# Parental employment in London

Context:

Economic inactivity has been rising in London and the UK overall over the past few years, with as much as 1 million workers missing relative to pre-pandemic trends. The Spring Budget, announced by the government on March 15th, set out to encourage more people into work, including older workers, people with illnesses, but also parents with childcare responsibilities.

Several studies report that some parents work less than they would like, chiefly due to high childcare costs making work financially unviable, or due to lack of suitable childcare offers. Many parents become long-term inactive as a result with many suffering worse career prospects on their return, which is a factor in the continuing gender inequality at the workplace. These consequences are more likely to affect vulnerable groups, such those with low incomes and ethnic minorities.

Our research shows that:

* Overall parental employment is increasing in the UK overall as the employment rate of female parents is increasing. In London, the parental employment rate is stagnant by sex and ethnicity.
* The inactivity gap between parent and non-parent women is very high at around 22pp, while it is much lower for men at 4pp.
* Inactivity rates for female parent in couples is much higher than for make parents in couples (26% vs 5%), which suggests that women are far more likely to take on childcaring duties than men.
* While employment rates for single male parents is higher than for single female parents (74% vs 65%), there are nearly seven times as many female single parents (30k vs 200k).
* There is no difference in parental employment rates whether youngest child is below 2 yrs or between 3-4 yrs (years in which 30 hours of free childcare is offered).
* By ethnic group, the employment rates are unchanged within groups over time, with 85% employment rate for White parents (76% non-parent) and 73% for BAME parents (63% non-parent).
* Working from home has become normalised post-pandemic such that there is no difference between parental and non-parental WFH rates
* Among women, WFH rates increased from 21% to 41% for parents and from 18% to 36% for non-parents. Male WFH rate is 37% for both groups.
* Among Londoners receiving benefits, the rise in WFH rates was higher for parents (15% to 30%) than non-parents (23% to 30%).
* There were generally no statistically significant differences in WFH rates by industry of work between parents and non-parents. Overall, WFH has increased across years, e.g. from 7% to 48% for parents in finance (52% non-parents) and from 27% to 76% for parents in ICT (19%->70% for non-parents.)
* No difference in WFH rates within ethnic group, but while white parental WFH went 18%->44%, BAME went 13%->32%.
* Much higher share of employed parents who do part-time work compared to non-parents, 26% vs 16%. This is largely due to women with parents at 43% for parents vs. 22%, whereas for men it is 12% vs. 10%.
* While the share is falling over time from 2018 to 2022 (47%->43%), the decrease is the same for non-parents (25%->22%)
* Some industries have seen declines in PT shares since 2018 for parents in particular. E.g. Finance saw drop from 12% to 6% but only 5%->2% for non-parents, suggesting that possible WFH means more can work full-time.
* There are more parents who are not on benefits who work PT relative to non-parents, 17% vs. 15%

**Overview with regressions**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | simple | sex |  | sex full | sex & age | sex & age full | sex & age\_child | sex, eth, age, & age\_child |
| (Intercept) | 0.71 \*\*\* | 0.75 \*\*\* | 0.68 \*\*\* | 0.72 \*\*\* | 0.86 \*\*\* | 0.85 \*\*\* | 0.66 \*\*\* | 0.71 \*\*\* |
|  | (0.00) | (0.00) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) |
| parent | 0.12 \*\*\* | 0.13 \*\*\* | 0.42 \*\*\* | 0.21 \*\*\* | 0.03 \*\*\* | 0.08 \*\*\* | 0.23 \*\*\* | 0.14 \*\*\* |
|  | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) |
| Female |  | -0.08 \*\*\* |  | -0.03 \*\*\* | -0.07 \*\*\* | 0.04 \*\*\* | -0.03 \*\*\* | -0.02 \*\* |
|  |  | (0.00) |  | (0.01) | (0.00) | (0.01) | (0.01) | (0.01) |
| Couple with dep children |  |  | -0.25 \*\*\* |  |  |  |  |  |
|  |  |  | (0.01) |  |  |  |  |  |
| Couple with no children |  |  | 0.12 \*\*\* |  |  |  |  |  |
|  |  |  | (0.01) |  |  |  |  |  |
| Lone parent or couple with non-dependent children only |  |  | 0.05 \*\*\* |  |  |  |  |  |
|  |  |  | (0.01) |  |  |  |  |  |
| Lone parent with dep children |  |  | -0.41 \*\*\* |  |  |  |  |  |
|  |  |  | (0.02) |  |  |  |  |  |
| parent:Female |  |  |  | -0.15 \*\*\* |  | -0.29 \*\*\* | -0.15 \*\*\* | -0.17 \*\*\* |
|  |  |  |  | (0.01) |  | (0.02) | (0.01) | (0.01) |
| Aged 16-17 |  |  |  |  | -0.60 \*\*\* | -0.65 \*\*\* |  | -0.62 \*\*\* |
|  |  |  |  |  | (0.01) | (0.02) |  | (0.01) |
| Aged 18-24 |  |  |  |  | -0.22 \*\*\* | -0.26 \*\*\* |  | -0.23 \*\*\* |
|  |  |  |  |  | (0.01) | (0.02) |  | (0.01) |
| Aged 35-49 |  |  |  |  | 0.01 | 0.01 |  | -0.01 |
|  |  |  |  |  | (0.01) | (0.01) |  | (0.01) |
| Aged 50-64 |  |  |  |  | -0.12 \*\*\* | -0.14 \*\*\* |  | -0.15 \*\*\* |
|  |  |  |  |  | (0.01) | (0.01) |  | (0.01) |
| parent:Aged 16-17 |  |  |  |  |  | -0.29 \*\*\* |  |  |
|  |  |  |  |  |  | (0.02) |  |  |
| parent:Aged 18-24 |  |  |  |  |  | 0.12 |  |  |
|  |  |  |  |  |  | (0.08) |  |  |
| parent:Aged 35-49 |  |  |  |  |  | 0.00 |  |  |
|  |  |  |  |  |  | (0.02) |  |  |
| parent:Aged 50-64 |  |  |  |  |  | 0.11 \*\*\* |  |  |
|  |  |  |  |  |  | (0.02) |  |  |
| Female:Aged 16-17 |  |  |  |  |  | 0.01 |  |  |
|  |  |  |  |  |  | (0.03) |  |  |
| Female:Aged 18-24 |  |  |  |  |  | -0.02 |  |  |
|  |  |  |  |  |  | (0.02) |  |  |
| Female:Aged 35-49 |  |  |  |  |  | -0.06 \*\*\* |  |  |
|  |  |  |  |  |  | (0.02) |  |  |
| Female:Aged 50-64 |  |  |  |  |  | -0.10 \*\*\* |  |  |
|  |  |  |  |  |  | (0.01) |  |  |
| parent:Female:Aged 16-17 |  |  |  |  |  | 0.24 \*\*\* |  |  |
|  |  |  |  |  |  | (0.03) |  |  |
| parent:Female:Aged 18-24 |  |  |  |  |  | -0.03 |  |  |
|  |  |  |  |  |  | (0.08) |  |  |
| parent:Female:Aged 35-49 |  |  |  |  |  | 0.16 \*\*\* |  |  |
|  |  |  |  |  |  | (0.02) |  |  |
| parent:Female:Aged 50-64 |  |  |  |  |  | 0.21 \*\*\* |  |  |
|  |  |  |  |  |  | (0.02) |  |  |
| age\_child3-4 yrs |  |  |  |  |  |  | -0.01 | 0.00 |
|  |  |  |  |  |  |  | (0.01) | (0.01) |
| age\_childMore then 4 yrs |  |  |  |  |  |  | 0.06 \*\*\* | 0.07 \*\*\* |
|  |  |  |  |  |  |  | (0.01) | (0.01) |
| White |  |  |  |  |  |  |  | 0.09 \*\*\* |
|  |  |  |  |  |  |  |  | (0.01) |
| N | 47330 | 47330 | 47330 | 47330 | 47330 | 47330 | 47330 | 45146 |
| R2 | 0.02 | 0.03 | 0.08 | 0.03 | 0.10 | 0.12 | 0.03 | 0.12 |
| \*\*\* p < 0.001; \*\* p < 0.01; \* p < 0.05. | | | | | | | | |

**Demographic (ethnicity)**

**Working from Home**

**Part-time work**