Jane Millar

‘Work is Good for You’
Lone Mothers, Children, Work and Well-being

60/2008
Social Security and Health Research: Working Papers
Jane Millar

‘Work is Good for You’

Lone Mothers, Children, Work and Well-being

Kela
Kela, Research Department | Helsinki 2008
CONTENTS

Jane Millar

‘WORK IS GOOD FOR YOU’:
LONE MOTHERS, CHILDREN, WORK
AND WELL-BEING............................................. 3
Introduction.................................................. 3
Policy targets and measures........................... 4
Staying in work: a longitudinal qualitative study.......................... 5
The experience of working............................... 7
Sustaining work: the contribution of children..... 8
Social relationships ....................................... 9
Income insecurity ........................................ 10
Final points....................................................... 11
References..................................................... 13

Discussant remarks

Mia Hakovirta

LONE MOTHERS, CHILDREN, WORK AND WELL-BEING: COMMENTS
ON JANE MILLAR’S LECTURE............................. 14
Employment of lone mothers ......................... 15
Consequences of employment ....................... 16
Child’s well-being......................................... 17
References..................................................... 17

Lecturer

Jane Millar, Professor of Social Policy
Centre for the Analysis of Social Policy
University of Bath, UK
j.i.millar@bath.ac.uk

Discussant

Mia Hakovirta, D. Pol. Sc., Researcher
Department of Social Policy
University of Turku
mia.hakovirta@utu.fi

© Jane Millar, Mia Hakovirta and Kela, Research Department

www.kela.fi/research
tutkimus@kela.fi
‘Work is Good for You’: Lone Mothers, Children, Work and Well-being

Jane Millar

Introduction

Over the past ten or so years the UK government has sought to transform the country’s social security system in order to promote, support and, in some cases, compel employment for all. This policy direction, variously labelled as the ‘active welfare state’ or the ‘employment-based welfare state’, consists in essence of a fairly simple proposition: that social security systems should enable people to earn their own living rather than provide that living for them.

Of course, all social security systems are built around assumptions about the relationship between the individual, the family and the labour market. Social insurance systems are about replacing lost earnings for specified reasons (such as unemployment, sickness, widowhood) and for shorter (such as frictional unemployment) or longer (such as retirement) time periods. Entitlement is based on contributions but in many systems receipt of support also requires that recipients remain engaged with the labour market by seeking work and being prepared to take up available job opportunities.

However this model of the relationship between the labour market and social security has been under sustained attack for some time now, especially in the ‘liberal’ welfare states of the English-speaking world. This approach is seen as being too passive, too generous and too encouraging of long-term dependency. The ‘active’ welfare state, by contrast, promotes employment and self-sufficiency; it supplements rather than replaces wages. And the definition of the sectors of the population who should be expected to support themselves through employment has been expanded. Activation policies are targeted not just at unemployed people but also at other groups such as disabled people and lone parents. The ‘adult-worker’ model – in which all adults are assumed to be in, or available for, work – is universal in application.

This stress on the importance of paid work is justified by various arguments. These are nicely summed up in the most recent UK welfare reform paper, entitled ‘Ready for Work; full employment in our generation’ (DWP, 2007, p 23):

‘Work is good for you: people who work are better-off financially, better-off in terms of their health and well-being, their self-esteem, and future prospects for themselves and their families. Work promotes choice and independence for people, supports our society and increases community cohesion. … Work is also good for society as a whole. Both economic prosperity and fairness dictate that everyone who can work should be expected to do so, especially where people would otherwise be seeking to be supported through taxpayers’ money’.

So increasing employment for all is not only about reducing poverty and welfare receipt, it is also about fairness, well-being and social inclusion.

In this lecture, I want to explore how this active welfare state has been put into practice in the UK and what it means for one particular group: lone-parent families and their children.

Lone parents are of particular policy concern in the UK context for three main reasons. First, numerically they are a significant family type in the UK. There are about 2 million lone-parent families with about 3 million children, making up a quarter of all British families with children. They have high rates of poverty compared with other families, and living in a lone-parent family is a key risk factor in child poverty. Of the 2.8 million children in the UK living in poverty – defined as incomes below 60 per cent of median equivalent income, before housing costs – 1.1 million are living in lone-parent families (DWP, 2006). Lone mothers are less likely to be employed than married mothers (57 per cent compared with 72 per cent), and employment rates have risen much faster for married than for lone mothers. Most non-employed lone mothers receive income support (the national social assistance scheme) and some remain in receipt for many years. In 2005, for example, a third (36 per cent) of the three-quarters of a million (780,000) lone parents receiving Income Support had been receiving that benefit for five or more years (DWP, 2006).

Secondly, all the above factors have made lone parents a very visible group in social security policy, but in addition in the UK they have also often been a touchstone for political and ideological concerns.
about changing families and family life. UK governments – both Conservative and Labour – have struggled to come to terms with the emergence of lone parents as a significant family type and as an increasingly common stage in the family life course. Fitting lone parents into social security systems has been a challenge and there are ongoing debates about how to achieve equity between lone parents and couples, and whether there are disincentives to marriage in the way financial support is constructed.

Furthermore, lone parents are a group for whom the concept of the employment-based welfare, in which all adults are in paid employment, highlights very sharply the potential tensions between time for work and time for care. Under the current benefit rules in the UK, lone parents are eligible to receive income support as long as they have a youngest child aged under 16 (in effect under school-leaving age). This state financial support to cover full-time parenting for lone parents dates back to the mid 20th century. But the provision of such long-term support for lone parents out of the labour market is now unusual compared with many other countries. A number of countries have changed their rules in recent years to restrict the length of time that financial support will be offered to lone parents for full-time caring. And the UK system is also about change – the government is proposing a staged reform over the next few years and by 2010 lone parents with a youngest child aged seven and above will be required to make themselves available for employment under the same conditions as any unemployed person (i.e. they will have to be available for, and actively seek, work).

So lone parents are a significant group in UK welfare reform, and a group for whom much has changed, and is still changing, in the type of state support available. This is also true in many other countries, and policies for lone parents have been an area of policy change, arguably policy convergence, in recent years. In particular this group has been one of the key targets for activation policy (Millar and Rowlingson, 2001; Knijn et al, 2007; Trifiletti, 2007). Lone parents are also a significant family type in Finland, and there are similar debates about the appropriate type and duration of social security support for these families (Forssén et al, 2005). Thus, while this lecture focuses on work and well-being for lone parents and their children in the UK, drawing on our ongoing research, I think that many of the issues we identify have wider resonance.

The rest of the lecture falls into two main parts. The first section describes recent UK policy towards supporting lone-parent employment. The second outlines our research, explains the approach we are taking, and discusses some of the findings.

Policy targets and measures

Policy targets have been an important element in the way the Labour government has driven forward their policy objectives since 1997. Two targets in particular are relevant here. First, in 1999, ‘Tony Blair (then of course prime minister) promised to ‘end child poverty’ in a generation. This became a set of specific targets to halve child poverty by 2010, and to eradicate it by 2020. Second, in 2000, Gordon Brown (then Chancellor, now Prime Minister) set a target that 70 per cent of lone parents should be employed by 2010. The rationale for 70 percent target was not entirely clear but the Chancellor did point to employment rates at about this level for married mothers and for lone parents in other European countries and the US. The two targets are seen as inextricably linked in that increased parental employment (for couple families as well as lone parents) is argued to be the main route to ending child poverty. Benefits rates for children can be raised, and indeed have been raised (they have more than doubled for children in families on Income Support) but direct income redistribution is seen as less effective – and as less acceptable – than improving incomes via employment.

The policy measures in support of these two targets that have had the most impact on lone parents can be divided into four main areas.

First, there are the activation measures intended to move non-employed lone parents from ‘welfare to work’ through a range of provisions provided or managed by the ‘Jobcentre Plus’ service, the government agency which is responsible for both benefit payments and employment services. The key programme is the New Deal for Lone Parents which offers an individualised service of information, advice, some (but fairly limited) training opportunities, work trials, and help with claiming in-work financial support. Each participant is allocated a ‘Personal Adviser’ to provide these services. Participation is voluntary.

---

Second, there are financial transfers to ‘make work pay’. These include the national minimum wage (introduced in 1999) and the new child and working tax credits (introduced in 2003). The tax credits consist of income-tested payments for low-paid workers and families with children. Entitlement is based on annual income in the past tax year, with an annual reconciliation to balance the amount paid in tax credits with income received (this will be discussed in more detail below). In some pilot areas, lone parents who start work can also receive in-work credit of £40 per week if they have been on income support for at least 12 months. Personal Advisers can also offer help through an in-work discretionary fund which can be used for one-off payments to help lone parents with unexpected expenses in the first few months of work.

Third, the national childcare strategy and ten year childcare plan seeks to ensure the provision of ‘good quality affordable childcare’ for all children aged under 14. Provisions have included free part-time (up to 12.5 hours per week) nursery places for all three and four year old children, the expansion of school-based care provision for older children, and the establishment of local neighbourhood children’s centres.

Fourth, the ‘family-friendly’ employment agenda has included the right to ask for flexible working arrangements for parents of children aged under six or with disabilities; unpaid parental leave of up to 13 weeks, paid paternity leave of two weeks; and longer maternity leave (now up to 52 weeks, paid for 39 weeks, at 90 per cent of earnings for six weeks). These rights have been extended to part-time workers on the same basis as full-time workers.

This adds up to a substantial package of measures to support employment for lone parents and although the implementation of these provisions is somewhat variable and patchy in practice, significant numbers of lone parents have been affected by these provisions. About 64,000 lone parents are currently taking part in the New Deal for Lone Parents; about one million working lone parents are receiving in-work tax credits, including 230,000 receiving help with childcare costs; and about a third of employed lone parents use some formal childcare services, usually alongside informal care arrangements. Employment rates for lone parents have risen from 44 per cent in 1997 to 57 per cent now, and up to almost 70 per cent for lone mothers with teenage children. Poverty rates (below 60 percent of median equivalent household income) for lone-parent families have fallen from 38 per cent in 1997/8 to 35 per cent in 2005/6, the after-housing costs poverty rate has fallen more steeply from 61 per cent to 48 per cent (DSS, 1999; DWP, 2007a). Some of these changes reflect changes in the population of lone parents but government policy has undoubtedly made a difference, in the context of a very favourable economic situation over the past decade (Gregg et al, 2007).

Thus the context in which lone parents make decisions about employment have changed quite substantially in recent years, as have the circumstances under which these families manage work and care on a daily basis. Over the past four to five years, my colleague Tess Ridge and I have been following in-depth a sample of 50 lone-mother families as they have made the transition from income support to work, in the context of this developing policy environment. The next section uses that research to explore how the families sustained employment and issues of well-being in work.

**Staying in work: a longitudinal qualitative study**

Our project has been following a sample of lone mothers and their children from when the mothers started work after spending a period of time out of work and claiming benefits (Millar, 2006; Ridge, 2006; Ridge and Millar, 2006; Ridge, 2007; Millar, 2007). The study started with two main aims:

1. to examine the impact of paid work, and for some job loss, on family life and living standards over time
2. to explore how families negotiate the everyday challenges of sustaining low-income employment over time.

The sample was defined to include lone mothers who had left Income Support between October 2002 and October 2003 and had started working for at least 16 hours per week and receiving tax credits (the sample came from tax records). We interviewed the families for the first time in the first half of 2004, and this included 50 lone mothers and 61 of their children (aged 8 to 14 years old). The families were interviewed again about 12 to 18 months later, in the second half of 2005, and included 44 mothers and 53 children. Thus, the median time period between leaving income support and our second interview was just over two years. We have recently interviewed

2 Funded by the Economic and Social Research Council (RES-000-23-1079).
the families again (second half of 2007), so when we analyse those data we will have covered a period of around four to five years.

At the first interview we focused on the transition to work, and how this was experienced by both the mothers and their children. At the second interview we focused on whether and how the mothers had been able to sustain work, and what this had meant for them and their children.

There are a number of points that I would like to highlight about the research design and our conceptual approach.

First, this is a relatively small in-depth sample, using a qualitative longitudinal methodology. In recent years there has been a huge impact in policy research from quantitative longitudinal methods. Large scale panel studies – household surveys, birth cohorts and so on – have transformed the way in which we think about issues like poverty, unemployment, family formation and dissolution and life chances over the life course. Research tracking poverty entry, duration and exits over time has, for example, provided a much deeper understanding of the ways in which family circumstances and labour market factors interact over time to produce particular poverty outcomes – to protect people from falling into poverty, perhaps, or to precipitate them into a spiral of disadvantage. I think that longitudinal qualitative methods have the potential to add substantially to our understanding of the processes underlying these changes over time (Millar, 2007). As Alcock (2004: 404) has argued, ‘if our concern is to explore social dynamics, and in particular the decisions and actions which have shaped people’s lives, we need to address questions of experience, attitude and motivation, which cannot be captured in quantitative surveys’. Qualitative data provides evidence about how people perceive their situations, make decisions, engage with other people, deal with institutions and actively shape their circumstances and opportunities. The qualitative longitudinal methods can make an important contribution to policy research, for these reasons.

Second, in our study we are considering the family in a holistic way, not just as individuals. When the lone mother starts work, her life changes in various ways, but so do the lives of her children, and perhaps also other family members (just as wages are individual but also support families). We have thus developed the idea of the ‘family-work project’, conceptualising work as a project that actively involves the family as a whole and not just the one individual with the job. Sustaining work over time means that the situation of being a working family must become part of the everyday and regular practice of the family as a whole. In some of the families in our study there was a clear recognition of the way the family works together to sustain the mother’s employment. As one mother, with two teenage children, put it: as a family we balance it … we all, the three of us, we work together very well. Others are less explicit about this, but it is apparent in their accounts of how the family manage.

Third, directly interviewing the children as well as the mothers was an important part of our approach. Children are often constructed, at least in the UK policy debate, as part of the problem, as burdens that the mothers have to manage in order to be able to work, even as ‘barriers’ to work. Children are seen as passive and dependent in the family, rather than as active and supportive. In her previous research my colleague, Tess Ridge, explored how children in families living on income support played an active role in managing and coping with poverty in various settings, including in the family, at school, and in friendship and social activities (Ridge, 2002). One of the aims of this study was to explore the role of children in sustaining their mothers’ work, as well as exploring the impact of that work on their lives. As noted above, life is likely to change for everyone in the family, including the children, when a mother starts work. We take as a starting point that the children as well as the mothers are active participants in negotiating and managing the changes involved. Interviewing both allows us to explore these processes from their different – and possibly conflicting – perspectives.

So we selected the sample to include families with at least one child aged 8 to 14. We did not want to interview younger children (as in-depth interviews may not be suitable) or older children (who might be making their own transitions from school). Some of the families we interviewed did include other children outside this age range. There seven women with pre-school age children and ten with older children still living at home. The women themselves were slightly older than lone mothers in general, with none aged under 25 and very few who were single, never-married women. About a quarter of the mothers in sample reported some health problems, which
is higher than the population estimate (15 per cent) for all lone mothers reporting health ‘not good’ over the past 12 months (Barnes et al, 2004).

There is a lot of material in the study and our analysis is ongoing (as noted above, we have just completed the third round of interviews). Here I am going to focus on the impact of work on well-being by exploring first, the experience of employment for the family both initially and over time; second, how children supported their mothers in work; third, the importance of social relationships in sustaining work; and finally the issue of financial security in work and the specific role played by tax credits in this.

**The experience of working**

The sample included women in receipt of tax credits, so by definition they were working at least 16 hours per week, which is the dividing line between income support and tax credits. The women mostly worked in typical part-time jobs for women (the UK has a very gendered labour market and part-time work is largely the preserve of women). These were usually service sector jobs, for between 16 and 20–22 hours per week, and low-paid. Several women worked in care homes, and this meant working nights, weekends, or other unsocial hours. Some women were working school hours only.

There was a lot of change in employment over time. Most of the women did stay in work over time, but they did so with lots of changes of jobs, changes of hours, some spells of unemployment or sickness. There were job losses through redundancy, changes in jobs associated with moving home, and periods of maternity leave. So, although the headline figures shows that most were employed at each round of interviews (44 out of 50 at first wave and 37 out of 44 at second) this hides a lot of change, and over time there were only a very few women who were in the same jobs with the same hours as they had been when we first selected them for the sample in 2002/2003.

One of the issues we have been exploring with the families is whether they feel they are better-off as a result of being in work and what work has meant for their quality of life. At the first interview, the main point of comparison was of course their experience of living on income support (the UK’s national assistance scheme). And for most families it was the financial difficulties of living on income support that were remembered most strongly. For the mothers, this meant restricted and controlled spending, a lack of luxuries or treats, worries over meeting bills, reliance on families for loans and other forms of financial support and, for some, running up debts. It also meant feelings of stigma and exclusion. So there was a strong push away from income support – ‘The fear of ending back up on income support, that depresses me’.

The children also talked about having no money, about difficulties accessing transport, and about exclusion from many of the everyday activities and services that children in more affluent families take for granted. They reported negative effects on their school lives, for example difficulties buying books and equipment, not being able to go on school trips and take part in activities, and not feeling included in the overall social and academic environments of their schools. Feeling left out was a common theme and something that the children found particularly hard. As one 14 year old girl put it, ‘we didn’t have no money ... it was real hard just to do anything’.

The mothers also hoped, and expected, that they would be financially better-off in employment. Most had received ‘better-off calculations’ – these are one of the measures intended to promote employment, where a personal adviser at the jobcentre goes through all the possible sources of income in and out of work and calculates the financial benefits of working. These can be a powerful tool both for providing information about the sources of help that are available and for encouraging lone mothers to feel that it is worth working. However the extent to which these hypothetical calculations are an accurate guide to what actually happens in practice is variable. Income in work was usually complex, being made of various sources (wages, tax credits, child benefit, other benefits, child support), and was often unpredictable and changeable. In addition there were new and sometimes unexpected costs to work, some of which were relatively predictable (child care costs, transport costs) but others which were not (the repayment of debts).

So it was rather a mixed picture in terms of being better-off and feeling better-off. Most of the women did feel they had a bit more money but nevertheless they were still struggling financially. And this was something that did not change much over time. Although, as noted above, there were lots of job changes, these were mainly moves in a narrow range – they were about getting better hours, or working closer to home, or finding another job after being...
made redundant. We did not find much ‘advancement’ in the sense of moving into higher-paid jobs. So the financial rewards from work did not change very much over time – work was better than being on income support but was still a struggle.

There were also of course other non-financial reasons why the mothers and the children were committed to the family-work project. For the mothers, work provided an opportunity to do something different apart from domestic and care work; it got them out of the house, provided social contacts, and so on. They also thought it was good to encourage their children to be more independent, to be engaged in after-school and other activities, and to spend time with other family members. They felt that their children were old enough, and settled enough, to be able to benefit from them working, and that this showed them a more positive role model.

For the children, most did feel that their family lives had improved since their mothers started work. This was evident in various ways, including not only basics such as better food but also more pocket money, more scope for leisure activities, more material possessions and holidays. (When my mum started working again, we started getting toys and we were going out again, and the food started to build up again.) Increased income also meant increased access to transport (always a key issue for children), and this had opened up possibilities for shared reciprocal activities with friends and access to a wider range of social networks and opportunities. Also, in a society where working motherhood is increasingly the norm, for some children the increased status of having a mother in paid work also provided a welcome boost to their own self-esteem.

Thus overall both the mothers and the children wanted the mothers to continue in work, not only because of the fear of returning to poverty on income support, but also because they believed that working was better for them as a family, at least at this point in their lives. ‘It’s a lot better… not just for me and my brother but for mum as well’. And this was also apparent in what the children thought would happen if their mothers stopped working: ‘Same as it was before like, we wouldn’t be able to go out as much as we do now. Won’t be able to go down my gran’s, go up my aunty’s as much, won’t be able to take me to football as much, because of the money and petrol. She’ll lose the car’. Many of the children would have preferred that their mothers work fewer hours, or only work in school times. And some of the mothers were unhappy about various aspects of their jobs. But in most cases, the family were working together to try and sustain employment. This was apparent in the children’s accounts of how their mother’s employment had affected their everyday lives, and in what they were doing to help support their mothers.

**Sustaining work: the contribution of children**

As noted above, children are often seen as problems in relation to mother’s employment. But we found the situation to be quite different for these, mainly older children, who were in many ways offering positive support to sustaining work. We identified three main areas where the children were children were actively supporting the family-work project: assuming extra responsibilities; moderating and policing needs; and accepting and tolerating adverse situations.

The children took on a range of extra domestic and caring responsibilities. They were doing more to help around the house with the domestic chores of cleaning, washing, cooking and so on. Many of the older children were caring for themselves, letting themselves in at night, or leaving last in the morning. Some were responsible for caring for their siblings while their mothers were working. Others were carers on a more irregular basis, making sure that their mothers had time off and a break from responsibilities and care of young children when they were not at work. Some children were worried about their mothers’ wellbeing and tried to offer emotional support, in practical and other ways. For example, they not only helped to make sure that the house was tidy, that chores were done and siblings cared for, but they also helped in other small ways – not making demands on time, talking about things. For example, this ten-year old boy was the oldest of three siblings: ‘Sometimes when mum’s struggling and she needs to talk to us all, I help … I like … talk to her with my brother and sister in bed, and we have a really good chat about what’s happening and everything.’

Moderation and policing of their own needs and desires was another strategy, especially in families where the mothers were no longer working or where the financial gains from work were limited. In general, the children had an acute sense of the financial situation in their families. From their own experiences, they had become experts in the cost of essentials like food, petrol, electricity and gas.
This everyday knowledge, ordinarly the preserve of adults, shaped their perceptions of family well-being. This was a common element in children’s accounts. Here is one 15 year old girl, ‘I don’t like asking Mum for money that much so I try not to. Just don’t really ask about it … It’s not that I’m scared it’s just that I feel bad for wanting it. I don’t know, sounds stupid, but, like, sometimes I save up my school dinner money and I don’t eat at school and then I can save it up and have more money. Don’t tell her that!’ And a 12 year-old boy: ‘Once I had really bad tonsillitis and I just went to school because my Mum, like, was getting paid that day and she had to work’.

Thirdly, the children often showed a high degree of acceptance and tolerance of the changes they had experienced. There had been many changes in children’s lives following their mothers’ move into employment, including changes in the type and quality of time they could share together and the ways in which they were cared for before and after school. These changes were often disruptive and at times problematic for children, especially for children who were enduring childcare that was unsuitable and boring. Putting up with these changes was another way of supporting their mothers in work.

There were various mediating factors in the way the children experienced their mother’s employment, including age, childcare arrangements, income level in work, and security of jobs. But the overall picture shows that the children were engaged in a complex range of caring and coping strategies that helped to ease some of the pressures and tensions that low-income working life could generate in their family lives. These strategies are largely concealed in the family, and easily go unnoticed and unacknowledged in policy, yet they may have far-reaching implications for children’s lives and well-being.

Social relationships

Other family members were also crucial to the family-work project and the role they played also led to changes in family time and to relationships within the family. Many of the children were spending more time with other family members on a regular basis, including overnights, weekends and holidays as well as after-school. Grandparents played a key role. For example, one mother with two children relied on her former partner’s father to come every morning to take the children to school, to look after them if they are ill, and to regularly baby-sit at night. As she said: my Dad’s brilliant, I said to loads of people if it wasn’t for my Dad then I wouldn’t be working … well I would but it wouldn’t be you know the job I really enjoy. His caring contribution helped to create a steady routine for the family. But as in any family there is also some fragility and, as the oldest child pointed out, tensions in the relationship could have dire consequences: My mum and granddad had like a fallout quite a while ago now and like he didn’t used to come up in the morning and it was so hard, like what were we to do … I think that if he wasn’t here it would make all our lives a lot harder, so he’s quite a big part in our family.

Changing time with, and relationships with, their fathers were another important part of the overall picture for some children. There were seven fathers who were closely involved with their children at the second interview. The fathers did not usually provide childcare while mothers were at work, but when children spent time with their fathers (weekends, overnight stays and holidays) this helped the mothers by giving them some time for themselves. In a few families care relationships between children and their fathers had flourished into more regularised and essential part of the family-work project, enhancing child/father relationships generally and often improving mother/father relationships in the process. As time went on, some children started being cared for by their mothers’ new partners or stepfathers and stepsiblings. These new relationships can be positive and supportive but they can also be challenging and some children were finding it difficult to cope.

Managing both the practicalities (what care, where and how much) and the social relationships of care was an important issue for the mothers, as was ensuring that they were themselves spending enough time with their children. Similarly, working itself involved managing both practicalities (hours of work, location, type of job) and social relationships at work. As noted above, work provided adult company and friendships for many of the women, although for some women there were some difficult relationships at work, including incidences of bullying and harassment. Social relationships at work were also crucial in enabling the women to sustain care and therefore employment. For example, it was essential for the women that they could negotiate some flexibility in working when this is required, if children are ill, for example, or during school holidays. This usually requires getting agreement from immediate supervisors and some cooperation from co-workers. When the women talked about their relationships with their employers, managers
and colleagues they often stressed the importance of common ground or identity, in particular in relation to being a working parent: ‘they’re all family people, they’ve all got children … they’ve got a great understanding that your kids come first’, ‘my manager has children herself and same thing happens with her, you know and there’s no big issue made of that’. But the converse could also happen, ‘they can’t be expected to understand, why should they, their situation is different?’ This informal cooperation (or not) from employers and colleagues was a common theme in managing work, and far more important than any statutory rights or formal agreements.

In political rhetoric the independence of paid work is sometimes contrasted with the dependency of life on social security. This applies to both main political parties in the UK – the Conservative Party is currently reviewing benefits under the heading of ‘economic dependency’, and James Purnell, the current Secretary of State for Work and Pensions has recently argued that the ‘guiding idea of welfare should be independence and control. Freedom from dependence of any sort is the objective’. This seems a very partial view of what being in work, and being able to maintain work over times, actually involves. For these lone mothers staying in work involved lots of other people in various ways - their children, other family members, employers, work colleagues, friends, childcare providers, and others such as the New Deal Personal Advisers who had helped many of them make the initial move into work. Effective social relationships were thus a key element in the overall mix of factors that enabled and supported employment over time.

Income insecurity

Nor does employment necessarily mean financial independence from the state, at least not for these women working mainly in low-paid and part-time jobs. Wages alone would not have been sufficient for these families without some additional ongoing financial support. For most of these families, as noted above, total income did increase as a consequence of being in work but a key factor in this was that all the women were receiving tax credits alongside their wages. Tax credits offer a substantial additional payment. For example, in April 2006, a lone mother with one child aged under 11 working for 20 hours at the national minimum wage would receive about £100 per week in wages and about the same in tax credits. She would also receive child benefit and housing benefit (if she was a tenant) and so more than half of her income would come from state transfers. These levels of payment are not uncommon – the average payment of tax credits for lone parents in 2006 was about £5000 per year (or almost £100 per week).

Thus the tax credits were very important to total income in the families we interviewed and essential in both enabling the initial move into work and in sustaining employment over time. Typical comments were: ‘They’ve been very important, because I couldn’t have afforded to work without them’, ‘tax credits are very, very important because there’s no way I would have been able to survive on my wages alone, especially with child care costs’, ‘if it weren’t for my tax credits, then there would be no point in working’.

However, problems with tax credits were common. The tax credits system is relatively new (it started in the current form in 2003), it is administered as part of the tax system rather than as part of social security benefits, and it is based on payments that are calculated according to income in previous tax year. Most families receive a weekly or monthly payment and then at the end of each tax year there is a reconciliation, to balance what was paid with what should have been paid, on the basis of actual income during that year. Any underpayments are covered by a lump-sum payment and overpayments are recovered by reducing the next award. So the system is designed to give a regular payment and to deal with changes on an annual basis. But this has meant that, in practice, many families get to the end of the year and find that their awards have been incorrect. Statistics from HM Revenue and Customs (2007) show that, at the tax year ending April 2006, out of 6.5 million tax credit awards, there were about 0.8 million underpayments and 1.9 million overpayments. The overpayments in particular have caused considerable concern, as they tend to fall on people with lower income and repaying these can be a source of hardship. Although tax credits have been welcomed as an important measure to reduce in-work poverty, there has been much criticism of the way in which they have been designed and administered (TUC, 2008; Millar, 2008).

In our study, over half of the women had some difficulties with accessing tax credits when they first started work, especially those with complex work or family situations. At the second interview again about half the women were reporting problems. Many suffered delays in getting payments, incorrect payments, and difficulties in getting information about what was happening. The heavy reliance on
tax credits to make up income made these delivery problems even more difficult to cope with and created a source of considerable anxiety for some. One woman described waiting for her annual assessment as like ‘a death sentence waiting to come through that door ... you end up having to rely on that money and you wait for that letter ... It’s an awful feeling ... what if it’s less than what it was last year ... [because] everything’s gone up, my mortgage has gone up ... [but] my wages haven’t gone up since last year’.

Problems with tax credits for some women were compounded by difficulties in accessing other sources of income in work. The tax credits system does not replace all of these and in particular housing benefits and local council tax benefits were also often inaccurately assessed, delayed, wrongly paid or not paid at all. Child Support payments due from former partners were often unreliable. Wages were not necessarily fixed either as hours of work sometimes changed or were variable from week to week. All this uncertainty made it difficult for the women to feel financially secure in work.

Many of women were unclear about how the tax credits were worked out (‘there is no breakdown so you don’t know what you should be getting or why’) and this lack of information made it difficult for the women to query their awards or to know if they were being paid the correct amounts (‘the form they send to you to show how they’ve worked it out is not detailed enough, because it just says what you’ve told them and how much you are going to get. They have not said how they’ve worked it out’). As one woman resignedly put it: ‘They ask for information, I provide the information. They say I haven’t done this, so I do it again ... Apparently they’d overpaid me so I had to pay something back, so I didn’t have any Tax Credits. I don’t understand the system at all’.

The family-based nature of the assessment was also a source of concern. Several of the women were living with new partners by the second interview. This meant that their tax credits were now assessed on both incomes, which some considered to be both unfair (‘I can’t see how they can take all of [partner’s] wages into consideration ... my children aren’t dependent on him. They’re dependent on me and my wages have gone up since last year’).

The tax credits were thus experienced in a very ambivalent way – essential to income, essential to enable the women to stay in work, but also a source of insecurity and anxiety, and for some a poor fit with their current circumstances. The extent to which these are teething problems with tax credits which can be fixed by improvements to the delivery systems or whether there are more fundamental problems with the design is a key issue for future policy in this area.

So, what have we learned so far from this in-depth study following families over time? Over the several years we have been in contact with the families, in most cases working did become more entrenched in their lives and became part of their regular, everyday family practices. The families – the children and the mothers – were managing the practicalities of work and care, were coping with living on incomes that were adequate but rarely lavish, and which could be rather unstable and uncertain, and they were managing and negotiating social relationships at work, home, school, home and childcare. The mix of factors needed to sustain work was thus sometimes fragile and there were many events and circumstances (such as illness, family change, redundancy, change of conditions at work) that could potentially disrupt or even derail the family-work project. For most lone mothers, staying in work is indeed hard work.

Final points

This lecture has focused on the micro-level, on the everyday experience and lived lives of lone mothers and their children, on how they cope and manage, and what this feels like to them. The qualitative longitudinal methodology has allowed us to explore how the lone mothers and the children play an active role in sustaining work over time. The government argue that for lone parents, ‘work improves the quality of life and well-being of parents and their children’ (DWP, 2007a). Our research shows that this can indeed be the case, but that the families themselves have to put in a lot of effort to make it so, often in the face of very challenging circumstances, and that the support that they need is not always available.
I would like to finish by briefly reflecting on the issue of the meaning and pursuit of social security in the context of the employment-based welfare state.

For most of the twentieth century one of the main functions of social security systems has been to provide financial support to cover periods of interruptions of earnings. Employment provided the main source of income and the state stepped in to support people financially when the labour market failed to do so. Employment services backed this up by helping people to get back to work as quickly as possible. However the employment-based welfare state implies a different model for the role of the state, one which involves two main elements – first, enabling people to be secure in work and second ensuring security of income in work. As we have seen, for the lone mothers in our study, achieving either of these in practice was very difficult.

Strengthening and extending statutory employment rights could be an important mechanism for ensuring security in work, and this has happened to some extent in the UK, especially with improved rights for parents to request flexible working. There is, at the moment, ongoing debate in the UK parliament on a proposal from a back-bench Labour MP to include agency workers (estimated to be about 1.4 million people) in employment protection rights on the same basis as full-time workers. This is opposed on the grounds that this would reduce labour market flexibility and indeed this policy route of greater employment protection does not fit well with the view that labour market flexibility is an important – even crucial – element of economic success in the globalised economy. It is difficult to define statutory rights in such a way as to fit all the complex and variable individual circumstances and needs that might arise, some of which are very short-term and immediate. Furthermore, as Gambles et al (2006, p5) point out, Government policies have to be implemented at the workplace level where they are often undermined by working practices, structures and cultures as well as wider societal norms. As our research suggests it is often informal relationships and negotiations that enable people to maintain their jobs and to manage their dual roles of work and care – or which can prevent them from doing so. Informal systems can be very supportive but employers and managers can also be inconsistent and arbitrary (see also Dean, 2007). Yeandle et al (2006) explore the policies and practices of ‘care-friendly’ organisations and argue that these require cultural change, good communication and flexibility within the organisation. Their study was focused on organisations employing people caring for other adults, not those caring for children, but similar points apply.

The policy levers that the UK government would be willing to use in order to support and enhance security in work are not therefore entirely obvious. There are ongoing experiments with provisions to support the individual worker, in effect by taking the personal adviser role into the work situation. There is a large ‘demonstration’ project ongoing at the moment, which is examining whether individual ongoing support from a personal adviser (alongside extra financial support) helps people, including lone parents, to stay in work over time. The early results suggest that this sort of personal support can help, at least for some people and in some circumstances (Dorsett et al, 2006). But this is very resource intensive and whether this sort of long-term personalised, almost social work, type of approach is feasible, affordable and acceptable on a larger scale is open to question. Similarly, the Department for Work and Pensions is proposing to make much greater use of private and voluntary sector providers for job placement services in the future and include in these contracts payment dependent on people staying in work for six months, possibly rising to 18 months at a later date (DWP, 2008). This will put greater onus on these providers to develop services that support work retention. But the implementation and success of this, still quite short-term, measure remains to be seen.

Then there is an ongoing need to ensure adequate incomes in work. The tax credits system is an innovative attempt to design in-work financial support system which offers some security but is also responsive to changes in circumstances over time. It is already playing an important role in sustaining in-work incomes for many families. But there is an urgent need to get the delivery of tax credits onto a more solid foundation, and maybe even to redesign the system and replace it with a flat-rate amount and/or with a fixed period of award. Nor are tax credits the only way to achieve income security in work – the national minimum wage is an important part of this package, as are universal benefits such as child benefit. And of course the ‘basic income’ concept is also proposed as a mechanism for ensuring income security in the flexible labour market. Whatever the route to in-work financial security, this is likely to be costly. The UK is already spending about £13,000 million a year on tax credits for working people (HMRC, 2007). And these are long-term costs, because unless tax credits start to act as a
stepping stone to higher-paid jobs (and there is not much evidence for that so far), the in-work wage supplement must be paid to people possibly over many years. The political support for what could come to be seen as ‘dependency’ in work may be questionable.

There are, it is clear, some very significant challenges for social security policy in the twenty-first century. For me, one of the most fundamental of these relates directly to this central concept and goal: the welfare state as creating the conditions for security. We have seen how important security is in the everyday lives of people struggling to get by and improve the quality of their lives. And as we come to understand more about the experience and dynamics of change, in both the short-term and over the lifecourse, I think the importance of security will become even clearer. Ensuring that the concept of security remains at the centre of the emerging employment-based welfare state is a key challenge for the future.

References


Mia Hakovirta

LONE MOTHERS, CHILDREN, WORK AND WELL-BEING: COMMENTS ON JANE MILLAR’S LECTURE

I want to thank professor Jane Millar for her presentation and the Social Insurance Institution of Finland for inviting her to give a lecture on this important topic: Lone mothers, children, work and well-being.

This is an honour for me to give comments on professor Jane Millar’s lecture. I have been reading her research and articles since I started to study lone parents about ten years ago. Her research and publications have inspired my own work and I have often referred to her research in my own studies. Jane Millar has done so much for advancing the study and understanding of the situation of lone mothers and low-income families.

This lecture was an interesting and novel contribution to the important area of lone parenthood and employment and especially its consequences for lone mothers and their children. We do have a lot of comparative research on the employment policies for lone mothers in general (e.g. Duncan & Edwards 1997; Millar & Rowlingson 2001; Millar & Evans 2003), but we do not know how these employment based policies fit the values and aspirations of lone mothers themselves and their children.

The methodology professor Millar used in her study was a fresh one. Understanding the nature and process of change over time is an important part of social research. Qualitative methods for longitudinal research are not very well established in social policy research, but they are attracting increasing interest. This approach to policy-related research provides new perspectives and opportunities for substantive findings.

It is often said that policymakers only listen hard facts and numbers. They are keen to have ‘emerging findings’ from quantitative and panel data. This study can offer information about decision making and behaviour grounded in the experiences of those likely to be affected by a policy decisions. This is an excellent example of the role which longitudinal qualitative research can play in the evaluation of policies and programmes. If policymakers are inter-

Revised version of the comments by Mia Hakovirta, discussant to Professor Jane Millar.
ested in lone mothers and child welfare, they need to pay attention to this research.

**Employment of lone mothers**

Lone mothers are a key group to consider in any analysis of working mothers and social change. The erosion of the traditional, two parent, male breadwinner family model creates new challenges especially for lone mothers who are alone responsible for cash and care in the family. The family change together with the problems to balance work and caring responsibilities create ‘new social risks’ for modern welfare states (Bonoli 2002; Taylor-Gooby 2004).

To solve these new social risks, policies have stressed the value of employment. In recent decade also lone mothers are to a larger extent than before assumed to both join the labour market and to support themselves and their children by paid work. Lone mothers’ social security has been the target of extensive reforms in many countries during the 1990s. The UK is not the only country that has implemented the activation policy for lone mothers. For example Australia, Netherlands, Norway and the USA have introduced special programs to increase paid work among lone mothers (Millar & Evans 2003). However, in Finland and Sweden the refusal to target benefits and services for lone mothers as a special category could be seen as a strategy to prevent stigmatisation (Hiilamo 2002).

First, I want draw your attention to the employment rates of lone mothers. From the presentation we learned that in the UK employment rate of lone mothers has increased and this is especially true for mothers with teenage children. When we put these numbers to the wider context the picture is a little bit different.

This chart shows the employment rates of lone mothers in six welfare states in the beginning of the 1990’s and 2000’s. (Chart 1).

We can learn from the chart, that the countries are going to the different directions. In the UK together with the Netherlands and Australia the employment rose slightly, but it is still at the low level compared to the other countries. Finland and Sweden experienced the decrease in the employment rates. Further, the USA is reaching Nordic countries. It seems, that countries which introduced the activation policy for lone mothers have increased their employment rates, but in Finland and Sweden we see the declining pattern. How would you comment on that? Can we make a conclusion that the programmes are good for lone mothers?

**Chart 1. The percentages of lone mothers in employment in the 1990’s and 2000’s.**

![Chart 1. The percentages of lone mothers in employment in the 1990’s and 2000’s.](image-url)

Source: Bradshaw et al 1994; Bradshaw and Finch 2002; Knijn and van Berkel 2003.
Consequences of employment

In her presentation, professor Millar analysed the costs and benefits in the construction of the lone mother as parent-worker model. I shortly evaluate her research findings and try to connect them to Finnish context and to the more general welfare state discussion.

The first conclusion from the study was that lone mothers wanted to work. These results get support from the earlier studies as well (eg. Hakovirta 2006; Bell et al. 2006). In the UK Alice Bell and others’ study of lone parents’ work and childcare preferences found out that lone parents are expressing a strong desire for part-time work around school hours. My study from Finland showed that lone mothers were willing to work. The work was a matter of social integration, typically because of the benefits lone mothers gained from meeting and mixing with other people.

On the other hand, we have to keep in mind that professor Millar studied lone mothers who had children at school age. It might make a difference, if we studied lone mothers with younger children. At least in Finland, mothers with young children are eager to stay at home to take care of their children (Hakovirta & Salin 2005).

One important conclusion from the study revealed that lone mothers are not able to calculate what actually happens to their incomes in practice when they started to work. The situations in which lone mothers act are complex and their action is bounded by various constraints (Hakovirta 2006). Also Martina Klett-Davies (2007) found out in her study, that lone mothers were unaware or unsure of their in-work benefits and tax credits to which they were entitled. This indicates that lone mothers are not able to base their work decisions on economic calculations.

The results showed that paid employment may not necessarily improve lone mothers’ economic situation. In many welfare states lone mother families are among the least well off families in society. Even if paid employment could act as a means of protecting from poverty, it is not enough. New dissertation about in-work poverty in a comparative perspective done by Ilpo Airio (2008) tells that lone parents have an extremely high risk of in-work poverty and in no country does employment provide full protection from poverty. Therefore, rather than compelling lone mothers into low wage labour markets, the state should provide support to their integration in the form of in-work benefits.

One of the issues raised by lone mother’s integration into the paid labour force is the question of who will care for young children of working lone mothers. The issue of care is a key to addressing the problem of reconciling work and family in lone mother families. The Finnish researcher, Teppo Kröger, uses the concept of care poverty (2005). He claims that lone parents are lacking child care, both formal and informal. Childcare resources of lone parent do not cover their care needs. This is especially true for lone mothers working in atypical working hours and in evening and night shifts. (Kröger 2005). This is even true in Finland as a Nordic welfare state that provides universal day-care services. In your study lone mothers had children aged eight to fourteen years old and children of lone mothers were going to school. What is the situation of lone mothers with children under school age? How they combine work and care?

We also have to consider time resources. In your sample most lone mothers worked part-time and this gives mothers more time to domestic duties and children. In Finland full time work is a norm and most lone mothers work on the full time basis. We know lone mothers spend more time than married mothers in total in paid and unpaid work and lone mothers are relatively time poor (Hobson 1997). This suggests that lone mothers have less time for leisure and rest. If parents do not have enough time to spend with their children, the children may suffer. Also many lone mothers are stressed and tired due to the struggles to make ends meet financially or to constant time pressures due to extensive working hours. This may well translate into poorer parenting quality and / or less investment in the children’s education or leisure.

Alongside the question of whether lone mothers should take paid work is also the question of whether they can take up paid work. The policies are based on the assumption that suitable jobs are available, but this is not always the case. Lone mothers face many difficulties in finding jobs and their unemployment rate is high. For example in 2004 in Finland 14 % of lone mothers with children under school were long-term unemployed according to their socio-economic status. The share is double as high as married mothers (Haataja 2008.) Additionally, research has also highlighted a poor health among lone mothers caused by poverty and social exclusion (Whitehead et al. 2000; Roos et al. 2005). This may create difficulties in entering labour market.
Child’s well-being

This welfare to work policies have many implications not only for lone mothers but also for their children. Jane Millar’s study showed that when lone mothers start to work, her and her children’s life changes in various ways. This calls for deeper analyses on how changes in the welfare policies also affect children. Even though welfare reforms are targeted to adults, they can have important consequences for children and child’s well-being. Although the same external forces impact children and adults, children do not necessarily experience consequences in the same way or to the same extent as adults.

Taking the perspective of the family as a whole, Millar found out that children very often play an important role in supporting their mothers to stay in work. This approach makes children’s interests and well-being visible and makes us adults to understand that children are a social group, while consisting of unique individuals, they also share among them a set of specific relations with material and social environment.

It was also great to read how children themselves described their access to material resources and how children experienced the improvement in their economic situation since mothers started to work. However, child poverty is still high among children in lone mother families across the welfare states (Ritakallio & Bradshaw 2006). There is a strong consensus in the research literature that in both lone-mother and two-parent families, low income is significantly associated with all child outcomes. Lone mothers cannot afford to invest in their children’s education, leisure, housing or clothing. These financial limitations may make children depressed and frustrated by more financially well-off peers. Therefore we still have a lot to do to improve the situation of children living in lone mothers families in order for them to be able to live decent and economically secure life. Constant lack of economic resources and worries for the future can cast long shadows forward.

The other explanation to the higher risk of problems of children in lone mothers families has been the loss of the non-resident parent, usually father (Amato 1999). Professor Millar found out, that in some families non-resident fathers were closely involved with their children’s lives. This is not always the case. We know, that about the third of the children in lone mother families do not have frequent contact with their non-resident parent (e.g. Bradshaw et al. 1999; Hakovirta & Broberg 2007). This raises a social question: in which ways the responsibilities of raising children are distributed between the parents not living together?

Finally, I want end up to with a quote from Unicef:

‘The true measure of a nation’s standing is how well it attends to its children – their health and safety, their material security, their education and socialization, and their sense of being loved, valued and included in the families and societies into which they are born.’ (Unicef 2007.)

The question remains, how we should develop the welfare policies to ensure the well-being of our children living in the changing family forms?

References


