

Brotherhood of St Laurence

WHAT CHANCE A JOB?

Employment
of parents
with young
children

Tim Gilley



WHAT CHANCE A JOB?

Employment of parents
with young children.

Tim Gilley

**Brotherhood of St Laurence
Melbourne 1993**

First published in 1993 by
Brotherhood of St Laurence
67 Brunswick Street
© Fitzroy, Victoria 3065

Brotherhood of St Laurence
Gilley, Tim.
What chance a job? employment of
parents with young children.

Includes index
ISBN 0 947081 66 6.

1. Parents - employment - Victoria - Melbourne. 2. Work
and family - Victoria - Melbourne. 3. Unemployed - Victoria
- Melbourne. 4. Family life surveys - Victoria - Melbourne.
I. Brotherhood of St. Laurence. II. Title.

331.11

This material is copyright. Apart from fair dealing
for the purpose of private study, research, criticism
or review, as permitted under the Copyright Act,
no part may be reproduced without written permission,
except for education use by educational establishments.
Enquiries should be addressed to the publisher.

Designed by Sharon Carr
Set and made up by Sandra Muratti on XEROX VENTURA at the BSL
Cover illustration by David Truong
Printed by Australian Print Group, Maryborough, Victoria

FOREWORD

Unemployment hurts people. For hundreds of thousands of Australians it brings poverty and serious financial hardship, debt, homelessness or housing stress, family tensions and break-down, boredom, alienation, shame and stigma, increased isolation, crime, erosion of confidence and self-esteem, the atrophy of work skills, and ill-health.

Tim Gilley's report on the employment and unemployment experiences of the parents of 167 young children in inner suburban Melbourne reinforces the well-known relationship between family poverty and unemployment. It also illustrates some of the immediate adverse effects of unemployment.

For example, in families where there was no employed parent, mothers reported:

- poorer health of their young children,
- serious health problems for themselves,
- serious disagreements with a partner,
- serious financial problems, and
- serious problems with housing

more often than they did in families who had an employed parent.

What Chance a Job? vividly illustrates a very disturbing aspect of unemployment and employment in Australia—a concentration of disadvantage and a trend to polarisation of the employment situation of families with children.

Unemployment and joblessness is unequally distributed in Australia. It is more likely to occur amongst low-paid, less well-educated Australians; those from a non-English-speaking background (NESB); and those where there is another family member who is also unemployed. The wives of unemployed men in this study were more likely to be jobless or unemployed than the wives of employed men. Mothers who were parenting alone with young children were also more likely to be unemployed or jobless. The mothers who increased their participation in the paid work force in the 18 months following the birth of their child generally had partners who were also employed, and were more likely to be in families with high incomes. There was both a growth in families with no parents in the paid work force and of families with both parents in

the paid work force, mirroring an Australia-wide trend. There was also little movement out of unemployment.

The unequal life chances of many of the children in this study are an indication of a significant social problem. Many of these children will experience long periods of financial deprivation because of the long-term unemployment or joblessness of their parents. For many, education progress will suffer and their own employment prospects will be reduced, and an inter-generational dynamic in Australia will be therefore created. The children in this study with no parents in the paid work force represent a growing number of Australian children—currently one in every four—and their prospects stand in stark contrast with those who are in more affluent households.

There is today a growing recognition that we must do something about unemployment lest both individuals and society suffer long-term irretrievable damage. This report, however, warns of a further problem and a further challenge.

The problem concerns that small group of families who had a parent in the paid work force but were still in poverty. Again, other evidence suggests that they could represent a growing phenomenon in Australia. Research by Gregory (1993) and King et al. (1992) has pointed to the increased disparity in the wages of Australians over the past 15 years. If the solution to unemployment is to reduce wages to below-poverty levels—as is implicitly advocated by so many—the solution may be little better than the problem for the people involved. At least part of the solution to unemployment must be to increase the supply of jobs—but if those jobs are to offer decent wages and conditions and Australia is to be internationally competitive, we need a highly skilled and educated work force.

The challenge is to ensure that the group of families represented in this study do not miss out on the opportunity to be part of such a work force. This will not happen without concerted action, as the report clearly shows that those parents who are unemployed and jobless have had low levels of education and will need considerable help if they are to be able to obtain decent, well-paid jobs.

Alison McClelland
Director
Social Policy and Research
October 1993

CONTENTS

Foreword	iii
Acknowledgments	vii
1 Introduction	1
Poverty and the life chances of children	1
Employment and poverty in Australia	2
Research questions	4
Structure of report	4
2. The Life Chances Study children and their families	7
Income levels	7
Family size	8
The age of mothers	8
Ethnic background	9
Housing tenure	9
Illustration of family employment patterns	9
3. Employment, unemployment and the Life Chances Study families	13
Family employment patterns	13
Father's employment	15
Mother's employment	18
Employment and education	23
Employment and income	24
Employment providing only a low income	26
Impact on children and families	29
Summary	32
4. Conclusion	33
Relevance to Australia-wide trends	33
Issues raised by the employment experiences of the families	34
Conclusion	35
Appendix 1 – Methodology	37
References	39

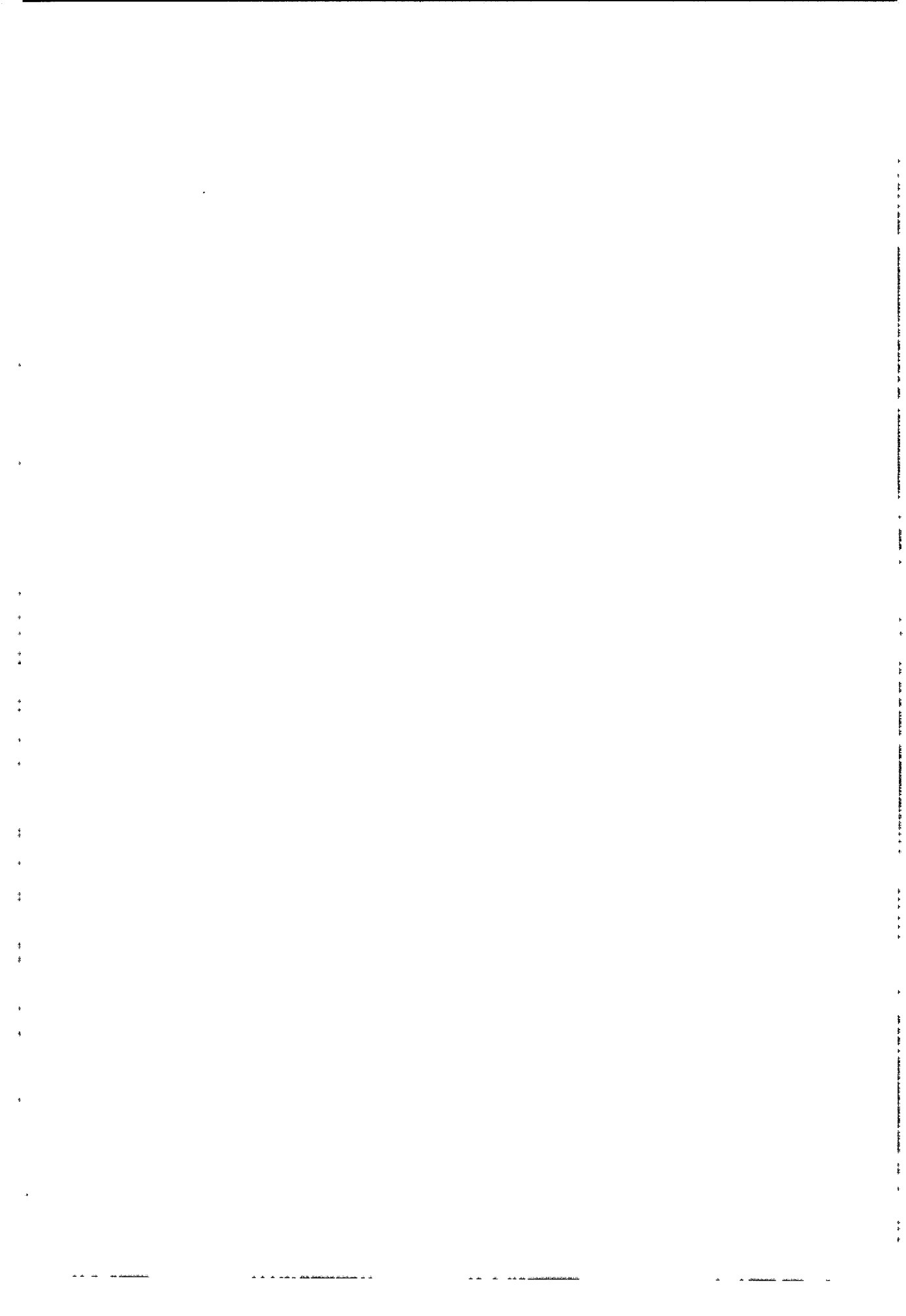
LIST OF TABLES

1	Three income levels, September 1990	8
2	Children in employed and not employed families	14
3	Employment changes between first and second interviews	15
4	Father's employment	16
5	Children in employed and not employed families by father's occupation at first interview	17
6	Length of father's employment at first interview and employment status of these fathers at second interview	18
7	Changes in mother's employment situation—before birth, at first interview and at second interview	19
8	Children in employed and not employed families by mother's education at first interview	23
9	Children in employed and not employed families by father's education at first interview	23
10	Children in employed and not employed families by income at first interview	25
11	Employment gains and losses between first and second interviews by income at first interview	26
12	Assets by family employment at first interview	29
13	Specific assets by family employment at first interview	30
14	Mother's rating of child's health at first interview	31
15	Stressful life events by family employment at first interview	31

ACKNOWLEDGMENTS

As a report from a longitudinal study, this paper owes a debt to a number of people: the families who continue to share their life experiences with us, the Maternal and Child Health nurses who were our initial contacts with the families, the interviewers, members of the project's Research Advisory Group and staff of the Brotherhood of St Laurence. Thank you.

The Brotherhood of St Laurence would also like to acknowledge the generous support of the Victorian Health Promotion Foundation which has funded stage two and stage three of this research.



Unemployment is one of Australia's most serious economic and social problems. It is the major reason that increasing numbers of Australians live in poverty. It is already having severe effects on individuals and families. The potential long-term effects are grim, not least for the future of our children.

The purpose of this report is to explore family employment and unemployment from the experiences of the parents of children in the Life Chances Study, a longitudinal study of 167 children born in inner Melbourne in 1990. This research explores the extent to which unemployment is a temporary experience, the relationship between patterns of family employment, income and other family characteristics, and some impacts of unemployment on children and their families.

Poverty and the life chances of children

Children in families on low incomes are more likely to suffer from a range of disadvantages than are children in more affluent families. These disadvantages include: poorer access to some health and community services, less access to education resources and leisure activities, and inadequacies in housing (for example: Jolly 1990; Trethewey 1989; Carter 1991). In adulthood these early disadvantages may be manifested in poorer health, lower levels of education and a greater likelihood of unemployment or low-paid work. Quinton and Rutter (1988, pp.200-201) comment on continuities of advantage and disadvantage between generations:

The links are forged both through life chances that are outside the control of the individuals and through actions of the people themselves, which serve to perpetuate adversity or to break the vicious cycle of continuing disadvantage.

The Life Chances Study research was developed as a response to a perceived lack of Australian studies exploring the impact of poverty on children over

time (Carter 1991, p.96) despite a range of overseas longitudinal studies (Shepherd 1987; Duncan 1984; Rutter & Madge 1976).

The Life Chances Study extends beyond the concept of a snapshot of poverty to examine how low income might interact over time with a range of social and other influences to affect how children develop. Because the impact of disadvantage on children is often not clear in the early years of life, the first two interviews with the mothers focused on the resources available to the children's parents as potential influences on future advantage or disadvantage. The methodology of the study is outlined in Appendix 1.

While this report focuses particularly on family employment, previous publications from the Life Chances Study have examined the needs of the children of immigrant families (Taylor & MacDonald 1992) and the use of services by mothers and babies (Gilley 1993).

Employment and poverty in Australia

Most commentators in the late 1980s agreed that, since poverty usually occurred in families with no employed members, employment was a critical factor in reducing or eliminating the number of children in families with incomes below the Henderson poverty line (Saunders 1990).

King (1991) notes, however, that the actual impact of the rapid growth of employment over 1986–1989 on levels of poverty was not straightforward. Much of the employment growth was in part-time work for women whose partners were already in paid work and hence was usually in families with incomes already above the Henderson poverty line. This in turn meant that families with no employed members became relatively worse off in relationship to the Henderson poverty line (King 1991, p.48), which is responsive to changes in the overall standard of living.

In reviewing employment trends in the 1980s and the relationship of unemployment to poverty, Saunders (1990, p.41) comments:

Labour market developments throughout the eighties have seen the continuation of several longer term trends that are fundamentally changing the nature of the labour market. These include the increased participation rates of married women and the resulting rise in significance of the two earner family, and the rise in part-time employment. Alongside these changes, the persistence of high levels of unemployment and the increase in long term unemployment have seen large sections of the working age population condemned to the exclusion and marginalisation which characterises joblessness and poverty. These changes have two implications for the association between poverty and labour market performance. Unemployment as a cause of poverty has undoubtedly risen in significance throughout the industrialised world since the mid-seventies. At the same time, the expansion in the scope and variety of labour market activities has meant that employment growth now translates less readily into reductions in unemployment and hence in poverty.

In late 1989 there were 727,800 children dependent on social security pensions and benefits (Department of Social Security 1989). Three years later, in December 1992, this figure had increased to close to a million (949,000) children, an increase of over 30 per cent. The major payments that these children's parents were receiving were: Sole Parent's Pension (53 per cent), unemployment allowances (35 per cent), Disability Pension (8 per cent) and Sickness Allowance (1.4 per cent). In addition there were 643,000 children of low-paid workers receiving the Family Allowance Supplement, making a total in excess of one and a half million children identified in official statistics as living in low-income families (Department of Social Security 1992).

People receiving unemployment allowances are by definition seeking work and within the labour force; those families receiving the Disability Pension or Sickness Allowance are often unable to work and are by contrast not classed as within the labour force. People receiving a Sole Parent's Pension may be in part-time paid work, seeking work or not in the labour force. A separate set of figures (ABS 1993) classifies 45 per cent of all sole parents as not being in the labour force and 17.3 per cent as being unemployed. An important employment issue is whether the main carers of the children (usually mothers) are less likely to participate in the work force because of difficulties in combining paid work with family responsibilities; because they make a decision not to seek paid work as they would prefer to devote their time to raising children; or because of other factors, such as income tests.

It is also important to acknowledge that the labour market in Australia is not a 'level playing field' in the sense that all persons of working age who want paid work have an equal opportunity to find it. Groups of people disadvantaged in access to the labour market include: people with low levels of education, those from a non-English-speaking (NES) background with little or no English, Aboriginal people, people with disabilities, women with dependent children, and younger and older workers. Employment disadvantage for women generally is reflected in their concentration in lower-paid occupations in the clerical, sales and service areas of employment (DEET 1991; Gilley & Smith 1989).

Wages and conditions vary widely and employment does not always mean a secure, well-paid job. There is evidence from the United States that much of the growth of employment in the 1980s was at such low hourly rates of pay that it was insufficient to raise American families out of poverty, even as measured by their very austere poverty line (Ropers 1991, p.51). A present concern in Australia is that deregulation of the labour market may result in a substantial increase in low-paid jobs. There is now some evidence that the relative position of families with a member in low-paid work worsened in the 1980s (Saunders 1993). If employment is to become a pathway out of poverty then it must be employment that provides an adequate income.

A major concern with the current high levels of unemployment in Australia is the increasing length of unemployment. Over one-third (38 per cent) of the 923,000 Australians unemployed in June 1993 had been unemployed for 12 months or longer. Eighteen per cent had been unemployed for two years or longer (ABS 1993). The danger is that this trend will lead to an increasingly polarised society, characterised by one group of people in regular employment and another group largely excluded from the labour market.

Research questions

This report draws on Life Chances Study data to examine the role of employment as a means of avoiding poverty and improving the life chances of children. It explores three questions.

1. What is the relationship between patterns of family employment, income and other characteristics in a group of families with very young children?
2. How do family employment patterns change over time?
3. What impact does unemployment have on families?

The relationship between family employment and income is examined by dividing families into groups: those with two employed parents, those with one employed parent and those where no parent was employed. A distinction is also made between couples and sole parents. Family income levels are grouped into low, medium and higher (see Chapter 2). Other characteristics which are explored in relation to employment are parental education levels, occupational status and whether parents are from a NES background.

Family employment patterns are explored at two points of time: when the children of the study were about six months of age (first interview) and again when the children were about 18 months of age (second interview). Mothers' and fathers' employment is considered at these two points of time and, in addition, the employment status of mothers before their child's birth is examined.

Since the Life Chances Study is still in its early stages, it can only provide limited information on the impact of unemployment on the children and their families. The relationship between family employment and mothers' rating of their children's health, and mothers' experiences of a range of stressful life events, is analysed. The direct comments of mothers are introduced into the text to illustrate the importance of employment issues in family life.

Structure of the report

Chapter 2 provides an introduction to the families, including case studies of six of the families illustrative of the range of different employment experiences.

Chapter 3 explores the employment situation of parents, the relationship between employment and education, the relationship between employment and income, and some impacts of unemployment on families.

Chapter 4 outlines the challenges that this research holds for employment policies to assist those with the fewest employment opportunities.



THE LIFE CHANCES STUDY CHILDREN AND THEIR FAMILIES

CHAPTER 2

The 167 children in the Life Chances Study were born in 1990 in two inner urban Melbourne suburbs. Their families came from a broad range of socio-economic backgrounds, and ranged from professional couples with both parents in paid employment who own their own home, to couples and sole parents with no employed family members who were living in public rental housing in high-rise blocks of flats or in private rental housing. About two-thirds of the lower-income families came from NES backgrounds, mainly from South-East Asia. The children comprise a representative cross-section of all births in the two areas in 1990.

Income levels

For the purpose of analysis the incomes of the families at first interview in this study have been categorised according to low, medium and higher incomes, as set out in Table 1. Family incomes were defined as income at the time of the first interview. The Henderson poverty line level and social security cut-off points were for September 1990. In keeping with Henderson's assessment of people with an income below 120 per cent of the poverty line as being 'poor', this criterion is used to determine the low-income category. The actual income levels for each category varied according to family type.

Table 1 Three income levels, September 1990

Income level	Definition	*Examples: for couple with one child
Low income	<u>Below</u> 120 per cent of Henderson poverty line	Below \$18,778 p.a.
Medium income	<u>Above</u> 120 per cent of the Henderson poverty line, and below cut off point where other income would exclude family from a social security pension/allowance other than Basic Family Payment	\$18,779 - \$31,257 p.a.
Higher income	<u>Above</u> point where other income would exclude family from a social security pension/allowance	Above \$31,257 p.a.

* The income ranges in the given examples are for a couple with one child with the head of the family in the labour force, as at September 1990. The income level thresholds vary according to the number of dependents for both the Henderson poverty line and social security cut-off point. The income level threshold for the Henderson poverty line also varies with the work force status of head of the family. The Henderson poverty line used here is before housing costs.

About one-third of the families in this study were in the low-income category (35 per cent), with about one-third in the medium-income category (32 per cent), and the remaining third in the higher-income category (33 per cent).

Family size

Just under half the children were first children, with about 30 per cent being second children, and the remaining 20 per cent being in families with three or more children.

Larger families were more likely to be in the low-income category. For example, 34 per cent of families on low incomes had three or more children, compared with 17 per cent of families on medium incomes and only 9 per cent of families on higher incomes. This does not necessarily mean that the actual (dollar) family income is lower for larger families; the income categories used include an adjustment for the number of dependents that the income has to support.

The age of mothers

The age of mothers ranged from 18 years to 44 years. Almost half the women (45 per cent) had their first child when they were over 30 years of age. This reflects Australia-wide trends for some women (usually from more middle-class backgrounds) to delay having children (Health Department Victoria 1990, p.10). There was a strong association between mother's age and income level, with seven of the 10 mothers under 22 years of age being on a low income.

Ethnic background

Just under one-third of the children (31 per cent) were born to NESB families. The major grouping was Vietnamese families, some of whom were Vietnamese-speaking and some of whom were Chinese-speaking. Other major birthplaces included Laos (Hmong) and Turkey. Sixty-four per cent of the families with a low income were from NESB families.

Housing tenure

About one-quarter of the families were in public rental housing, one-quarter were in private rental housing, and one-half of the families were home owners or home purchasers. There was a strong association between housing tenure and family income; most (83 per cent) of the public tenants were on a low income, while nearly half (47 per cent) of the private tenants were on a low income. In contrast, only 7 per cent of the home purchasers/owners were on a low income.

Illustration of family employment patterns

The experiences of the Life Chances Study families provide an illustration of some of the employment issues facing families with young children in the early 1990s. Six families are introduced below as examples to highlight differences in employment and income situations. At the first interview, two of these families had no employed members and depended upon a low (social security) income. Two families had employed members but were still on a low income. Two families had employed members and a higher income.

The case studies include examples of two typically disadvantaged groups that emerged from the study: young Australian-born sole parents with low levels of education and little or no employment experience, and NESB families with parents who have little or no English and who are either unemployed or in low-paid work. The case studies also include two families from a typical advantaged group: higher-income families with one or both parents employed. Pseudonyms are used.

Voula and John, couple, neither employed (low income)

At the time of the first interview Voula and John, a couple in their early 30s with five children, were living in Voula's parents' house (though the parents lived elsewhere). John was qualified as an electrician and Voula (Australian-born) had a Bachelor of Economics and a Diploma of Education. John was literate in Greek but spoke little English although he had lived in Australia for seven years. John had been unemployed for 12 months and his last job was as a taxi driver. Voula had some casual typing/translating work before the birth of their youngest child, Helen, but was not employed when Helen was about six months of age. They received unemployment benefit.

Twelve months later Voula and John had separated, with Voula retaining custody of the children. She had been looking for paid work, but has been unsuccessful despite having a teaching qualification. Her source of income was the Sole Parent's Pension.

Andrea, sole parent, not employed (low income)

Andrea is a 22-year-old Australian-born mother with two daughters, Anne and Pauline. The family lived in public rental housing in a high-rise flat. When Pauline was about six months of age (and Anne five years old), Andrea had been separated from the children's father, Paul, for several months. Her highest level of education was Year 9. She commented that 'I read O.K., but I have poor spelling'.

She was not in paid work and her source of income was the Sole Parent's Pension. She said she did not want a job and preferred to stay at home to look after her children. She did, however, express an interest in employment 'for the money' when Pauline went to school. Prior to Pauline's birth she had some casual work at a 'take away' food shop which she said she enjoyed.

Twelve months later Andrea was not employed and was not looking for paid work. She had moved out of her flat and was living temporarily with her mother. Because of Andrea's health problems her children were in foster care.

Mei-Ling and Kwok-Keung, couple, one employed (low income)

Mei-Ling and Kwok-Keung are a Chinese couple with one child, Jenny. When Jenny was about six months of age the family were living in private rental accommodation. Kwok-Keung's highest level of education was Year 10, while his wife had primary school education only. Kwok-Keung was working as a clerk in a factory, having being put on light duties following an injury while working on forklifts. Mei-Ling was not employed, though she had worked full-time as a receptionist prior to her daughter's birth.

Twelve months later Kwok-Keung was not employed. He was enrolled in a 12-month training scheme for people interested in setting up their own business, while receiving an income equivalent to unemployment benefit. Mei-Ling had been looking for work but had been unsuccessful. The family had moved into public rental accommodation.

Maryanne and Bryan, couple, one employed (higher income)

Bryan and Maryanne are an Australian-born couple in their 30s with two children, Louise and Crispin (the younger). They were buying their house in inner urban Melbourne. Bryan has a PhD while Maryanne's highest qualification is a graduate diploma. When Crispin was about six months of age, Bryan was in full-time employment as an engineer. Maryanne was not in paid work and she had not been in employment immediately prior to Crispin's birth. She said she would like to return to paid employment at some stage to further her career, to help pay for school fees and for enjoyment.

Twelve months later the major change was that the family had moved overseas as part of Bryan's work. Maryanne was not in paid work and was not looking for employment.

Mowah and Ding, couple, both employed (low income)

Mowah and Ding are a Chinese-speaking couple and live with their five children in a house they are purchasing, from which they run a family clothing business. Ding's highest educational qualification was Year 12, while Mowah had a qualification from an American/Vietnamese language school. They have lived in Australia for 14 years. They have given their youngest child, born in late 1990, an Australian name, Jane. When Jane was about six months old Ding was working full-time in the family business and Mowah was working in the business part-time, as she had prior to Jane's birth.

Twelve months later both Mowah and Ding were working full-time in the family business.

Iris and Glen, couple, both employed (higher income)

Iris and Glen are a couple in their mid-20s with a daughter, Maria. Glen has a Bachelor of Arts qualification, while Iris also has a Bachelor of Arts and was finishing a graduate diploma. When Maria was about six months of age Glen was working full-time as a real estate agent and Iris was employed part-time as a personnel officer in a major department store. Iris had been employed full-time before Maria's birth. The family had recently moved into private rental accommodation because Iris did not feel safe in the inner urban locality where they are buying a house.

Twelve months later the only employment change was that Iris was in full-time employment.

The situations of these six families illustrate the variety of relationships between employment and income that exist in Australia: families on low income reliant totally on social security payments, families with one or two parents in employment and still on low income, and more affluent families with one or both parents in employment. They also illustrate factors that continue the situation of low income, such as no paid work or low-paid work usually combined with low levels of education and/or lack of English; those factors that precipitate lower income, such as unemployment or marital separation; and those that increase family income, such as increased work force participation.

EMPLOYMENT, UNEMPLOYMENT & THE LIFE CHANCES STUDY FAMILIES

Family employment patterns

Family employment patterns are affected by a range of factors, including general unemployment levels, the match between labour market opportunities and the employment skills of family members, and by stages in the family life cycle—such as having very young children.

As might be expected, the birth of a child led to very marked changes in family employment patterns of the Life Chances Study families. Before the children's births in 1990, just under three-quarters of the women (73 per cent) were in paid employment. The birth of the child had a major impact in both reducing the number of women in paid work and reducing the proportion of employed mothers in full-time work. This withdrawal of mothers from the work force reduced family income at the time of the first interview. By the second interview (when the children were about 18 months of age), there had been a shift back into employment by women. However, compared with their situation prior to the child's birth, there were still substantially fewer women in employment and it was still considerably less likely for them to be in full-time paid work.

Table 2 indicates that at first interview over three-quarters of the children (77 per cent) were living in employed families and just under a quarter (23 per cent) were living in families with no employed members. There was a decrease in employed families at the second interview to 73 per cent and a corresponding increase in families with no employed members to 27 per cent.

Employed families are defined as those with one or both parents employed, regardless of whether this employment is part-time or full-time. 'Not employed' families have no member in paid work.

Table 2 Children in employed and not employed families

	First interview		Second interview	
	No.	(%)	No.	(%)
Employed families				
Couples, both employed	43	(25)	67	(42)
Couples, one employed	83	(50)	46	(29)
Sole parent, employed	3	(2)	4	(2)
<i>Sub-total employed families</i>	129	(77)	117	(73)
Not employed families				
Couples, neither employed	21	(13)	25	(16)
Sole parent, not employed	17	(10)	18	(11)
<i>Sub-total not employed families</i>	38	(23)	43	(27)
Total	167	(100)	160*	(100)

* Information not available for seven families at second interview.

The most common situation at the first interview was for children to be living in two-parent families with one employed member, usually the father. Mei-Ling and Kwok-Keung were an example of a family on a low income in this situation and Maryanne and Brian on a higher income. The second most numerous group was families with both parents in paid work, with Mowah and Ding a family on a low income in this situation and Iris and Glen on a higher income. The third most common group was two-parent families with neither parent employed, of which Voula and John's situation was an example. The last group was sole parents, most of whom were not employed; Andrea was in this situation.

A major shift by the second interview was an increase in the number of two-earner families and a corresponding decrease in the number of one-earner families. The number of two-partner families with no employed members had also increased. Table 3 indicates that between the first and second interviews, employment growth occurred mainly in families with an already employed member, with only six of the families with no employed members finding paid work by the second interview.

Table 3 Employment changes between first and second interviews

	Total at first interview	Increased employment		Decreased employment		No change		Missing cases
	No.	No.	(%)	No.	(%)	No.	(%)	No.
Employed families								
Couples, both employed	43	0	(0)	7	(16)	36	(84)	0
Couples, one employed	83	30	(37)	13	(16)	38	(47)	2
Sole parent, employed	3	0	(0)	2	(67)	1	(33)	0
<i>Sub-total employed families</i>	129	30	(24)	22	(17)	75	(59)	2
Not employed families								
Couples, neither employed	21	3	(17)	0	(0)	15	(83)	3
Sole parent, not employed	17	3	(20)	0	(0)	12	(80)	2
<i>Sub-total not employed families</i>	38	6	(18)	0	(0.0)	27	(82)	5
Total	167	36	(22)	22	(14)	102	(64)	7*

* Of seven families not interviewed at second interview, five had no members in employment at first interview.

Note: Increased employment means that a parent with no paid work obtained employment. It does not include increases in hours worked or a shift from part to full-time employment. Decreased employment: vice versa.

Father's employment

The pattern of fathers' employment at the two interviews is described in Table 4. The employment situation of fathers at the first interview was not affected by their child's birth as mothers took primary responsibility for caring for children. Most employed fathers were employed full-time, with only eight in part-time work at the first interview and nine at the second interview.

Fathers who increased their employment between the first and second interviews included four fathers in part-time work who found full-time employment, and four fathers not employed at the first interview who gained employment by second interview. Fathers who decreased employment included four fathers who went from full-time to part-time work and the 12 fathers who lost their jobs, probably reflecting the general increase in unemployment in Australia during a period of recession. Most of the fathers not employed at the first interview were not employed at the second interview, and most of the fathers employed at the first interview continued to be employed at the second interview.

Occupation and employment

The fathers in families with no employed members at the first interview typically had previously worked in the production or trades area. In contrast, fathers in two-earner families had occupations concentrated in the professional and administration/executive/management area. Table 5 describes the relationship between fathers' occupation and family employment.

Table 4 Father's employment

Employment at 1st interview	No. of children	Employment at 2nd interview	No. of children
In paid work			
Full-time paid work	115	Full-time paid work	94
		Part-time paid work	4
		Not in paid work	12
		Missing*	5
Part-time paid work	8	Full-time paid work	4
		Part-time paid work	4
Not in paid work			
Not in paid work	24	Full-time paid work	3
		Part-time paid work	1
		Not in paid work	15
		Missing*	5
Summary			
Full-time paid work	115		101
Part-time paid work	8		9
Not in paid work	24		27
Missing*	0		10
Total**	147		147

* Missing data at second interview includes seven families not interviewed at second interview and three mothers separated from their partners at second interview (with no information available about fathers' employment situation).

** Information not collected on the employment situation of child's father in sole parent families (20 children) at first interview.

Fathers who were not employed

At the first interview most of the 24 fathers not employed were unemployed and looking for work, while seven were sick or disabled. Most had secondary or part-secondary education while only four of these fathers had a post-secondary qualification. The majority (16) came from a NES background, with eight being rated by their partners as speaking English 'not well'. There were five Vietnamese-speaking fathers in this group, one Chinese-speaking, one Turkish-speaking, and one Greek-speaking.

Among the 24 fathers not employed at the first interview were seven who were unable to undertake paid work because of sickness or disability. Two of these fathers had returned to work 12 months later: one, a carpenter, returned to his occupation after a period of receiving WorkCare (now WorkCover) due to injury, and the other father had opened up his own business (on borrowed money which they were under pressure to pay back). Of the remaining five fathers, one continued to receive a Sickness Allowance, one remained on WorkCare (and was taking legal advice about alleged overpayments), one remained on Disability Support Pension, one had been transferred from Sickness Allowance to Disability Support Pension and the fifth father had been transferred from Sickness Allowance to an unemployment allowance.

The length of time since fathers had been last employed at the first interview ranged from four weeks to 11 years. The majority of these men had not been in paid work for 12 months or longer, as indicated in Table 6. Only four of the unemployed men at the first interview had found jobs by the second interview (three full-time and one part-time).

Table 5 Children in employed and not employed families by father's occupation at first interview

	OCCUPATION								
	Professionals	Admin. Exec Management	Clerical	Para- professionals	Transport/ communications	Trades	Production	Services & sales	Total
	No. (%)	No. (%)	No. (%)	No. (%)	No. (%)	No. (%)	No. (%)	No. (%)	No. (%)
<u>Employed families</u>									
Couples, both employed	16 (29)	13 (46)	1 (33)	2 (67)	1 (14)	5 (31)	3 (13)	2 (18)	43 (29)
Couples, one employed	39 (71)	13 (46)	2 (67)	0 (0)	5 (72)	8 (50)	10 (44)	6 (55)	83 (57)
<i>Sub-total, employed families</i>	<i>55 (100)</i>	<i>26 (93)</i>	<i>3 (100)</i>	<i>2 (67)</i>	<i>6 (86)</i>	<i>13 (81)</i>	<i>13 (57)</i>	<i>8 (73)</i>	<i>126 (86)</i>
<u>Not employed families</u>									
Couples, neither employed	0 (0)	2 (7)	0 (0)	1 (33)	1 (14)	3 (19)	10 (44)	3 (27)	20 (14)**
Total	55 (100)	28 (100)	3 (100)	3 (100)	7 (100)	16 (100)	23 (100)	11 (100)	146 (100)*

* Information not collected on father's occupation in sole-parent households (headed by women). Where fathers were not employed their usual occupation is included.

** The occupation of one father is missing; a Vietnamese father unemployed for the three years he had lived in Australia. A similar table for mother's occupation was not provided as this information was collected for employed women only and is therefore incomplete for this purpose.

Table 6 Length of father's unemployment at first interview and employment status of these fathers at second interview

	Not employed at first interview (no. of fathers)	Employment status at second interview	
12 months or longer	19	Employed	3
		Not employed	13
		Missing*	3
Less than 12 months	5	Employed	1
		Not employed	3
		Missing*	1
Total	24		24

* No second interview

Of the 12 fathers who lost their job between the first and second interviews, all had been employed full-time at the first interview, seven in families with a medium income and five with a low income. Eight of the fathers were born overseas and two spoke only limited English. Occupations were divided between professional (two), administration (two), clerical (one), trades (two), production (four) and services (one). Three fathers had a tertiary education and one had a trade qualification.

In none of these families had the mother been employed at the first interview, and only two were employed at the second interview (one full-time and one part-time). Not surprisingly, 11 of the 12 families indicated that they were financially worse off. The one family whose financial situation was the same was a family where the mother was employed full-time.

Mother's employment

The employment situation of mothers is indicated in Table 7.

Only two of the 45 mothers not employed before the birth were employed at the first interview and only three were employed at the second interview. In contrast, 47 of the 122 mothers in paid work before the birth had returned to work by the first interview, increasing to 70 by the second interview.

As expected, there was a movement of women from full-time employment to not being in paid work or to part-time employment after the birth of their child. Thus only seven mothers were in full-time paid employment at the first interview, whereas before the birth the mothers of 88 children were in full-time employment. By the second interview there were 22 mothers in full-time paid work. Mowah and Iris were two examples of mothers who had increased their paid work from part-time to full-time over the year between the interviews.

It might be expected that women having their first child (in 1990) would be more likely to be in employment before the birth than those with two or more children. This was the case, with mothers with one child also being more

likely to be in full-time paid work prior to the birth, more likely to return to paid work by the first interview, be employed at the second interview, and also more likely to be in full-time paid work at the second interview (than mothers with two or more children). Thus 60 per cent of two-earner families at the second interview had only one child. In other words, it was in families where there were more dependents, and thus higher costs, that mothers were least likely to be able to directly contribute to family income through paid work.

Because of the very young age of their children at the first interview, many women were still thinking about when they wanted paid work. Most of the women who were not in paid work said they wanted paid work sometime in the future, with about one-third of these women saying they were planning to return to work before the child reached 12 months of age. Money was the sole reason that 54 women gave for planning to undertake paid work in the future, and it was a factor for all but 13 women. Other reasons mentioned by mothers included: enjoying work, adult company and avoiding a career break.

Table 7 Changes in mother's employment situation before birth, at first interview and at second interview

Employment before birth	No. of children	Employment at first interview	No. of children	Employment at second interview	No. of children
In paid work before birth					
Full-time paid work	89	Full-time paid work	7	Full-time paid work	5
				Part-time paid work	1
				Not in paid work	1
Part-time paid work	29	Part-time paid work	29	Full-time paid work	7
				Part-time paid work	15
				Not in paid work	7
Not in paid work	53	Not in paid work	53	Full-time paid work	8
				Part-time paid work	16
				Not in paid work	27
				Missing*	2
Part-time paid work	33	Part-time paid work	11	Full-time paid work	1
				Part-time paid work	9
				Not in paid work	1
Not in paid work	22	Not in paid work	22	Part-time paid work	8
				Not in paid work	13
				Missing*	1
Not in paid work before birth					
Part-time paid work	45	Part-time paid work	2	Not in paid work	2
				Not in paid work	43
Full-time paid work	43	Full-time paid work	43	Full-time paid work	1
				Part-time paid work	2
Not in paid work	36	Not in paid work	36	Not in paid work	36
				Missing*	4
Summary					
Full-time paid work	89		7		22
Part-time paid work	33		42		51
Not in paid work	45		118		87
Missing					7*
Total	167		167		167

* Seven mothers not interviewed at second interview.

Mothers planning to return to paid work were also asked about the impact on the family if they were unable to find paid work. The contrasting employment situation of families in this study is illustrated by two comments. A mother in a higher-income family (with an employed partner) commented: 'we'd get by, but it would take longer to renovate our home'. By contrast, a mother in a family on a low income with her partner on WorkCare payments commented: 'we wouldn't be able to survive'.

Mothers whose partners were not employed

An important issue for women's employment and its relationship to family poverty is the extent to which their employment substitutes for their partners' unemployment. It was, in this study, the exception for mothers to be in paid work when their partners were not employed. Thus there were only three of the 24 families in which the father was unemployed at the first interview and in which mothers were in paid work, and only two at the second interview. Conversely, most women in paid work had partners who were also employed.

Only five of the 21 mothers with partners not employed had any post-secondary qualifications, and six had primary-school education only. Sixteen of the 21 mothers came from NES backgrounds, mainly from South East Asia, usually with little or no English.

Sixteen of the 21 mothers with partners not employed at the first interview said they wanted paid work, although not necessarily when their children were very young. Of the remaining six mothers, three had no plans to undertake paid work at all, and three had made no decision about future work plans. By the second interview only one of these 21 mothers had paid work and eight reported that they were unsuccessfully looking for paid work.

In none of the three families with the father not employed and the mother employed at the first interview did the mother engage in full-time paid work. One mother was employed as a nurse one night per week in the coronary care unit of a major Melbourne hospital. Her partner's last job was as a courier driver and he had been unemployed for six months. Twelve months later the mother was in full-time employment and the father was in part-time employment. In the second of these families, the mother was employed as a cleaner 10 hours per week. Her partner had been unemployed for six months and his usual occupation was as a mechanical engineer. Twelve months later they had separated, her ex-partner's employment situation was unknown, and the mother was not in paid work. The third mother, with a Bachelor of Arts qualification, was in paid work three days per week in a clerical job at the first interview. Her partner had been unemployed for six months and his last job was as a trades assistant for an engineering company. Twelve months later the only family income was unemployment benefit and the mother was studying full-time.

Mothers not wanting paid work

Twelve mothers indicated at the first interview that they had no future plans to undertake paid work. As mentioned earlier this included three mothers with partners who were not employed. While their view may change sometime in the future, their reasons are of particular interest because they are potentially a group for whom increasing employment opportunities will have no effect on increasing family income.

None of these mothers was employed at the second interview although one had apparently changed her mind about not wanting paid work and was looking unsuccessfully for employment (a young sole parent at first interview who 12 months later was living with her unemployed partner). All these mothers had low levels of education. In addition, the majority (eight) were not employed before the child's birth. Some of these mothers were having their first child (five) and some had older children (seven). It might have been expected that only mothers whose partners were employed, and with medium or higher incomes, would have chosen not to undertake paid work. Such was not the case. Seven of the 12 families had a low income (in the first interview). Three of the 12 fathers did not have paid work at the first interview, increasing to five fathers at the second interview.

The main reason women (seven) gave for not wanting paid work was that they wanted to spend the time with their child, especially in the early years. Here are some typical comments:

Because I want to be here for my children. I think these are the most important years and I want to be here to see them grow up and help them. (Couple with four children on medium income, with partner employed full-time.)

Because I believe generally that a mother is fundamental to the child's development in the first five to six years. (Couple with one child in a low-income family, receiving Sickness Allowance.)

One mother cited lack of time and energy:

I will be too involved in child rearing of my four children to have time and energy for open employment. (NESB couple with low level of education, and father has a low-paid job as a restaurant cook.)

The five other mothers gave a range of reasons for not wanting to undertake paid work. A mother with a partner receiving WorkCare payments commented:

Financially [my] one wage wouldn't make any difference with my husband not working. I'd spend the money on travelling and child-care. (Couple with two children, mother had been employed full-time before the child's birth working as a cleaner and sewing as an outworker, and had primary-school education only.)

Another mother with three children had also worked as a cleaner, two hours an evening before the child's birth, from 5.30 p.m. to 7.30 p.m. in a Melbourne city building. She commented:

If I worked for two to three hours per day it wouldn't be of much help. It would be too hard. I'm not physically able. (Sole parent with three children, suffers from back pain, comes from a NES background, speaks English 'not well', and has primary-school education only.)

One mother in a higher-income family explained her lack of plans to enter the work force as due to: 'laziness, not interested in the idea, bored with work, no time'. However, by the time of the second interview her partner had been retrenched and they were living on the redundancy payment he received. She commented: 'I just want my husband to get a job. He wants me to stop worrying. I can't stop worrying'.

A 22-year-old Australian-born mother commented: 'I've never worked'. (Couple with partner unemployed, and mother's education primary level only.)

A mother who was confined to a wheelchair, said that she: 'wanted to devote all my time to my children'. She also commented that: 'getting a job when you are disabled is a lot harder'. (Couple with two children, partner in a low-paid job as a tram conductor.)

Mothers unsuccessfully looking for paid work

At the second interviews there were 22 women (13 per cent) who said they were looking for paid work but were unable to find it. As mentioned earlier, eight of these women had partners who were not employed. Not surprisingly it was mainly mothers with low levels of education, and either no work history, or a history of low-paid work, who comprised this group. Thus the majority of these mothers had only primary school (four) or secondary school (11) education, with seven having some post-secondary qualification. When both couples and sole parents are included, over half of these women (13) were in families with no employed members at the second interview. Only four had been employed in the year before their child's birth in 1990; two working in clerical positions and two in production occupations. Mei-Ling and Voula were two examples of mothers in low-income families who were attempting unsuccessfully to find paid work. Mei-Ling had only primary school education while Voula had a teaching qualification.

Employment situation of sole parents

Many sole parents face additional labour market disadvantage through having sole responsibility for their children and thus less flexibility in child-care arrangements than is the case in two-parent families.

When the children in this study were about six months of age (first interview) there were 20 children living in 19 sole-parent households, all headed by women. Only one of these women had any post-secondary education. Before the child's birth 11 of these 19 mothers had been in employment. Their occupations were concentrated in the clerical, production,

sales and services areas with only two women employed in professional positions. When their child was about six months of age only three were employed, one full-time and two part-time. Twelve months later, there were only four sole parents in paid work, all on a part-time basis. Andrea, who was not looking for paid work at the second interview, had worked in a 'take away' food shop before her second child's birth, and her education was part-secondary only.

Employment and education

The relationship between family employment and parental education level is indicated in Tables 8 and 9 below.

Table 8 Children in employed and not employed families by mother's education at first interview

	Primary		Secondary		Post-secondary		Total	
	No.	(%)	No.	(%)	No.	(%)	No.	(%)
Employed families								
Couples, both employed	2	(12)	14	(20)	27	(34)	43	(26)
Couples, one employed	8	(47)	29	(41)	46	(58)	83	(50)
Sole parent, employed	0	(0)	2	(3)	1	(1)	3	(2)
<i>Sub-total employed families</i>	10	(59)	45	(63)	74	(94)	129	(78)
Not employed families								
Couples, neither employed	6	(35)	10	(14)	5	(6)	21	(13)
Sole parent, not employed	1	(6)	16	(23)	0	(0)	17	(10)
<i>Sub-total not employed families</i>	7	(41)	26	(37)	5	(6)	38	(23)
Total	17	(100)	71	(100)	79	(100)	167	(100)

Note: In Tables 12 and 13 'primary' indicates primary school education only, 'secondary' indicates partial completion or completion of secondary schooling and 'post secondary' indicates a range of qualifications; including tertiary (for example, an economics degree), trade (for example, carpentry) or a certificate (for example, secretarial or nursing). Included in the primary-school education category was one NESB mother with no formal education at all, and included in the post-secondary education category were two mothers who had only partly completed a tertiary qualification. Percentages may not add due to rounding.

Table 9 Children in employed and not employed families by father's education at first interview

	Primary		Secondary		Post-secondary		Total	
	No.	(%)	No.	(%)	No.	(%)	No.	(%)
Employed families								
Couples, both employed	1	(10)	12	(21)	30	(37)	43	(29)
Couples, one employed	8	(80)	29	(51)	46	(58)	83	(57)
<i>Sub-total, employed families</i>	9	(90)	41	(72)	76	(95)	126	(86)
Not employed families								
Couples, neither employed	1	(10)	16	(28)	4	(5)	21	(14)
Total	10	(100)	57	(100)	80	(100)	147	(100)

Note: Information was not collected on the education levels of fathers of children in sole parent households (headed by women).

Post-secondary education is clearly associated with a greater likelihood of employment. Thus, for example, 95 per cent of families with fathers with a post-secondary qualification had employed members at first interview, compared with 72 per cent of families with fathers with secondary education only. There was a strong relationship between the mother's education level and family employment (Table 8). Thus 94 per cent of families with mothers with a post-secondary education level had employed members at the first interview, compared with 63 per cent of families with mothers with secondary education only.

While Tables 8 and 9 separately identify family employment by mother's and father's education levels, there is also a strong correlation between education levels of parents. For example 72 per cent of fathers with a post-secondary qualification had partners with a post-secondary qualification. Sixty per cent of fathers with a secondary or primary school education level only, had partners with secondary or primary education levels.

The strong relationship between mothers' employment prospects and their education levels is also indicated in their employment situation prior to their child's birth in 1990. At that time, 73 per cent of women had jobs and well over half of these women (61 per cent) had post-secondary education qualifications. This pre-1990 employment, closely linked to education levels, will probably be a guide to the longer-term labour force prospects of the mothers in this study.

Employment and income

Because of the decrease in women's participation in the work force with the birth of their child in 1990, it would be expected that the financial situation of most families would have deteriorated between the period before the birth and first interview. Forty-five per cent of mothers indicated that their families were worse off financially than they had been three years previously, 36 per cent indicated they were better off, and 17 per cent indicated that their financial situation was much the same. The most important reason given by mothers for their families being worse off financially was unemployment, either of themselves or their partners (21 per cent of families).

Table 10 describes the employment situation of the Life Chances Study families according to income level at the first interview.

As would be expected, the income level of families was directly related to their employment situation. A greater proportion of two-earner families had higher incomes than one-earner families, who in turn had higher incomes than families without jobs. For example, Iris and Glen had a combined income of about \$45,000 per annum at the first interview, increasing to over \$60,000 per annum when Iris moved from part-time to full-time employment. Maryanne and Bryan's situation was an example of a higher-income family in which only

the father was in paid work, with an annual income of about \$36,000 per annum at the first interview. Twelve months later the family was 'better off' because the company was paying them an overseas living allowance and providing free accommodation, while the family's Melbourne house was being rented out.

Table 10 Children in employed and not employed families by income at first interview

	Low income		Medium income		Higher income		Total	
	No.	(%)	No.	(%)	No.	(%)	No.	(%)
Employed families								
Couples, both employed	4	(9)	11	(26)	28	(65)	43	(100)
Couples, one employed	18	(22)	39	(47)	26	(31)	83	(100)
Sole parent, employed	0	(0)	2	(67)	1	(33)	3	(100)
<i>Sub-total employed families</i>	22	(17)	52	(40)	55	(43)	129	(100)
Not employed families								
Couples, neither employed	19	(90)	*2	(10)	0	(0)	21	(100)
Sole parent, not employed	17	(100)	0	(0)	0	(0)	17	(100)
<i>Sub-total not employed families</i>	36	(95)	*2	(5)	0	(0)	38	(100)
Total	58	(32)	54	(32)	55	(33)	167	(100)

* The two families with no members in paid work on a medium income were receiving WorkCare payments.

The most disadvantaged families in relationship to income were those with no employed members: 38 families (23 per cent) at the first interview, increasing to 43 (27 per cent) a year later. Their situation was examined earlier in this chapter.

Data on the changes in family employment between the interviews were presented earlier in this chapter (see Table 3 and subsequent discussion). It appeared that additional employment—defined here as a previously unemployed parent obtaining work, and excluding considerations of shifts in number of hours worked—was concentrated among those families who already had an employed parent.

An analysis of these employment losses and gains according to family income at the first interview shows that the gains were highest, and the losses lowest, in the higher-income families. There were more gains than losses among medium-income families. Among low-income families, the losses and gains were almost equal, and the most striking feature was the lack of change over the year.

Table 11 summarises these changes and also tabulates them as a proportion of those families who could have increased or decreased their employment.

This percentage figure shows the relative extent to which low, medium and higher-income families were able to increase or decrease their employment, allowing for the fact that some families already had maximum or no employment. There was a clear concentration of success in increasing

employment amongst the higher-income group. By contrast, those low-income families with employment were more likely to lose it than those without to gain it.

Table 11 Employment gains and losses between first and second interviews by income at first interview

Families who experienced:	Low income	Medium income	Higher income
Increased employment	7	16	14
<i>Increase as % of possible*</i>	13%	37%	54%
Decreased employment	6	11	6
<i>Decrease as % of possible</i>	25%	22%	11%
No change	38	27	25
Missing	7	—	—
Total at first interview	58	54	55
Net gain	1	5	8

* Increase as per cent of possible is the number of families reporting a gain in employment by second interview as a proportion of those families for whom at least one adult was not employed at the first interview. Missing cases are excluded.

Despite the higher-income group having much higher levels of employment at the time of the first interview, the net increase in employment was higher than the other groups.

Employment providing only a low income

There were exceptions to the trend of family income increasing with increased participation in the work force. Twenty-two couples with employed members were on a low income at the first interview. Four of these families had both parents in paid work and 18 families had one parent in paid work.

Families on low income, both parents in paid work

Three of the four families with both parents in paid work on a low income were in some form of self-employment. Mowah and Ding with their clothing business provide an illustration of this situation. By second interview their financial situation was 'slightly better off' because 'one of the customers pays regularly'. Mowah commented that she had serious disagreements with her partner: 'sometimes we work hard, argue about the business. It's hard with the kids'. Mowah also pays \$82 per week for her two younger children to attend a child-care centre.

One of the other self-employed families ran two businesses at the first interview: a restaurant (father—full-time) and a hairdresser (mother—part-time). Twelve months later their employment situation was unchanged, except they were 'worse off' financially because 'my business is not booming [hairdressing] and the same with [partner]'. The father in another family was

self-employed as a renovator/builder and was 'between jobs', while his wife had taken up a part-time job as a waitress two or three evenings per week. Twelve months later the family income situation was 'better', and the mother had increased her work as a waitress to four evenings per week. In the fourth family the father was undertaking part-time labouring work usually on the weekend, while the mother was employed as an after-school program co-ordinator, 3p.m. to 6p.m., five afternoons per week. The mother commented on her partner's loss of a teaching position:

He was teaching in [Victorian country town], in a high school. He then lost his job and we decided to move to Melbourne. We don't know where we will be from week to week, financially. Cut-backs in schools state-wide meant he lost a temporary teaching position in Melbourne.

Twelve months later the father had found full-time work as a teacher (on a 12-month contract) and the mother had retained her part-time work. Family income had increased to about \$50,000 per annum.

Families on low income, one parent in paid work

The usual situation of the 18 two-parent families on low income with one partner employed was for the father to be working full-time on low wages (14). The exceptions were two families in which the father was employed part-time, and two families where the father was not employed and the mother was employed part-time.

By the second interview there had been a number of changes in family employment, with two of these families now having both parents employed, nine continuing to have one parent employed, and six having no employment, which included two families where the mother was now a sole parent. We were unable to contact one family for an interview. Only two of the 18 families, (those with both parents employed) assessed their financial situation as 'better off'; eight said the family financial situation was the same and one was worse off (because of the additional cost of a visiting parent from overseas). The mother in this family commented: 'It affects me a lot. I feel very bad. We always argue about money'.

Of the two fathers in low-income families and employed part-time at the first interview, one father was in the same situation a year later, while the other father was in full-time paid work.

Most of the full-time, low-paid jobs provided a weekly wage between \$270 and \$350 per week. Occupations were largely concentrated in the production area, and included several machine operators in clothing factories and process workers in car manufacturing plants. Other occupations included: a clerk in a factory, a shop assistant, a bus driver, a storeman/driver, a marine worker, a fitter and turner, a child-care worker, a restaurant cook and a trainee

computer programmer. Four examples are provided below to illustrate their situations.

As mentioned earlier, Kwok-Keung who was working as a clerk following an injury driving forklifts at the first interview was not employed by the second interview, and four other fathers in this low-paid group had also lost their jobs by the second interview. The marine worker had also lost his full-time job but his partner had obtained a full-time job at a similar level so the mother said their financial situation was the same. She commented: 'financially I don't know how we'd manage if I wasn't working'.

One of the process workers in a car manufacturing plant had lost his job and his partner was not employed. The mother described her situation: 'no job, too many children, very worried'. She had not been employed before the child's birth, though she said she hoped to find employment in three to five years time, because they needed 'more money' and otherwise 'I would have to cut down some expenses, such as clothes, food'. The mother was not literate in her own language (Hmong) and when asked about her highest education qualification she commented: 'I have never attended school before in my life'.

The fitter and turner had been retrenched 'after he had been in the work force for five years'. The mother who spoke no English at all was not employed though looking for paid work. She had commented at the first interview that she would be looking for paid work 'when I have a flat of our own. I'll buy a sewing machine and do some piece work at home'. At the second interview they were still sharing a flat with friends and on a waiting list for public rental housing. Commenting on the effect of her partner's unemployment she said it meant: 'less income for family. Sometimes he is unhappy which affects me and the kids'.

The child-care worker was not employed at the second interview because he was undertaking full-time study (Bachelor of Education). However, his partner commented that this was 'very exciting' and she was 'more hopeful' about the future, though the change had led to a slight drop in family income.

Employment and assets

Although the measure of family financial resources in this paper is current family income, the point also needs to be made that employment over a period of time, especially at higher-income levels, allows for the building up of assets which provide some financial security. As indicated in Table 12, only 24 per cent of mothers in families with no employed members (at the first interview) identified any assets, compared with 63 per cent of mothers in employed families. The unemployed families who identified assets were more likely to refer to consumer durables such as a motor vehicle or furniture, while the more affluent employed families were more likely to identify investments, such as real estate or savings.

Mothers were also asked whether they had specific assets such as a home they were purchasing or owned, personal insurance, shares, wife's superannuation, and husband's superannuation. The information in Table 13 reinforces the point that those with the greatest current income resources are further advantaged in acquiring assets. For example, 18 per cent of families with one or both parents employed at the first interview owned their own home outright, while none of those families with no employed members owned or were even purchasing their own home.

Table 12 Assets by family employment at first interview

	Assets		No assets		Total	
	No.	(%)	No.	(%)	No.	(%)
Employed families						
Couples, both employed	35	(81)	8	(19)	43	(100)
Couples, one employed	45	(54)	38	(46)	83	(100)
Sole parent, employed	1	(33)	2	(67)	3	(100)
<i>Sub-total employed families</i>	<i>81</i>	<i>(63)</i>	<i>48</i>	<i>(37)</i>	<i>129</i>	<i>(100)</i>
Not employed families						
Couples, neither employed	7	(33)	14	(67)	21	(100)
Sole parent not employed	2	(12)	15	(88)	17	(100)
<i>Sub-total not employed families</i>	<i>9</i>	<i>(24)</i>	<i>29</i>	<i>(76)</i>	<i>38</i>	<i>(100)</i>
Total	90	(54)	77	(46)	167	(100)

The possession of assets provides greater financial security, greater opportunities for parents to finance their children's education, and in the longer term can provide children with an inheritance. A family which owns its own home and has substantial savings will be less likely to suffer severe financial hardship during a period of unemployment, particularly in the short-term, than a family with no assets and in private rental housing. Yet, in this study, it is the group with substantial assets who are least likely to suffer from unemployment, while those with few or no assets are more likely to be unemployed.

Impact on children and families

It is difficult to measure the impact of employment disadvantage on very young children. However, mothers in this study were asked to rate their child's health. Mothers in families with no employed members were significantly more likely to give their children a lower health rating than mothers in employed families, as indicated in Table 14, though the numbers are quite small.

Table 13 Specific assets by family employment at first interview

	Home owners		Home purchasers		Personal insurance		Shares/bonds		Superannuation husband		Superannuation wife		Total families in each employment category	
	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)
Employed families														
Couples, both employed	6	(14)	26	(61)	21	(50)	8	(19)	32	(74)	31	(72)	43	(100)
Couples, one employed	17	(21)	34	(41)	24	(31)	16	(19)	60	(72)	34	(41)	83	(100)
Sole parent, employed	0	(0)	0	(0)	2	(67)	1	(33)	N/A*		2	(66)	3	(100)
<i>Sub-total employed families</i>	23	(18)	60	(47)	47	(36)	25	(19)	92	(71)	67	(52)	129	(100)
Not employed families														
Couples, both unemployed	0	(0)	0	(0)	0	(0)	0	(0)	1	(5)	1	(5)	21	(100)
Sole parent not employed	0	(0)	0	(0)	0	(0)	0	(0)	N/A*		1	(6)	17	(100)
<i>Sub-total not employed families</i>	0	(0)	0	(0)	0	(0)	0	(0)	1	(3)	2	(5)	38	(100)
Total with each asset	23	(14)	60	(36)	47	(28)	25	(15)	93	(56)	69	(41)	167	(100)

* Information not collected on father's assets in sole-parent households (all headed by women).

Note: Percentages of families in each employment category with specific assets. Families sometimes identified more than one asset, so total of columns may be greater than the total number of families.

Table 14 Mother's rating of child's health at first interview

	Excellent to good		Fair to poor		Total	
	No.	%	No.	%	No.	%
Employed families	124	(96)	5	(4)	129	(100)
Not employed families	31	(82)	7	(18)	38	(100)
Total	155	(93)	12	(7)	167	(100)

Note: Chi-square value significant at $P < 0.05$ level.

Mothers in not employed families were also more likely to identify a range of stressful life events at the first interview, as indicated in Table 15 below. For example, only 12 per cent of mothers in families with parents employed at the first interview reported that they had serious health problems compared with 42 per cent of mothers in families with no employed members.

Table 15 Stressful life events by family employment at first interview

	Mother's serious health problems		Serious disagreements with partner		Serious financial problems		Serious problems with law		Serious problems with housing		Total families in each employment category	
	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)
Employed families	15	(12)	27	(21)	27	(21)	5	(4)	18	(14)	129	(100)
Not employed families	16	(42)	20	(57)	15	(40)	8	(21)	9	(24)	38	(100)

Note: Percentages of families in each employment category with specific stresses. A number of mothers reported more than one type of stress so the total of columns may exceed the total number of families.

Mothers were asked in the first interview to give their views about the effect of family finances on their children's future. The majority of mothers indicated that they thought there would be a positive impact on their children (65 per cent). Not surprisingly, 17 of the 24 mothers who saw a negative effect were in families with no employed members.

The comments of the six mothers introduced in Chapter 2 provide an illustration of mothers' views on this issue. Voula (low income), a mother with five children, said that family finances would 'not have much effect at present [on Helen] because she is young but it will affect her later on, for example, with schooling and extra curricula activities'. Andrea (low income), a young sole parent, took an optimistic view of her circumstances despite her low income. She commented that family finances 'shouldn't have an effect because when I go to work she'll [Pauline] be at school'. Mei-Ling (low income) was concerned about the negative effects of their low-income situation on her daughter's future. She commented: 'our baby will need more than we can afford. We will not be able to provide her the things she needs'. Mowah (low income) was also concerned about the effect of family finances on her daughter's future. She commented that 'we were not sure with our income. If our income [from clothing business] was secure every week you could save for your baby's future—whereas not now'.

In contrast, the two mothers in the two higher-income families saw the family financial situation as having a positive effect on their child's future. Maryanne said that their financial situation would provide her son 'with a secure future'. Iris commented of her daughter: 'she won't miss out on anything'.

Summary

This chapter described the employment situation of the parents of the children in the Life Chances Study. The findings highlighted the strong relationship between employment and income, and employment and the accumulation of assets. They also point to the existence of some very low-paid work. There were strong associations between unemployment and low-paid work with low levels of education and coming from a NES background (with little or no English).

There was little movement out of unemployment. Women not employed before their child's birth were usually not employed at the first interview and the second interview. Over half the fathers not employed at the first interview had been in this situation for 12 months or longer and had not found paid work by the second interview.

Women who found employment by the first interview or by the second interview usually had partners in paid work, with family incomes well above the Henderson poverty line.

Mothers in families with no employed members at the first interview were more likely to report a range of stressful life events and to have children in poorer health.

CONCLUSIONS

CHAPTER 4

This research reported on the employment and unemployment experiences of the parents of 167 children born in inner urban Melbourne in 1990, with information collected from the mothers when their child was about six months of age and again 12 months later. Just under a quarter of these children were growing up in families with no employed members at the first interview, and just over a quarter at the second interview.

Relevance to Australia-wide trends

The research is based on a relatively small sample of families, taken at a particular stage in the family life cycle (having babies), and the results cannot be claimed to reflect the employment situation of all Australian families. The employment and housing situations, and the ethnic backgrounds of the families, reflect the characteristics of the two inner urban study areas, which contain a higher than average proportion of people employed as professionals and managers (ABS 1986). At the same time unemployment levels are higher than average, being 10 and 11 per cent for the two study areas in 1990, increasing to 19 and 17 per cent in the June quarter of 1992 (DEET 1992, p.43), compared with the (then) national figure of 10.7 per cent (ABS 1992).

The housing tenure of families in this study reflect the nature of housing tenure in the two areas, with a slightly higher proportion of private rental housing (26 per cent compared with 20 per cent Australia-wide); a much higher percentage of public rental housing (25 per cent compared with 6 per cent of dwellings Australia-wide); and a lower proportion of owner-occupiers (50 per cent compared with 70 per cent Australia-wide) (Commonwealth of Australia 1991, p.4).

Issues raised by the employment experiences of the families

The experiences of the Life Chances Study families illustrated the loss of women's employment, and the subsequent drop in family income, associated with having a baby. As those mothers who had been in paid work before the birth gradually returned to the work force, it was usually on a part-time basis, especially in the first six months.

Most women also maintained the traditional role of principal carer of their children even when in paid work. Women with an unemployed spouse were not necessarily looking for paid work.

Despite having very young children, two-earner families were common: over a quarter of the families at the first interview had both parents in paid work and over 40 per cent of the families by the second interview were in this situation.

The research findings document the increasing polarisation of advantage and disadvantage in employment (and income) that is occurring in the wider community. Most of the mothers not in employment before the birth were not employed by the first interview or second interview. Most of the fathers not employed at the first interview had been unemployed for 12 months or longer and were not employed at the second interview. The mothers who were in paid work at the first and second interviews were most likely to have a partner in paid work already—so it was in the financially better-off families that mothers were most likely to find paid work, and were thus able to contribute directly to family income. When fathers were not in paid work their partners were usually also not employed.

The accumulation of assets that accompanied paid employment provided a potential buffer against the effects of unemployment. It further advantaged those who were employed and disadvantaged those who were not.

Low employment rates amongst sole parents was also illustrated by the experience of the 19 sole parents in this study. Less than half were employed before their child's birth, and very few were employed at the first interview or second interview.

The problem of long-term unemployment was illustrated in the 19 fathers who had been unemployed for 12 months or longer at the first interview, and 16 of whom were still unemployed at the second interview. Three times as many fathers also lost jobs between the first interview and the second interview (12) as gained them (3). As mentioned earlier, long-term unemployment is now a major national problem, with 38 per cent of those unemployed at June 1993 being unemployed for 12 months or longer, and 18 per cent for two years or longer (ABS 1993).

Employment was clearly a pathway into comparative affluence for the majority of families, although for a sizeable group of employed families

(17 per cent) their income was still low. The major issue here was not low wages associated with part-time work, but low-paid, full-time employment of the male breadwinner. For these families, paid work is not providing a pathway out of poverty.

Potential barriers to employment for the Life Chances Study families included: low levels of education, lack of English ability associated with coming from a NES background, and a work history of no paid work or low-paid work. Again, disadvantage was reinforced with women with higher education tending to have partners with higher education levels, and mothers with low education tending to have partners with low levels of education. In many of the NESB families both parents spoke little or no English. The sources of employment that many of the least educated families relied on, such as the textile, clothing and footwear industries and car manufacturing, are the very areas where employment opportunities are reducing.

Given these ongoing experiences of unemployment, it is probable that the families with no employed members will remain unemployed for some time, especially given current forecasts that employment growth in the next few years is unlikely to do more than keep pace with new entrants to the labour market (Brotherhood of St Laurence 1993), a fact confirmed in 1993-94 Federal Budget forecasts of an unemployment level of 10.75 per cent.

A third stage interview to be completed in 1993 will provide further information on continuities and discontinuities in employment and will, unfortunately, probably confirm existing trends in long-term unemployment and disadvantage.

Conclusion

The employment experiences of the parents in the Life Chances Study illustrate the strong connection between unemployment and poverty and the increasing polarisation of employment advantage and disadvantage. Major issues highlighted were:

- increasing long-term unemployment for male breadwinners;
- the lack of employment opportunities for both men and women with low levels of education and low English ability;
- employment opportunities for women mainly occurring in more affluent two-parent families with a male partner already in employment; and
- the existence of very low-paid, full-time work.

This paper has set out to illustrate the relationship between poverty and employment. It is beyond its scope to develop solutions to this problem. What is clear, however, is that unemployment, and to a lesser extent low-paid work, are major causes of increasing family and child poverty. Further, that even if strong employment growth becomes a reality in the next few years, it is unlikely to improve the employment situation of the most disadvantaged

families. Urgent action is needed by government and community on employment disadvantage amongst the least educated and least skilled. To do less than this is to deny all our children a future in which they have equality of life chances.

Introduction

This study was planned as a longitudinal study of children. The first stage involved an interview with the mothers of 167 children born in two local council areas in inner urban Melbourne in the 10-month period March 1990 to December 1990. These interviews were conducted when their children were about six months of age. A second interview took place when the children were about 18 months of age. A third round of interviews are to be completed in 1993, when the children are around three years of age.

Selection

The initial identification of the children and contact with the families was through the Maternal and Child Health Service. This service is auspiced through local councils in Victoria, and is partly funded by the State Government. Each Maternal and Child Health centre receives birth notifications of all babies born to mothers resident in the local catchment area of the service.

Maternal and Child Health nurses approached all mothers with babies born in the selected months and asked them to take part in the study. At the same time they gave each mother a letter which explained the purpose of the study and what it would involve. When the mothers were from a NES background the letter was provided in their own language. The sample loss from refusals or being unable to contact mothers was 34.5 per cent.

Fieldwork

The fieldwork for the first interviews comprised the following.

For the main language groups (Vietnamese, Chinese and Hmong), bilingual interviews were used. Interpreters were used for interviews with three Turkish women and one interview with a woman of Yugoslavian background. A training day was held for interviewers.

Interviewers made an initial contact with mothers to explain the study again, to answer any questions they might have, to organise a suitable time and place for the interview, and to seek permission to tape it.

Interviewees were offered \$30 for taking part in the study to show that their participation was valued.

The second interviews were conducted by telephone where possible. Interviewees were not offered payment for these interviews as the interviews were quite short (about 10 minutes).

Sample loss

There was a sample loss between the first and second interviews of seven families, a 4 per cent loss.

Method of analysis

The interview schedule provided a mix of open and closed questions providing both quantitative and qualitative data. Quantitative data was analysed using SPSS (Statistical Package for Social Sciences).

Maintaining contact with families

Contact with families has been maintained by:

- 1 asking mothers in the interview to advise the researchers of any change in address;
- 2 sending letters to explain progress in the study to mothers, and following up any letters returned 'address unknown'; and
- 3 asking the study's participants for the name/address/phone number of two close relatives/friends who the researcher could contact, if contact was lost with participants.

REFERENCES

- Australian Bureau of Statistics (ABS) (Census 1986), *Profile of legal local government areas - usual residents counts*, Victoria, Cat. No. 2471.0, ABS, Canberra.
- ___ 1992, 1993, *Labour force Australia*, (series) Cat. No. 6203.0, ABS, Canberra.
- Brotherhood of St Laurence 1993, *Getting their priorities right?: an examination of the approaches taken by the parties to governing Australia and the likely impact on low income and disadvantaged Australians*, Brotherhood of St Laurence, Melbourne.
- Carter, J (ed.) 1991, *Measuring child poverty*, Child Poverty Policy Review 6, Brotherhood of St Laurence, Melbourne.
- Commonwealth of Australia 1991, *The national housing strategy, Australian housing: the demographic, economic and social environment*, Issues Paper No. 1, AGPS, Canberra.
- Department of Employment, Education & Training (DEET) 1991, *Australia's workforce in the Year 2001*, AGPS, Canberra.
- ___ 1992, *Small area labour markets—Australia*, Commonwealth of Australia, Canberra.
- Department of Social Security (DSS) 1989, 1992, *Quarterly summary of statistics*, Social Statistics Unit, Social Policy Division, DSS, Canberra.
- Duncan, G 1984, *Years of poverty, years of plenty: the changing economic fortunes of American families*, Institute for Social Research, University of Michigan.
- Gilley, T & Smith, F 1989, *Equal employment opportunity in social and community services*, Brotherhood of St Laurence, Melbourne.
- Gilley, T 1993, *Access for growth: services for mothers and babies*, Brotherhood of St Laurence, Melbourne.
- Gregory, R G 1993, 'Aspects of Australian living standards, the disappointing decades 1970-1990', *Economic Record*, Vol. 69, No. 204, pp.61 - 76.
- Health Department Victoria 1990, *Having a baby in Victoria: final report of the Ministerial Review of Birthing Services in Victoria*, Melbourne.
- Jolly, D 1990, *The impact of adversity on child health: poverty and disadvantage*, Australian College of Paediatrics, Melbourne.

- King A 1991, 'The incidence of child poverty since 1986' in Carter, J ed. *Measuring child poverty*, Child Poverty Policy Review 6, Brotherhood of St Laurence, Melbourne.
- King, R J, Rimmer, R & Rimmer S 1992, 'The law of the shrinking middle: inequality of earnings in Australia 1975-1989', *Scottish Journal of Political Economy*, Vol 39, No. 4, pp.391-412.
- Quinton, D & Rutter, M 1988, 'Parenting breakdown: making and breaking of inter-generational links', in *Studies in deprivation and disadvantage*, 14, Avebury, England.
- Ropers, R 1991, *Persistent poverty: the American dream turned nightmare*, Plenum Press, New York.
- Rutter, M & Madge, N 1976, *Cycles of disadvantage: a review of the research*, Heinemann, London.
- Saunders, P 1990, *Employment, growth and poverty: an analysis of Australia's experience 1983-1990*, discussion paper No. 25, Social Policy Research Centre, University of New South Wales, Kensington.
- ____ 1993, Explaining changes in the distribution of income among Australian couple families in the 1980s, Paper given to the 4th Australian Family Research Conference, February, Sydney.
- Shepherd, P 1987, *The national childhood development study: an introduction to the origins of the study and the methods of data collection*, Social Statistics Unit, The City University, London.
- Taylor, J & MacDonald, H 1992, *Children of immigrants: issues of poverty and disadvantage*, Bureau of Immigration Research, AGPS, Canberra.
- Trethewey, J 1989, *Aussie battlers: families and children in poverty*, Collins Dove/Brotherhood of St Laurence, Melbourne.

Employment is seen as the major pathway out of poverty.

This research documents the changing employment situation of parents of 167 children born in inner Melbourne in 1990.

The additional employment gained by the families as mothers returned to work was far from evenly shared. In particular:

- The wives of unemployed men in this study were more likely to be jobless or unemployed than the wives of employed men.
- Higher income families gained the bulk of the new jobs.

Case studies reveal the factors contributing to such unequal outcomes. The data in this report illustrate trends across Australia, suggesting that strong employment growth is unlikely to improve the situation of the most disadvantaged families.

Second book in the series based on the Brotherhood's longitudinal study into the life chances of children.

Brotherhood of St Laurence
Melbourne 1993

ISBN 0 947081 66 6



DAVID