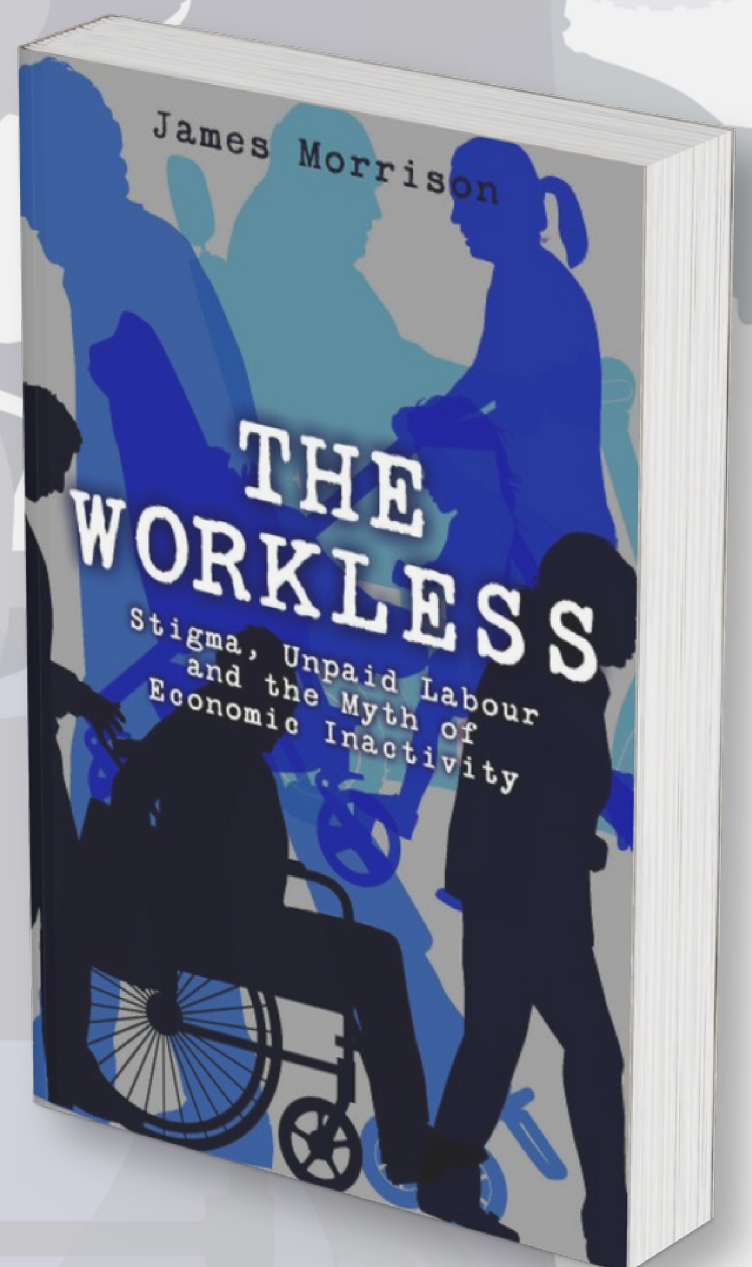
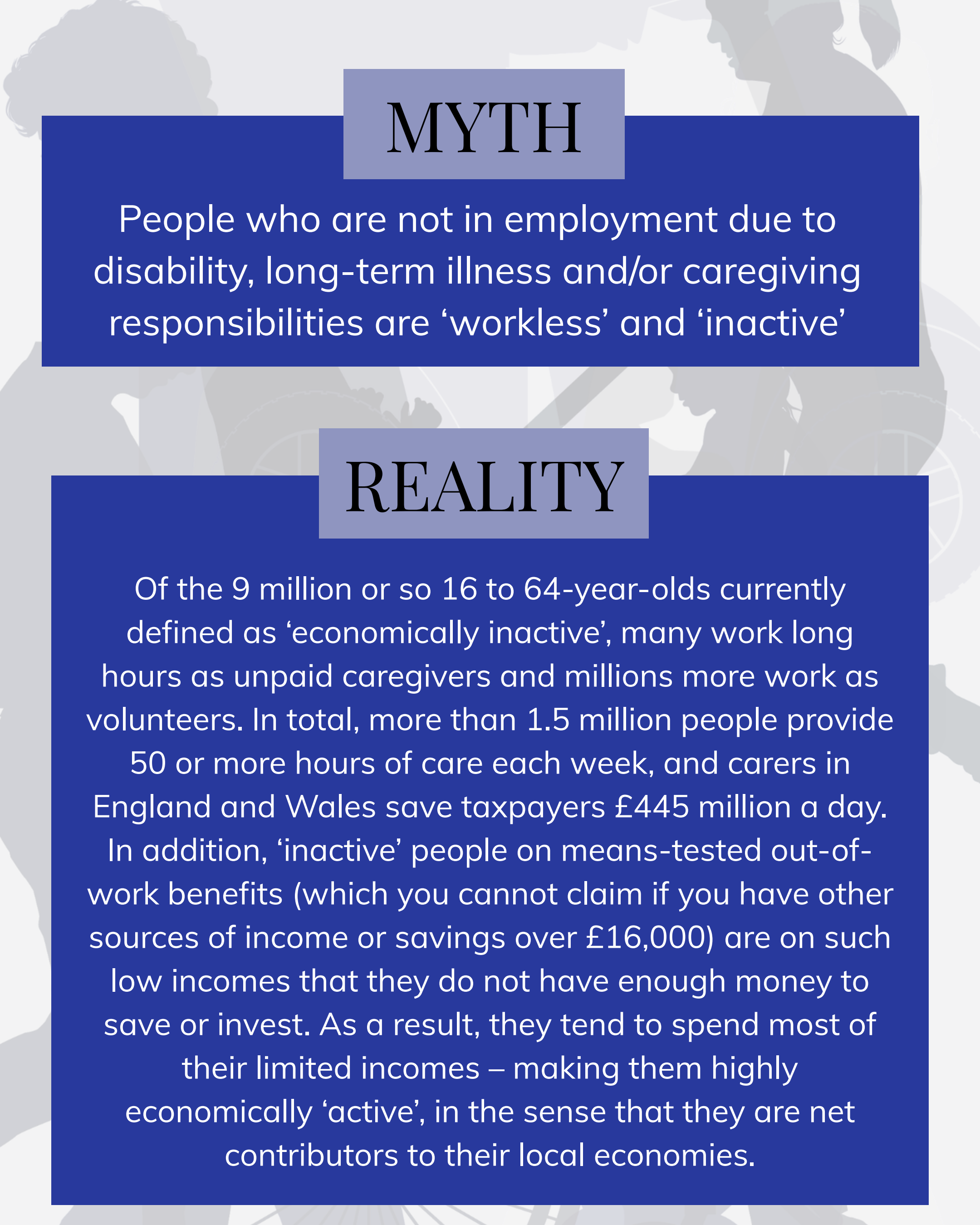


Myth vs Reality

*The Workless: Stigma,
Unpaid Labour and the
Myth of Economic
Inactivity*

By James Morrison





MYTH

People who are not in employment due to disability, long-term illness and/or caregiving responsibilities are 'workless' and 'inactive'

REALITY

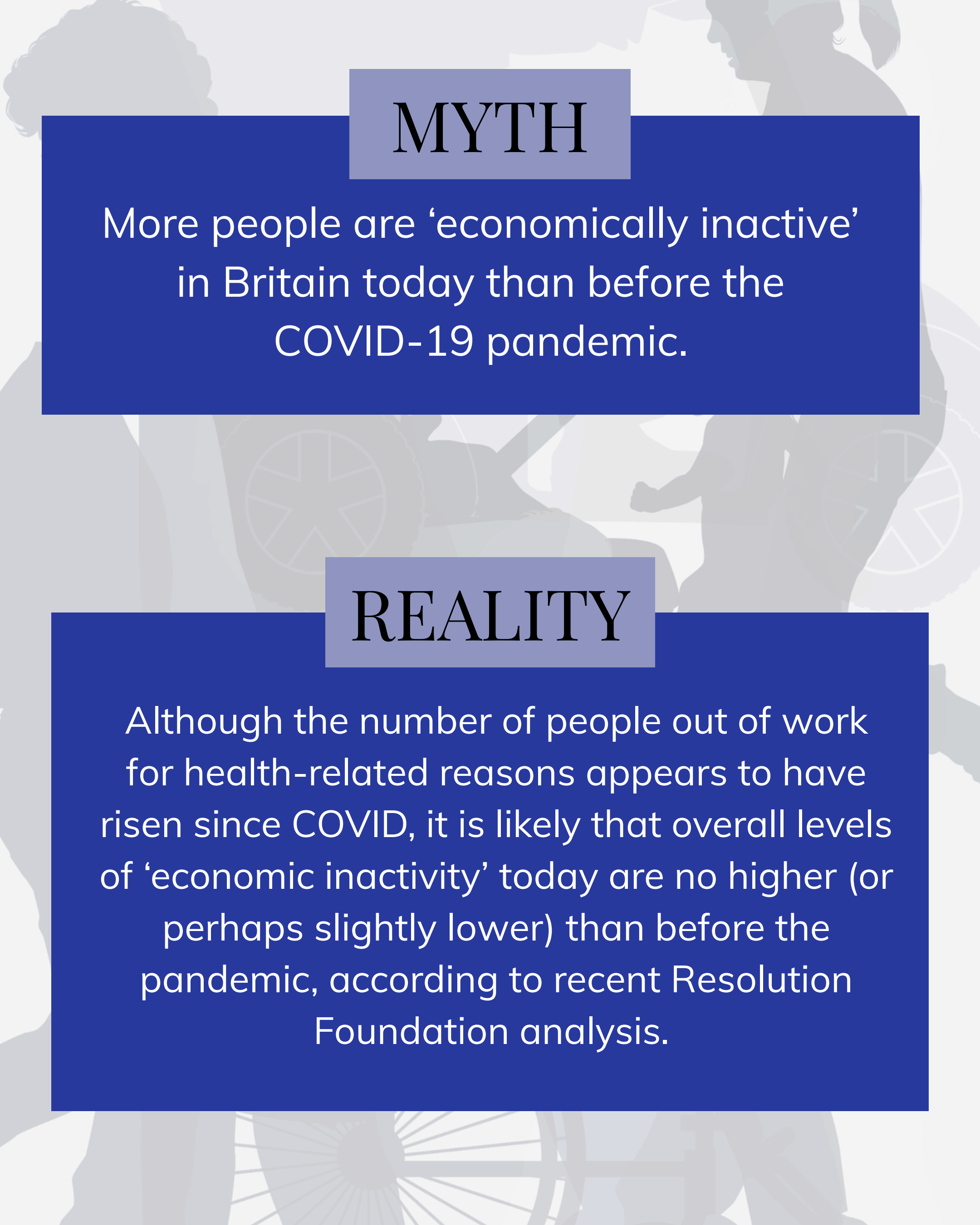
Of the 9 million or so 16 to 64-year-olds currently defined as 'economically inactive', many work long hours as unpaid caregivers and millions more work as volunteers. In total, more than 1.5 million people provide 50 or more hours of care each week, and carers in England and Wales save taxpayers £445 million a day. In addition, 'inactive' people on means-tested out-of-work benefits (which you cannot claim if you have other sources of income or savings over £16,000) are on such low incomes that they do not have enough money to save or invest. As a result, they tend to spend most of their limited incomes – making them highly economically 'active', in the sense that they are net contributors to their local economies.

MYTH

The proportion of UK working-aged adults who are 'economically inactive' – not in employment or actively seeking it – has reached unprecedented (or record) levels in recent years.

REALITY

The percentage of 16 to 64-year-olds who were out of work due to disability, long-term health conditions and/or caregiving responsibilities (the 'economically inactive') was 21% between February and April 2026. This is two percentage points below the average for the past 50-plus years (23.15%), and much lower than the rate of 25% in 1971, let alone the record level of nearly 26% in 1983 – at the height of the period of deindustrialisation under Margaret Thatcher's government.



MYTH

More people are 'economically inactive' in Britain today than before the COVID-19 pandemic.

REALITY

Although the number of people out of work for health-related reasons appears to have risen since COVID, it is likely that overall levels of 'economic inactivity' today are no higher (or perhaps slightly lower) than before the pandemic, according to recent Resolution Foundation analysis.

The background of the slide features a light gray illustration. At the top, there are silhouettes of three people's heads. Below them, a large, stylized wheel with spokes is visible, partially obscured by the text boxes. The overall theme suggests a social or economic context.

MYTH

The reason we have so many people on out-of-work social security (welfare) benefits in Britain is because welfare is too generous.

REALITY

By 2030 unemployment-related benefits will be at their lowest level since the early 1970s and among the least generous in Europe and the G7, according to the Institute for Public Policy Research (IPPR). UK welfare benefits generally are among the lowest in the OECD, and only covered the cost of essentials in two out of the 14 years to 2025, according to the National Institute of Economic and Social Research.

MYTH

Everyone could find a job they could do if they made the effort.

REALITY

The total number of people out of work, including both the unemployed and economically inactive, was nearly 11 million in April 2026. But the total number of vacancies in the economy was only 721,000 in February 2026 – so, even if everyone out of work was willing and able to apply for a job, there would still be a huge surplus of available labour, with more than 2.6 unemployed people per vacancy during the quarter from November 2025 to January 2026. There is also a significant mismatch between the skills and qualifications of people who are out of work and those that the economy needs, as a result of gaps caused or exacerbated by Brexit and the pandemic. In July 2026, nearly a million young people were not in education, employment or training (NEET) – six out of 10 of them ‘inactive’. Many of these had good school-level qualifications, and were being locked out of work not by lack of effort or application but by a combination of rising automation in entry-level roles and growing demand for specific IT, medical and other skills with which they were not equipped.