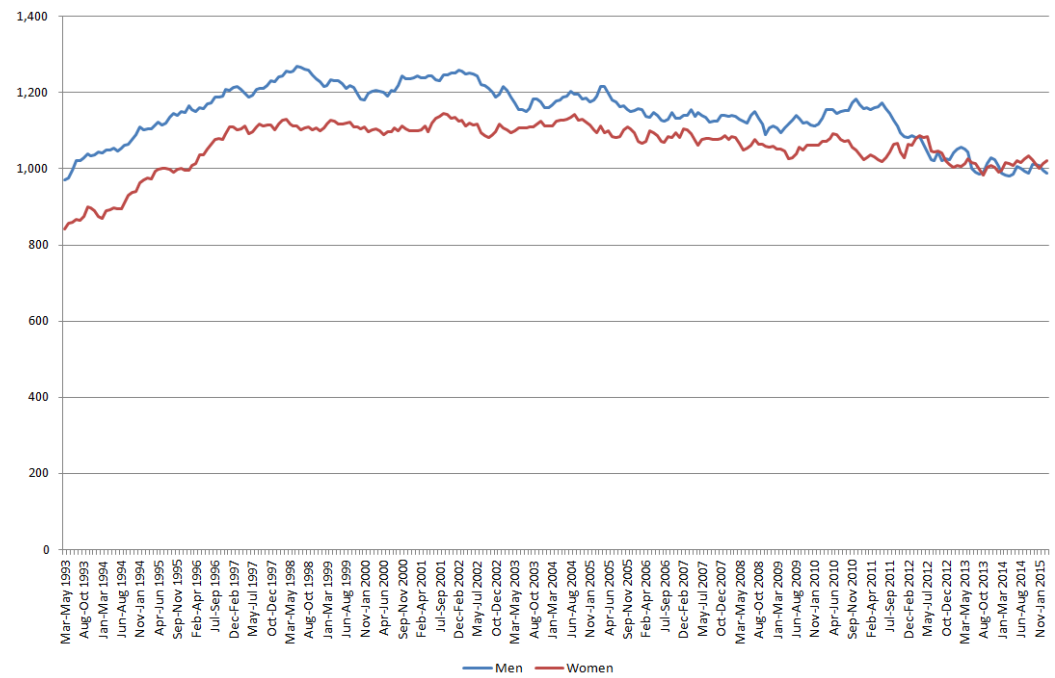
The reason there are more economically inactive women who want jobs than men is mainly due to the fact that women are much more likely than men to be looking after their family or home. There are similar numbers of men and women who are economically inactive because they are students:

Students



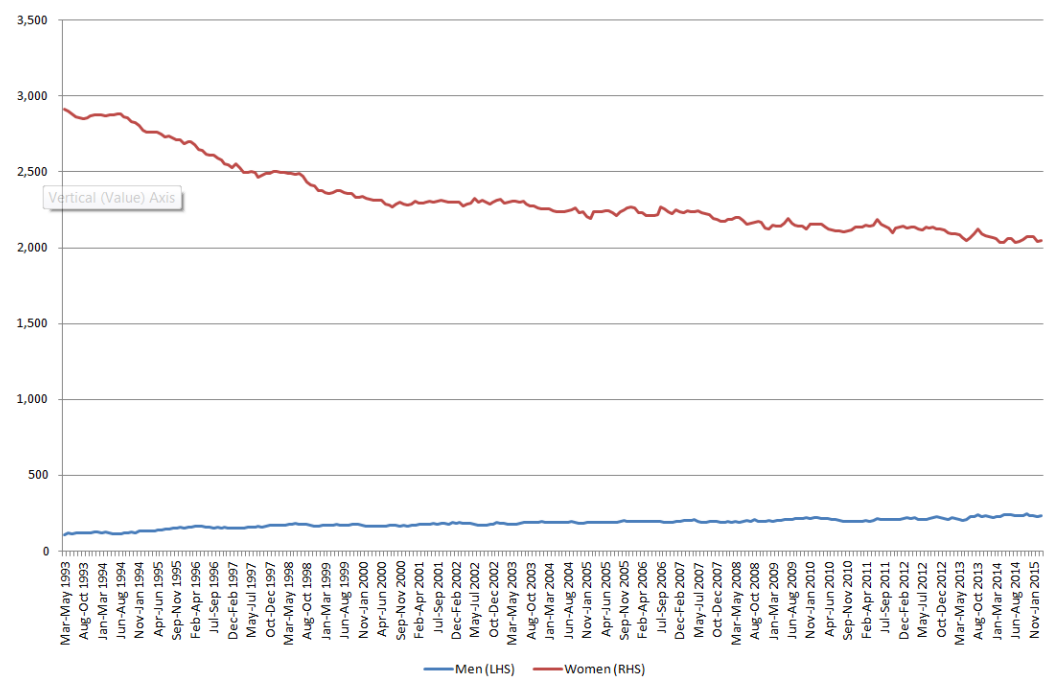
And long-term sick:

Long-term sick



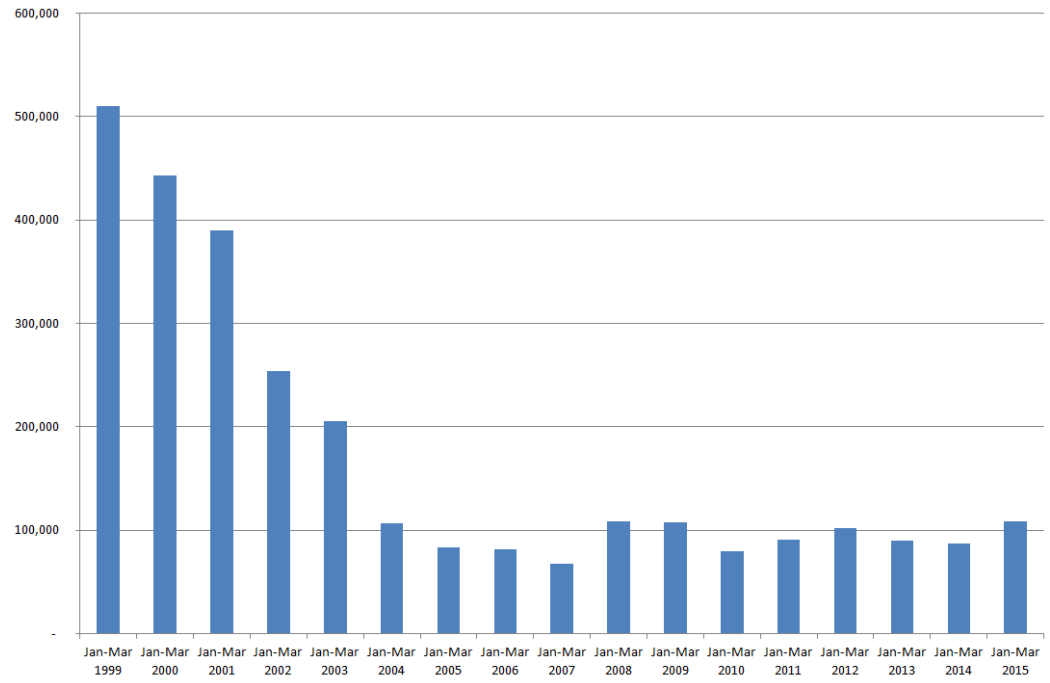
The big difference is in the number looking after family/home:

Looking after family/home



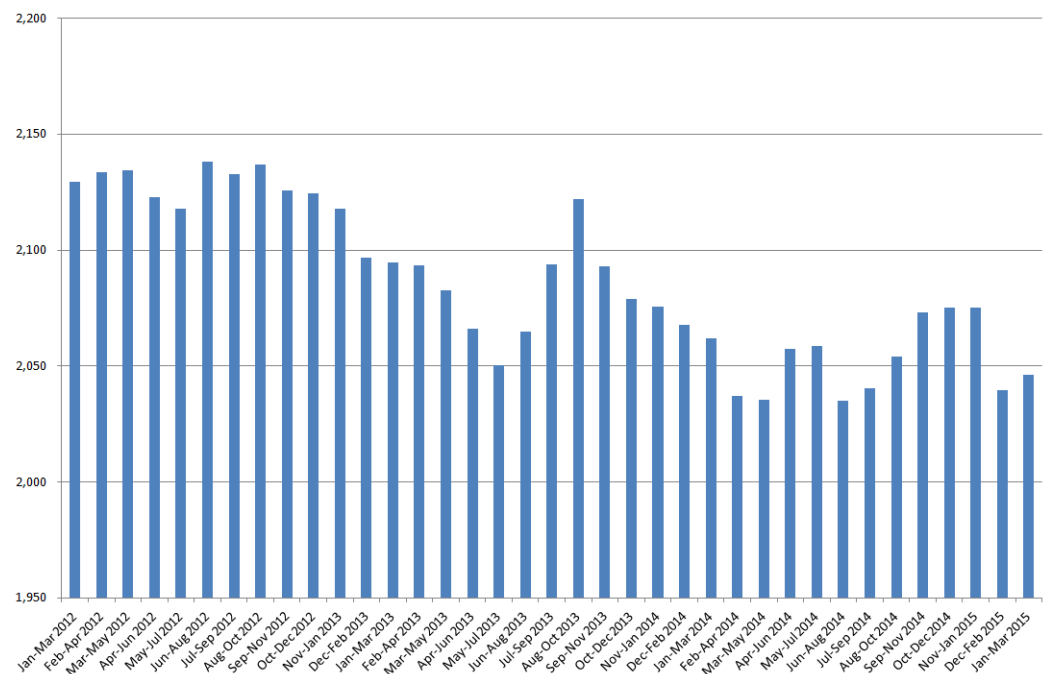
The decrease in the number of women economically inactive because they were looking after a home or family reduced the proportion of women in the want work rate, but, at the end of the twentieth century this rate of change slowed down:

Women looking after family/home – difference from five years previously



And in the last two years progress has been minimal:

Women looking after family/home



Women account for 60 per cent of those who are economically inactive but want work (a figure that has been very stable for some years). While it is true that some women who are looking after a home and family do not want paid employment, a large number do, and it is because they cannot find work that fits around their caring commitments that so many more women want work than men.

Some conclusions

When the labour market figures are published each month commentators should pay attention to the number of economically inactive people who want jobs as well as the headline unemployment figure. The jobs shortage remains serious.

Failing to take this factor into account understates the disadvantage faced by women.

Policy makers should address the deceleration in the number of women becoming economically active. Unless more is done to help mothers get and keep jobs there is a risk that all progress will stop.