

5 Economic Activity

Main Findings

In 2018, around one in three adults (32 per cent) had a degree or professional qualification. This was highest for those aged 25 to 34 and 35 to 44. A larger proportion of women had a degree or professional qualification compared to men.

The proportion of adults without any qualifications has decreased from around one in four adults (23 per cent) in 2007 to around one in six adults (15 per cent) in 2018.

The proportion of 16-64 year old adults with a degree or professional qualification increased with income whilst the proportion with no qualifications decreased.

A higher proportion of men (59 per cent) compared to women (51 per cent) were 'in work'. This gap has stayed around the same level since 2009.

Almost half of adults aged between 16 and 64 years were in full-time employment (49 per cent), an increase from 45 per cent in 1999.

Men aged 16-64 were more likely to be in employment than women (73 and 66 per cent respectively). Men were predominantly in full-time employment (58 per cent) or self-employed (10 per cent), while the employment of women showed greater variation; 40 per cent were in full-time employment, followed by 21 per cent in part-time employment.

More men than women aged 16-64 were unemployed and seeking work.

Those with limiting health issues were less likely to be in full-time employment. In 2018, just under a quarter (24 per cent) were in full-time employment compared to over half (54 per cent) of those who did not report having a long-term physical or mental health condition or illness.

Just over three fifths (62 per cent) of households had at least one adult in paid employment. The proportion of households containing at least one adult in paid employment rose from 54 per cent in the 20 per cent most deprived areas to 68 per cent and 66 per cent in the least deprived areas (quintiles four and five, respectively).

The majority of women aged 16-64 were in some form of work and the presence of children in the household affected this. In 2018, a significantly higher proportion of

women aged 16-64 in households containing children were in work, compared to women in households without children (68 per cent and 64 per cent, respectively). A higher proportion of women with no children in the household were in full-time employment.

5.1 Introduction and Context

The Scottish Government is committed to improving the economic situation and opportunity of people in Scotland, through sustainable economic growth⁶⁹. The Scottish Household Survey (SHS) gathers information about the current economic situation and the characteristics of individuals and households in different economic activity categories.

The information gathered in the SHS about the current economic situation of members of the household is self-reported by the respondent in the 'household'⁷⁰ part of the interview and may not conform to official definitions of employment and unemployment. The SHS has questions on these topics only for selecting the data of particular groups, such as those in employment or those who are permanently retired from work, for further analysis or for use as background variables when analysing other topics.

The official source of statistics on employment, unemployment and economic inactivity is the Labour Force Survey for Scotland and the Annual Population Survey at a local authority level. Results from both surveys are available from the Scottish Government website⁷¹.

Scotland's Labour Market Strategy provides a framework for our approach to the labour market. It describes the actions to be taken forward and how this approach will help to drive inclusive growth.

In this chapter, the current economic situation of men and women (aged 16 years and over) is considered. This is followed by an examination of the economic situation of working households, starting with the number of working adults within households. In households with adults aged 16-64, the current economic situation is further analysed by gender and whether an adult has a long standing illness, health problem or disability. Finally, this chapter explores the current economic situation of women aged 16-64; specifically investigating whether the presence of children in the household might have an impact on their economic situation.

⁶⁹ Scotland's Economic Strategy (March 2015) <http://www.gov.scot/Publications/2015/03/5984>

⁷⁰ See chapter 1 for further information on the survey design

⁷¹ www2.gov.scot/Topics/Statistics/Browse/Labour-Market

5.2 Highest Qualification Level

Figure 5.1 shows that the proportion of adults whose highest qualification was a degree or professional qualification has increased to around one in three adults (32 per cent in 2018) from one in four adults (23 per cent) in 2007. The proportion of adults without any qualifications has decreased from around one in four adults (23 per cent) in 2007 to around one in six adults (15 per cent) in 2018. Aside from the increase in adults with an HNC/HND or equivalent, the proportion of adults with other types of qualifications has been largely stable over time (Table 5.1).

The proportion of adults whose highest qualification was a Higher, A level or equivalent has decreased from 18 per cent in 2017 to 16 per cent in 2018. In contrast, the proportion of adults who held some other qualification has increased from four to five per cent (2017 and 2018, respectively). There were no changes in the proportion of adults who held any other type of qualification between 2017 and 2018.

Figure 5.1: Highest level of qualification held by adults aged 16 and over by year
2007-2018 data, Adults dataset (minimum base: 9,410)

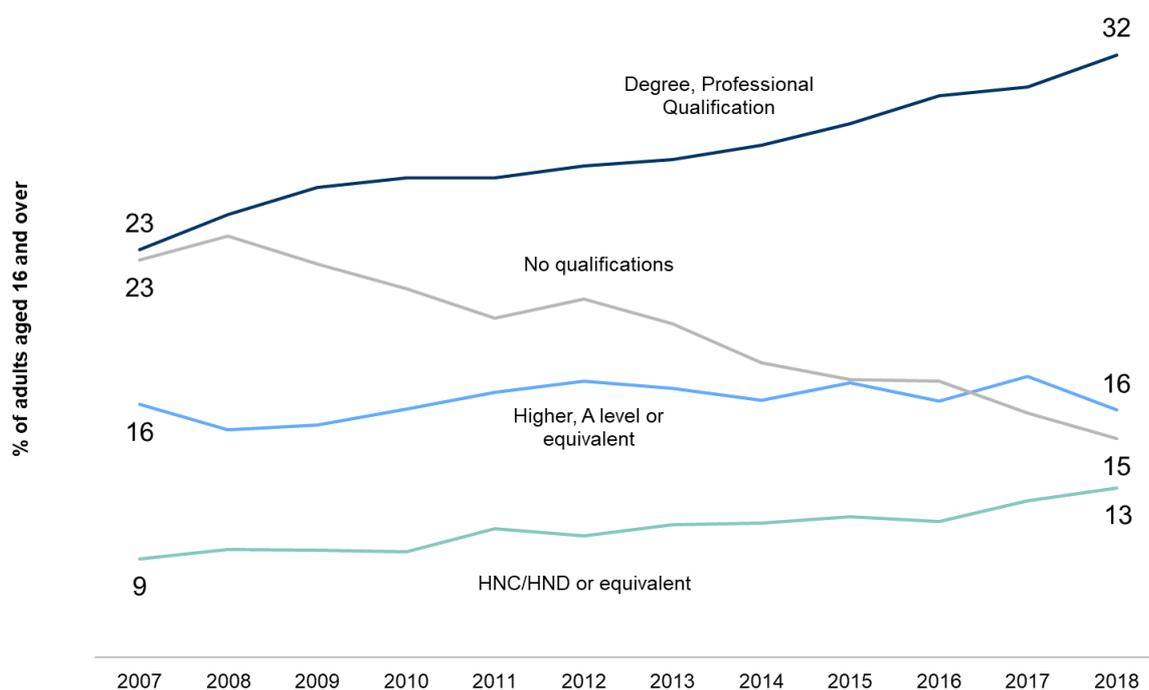


Table 5.1: Highest level of qualification held by adults aged 16 and over by year

Column percentages, 2007-2018 data, Adults dataset

Highest level of qualification	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Degree, Professional Qualification	23	25	26	27	27	27	27	28	29	30	31	32
HNC/HND or equivalent	9	10	10	10	11	10	11	11	11	11	12	13
Higher, A level or equivalent	16	15	15	16	17	17	17	17	17	17	18	16
O Grade, Standard Grade or equivalent	21	20	20	19	20	19	19	22	20	20	19	19
Other qualification	6	6	6	6	5	4	5	4	4	4	4	5
No qualifications	23	24	23	22	20	21	20	18	17	17	16	15
Qualifications not known	1	1	1	1	1	1	1	1	1	1	1	1
All	100	100	100	100	100	100	100	100	100	100	100	100
Base	11,920	12,370	12,540	12,440	12,890	9,890	9,920	9,800	9,410	9,640	9,810	9,700

Table 5.2 shows that a larger proportion of women had a degree or professional qualification compared to men (33 per cent and 31 per cent, respectively) whereas the proportion of men with an HNC/HND or equivalent (14 per cent) was higher than women (11 per cent).

The proportion of those with a degree or professional qualification was highest for those aged 25 to 34 and 35 to 44 (43 and 45 per cent, respectively) and decreased with age (Table 5.2). The proportion of adults with degree level or professional qualifications was lowest for those aged 16 to 24 (16 per cent), likely because many adults in this age category were in higher or further education and had therefore not yet completed a degree qualification.

The proportion of those with no qualifications increased with age. The highest proportion was in the oldest age group, with **two in five (40 per cent) adults aged 75 or over having no qualifications**.

Table 5.2: Highest level of qualification held by gender and age of adults aged 16 and over

Column percentages, 2018 data, Adults dataset

Highest level of qualification	Men	Women	Identified in another way	Refused	16 to 24	25 to 34	35 to 44	45 to 59	60 to 74	75 plus	All
Degree, Professional Qualification	31	33	*	*	16	43	45	33	27	18	32
HNC/HND or equivalent	14	11	*	*	13	16	16	13	9	6	13
Higher, A level or equivalent	17	16	*	*	36	15	14	15	13	8	16
O Grade, Standard Grade or equivalent	19	18	*	*	27	17	17	22	17	9	19
Other qualification	4	5	*	*	2	2	1	2	9	18	5
No qualifications	14	15	*	*	5	6	6	13	24	40	15
Qualifications not known	1	1	*	*	1	1	1	0	0	1	1
Total	100	100	100	100	100	100	100	100	100	100	100
Base	4,320	5,380	0	0	680	1,300	1,370	2,390	2,540	1,430	9,700

Links between degree level qualifications and higher incomes can be seen amongst adults aged 16-64 (Figure 5.2 and Table 5.3). In 2018, **as income increased, the proportion of adults aged 16-64 with a degree or professional qualification more than doubled** (from 24 per cent of those in the lowest income group to 51 per cent for those in the highest income group). Conversely, the proportion of adults aged 16-64 with no qualifications decreased from 17 per cent to only three per cent for the same income groups.

As shown in Table 5.3, one in three (33 per cent) adults aged 16-64 in the lowest income group had a Higher, A-level or equivalent qualification. The largest proportion of adults aged 16-64 in the income bands £6,001-£10,000, £10,001-£15,000 and £15,001-£20,000 held an O Grade, Standard Grade or equivalent as their highest level of qualification (28 per cent, 32 per cent and 25 per cent, respectively).

Figure 5.2: Highest level of qualification held by adults aged 16-64 by net annual household income

2018 data, Adults dataset (minimum base: 160)



Table 5.3: Highest level of qualification held by adults aged 16-64 by net annual household income

Column percentages, 2018 data, Adults dataset

Highest level of qualification	£0 - £6,001 -		£10,001 -	£15,001 -	£20,001 -	£25,001 -	£30,001 -	Over	All
	£6,000	£10,000	£15,000	£20,000	£25,000	£30,000	£40,000	£40,000	
Degree, Professional Qualification	24	13	20	22	30	30	34	51	35
HNC/HND or equivalent	5	10	12	17	15	18	16	13	14
Higher, A level or equivalent	33	20	15	15	16	18	19	18	18
O Grade, Standard Grade or equivalent	18	28	32	25	24	20	23	14	21
Other qualification	2	4	1	3	3	2	1	1	2
No qualifications	17	24	20	16	12	9	7	3	10
Qualifications not known	1	1	1	1	1	2	0	0	1
Total	100	100	100	100	100	100	100	100	100
Base	160	380	810	840	720	640	1,010	1,810	6,370

5.3 Current Economic Situation

A higher proportion of men (59 per cent) compared to women (51 per cent) were currently 'in work'. In 2018, this is demonstrated in Figure 5.3, which shows that men were more likely to be in full-time employment or self-employed, while women were more likely to be employed part-time or looking after the home or family.

Figure 5.3: Current economic situation of adults aged 16 and over by gender⁷²

2018 data, Adults dataset (min base: 4,320)

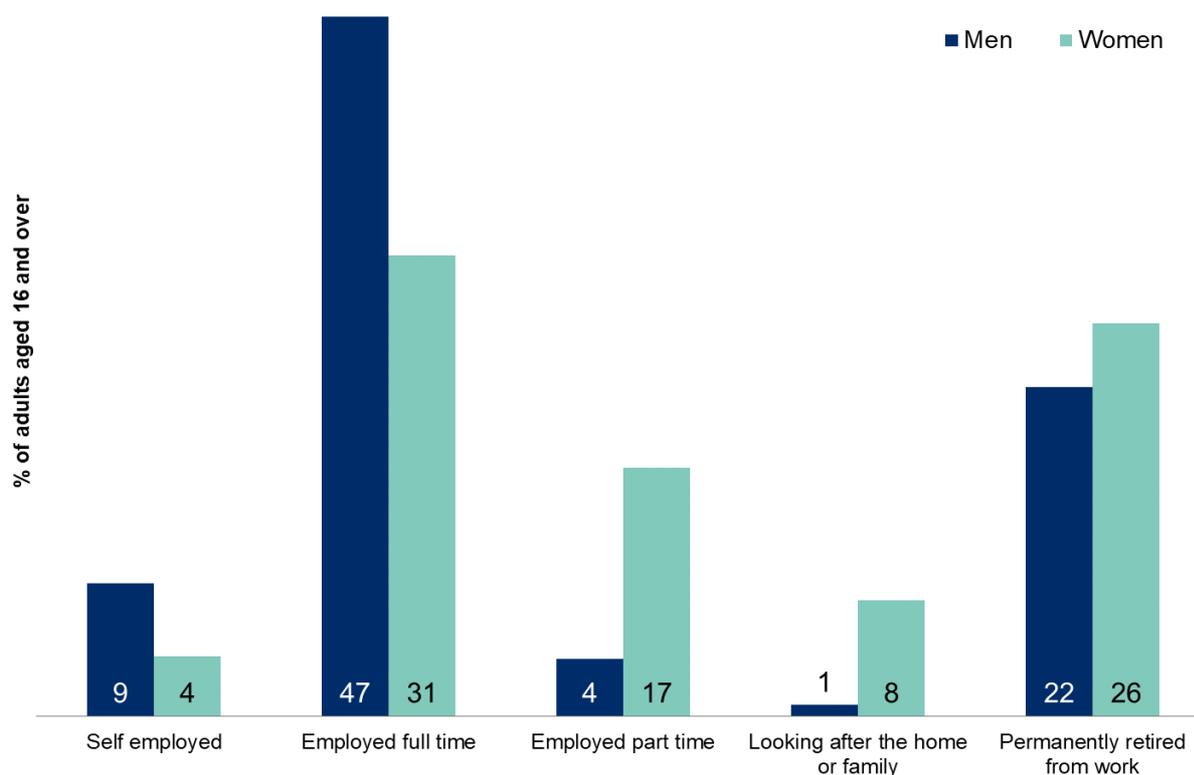
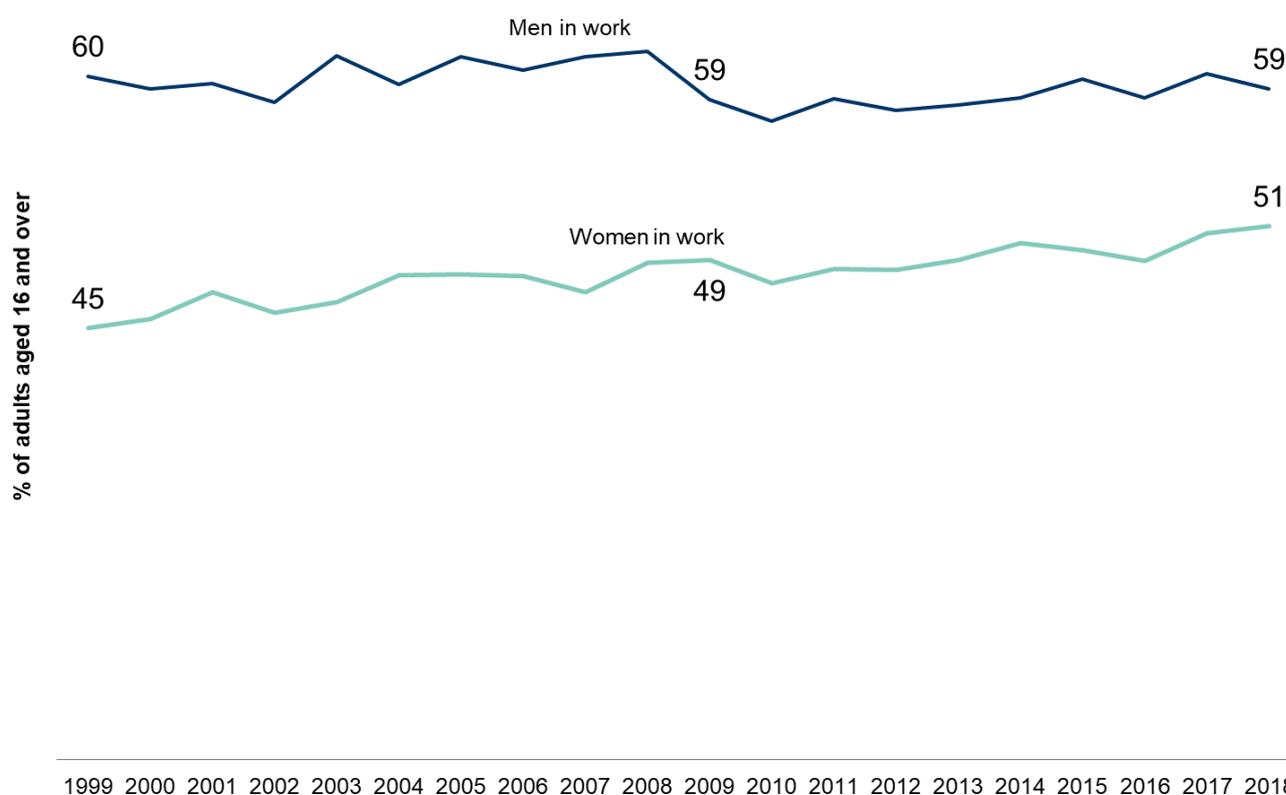


Figure 5.4 shows how the proportion of men and women in work has changed over time. **The proportion of men in work has been far greater than the proportion of women in work.** In 1999 this was 60 and 45 per cent, respectively. **This gap narrowed to around nine percentage points in 2009 due to an increase in the proportion of women in work, and has been relatively stable since then** with 59 per cent of men and 51 per cent of women in work in 2018.

⁷² Data for those who responded to the question on gender as "identified in another way" or "refused" are not included in the figure as the base numbers included in this breakdown are too low and the data has been suppressed.

Figure 5.4: Adults aged 16 and over currently in work over time by gender⁷³

1999 - 2018 data, Adults datasets (minimum base: 4,240)



5.3.1 Current Economic Situation of Adults Aged 16-64

Figure 5.5 shows the current economic situation of adults aged 16-64 over time. **Almost half of adults aged between 16 and 64 years in full-time employment** (49 per cent), an increase from 45 per cent in 1999. Since 1999, the proportion of adults (16-64) employed part-time has been stable, at around 13 per cent. The data also shows that the proportion of adults looking after the home or family decreased from nine to six per cent while the proportion of 16-64 year old adults who were self-employed increased from six to eight per cent.

⁷³ In the SHS 2018, the question on gender was non-binary and included “Identified in another way” and “Refused” responses. In previous years the question on gender was binary, i.e. only two response options were provided to respondents: male and female. Data for those who responded to the question on gender as “identified in another way” or “refused” are not included in the figure as the base numbers included in this breakdown are too low and the data has been suppressed.

Figure 5.5: Current economic situation of adults aged 16 - 64 by year

1999 - 2018 data, Adults dataset (minimum base: 6,590)

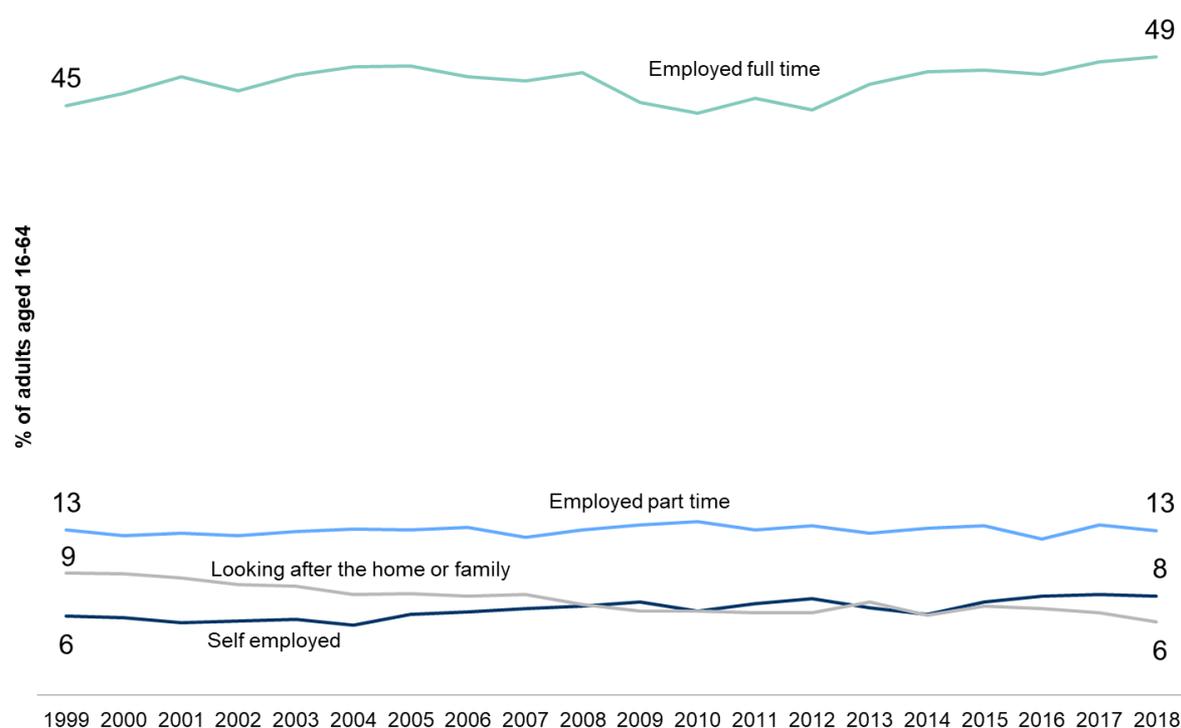
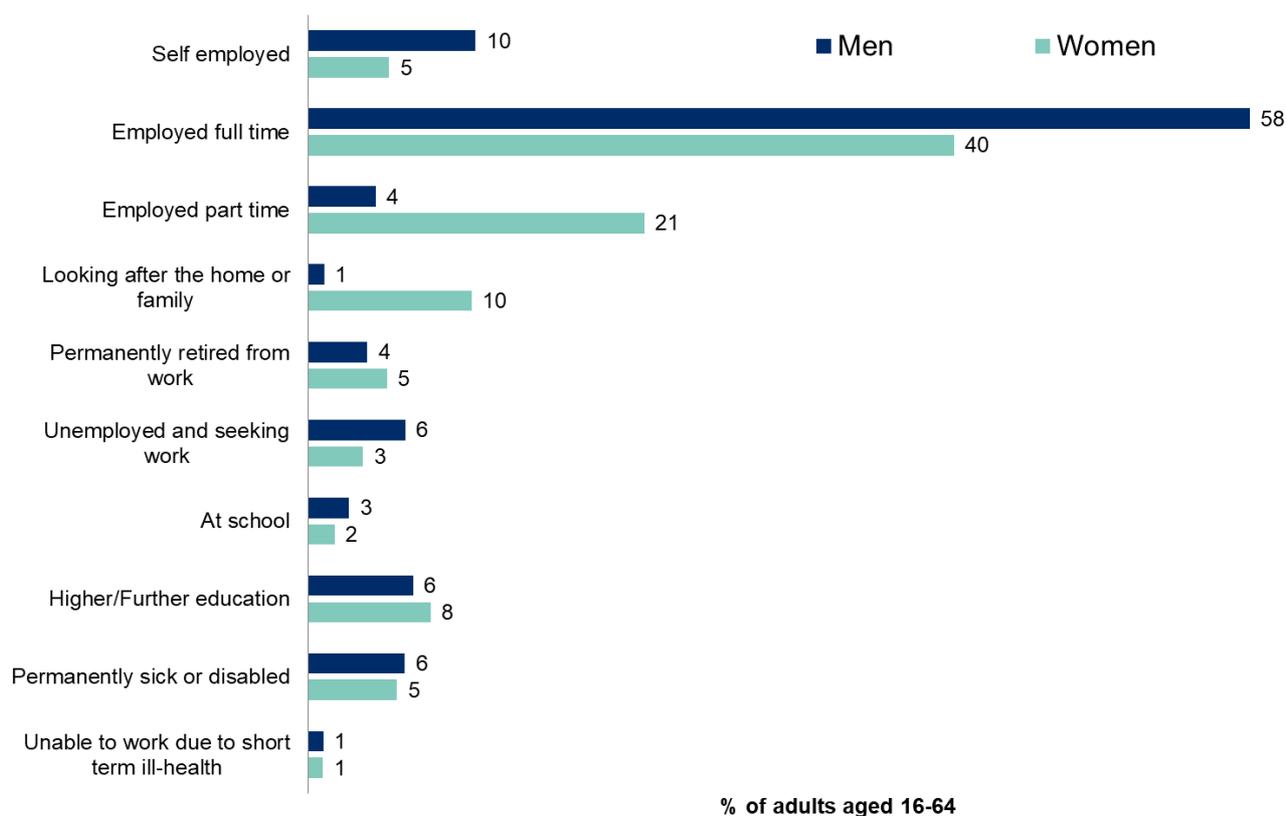


Figure 5.6 shows that **men aged 16-64 were more likely to be in employment than women aged 16-64**. Men were predominantly employed either full-time (58 per cent) or self-employed (10 per cent). Taken together with the relatively small proportion of men aged 16-64 employed part-time, over **seven in 10 (73 per cent) men aged 16-64 were engaged in some form of paid work**.

In comparison, **66 per cent of women aged 16-64 were in some form of paid work**. There was a greater variation in how women were employed. Full-time employment was the most common type of employment and accounted for 40 per cent of women aged 16-64. **Unlike men, the next most common option amongst women was part-time employment which accounted for 21 per cent of women aged 16-64**.

More men than women aged 16-64 were unemployed and seeking work; six per cent and three per cent, respectively. It was relatively uncommon for men or women aged 16-64 to be permanently retired from work (four per cent for men; five per cent for women). This is likely to have under-represented all those who have taken early retirement as some who do so will subsequently take up other employment opportunities.

Figure 5.6: Current economic situation of adults of aged 16-64 by gender⁷⁴
 2018 data, Adults dataset (minimum base: 3,020)



There was a relationship between the highest level of qualification and full-time employment in 2018 (Table 5.4); **those who had attained degree level or professional qualifications were most likely to be in full-time employment** (61 per cent). In contrast, only around one in three (30 per cent) adults with no qualifications were in full-time employment.

Adults with no qualifications had the highest proportion (23 per cent) who were permanently sick or disabled compared to the other qualification levels. Those who had 'other' qualifications had the highest proportion (15 per cent) of those who were unemployed and seeking work.

⁷⁴ Data for those who responded to the question on gender as "identified in another way" or "refused" are not included in the figure as the base numbers included in this breakdown are too low and the data has been suppressed.

Table 5.4: Current economic situation of adults aged 16-64 by highest level of qualification

Column percentages, 2018 data, Adults dataset

Economic status	Degree, Professional Qualification	HNC/HND or equivalent	Higher, A level or equivalent	O Grade, Standard Grade or equivalent	Other qualification	No qualifications	Qualifications not known	All
Self employed	8	8	7	8	5	5	12	8
Employed full time	61	55	45	38	30	30	46	49
Employed part time	12	15	11	15	15	11	4	13
Looking after the home or family	4	4	4	8	6	11	13	6
Permanently retired from work	5	4	3	3	5	6	5	4
Unemployed and seeking work	2	2	5	7	15	8	8	5
At school	-	0	5	5	0	1	3	2
Higher/Further education	6	7	16	4	5	1	-	7
Government work/training scheme	0	1	-	1	-	0	-	0
Permanently sick or disabled	1	3	4	8	18	23	6	6
Unable to work due to short term ill-health	0	1	1	1	0	2	3	1
Other	0	-	1	0	1	0	-	0
Refused	-	-	-	0	-	-	-	0
Total	100	100	100	100	100	100	100	100
Base	2,320	920	1,080	1,380	120	720	50	6,600

Those with limiting long-term health issues were less likely to be in full-time employment than those with no long-term health issues (Table 5.5). In 2018, almost a third (30 per cent) of adults aged 16-64 with a limiting long-term physical or mental health condition or illness were permanently sick or disabled and just under a quarter (24 per cent) were in full-time employment.

In comparison, over a half (54 per cent) of adults aged 16-64 who reported not having a long-term physical or mental health condition or illness were in full-time employment.

Excluding those who are permanently sick or disabled, the proportion of people with limiting long-term health issues who were in full-time employment rises to 34 per cent and for those with no long-term health issues, the proportion rises slightly to 55 per cent.

Table 5.5: Current economic situation of adults aged 16-64 by whether they have a long-term physical or mental health condition or illness

Column percentages, 2018 data, Adults dataset

Economic status	All adults aged 16-64				Excluding 'Permanently sick or disabled'			
	Limiting long-term condition	Non-limiting long-term condition	No long-term condition	All	Limiting long-term condition	Non-limiting long-term condition	No long-term condition	All
Self employed	5	9	8	8	7	10	8	8
Employed full time	24	53	54	49	34	55	55	52
Employed part time	9	11	14	13	12	12	14	13
Looking after the home or family	8	4	5	6	11	4	5	6
Permanently retired from work	8	7	3	4	11	8	3	4
Unemployed and seeking work	7	3	4	5	10	4	4	5
At school	1	2	2	2	1	2	2	2
Higher/Further education	4	4	8	7	5	4	8	7
Government work/training scheme	0	1	0	0	0	1	0	0
Permanently sick or disabled	30	4	0	6	-	-	-	-
Unable to work due to short term ill-health	4	1	0	1	6	1	0	1
Other	1	-	0	0	1	-	0	0
All	100	100	100	100	100	100	100	100
Base	1,330	390	4,850	6,570	870	380	4,830	6,070

5.4 Working Households

In this section the number of adults (aged 16 years and over) in paid employment in households is examined. This is followed by an analysis of the current economic situation of women aged 16-64; specifically investigating whether the presence of children in the household might have an impact on their economic situation.

5.4.1 Adults in Paid Employment

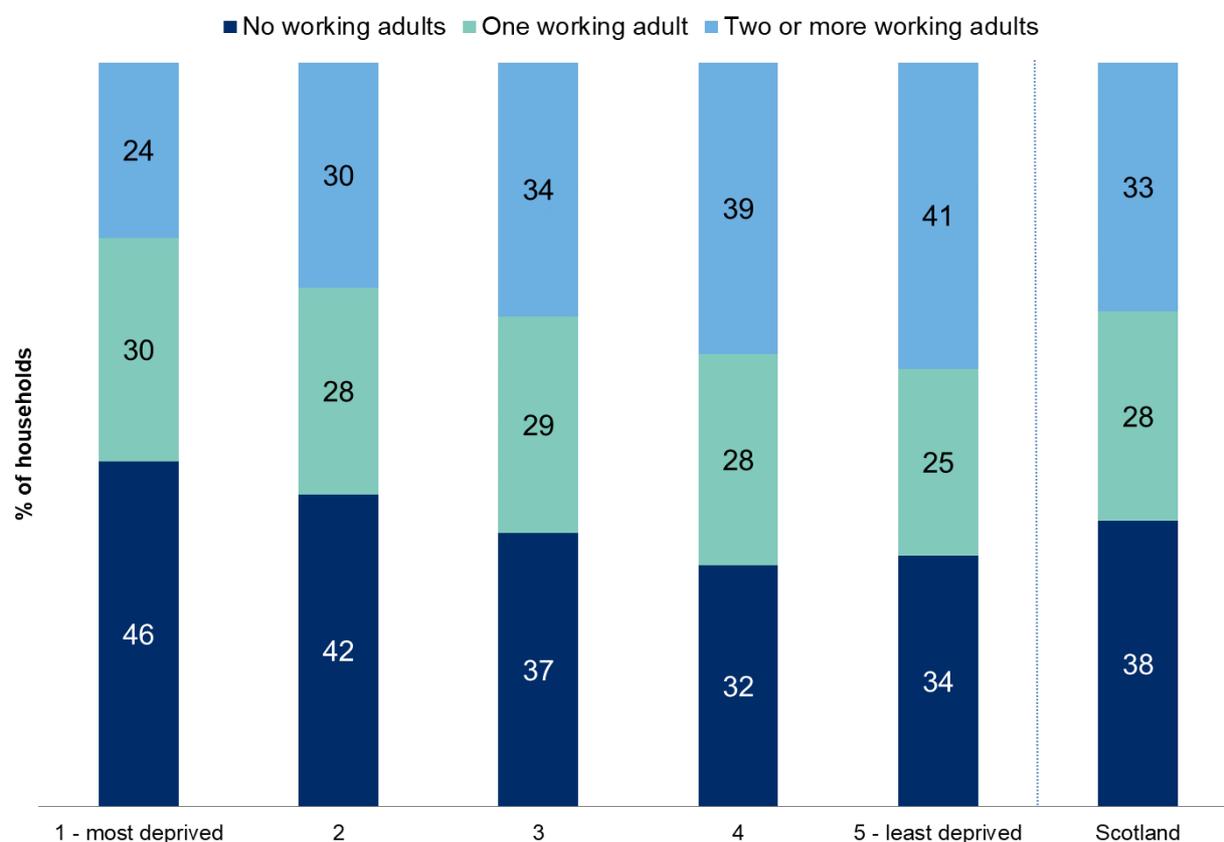
As Figure 5.7 shows, in 2018 **just over three fifths (62 per cent) of households had at least one adult in paid employment**; a third of households (33 per cent) contained two or more adults in paid employment and 28 per cent had one adult in paid employment. The remaining households (38 per cent) contained no adults in paid employment.

The number of working adults in a household varied according to the deprivation levels of the area in which they were situated. The proportion of households containing adults in paid employment rose as area levels of deprivation decreased. Just over a half of households in the 20 per cent most deprived areas contained at least one adult in paid employment (54 per cent). In comparison, over two thirds of households in the 40 per cent least deprived areas contained at least one adult in paid employment (68 per cent and 66 per cent in SIMD quintile four and five, respectively).

It is important to note that while these estimates demonstrate that households in the most deprived areas were less likely to contain adults in employment, these households also contained fewer adults and we would therefore expect to see a smaller proportion of households in these areas to have two or more working adults. Furthermore, the figures presented here are for all households that took part in the survey. This means the data presented includes people who you would not necessarily expect to be in paid employment. For example, pensioners, people who have taken early retirement and students are all included. The results have not been broken down further because the SHS is not the recognised source for employment statistics.

Figure 5.7: Number of adults aged 16 and over in paid employment in households by Scottish Index of Multiple Deprivation

2018 data, Households dataset (minimum base: 1,930)



5.4.2 Women aged 16-64

The final section of this chapter focuses on the current economic situation of women and examines the difference in situation according to whether there are children in the household.

Figure 5.6 showed that **the majority of women aged 16-64 are in some form of work** and Figure 5.8 shows how **the presence of children in the household affects this**. In 2018, a significantly higher proportion of women aged 16-64 in households containing children were in work, compared to those without children (68 per cent and 64 per cent, respectively).

A higher proportion of women aged 16-64 with no children in the household were employed full-time (44 per cent compared with 32 per cent of those where children are present), while a higher proportion of women with children in the household were looking after the home or family (19 per cent compared with five per cent of those with no children present) or employed part-time (32 per cent compared with 15 per cent of those with no children present).

Figure 5.8: Current economic situation of women aged 16-64 by the presence of children in the household

2018 data, Adults dataset (minimum base: 1,250)

