

Press release: One million people lifted out of absolute poverty

Figures show that children are around 5 times more likely to live in poverty if they live in a workless household, compared to a household where all adults work. The number of children living in a workless household is down by almost 600,000 since 2010.

There's also good news for household incomes as these have risen to another record high, with income growth continuing to outstrip inflation in 2016/17. Income inequality – the gap between the richest and poorest – has fallen and remains lower than in 2010. Material deprivation rates for children and pensioners are at their lowest ever.

The average household now takes home a record £494 a week, and compared to 2007/08 the poorest fifth of households are seeing an extra £1,000 after inflation added to their annual income.

Minister for Family Support, Housing and Child Maintenance, Kit Malthouse, said:

It's fantastic news that one million fewer people are living in absolute poverty than in 2010, including 300,000 children. It makes sense that poverty rates are falling while the employment rate is increasing, and today's figures confirm that work remains the best route out of poverty.

We know there is more to do to ensure that every child gets the very best chances in life. Our welfare reforms offer parents tailored support to move into work, ensuring that even more families can enjoy the opportunities and benefits that work can bring.

The news follows statistics released yesterday which show that the employment rate remains at a joint-record high of 75.3%, with 32.25 million people now in work. On average, we have seen 1,000 more people in a job every day since 2010.

We spend more on family benefits than any other country in the OECD, at 3.8% of GDP. Working families are benefitting from the introduction of the National Living Wage, and the rise in the personal tax threshold is taking the lowest paid out of tax. Through welfare reforms including Universal Credit, the government is making sure it always pays to be in work.

The government is continuing to protect all vulnerable groups in society, with disability benefits being exempt from the benefit freeze and the basic State Pension being protected through the 'triple lock'.

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