



Individual Income 1996/97 - 2004/05



Editorial team

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Introduction

Information provided in the Individual Income series

The Individual Income series provide estimates of the individual income of women and men in Great Britain and changes in income over time. These provide a means of comparing the income accruing to women with that accruing to men, either directly or in their own right. Individual income estimates cover all adult women and men, whether living as couples or as single persons. The base year for time series is 1996/97. A list of definitions used is given in Appendix 2.

The Individual Income series are distinct in that they seek to compare the incomes that accrue to women with those that accrue to men. This information complements data in other official statistics publications, which address different issues: HM Revenue and Customs' statistics cover only taxable income; certain other statistics cover only earned income; and other series such as the Department for Work and Pensions (DWP) Households Below Average Income (HBAI) analyse household income.

The Individual Income series do not provide a means of comparing the living standards of women and men, nor of different groups of women: the analyses take no account of the extent to which members of a household share their incomes or resources with other household members.

The Individual Income series provide information on:

- income for women and men analysed by characteristics such as age, region, family type and economic activity,
- changes in women's and men's incomes over time.

Data source

Data are derived from the Family Resources Survey (FRS), a continuous survey covering approximately 24,000 households each year in Great Britain, with an additional boosted sample in Scotland. From 2002/03 the survey also covers households in Northern Ireland.

The survey does not cover the whole population, the main exclusions being people in residential institutions, and homeless people in bed and breakfast accommodation or living rough. These exclusions account for around 3 per cent of the whole population.

This report presents individual income analyses derived from the 2004/05 FRS for Great Britain and includes information on the individual income of women and men over the period 1996/97 to 2004/05.

The FRS does not track individuals over time and there are minor variations in the sample structure in different years due to sampling variations.

Income is the current income of individuals at the time of the FRS interview. This is generally the income being received in the period when the interview takes place, except for employees whose last pay was not the amount they usually receive, in which case the income measure uses their usual pay.

Each year's report should be regarded as a stand alone document. As far as possible, any revisions in the underlying data or methodology will be incorporated into estimates for all years and included in the publication and accompanying standard tables.

Meaning of Individual Income

The Individual Income series take into account the income that accrues to an individual as a result of their economic/social/family/legal/medical status. Income deriving from an individual's economic status includes: earnings from employment, income from property holdings/investments, income from the individual's own occupational pension, earnings related and own contribution related retirement pensions, annuities, contribution-based Jobseeker's Allowance, Statutory Sick Pay, Statutory Maternity and Paternity Pay and Incapacity Benefit. Income accruing to an individual as a consequence of their social/family/legal/medical status includes Child Benefit, maintenance income from an absent partner paid in respect of either spouse or children, Income Support, benefits such as Disability Living Allowance and state Retirement Pension received on the basis of a spouse's contributions.

Individual income also includes a number of other sources of income paid to an individual, (eg Friendly Society benefits, trade union sick or strike pay, payments from hospital savings schemes, private sickness schemes and accident insurance) which may or may not include an element for dependents.

Individual Income definitions used in this report

The individual income analyses presented in this report provide separate estimates of three individual income measures:

- total
- net
- disposable

Details of the income measure definitions are set out in Appendix 2.

Total income is equal to gross income, defined as income from all sources received by an individual, plus tax credits. Net income includes tax credits, but deducts National Insurance contributions and income tax payments from gross income. Disposable income includes Housing Benefit, Council Tax Benefit and property income from letting and sub-letting (apportioned across household adults where appropriate), and deducts National Insurance contributions, income tax payments, childcare costs, travel to work costs, parental contributions to students living away from home, maintenance and child support payments (which are deducted from the income of the person making the payment), and housing costs (including Council Tax, all costs apportioned across household adults where appropriate).

A number of items of income are excluded from total and net individual income, either because they are shared receipts or costs which can not be readily assigned to an individual, or there is insufficient information to calculate an imputed income value for all individuals. Components of income excluded from total and net individual income are: the value of Housing Benefit and Council Tax Benefit, and property income from letting and sub-letting. Components of income excluded from all three income measures include the value of benefits in kind (eg company cars, fuel costs, health insurance, beneficial loans, payment of school fees, shares and share options, free meals, free and concessionary travel, and luncheon vouchers), Social Fund loans and repayments, student loans and repayments, and the value of free school meals and free school milk.

Some previous publications of the Individual Income series used the three individual income measures: gross, net and disposable. Since 2000/01 the Family Resources Survey has included full-year information on tax credits (in 2004/05, Working Tax Credit and Child Tax Credit, WTC/CTC), administered as negative income tax, and consequently included in net income but excluded from gross income. WTC and CTC replaced Working Families' Tax Credit (WFTC) and Disabled Person's Tax Credit (DPTC) in April 2003. WFTC and DPTC were themselves introduced in October 1999 to replace Family Credit and Disability Working Allowance, administered by the Inland Revenue rather than the DWP. Until April 2000, these continued to be paid as a benefit and are included in total benefit income. Looking at gross income over time, there would be an apparent decline in gross income between 1996/97 and 2004/05 because the 1996/97 gross income results included Family Credit within benefit income, but the 2004/05 gross income results excluded Working Families' Tax Credit. Whilst correct in classification terms, this discontinuity presents a number of difficulties for users of the series who wish to compare income over time.

To overcome these difficulties, gross income results are no longer published and data are presented as total income (ie gross income plus tax credits), to permit meaningful comparisons. Also, tables which provide analyses of total income by source of income show tax credits as a separate income component.

Assessment of reliability

All analyses derived from survey data have limitations and the Individual Income series are no exception. The following factors should be borne in mind when interpreting the results presented in this report:

- **population coverage:** the FRS covers only people living in private households. The results in this report do not provide information on people living in residential institutions such as nursing homes, or on people living rough or in bed and breakfast accommodation. Families containing a married adult whose spouse is temporarily absent from the household (eg working abroad or in jail) are excluded from all analyses.
- **Sampling error:** as the individual income series are derived from sample surveys, all the results will be subject to a degree of sampling error. Estimates of changes in income between years are more vulnerable to sampling error than the analyses which look at results for a single year. Results that are particularly affected by sampling error are identified. Appendix 4 provides further details.
- **Variations in sample representation:** survey data from the FRS are grossed up to correct for non-response in the survey using population totals which reflect the whole household population. However the grossing regime can only correct for known non-response biases and results are sensitive to the values of control variables used to generate the weights.

In order to overcome distortions in the results which may result from random variation at the top of the income distribution, information from the FRS has been combined with aggregate data on very high incomes from the HM Revenue and Customs' Survey of Personal Incomes (SPI). Appendix 3 provides further details. Despite this use of SPI data, estimates which are vulnerable to outliers at the top end of the income distribution – in particular, estimates of mean income for different groups – should be treated with caution.

- **Incomplete capture of incomes:** comparisons of grossed FRS survey data with National Accounts suggest that, even when differing definitions and coverage are allowed for, surveys capture too little investment income and self-employment income. This may affect comparisons of the individual incomes of women and men, probably understating the differences because men have more income from these sources than women. There may be some understatement of income for those for whom investment income is a major component of income, such as some pensioners.

All the figures presented in this report are estimates. They all have a margin of error; none of the results should be regarded as being accurate to the degree of precision to which they are presented. An explanation of the estimation methodology is presented in Section 8 of the 2004/05 Family Resources Survey report (see www.dwp.gov.uk/asd/frs).

In some analyses, women and men – either separately or taken together – have been divided into five groups (quintiles) of equal size, according to the amount of their individual income. The bottom and top quintiles should not be interpreted as the poorest and richest people respectively. How well off they are will depend on the extent to which they share incomes, or the fruits of spending those incomes, with others. The bottom and top quintiles do show those people with the lowest and highest individual incomes, as defined earlier.

Structure of the report

Section 1 compares the total, net and disposable individual income distributions by gender and family type.

Section 2 looks at the sources of total individual income by gender and family type.

Section 3 looks at total, net and disposable individual income by age band, gender, family type and economic activity.

Section 4 looks at total, net and disposable individual income by marital status, and life stage indicators relating to family size and age.

Section 5 looks at total, net and disposable individual income by country/English regions, by gender and family type. **Note**, figures are based on the average of three years. Figures for Great Britain will not match those for all individuals shown in other tables.

Section 6 looks at the total individual income of women and men within couples, by family type and income band.

Section 7 looks at total, net and disposable individual income by economic activity status, by gender and family type.

Appendices 1 to 4 provide additional information including a glossary of technical terms, income definitions, the methodology used, and sampling errors.

Associated with this report are a series of **standard tables** in Excel format providing information for all years 1996/97 to 2004/05. Incomes are shown in 2004/05 prices, ie held constant in real terms (after allowing for inflation). Information for all adults are also included for the first time.

Symbols and conventions

In the tables that follow, the following conventions have been used:

.. Indicates that the sample size was small and a reliable estimate could not be made

Numbers in **bold** identify figures that have been derived from a particularly small sample size and caution should be used when referring to the results

Figures in *italics* and (brackets) give the income measures for women expressed as a percentage of the comparable income measure for men.

Contact points

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Any comments on the presentation and content of this report are also welcome.

For further information about the work of the Women and Equality Unit:

visit www.womenandequalityunit.gov.uk

1 Individual Income Distributions by Gender and Family Type

1.1 Introduction

This section examines individual income distributions and variations in individual income by gender and family type.

The number of single men with children (lone fathers) in the Family Resources Survey was small. These men are shown separately in Table 1.1. In more detailed analyses of family type, they are included within the all men totals only.

Standard tables **S1.1** to **S1.6** present analyses covering the period 1996/97 to 2004/05. Estimates of income levels for specific groups provide only a broad indication of trends over the period. Sampling variation means that there is a high margin of error in estimates of income growth for specific groups, and year on year changes should be treated with caution. Where estimates are provided for single men with children, particular care should be taken during analysis, because low sample sizes mean that year on year fluctuations in these tables reflect sample variations rather than underlying trends.

1.2 Summary of Key Findings

- The weekly median total individual income for all women in 2004/05 was 55 per cent of that of all men.
- Weekly median total individual income for women relative to men was lowest for women in pensioner couples: at 39 per cent of comparable men. However, figures were highest for single women pensioners: 91 per cent of single male pensioners.
- Around 30 per cent of women had total, net and disposable individual incomes of less than £100 per week, more than twice the proportion of men.
- 38 per cent of men had total individual incomes of more than £400 per week compared with 15 per cent of women.
- Women's total individual incomes have risen in real terms by more than twice that of men's between 1996/97 and 2004/05: a 36 per cent increase for women compared with 14 per cent for men. The largest increase was for single women with children: total individual incomes rising by 56 per cent over the period in real terms.

1.3 Individual Incomes by Gender and Family Type

Median weekly individual incomes by gender and family type are shown in Table 1.1, together with the population sizes. Figures in italics and brackets give the income measures for women expressed as a percentage of the comparable income measure for men. Figure 1.1 compares the weekly median total individual income for all women and all men for each family type for 2004/05.

Median values of the three individual income measures were higher for men than for women for all family types. The weekly median total individual income for all women was 55 per cent of that for all men, while the corresponding median net and disposable individual income measures were slightly higher at 62 per cent and 60 per cent respectively.

Table 1.1 Median Individual Income by Gender and Family Type, 2004/05

Family Type	£ per week (2004/05 prices)							
	Women				Men			
	Total	Net	Disposable	Population (thousands)	Total	Net	Disposable	Population (thousands)
Single without children	203 (88)	176 (90)	135 (91)	3786	231	196	149	6018
Single pensioner	161 (91)	156 (91)	136 (93)	3193	177	170	147	1058
Single with children	220 (77)	218 (80)	174 (82)	1719	285	273	213	143
Couple without children	238 (59)	198 (63)	151 (59)	5596	402	313	256	5596
Pensioner couple	88 (39)	86 (41)	71 (37)	3549	225	210	193	3549
Couple with children	177 (40)	168 (49)	111 (40)	5160	445	345	281	5160
All Adults	173 (55)	161 (62)	127 (60)	23003	315	258	212	21524

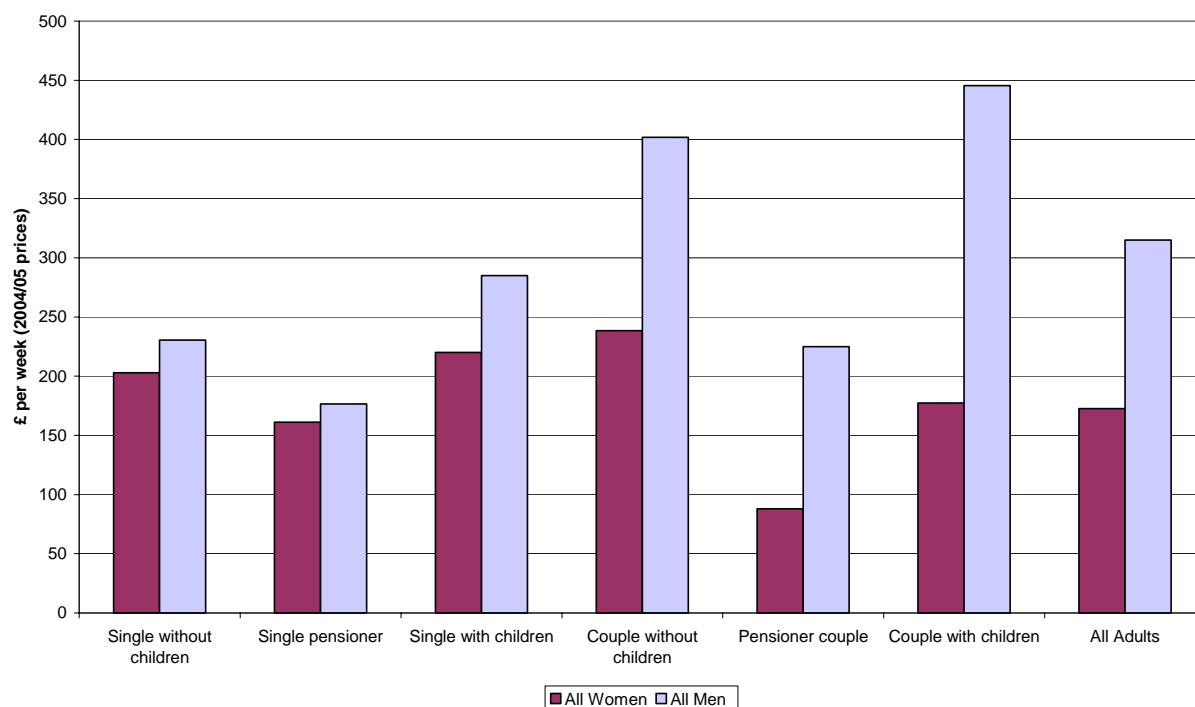
Note: Numbers in **bold** identify figures that have been derived from a particularly small sample size and caution should be used when referring to the results

Median values of all three individual income measures were lowest for women in pensioner couples and highest for men in working age couples with dependent children. Total income of women as a proportion of men and men was lowest for pensioner couples: the weekly median total individual income for these women was 39 per cent of that for men. However, figures were highest for single women pensioners: 91 per cent of single male pensioners. For those of working age, single persons also had incomes that were closer to their male counterparts than those living as a couple. The median total individual income for single working age women was 88 per cent of that for single working age men, compared with 59 per cent for women in couples without children and 40 per cent for those in couples with children. Single women with children had median total incomes that were 77 per cent of their male counterparts.

For most family types, figures for the incomes of women as a proportion of their male counterparts were similar for total, net and disposable measures. The largest differences were for women in couples with children: total median and disposable incomes were 40 per cent of that for men in

couples with children, whilst median net incomes were 49 per cent of their male counterparts. For couples without children the figures were 59 and 63 per cent respectively.

Figure 1.1 Median Total Individual Income by Gender and Family Type, 2004/05



Estimates of median and mean individual income by gender and family type for the years 1996/97 to 2004/05 are shown in standard tables **S1.1** and **S1.2** and summarised in Table 1.2. The corresponding population sizes are available as standard table **S1.3**. Women's total individual incomes have risen in real terms by more than twice that of men's over the period: a 36 per cent increase for women compared with 14 per cent for men. The largest increase was for single women with children: total individual incomes rising by 56 per cent over the period in real terms.

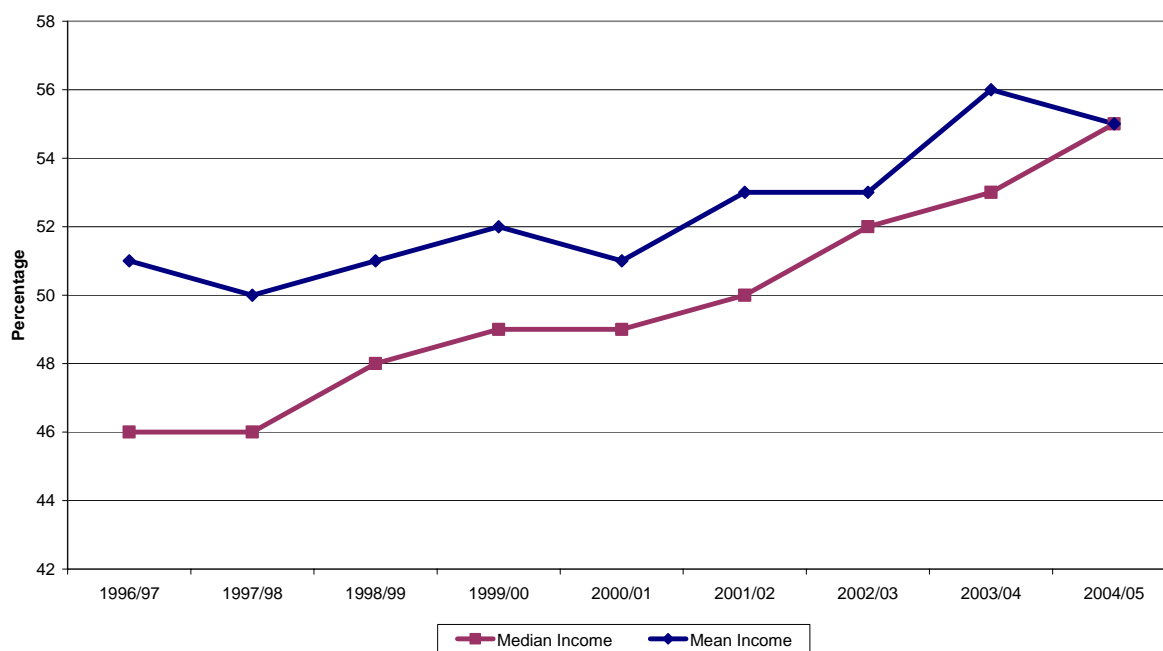
Table 1.2 Percentage change in Median Individual Income by Gender and Family Type, income held constant in real terms, 1996/97 to 2004/05

Family Type	Women			Men			Percentage	
	Total	Net	Disposable	Total	Net	Disposable		
Single without children	22	22	16	19	19	15		
Single pensioner	39	37	41	26	26	26		
Single with children	56	55	34	29	35	40		
Couple without children	28	26	23	14	13	8		
Pensioner couple	39	40	39	24	21	21		
Couple with children	42	41	42	14	12	9		
All Adults	36	33	31	14	14	11		

Note: Numbers in **bold** identify figures that have been derived from a particularly small sample size and caution should be used when referring to the results

Figure 1.2 illustrates how the weekly median and mean individual income for all women as a proportion of that for all men has changed during the period from 1996/97 to 2004/05. Women's total weekly median individual income as a proportion of that for all men has shown a steady increase during this period, rising from 46 per cent in 1996/97 to 55 per cent in 2004/05.

Figure 1.2 Median and Mean Total¹ Individual Income for All Women as a Percentage of All Men, 1996/97 - 2004/05



Note;

1 Total Income (gross income plus tax credits) from 2000/01, gross income in earlier years

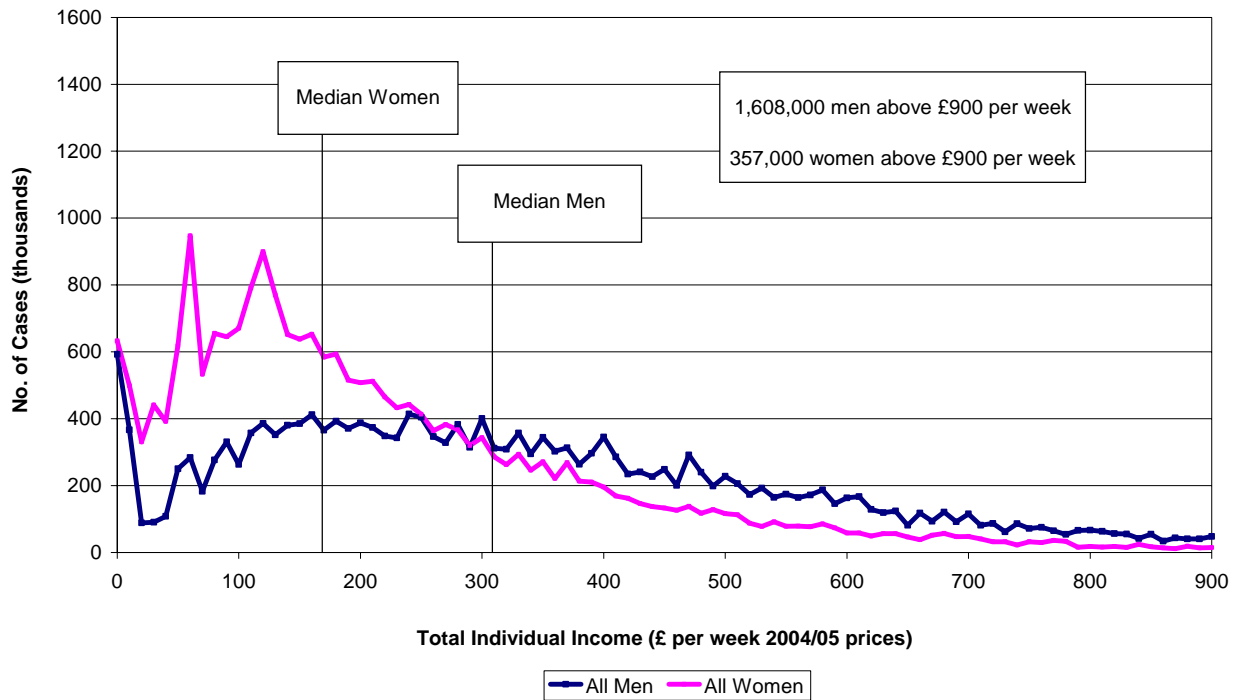
1.4 Distribution of Individual Income by Gender

Total Individual Income

Figure 1.3 shows the distribution of total weekly individual income for all women and all men by £10 bands. The median total individual income was £173 per week for women and £315 per week for men.

There were two distinguishable peaks at the bottom of the individual income distribution for women; the first peak corresponded to total individual income levels between £50 and £60 per week. Married women predominated this group: 81 per cent were married and 63 per cent were over state pension age. The second peak for women corresponded to total individual income levels between £110 and £120 per week. 40 per cent of this group were single women pensioners, 15 per cent in pensioner couples. Overall, around a third were 75 and over.

Figure 1.3 Distribution of Total Individual Income by £10 Bands, All Adults, 2004/05



For men, there was no distinguishable peak at the bottom of the total individual income distribution. The total individual income distribution for men was much flatter than that for women, and had a longer tail with the number of men having incomes greater than £900 per week four and a half times higher than women in the same income band.

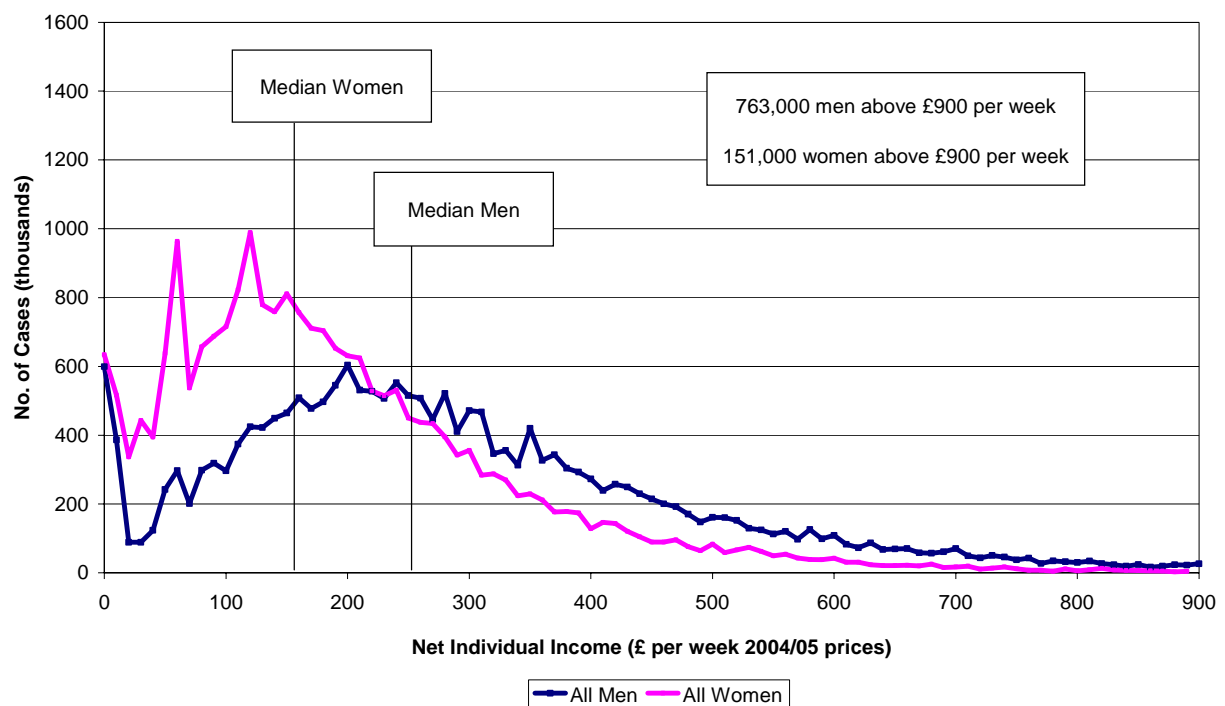
The number of individuals recorded as having no income was relatively low; 593,000 men and 633,000 women. Among the men, young single men were the largest group in this income band; 63 per cent were single without children and 48 per cent were aged under 25. 31 per cent were unemployed and 21 per cent were students. Among the women, women in couples were the largest group in this income band; 56 per cent were married and 10 per cent cohabiting. Nearly a quarter were looking after family/home, 17 per cent unemployed and 14 per cent students. A third were under 25. Median total individual income estimates excluding those on zero income were slightly higher than those for the whole income distribution, £177 per week for women and £324 per week for men.

Net Individual Income

Figure 1.4 shows the distribution of weekly net individual income for all women and all men by £10 bands. The median net individual income was £161 per week for women and £258 for men. There were two distinguishable peaks at the bottom of the individual income distribution for women. The first peak corresponded to net individual income levels between £50 and £60 per week and the second peak corresponded to net individual income levels between £110 and £120 per week. As with total individual income, married women over the age of 60 pre-dominated in the £50 to £60 per week band. 37 per cent of the women in the £100 to £110 per week income band were single pensioners, 14 per cent pensioner couples.

For men, the net individual income distribution was also similar to the total individual income distribution, with no distinguishable peaks at the bottom of income distribution.

Figure 1.4 Distribution of Net Individual Income by £10 bands, All Adults, 2004/05

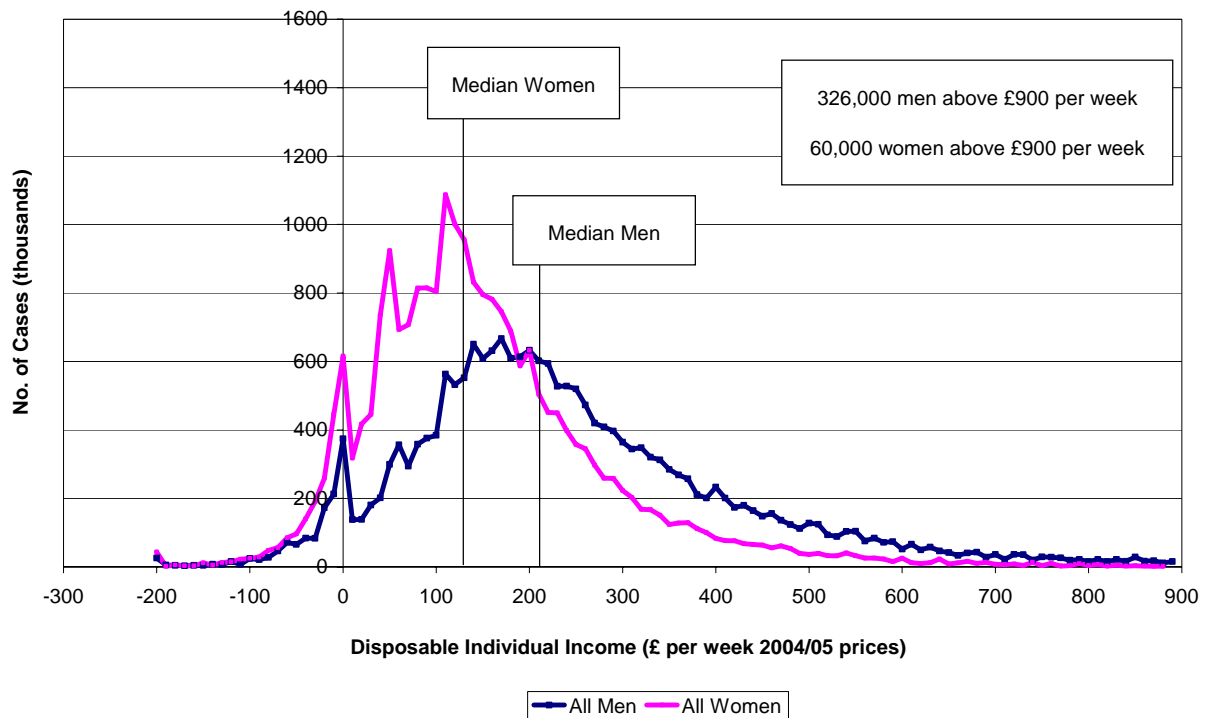


Disposable Individual Income

Figure 1.5 shows the distribution of weekly disposable individual income for all women and all men by £10 bands. The main difference between the income distributions for disposable individual income and the income distributions for total and net individual incomes was the presence in the disposable income distribution of women and men with negative disposable individual income. The disposable

individual income measure takes account of shared housing costs and other items, including travel to work costs, childcare costs, maintenance payments and parental contributions to students living away from home (see definitions in Appendix 2). As a result women and men with no total individual income or very low total individual incomes are shown as having negative incomes once these costs have been taken into account.

Figure 1.5 Distribution of Disposable Individual Income by £10 bands, All Adults, 2004/05



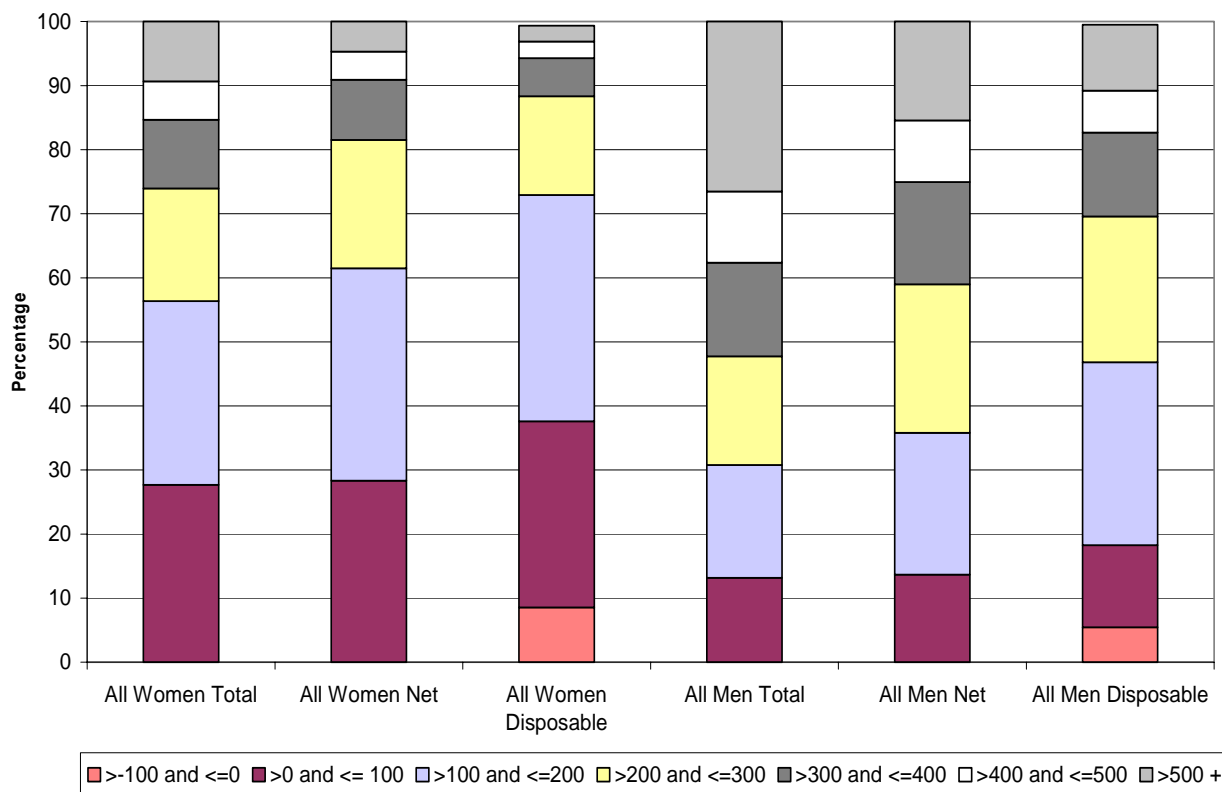
Median disposable individual income was £127 per week for women and £212 per week for men. There were three distinguishable peaks at the bottom of the disposable individual income distribution for women. The first peak related to women with very small negative disposable incomes: those women with disposable individual income levels between -£10 and £0 per week. Women in couples below pension age pre-dominated in this income band: 39 per cent were in couples with no children and 24 per cent couples with children. 13 per cent were women in pensioner couples.

The second peak in the disposable income distribution for women corresponded to disposable individual income levels between £40 and £50 per week and the third peak corresponded to disposable individual income levels between £100 and £110 per week. Older married women pre-dominated in the £40 to £50 per week band: nearly three fifths of the women in this income band were aged 60 or over. 80 per cent of the women were married and 57 per cent were part of a pensioner couple. 29 per cent of all women in the £100 to £110 per week income band were single pensioners and 38 per cent retired. 19 per cent women in couples with children. .

For men, there was one distinguishable peak at the bottom of the disposable individual income distribution. This peak related to men with very small negative disposable incomes, namely men with disposable individual income levels between -£10 and £0 per week. Young single men predominated in this income band; 51 per cent of the men were single, never married men, 44 per cent were aged under 25 and a further 18 per cent were aged between 25 and 34. 26 per cent of the men in this income band were unemployed and 18 per cent were students.

Figure 1.6 shows the percentage distribution of weekly individual income in £100 bands for all women and all men. Around 30 per cent of women had total, net and disposable individual incomes of less than £100 per week, more than twice the proportion of men.

Figure 1.6 Percentage Distribution of Weekly Individual Income in £100 Bands, All Adults, 2004/05



At the top end of the income distributions, 38 per cent of men had total individual incomes of more than £400 per week compared with 15 per cent of women, and 17 per cent of men had disposable individual incomes of more than £400 per week compared with only 5 per cent of women.

1.5 Individual Income Quintile Analysis by Gender

All men and all women together were ranked by total individual income and then divided into quintile groups to provide a quintile distribution for all adults in Great Britain. Table 1.3 shows the quintile distribution for all women and all men relative to the all adult quintile distribution. Women were over-represented in the bottom quintile and men were over-represented in the top quintile. More than half of all women were in the bottom two quintiles and 54 per cent of all men were in the top two quintiles.

Table 1.3 Percentage Distribution of All Women and All Men within the All Adult Total Individual Income Quintiles, 2004/05

	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage Population (thousands)
Lower Boundary Marker (£ per week)		97	180	293	470	
All Women	27	25	21	16	11	23003
All Men	13	14	19	24	30	21524
All Adults	20	20	20	20	20	44528

Standard table **S1.4** shows the quintile distributions of total individual income for all women and all men relative to the all adult quintile distributions, for the years 1996/97 to 2004/05. The results show no significant changes during this period.

1.6 Individual Income Quintile Analysis by Gender and Family Type

Table 1.4 shows the quintile distribution of women by family type relative to the all adult quintile distribution, and the corresponding quintile distribution for men is shown in Table 1.5. The quintile distributions for working age single, childless persons were broadly similar for women and men. Single women with children were under-represented in both the top and bottom income quintiles.

There were marked differences in the quintile distributions of women and men living as couples. For all couple family types, women were over-represented in the bottom income quintile and men were under-represented in the bottom income quintile. For working age couples without dependent children, 39 per cent of women were in the bottom two income quintiles compared with 15 per cent of men, and only 17 per cent of women were in the top income quintile compared with 40 per cent of men. Half of women in working age couples with dependent children were in the bottom two income quintiles compared with 14 per cent of men.

Table 1.4 Percentage Distribution of Women by Family Type within the All Adult Total Individual Income Quintiles, 2004/05

Family Type	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage
						Population (thousands)
Single without children	28	18	21	20	13	3786
Single pensioner	7	52	29	9	4	3193
Single with children	7	34	26	23	11	1719
Couple without children	24	15	22	22	17	5596
Pensioner couple	56	25	11	6	3	3549
Couple with children	28	23	21	16	12	5160
All Women	27	25	21	16	11	23003
All Adults	20	20	20	20	20	44528

Table 1.5 Percentage Distribution of Men by Family Type within the All Adult Total Individual Income Quintiles, 2004/05

Family Type	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage
						Population (thousands)
Single without children	27	14	20	21	18	6018
Single pensioner	4	47	29	12	8	1058
Couple without children	8	7	15	29	40	5596
Pensioner couple	6	30	28	20	16	3549
Couple with children	8	6	13	27	46	5160
All Men	13	14	19	24	30	21524
All Adults	20	20	20	20	20	44528

Women in pensioner couples were over-represented in the bottom two quintiles: 81 per cent of women in this family type were in the bottom two income quintiles, with 56 per cent in the bottom quintile. Men in pensioner couples were under-represented in both the top and bottom income quintiles. Just 6 per cent of men in pensioner couples were in the bottom income quintile.

Standard tables **S1.5 to S1.6** show the quintile distributions of total individual income for women by family type and men by family type, relative to the all adult quintile distributions, for the years 1996/97 to 2004/05. The results show no significant changes during this period.

2 Total Individual Income by Source of Income

2.1 Introduction

This section looks at the components of mean weekly total individual income and the differences in the income components for women and men, together with variations in total individual income by family type. Although analyses of mean income are more sensitive to estimation errors than are analyses of median income, mean individual income is used in this section rather than the median to facilitate the disaggregation of individual income by source of income.

The number of single men with children (lone fathers) in the Family Resources Survey is small; although these men are included in analyses of all men, they have not been analysed separately.

Standard tables **S2.1** to **S2.6** present analyses covering the period 1996/97 to 2004/05. Estimates of income levels for specific groups provide only a broad indication of trends over the period. Sampling variation means that there is a high margin of error in estimates of income growth for specific groups, and year on year changes should be treated with caution.

2.2 Summary of Key Findings

- For men, mean total individual income in 2004/05 was £433 per week; 68 per cent came from earnings, 11 per cent from self-employment income and 8 per cent from non-state pensions.
- For women, mean total individual income was £238 per week; 63 per cent came from earnings, 4 per cent from self-employment income and 5 per cent from non-state pensions.
- For 30 per cent of all women, but only 15 per cent of men, state support made up at least 75 per cent of their income.
- 41 per cent of women obtained at least 75 per cent of their income from employment, compared with 60 per cent of all men.
- The main source of income for pensioners of both sexes was benefit income, the major component of which was the state Retirement Pension. The difference in mean income between women and men was accounted for by higher incomes from non-state pensions.
- Men in couples with children had high mean total individual incomes compared to women, £593 per week for men against £251 for women, the difference being accounted for by higher levels of income from employment.

2.3 Individual Income by Source of Income and Family Type

The mean values of weekly total individual income were analysed by source of income and family type. There are seven main sources of income:

- Earnings
- Self-employment income
- Non-state pensions and annuities
- Investment income
- Tax credits
- Other income (including maintenance, income from an absent partner, trade union sick and strike pay, income from babysitting, odd jobs and other miscellaneous sources)
- Benefit income: this has been divided into three categories which show whether the benefits are received on an individual basis, or whether they are received in part or wholly for a dependent. Note that there has been no attempt to split benefit payments into claimant/dependent entitlements: where an individual receives benefit in respect of a partner and/or other dependents, the full benefit entitlement is assigned to the individual. The three categories of benefit are:
 1. Dependent benefits (most importantly: Child Benefit and Income Support)
 2. Mainly personal benefits (most importantly: state Retirement Pension and Incapacity Benefit)
 3. Individual benefits (most importantly: Disability Living Allowance and Attendance Allowance).

All women and all men

Tables 2.1, 2.2 and Figure 2.1 show the mean value of total individual income and composition by source of income and family type, for all women and all men. The mean weekly total individual income for men was £433 compared with £238 for all women. This difference was largely accounted for by differences in levels of income from employment. Nonetheless, earnings were the major component of income for both women and men, comprising 68 per cent of total income for all men and 63 per cent for all women.

After earnings, benefits were the most important source of income for all women: 18 per cent compared with 7 per cent for all men. The main component of benefit income for both women and men was the mainly personal benefits component, which includes state Retirement Pension and Incapacity Benefit. However, women received a higher level of dependent benefits than men, which include Child Benefit and Income Support.

More men than women are self-employed and this was reflected in the proportion of total income which derived from self-employment: 4 per cent for all women compared with 11 per cent for all men. Men are also more likely to have a non-state pension than women, and income from non-state pensions accounted for 8 per cent of total individual income for all men, compared with 5 per cent for all women.

Table 2.1 Mean Total Individual Income and Composition by Source of Income, by Family Type, All Women, 2004/05

Source of Income	Percentage						All Women
	Single without children	Single with children	Single pensioner	Couple without children	Couple with children	Pensioner couple	
Earnings	82	44	5	87	70	21	63
Self-employment	4	2	1	5	6	3	4
Non-state pensions	2	1	25	1	0	18	5
Investment	2	1	6	2	2	12	3
Tax Credits	0	16	0	0	7	0	3
Benefit Income							
Dependent Benefits	2	26	0	0	10	0	5
Mainly Personal Benefits	2	1	55	1	1	39	11
Individual Benefits	2	2	6	1	2	5	2
Total	6	29	62	3	13	44	18
Other	4	8	2	1	2	2	3
Total Income (£ per week 2004/05 prices)	262	268	196	286	251	138	238

Table 2.2 Mean Total Individual Income and Composition by Source of Income, by Family Type, All Men, 2004/05

Source of Income	Percentage						All Men
	Single without children	Single pensioner	Couple without children	Couple with children	Pensioner couple		
Earnings	77	4	77	79	16	68	
Self-employment	10	2	12	14	6	11	
Non-state pensions	2	35	6	1	38	8	
Investment	3	9	2	3	8	3	
Tax Credits	0	0	0	1	0	0	
Benefit Income							
Dependent Benefits	2	0	0	1	0	1	
Mainly Personal Benefits	2	46	1	1	29	6	
Individual Benefits	1	4	0	0	2	1	
Total	5	49	2	2	30	7	
Other	3	1	1	1	1	1	
Total Income (£ per week 2004/05 prices)	327	244	504	593	327	433	

Figure 2.1 Mean Total Individual Income and Composition by Source of Income, by Family Type, 2004/05

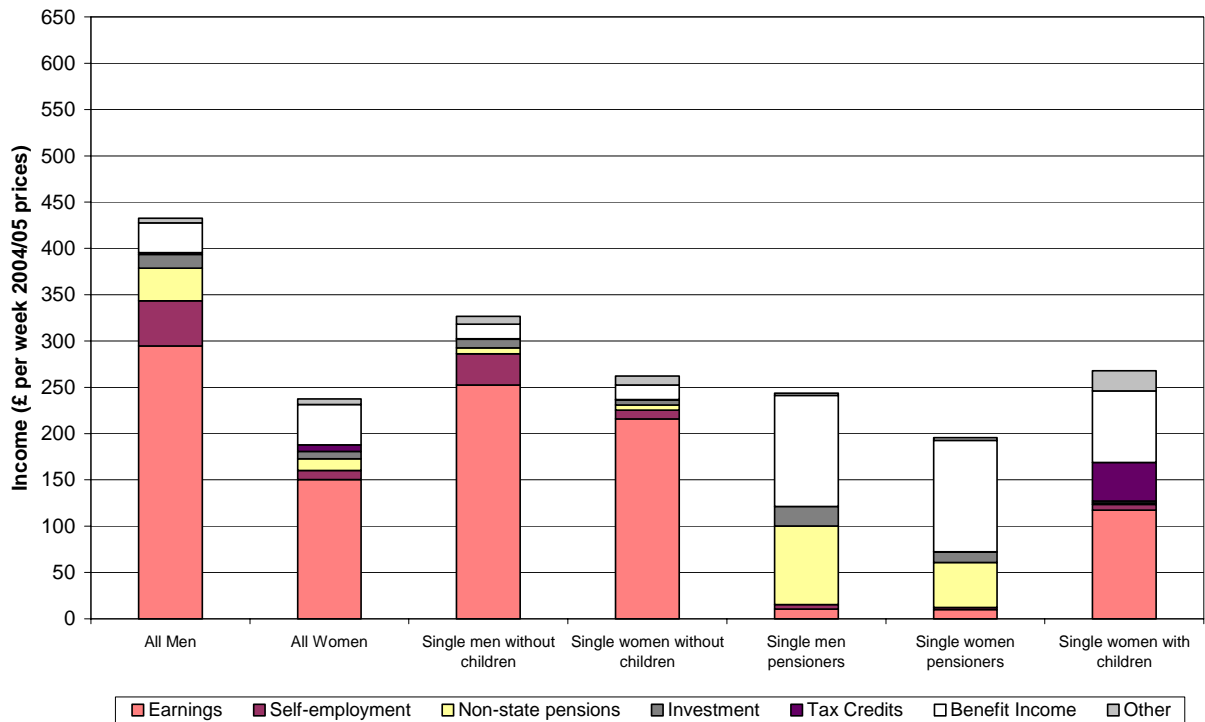
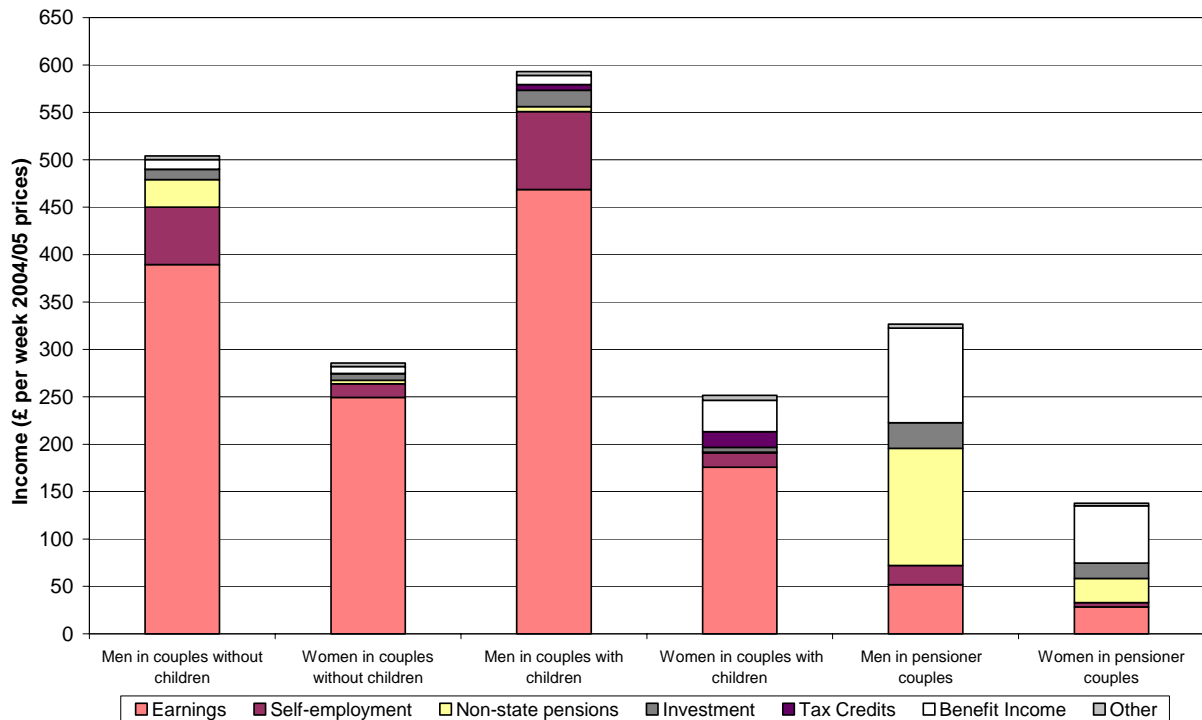


Figure 2.1 cont. Mean Total Individual Income and Composition by Source of Income, by Family Type, 2004/05



Tables 2.3 and 2.4 show the percentages of women and men, by family type, who derived differing proportions of their income from benefits/tax credits (state support) and employment (earnings plus income from self-employment). For 30 per cent of all women, benefits/tax credits made up at least 75 per cent of their income. This compared with only 15 per cent of men. 41 per cent of women obtained at least 75 per cent of their income from employment, compared with 60 per cent of all men.

Table 2.3 Proportion of Total Individual Income from State Support and Employment by Family Type, All Women, 2004/05

Proportion of Income							Percentage	
	Single without children	Single with children	Single pensioner	Couple without children	Couple with children	Pensioner couple	All Women	
From State Support								
Less than 25%	85	23	7	92	52	17	53	
Between 25% and 50%	1	18	17	1	13	16	10	
Between 50% and 75%	1	12	19	1	5	15	7	
75% or greater	13	47	58	6	30	52	30	
From Employment								
Less than 25%	30	54	95	23	36	86	49	
Between 25% and 50%	2	15	2	1	5	3	3	
Between 50% and 75%	4	16	2	2	13	5	6	
75% or greater	65	16	1	74	46	6	41	

Table 2.4 Proportion of Total Individual Income from State Support and Employment by Family Type, All Men, 2004/05

Proportion of Income						Percentage	
	Single without children	Single pensioner	Couple without children	Couple with children	Pensioner couple	All Men	
From State Support							
Less than 25%	83	10	91	91	28	74	
Between 25% and 50%	1	22	1	2	23	6	
Between 50% and 75%	1	21	1	1	20	5	
75% or greater	15	47	6	7	28	15	
From Employment							
Less than 25%	33	96	18	12	84	35	
Between 25% and 50%	1	3	1	1	5	2	
Between 50% and 75%	2	1	3	3	2	3	
75% or greater	64	1	78	84	9	60	

The following paragraphs analyse tables 2.1 to 2.4 and Figure 2.1 in more detail.

Non-pensioner singles without children

The incomes of women and men were closer for this group than for other working age groups: £327 for men compared with £262 for women. Income from employment was the major component of total individual income for both women and men, comprising 87 per cent of total income for men and 86 per cent for women. Differences in income were accounted for by higher levels of income from employment for men, men also had slightly higher levels of investment income.

Proportions of women and men relying on state support as their main source of income were also similar for singles without children, with 13 per cent of women and 15 per cent of men deriving at least 75 per cent of their incomes from state support. Employment income made up at least 75 per cent of total income for around two thirds of women and men.

Single women with children

The mean total individual income for single mothers was £268 per week; 46 per cent of this was from income from employment. 29 per cent was from benefits: the main element of this was derived from dependent benefits, which include Child Benefit and Income Support. Tax credits accounted for 16 per cent of mean income.

Just under half of single women with children derived at least three quarters of their income from state support. 16 per cent derived at least 75 per cent of their income from employment.

Single pensioners

The mean total individual income for single pensioner women was £196 compared with £244 for single pensioner men. The main source of income for single pensioners of both sexes was benefit income, the major component of which was the state Retirement Pension. The difference in mean income between women and men was accounted for by higher incomes from non-state pensions. For single pensioner women, benefit income and non-state pensions accounted for 62 and 25 per cent respectively of mean total income, compared with 49 and 35 per cent for single pensioner men.

58 per cent of single pensioner women derived at least 75 per cent of their income from state support, compared with 47 per cent of single pensioner men.

Non-pensioner couples without children

The mean total individual income of women of working age in couples without dependent children was £286 compared with £504 for men. The main source of income for both women and men was income from employment, accounting for 92 per cent of mean total income for women compared with 88 per cent for men. However, higher levels of employment income accounted for most of the difference in mean total income between the two groups. Men in working age couples without dependent children also had higher levels of investments and non-state pensions.

Non-pensioner couples with children

The mean total individual income for women of working age in couples with dependent children was £251 compared with £593 for men. Like those couples without children, income from employment was the main source of income and also accounted for the difference between women and men. 76 per cent of mean total income for women was from income from employment, compared with 93 per cent of mean total income for men.

Unlike their counterparts without children, benefit income accounted for 13 per cent of mean total income for women. The major element of this, 10 per cent of mean total income, was derived from dependent benefits which include Child Benefit.

Over a third of women had incomes which were made up at least half from state support, compared with only 8 per cent of men. Conversely, 87 per cent of men gained at least half of their total income from employment compared with 59 per cent of women.

Pensioner couples

Men in pensioner couples had mean total individual incomes that were nearly two and a half times that of women, £327 per week for men compared with £138 per week for women. Benefit income and income from non-state pensions were the main sources of income for women and men in pensioner couples. However, the level of non-state pensions was nearly 5 times higher for men than women, contributing 38 per cent of mean total income of men in pensioner couples compared with 18 per cent of mean total income of the income of comparable women. The state Retirement Pension was the major component of benefit income for both women and men in pensioner couples, although the value of benefits was higher for men than women.

Income from employment was a significant source of income for pensioner couples, accounting for around a quarter of mean total income for women and men. However, only 11 per cent of individuals derived at least half of their income from this source. For women in pensioner couples, 67 per cent had at least half of their total income from state support compared with 48 per cent of men.

Changes over time

Estimates of the mean values of total individual income and composition by source of income, gender and family type for the years 1996/97 to 2004/05 are shown in standard tables **S2.1** and **S2.2**. For most family groups, the results showed few significant changes in the relative proportions of the various sources of income. However, for single women with children the proportion of income derived from benefit income fell from 51 per cent in 1996/97 to 29 per cent in 2004/05, reflecting the fact that Family Credit was phased out in 1999/2000 and replaced by tax credits. Tax credits are shown as a separate component of total individual income from 2000/01, and accounted for 16 per cent of mean income for single women with children in 2004/05. It follows that, taking benefits and tax credits together, there has been a fall in the proportion of income derived from these sources for this group. And the counterpart to these sources is the proportion of income derived from employment, which rose from 39 per cent in 1996/97 to 46 per cent in 2004/05.

Standard tables **S2.3** and **S2.4** show figures for the proportion of total individual income from state support and employment by family type and gender over the same time period. Like S2.1 and S2.2, most family groups show no significant changes. For single women with children, in 1996/97, 62 per cent derived at least 75 per cent of their income from state support, compared with 47 per cent in 2004/05.

2.4 Individual Income by Income Component and Family Type

Tables 2.5 and 2.6 show the values of mean individual income by income component and family type, for women and men. These tables provide mean values of the various income components used to obtain the three income measures (details of the definitions are set out in Appendix 2). Some of the mean values of specific income components such as maintenance payments and student support were very small and may appear in some tables as zero values when these very small amounts are rounded to pounds. Zero entries have been retained in the tables to ensure that users are aware that these components were taken into account.

Childcare costs are shown for women but not for men in Tables 2.5 and 2.6: this is an artificial distinction introduced because the Family Resources Survey collects information about childcare costs for each child, but the survey does not collect information on whether the payments were made by the woman or the man. Where childcare costs information is available for a couple, the individual income series allocates them to the woman and they are deducted from her disposable income. Childcare costs are deducted from the disposable income of single parents of both sexes.

Estimates of the values of mean individual income by income component, gender and family type for the years 1996/97 to 2004/05 are shown in standard tables **S2.5** and **S2.6**.

Table 2.5 Mean Values of Individual Income by Income Component and Family Type, All Women, 2004/05

Income component	£ per week (2004/05 prices)						
	Single without children	Single with children	Single pensioner	Couple without children	Couple with children	Pensioner couple	All Women
Total Individual Income	262	268	196	286	251	138	238
Net Individual Income	211	246	181	226	208	124	199
Housing costs	44	72	36	36	47	19	40
Travel to work costs	11	7	0	14	10	2	8
Maintenance payments	0	0	0	0	0	0	0
Student support	0	0	0	1	0	0	0
Childcare costs	0	7	0	0	12	0	3
Disposable Individual Income	163	199	161	176	143	107	155

Table 2.6 Mean Values of Individual Income by Income Component and Family Type, All Men, 2004/05

Income component	£ per week (2004/05 prices)					
	Single without children	Single pensioner	Couple without children	Couple with children	Pensioner couple	All Men
Total Individual Income	327	244	504	593	327	433
Net Individual Income	254	219	377	443	279	334
Housing costs	48	37	36	47	19	40
Travel to work costs	11	0	19	20	2	13
Maintenance payments	5	1	3	2	0	3
Student support	1	0	2	1	0	1
Childcare costs	na	na	na	na	na	na
Disposable Individual Income	197	196	318	375	260	282

3 Individual Income by Age Band

3.1 Introduction

This section examines the individual incomes of women and men analysed by age band and family type. Factors such as economic activity rates and family responsibilities vary across age groups; these effects will influence the level of individual income for both women and men, and should be borne in mind when reviewing these results.

Single pensioners and pensioner couples were not analysed as separate family types: women and men in age bands above the normal retirement age (60 for women and 65 for men) are assumed to be pensioners. The number of single men with children (lone fathers) in the Family Resources Survey was small: although these men are included in analyses of all men by age band, they have not been analysed separately.

Standard tables **S3.1** to **S3.13** present analyses covering the years 1996/97 to 2004/05. Estimates of income levels for specific groups provide only a broad indication of trends over the period. Sampling variation means that there is a high margin of error in estimates of income growth for specific groups, and year on year changes should be treated with caution.

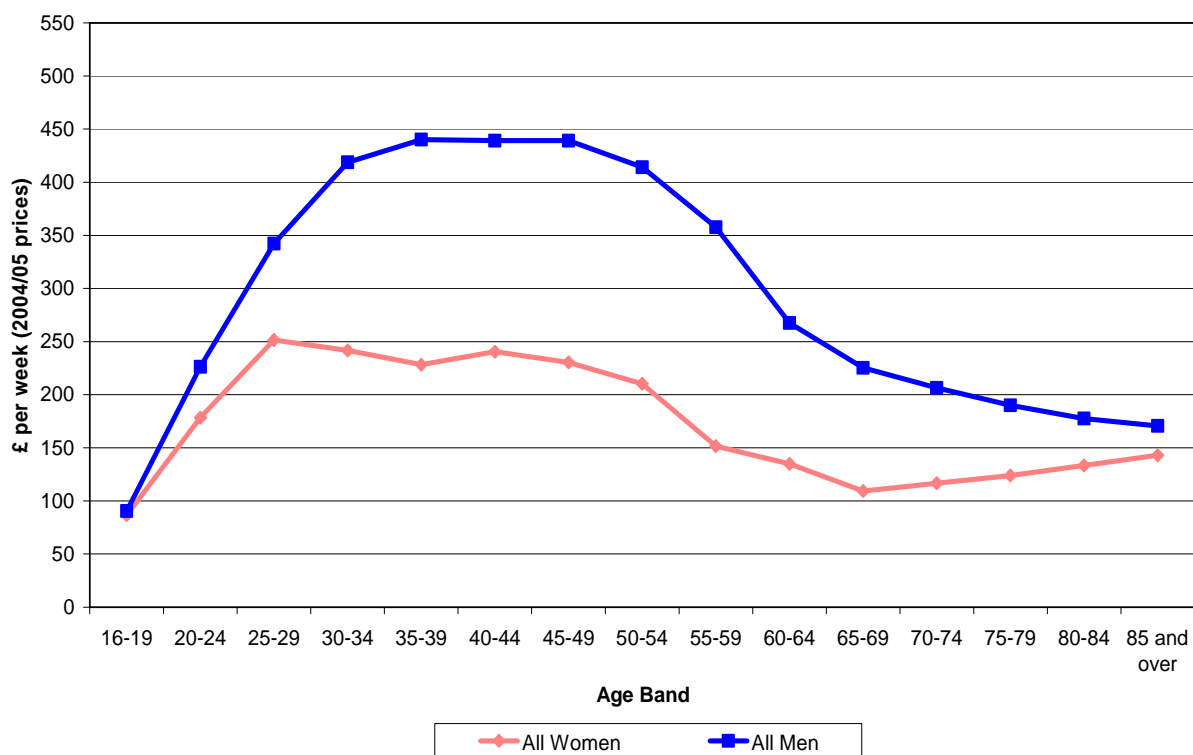
3.2 Summary of Key Findings

- For women, median total individual income was highest for the 25 to 29 age band. The values of all three individual income measures were higher for women aged 25 to 49 than for other women.
- For men, median total individual income was highest for the 35 to 49 age band, and the values of all three individual income measures were higher for men aged 35 to 54 than for other men.
- Weekly median total individual income for women relative to men was lowest for women aged 55 to 59, 42 per cent of that for comparable men.
- For women, between 1996/97 and 2004/05, the largest increase in median total income has been for the 50 to 54 and 60 to 64 age groups, a 51 per cent rise in real terms. For men, the largest increase has been for the 80 to 84 age group, a 40 per cent rise in real terms.
- For men across all age groups, single men had lower weekly individual incomes than men in couples. This was not the case for women.
- Women under 45 in couples with dependent children had lower individual incomes than those in any other family type.

3.3 Individual Income by Age

Figure 3.1 shows the median total individual income by age for all women and all men. The low level of individual income for women aged between 30 and 50, relative to the income levels for men in the same age bands, illustrates the impact of family responsibilities on women's individual incomes.

Figure 3.1 Median Total Individual Income by Age Band, All Women and All Men, 2004/05



Weekly median total individual income for women relative to men was lowest for women aged 55 to 59, 42 per cent of that for comparable men. The absolute difference in median total individual income between women and men was largest for those aged between 35 and 39; women's income as a proportion of men being 52 per cent for this age group.

Median individual incomes by age band for all three measures are shown in Table 3.1. Figures in italics and brackets give the income measures for women expressed as a percentage of the comparable income measure for men. For women, median total individual incomes were highest for the 25 to 29 age band, and the values of all three individual income measures were higher for women aged 25 to 49 than for other women.

Median individual incomes were higher for women aged 80 and over than for women aged between 65 and 79, mainly because the older age bands included a higher proportion of widows who had higher individual incomes than women in pensioner couples.

For men, median total individual incomes were highest for the 35 to 49 age band. The values of all three individual income measures were higher for men aged 35 to 54 than for other men. For all three individual income measures, the median income of men showed successive declines in all age bands from age 45 to 49.

Table 3.1 Median Individual Income by Age Band, All Women and All Men, 2004/05

£ per week (2004/05 prices)

Age Band	All Women			All Men					
	Total	Net	Disposable	Total	Net	Disposable			
16-19	87	(96)	83	(95)	60	(105)	90	88	57
20-24	178	(79)	161	(84)	119	(81)	226	192	147
25-29	252	(74)	216	(81)	154	(75)	342	266	204
30-34	242	(58)	217	(68)	152	(61)	419	320	249
35-39	228	(52)	206	(60)	147	(56)	440	343	261
40-44	241	(55)	211	(62)	160	(58)	439	342	274
45-49	231	(52)	200	(59)	157	(55)	439	341	282
50-54	210	(51)	182	(56)	150	(54)	414	326	276
55-59	152	(42)	140	(49)	112	(46)	358	286	245
60-64	135	(50)	128	(56)	109	(55)	268	228	200
65-69	109	(49)	109	(52)	93	(48)	225	211	192
70-74	117	(57)	115	(58)	105	(58)	206	197	181
75-79	124	(65)	122	(67)	110	(66)	190	184	168
80-84	133	(75)	132	(77)	119	(76)	178	173	156
85 and over	143	(84)	139	(82)	125	(82)	171	169	153

Figures 3.2 and 3.3 show the median total, net and disposable individual income for all women and men and illustrate the differences in level between the three income measures. For both women and men, the differences between the income measures were relatively small for those aged under 25, but showed larger differences for ages 25 to 59 where income from employment was the main source of income and individuals paid income tax and National Insurance contributions. The differences between total individual income and net individual income were smaller for both women and men aged 60 and over, when the main sources of income were non-state pensions and the state Retirement Pension.

Figure 3.2 Median Individual Income by Age Band, All Women, 2004/05

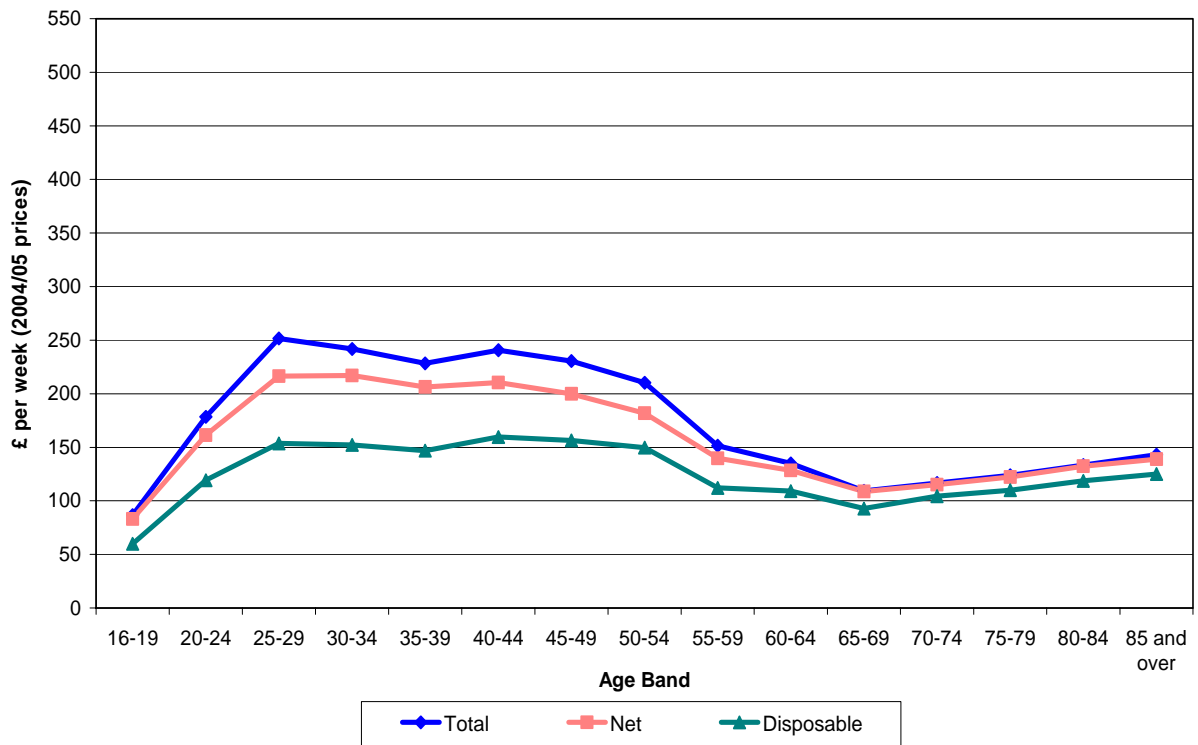
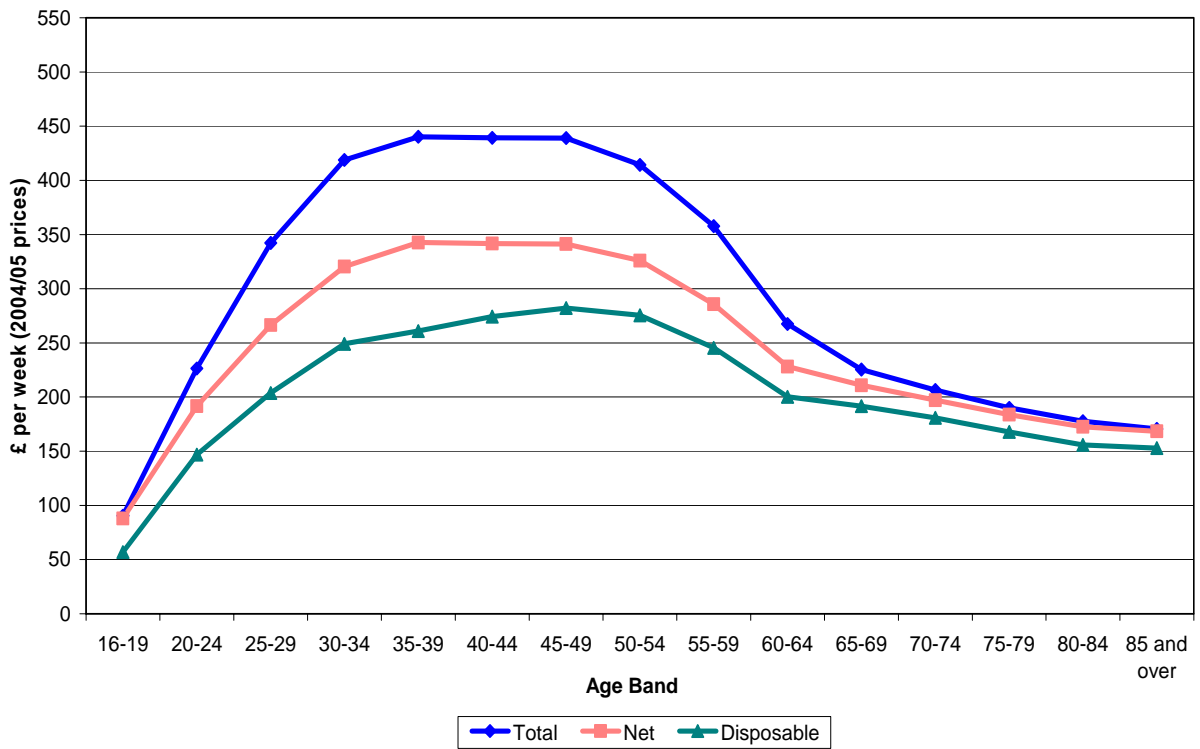


Figure 3.3 Median Individual Income by Age Band, All Men, 2004/05



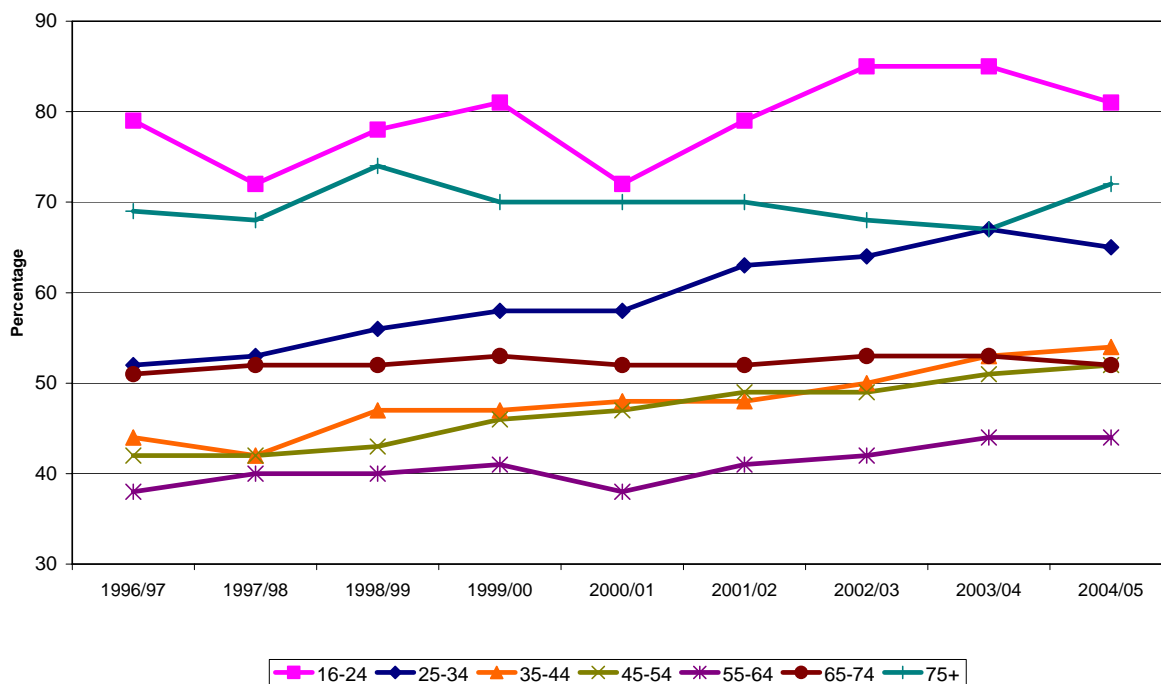
Tables of median and mean total individual income by gender and age band for the years 1996/97 and 2004/05 are available as standard tables **S3.1** and **S3.2** and summarised in Table 3.2. For women, the largest increase in median total income has been for the 50 to 54 and 60 to 64 age groups, a 51 per cent rise in real terms between 1996/97 and 2004/05, compared with 36 per cent for all women. For men, the largest increases were for the 80 to 84 age group, with median total incomes rising by 40 per cent. Median total individual income for women in this age group rose by a similar figure, 39 per cent, over the same period.

Table 3.2 Percentage change in Median Individual Income by Age Band and Gender, income held constant in real terms, 1996/97 to 2004/05

Age Band	Women			Men			Percentage
	Total	Net	Disposable	Total	Net	Disposable	
16-19	16	13	11	19	22	4	
20-24	31	29	22	20	22	18	
25-29	37	35	28	12	11	7	
30-34	47	43	38	15	14	9	
35-39	41	38	28	15	13	5	
40-44	32	31	24	11	10	5	
45-49	29	30	25	13	14	9	
50-54	51	44	44	16	13	9	
55-59	36	36	32	27	21	16	
60-64	51	46	39	23	15	12	
65-69	18	19	15	17	15	12	
70-74	30	29	29	25	24	24	
75-79	34	33	32	29	29	32	
80-84	39	39	33	40	40	37	
85 and over	33	31	37	30	31	29	
All Adults	36	33	31	14	14	11	

Figure 3.4 shows the median total individual income for all women as a percentage of that for all men, by age, over the same period. All the age groups have seen an increase in the percentage of the median total individual income of women compared to that of men. The largest increase was for women in the 25 to 34 age group, which has risen by 13 percentage points, from 52 per cent in 1996/97 to 65 per cent in 2004/05.

Figure 3.4 Median Total Income for All Women as a percentage of All Men by Age Band, 1996/97 - 2004/05



3.4 Distribution of Total Individual Income by Income Band

Figures 3.5 and 3.6 present the percentage distribution of total individual income by income band and age band for all women and all men. For women aged 50 to 79, around a third had incomes below £100 per week. For men in these age groups the figures were much lower falling from 12 per cent of men aged 50 to 59 to 4 per cent of men aged 70 to 79.

16 per cent of women aged 30 to 49 had incomes of £500 per week or more, compared with around 40 per cent of men in the same age groups.

3.5 Median Individual Income by Age and Family Type

Tables 3.3 to 3.5 show the median individual incomes for women and men by age band and family type for all three individual income measures. Population sizes are shown in Table 3.6. For women aged between 20 and 44 and in couples with dependent children, all three income measures were considerably lower than those for women in the same age bands in other family types. Up to age 39, women in couples without children had higher incomes than other family types. However, median incomes for women in couples with children increased with age, whilst those women in couples without children saw a decline after the age of 34. For single women without dependent children, median total, net and disposable individual incomes were highest for women aged 30 to 34, values

Figure 3.5 Percentage Distribution of Total Individual Income by Income Band, All Women, 2004/05

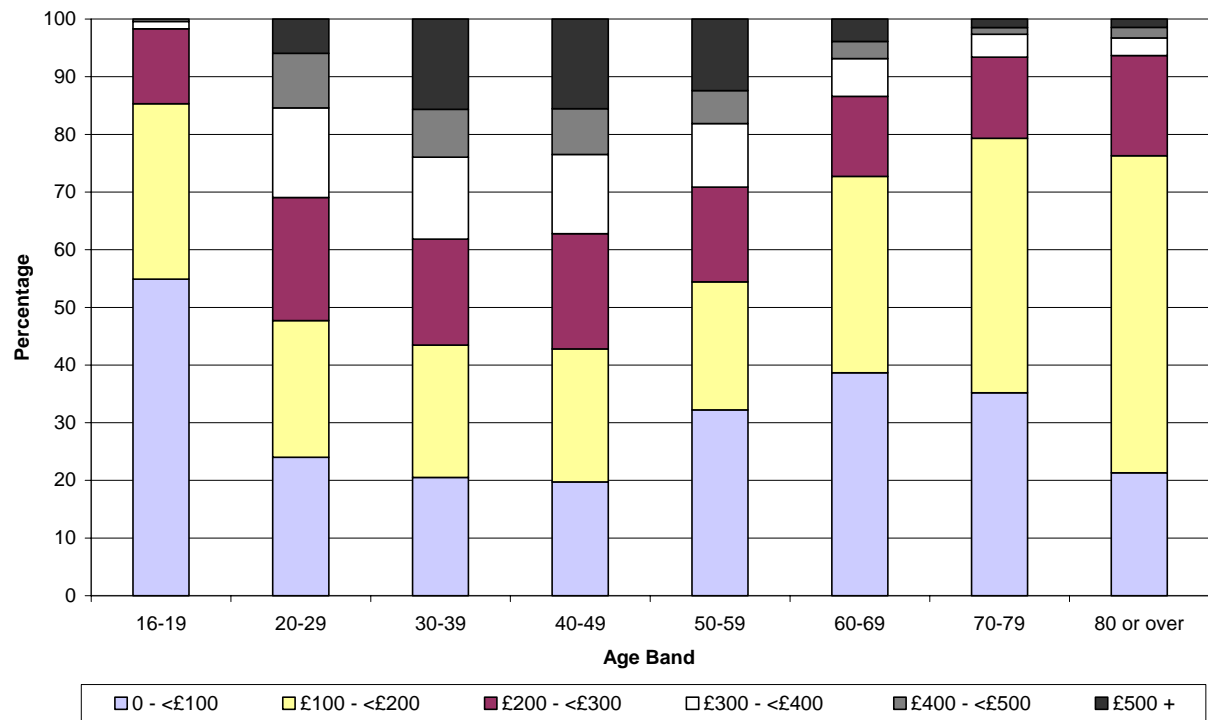


Figure 3.6 Percentage Distribution of Total Individual Income by Income Band, All Men, 2004/05

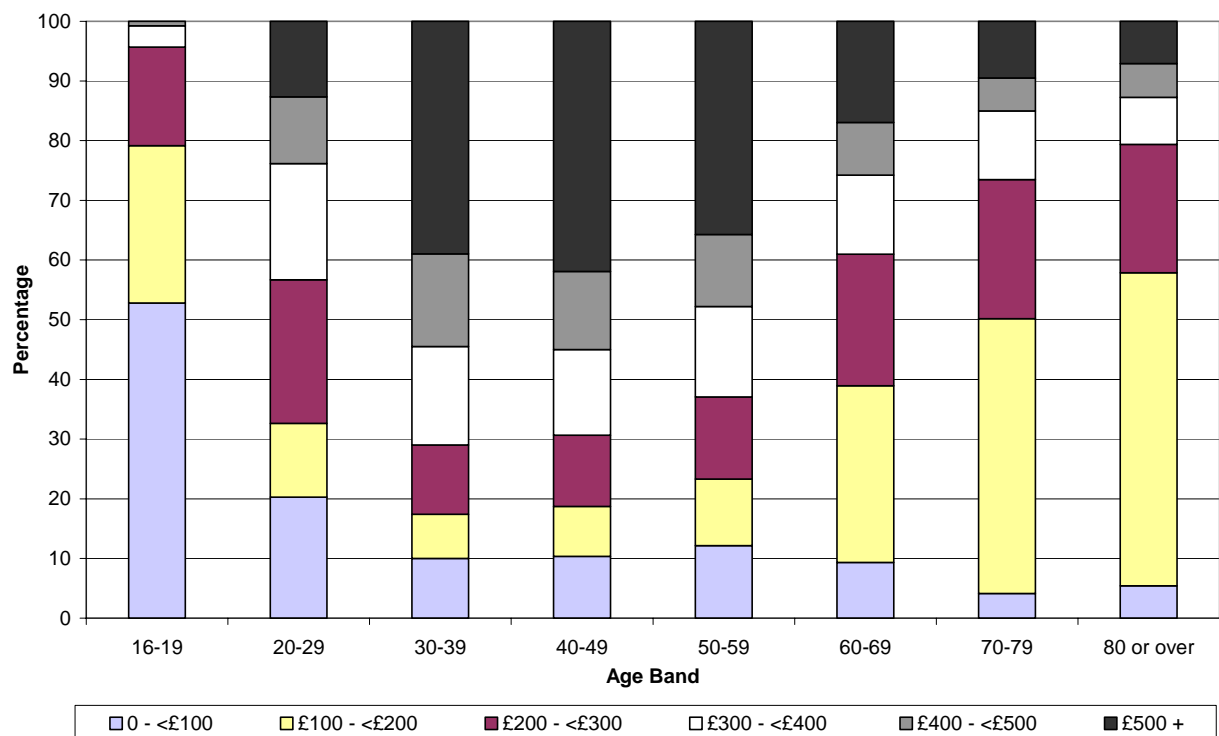


Table 3.3 Median Total Individual Income by Age Band, Gender and Family Type, 2004/05

£ per week (2004/05 prices)

Age Band	Women				Men				All Men
	Single without children	Single with children	Couple without children	Couple with children	All Women	Single without children	Couple without children	Couple with children	
16-19	80	..	..	..	87	89	..	..	90
20-24	179	134	258	79	178	203	306	289	226
25-29	322	165	356	140	252	295	400	326	342
30-34	357	217	384	168	242	345	461	431	419
35-39	328	247	348	181	228	358	478	461	440
40-44	278	286	255	208	241	326	423	485	439
45-49	253	279	221	230	231	321	436	498	439
50-54	248	..	193	228	210	303	450	465	414
55-59	200	..	133	..	152	249	374	421	358
60-64	182	..	114	..	135	163	297	..	268
65-69	164	..	81	..	109	184	238	..	225
70-74	163	..	81	..	117	177	214	..	206
75-79	159	..	72	..	124	183	192	..	190
80-84	158	..	81	..	133	172	182	..	178
85 and over	156	..	..	..	143	166	176	..	171

Table 3.4 Median Net Individual Income by Age Band, Gender and Family Type, 2004/05

£ per week (2004/05 prices)

Age Band	Women				Men				All Men
	Single without children	Single with children	Couple without children	Couple with children	All Women	Single without children	Couple without children	Couple with children	
16-19	80	..	..	..	83	87	..	..	88
20-24	159	134	211	79	161	176	242	235	192
25-29	253	163	276	138	216	236	306	263	266
30-34	279	220	297	162	217	274	352	331	320
35-39	262	245	274	172	206	285	362	355	343
40-44	230	271	211	187	211	262	330	379	342
45-49	219	261	185	201	200	253	334	383	341
50-54	213	..	167	195	182	249	349	367	326
55-59	181	..	125	..	140	224	299	343	286
60-64	171	..	108	..	128	155	248	..	228
65-69	156	..	81	..	109	173	219	..	211
70-74	157	..	80	..	115	172	207	..	197
75-79	150	..	71	..	122	176	187	..	184
80-84	154	..	80	..	132	166	180	..	173
85 and over	152	..	..	..	139	162	174	..	169

declining beyond this age group. Comparing single women without dependent children with their male counterparts, median total individual income exceeded men for the 25 to 34 and 60 to 64 age group.

Table 3.5 Median Disposable Individual Income by Age Band, Gender and Family Type, 2004/05

£ per week (2004/05 prices)

Age Band	Women				Men				All Men
	Single without children	Single with children	Couple without children	Couple with children	All Women	Single without children	Couple without children	Couple with children	
16-19	57	..	..	..	60	56	..	..	57
20-24	118	122	149	45	119	136	174	178	147
25-29	182	143	195	78	154	177	236	221	204
30-34	198	177	213	95	152	194	277	268	249
35-39	188	192	192	112	147	200	271	291	261
40-44	176	215	166	138	160	198	275	302	274
45-49	163	208	142	156	157	195	282	327	282
50-54	167	..	139	158	150	184	296	302	276
55-59	141	..	98	..	112	177	260	301	245
60-64	149		91		109	133	217	..	200
65-69	138		65		93	153	205		192
70-74	137		66		105	151	191		181
75-79	129		58		110	146	175		168
80-84	135		65		119	140	168		156
85 and over	136		..		125	142	160		153

Table 3.6 Population Size by Age Band, Gender and Family Type, 2004/05

Thousands

Age Band	Women				Men				All Men
	Single without children	Single with children	Couple without children	Couple with children	All Women	Single without children	Couple without children	Couple with children	
16-19	636	..	..	..	770	845	..	..	877
20-24	963	189	432	240	1824	1427	230	115	1775
25-29	398	210	611	527	1746	825	550	357	1738
30-34	263	298	506	996	2064	568	602	835	2016
35-39	225	382	340	1317	2264	524	430	1223	2211
40-44	225	338	466	1149	2178	452	398	1235	2116
45-49	279	166	823	640	1908	415	626	786	1856
50-54	367	..	1193	220	1846	344	981	411	1758
55-59	431	..	1377	..	1872	341	1369	150	1863
60-64	436		1084		1520	277	1113	..	1425
65-69	436		890		1326	261	982		1242
70-74	503		632		1135	241	787		1028
75-79	587		409		995	235	545		780
80-84	741		234		975	191	379		570
85 and over	491		..		581	132	137		268

For single men without dependent children, across all age bands, all three median individual income measures were lower than for all men in other family types. The median total individual income for single men without dependent children was highest between the ages of 35 and 39 and then declined to retirement age. For men aged 20 to 39 in couples without dependent children, incomes were higher than those for men in couples with dependent children. However, men in couples with dependent children aged 45 to 49 had the highest median individual incomes.

Tables of median and mean total, net and disposable individual income by gender, age band and family type covering the period 1996/97 to 2004/05 are available as standard tables **S3.3** to **S3.8**. Population sizes are shown in Table **S3.9**. The results showed broadly similar patterns over the period.

3.6 Individual Income Quintiles by Age for All Women and All Men

All men and all women together were ranked by total individual income and then divided into quintile groups to provide a quintile distribution for all adults in Great Britain. Tables 3.7 and 3.8 show how the total incomes of women and men within each age band compare with the quintile distribution for all adults. The quintile distributions reflect the income pattern illustrated in Figure 3.1, with low individual incomes for young people and pensioners resulting in their under-representation in the top two quintiles. Around 70 per cent of men aged 30 to 54 were in the top two quintiles, compared with 54 per cent for all men. Around 40 per cent of women in this age group were also in the top two quintiles, compared with 27 per cent of all women. For men aged 70 and over, more than two thirds were in the second and third quintiles twice the proportion of all men. Only around 5 per cent were in the bottom quintile. For women aged 70 to 79, around a third were in the bottom quintile, down to a fifth for those aged 80 and over.

Tables of total individual income quintile by age band and gender for the years 1996/97 to 2004/05 are available as standard tables **S3.10** and **S3.11**. The individual income quintile distributions of all women and all men showed broadly similar patterns across the period.

Table 3.7 Percentage Distribution of Women by Age Band within the All Adult Total Individual Income Quintiles, 2004/05

Age Band	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage
						Population (thousands)
16-19	54	28	17	2	0	770
20-24	28	23	27	20	3	1824
25-29	18	19	21	28	14	1746
30-34	20	18	21	23	18	2064
35-39	20	20	21	21	17	2264
40-44	18	20	23	21	18	2178
45-49	20	19	23	20	18	1908
50-54	27	17	21	18	17	1846
55-59	36	21	18	15	11	1872
60-64	32	30	19	12	6	1520
65-69	43	32	15	6	3	1326
70-74	37	38	18	5	2	1135
75-79	32	40	20	6	2	995
80 and over	20	49	24	5	2	1555
All Women	27	25	21	16	11	23003
All Adults	20	20	20	20	20	44528

Table 3.8 Percentage Distribution of Men by Age Band within the All Adult Total Individual Income Quintiles, 2004/05

Age Band	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage
						Population (thousands)
16-19	52	23	20	5	0	877
20-24	26	12	31	26	5	1775
25-29	13	7	20	34	26	1738
30-34	10	5	13	30	42	2016
35-39	10	6	11	27	45	2211
40-44	10	6	12	26	45	2116
45-49	10	8	13	23	46	1856
50-54	12	7	13	24	44	1758
55-59	12	10	18	26	35	1863
60-64	13	20	20	23	23	1425
65-69	4	29	33	19	14	1242
70-74	4	36	31	18	11	1028
75-79	4	42	28	15	10	780
80 and over	5	47	26	14	8	839
All Men	13	14	19	24	30	21524
All Adults	20	20	20	20	20	44528

3.7 Total Individual Income by Source of Income and Age Band

Tables 3.9 and 3.10 and Figures 3.7 and 3.8 show the mean values of total individual income and composition by source of income, by age band for all women and all men.

Table 3.9 Mean Total Individual Income and Composition by Source of Income and Age Band, All Women, 2004/05

Source of Income	Percentage														
	Age Band														
	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80-84	85 and over
Earnings	77	80	82	77	73	74	78	79	69	27	6	2	1	1	1
Self-employment	0	1	2	4	5	5	6	7	6	4	2	1	1	0	0
Non-state pensions	0	0	0	0	0	0	1	2	8	19	26	25	27	21	18
Investment	0	0	1	2	1	2	3	4	6	9	9	8	9	7	8
Tax Credits	2	3	5	5	6	5	2	1	0	0	0	0	0	0	0
Benefit Income															
Dependent Benefits	8	7	7	8	10	8	5	2	2	0	0	0	0	0	0
Mainly Personal Benefits	1	1	1	1	1	1	1	2	4	35	50	55	56	61	61
Individual Benefits	1	1	1	1	1	1	1	2	4	4	5	5	5	9	11
Total	10	9	9	10	12	11	8	6	9	39	54	61	62	70	72
Other	10	7	2	2	3	3	3	2	2	2	2	2	1	1	1
Total Income (£ per week 2004/05 prices)	102	193	275	321	293	299	296	290	221	190	148	146	154	164	168

Table 3.10 Mean Total Individual Income and Composition by Source of Income and Age Band, All Men, 2004/05

Source of Income	Percentage														
	Age Band														
	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80-84	85 and over
Earnings	83	83	88	85	82	81	77	74	66	42	9	4	3	1	1
Self-employment	2	6	7	10	12	13	15	15	14	14	6	3	2	1	1
Non-state pensions	0	0	0	0	0	0	1	4	10	28	38	42	43	41	35
Investment	0	1	1	2	2	3	3	4	4	5	10	8	9	7	8
Tax Credits	0	0	1	1	1	1	0	0	0	0	0	0	0	0	0
Benefit Income															
Dependent Benefits	3	1	1	1	1	1	1	1	1	0	0	0	0	0	0
Mainly Personal Benefits	1	1	0	0	0	1	1	1	2	8	33	41	41	45	47
Individual Benefits	1	1	0	0	0	0	0	0	1	1	2	2	2	4	6
Total	5	3	2	2	2	2	2	3	4	9	35	43	43	49	53
Other	10	6	1	0	1	1	1	1	1	2	2	1	1	1	1
Total Income (£ per week 2004/05 prices)	112	235	364	511	545	575	607	555	522	368	334	282	273	242	228

Figure 3.7 Mean Total Individual Income and Composition by Source of Income and Age Band, All Women, 2004/05

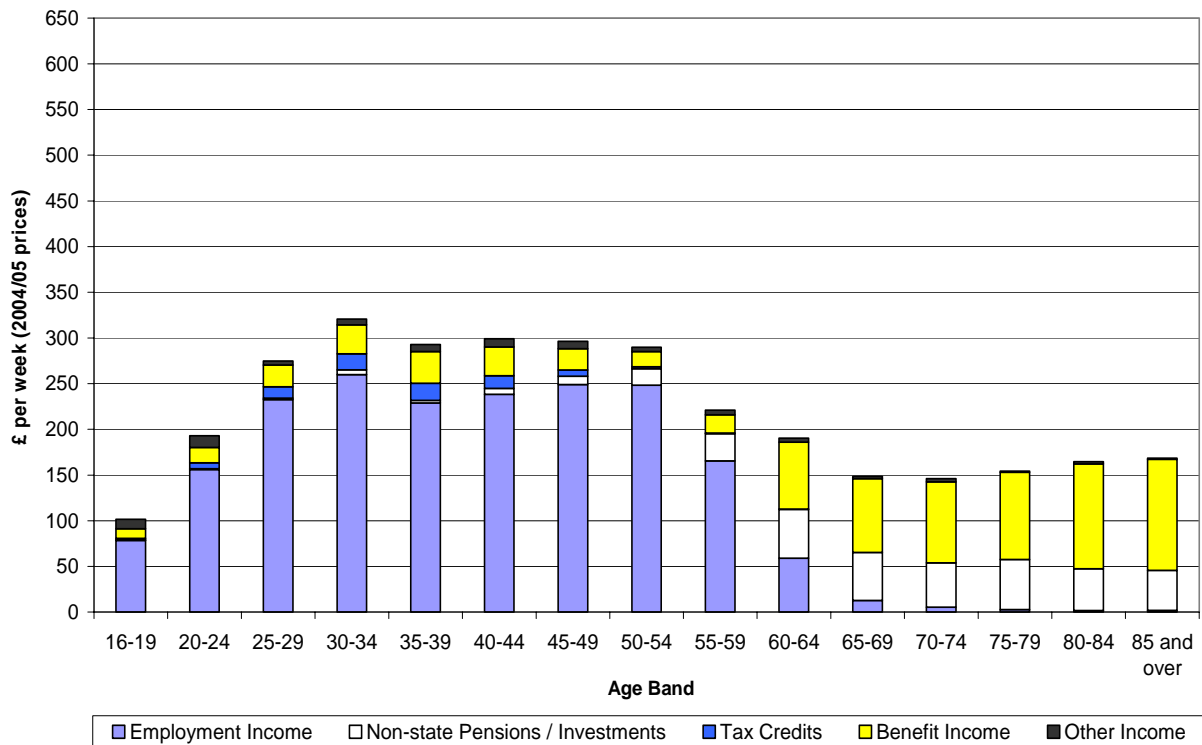
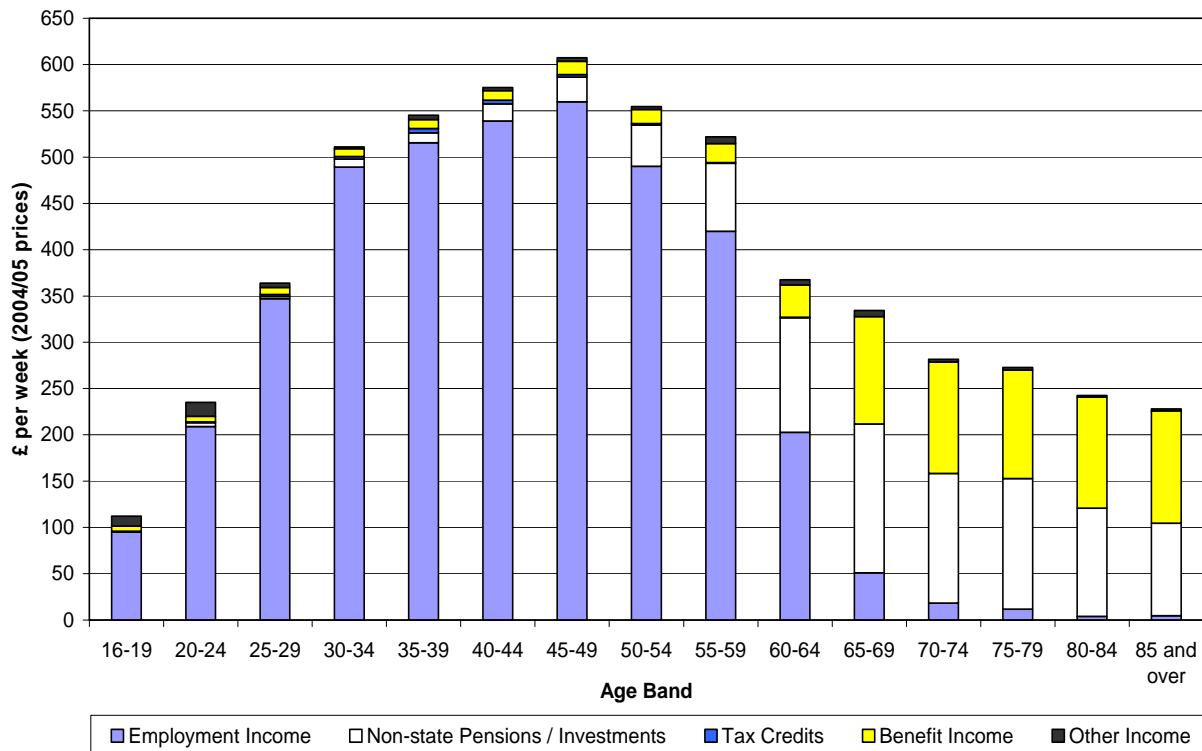


Figure 3.8 Mean Total Individual Income and Composition by Source of Income and Age Band, All Men, 2004/05



Income from employment was the main source of income for women and men in age bands below the state pension age. The pattern was different for women and men in the age bands above state pension age, where non-state pensions and the state Retirement Pension (classified as 'mainly personal benefits') were the main sources of income for both women and men. The mean total weekly individual income for men was higher than that for women in all age bands, due largely to higher levels of earnings and self-employment income, non-state pensions and investment income.

Estimates of the mean values of total individual income and composition by source of income, gender and age band for the years 1996/97 to 2004/05 are shown in standard tables **S3.12** and **S3.13**. The estimates of the composition of individual income by source of income showed few significant changes in the period.

4 Individual Income by Marital Status and Life Stage

4.1 Introduction

This section examines the individual incomes of women and men by marital status and life stage. Users should note that in relation to marital status, women and men who are not cohabiting and have never married are described as being single, never married: this has been abbreviated to single in the tables. Single women and men, who have been married, may also be living without a partner; to avoid confusion, such family types are described in this section as a single pensioner, or as a working age single with dependent children, or as a working age single without dependent children.

Single women with children who were widows, and cohabiting pensioner couples, were not analysed as separate marital status categories because sample sizes were too small to produce reliable estimates. The number of single men with children (lone fathers) in the Family Resources Survey was small and although these men are included in analyses of all men, they have not been analysed separately.

Standard tables **S4.1** to **S4.15** present analyses covering the years 1996/97 to 2004/05. Estimates of income levels for specific groups provide only a broad indication of trends over the period. Sampling variation means that there is a high margin of error in estimates of income growth for specific groups, and year on year changes should be treated with caution.

4.2 Summary of Key Findings

- Differences in incomes, between women and men, were largest for married women and men: the weekly median total individual income for married women in 2004/05 was £149 per week, 40 per cent of that for married men.
- Median incomes were closest for divorced women and men, followed by the single, never married and widowed. Weekly median total individual income for divorced women was £216 per week, 88 per cent of that for divorced men.
- Single, never married and widowed women had median total individual incomes amounting to 87 and 85 per cent respectively of their male counterparts' income.
- Cohabiting women had the highest median total individual incomes amongst women and married women the lowest at £249 and £149 per week respectively. Married men had the highest median total individual incomes amongst men, but were very similar incomes to their cohabiting counterparts: £369 and £368 per week respectively.
- Separated, widowed and divorced women all had higher median incomes than their married counterparts; the same was not true for men.

4.3 Individual Income by Marital Status

Median weekly individual incomes by gender and marital status are shown in Table 4.1 and Figure 4.1. The figures in italics and brackets in Table 4.1 give the income values for women expressed as a percentage of the comparable income value for men. Differences between the individual income measures were largest for married women and men; and those who were married also had the lowest incomes amongst women. Median total individual income for married women was £149 per week, 40 per cent of that for married men.

Median incomes were closest for divorced women and men, followed by the single, never married and widowed. Weekly median total individual income for divorced women was £216 per week, 88 per cent of that for divorced men. Single, never married and widowed women had median total individual incomes compared to their male counterparts of 87 and 85 per cent respectively.

Table 4.1 Median Individual Income by Marital Status, All Women and All Men, 2004/05

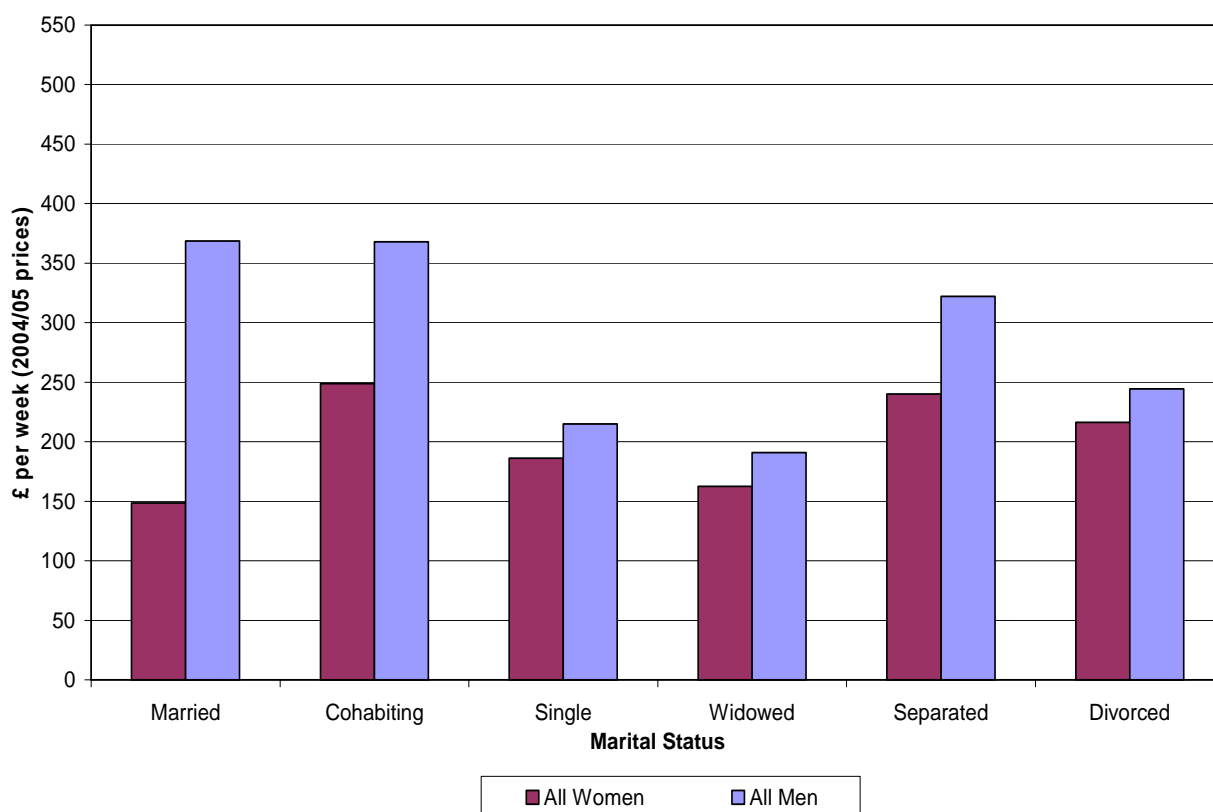
£ per week (2004/05 prices)

Marital Status	All Women			All Men		
	Total	Net	Disposable	Total	Net	Disposable
Married	149 <i>(40)</i>	141 <i>(47)</i>	104 <i>(41)</i>	369	298	252
Cohabiting	249 <i>(68)</i>	209 <i>(73)</i>	150 <i>(66)</i>	368	288	229
Single	186 <i>(87)</i>	170 <i>(92)</i>	135 <i>(95)</i>	215	184	142
Widowed	163 <i>(85)</i>	157 <i>(86)</i>	137 <i>(86)</i>	191	181	160
Separated	240 <i>(75)</i>	228 <i>(87)</i>	180 <i>(103)</i>	322	262	174
Divorced	216 <i>(88)</i>	203 <i>(93)</i>	165 <i>(99)</i>	244	218	166

Cohabiting women had the highest median total individual incomes amongst women and married women the lowest at £249 and £149 per week respectively. Married men had the highest median total individual incomes amongst men, but were very similar incomes to their cohabiting counterparts: £369 and £368 per week respectively.

Separated, widowed and divorced women all had higher median incomes than their married counterparts; the same was not true for men. Widowed men had the lowest incomes compared with other men: median total individual income was £191 per week.

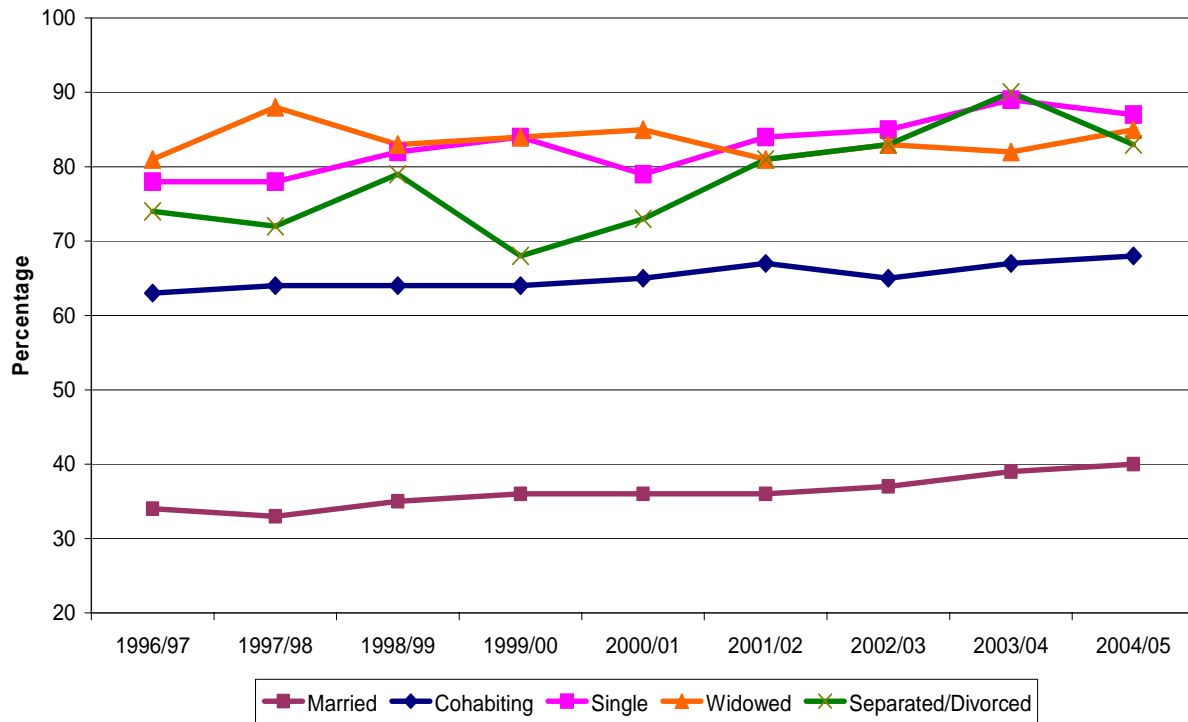
Figure 4.1 Median Total Individual Income by Marital Status, All Women and All Men, 2004/05



Estimates of median individual income by gender and marital status for the years 1996/97 to 2004/05 are shown in standard tables **S4.1** with the corresponding estimates of mean individual income shown in standard table **S4.2**.

Figure 4.2 shows median total individual income for women as a percentage of men for the same time period. All groups have shown some increase over the period. In 1996/97, single, never married women had a median total individual income that was 78 per cent of their male counterparts. By 2004/05, this had risen to 87 per cent. For separated and divorced women, incomes in 1996/97 were 74 per cent of separated and divorced men. In 2004/05 the figure was 83 per cent. Married women showed an increase from 34 per cent in 1996/97 to 40 per cent in 2004/05. Incomes of cohabiting women as a proportion of their male counterparts showed a similar percentage point increase: from 63 to 68 per cent over the period. Finally, figures for the widowed were 81 and 85 per cent in 1996/97 and 2004/05 respectively.

Figure 4.2 Median Total Individual Income for Women as a Percentage of Men by Marital Status 1996/97-2004/05



4.4 Individual Income by Marital Status and Family Type

Tables 4.2 to 4.7 show the median individual incomes by marital status and family type for women and men for all three individual income measures. Population sizes are shown in Tables 4.8 and 4.9.

Among women, whilst overall cohabiting women had the highest total individual incomes, there was a large variation amongst family types: ranging from £157 per week for cohabiting women with children to £298 for cohabiting women without children.

Married women in pensioner couples had the lowest incomes at £86 per week for total individual income, around a half that of their single, never married and widowed pensioner counterparts. Median total individual incomes for these groups were £189 and £160 per week respectively.

Median total individual income for single women varied from £169 per week for single with children to £193 per week for single women without children.

Married men had the highest incomes, although amongst this group median total individual income varied from £225 per week for married pensioner men to £462 per week for married men with children. Unlike women, men in married pensioner couples had higher incomes than their single pensioner counterparts. Median total individual income for this group was £225 per week, compared with £160 per week for single, never married male pensioners and £184 and £165 for widowed and divorced single pensioners respectively. Single, never married single pensioners had the lowest incomes amongst men, and had lower incomes than their female counterparts at £160 per week.

As for women, cohabiting men with children had lower incomes than their childless counterparts: median total individual income for cohabiting men with children was £347 per week, compared with £386 for those without.

Estimates of median and mean total, net and disposable individual income by marital status and family type for women and men for the years 1996/97 to 2004/05, together with tables showing the corresponding population sizes are available as standard tables **S4.3** to **S4.9**. The results presented in these standard tables include a number of estimates based on relatively low sample sizes and year on year changes for such groups should not be taken as indicative of trends in individual income. These groups include single pensioner men and widowed and separated single women.

Table 4.2 Median Total Individual Income by Marital Status and Family Type, All Women, 2004/05

£ per week (2004/05 prices)

Marital Status	Single without children	Single pensioner	Single with children	Couple without children	Pensioner couple	Couple with children	All Women
Married				211	86	183	149
Cohabiting				298	169	157	249
Single	193	189	169				186
Widowed	184	160	..				163
Separated	250	..	261				240
Divorced	244	147	279				216

Table 4.3 Median Net Individual Income by Marital Status and Family Type, All Women, 2004/05

£ per week (2004/05 prices)

Marital Status	Single without children	Single pensioner	Single With children	Couple without children	Pensioner couple	Couple with children	All Women
Married				180	84	170	141
Cohabiting				239	161	148	209
Single	169	179	169				170
Widowed	163	155	..				157
Separated	208	..	259				228
Divorced	209	145	268				203

Table 4.4 Median Disposable Individual Income by Marital Status and Family Type, All Women, 2004/05

£ per week (2004/05 prices)

Marital Status	Single without children	Single pensioner	Single with children	Couple without children	Pensioner couple	Couple with children	All Women
Married				141	69	113	104
Cohabiting				173	131	102	150
Single	128	155	146				135
Widowed	138	137	..				137
Separated	155	..	199				180
Divorced	161	126	207				165

Table 4.5 Median Total Individual Income by Marital Status and Family Type, All Men, 2004/05

£ per week (2004/05 prices)

Marital Status	Single without children	Single pensioner	Couple without children	Pensioner couple	Couple with children	All Men
Married			410	225	462	369
Cohabiting			386	237	347	368
Single	219	160				215
Widowed	262	184				191
Separated	364	..				322
Divorced	292	165				244

Table 4.6 Median Net Individual Income by Marital Status and Family Type, All Men, 2004/05

£ per week (2004/05 prices)

Marital Status	Single without children	Single pensioner	Couple without children	Pensioner couple	Couple with children	All Men
Married			321	210	359	298
Cohabiting			299	207	277	288
Single	186	152				184
Widowed	229	177				181
Separated	287	..				262
Divorced	240	159				218

Table 4.7 Median Disposable Individual Income by Marital Status and Family Type, All Men, 2004/05

£ per week (2004/05 prices)

Marital Status	Single without children	Single pensioner	Couple without children	Pensioner couple	Couple with children	All Men
Married			269	193	295	252
Cohabiting			232	185	225	229
Single	142	135				142
Widowed	183	157				160
Separated	184	..				174
Divorced	176	135				166

Table 4.8 Population Size by Marital Status and Family Type, All Women, 2004/05

							Thousands
Marital Status	Single without children	Single pensioner	Single with children	Couple without children	Pensioner couple	Couple with children	All Women
Married				4205	3446	4341	11993
Cohabiting				1391	102	819	2312
Single	2791	309	833				3934
Widowed	172	2367	..				2584
Separated	189	..	337				600
Divorced	633	444	503				1581

Table 4.9 Population Size by Marital Status and Family Type, All Men, 2004/05

						Thousands
Marital Status	Single without children	Single pensioner	Couple without children	Pensioner couple	Couple with children	All Men
Married			4205	3446	4341	11993
Cohabiting			1391	102	819	2312
Single	4896	219				5150
Widowed	109	601				727
Separated	299	..				374
Divorced	714	187				968

4.5 Individual Income Quintile Analysis by Marital Status

All men and all women together were ranked by total individual income and then divided into quintile groups to provide a quintile distribution for all adults. Tables 4.10 and 4.11 show how the total incomes of women and men within each marital status category compare with the quintile distribution for all adults.

Married women were over-represented in the bottom quintile, whilst married men were over-represented in the top. 36 per cent of married women were in the bottom quintile, compared with 27 per cent of all women, and 37 per cent of married men were in the top quintile compared with 30 per cent of all men. A higher proportion of cohabiting, separated and divorced women were in the top two quintiles; 41 per cent of cohabiting women, 39 per cent of separated women and 36 per cent of divorced women were in the top two quintiles, compared with 27 per cent of all women. Cohabiting men were also over-represented in the top two quintiles compared with all men. Two thirds of cohabiting men were in the top two quintiles, compared with 54 per cent of all men. Widows and widowers were over-represented in the second and third quintiles: 79 per cent of widows and 69 per cent of widowers were in the second and third quintiles.

Table 4.10 Percentage Distribution of Women by Marital Status within the All Adult Total Individual Income Quintiles, 2004/05

Marital Status	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage
						Population (thousands)
Married	36	21	18	14	11	11993
Cohabiting	19	17	23	25	16	2312
Single	24	25	22	19	10	3934
Widowed	8	50	29	8	4	2584
Separated	12	24	25	23	16	600
Divorced	12	30	23	22	14	1581
All Women	27	25	21	16	11	23003
All Adults	20	20	20	20	20	44528

Table 4.11 Percentage Distribution of Men by Marital Status within the All Adult Total Individual Income Quintiles, 2004/05

Marital Status	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage
						Population (thousands)
Married	7	13	18	25	37	11993
Cohabiting	10	7	18	33	33	2312
Single	27	16	22	20	15	5150
Widowed	6	41	28	14	11	727
Separated/ Divorced	16	19	18	21	26	1342
All Men	13	14	19	24	30	21524
All Adults	20	20	20	20	20	44528

Standard tables **S4.10** and **S4.11** show the quintile distribution of total individual income for women and men by marital status, relative to the all adult quintile distributions, for the years 1996/97 to 2004/05.

4.6 Mean Total Individual Income by Marital Status and Source of Income

Tables 4.12 and 4.13 and Figures 4.3 and 4.4 show the mean values of total individual income and composition by source of income, by marital status, for all women and all men. Income from employment (earnings plus self-employment income) was the main source of income for most groups of women and men, the exceptions being widows and widowers whose largest source of income was benefit income, which includes widow's pensions and the state Retirement Pension.

Figure 4.3 Mean Total Individual Income and Composition by Source of Income, by Marital Status, All Women, 2004/05

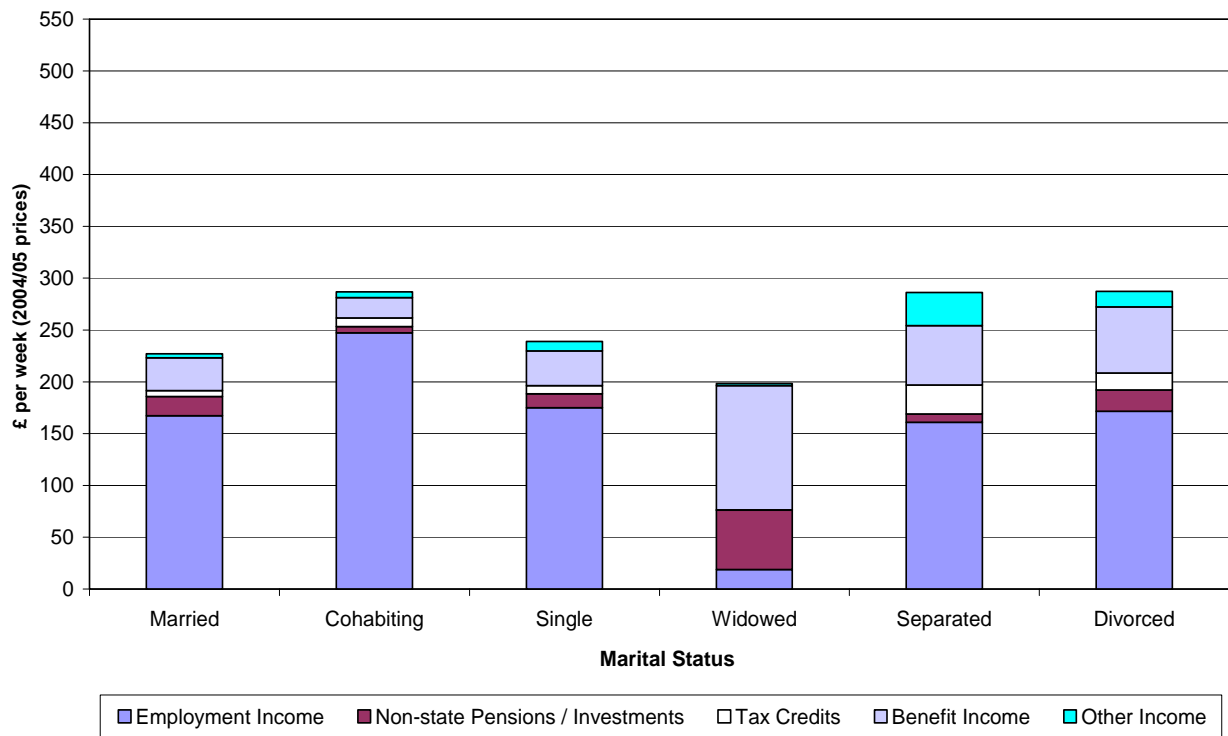


Figure 4.4 Mean Total Individual Income and Composition by Source of Income, by Marital Status, All Men, 2004/05

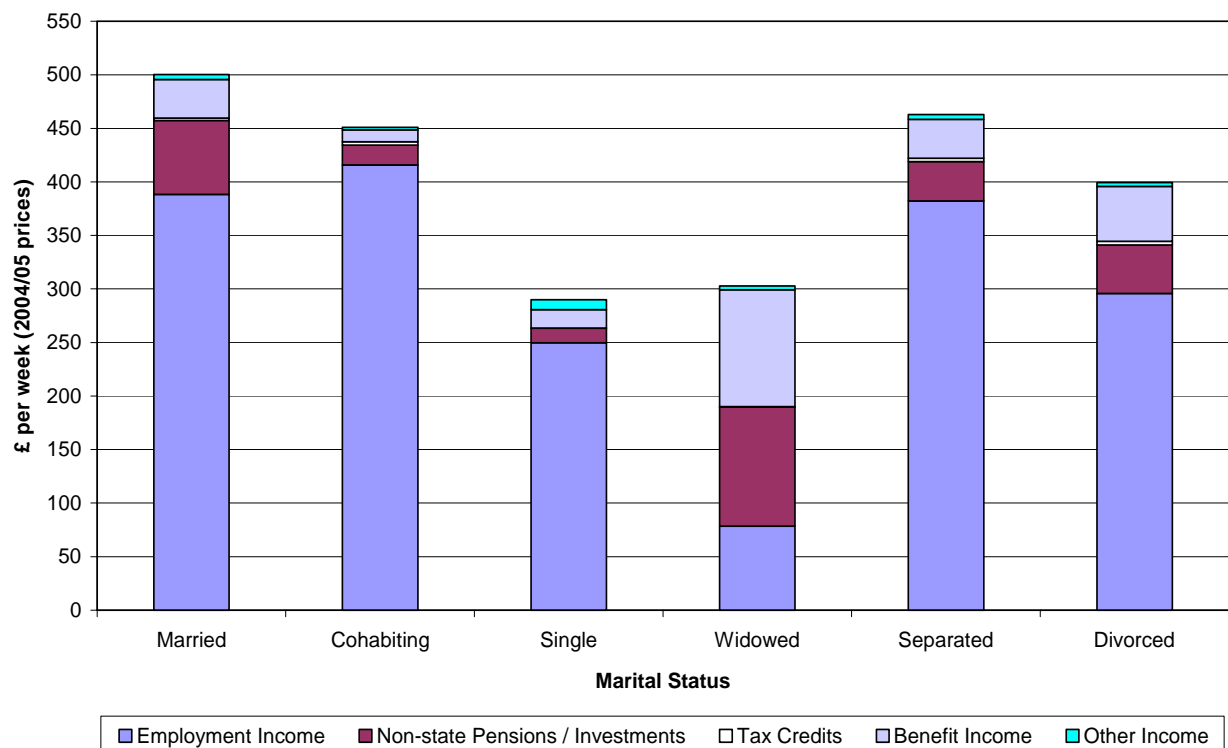


Table 4.12 Mean Total Individual Income and Composition by Source of Income, by Marital Status, All Women, 2004/05

Source of Income	Percentage					
	Married	Cohabiting	Single	Widowed	Separated	Divorced
Earnings	68	83	71	8	53	55
Self-employment	6	3	2	1	3	5
Non-state pensions	4	1	4	23	2	5
Investment	4	1	2	6	1	3
Tax Credits	2	3	3	0	10	6
Benefit Income						
Dependent Benefits	4	4	8	1	13	8
Mainly Personal Benefits	8	2	4	51	5	12
Individual Benefits	2	1	2	8	2	2
Total	14	7	14	60	20	22
Other	2	2	4	1	11	5
Total Income (£ per week 2004/05 prices)	227	287	239	198	286	287

Table 4.13 Mean Total Individual Income and Composition by Source of Income, by Marital Status, All Men, 2004/05

Source of Income	Percentage					
	Married	Cohabiting	Single	Widowed	Separated	Divorced
Earnings	66	79	78	18	71	60
Self-employment	12	13	8	7	11	14
Non-state pensions	10	2	2	28	5	7
Investment	4	2	3	9	3	4
Tax Credits	0	1	0	0	1	1
Benefit Income						
Dependent Benefits	0	1	2	1	2	2
Mainly Personal Benefits	6	1	3	32	5	9
Individual Benefits	1	0	1	3	1	2
Total	7	2	6	36	8	13
Other	1	1	3	1	1	1
Total Income (£ per week 2004/05 prices)	500	451	290	303	463	399

Differences in levels of income were mainly attributable to income from employment for all but widowed: in this group men had higher levels of non-state pensions. The widowed also had a high proportion of income from investments compared with other groups: 6 per cent of mean total income for women and 9 per cent for men who were widowed came from this source.

Among the women, income from employment comprised 86 per cent of mean total income for cohabiting women, reflecting the high proportion of working age women in this family type. For divorced and separated women, income from employment remained the main source at around two fifths of mean total income, but benefit income was an important source, comprising around a fifth of mean income for both groups. Separated women also received the highest proportion of tax credits and these accounted for 10 per cent of income, followed by divorced women with 6 per cent of their income from this source. Similarly for men, income from employment comprised the largest component of income for cohabiting men, 92 per cent, reflecting the high proportion of working age men in this family type but also remained the main source for all but widowed men.

Standard tables **S4.12 and S4.13** show mean total individual income by source of income by marital status for the years 1996/97 to 2004/05.

4.7 Individual Income by Life Stage

Tables 4.14 and 4.15 show the values of median individual income for women and men at various life stages. Figures in italics and brackets give the income measures for women expressed as a percentage of the comparable income measure for men. Figure 4.5 shows the median values of total individual income for women and men at these life stages. Median individual incomes for women were lower than those for men across all three income measures, for each life stage category.

For women, incomes were highest for those aged under 40 in couples without children, median total individual income was £321 per week for this group, 78 per cent of the incomes of their male counterparts. Women aged 65 or more in couples without children had the lowest incomes: median total income of £80 per week, only 38 per cent of their male counterparts.

Amongst men, highest incomes were for those aged 40 to 49 in couples with children. Median total individual income for this group was £491 per week. Men in couples had higher incomes than singles across all age groups.

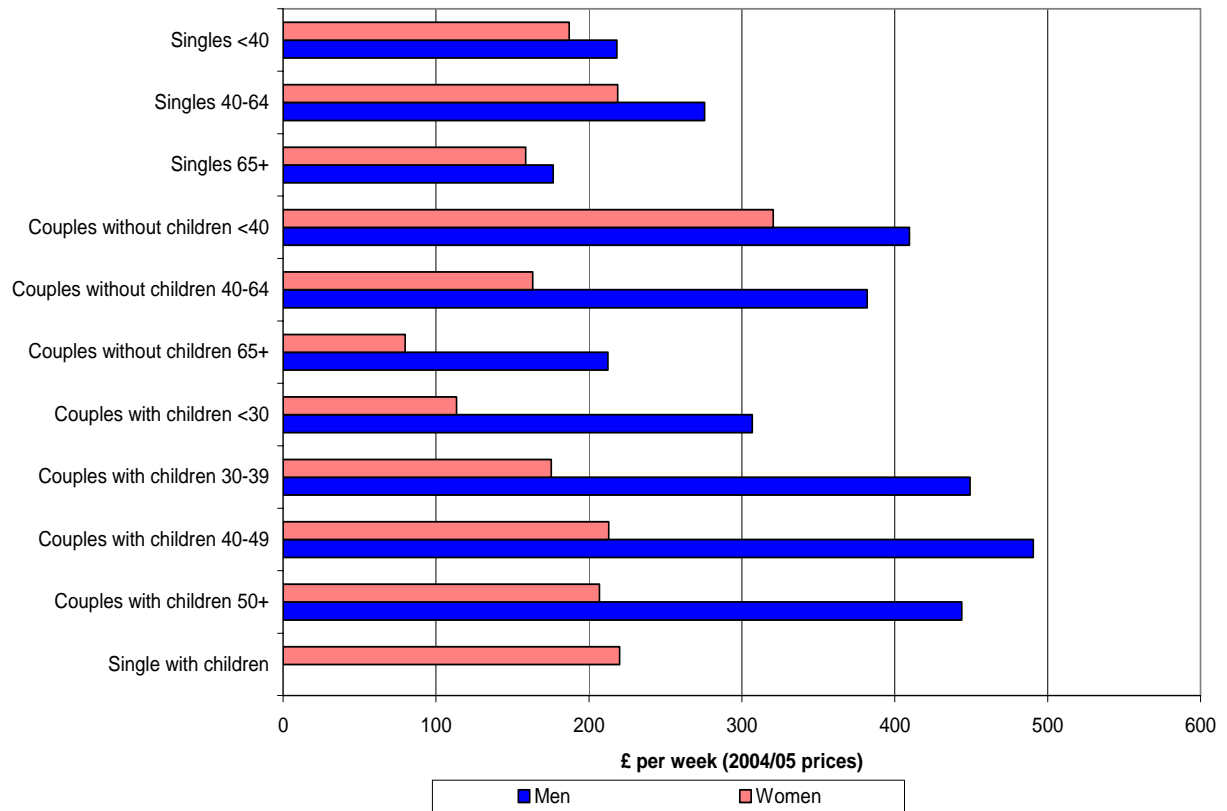
Table 4.14 Median Individual Income for All Women by Life Stage, 2004/05

Life Stage	£ per week 2004/05 prices			
	Total	Net	Disposable	Population (thousands)
Singles <40	187 (86)	162 (88)	123 (89)	2485
Singles 40-64	219 (79)	194 (84)	157 (89)	1738
Singles 65+	159 (90)	153 (90)	135 (92)	2757
Couples without children <40	321 (78)	253 (80)	180 (75)	1948
Couples without children 40-64	163 (43)	148 (49)	120 (47)	4943
Couples without children 65+	80 (38)	79 (39)	64 (34)	2255
Couples with children <30	113 (37)	113 (45)	68 (34)	798
Couples with children 30-39	175 (39)	168 (49)	105 (38)	2313
Couples with children 40-49	213 (43)	191 (50)	142 (46)	1790
Couples with children 50+	207 (47)	179 (51)	149 (50)	260
Single with children	220 ..	218 ..	174 ..	1719

Table 4.15 Median Individual Income for All Men by Life Stage, 2004/05

Life Stage	£ per week 2004/05 prices			
	Total	Net	Disposable	Population (thousands)
Singles <40	218	184	138	4188
Singles 40-64	276	230	176	1829
Singles 65+	177	170	147	1058
Couples without children <40	410	314	242	1827
Couples without children 40-64	382	301	258	4488
Couples without children 65+	212	203	188	2830
Couples with children <30	307	252	199	488
Couples with children 30-39	449	346	279	2057
Couples with children 40-49	491	380	310	2021
Couples with children 50+	444	352	298	594

Figure 4.5 Median Total Individual Income by Life Stage, 2004/05



Standard tables **S4.14** and **S4.15** show the median and mean individual incomes by gender and life stage, for the years 1996/97 to 2004/05, together with the population sizes.

5 Individual Income by Country and Region

5.1 Introduction

The analyses in the earlier sections presented information covering the whole of Great Britain. This section examines variations in individual income within Great Britain, providing comparisons between England, Scotland and Wales, and also for the Government Office Regions within England.

Unlike other chapters in this report, results for 2004/05 are based on the average of three years' data for 2002/03, 2003/04 and 2004/05, all years uprated to 2004/05 prices. Results for Great Britain will therefore differ from estimates shown elsewhere.

Figures will still be subject to sampling variation and other sources of error. No adjustments have been made to take account of variations between regions in levels of housing, travel or other costs. Users are advised that differences in median income level across regions or countries should be treated with caution and not to read too much into small differences between regions. Estimates of mean incomes by region are particularly susceptible to sampling variation.

Standard tables **S5.1** to **S5.6** present analyses for 1996/97-1998/99, to 2002/03-2004/05 applying the same methodology. Estimates of income levels for specific groups should be regarded as only providing an indication of trends over the period. Sampling variation and other sources of error mean that there is a high margin of error in estimates of income growth for specific groups.

5.2 Summary of Key Findings

- Median individual incomes for women and men were lower in Wales. Scotland had the highest incomes for women, whereas for men incomes were highest in England. However, the variation between countries was smaller for women than men.
- Median total individual income of women as a percentage of men, in 2002/03-2004/05, was 53 per cent in England, compared with 56 per cent in Wales and 60 per cent in Scotland.
- Income from employment was the major component of income for women and men in England, Scotland and Wales, but lowest, as a proportion and absolutely, in Wales.
- Within English regions, median incomes for women were highest in London and lowest in the North East. Men's incomes were also lowest in the North East, but highest in the South East. Median income levels showed less variation, between regions, for women than for men.

5.3 Individual Incomes in England, Scotland and Wales

Table 5.1 shows the median values of the three individual income measures for women and men in England, Scotland and Wales, together with the corresponding figures for Great Britain. Figures in italics and brackets give the income measures for women expressed as a percentage of the comparable income measure for men. Median individual incomes for women and men were lowest in Wales. Scotland had the highest incomes for women, whereas for men incomes were highest in England. However, the variation between countries was smaller for women than for men.

Median total individual income of women as a percentage of men was 53 per cent in England, compared with 56 per cent in Wales and 60 per cent in Scotland.

Table 5.1 Median Individual Income by Country and Gender, Average for 2002/03, 2002/04 and 2004/05

£ per week (2004/05 prices)						
Country	Women			Men		
	Total	Net	Disposable	Total	Net	Disposable
England	168 <i>(53)</i>	157 <i>(60)</i>	123 <i>(57)</i>	318	262	217
Wales	154 <i>(56)</i>	146 <i>(63)</i>	121 <i>(61)</i>	274	232	197
Scotland	172 <i>(60)</i>	161 <i>(67)</i>	125 <i>(63)</i>	287	239	199
Great Britain	167 <i>(53)</i>	157 <i>(61)</i>	123 <i>(58)</i>	313	259	214

5.4 Individual Incomes in England, Scotland and Wales by Family Type

Tables 5.2 to 5.4 show estimates of median total, net and disposable individual income for women and men in England, Scotland and Wales by family type, together with the corresponding estimates for Great Britain.

For men, differences in income levels for different family types reflected overall estimates for individual countries: median incomes were generally higher in England and Scotland than Wales, apart from single male pensioners whose incomes were highest in Wales. For women, median total income was higher for all family types in England and Scotland, apart for women in pensioner couples and couples with children where median total income was lowest in England. For each family type, there was less geographical variation for women than for men. Across women and men, the largest variation by country was for men in couples with children. For women, the largest variation by country was for single working age women without children.

Table 5.2 Median Total Individual Income by Country, Gender and Family Type, Average for 2002/03, 2002/04 and 2004/05

Family Type	£ per week (2004/05 prices)			
	England	Wales	Scotland	Great Britain
Women				
Single without children	213	174	184	207
Single pensioner	153	151	159	154
Single with children	214	191	213	211
Couple without children	234	208	217	231
Pensioner couple	81	85	89	82
Couple with children	170	174	200	172
Men				
Single without children	237	204	196	231
Single pensioner	173	182	169	173
Couple without children	406	342	376	400
Pensioner couple	220	199	208	217
Couple with children	453	362	431	446

Table 5.3 Median Net Individual Income by Country, Gender and Family Type, Average for 2002/03, 2002/04 and 2004/05

Family Type	£ per week (2004/05 prices)			
	England	Wales	Scotland	Great Britain
Women				
Single without children	185	152	165	180
Single pensioner	149	147	154	149
Single with children	210	185	208	209
Couple without children	195	177	186	194
Pensioner couple	80	84	87	80
Couple with children	161	164	183	163
Men				
Single without children	199	179	173	195
Single pensioner	168	177	163	168
Couple without children	318	273	296	314
Pensioner couple	206	188	195	205
Couple with children	353	292	338	349

Table 5.4 Median Disposable Individual Income by Country, Gender and Family Type, Average for 2002/03, 2002/04 and 2004/05

Family Type	£ per week (2004/05 prices)			
	England	Wales	Scotland	Great Britain
Women				
Single without children	142	119	126	139
Single pensioner	129	134	131	129
Single with children	173	160	165	171
Couple without children	151	136	145	149
Pensioner couple	65	72	70	65
Couple with children	107	119	125	109
Men				
Single without children	152	147	133	150
Single pensioner	145	161	142	146
Couple without children	265	228	243	261
Pensioner couple	190	179	179	189
Couple with children	292	247	283	289

5.5 Individual Income Quintiles in England, Scotland and Wales

All men and all women together were ranked by total individual income and then divided into quintile groups to provide a quintile distribution for all adults in Great Britain. Using a combined three year average, tables 5.5 and 5.6 show how the total incomes of women and men in England, Scotland and Wales compare with the quintile distribution for all adults.

Those living in England make up the vast majority of the population of Great Britain, and so the quintile distributions for women and men in England reflected the overall quintile distributions for women and men in Great Britain. Women in Scotland also showed a similar pattern, although there was a slightly higher proportion of women in the second and third quintiles compared to all women in Great Britain and a slightly smaller proportion in the bottom quintile. Wales was under-represented in the top two quintiles for women; while men in Wales were less over-represented than their counterparts in England and Scotland. Compared to their English counterparts, men in Scotland and Wales were slightly over-represented in the bottom two quintiles and under-represented in the top quintile.

Table 5.5 Percentage Distribution of Women by Country within the All Adult Total Individual Quintiles, Average for 2002/03, 2002/04 and 2004/05

Country	Percentage				
	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile
England	27	25	21	16	11
Wales	28	29	22	14	7
Scotland	25	26	23	16	10
All Women (Great Britain)	27	25	21	16	11
All Adults (Great Britain)	20	20	20	20	20

Table 5.6 Percentage Distribution of Men by Country within the All Adult Total Individual Income Quintiles, Average for 2002/03, 2002/04 and 2004/05

Country	Percentage				
	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile
England	12	14	19	24	31
Wales	14	16	23	26	21
Scotland	14	16	20	24	26
All Men (Great Britain)	12	15	19	24	30
All Adults (Great Britain)	20	20	20	20	20

5.6 Individual Incomes in England, Scotland and Wales by Source of Income

Figure 5.1 shows mean total individual income and composition by source of income for women and men in England, Scotland, Wales and Great Britain. The mean total individual income and composition by source of income for women and men in England, Scotland and Wales are shown in Table 5.7, together with the corresponding estimates for Great Britain. Users are advised that estimates of mean incomes by region are particularly susceptible to sampling variation and comparisons of income level between groups should be treated with caution.

Income from employment was the major component of income for all women and men across the different countries, but was lowest in Wales. Figures for women were 69 per cent of mean total income in England, 66 per cent in Scotland and 63 per cent in Wales. For men, 80 per cent of mean total individual income was from employment in England, compared with 79 per cent in Scotland and 74 per cent in Wales.

Incomes from non-state pensions were highest for men in Wales at 10 per cent of mean total income, although this was only slightly higher than for men in England and Scotland, both with 8 per cent of mean total income from this source. Levels of non-state pensions were highest for men in England and Wales. Amongst women, 6 per cent of mean total income came from this source in Wales and Scotland and 5 per cent in England.

Income from benefits was highest in Wales and lowest in England. Amongst men, the proportion of income from state benefits was 7 per cent in England, 9 per cent in Scotland and 12 per cent in Wales, compared with 8 per cent for Great Britain as a whole. For women, the figures were 18 per cent in England, compared with 21 per cent in Scotland and 25 per cent in Wales. For women and men in all countries, the largest component of benefit income was mainly personal benefits, which includes the state Retirement Pension.

Figure 5.1 Mean Total Individual Income and Composition by Source of Income, by Country and Gender, Average for 2002/03, 2002/04 and 2004/05

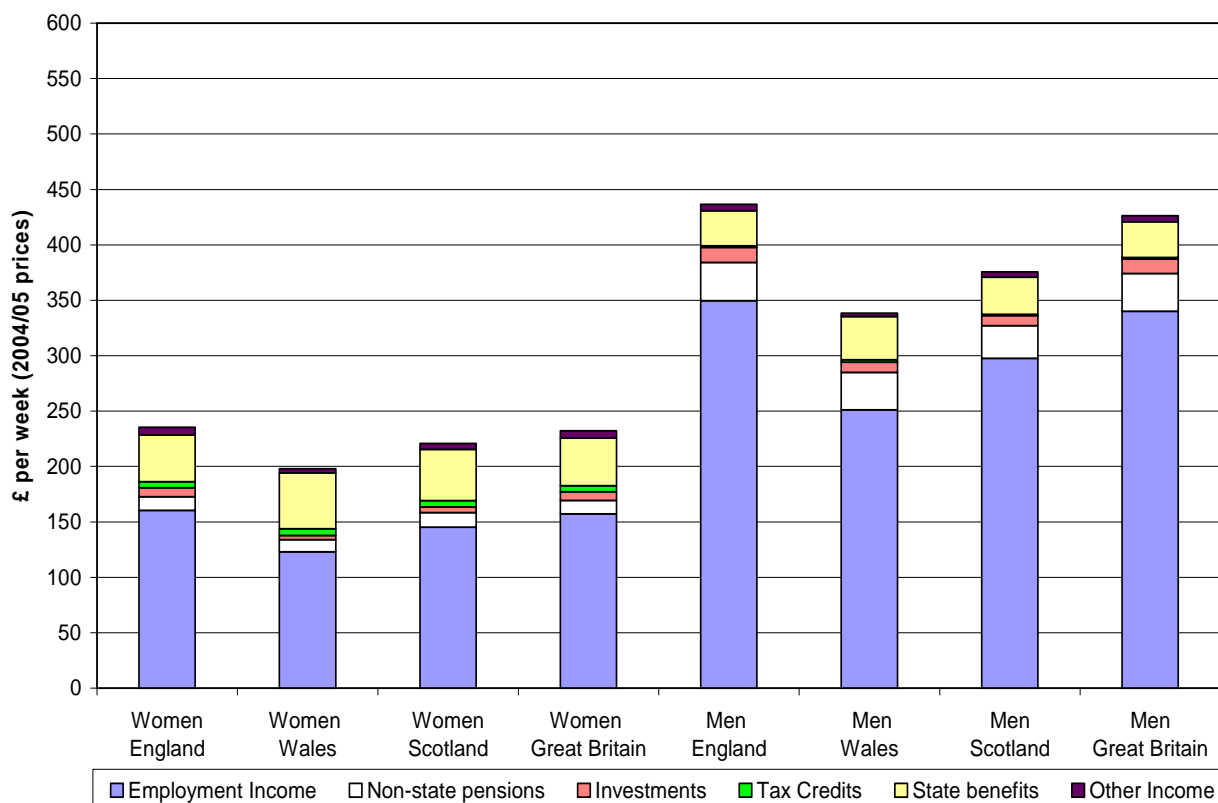


Table 5.7 Mean Total Individual Income and Composition by Source of Income, by Country and Gender, Average for 2002/03, 2002/04 and 2004/05

Source of Income	Women				Men				Percentage
	England	Wales	Scotland	Great Britain	England	Wales	Scotland	Great Britain	
Earnings	64	59	63	63	69	63	69	68	
Self-employment	5	4	3	4	11	11	10	11	
Non-state pensions	5	6	6	5	8	10	8	8	
Investment	3	2	2	3	3	3	2	3	
Tax Credits	2	3	3	2	0	1	0	0	
Benefit Income									
Dependent Benefits	5	7	6	5	1	1	1	1	
Mainly Personal Benefits	10	14	12	11	6	9	7	6	
Individual Benefits	2	4	3	2	1	2	1	1	
Total	18	25	21	19	7	12	9	8	
Other	3	2	2	3	1	1	1	1	
Total Income (£ per week 2004/05 prices)	235	198	221	232	437	338	375	426	

5.7 Individual Incomes in Regions of England

Table 5.8 shows the median values of the three individual income measures for women and men in each English Government Office Region. Within English regions, incomes for women were highest in London and lowest in the North East. Men's incomes were also lowest in the North East, but highest in the South East, followed by the London region. Median income levels showed less variation for women than for men.

Women's total median income as a percentage of men was lowest in the South East at 47 per cent and highest in the North East and North West and Merseyside at 58 per cent.

Table 5.8 Median Individual Income by English Region and Gender, Average for 2002/03, 2002/04 and 2004/05

Region	£ per week (2004/05 prices)					
	Women			Men		
	Total	Net	Disposable	Total	Net	Disposable
North East	150 (58)	145 (65)	116 (62)	259	222	189
North West and Merseyside	166 (58)	155 (65)	128 (63)	287	238	202
Yorkshire and the Humber	157 (55)	150 (63)	122 (61)	284	238	201
East Midlands	157 (51)	149 (59)	118 (57)	306	251	209
West Midlands	159 (54)	150 (61)	119 (58)	294	244	204
Eastern	170 (48)	160 (56)	121 (51)	352	287	237
London	196 (55)	182 (63)	136 (61)	354	289	225
South East	180 (47)	166 (54)	125 (49)	383	309	253
South West	165 (52)	155 (59)	119 (55)	319	265	219
England	168 (53)	157 (60)	123 (57)	318	262	217

5.8 Individual Incomes in Regions of England by Family Type

Estimates of median total, net and disposable individual income by gender and family type, for the regions of England are available as standard tables **S5.2** to **S5.4**.

Differences in income levels for different family types discussed in section 1.3 were broadly reflected in the estimates for individual regions. Men's incomes were generally higher than women's across all family types and showed larger variations across regions than women.

5.9 Individual Income Quintiles by Region

All men and all women together were ranked by total individual income and then divided into quintile groups to provide a quintile distribution for all adults in Great Britain. Tables 5.9 and 5.10 show how the total incomes of women and men in the regions of England compared with the quintile distribution for all adults.

Table 5.9 Percentage Distribution of Women by English Region within the All Adult Total Individual Income Quintiles, Average for 2002/03, 2002/04 and 2004/05

Region	Percentage				
	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile
North East	29	30	22	13	7
North West and Merseyside	25	27	22	16	9
Yorkshire and the Humber	27	28	22	15	8
East Midlands	29	25	22	15	8
West Midlands	29	26	22	15	8
Eastern	28	24	20	16	12
London	27	20	15	19	19
South East	26	23	20	17	14
South West	27	26	23	15	9
England	27	25	21	16	11
All Women (Great Britain)	27	25	21	16	11
All Adults (Great Britain)	20	20	20	20	20

Table 5.10 Percentage Distribution of Men by English Region within the All Adult Total Individual Income Quintiles, Average for 2002/03, 2002/04 and 2004/05

Region	Percentage				
	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile
North East	15	19	21	24	21
North West and Merseyside	13	16	21	25	24
Yorkshire and the Humber	13	17	21	25	24
East Midlands	12	14	21	26	26
West Midlands	13	16	20	25	25
Eastern	9	13	18	24	35
London	15	12	15	20	38
South East	10	11	16	23	40
South West	10	14	20	27	28
England	12	14	19	24	31
All Men (Great Britain)	12	15	19	24	30
All Adults (Great Britain)	20	20	20	20	20

The variation across regions of women's representation in the bottom two quintiles was not large. Figures ranged from 59 per cent of women in the North East, who were most over-represented in the bottom two quintiles, to 47 per cent in London. These figures compared with 52 per cent for all women. The variation was larger for the top end of the income distribution: women in London were least under-represented in the top two quintiles (38 per cent of such women) and the North East the

most under-represented (20 per cent of such women). 19 per cent of women in London were in the top quintile, compared with only 7 per cent of those in the North East. For all regions apart from London, South East and Eastern, less than 10 per cent of women were in the top quintile, compared with 11 per cent of all women in England.

Similarly, relative to all men, men in the North East were over-represented in the bottom two quintiles: 34 per cent of men were in the bottom two income quintiles, compared with 26 per cent of all men. Men in the South East were most over-represented in the top two quintiles, relative to all men; 63 per cent of men in the South East were in the top two income quintiles, compared with 55 per cent of all men in England. This was followed by men in the Eastern region where 59 per cent of men were in the top two income quintiles. 58 per cent of men in London were in the top two quintiles, whilst 27 per cent were in the bottom two quintiles.

5.10 Individual Incomes in Regions of England, by Source of Income

The mean total individual income and composition by source of income, for women and men in the regions of England, are shown in Tables 5.11 and 5.12. Figures 5.2 and 5.3 show mean total individual income and composition by source of income for women and men in the same regions. Income from employment was the major component of income for all women and men but lowest in the North East and highest in London. For women in the North East, 61 per cent of mean total individual income was from income from employment, compared with 75 per cent in London. Equivalent figures for men were 74 and 85 per cent for men in the North East and London respectively.

Conversely, the share of income from benefits was highest in the North East and lowest in London. 25 per cent of mean total individual income of women in the North East was from benefits compared with 13 per cent for men in the same region. Figures for women and men in London were 13 and 4 per cent respectively.

There was also some small variation in income from non-state pensions for men across the regions, ranging from 5 per cent of mean total individual income in London to 11 per cent in the South West. This was not reflected in the figures for women.

Table 5.11 Mean Total Individual Income and Composition by Source of Income, by English Region, All Women, Average for 2002/03, 2002/04 and 2004/05

Source of Income	Percentage									
	North East	North West and Merseyside	Yorkshire and the Humber	East Midlands	West Midlands	Eastern	London	South East	South West	England
Earnings	59	62	61	63	62	64	69	64	59	64
Self-employment	2	4	3	3	4	5	6	6	4	5
Non-state pensions	6	5	6	5	5	5	4	5	6	5
Investment	2	3	3	3	3	4	3	5	4	3
Tax Credits	4	3	3	3	3	2	1	2	3	2
Benefit Income										
Dependent Benefits	8	6	6	6	6	5	5	4	5	5
Mainly Personal Benefits	14	12	12	12	12	10	6	9	13	10
Individual Benefits	3	3	3	3	3	2	1	1	2	2
Total	25	21	21	20	21	17	13	15	20	18
Other	2	2	2	2	3	3	3	4	3	3
Total Income (£ per week 2004/05 prices)	194	221	211	210	209	235	301	259	217	235

Table 5.12 Mean Total Individual Income and Composition by Source of Income, by English Region, All Men, Average for 2002/03, 2002/04 and 2004/05

Source of Income	Percentage									
	North East	North West and Merseyside	Yorkshire and the Humber	East Midlands	West Midlands	Eastern	London	South East	South West	England
Earnings	66	67	68	70	69	69	72	68	65	69
Self-employment	8	11	10	10	10	12	13	12	12	11
Non-state pensions	9	8	9	8	8	8	5	9	11	8
Investment	2	3	2	2	2	3	4	4	3	3
Tax Credits	1	0	1	0	1	0	0	0	0	0
Benefit Income										
Dependent Benefits	2	1	1	1	1	1	1	0	1	1
Mainly Personal Benefits	9	7	7	7	7	5	3	4	7	6
Individual Benefits	2	1	1	1	1	1	0	0	1	1
Total	13	10	10	9	9	6	4	5	8	7
Other	1	1	1	1	1	1	2	1	1	1
Total Income (£ per week 2004/05 prices)	328	373	365	378	375	469	552	528	407	437

Figure 5.2 Mean Total Individual Income and Composition by Source of Income, by English Region, All Women, Average for 2002/03, 2002/04 and 2004/05

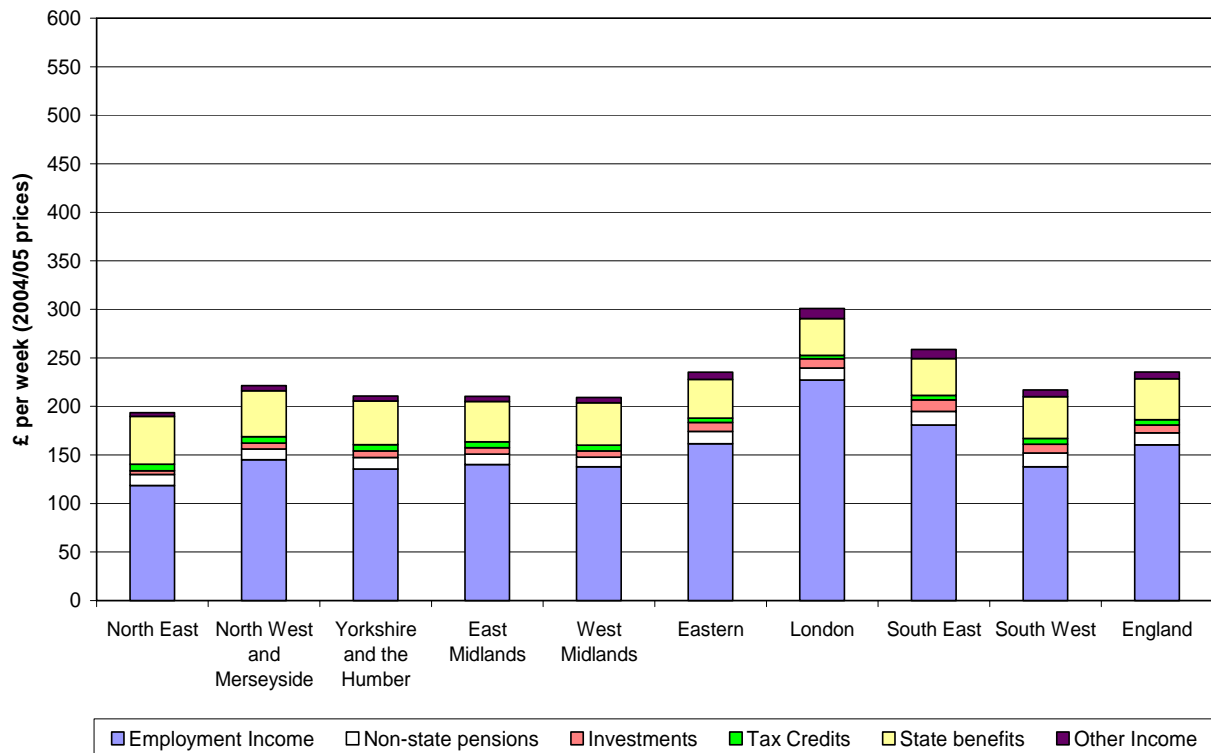
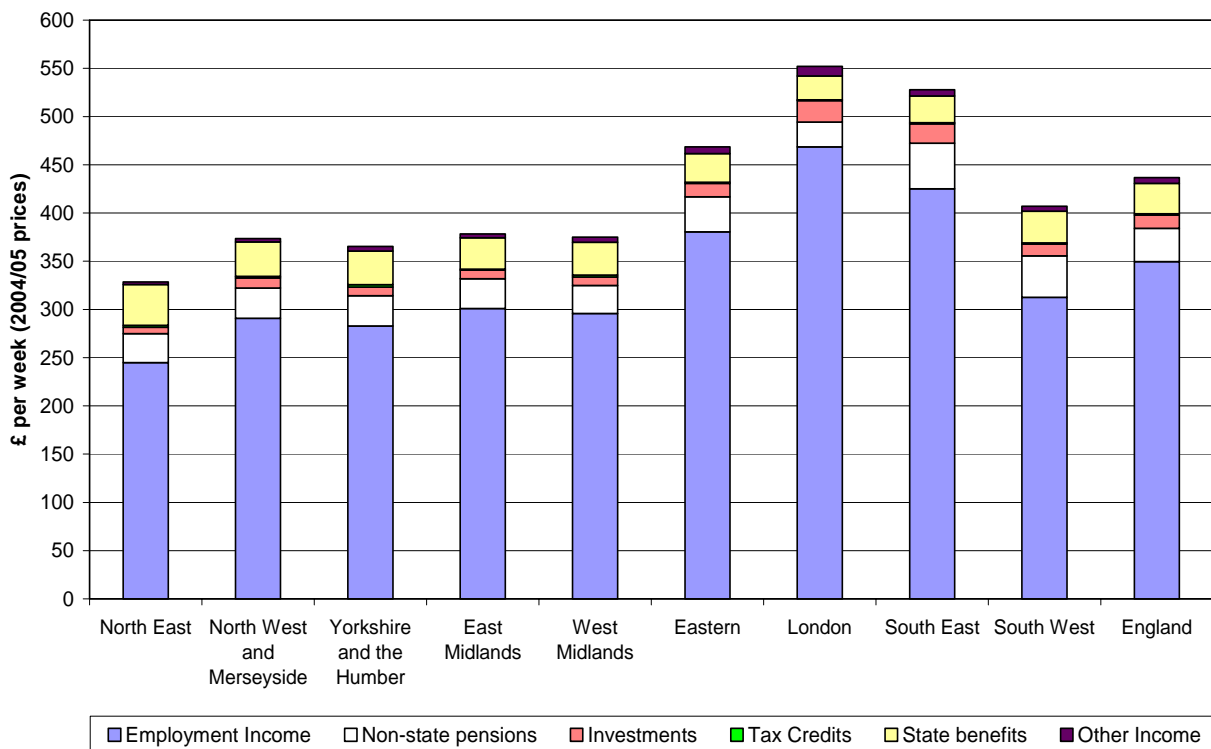


Figure 5.3 Mean Total Individual Income and Composition by Source of Income, by English Region, All Men, Average for 2002/03, 2002/04 and 2004/05



6 Individual Income within Couple Households

6.1 Introduction

The analyses in this section provide information relating to the mean total individual income and mean total family income for women and men living as couples. The total family income estimates relate only to the couple family and have not been adjusted to take account of other individuals living in the same household.

Analyses of mean income are more sensitive to the income distribution of the sample than analyses of median income, as the presence of a small number of high income individuals in the survey sample will affect the income mean but not the income median. As a result of such sample variations, differences in the overall level of family incomes may not reflect the differences in family groups reliably. The analyses in this section consequently examine the differences in the **structure** of family incomes for different couple groups, rather than comparing differences in the **level** of family incomes for those family groups.

Standard tables **S6.1** to **S6.9** present analyses covering the years 1996/97 to 2004/05. Estimates of income levels for specific groups provide only a broad indication of trends over the period. Sampling variation means that there is a high margin of error in estimates of income growth for specific groups, and year on year changes should be treated with caution.

6.2 Summary of Key Findings

- In 2004/05, 67 per cent of the total family income of couples came from the individual income of men and 32 per cent from the individual income of women.
- For 39 per cent of couples, less than a quarter of total family income came from the individual incomes of women.
- For 21 per cent of couples overall, women's individual incomes contributed over 50 per cent of family incomes. This compared with 27 per cent for working age couples without children, 20 per cent for those with children and 13 per cent for pensioner couples.
- For those couples where women were full-time employees, 46 per cent of total family income came from the individual income of women and 53 per cent from the individual income of men.
- For those couples where the woman was looking after the family and home, 90 per cent of the total family income came from the individual income of men and only 8 per cent from the individual income of women, half of this from benefits.
- For 74 per cent of couples, men's individual incomes were at least 10 per cent more than their partners.

- For only 7 per cent of couples, women's individual incomes were equal (within 10 per cent) to that of their partners, and for 18 per cent their incomes were at least 10 per cent higher.

6.3 Mean Total Family Income by Source of Individual Income and Family Type

Table 6.1 shows the percentage of mean total family income by source of individual income and family type for couple families. 67 per cent of the total family income of couples came from the individual income of men and 32 per cent from the individual income of women. The main source of this difference was the proportion of family income derived from earnings and self-employment (employment income); 53 per cent of total family income came from men's individual income from employment, compared with 25 per cent from women's individual income from employment. Non-state pensions were also higher for men; 6 per cent of the total family income came from men's non-state pensions, compared with only 1 per cent for women.

Among pensioner couples, 69 per cent of total family income came from the individual income of men and 29 per cent from the individual income of women. 26 per cent of income came from men's non-state pensions, compared with only 5 per cent for women. Women's benefit income (including state Retirement Pension) accounted for 13 per cent of total family income of pensioner couples, compared with 21 per cent from men's benefit income.

For working age couples with no dependent children, 36 per cent of total family income came from women's individual incomes, compared with 29 per cent for working age couples with dependent children. The main difference was the proportion of family income derived from employment; for working age couples with no dependent children, 33 per cent of total family income came from women's individual income from employment, compared with 22 per cent for working age couples with dependent children. Tax credits paid to women accounted for 2 per cent of incomes of couples with children.

Table 6.2 shows the varying contribution of women and men's individual incomes to family income by family type. For 39 per cent of couples, less than a quarter of total family income came from the individual incomes of women. This figure was higher for pensioner couples and couples with children (44 and 43 per cent respectively), than for couples without children (31 per cent). For 21 per cent of couples, women's individual incomes contributed over 50 per cent of family incomes. This compared with 27 per cent for working age couples without children, 20 per cent for those with children and 13 per cent for pensioner couples.

Table 6.1 Mean Total Family Income and Composition by Source of Individual Income, by Family Type, All Couples, 2004/05

Source of Income	Couple without children		Pensioner Couple		Couple with children		All Couples	
	£ per week	%	£ per week	%	£ per week	%	£ per week	%
Total family income	792	100	471	100	855	100	735	100
Adult income (including household level income)	792	100	471	100	851	100	734	100
Adult income (excluding household level income)	790	100	465	99	845	99	729	99
Women's Income	286	36	138	29	251	29	237	32
Employment income	264	33	33	7	191	22	180	25
Non-state pensions	4	0	25	5	1	0	8	1
Investments	7	1	16	3	5	1	9	1
Tax Credits	0	0	0	0	17	2	6	1
Benefit income	7	1	61	13	33	4	30	4
Other income	4	0	3	1	5	1	4	1
Men's Income	504	64	327	69	593	69	492	67
Employment income	450	57	72	15	551	64	393	53
Non-state pensions	29	4	124	26	5	1	44	6
Investments	11	1	27	6	17	2	17	2
Tax Credits	0	0	0	0	6	1	2	0
Benefit income	10	1	100	21	10	1	32	4
Other income	4	0	4	1	4	0	4	1
Population (thousands)	5596		3549		5160		14305	

Table 6.2 Proportion of Total Family Income from the Income of Women and Men, by Family Type, All Couples, 2004/05

Proportion of Income	Couple without children	Pensioner Couple	Couple with children	Percentage
				All Couples
From Women's Income				
Less than 25%	31	44	43	39
Between 25% and 50%	42	42	38	41
Between 50% and 75%	21	11	14	16
75% or greater	6	2	6	5
From Men's Income				
Less than 25%	6	2	7	6
Between 25% and 50%	21	14	15	17
Between 50% and 75%	44	45	39	42
75% or greater	29	39	38	35

Standard table **S6.1** shows the percentage of mean total family income by source of individual income and family type for couple families for the years 1996/97 to 2004/05. The estimates of the composition of income showed no significant changes in the relative proportions of the various sources of income.

Standard table **S6.2** shows the varying contribution of women and men's individual incomes to total family income by family type for the years 1996/97 to 2004/05.

6.4 Mean Total Family Income by Source of Individual Income and Age Band

Tables 6.3 and 6.4 show the percentage of mean total family income by source of individual income and age band, for women and men. The contribution to family income by women varied from 27 per cent for those aged 65 and over to 37 per cent for women aged 25 to 34. Men's contribution to family income varied from 58 per cent for those aged under 25 to 70 per cent for the 45 to 54 and 75 and over age groups. Men aged between 55 to 64 and 65 to 74 contributed 68 and 69 per cent respectively to family income.

For women, the contribution of income from employment was also highest where the woman was aged between 25 and 34. For men it was in the 45 to 54 age group.

Standard tables **S6.3** and **S6.4** show the percentage of mean total family income by source of individual income and age band for women and men for the years 1996/97 to 2004/05. The estimates of the composition of income by age band showed no substantial changes in the relative proportions of the various sources of income.

6.5 Mean Total Family Income by Source of Individual Income and Marital Status

Table 6.5 shows the percentage of mean total family income by source of individual income and marital status for couple families.

Married couples were the predominant group and the income proportions for married couples were similar to the proportions for all couples. For cohabiting couples, 61 per cent of total family income came from men's individual income, compared with 39 per cent from women's individual income. The main difference was the proportion of income derived from earnings and self-employment. For cohabiting couples, a third of total family income came from women's individual income from employment, compared with nearly a quarter for married couples. The higher proportion of family income derived from employment reflected the younger age profile of cohabiting couples.

Table 6.6 shows the varying contribution of women and men's individual incomes to total family income by marital status. For 41 per cent of married couples, but only 25 per cent of cohabiting couples, women's individual incomes accounted for less than 25 per cent of total family income. Conversely, for 19 per cent of married couples - compared with 30 per cent of cohabiting couples - women's income contributed at least half of total family income.

Standard table **S6.5** shows the percentage of mean total family income by source of individual income and marital status for couple families for the years 1996/97 to 2004/05. The estimates of the composition of income by marital status showed little change in the relative proportions of the various sources of income.

Standard table **S6.6** shows the varying contribution of women and men's individual incomes to total family income by marital status for the years 1996/97 to 2004/05.

Table 6.3 Mean Total Family Income and Composition by Source of Individual Income, by Age of the Woman, All Couples, 2004/05

Source of Income	16 - 24		25 - 34		35 - 44		45 - 54		55 - 64		65 - 74		75 and over	
	£pw	%	£pw	%	£pw	%	£pw	%	£pw	%	£pw	%	£pw	%
Total family income	535	100	804	100	894	100	873	100	646	100	435	100	370	100
Adult income (including household level income)	535	100	804	100	891	100	869	100	646	100	435	100	370	100
Adult income (excluding household level income)	526	98	798	99	887	99	866	99	642	99	429	99	361	98
Women's Income	192	36	298	37	286	32	276	32	189	29	117	27	101	27
Employment income	162	30	255	32	239	27	242	28	115	18	9	2	2	0
Non-state pensions	0	0	0	0	1	0	3	0	20	3	27	6	16	4
Investments	1	0	4	0	5	1	9	1	16	2	15	3	14	4
Tax Credits	10	2	14	2	11	1	3	0	0	0	0	0	0	0
Benefit income	14	3	21	3	26	3	15	2	33	5	63	15	68	18
Other income	6	1	4	1	5	1	4	1	4	1	2	1	1	0
Men's Income	334	62	500	62	601	67	591	68	453	70	312	72	261	70
Employment income	317	59	483	60	564	63	519	59	280	43	36	8	11	3
Non-state pensions	0	0	0	0	5	1	29	3	98	15	132	30	112	30
Investments	1	0	4	1	16	2	22	3	23	4	28	6	20	6
Tax Credits	6	1	4	1	4	0	1	0	0	0	0	0	0	0
Benefit income	8	2	6	1	9	1	13	1	47	7	112	26	115	31
Other income	3	1	2	0	4	0	6	1	5	1	4	1	2	1
Population (thousands)	761		2641		3273		2876		2500		1522		733	

Table 6.4 Mean Total Family Income and Composition by Source of Individual Income, by Age of the Man, All Couples, 2004/05

Source of Income	16 - 24		25 - 34		35 - 44		45 - 54		55 - 64		65 - 74		75 and over	
	£pw	%	£pw	%	£pw	%	£pw	%	£pw	%	£pw	%	£pw	%
Total family income	501	100	764	100	903	100	890	100	688	100	474	100	378	100
Adult income (including household level income)	501	100	764	100	901	100	886	100	687	100	474	100	378	100
Adult income (excluding household level income)	491	98	759	99	897	99	882	99	684	99	469	99	369	98
Women's Income	202	40	287	38	297	33	261	29	212	31	142	30	105	28
Employment income	166	33	248	32	248	27	226	25	155	23	37	8	6	2
Non-state pensions	0	0	0	0	1	0	2	0	14	2	27	6	18	5
Investments	2	0	4	0	5	1	6	1	13	2	16	3	14	4
Tax Credits	10	2	12	2	12	1	5	1	1	0	0	0	0	0
Benefit income	17	3	19	2	27	3	18	2	24	3	58	12	66	18
Other income	8	2	4	1	5	1	3	0	5	1	3	1	1	0
Men's Income	288	58	472	62	600	66	621	70	471	68	327	69	265	70
Employment income	272	54	458	60	568	63	566	64	341	50	39	8	8	2
Non-state pensions	0	0	0	0	2	0	17	2	81	12	133	28	116	31
Investments	1	0	3	0	15	2	22	2	19	3	31	7	20	5
Tax Credits	5	1	4	0	4	0	2	0	1	0	0	0	0	0
Benefit income	7	1	6	1	7	1	10	1	23	3	118	25	117	31
Other income	3	1	2	0	4	0	4	0	7	1	6	1	2	1
Population (thousands)	376		2344		3286		2805		2664		1769		1061	

Table 6.5 Mean Total Family Income and Composition by Source of Individual Income, by Marital Status, All Couples, 2004/05

Source of Income	Married Couple		Cohabiting Couple		All Couples	
	£ per week	%	£ per week	%	£ per week	%
Total family income	733	100	744	100	735	100
Adult income (including household level income)	732	100	744	100	734	100
Adult income (excluding household level income)	727	99	738	99	729	99
Women's Income	227	31	287	39	237	32
Employment income	167	23	247	33	180	25
Non-state pensions	9	1	3	0	8	1
Investments	10	1	4	0	9	1
Tax Credits	6	1	8	1	6	1
Benefit income	32	4	20	3	30	4
Other income	4	1	5	1	4	1
Men's Income	500	68	451	61	492	67
Employment income	388	53	416	56	393	53
Non-state pensions	51	7	8	1	44	6
Investments	18	2	11	1	17	2
Tax Credits	2	0	3	0	2	0
Benefit income	36	5	11	1	32	4
Other income	4	1	2	0	4	1
Population (thousands)		11993		2312		14305

Table 6.6 Proportion of Total Family Income from the Income of Women and Men, by Marital Status, All Couples, 2004/05

Proportion of Income	Percentage		
	Married Couple	Cohabiting Couple	All Couples
From Women's Income			
Less than 25%	41	25	39
Between 25% and 50%	40	45	41
Between 50% and 75%	15	23	16
75% or greater	4	7	5
From Men's Income			
Less than 25%	5	9	6
Between 25% and 50%	16	23	17
Between 50% and 75%	42	46	42
75% or greater	37	21	35

6.6 Mean Total Family Income by Source of Individual Income and Economic Activity Status

Tables 6.7 and 6.8 show the percentage of mean total family income by source of individual income and economic activity status, for women and men. There were marked differences in the relationship between individual income and family income across the different economic activity categories for women. For those couples where women were full-time employees, 46 per cent from the individual income of women and 53 per cent of the total family income came from the individual income of men. For those couples where women were part-time employees, 27 per cent from the individual income of women and 72 per cent of the total family income came from the individual income of men.

For those couples where the woman was looking after the family and home, 90 per cent of the total family income came from the individual income of men and only 8 per cent from the individual income of women. For those couples where the woman was sick or disabled, 71 per cent of the total family income came from the individual income of men and 24 per cent from the individual income of women, the majority of that from benefit income.

Couples where the man was a full-time employee, retired or self-employed, comprised the majority of couples; and the relationship between family income and individual income for these couples was broadly the same as the ratio shown for all couples. For those couples where the man was unemployed, the individual income of women formed the major component of total family income; for these couples, 64 per cent of the total family income came from the individual income of women, and 45 per cent of the total family income came from the women's income from employment.

For those couples where the man was sick or disabled, 51 per cent of total family income came from the individual income of men and 41 per cent came from the individual income of women. For these couples, 49 per cent of total family income was from benefits (36 per cent benefits paid to the man and 13 per cent paid to the woman). For those couples where the man was employed part-time, 63 per cent of the total family income came from the individual income of men and 36 per cent came from the individual income of women.

Standard tables **S6.7** and **S6.8** show the percentage of mean total family income by source of individual income and economic activity status for women and men for the years 1996/97 to 2004/05. The estimates of the composition of income by economic activity status showed no clear changes in the relative proportions of the various sources of income.

Table 6.7 Mean Total Family Income and Composition by Source of Individual Income, by Economic Activity of the Woman, All Couples, 2004/05

Source of Income	Full-time employee		Part-time employee		Self-employed		Unemployed	
	£ per week	%	£ per week	%	£ per week	%	£ per week	%
Total family income	925	100	780	100	957	100	493	100
Adult income (including household level income)	924	100	778	100	955	100	492	100
Adult income (excluding household level income)	923	100	776	99	954	100	479	97
Women's Income	429	46	210	27	322	34	46	9
Employment income	404	44	167	21	256	27	0	0
Non-state pensions	2	0	3	0	8	1	3	1
Investments	6	1	6	1	22	2	4	1
Tax Credits	3	0	9	1	7	1	9	2
Benefit income	10	1	21	3	20	2	27	5
Other income	3	0	4	0	10	1	3	1
Men's Income	494	53	566	72	632	66	433	88
Employment income	461	50	511	65	547	57	387	78
Non-state pensions	15	2	23	3	35	4	15	3
Investments	8	1	16	2	27	3	8	2
Tax Credits	1	0	2	0	2	0	7	1
Benefit income	6	1	11	1	12	1	15	3
Other income	3	0	3	0	9	1	1	0
Population (thousands)		4581		3257		704		200

Table 6.7 cont. Mean Total Family Income and Composition by Source of Individual Income, by Economic Activity of the Woman, All Couples, 2004/05

Source of Income	Retired		Looking after Family/Home		Sick/Disabled		Other	
	£ per week	%	£ per week	%	£ per week	%	£ per week	%
Total family income	441	100	756	100	421	100	574	100
Adult income (including household level income)	441	100	755	100	420	100	572	100
Adult income (excluding household level income)	435	99	742	98	399	95	561	98
Women's Income	105	24	60	8	100	24	70	12
Employment income	0	0	0	0	0	0	1	0
Non-state pensions	27	6	1	0	8	2	7	1
Investments	15	3	6	1	3	1	11	2
Tax Credits	0	0	19	2	6	2	7	1
Benefit income	61	14	29	4	80	19	31	5
Other income	3	1	5	1	2	0	13	2
Men's Income	329	75	682	90	299	71	491	86
Employment income	63	14	589	78	203	48	367	64
Non-state pensions	134	30	23	3	33	8	39	7
Investments	28	6	30	4	3	1	21	4
Tax Credits	0	0	10	1	4	1	4	1
Benefit income	99	22	24	3	56	13	51	9
Other income	5	1	6	1	1	0	9	1
Population (thousands)		2814		1426		748		575

Table 6.8 Mean Total Family Income and Composition by Source of Individual Income, by Economic Activity of the Man, All Couples, 2004/05

Source of Income	Full-time employee		Part-time employee		Self-employed		Unemployed	
	£ per week	%	£ per week	%	£ per week	%	£ per week	%
Total family income	896	100	630	100	857	100	353	100
Adult income (including household level income)	894	100	629	100	856	100	352	100
Adult income (excluding household level income)	893	100	622	99	854	100	323	91
Women's Income	279	31	228	36	277	32	225	64
Employment income	241	27	162	26	222	26	160	45
Non-state pensions	2	0	11	2	6	1	9	3
Investments	6	1	11	2	11	1	8	2
Tax Credits	7	1	11	2	9	1	16	4
Benefit income	18	2	29	5	23	3	32	9
Other income	4	0	4	1	7	1	2	0
Men's Income	614	69	394	63	577	67	97	28
Employment income	588	66	209	33	500	58	4	1
Non-state pensions	8	1	103	16	26	3	30	9
Investments	12	1	34	5	31	4	11	3
Tax Credits	2	0	6	1	4	0	6	2
Benefit income	2	0	35	6	8	1	43	12
Other income	3	0	7	1	8	1	3	1
Population (thousands)	7824		480		1760		237	

Table 6.8 cont. Mean Total Family Income and Composition by Source of Individual Income, by Economic Activity of the Man, All Couples, 2004/05

Source of Income	Retired		Sick/Disabled		Other	
	£ per week	%	£ per week	%	£ per week	%
Total family income	419	100	320	100	459	100
Adult income (including household level income)	418	100	319	100	458	100
Adult income (excluding household level income)	412	98	292	91	434	95
Women's Income	125	30	130	41	264	57
Employment income	26	6	70	22	160	35
Non-state pensions	24	6	8	3	9	2
Investments	15	3	3	1	16	3
Tax Credits	0	0	6	2	11	2
Benefit income	58	14	43	13	59	13
Other income	2	1	1	0	8	2
Men's Income	287	69	162	51	171	37
Employment income	8	2	0	0	46	10
Non-state pensions	147	35	40	13	45	10
Investments	24	6	2	1	20	4
Tax Credits	0	0	2	1	5	1
Benefit income	104	25	114	36	38	8
Other income	4	1	2	1	16	4
Population (thousands)		2839		822		343

6.7 Mean Total Family Income by Source of Individual Income and Income Band

Table 6.9 shows mean total family income by source of individual income and income band for couple families.

Women's contribution to family incomes was highest where total family income was less than £200 per week: 38 per cent of total family income. For all other income bands, women contributed around one third of total family income.

6.8 Women's Individual Income compared with Men's Individual Income

Table 6.10 shows the distribution of women's total individual income by income band, compared with men's individual income by income band, for all couples.

For 16 per cent of couples, both the woman and the man had total individual incomes of less than £200 per week. For 31 per cent of couples, both the woman and the man had total individual incomes of less than £300 per week, and for 49 per cent of couples, both the woman and the man had total individual incomes of less than £400 per week. For 11 per cent of couples, both the woman and the man had total individual incomes of more than £400 per week.

Table 6.11 shows women's incomes relative to their partners. For 74 per cent of couples, men's individual incomes were at least 10 per cent more than their partners. For only 7 per cent of couples, women's individual incomes were broadly equal – to within 10 per cent - to that of their partners, and for 18 per cent their incomes were at least 10 per cent higher. For 83 per cent of pensioner couples, men's incomes were at least 10 per cent more than women's; this compared with 76 per cent for working age couples with children and 67 per cent for couples without children.

Standard table **S6.9** shows relative income by family type for all couples for the years 1996/97 to 2004/05. There have been no major changes over the period.

Table 6.9 Mean Total Family Income and Composition by Source of Individual Income and Income Band, All Couples, 2004/05

Source of Income	Under £200		£200 to £300		£300 to £400		£400 to £500		£500 to £700		£700 and over	
	£pw	%	£pw	%	£pw	%	£pw	%	£pw	%	£pw	%
Total family income	143	100	252	100	350	100	450	100	598	100	1260	100
Adult income (including household level income)	143	100	252	100	349	100	449	100	596	100	1258	100
Adult income (excluding household level income)	134	94	237	94	338	97	444	99	595	100	1257	100
Women's Income	55	38	81	32	112	32	149	33	202	34	398	32
Employment Income	15	11	20	8	43	12	87	19	148	25	345	27
Non-state pensions	1	1	5	2	9	2	9	2	9	2	9	1
Investments	2	2	3	1	4	1	4	1	5	1	16	1
Tax Credits	3	2	5	2	9	3	11	3	8	1	3	0
Benefit income	32	23	49	19	46	13	35	8	27	5	18	1
Other income	1	1	1	0	2	0	3	1	4	1	7	1
Men's Income	79	55	156	62	226	64	295	66	393	66	859	68
Employment Income	13	9	31	12	97	28	200	44	315	53	758	60
Non-state pensions	8	6	31	12	52	15	47	10	48	8	48	4
Investments	2	2	3	1	4	1	5	1	6	1	37	3
Tax Credits	1	1	3	1	5	2	4	1	3	0	1	0
Benefit income	54	37	87	35	66	19	36	8	18	3	8	1
Other income	1	1	1	1	2	0	3	1	3	0	8	1
Population (thousands)	860		1695		1657		1630		3040		5423	

Table 6.10 Women's Total Individual Income by Income Band, compared with Men's Total Individual Income by Income Band, All Couples, 2004/05

Women's Total Individual Income (£ per week 2004/05 prices)	Men's Total Individual Income (£ per week 2004/05 prices)							Percentage	
	Under £100	£100 to £200	£200 to £300	£300 to £400	£400 to £500	£500 and over	Total	Population (thousands)	
Under £50	1	3	2	2	2	5	16	2325	
£50 to £100	1	5	4	3	2	4	18	2558	
£100 to £200	2	4	4	4	3	6	23	3283	
£200 to £300	1	1	3	3	3	5	16	2280	
£300 to £400	1	1	2	2	2	3	10	1501	
£400 and over	1	1	1	2	2	9	16	2358	
Total	8	15	16	16	13	33	100		
Population (thousands)	1121	2175	2265	2245	1816	4683		14305	

Table 6.11 Relative Total Individual Income by Family Type, All Couples, 2004/05

Relative Income	Percentage			
	Couple without children	Pensioner Couple	Couple with children	All Couples
Women's income at least 10 per cent more than men's	22	12	18	18
Equal (within 10 per cent)	10	5	5	7
Men's income at least 10 per cent more than women's	67	83	76	74

7 Individual Income by Economic Activity Status

7.1 Introduction

This section examines the individual incomes of women and men analysed by economic activity status. Economic activity status has been categorised using International Labour Organisation (ILO) definitions (see Appendix 2).

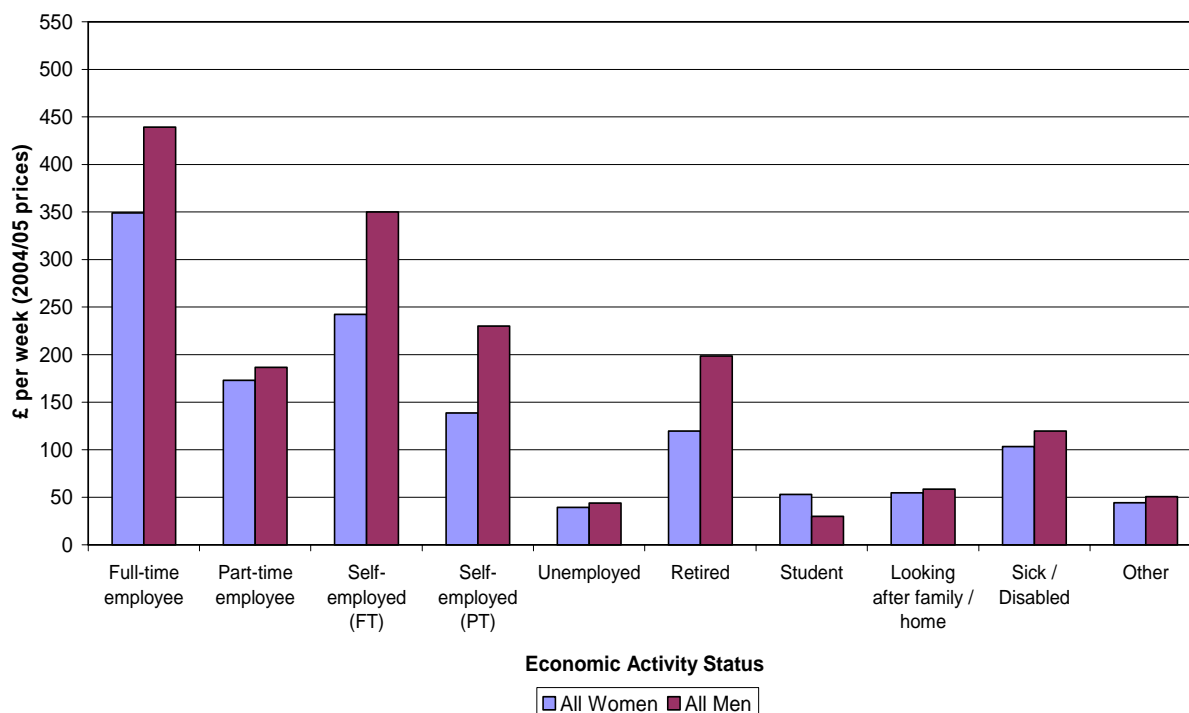
The number of men 'looking after their family or home' in the Family Resources Survey was small and although they are included in analyses of all men by economic activity status, they have not been analysed separately.

Standard tables **S7.1** to **S7.17** present analyses covering the years 1996/97 to 2004/05. Estimates of income levels for specific groups provide only a broad indication of trends over the period. Sampling variation means that there is a high margin of error in estimates of income growth for specific groups, and year on year changes should be treated with caution.

7.2 Summary of Key Findings

- Women in full-time employment in 2004/05 had the highest median total individual incomes at £349 per week, 79 per cent of the total median individual income of men in full-time employment (£439 per week).
- Among women employees, single women with children had the highest incomes, followed by couples with children.
- Of those in employment, incomes of women and men were closest for part-time employees: median total income for women working part-time was £173 per week, 93 per cent of the income of men working part-time. Median hours worked were the same for women and men.
- For any given economic status category, all three median individual income measures for single women with children were high compared with other family types.
- Over the period from 1996/97 to 2004/05, median income rose for most groups, but fell for unemployed women, unemployed men and sick/disabled men.

Figure 7.1 Median Total Individual Income by Economic Activity Status, All Women and All Men, 2004/05



7.3 Individual Income by Economic Activity Status

Figure 7.1 shows the median total individual income by economic activity status for all women and all men in Great Britain. Median individual incomes by economic activity status for all three income measures are shown in Table 7.1. Figures in italics and brackets give the income measures for women expressed as a percentage of the comparable income measure for men. Amongst the women, those in full-time employment had the highest median total individual income, £349 per week, 79 per cent of the total median individual income of men in full-time employment (£439 per week). The corresponding figures for net and disposable income were 83 per cent and 79 per cent respectively. Of those in employment, incomes of women and men were closest for part-time employees: median total income for women working part-time was £173 per week, 93 per cent of the income of men working part-time; median hours worked were the same for women and men. The absolute differences between women and men was largest for the self-employed: total median income for full-time self-employed women was £242 per week, 69 per cent of their male counterparts. Amongst the part-time self-employed, women's incomes were 60 per cent of their male counterparts. There were similar differences amongst the retired: total median income for retired women was £120 per week, 60 per cent of their male counterparts. Incomes of women and men were closest for the unemployed, students, those looking after family/home, the sick and disabled and other inactive categories. Apart from the sick and disabled, incomes were also lowest for these groups.

Table 7.1 Median Total Individual Income by Economic Activity Status, All Women and All Men, 2004/05

Economic Activity Status	£ per week (2004/05 prices)					
	All Women			All Men		
	Total	Net	Disposable	Total	Net	Disposable
Full-time employee	349 (79)	279 (83)	212 (79)	439	336	270
Part-time employee	173 (93)	161 (94)	116 (87)	187	171	133
Self-employed (FT)	242 (69)	211 (70)	156 (63)	350	300	246
Self-employed (PT)	139 (60)	133 (63)	96 (55)	230	210	174
Unemployed	39 (90)	39 (90)	7 (37)	44	44	20
Retired	120 (60)	117 (62)	107 (62)	199	188	173
Student	53 (176)	53 (176)	13 ..	30	30	0
Looking after family/ home	55 (94)	54 (93)	31 (71)	59	59	44
Sick/ Disabled	103 (86)	102 (87)	89 (83)	120	118	107
Other	44 (88)	44 (87)	30 (73)	51	51	41

Tables of median and mean individual income for all three individual income measures by economic activity status for the years 1996/97 to 2004/05 are available as standard tables **S7.1** and **S7.2**.

Figure 7.2 Median Total Individual Income for Women as a Percentage of Men by Economic Activity Status 1996/97-2004/05

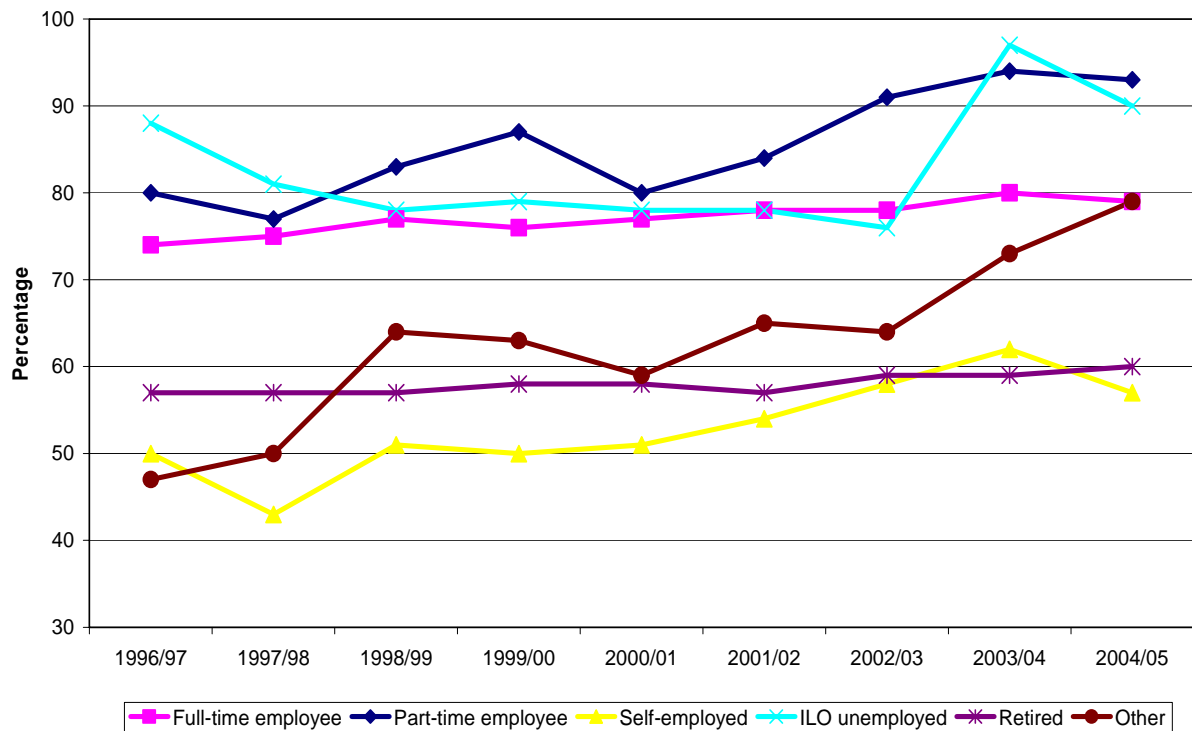


Figure 7.2 shows median total individual income of women as a percentage of men by economic status for the same time period. The largest increases in the position of women against men have been for part-time employees and ‘other’ categories. In 1996/97, the income of part-time female employees as a percentage of male part-time employees was 80 per cent. By 2004/05 this figure was 93 per cent. The ‘other’ category has shown the largest rise, from 47 per cent of men’s incomes in 1996/97 to 79 per cent in 2004/05. Unlike the tables in this chapter, this includes students, those looking after family/home and the sick/disabled. Women’s incomes for this group have increased over the period whilst men’s have remained stable. However, women’s incomes remain low in absolute terms for this group: only unemployed women have lower incomes, followed closely by unemployed men.

7.4 Individual Income by Economic Activity Status and Family Type

The total, net and disposable median individual incomes by economic activity status and family type, for women and men are shown in Tables 7.2 to 7.4. The corresponding population sizes are shown in Table 7.5. For these tables, single pensioners have been included in the single without children category and pensioner couples with couples without children.

Among women employees, single women with children had the highest incomes, followed by couples with children. Single women without children had the lowest incomes amongst employees, but the highest amongst the self employed. All three median individual income measures for single women with children were high compared with other family types; this held across all economic status categories. Women in couples without children who were unemployed or looking after the family/home and unemployed single women without children had the lowest incomes.

Among the men, all three median individual income measures were highest for men who were full-time employees and living in couples with dependent children, while median individual incomes were lowest for unemployed and “other” single men without dependent children. Across all economic status categories and all three median individual income values, men in couples had higher median individual incomes than single men without dependent children.

Tables of median and mean individual income for all three individual income measures by economic activity status and family type for women and men for the years 1996/97 to 2004/05 are available as standard tables **S7.3** to **S7.8**. Population sizes are shown in Table **S7.9**. Over the period from 1996/97 to 2004/05, median income rose for most groups, but fell for unemployed women, unemployed men and sick/disabled men.

Table 7.2 Median Total Individual Income by Economic Activity Status, Gender and Family Type, 2004/05

£ per week (2004/05 prices)

Economic Activity Status	Women				Men				
	Single without children	Single with children	Couple without children	Couple with children	All Women	Single without children	Couple without children	Couple with children	All Men
Full-time employee	323	393	349	374	349	343	462	503	439
Part-time employee	135	265	151	187	173	127	317	165	187
Self-employed	198	..	179	171	193	288	351	351	339
Unemployed	4	..	0	..	39	40	56	65	44
Retired	157	..	77	..	120	172	208	..	199
Looking after family/ home	..	141	2	40	55	..	..	..	59
Sick/ Disabled	109	157	78	111	103	92	148	156	120
Other	46	..	16	62	47	30	119	..	42

Table 7.3 Median Net Individual Income by Economic Activity Status, Gender and Family Type, 2004/05

£ per week (2004/05 prices)

Economic Activity Status	Women				Men				
	Single without children	Single with children	Couple without children	Couple with children	All Women	Single without children	Couple without children	Couple with children	All Men
Full-time employee	256	338	274	303	279	267	351	380	336
Part-time employee	126	259	138	173	161	122	267	153	171
Self-employed	178	..	167	159	178	248	298	303	294
Unemployed	4	..	0	..	39	40	56	62	44
Retired	152	..	76	..	117	165	197	..	188
Looking after family/ home	..	141	2	39	54	..	..	..	59
Sick/ Disabled	109	157	78	111	102	92	143	156	118
Other	46	..	15	62	46	30	113	..	42

Table 7.4 Median Disposable Individual Income by Economic Activity Status, Gender and Family Type, 2004/05

£ per week (2004/05 prices)									
Economic Activity Status	Women				Men				
	Single without children	Single with children	Couple without children	Couple with children	All Women	Single without children	Couple without children	Couple with children	All Men
Full-time employee	196	254	212	223	212	204	290	311	270
Part-time employee	94	195	107	115	116	86	240	122	133
Self-employed	120	..	123	106	123	194	253	242	236
Unemployed	-2	..	-11	..	7	9	33	40	20
Retired	132	..	62	..	107	143	183	..	173
Looking after family/ home	..	134	-6	13	31	..	..	..	44
Sick/ Disabled	100	150	60	92	89	80	130	149	107
Other	13	..	0	31	23	0	85	..	13

Table 7.5 Population Size by Economic Activity Status, Gender and Family Type, 2004/05

Thousands									
Economic Activity Status	Women				Men				
	Single without children	Single with children	Couple without children	Couple with children	All Women	Single without children	Couple without children	Couple with children	All Men
Full-time employee	2072	388	3180	1400	7041	3343	4095	3729	11219
Part-time employee	708	476	1421	1836	4442	476	345	135	967
Self-employed	182	..	385	318	939	465	966	793	2248
Unemployed	159	..	119	..	426	412	118	119	659
Retired	2875	..	2803	..	5693	1053	2824	..	3892
Looking after family/ home	..	471	331	1095	1942	..	..	..	102
Sick/ Disabled	492	160	519	228	1399	686	600	222	1525
Other	446	..	386	189	1121	631	187	..	911

7.5 Individual Income Quintiles by Economic Activity Status

All men and all women together were ranked by total individual income and then divided into quintile groups to provide a quintile distribution for all adults. Tables 7.6 and 7.7 show how the total incomes of women and men within each economic activity category compare with the quintile distribution for all adults.

Table 7.6 Percentage Distribution of All Women within the All Adult Total Individual Income Quintiles by Economic Activity Status, 2004/05

Economic Activity Status	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage
						Population (thousands)
Full-time employee	3	6	27	36	28	7041
Part-time employee	17	36	28	15	5	4442
Self-employed	25	23	19	15	18	939
Unemployed	77	18	4	0	0	426
Retired	35	39	19	5	2	5693
Looking after family/home	63	26	8	2	0	1942
Sick/ disabled	47	35	14	3	0	1399
Other	69	19	8	2	1	1121
All Women	27	25	21	16	11	23003
All Adults	20	20	20	20	20	44528

Table 7.7 Percentage Distribution of All Men within the All Adult Total Individual Income Quintiles by Economic Activity Status, 2004/05

Economic Activity Status	Bottom quintile	Second quintile	Third quintile	Fourth quintile	Top quintile	Percentage
						Population (thousands)
Full-time employee	2	4	16	33	45	11219
Part-time employee	20	28	21	17	14	967
Self-employed	12	11	20	23	34	2248
Unemployed	82	10	5	1	1	659
Retired	6	38	29	17	11	3892
Sick/ disabled	39	34	21	6	1	1525
Other	70	14	11	4	1	1013
All Men	13	14	19	24	30	21524
All Adults	20	20	20	20	20	44528

For women, full-time employees were over-represented in the top two quintiles: 64 per cent of all female full-time employees compared with 27 per cent of all women. 33 per cent of the self-employed and 20 per cent of part-time employees were also in the top 40 per cent of all adults but for all other groups the proportion was less than one in ten. For men, 78 per cent of those who were full-time employees were in the top two quintiles, compared with 54 per cent of all men. The corresponding

figures for male self-employed and part-time employees were 57 and 31 per cent respectively. Like women, other groups were also low, apart from the retired: 28 per cent of retired men were in the top two quintiles compared with 7 per cent of retired women. 74 per cent of retired women were equally spread over the bottom two quintiles, whereas the equivalent figure for men was 44 per cent, with only 6 per cent of retired men in the bottom quintile. Similar proportions of female and male unemployed adults were in the bottom quintile: 77 and 82 per cent respectively. 63 per cent of women looking after the family/home were also in the bottom quintile.

Tables of individual income quintiles by economic activity status for women and men for the years 1996/97 to 2004/05 are available as standard tables **S7.10** and **S7.11**. The results for most of the economic activity status categories do not show any significant changes over the period. However, for men who were sick or disabled, the proportion in the bottom quintile gradually rose from 13 per cent in 1996/97 to 39 per cent in 2004/05. For sick or disabled women the figures were 34 per cent in 1996/97 compared with 47 per cent in 2004/05.

7.6 Mean Total Individual Income by Economic Activity Status and Source of Income

Tables 7.8 and 7.9, and Figures 7.3 and 7.4 show the mean total individual income for all women and all men by economic activity status and source of income. Earnings and self-employment income formed the major component of income for those women who were in employment; 93 per cent for full-time employees, 74 per cent for part-time employees and 75 per cent for the self-employed. Benefit income formed the largest source of income for other women, comprising 70 per cent of total income for the unemployed, 84 per cent for those sick or disabled and 63 per cent for those looking after a family or home and the retired. Around a quarter of the income of retired women came from non-state pensions and a further 9 per cent from investments.

For men, earnings and self-employment income also formed the major component of income for those who were in employment; 96 per cent for full-time employees, 61 per cent for part-time employees and 86 per cent for the self-employed. Benefit income was also a major source of income for other groups. It comprised 56 per cent of income for those who were unemployed and 76 per cent for those sick or disabled. For the retired, 40 per cent of income came from benefits, but 48 per cent from non-state pensions. Non state pensions also formed a large component of income of unemployed men, although levels were low. Part-time male employees also derived a significant source of their income from non-state pensions (19 per cent).

Mean total individual incomes were higher for men than women across all economic status categories. The differences in levels for the full-time employed and self-employed were attributable to higher levels of employment income. For part-time employees, the retired and sick/disabled, a large part of the difference was higher incomes from non-state pensions. Retired and sick and disabled men also had higher incomes from benefits.

Table 7.8 Mean Total Individual Income and Composition by Source of Income, by Economic Activity Status, All Women, 2004/05

Source of Income	Percentage							
	Full-time employee	Part-time employee	Self-employed	ILO Unemployed	Retired	Looking after family/home	Sick/Disabled	Other
Earnings	93	73	13	0	0	0	0	1
Self-employment	0	1	62	0	0	0	0	0
Non-state pensions	1	2	4	5	26	2	8	10
Investments	1	3	8	4	9	6	2	10
Tax Credits	1	7	3	14	0	20	4	7
Benefit income								
Dependent Benefits	1	7	3	56	0	55	30	19
Mainly Personal Benefits	0	3	3	6	56	6	32	17
Individual Benefits	0	1	0	8	7	3	22	5
Total	2	11	6	70	63	63	84	40
Other	1	4	4	7	2	8	2	32
Total Income (£ per week 2004/05 prices)	415	212	352	54	146	84	116	79

Table 7.9 Mean Total Individual Income and Composition by Source of Income, by Economic Activity Status, All Men, 2004/05

Source of Income	Percentage							
	Full-time employee	Part-time employee	Self-employed	ILO Unemployed	Retired	Sick/Disabled	Other	
Earnings	94	57	13	2	2	0	11	
Self-employment	2	4	73	1	1	0	4	
Non-state pensions	1	19	5	21	48	20	18	
Investments	2	7	5	8	8	2	9	
Tax Credits	0	1	1	4	0	1	2	
Benefit income								
Dependent Benefits	0	1	0	39	0	19	11	
Mainly Personal Benefits	0	6	1	9	37	42	12	
Individual Benefits	0	0	0	8	3	15	1	
Total	0	7	1	56	40	76	25	
Other	0	5	1	8	1	1	31	
Total Income (£ per week 2004/05 prices)	568	303	555	61	270	140	103	

Tables of mean total individual income by economic activity status and source of income for all women and all men for the years 1996/97 to 2004/05 are available as standard tables **S7.12** and **S7.13**. The results show no significant changes for most economic activity status groups over the period.

Figure 7.3 Mean Total Individual Income and Composition by Source of Income, by Economic Activity Status, All Women, 2004/05

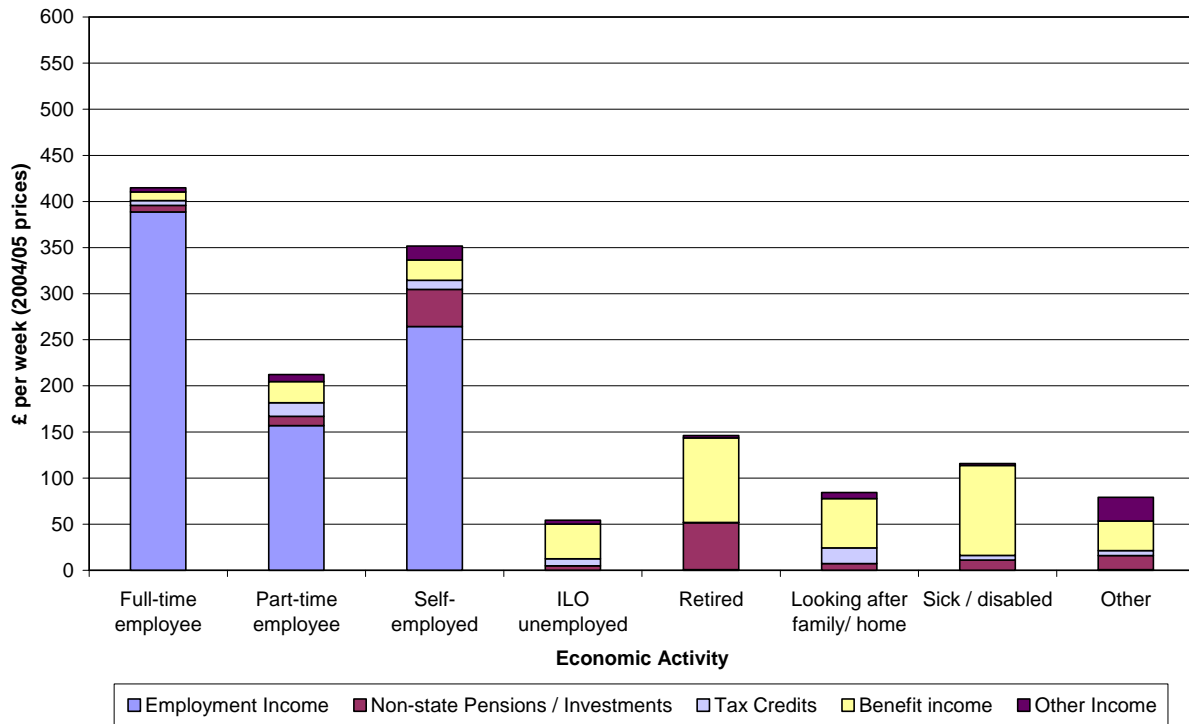
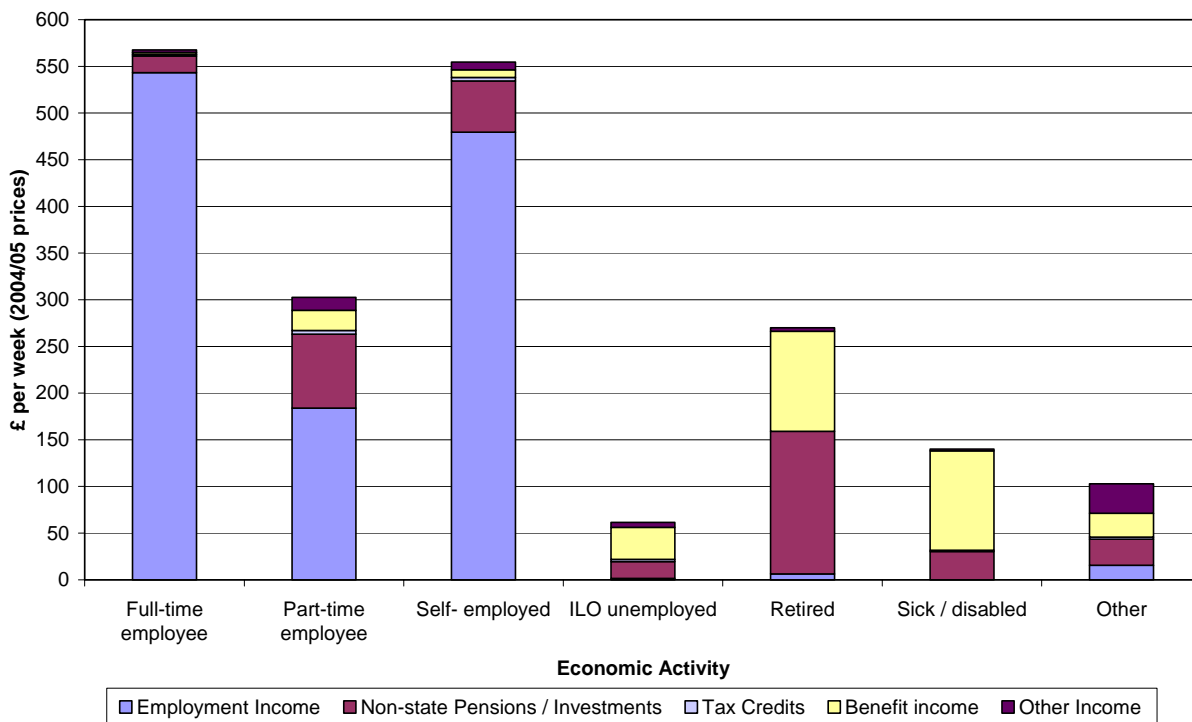


Figure 7.4 Mean Total Individual Income and Composition by Source of Income, by Economic Activity Status, All Men, 2004/05



7.7 Percentage Distribution of Economic Activity Status by Age Band

Figures 7.5 and 7.6 show the percentage distribution of economic activity status by age band for all women and all men. Users should note that the Family Resources Survey covers only people living in private households and does not provide information on people living in residential institutions such as halls of residence and barracks. Figures for students will be under-represented and some other economic activity categories will be over-represented in these analyses: the effect will be most marked for the 16 to 24 age group.

7.8 Individual Income by Age Band and Economic Activity Status

The total, net and disposable median individual incomes of all women by age band and economic activity status are shown in Tables 7.10 to 7.12, with the population sizes shown in Table 7.13. Corresponding tables for men are shown as Tables 7.14 to 7.17.

For women in full-time employment, the median total individual income was highest for women aged between 35 and 44 (£381 per week). Incomes for women in part-time employment were also highest in this age group. For men, total individual income was highest for those in full-time employment aged between 45 and 54 (£498 per week).

Unemployed women and men aged between 16 and 24 had the lowest median incomes. For women, this group was followed by 55-64 year olds looking after family/home. These figures were significantly lower than for other age groups due to large numbers within the group reporting zero total incomes.

Amongst the retired, differences between the incomes of women and men were highest for the 55-64 age group: the median total income of women was 42 per cent of the median total income of men, compared with 54 per cent for the 65 to 74 age group and 72 per cent for those aged 75 and over.

Tables showing the median total, net and disposable individual incomes of all women by age band and economic activity status for the years 1996/97 to 2004/05, and are available in standard tables **S7.14** to **S7.16**. The corresponding population sizes are shown in **S7.17**. The results show broadly similar patterns during the period 1996/97 to 2004/05.

Figure 7.5 Percentage Distribution of Economic Activity Status by Age Band, All Women, 2004/05

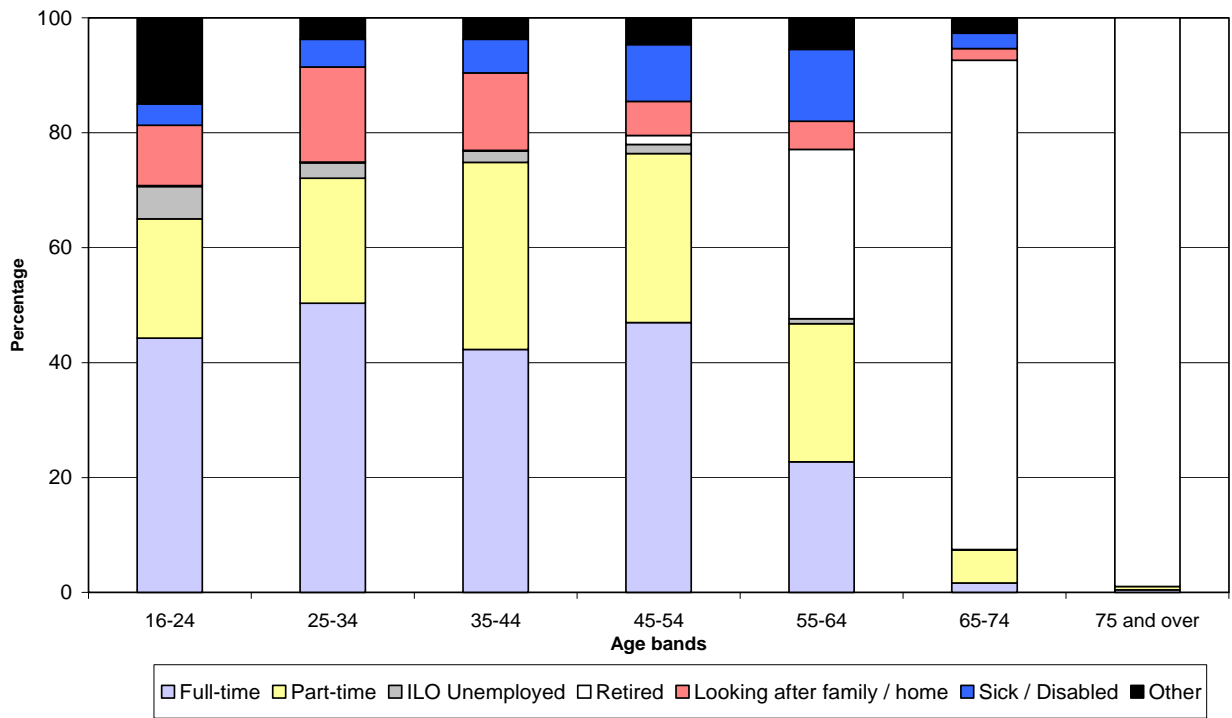


Figure 7.6 Percentage Distribution of Economic Activity Status by Age Band, All Men, 2004/05

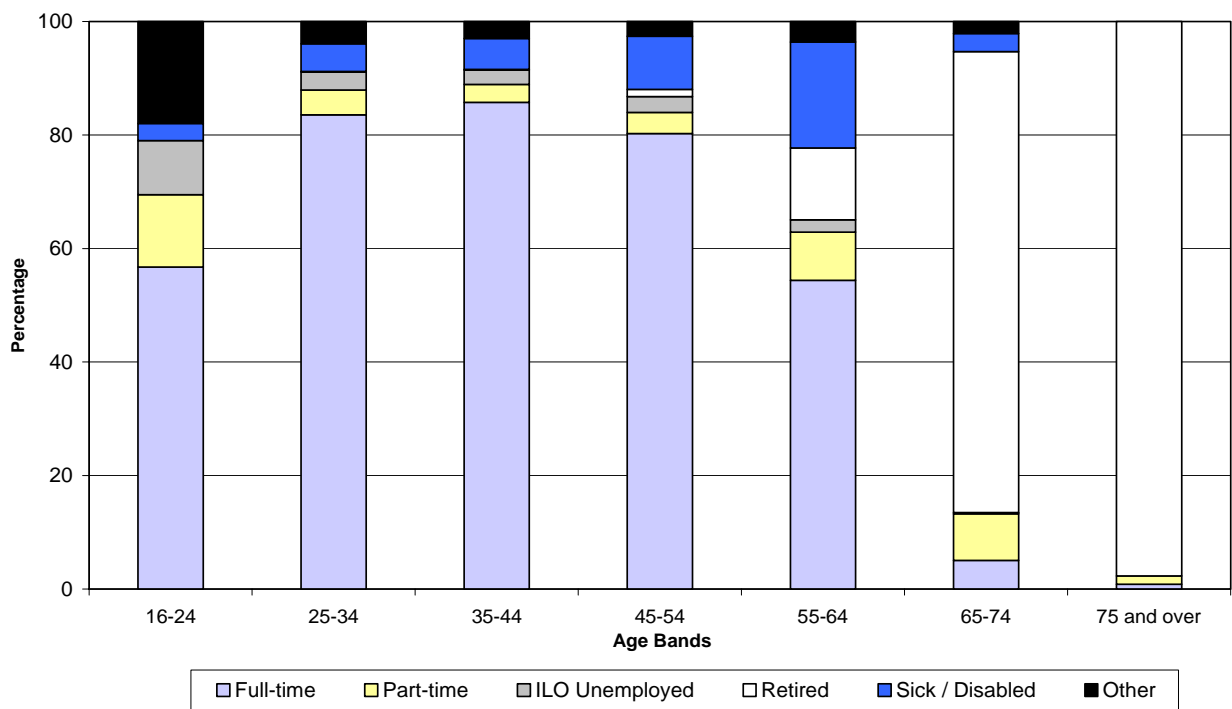


Table 7.10 Median Total Individual Income by Age Band and Economic Activity Status, All Women, 2004/05

£ per week (2004/05 prices)

Age Band	Full-time employment	Part-time employment	ILO Unemployed	Retired	Looking after family/ home	Sick/ Disabled	Other
16-24	249	115	4	..	93	..	33
25-34	379	193	52	..	77	119	82
35-44	381	196	..	..	50	118	72
45-54	356	167	..	..	27	90	27
55-64	327	165	..	107	12	95	44
65-74	..	172	..	111	..	..	..
75 and over	..	..	..	131	..	..	..

Table 7.11 Median Net Individual Income by Age Band and Economic Activity Status, All Women, 2004/05

£ per week (2004/05 prices)

Age Band	Full-time employment	Part-time employment	ILO Unemployed	Retired	Looking after family/ home	Sick/ Disabled	Other
16-24	201	109	4	..	93	..	33
25-34	298	181	52	..	77	119	82
35-44	309	180	..	..	50	118	72
45-54	282	152	..	..	27	90	23
55-64	266	151	..	105	10	94	44
65-74	..	163	..	110	..	..	..
75 and over	..	..	..	129	..	..	..

Table 7.12 Median Disposable Individual Income by Age Band and Economic Activity Status, All Women, 2004/05

£ per week (2004/05 prices)

Age Band	Full-time employment	Part-time employment	ILO Unemployed	Retired	Looking after family/ home	Sick/ Disabled	Other
16-24	151	73	0	..	73	..	0
25-34	213	115	12	..	49	108	49
35-44	233	125	..	..	22	105	46
45-54	232	117	..	..	-1	78	0
55-64	227	121	..	86	1	79	35
65-74	..	138	..	96	..	..	..
75 and over	..	..	..	116	..	..	..

Table 7.13 Population Size by Age Band and Economic Activity Status, All Women, 2004/05

Thousands

Age Band	Full-time employment	Part-time employment	ILO Unemployed	Retired	Looking after family/ home	Sick/ Disabled	Other
16-24	1149	539	146	..	273	..	388
25-34	1919	829	102	..	630	184	142
35-44	1879	1446	..	..	600	260	165
45-54	1764	1103	..	..	223	370	175
55-64	771	815	..	1000	167	423	186
65-74	..	141	..	2096	..	..	..
75 and over	..	..	..	2524	..	..	..

Table 7.14 Median Total Individual Income by Age Band and Economic Activity Status, All Men, 2004/05

£ per week (2004/05 prices)

Age Band	Full-time employment	Part-time employment	ILO Unemployed	Retired	Sick/ Disabled	Other
16-24	258	106	0		..	23
25-34	422	144	54	..	89	0
35-44	484	163	52	..	95	55
45-54	498	221	56	..	110	..
55-64	429	328	..	256	144	109
65-74	414	338	..	204	..	..
75 and over	..	..		182		

Table 7.15 Median Net Individual Income by Age Band and Economic Activity Status, All Men, 2004/05

£ per week (2004/05 prices)

Age Band	Full-time employment	Part-time employment	ILO Unemployed	Retired	Sick/ Disabled	Other
16-24	209	103	0		..	23
25-34	322	137	54	..	89	0
35-44	373	150	52	..	95	55
45-54	380	188	56	..	110	..
55-64	333	276	..	220	138	109
65-74	364	305	..	193	..	..
75 and over	..	..		176		

Table 7.16 Median Disposable Individual Income by Age Band and Economic Activity Status, All Men, 2004/05

£ per week (2004/05 prices)

Age Band	Full-time employment	Part-time employment	ILO Unemployed	Retired	Sick/ Disabled	Other
16-24	163	66	-2		..	0
25-34	250	92	23	..	77	-9
35-44	296	120	36	..	89	36
45-54	320	151	48	..	100	..
55-64	295	236	..	195	124	94
65-74	336	280	..	178	..	..
75 and over	..	..		160		

Table 7.17 Population Size by Age Band and Economic Activity Status, All Men, 2004/05

Thousands

Age Band	Full-time employment	Part-time employment	ILO Unemployed	Retired	Sick/ Disabled	Other
16-24	1505	337	253		..	477
25-34	3137	165	119	..	184	147
35-44	3711	138	109	..	237	129
45-54	2901	134	101	..	339	..
55-64	1789	278	..	415	614	119
65-74	114	186	..	1844	..	..
75 and over	..	..		1581		

Appendices

Appendix 1: Glossary of Technical Terms

Mean

The mean in this publication is the **average income**, found by adding up all the incomes in a population and dividing the result by the number of people.

Median

The median in this publication is the “middle” value, which is the income value which divides the population, when ranked by income, into two equal sized groups.

Quintiles

Quintile is used as a shorthand term for **quintile group**; for example ‘the bottom quintile’ to describe the bottom twenty per cent of the income distribution.

Quintile groups

These are groups of the population when it is ranked by income and then divided into 5 sub-groups of equal size. The lowest quintile group is the 20 per cent of the population with the lowest incomes. Table 1.3 gives the boundary marker for each group. For example, those falling into the lowest quintile have incomes below the lower boundary marker of the second quintile. Similarly the 20 per cent of the population with the highest incomes have weekly incomes above the lower boundary marker of the top quintile.

Sampling error

Sampling error is the uncertainty in the estimates which arises from taking a random sample of the household population. For more information see Appendix 4.

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Appendix 2: Definitions of Individual Income and of Other Concepts used in the Individual Income Series

A number of definitions are employed in producing the individual income series. The main ones are described below.

Adult

An adult is someone who is:

- a married or cohabiting person, or
- an individual aged 19 or over, or
- a 16 to 18 year old not in full-time education, or
- a 16 to 18 year old on a course above 'A' level standard (or above 'highers' in Scotland).

Adult income (excluding household level income)

Total income of all adults

Adult income (including household level income)

Total income of all adults plus household level income.

Age

The age of a person is reported as 'age at last birthday' from interview date.

Child

A child is:

- an individual aged under 16, or
- an unmarried 16 to 18 year old on a course up to and including 'A' level standard (or up to and including 'highers' in Scotland).

Dependent children

These are children classified in this report as a "child", ie excluding grown up children. See definition of child.

Economic Activity Status

ILO definitions are used for economic activity status and FRS respondents are classified based on their responses to questions on current economic activity status. The 11 categories are as follows:

- 1 Full-time employee
- 2 Part-time employee
- 3 Full-time self-employed
- 4 Part-time self-employed
- 5 ILO unemployed
- 6 Retired
- 7 Student
- 8 Looking after family/home
- 9 Permanently sick/disabled
- 10 Temporarily sick/disabled
- 11 Other inactive

Using broad ILO definitions, categories 1-4 are in employment, category 5 is ILO unemployed and categories 6-11 are inactive. In this report, permanently and temporarily sick/disabled categories

have been combined and students have been included with the other inactive in some tables (ie where they are not shown separately). Similarly, men looking after the family/home have been included with other economically inactive in tables 6.8, 7.7, 7.9 and 7.14-7.17.

Note: Changes introduced in the 1999/2000 FRS brought an individual's economic activity status into line with the classical ILO definition. Individuals between the state pension age and the age of 70 who are looking for work are asked whether or not they are able to start work in the next two weeks and classified according to their response. In surveys before 1999/2000, these individuals were automatically classified as 'retired'.

Employment income

Total income from employment and self-employment.

Family Unit

This is a single adult or a couple, living as married, together with any dependent children. An adult living in the same household as his or her parents, for example, is a separate family unit from the parents and would be assessed separately for Income Support or Working Tax Credit. This is equivalent to the Department for Work and Pensions' definition of a Benefit Unit.

Family Type

For some analyses individuals are classified into family type. Individuals are classified according to the status of the family unit in which they live. All individuals in a family unit will therefore be given the same classification. This classification is the same as that used for the Family Resources Survey. The classifications are defined below.

Single pensioner

A single adult of state pension age or over. (Women aged 60 or over and men aged 65 or over).

Pensioner couple

A couple, where at least one member of the family unit is of state pension age or over.

Couple with children

A working age couple with dependent children.

Couple without children

A working age couple with no dependent children, but including pensioners where these are not reported separately (as in Sections 3 and 7).

Single with children

A working age single adult with dependent children.

Single without children

A working age single adult with no dependent children, but including pensioners where these are not reported separately (as in Section 3 and 7).

Full-time Work

Based on self-assessment for the main job rather than number of hours worked. Includes those doing unpaid work in a business that a relative owns.

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Household

The FRS definition of a household is a single person or group of people living at the same address as their only or main residence, who either share one meal a day together or share the living accommodation (ie living room). A household will consist of one or more *family units*.

Household level income

Income that cannot be readily assigned to an individual or where there is insufficient information to calculate an imputed income value for all individuals. Items included are Housing Benefit, Council Tax Benefit, income from subletting and free milk and meals.

Individual Income

The Income measures used in the Individual Income series are:

- Total
- Net
- Disposable

Total Individual Income is defined as:

Gross individual income **plus** tax credits.

Tax credits

Includes all payments of Working Tax Credit (WTC) and Child Tax Credit (CTC). WTC and CTC were introduced on 6 April 2003 to replace Working Families' Tax Credit (WFTC) and Disabled Person's Tax Credit (DPTC). As WFTC and DPTC were still in payment during April and May 2003 these are also included.

Gross Individual Income is defined as:

Income from all sources received by an individual

Income is the current income of individuals at the time of the Family Resources Survey (FRS) interview. This is generally the income being received in the period when the interview takes place, except for employees whose last pay was not the amount they usually receive, in which case the income measure uses their usual pay.

Income is taken to include earnings, investments and non-state pensions/annuities, benefit income (including Child Benefit and income related benefits), and income from other sources (including maintenance income from an absent partner paid in respect of either spouse or children).

A number of items of income are **excluded** from gross individual income, either because they are shared costs which can not be assigned to an individual, or because there is insufficient information to calculate an imputed income value for all individuals. Components of income excluded from gross individual income are:

- the value of Housing Benefit and Council Tax Benefit,
- property income from letting and sub-letting,
- the value of benefits in kind (eg company cars, fuel costs, health insurance, beneficial loans, payment of school fees, shares and share options, free meals, free and concessionary travel, and luncheon vouchers),
- Social Fund loans and repayments, student loans and repayments, and
- the value of free school meals and free school milk.

Gross individual income is weekly gross income, the total of six components: earnings, self-employment income, non-state pensions, investment income, benefit income and other income.

Earnings

For those currently working as an employee, earnings are equal to weekly gross pay before any deductions,

- **less** any refunds of income tax,
- **less** any motoring and mileage expenses,
- **less** any refunds for items of household expenditure,
- **plus** bonuses received over the last 12 months,
- **less** any Statutory Sick Pay or Statutory Maternity Pay.

All the above values are converted into weekly amounts.

Self-employment income

This is the total amount of income received from self-employment gross of tax and National Insurance payments, based on profits where an individual considers themselves as running a business. It excludes any profit due to partners in the business and any losses are deducted. Where self-employed persons are calculated to have negative self-employment incomes, their self-employment income is set to zero.

Non-state pensions

Include payments received from occupational pensions and personal pension schemes, widow's employee pensions, trade union and friendly society pensions, annuity pensions, trusts and covenants.

Investment income

Includes interest and dividends received from savings and investments such as:

- Current accounts
- Basic bank accounts
- Post Office accounts
- Other bank/building society accounts
- TESSAs
- Gilts
- PEPs
- Unit trusts
- Stocks and shares
- ISAs

Income from investments deriving from joint accounts is assumed to be received equally by the account holders.

Total benefit income

This includes all state benefits except those that are available at a household level.

For publication purposes, total benefit income has been split into three statistical categories: dependent benefits, mainly personal benefits and individual benefits.

Dependent benefits

These are all those benefits where more than 10 per cent of claimants receive the benefit, as a whole or in part, for any dependents. The benefits included in this category are; Child Benefit, Income Support (excluding Minimum Income Guarantee – see below), Disability Working Allowance, Jobseeker's Allowance (Income Based), Guardian's Allowance, and Widowed Mother's Allowance.

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Mainly personal benefits

These are all those benefits where less than 10 per cent of claimants receive the benefit, or a component of the benefit, as a whole or in part for any dependents. The benefits included in this category are: Incapacity Benefit, Industrial Injuries Disablement Benefit, Carer's Allowance, Retirement Pension, Severe Disablement Allowance and War Disablement Pension.

For married pensioner couples, the man generally receives a state Retirement Pension on the basis of his National Insurance contributions. Where his wife is not entitled to a state Retirement Pension on the basis of her own National Insurance contributions, in most cases, she is entitled to a married women's pension on the basis of her husband's National Insurance contributions. The married women's pension is lower than the state Retirement Pension for a single person: where based on full National Insurance contributions, the married women's pension is around 60 per cent of the state Retirement Pension for a single person.

It should also be noted that for single pensioners and pensioner couples, any Retirement Pension and/or Minimum Income Guarantee/Pension Credit that is received is reported together in the mainly personal benefits category because of the known problems with the identification of benefits received by pensioners on the FRS.

Individual benefits

These are all those benefits where all claimants receive the benefit on an entirely individual basis. The benefits included in this category are: Attendance Allowance, Back to Work Bonus, Disability Living Allowance (Care and Mobility needs), Jobseeker's Allowance (Contributory), Maternity Allowance, Statutory Maternity Pay, Statutory Paternity Pay, Statutory Sick Pay, Statutory Adoption Pay, Widow's Pension and Social Fund Grants.

Other income

This includes: any income from an absent spouse or partner, income received as a mail order agent, allowances from an individual or organisation, allowances from a local authority for a foster child or adopted child, income as a sleeping partner, income from odd jobs, income from babysitting, trade union sick or strike pay, student grants and any other miscellaneous incomes.

Net Individual Income is defined as:

Individual income net of income tax and National Insurance contributions

Net individual income is weekly gross individual income,

- **plus** tax credits
- **less** income tax payments
- **less** National Insurance contributions

Disposable Individual Income is defined as:

Individual income, including deductions and additions which are potentially shared in different ways across benefit units/household (eg housing and maintenance), net of income tax and National Insurance contributions, childcare and travel to work costs

Disposable individual income is weekly net individual income,

- **plus** Housing Benefit/Council Tax Benefit payments, apportioned across household adults where appropriate
- **plus** income from letting or sub-letting, apportioned across household adults where appropriate

- **less** all maintenance and child support payments, which are deducted from the income of the person making the payment
- **less** parental contributions to students living away from home
- **less** housing costs, apportioned across household adults where appropriate
- **less** childcare costs
- **less** travel to work costs

All the above values are converted into weekly amounts.

Note: the deduction of shared outgoings such as housing will mean that some individuals will have negative disposable incomes.

Parental contributions to students living away from home

These will be shared equally by the appropriate parents within the household.

Childcare costs

Childcare costs will be assigned to the mother.

Travel to work costs

These are based on answers to questions on distance, frequency and mode of transport; costs of travel cards or fares; contributions made to and received by drivers of cars and motorcycles. Costs of running cars and motorcycles are estimated using mileage rates which are meant to cover all the running costs.

Housing costs

In households where there are more than one benefit unit and information on contributions to housing costs are provided on an individual basis, these payments will be taken into account in the derivation of disposable individual income. In the same households, where comparable information on Housing Benefit/Council Tax Benefit (HB/CTB) receipt by individuals is available, HB/CTB payments will be added to disposable income before the deduction of contributions to housing costs.

In households where there is only one benefit unit, and households where there is more than one benefit unit but no information on contributions to housing costs are available on an individual basis, it will be assumed that any property income from letting or sub-letting, any HB/CTB payments and all housing costs will be shared equally by the non-dependent adult members of the household. Housing costs include the following:

- Domestic rates/Council Tax
- Rent (gross of Housing Benefit)
- Mortgage interest rates (net of tax relief)
- Structural insurance premiums (for owner occupiers)
- Ground rent and service charges

In the calculation of individual income for women and men, any sources of income which are available at only a household level or family unit level have been excluded from the income of the head of the household or the head of the family unit as appropriate. As a result, adding together the individual incomes of the members of a household or family unit may well result in a figure that is less than the overall household or family unit income.

Part-time Work

Based on self-assessment for the main job rather than number of hours worked. Includes those doing unpaid work in a business that a relative owns.

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Pensioner

A person of state pension age or above (65 for men, 60 for women).

Self-employed

Self-employment is based on self-assessment for the main job rather than the number of hours worked. Includes those doing unpaid work in their own business.

Sick/Disabled

Sickness and disability is based on self-assessment. A respondent will be classified under this heading if they are not working due to either a temporary or permanent sickness or disability.

State Support

All income from state benefits, except those that are available at a household or family unit, level plus tax credits.

Student

Not working due to study.

Total family income

Includes total income of all adults, total income of dependent children, and household level income.

Total income of dependent children

Any income from spare time jobs, trust funds, education grants or Education Maintenance Allowance, plus Disability Living Allowance paid to 16-18 year olds.

Appendix 3: Methodology of Individual Income

Individual Incomes of women and men

This publication looks at the individual incomes of women and men within a household and relates these to social and economic factors such as family type, source of income, marital status and employment status. The unit of analysis is individual adults, so the populations and percentages in the tables are numbers and percentages of individual adults.

The family type groupings used in some tables are classifications of individuals according to the characteristics of the family unit to which they belong. Therefore, these tables are analyses of individuals classified by their type of family unit and by their individual income.

Population covered in the analyses

The analyses are based on the Family Resources Survey (FRS) for 2004/05; relating to Great Britain only. The survey covers the private household sector and all the results exclude people living in institutions, (eg nursing homes, barracks or jails), and homeless people living rough or in bed and breakfast accommodation.

Households containing a married adult whose spouse is temporarily absent, whilst within the scope of the FRS, are excluded from this analysis.

Family Resources Survey

The FRS was launched in October 1992 to meet the information requirements of the Department of Social Security (DSS, now subsumed within the Department for Work and Pensions). The large sample of the FRS makes it possible for the individual income series to present information for single years.

Grossing

In the processing of the FRS, sample results are grossed to provide national estimates. The grossing package CALMAR is used and it operates at the individual, family unit and household levels simultaneously.

Following a review of the grossing methodology for the FRS a new regime was devised, which improves the accuracy of regional-level counts, and of some national level counts, drawn from the FRS. DWP statisticians also incorporated changes in population counts, and related counts, following the 2001 Census. This regime was used for the first time in the 2003/04 Individual Incomes report.

Details of the grossing methodology can be found in the paper titled "The New Family Resources Survey Grossing Regime" available at www.dwp.gov.uk/asd/frs/reports/index.asp.

It should be noted that the grossing regime aligns FRS-based estimates to regional populations by age and sex. This should improve regional and national estimates in instances where differential responses by age, sex and region are a significant influence on the accuracy of the statistics concerned. But some elements of the grossing system are only applied at a national level; other factors potentially related to non-response do not enter the grossing at all; and sample sizes are smaller at regional level. For these reasons, regional results based on the FRS still need to be treated carefully.

Although the sample is large, adjustments still need to be made to sample cases at the top of the income distribution to correct for volatility in the highest incomes captured in the survey. This adjustment was developed for use in Households Below Average Income (HBAI) statistics and uses HM Revenue and Customs' statisticians' projections of data from the Inland Revenue's Survey of Personal Incomes (SPI) to control the numbers and income levels of the very rich while retaining the FRS data on the characteristics of their households. The methodology defines a household as rich if it contains a rich individual and it adjusts pensioners and non-pensioners separately. For 2004/05, non-pensioners are classified as rich if their net income exceeds £150,000 per annum and pensioners are rich if their gross income exceeds

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£60,000 per annum. Equivalent figures for 1996/97 are net incomes in excess of £100,000 for non-pensioners and gross incomes in excess of £100,000 for pensioners. These thresholds have been set at the level above which, for each group, the FRS data is considered to be volatile due to small numbers of cases. More information can be found in the HBAI report (see www.dwp.gov.uk/asd/hbai.asp).

The numbers of rich pensioners and non-pensioners are adjusted to the correct totals by introducing two extra control totals into the grossing regime and re-calculating the grossing factors. The grossing factors for individual cases are only marginally changed as a result of this adjustment.

Regional estimates

DWP have also undertaken a review of the presentation of results by region. To counteract the problems of smaller sample sizes noted above, which result in the greater volatility of estimates at a regional level, regional results are now based on three years' data. Figures for 2004/05 are therefore based on the unweighted arithmetic mean of estimates for 2002/03, 2003/04 and 2004/05, all years uprated to 2004/05 prices. Similarly, in standard tables, the base year is 1998/99 (1996/97, 1997/98 and 1998/99 combined). It follows that figures for Great Britain shown in Chapter 5 and its corresponding standard tables will not be the same as results for all individuals in other chapters.

Appendix 4: Sampling Errors

The tables and charts in this volume are derived from the Family Resources Survey (FRS) a sample survey. All the figures are therefore subject to sampling error.

Sampling error is the uncertainty in the estimates arising from taking a **random sample** of the household population that may not reflect the characteristics of the whole population. No two randomly chosen samples would give exactly the same picture of the income distribution; and the particular sample chosen in any year could yield results, which by chance, are either higher or lower than the true figure. However, the likely size of such variation can be identified, at least approximately, by taking account of the size and design of the samples.

Sampling error is thus quite distinct from any systematic errors or biases, which may be present in the survey, and analysis processes, such as a tendency to under report a particular item of income. An estimate of sampling error is a measure of only one particular type of uncertainty in the estimate, and therefore cannot be taken as a guarantee that the figure is 'accurate' within certain limits.

Different figures in this series are subject to widely different levels of sampling error. However, a general observation may usefully be made: other things being equal, the smaller the sample (or part of sample) from which the estimate is derived, the larger the sampling error.