## **CONTENTS**

Acknowledgements xi				
The Authors xii				
List of abbreviations xiii				
List of addreviations xiii				
Summary 1				
1 Introduction: reviewing the literature 11				
1.1 Aims, methods and coverage 11				
1.2 The structure of the report 13				
1.3 Key statistics on families 13				
1.4 Summary 16				
Part One - Families, employment and poverty				
2 Understanding family trends in the UK 19				
Karen Rowlingson				
2.1 The nature of family change in the UK 19				
2.1.1 Marriage 19				
2.1.2 Divorce 20				
2.1.3 Cohabitation 20				
2.1.4 Step-families 21				
2.1.5 Older parents and childlessness 22				
2.1.6 Extra-marital conceptions 22				
2.1.7 Teenage motherhood 22				
2.1.8 Lone parenthood 23				
2.1.9 Ethnicity 23				
2.1.10 Change or continuity in family life? 24				
2.2 Explaining family change 24				
2.3 The dynamics of family life 26				
2.3.1 The duration of cohabitation and marriage 26				
2.3.2 The duration of lone parenthood 27				
2.4 Family structures 29				
2.4.1 Lone-parent families 33				
2.4.2 Low - and moderate-income families 35				
2.5 Summary 36				
3 Families and paid work 39				
3.1 Parents and economic activity 39				
3.1.1 Mothers, fathers and paid work 40				
3.1.2 Non-standard employment 43				
3.1.3 Explaining mothers' employment patterns 43				
3.1.4 Mothers in the labour market 44				
3.1.5 Parental employment and child outcomes 48				
3.2 Household employment 50				
3.2.1 Children and employment 53				
3.2.2 Incomes in work 54				

		3.3.1 Lone parenthood and employment change 55
		3.3.2 Employment transitions - couples 56
	3.4	Summary 58
4	Fami	ly finances and family poverty 61
	4.1	Which families are poor and why? 61
		4.1.1 Employment status 64
		4.1.2 Family type 65
		4.1.3 Ethnicity and poverty 65
		4.1.4 Durations of poverty 66
		4.1.5 Family hardship and deprivation 67
	4.2	The impact of poverty on family life 68
		4.2.1 Place and poverty 70
	4.3	Financial management and debt 71
		4.3.1 Debt and disability 74
		4.3.2 Access to resources 75
	4.4	Health and well-being of low-income women and children 76
		4.4.1 Children's health in low-income families 78
	4.5	Summary 79
5	Fami	lies, employment and poverty in cross-national perspective 81
<ul> <li>5 Families, employment and poverty in cross-national perspective</li> <li>5.1 Family structure and family trends</li> <li>81</li> </ul>		
		5.1.1 Lone parenthood - levels and trends 83
	5.2	Families and employment 85
		5.2.1 Explaining variations in employment rates 87
	5.3	Family and child poverty 89
		5.3.1 Poverty by family type 90
		5.3.2 Child poverty 93
	5.4	Summary 96
_		
Pa	art Tw	vo – Issues
6	Suppo	ort for children 101
	6.1	The current situation of children in poverty 101
		6.1.1 Which children are vulnerable to poverty? 102
		6.1.2 Intensity of child poverty – the 'poverty gap' 103
		6.1.3 Duration of child poverty 103
		6.1.4 The effects of poverty on children 103
	6.2	The costs of a child 104
		6.2.1 Parents' perceptions of essential items for children 106
		6.2.2 The family budget approach 107
		6.2.3 Parents' actual expenditure on children 107
	6.3	Financial support for children – the role of Child Support 108

55

3.3 Labour market transitions

		6.3.1 Lone parents and Child Support 109				
		6.3.2 What do we know about non-resident parents? 110				
		6.3.3 What factors influence payment of Child Support? 111				
		6.3.4 The impact of Child Support on step families 114				
		6.3.5 The effect of Child Support payments on children 115				
		6.3.6 Child Support in cross-national perspective 115				
	6.4	The outcomes for children of changing family structures 116				
	6.5	Summary 119				
7	D					
/	7.1	onciling paid work and care 121 Childcare use 121				
	7.1					
	7.2	3 1				
	7.2	S				
		7.2.1 Informal care 124				
		7.2.2 Formal childcare provision 126				
	7.2	7.2.3 Costs of childcare 128				
	7.3	Attitudes to childcare 129				
		7.3.1 Children and childcare 130				
		7.3.2 Childcare needs for parents with sick and disabled children 130				
	7.4	Carers of sick, disabled or elderly people 131				
	7.5	Family-friendly employment practice 132				
	7.6 Parental leave in Europe 135					
		7.6.1 Paternity leave 136				
	7. 7	Summary 137				
8	Barri	ers to paid work 139				
	8.1	Barriers to work - the general picture 139				
	8.2	Barriers to work - lone parents 141				
		8.2.1 Reasons for not seeking work 143				
		8.2.2 Evidence from in-depth studies with lone parents 144				
		8.2.3 Financial issues 145				
		8.2.4 Paying for housing 145				
		8.2.5 Morale, self confidence and hardship 145				
		8.2.6 Employer attitudes 146				
		8.2.7 Mobility 146				
		8.2.8 Identity and motherhood: lone mothers' attitudes to paid work				
		and care work 146				
		8.2.9 Attitudes to the use of childcare 147				
		8.2.10 Mothers and/or workers? 147				
		8.2.11 Barriers: real or exaggerated? 148				
		8.2.12 Education/training and part-time jobs 149				
	8.3	Barriers to work - low-income couples with children 150				
		8.3.1 Workless couples: job seeking 151				

	8.3.2	Attitudes and identity - breadwinners and carers?	153				
	8.3.3	Financial barriers to work 155					
	8.3.4	Constraints on part-time working 156					
8.4	Labour	demand/childcare supply 157					
	8.4.1	Labour demand and employer practices 157					
	8.4.2	Childcare supply and costs 158					
8.5	Summa	ry 158					
9 Supp	orting po	oor families to work 161					
9.1 Making work possible 161							
	9.1.1	The New Deal for Lone Parents 161					
	9.1.2	Other New Deal programmes 162					
		Other measures to make work possible for families with children 163	ı				
9.2	Making	work pay 163					
	9.2.1	Family Credit 164					
	9.2.2	Other income in work 166					
9.3	Workin	g Families' Tax Credit 166					
<ul> <li>9.4 Sustaining employment 168</li> <li>9.5 Work-based welfare: cross-national comparisons 16</li> <li>9.6 Welfare reform in the USA 171</li> </ul>							
					9.6.1	Welfare to work programmes 173	
					9.6.2	Overall outcomes post 1996 174	
	9.6.3	Childcare and the impact of welfare reform on children	174				
	9.6.4	In-work benefits, work and marriage 175					
	9.6.5	Learning lessons? 176					
9.7	The Ca	nadian Self-Sufficiency Project 177					
9.8	Summa	ry 178					
Part Th	ree - Co	onclusions					
10 Futu	ıre resear	rch 183					
10.1	Health 1	matters 183					
10.2	Hardshi	p, poverty and sustainability 183					
10.3	Family s	structure 183					
10.4	Childre	n 184					
10.5	Education	onal and training needs 184					
10.6	Family 1	labour supply 184					
10.7	Managir	ng paid work and care work 184					
10.8	Stepping	g stones into work and employment progression	185				
10.9 The New Deal programmes 185 10.10 Employers - labour demand, recruitment and retention 185 10.11 Managing money - delivering benefits 185 10.12 Equity issues 185							
				10.13	3 Learnin	g lessons 185	
				10.14	4Polarisa	tion and social divisions 186	

Appendix B	The PRILIF and SOLIF studies 189				
Appendix C	Evaluations of UK employment-based policies for lone parents 191				
Appendix D	WEBSITES: European and international organisations 193				
Appendix E	USA welfare reform research 195				
References	205				
Other resear	rch reports available 241				
LIST OF TABLES					
Table 1.1	Families with children, Great Britain 1990 - 1997 14				
Table 1.2	Employment: number and rates of parents by family type, 1990 and 1997 15				
Table 1.3	Poverty number and rate by family type, 1988/9 and 1999/00 16				
Table 2.1	Lone-parent and couple families by type of family, 1999 30				
Table 2.2	Characteristics of lone-parent families (excluding the bereaved) 31				
Table 2.3	Median age – lone parents 33				
Table 2.4	Number of children and age of youngest child – lone parents 34				
Table 2.5	Median age – couples 35				
Table 2.6	Number of children and age of youngest child – couples 36				
Table 3.1	Mother's employment by family type and age of youngest child, 1997 42				
Table 3.2	Changes in individual employment status, continuing lone mothers, 1991 and 1998 56				
Table 3.3	Number of years as part of a low-income family 57				
Table 4.1	Proportion of individuals of working age below 60 per cent of median income (before housing costs (BHC) and after housing costs (AHC), by family characteristics and household type in 1999/00 63				

UK Sources of information on families

187

Appendix A

l'able 4.2	Annual transition rates into and out of poverty, for individuals who remained in the same family type 67
Γable 5.1	Proportion of lone mothers and married/cohabiting mothers employed, various countries, early 1990s 86
Γable 5.2	Worklessness among families with children, various countries, 1996 87
Γable 5.3	Income poverty rates: lone parents, various countries, early and mid 1990s 91
Γable 5.4	Income poverty rates and poverty persistence: lone parents and large families, Europe, 1996 92
Γable 5.5	Income poverty rates: children, various countries, 1980s/ 1990s 95
Γable 6.1	Children in families living below 60 per cent median income (after housing costs) in 1999/00 102
Γable 6.2	Receipt of maintenance by lone parent's status in the PRILIF lone parent cohort, 1991 – 1995 110
Γable 6.3	Household circumstances of non-resident fathers 111
Гable 7.1	Level of childcare use per child by region 123
Γable 7.2	Childcare use by household structure and employment 124
Γable 7.3	Childcare arrangements for working lone parent and low-to-moderate income couple families, 1999 126
Гable 7.4	Perceived usefulness of family-friendly practices 133
Γable 7.5	Parental Leave Schemes in the European Union, 1999 136
Γable 8.1	Non-working lone parents: reasons (survey data) 143
Γable 8.2	Reasons to work and barriers to work: lone mothers (qualitative data) 144
Γable 8.3	Employment intentions, low-income families not in full-time work, 1999 152
Γable 8.4	Non-working couples: reasons, 1999 152
Γable 9.1	Preferences for receipt of Working Families' Tax Credit, 1999 167

## **LIST OF FIGURES**

Figure 3.1	Families and paid work: recent reviews 39			
Figure 3.2	Economic activity, parents by family type, 1997 41			
Figure 3.3	Two-earner couples with children, employment, 1985 and 1996, and 1996 by age of youngest child 52			
Figure 4.1	Key quantitative data sources for information on family poverty 61			
Figure 4.2	Qualitative studies which focus on how families cope with poverty 68/69			
Figure 4.3	Household Money Allocation Systems 72			
Figure 5.1	European Union: information on families and family policy 82			
Figure 5.2	Lone parents as a percentage of families with children, various countries, early 1990s 84			
Figure 5.3	Routes into lone motherhood, various countries, early 1990s 85			
Figure 5.4	Cross-national data on family and child poverty 90			
Figure 5.5	Child income poverty rates: families with children by employment status, various OECD countries, mid 1990s 96			
Figure 6.1	Different approaches to establishing the cost of a child 105			
Figure 6.2	Items perceived as necessities for children by the general public 106			
Figure 6.3	Factors associated with non-resident fathers' Child Support compliance 113			
Figure 6.4	Key studies of child outcomes from family separation since 1990 in UK 117			
Figure 7.1	Surveys of childcare use and demand 121			
Figure 8.1	Potential barriers to securing employment 140			
Figure 9.1	Cross-national comparisons of employment-related policies 170			
Figure 9.2	Claiming TANF in Michigan and Wisconsin: the process 172			