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Lone parent families



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How common are lone parent families?	42
How many families are lone parent families?	42
How many households are lone parent households?	42
How many children ever live in a lone parent family?	42
Are lone parent families becoming more common?	43
Who are the lone parents?	43
Have lone parents been married previously?	43
Are lone parents mainly young parents?	44
Do lone mothers mainly have young children?	45
Are many “ethnic families” lone parent families?	46
How common is lone parenting in Indigenous families?	46
Are lone parents mainly city families?	46
Which lone parents are employed?	47
Does employment increase as children grow up?	48
Are lone mothers employed more now than in the past?	48
Are lone mothers less educated than couple mothers?	50
Are well educated lone mothers employed?	50
How much do lone parent families struggle financially?	51
Does the other parent help financially?	51
Are lone parent families financially stressed?	52
Are lone parent families becoming relatively worse or better off financially?	53
How much do governments support lone parent families?	54
Highlights	56

List of tables

4.1	Cumulative per cent of children ever living with a lone mother, at birth, age 5, 12 and 18	43
4.2	Marital status of lone mothers and fathers by age, 2001	44
4.3	Marital status of lone parents with dependent children, 1981-2001	44
4.4	Marital status of lone parents by age of youngest dependent child, 2001	45
4.5	Percentage of each age group who head a lone parent family (2001 census)	45
4.6	Age of couple and lone mothers, with dependent children, 2001	46
4.7	Lone parent family type by age of youngest dependent child, 2001	46
4.8	Lone parent families by indigenous status, 1996	47
4.9	Lone parent families by rural – urban location, 2001	47
4.10	Age of youngest child and post-school qualification, 2001	50
4.11	Per cent of lone and couple mothers employed by qualifications and age of youngest child (per cent employed), 2001	51
4.12	Income and source of income changes for lone mothers 1982-97/8	52
4.13	Financial stress in lone parent and couple families with children under age of 15, 1999	52
4.14	Selected indicators of economic well being (families with children under age 15), 1999, 2000	53
4.15	Estimates of lone parents in poverty, 1982 and 1999	54
4.16	Weekly income, taxes and government benefits for lone parents with dependent children, 1999	55

List of figures

4.1	Lone parent families with dependants as a percentage of all families with dependent children, 1969-2003	43
4.2	Age profile of lone mothers and fathers with dependent children, 2001	45
4.3	Per cent of mothers with dependent children (<25 years of age) that are lone mothers by country of birth, 2001	46
4.4	Per cent of lone and couple mothers employed by age of youngest child, June 2002	48
4.5	Full-time employment of lone parents and couple mothers by age of youngest child, June, 2002	48
4.6	Employment rates, lone mothers, 1983-2002	49
4.7	Employment rates, couple mothers, 1983-2002	49
4.8	Labour force participation of lone mothers by age of youngest child, 1985-2003	50
4.9	Wealth distribution of lone parents by decile, 1998	54
4.10	Change in wealth distribution across deciles, 1986-1998	55

4

Lone parent families

Lone parent families with dependent children have become an increasingly common family form in recent decades both in Australia and overseas. In 2001, 19 per cent of all children under the age of 15 were living in a lone parent family. The growth of lone parent families has been the subject of considerable comment and government policy focus. Concerns have been expressed in terms of the implications of the rise of lone parent families for the future of the traditional two parent families, and for the wellbeing of children and for lone parents themselves. Lone parenting can also have considerable financial implications for the lone parents and children who are more often financially stressed than children growing up in couple families. Supporting lone parents also has significant financial implications for government, and policy initiatives have been directed to containing and sharing these obligations.

The purpose of this chapter is to provide information regarding the number of lone parent families and children living in lone parent families. It will then outline some of the characteristics of lone parent households before exploring the implications of lone parenting for employment of parents and the consequent financial implications for the families themselves and governments who provide support for them.

How common are lone parent families?

Many figures are quoted about the number of lone parent families in Australia. This can be confusing because in their own way, each estimate may be true. It is important to understand what the percentages are based on. The figures differ depending on whether the percentage is based on *children* in lone parent families, on whether only *dependent* children are considered, on whether the percentages are percentages of *families* or of *households* or of *families with dependent children*. Figures also differ depending on whether the focus is on the percentage of children in lone parent families *at a particular point in time* or the percentage that *ever* spend some time in a lone parent family. The statistics below provide different estimates of the incidence of lone parent families for different statistical contexts.

How many families are lone parent families?

At the time of the 2001 Census lone parent families with *dependent children* made up:

- 10.7 per cent of all families.
- 21.8 per cent of families with dependent children (including dependent students).

Lone parent families are not just those with dependent children. A sizeable proportion consists of older people and adult children. In the 2001 Census, 8.7 per cent of lone parents were aged 65 or older. In 2001, 25 per cent of lone parent families consisted only of non dependent children aged 25 or older. When lone parent families, including those exclusively with older, non dependent children are considered, lone parent families in 2001 made up:

- 15.5 per cent of all families.
- 24.7 per cent of all families which included a parent and a child (including adult children).

How many households are lone parent households?

According to the Australian Bureau of Statistics, while all lone parent families made up 15.5 per cent of *families*, they made up 10.7 per cent of all *households*. Lone parent families with *dependent children* constituted 7.6 per cent of all households (ABS 2000a).

How many children ever live in a lone parent family?

Most statistics, such as those described above, are based on the percentage of families that are lone parent families *at a specific point of time* (for example, Census night). However, because children rarely live in a lone parent family for their whole childhood, these figures can underestimate the percentage of children who *ever* live in a lone parent family for some of their childhood.

Recent research using the 2001 HILDA survey helps establish how many children spent at least some of their childhood in a lone parent family (de Vaus and Gray 2003). Table 4.1 shows the cumulative percentage of children who *ever* lived in a lone mother family by the age of 5, 12 and 18 years. This table shows that:

- Of children born between 1976-83, 26.8 per cent had spent at least one period of time in a lone mother family by the time they reached 18 years of age¹.
- Of children born between 1984-89, 21.3 per cent had ever lived in a lone mother family by the age of 12.
- Of children born between 1990-95, 15.5 per cent had lived in a lone mother family for at least some time by the age of 5.

The large majority of children do not spend any time in a lone parent family and even those that do so, most only spend part of their childhood in a

lone parent family. One way of representing the incidence of children living in lone parent families is to estimate the total amount of childhood that a cohort of children lives in lone parent households. Based on the 2001 HILDA survey:

- Of all 18 year old children born between 1976-83, 9.7 per cent of the total lived years of this pool of children, was spent in a lone mother family.
- Of all 12 year old children born between 1984-89, 10.4 per cent of the total lived years of this pool of children, was spent living in a lone mother family.
- Of all five year olds born between 1990-95, 10.7 per cent of the total lived years of this pool of children, was spent living in a lone mother family (de Vaus and Gray 2003).

Are lone parent families becoming more common?

Since at least the late 1960s there has been a steady increase in the percentage of lone parent families with a dependent child. In 1969, 7.1 per cent of families with dependent children were lone parent families – mainly headed by a mother. By 2003, this figure reached 22.3 per cent (Figure 4.1).

Lone parent families have also increased as a percentage of *all* families. In 1976, 6.5 per cent of all families were lone parent families with dependent children. This increased to 8.6 per cent in 1981 and fluctuated throughout the 1980s so that by 1991, 8.8 per cent of all families were lone parent families with dependent children. However, the 1990s saw a steady increase in the proportion of families that were lone parents with dependent children. In 1996, the percentage increased to 9.9 and again to 10.7 per cent by 2001.

The increase in lone parent families is due to two broad sets of factors which can be summarised as *inflow* and *outflow* factors (Kilmartin 1997).

Inflow factors are factors that increase the number of lone parent families that are formed. Lone parent

Birth cohort	At birth	Age 5	Age 12	Age 18
1976-83	4.9	11.4	20.0	26.8
1984-89	6.5	12.4	21.3	
1990-95	8.1	15.5		

Source: HILDA 2001.
Table reproduced from de Vaus and Gray (2003)

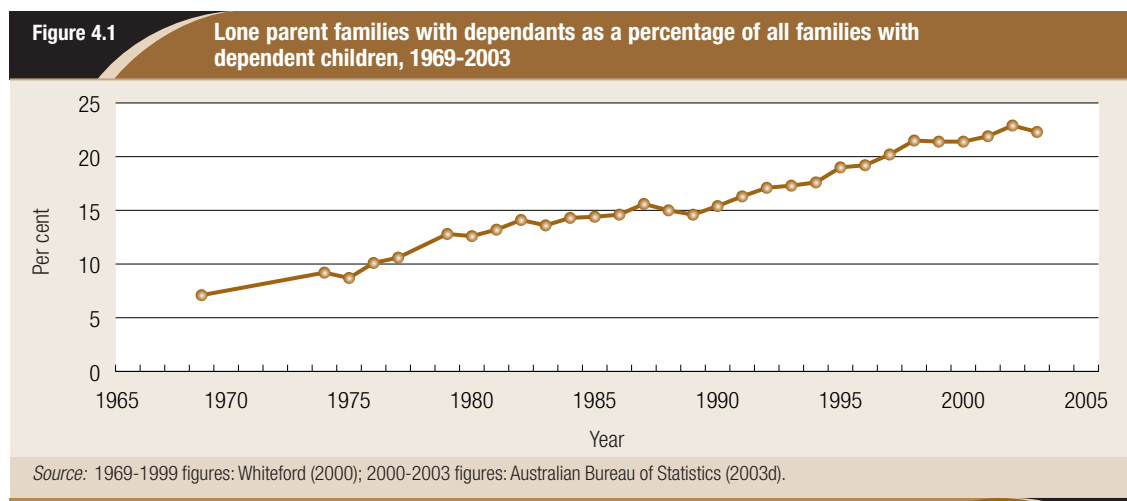
families have been increasing at more than twice the rate that divorce has been increasing so the increase is not simply due to the divorce rate. The increased rate of cohabiting relationships and their breakdown (which is higher than that of married couples) is partly responsible for the increase in lone parent families. The increased “inflow” into lone parent families is also partly due to those women who have a child as a single parent outside of any relationship (p. 135).

Outflow factors are those that result in the transformation of a lone parent family to some other sort of household. There are two main types of outflow factors – lone parents repartnering to form a couple family, and children leaving a lone parent family so that it becomes a lone person household (or some other type of household). If outflow forces decline, then the proportion of lone parent families will increase. The declining rate of repartnering after divorce (p. 177) will therefore be contributing to the growth in lone parent families. Similarly, children appear to be delaying leaving home (p.146) and this will also contribute to the growth in lone parent families.

Who are the lone parents?

Have lone parents been married previously?

Lone parents are not just those with young children. A significant group of lone parents are older people, often widowed, who have an adult child



living with them (p. 42)². These living arrangements may arise when an adult child continues to live with a parent throughout life, or may result from a child moving back after a relationship breakdown or to care for a widowed parent in later life. It is therefore useful to distinguish between younger and older lone parents. Table 4.2 divides lone parents into those aged under 55 and those aged 55 and over. Most (85 per cent) of those under 55 have dependent children and most (88 per cent) lone parents over 55 have non dependent children only.

Lone parents arrive at lone parenting with one of three main marital backgrounds. Of the younger lone mothers (aged under 55), 30 per cent have never been married; almost two thirds have been married; and a small proportion (about 6 per cent) have become lone parents due to the death of the other parent.

Of lone mothers that have never been married, most were cohabiting with a partner at the time of the child's birth. Data from the Australian Institute of Health and Welfare perinatal database indicate that just 11.4 per cent of births in 2000 were to lone mothers (AIHW 2003a). Analysis of the most recent HILDA data suggests a figure of 8.1 per cent of births were to lone mothers in the early 1990s and 11.6 for 2001 (p. 132 and de Vaus and Gray 2003). However, Australian Bureau of Statistics births registrations

data indicate that paternity is acknowledged on the birth certificate in all but 3.7 per cent of births (ABS 2003c). This means that in the majority of cases, births to lone mothers include acknowledgment of paternity. Analysis from the Negotiating the Life Course Survey indicates that in many of the births to lone mothers, the mother lived with the father in the year before or after the birth (McDonald, 2003, personal communication).

Not surprisingly, older lone parents take a different marital route to lone parenthood. Far fewer older lone parents are lone parents as a result of marital breakdown. Two thirds of lone mothers aged 55 and over were widows. Of older lone fathers, 47 per cent were widowers. Just a third of older lone mothers were divorced or separated (half the level of younger lone mothers).

Since 1981, there has been a substantial growth in the proportion of lone parents who have never married. This has grown from 12.6 per cent of lone parents in 1981 to 30.5 per cent in 2001. The percentage of lone parent families arising out of marriage breakdown has declined gradually since 1981. However, there has been a decline in the creation of lone parent households through widowhood – from 11.1 per cent in 1981 to just 6.1 per cent in 2001 (Table 4.3).

In addition to the increasing percentage of never married adults heading lone parent families, it is lone parent families with young children in which the parent is most likely to have never married (Table 4.4). For example, in lone parent families where the youngest child is aged 0-2, 60.2 per cent of parents have never been married. Where the youngest child is aged 3-4 years, 44.5 per cent of lone parents have never been married. In contrast, only 7.8 per cent of those lone parents where the youngest dependent child is aged 15-24 have never been married. Many of these lone parents will have been cohabiting when the child was born but the relationship will have subsequently broken down.

The higher rate of “never married” lone parents among lone parents with the youngest children is likely to be due to two factors:

- It reflects the increase in never married individuals becoming lone parents.
- The tendency for many people who are lone parents of a young child to go on to either marry or form a couple relationship. These parents do not show up in the “never married, lone parent” statistics – they either marry or cease to be a lone parent.

Are lone parents mainly young parents?

Lone parenting is most common among parents aged between 35–54 where over 10 per cent of all women in this age range head a lone parent

Table 4.2 Marital status of lone mothers and fathers by age, 2001

	15-54		55+	
	Lone mothers %	Lone fathers %	Lone mothers %	Lone fathers %
Never married	29.6	21.0	2.0	2.6
Separated/Divorced	64.5	72.0	33.1	51.5
Widowed	5.8	7.0	65.0	45.9
N	5162	898	1327	340

Source: Australian Bureau of Statistics (2001c). Includes lone mothers living with both dependent and non dependent children. Lone parents who described themselves as “now married” were combined with those who indicated they were separated.

Table 4.3 Marital status of lone parents with dependent children, 1981-2001

Marital status	1981 %	1986 %	1991 %	1996 %	2001 %
Never married	12.6	20.6	24.7	29.5	30.5
Separated/divorced	76.3	69.0	65.0	64.2	63.4
Widowed	11.1	10.3	10.4	6.1	6.1

Source: Australian Bureau of Statistics (1981, 1986a, 1991, 1996a and 2001c). Lone parents who described themselves as “now married” were combined with those who indicated they were separated. There have been some changes in definitions of dependent children between censuses.

family. Substantial proportions of women in other age groups also head a lone parent family (Table 4.5).

Focusing just on lone parents reveals a similar picture. Both lone mothers and lone fathers with dependent children are predominantly aged in their thirties and forties. Of lone mothers with dependent children, almost 70 per cent are aged between 30-49. Figure 4.2 also shows that lone fathers tend to be older than lone mothers.

The older age profile of lone fathers reflects two patterns. The first is that men, on average, partner with younger women (p. 170). The second factor is that following separation and divorce, older children are more likely than younger children to live with their father. This means that some older fathers who had been living on their own will become lone fathers by virtue of their teenage children moving to live with them.

In addition to being younger than lone fathers, lone mothers are also younger than couple mothers. Table 4.6 shows that lone mothers are more likely than couple mothers to be aged 15-24. Of lone mothers, 8 per cent are in this age group compared with just 3 per cent of couple mothers. Conversely, 46 per cent of couple mothers with dependent children are aged 35-44 compared with 41 per cent of lone mothers.

Do lone mothers mainly have young children?

As indicated earlier, the age profile of mother headed and father headed lone parent families is quite different. Overall, children are younger in

Table 4.4 Marital status of lone parents by age of youngest dependent child, 2001

	Age of youngest child					
	0-2 %	3-4 %	5-9 %	10-14 %	15-24 %	All %
Never married	60.2	44.5	32.9	18.5	7.8	32.7
Widowed	1.6	2.6	4.6	8.6	11.0	5.6
Separated/divorced	38.2	52.9	62.5	72.9	81.3	61.7
N	877	607	1462	590	928	4464

Source: Australian Bureau of Statistics (2001c), 2001 Census.

mother headed than father headed lone parent families (Table 4.7). When fathers head a lone parent family, the children are more likely to be dependent teenagers or young adults.

- In about two thirds (68.2 per cent) of mother headed lone parent families the youngest child was aged under ten years. This compares with just 50.7 per cent of father headed lone parent families with such young children.
- In a quarter (24 per cent) of mother headed families, the youngest child is a pre-schooler compared with just 7 per cent of father headed families.
- In 33 per cent of father headed lone parent families with a dependent child, the youngest child is aged 15-24 compared with just 19 per cent of mother headed lone parent families.

Table 4.5 Percentage of each age group who head a lone parent family, 2001

	15-24 %	25-34 %	35-44 %	45-54 %	55-64 %	65-74 %	75+ %	Total %
Lone fathers	0.3	1.0	2.6	3.4	2.1	1.6	2.5	1.5
Lone mothers	3.1	9.9	14.0	11.2	6.1	5.6	7.8	7.0

Source: Australian Bureau of Statistics (2002c), 2001 Census.

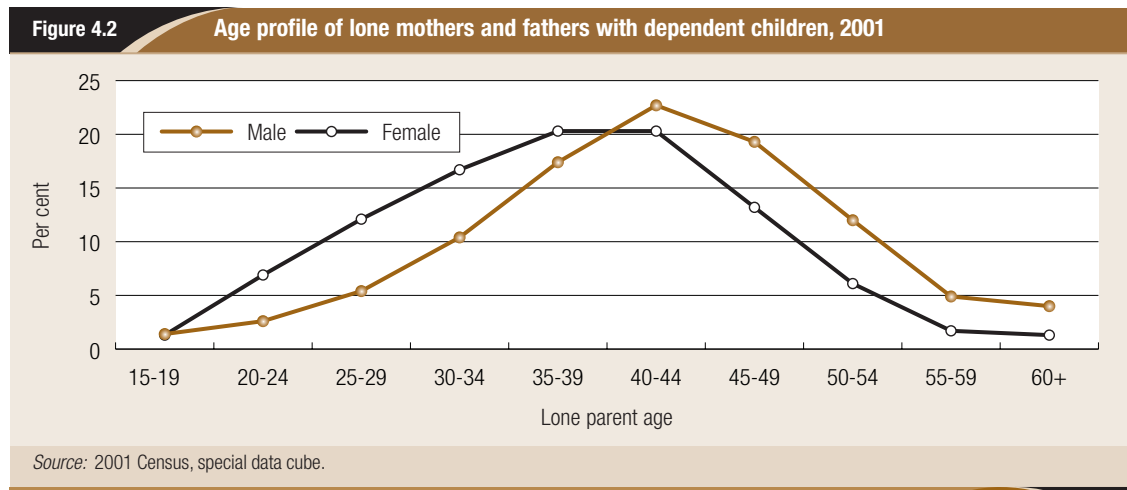


Table 4.6 Age of couple and lone mothers, with dependent children, 2001

Mothers age	Couple mothers		Lone mothers	
		%		%
15–24		3.0		8.2
25–34		28.8		28.9
35–44		45.9		40.6
45–54		20.1		19.3
55+		2.1		3.0

Source: Australian Bureau of Statistics, 2001 Census, customised data cube.

Table 4.7 Lone parent family type by age of youngest dependent child, 2001

Age of youngest child	Father headed		Mother headed		All %
		%		%	
0–2		9.2		21.2	19.6
3–4		9.9		14.1	13.6
5–9		31.6		32.9	32.8
10–14		16.3		12.8	13.2
15–24		33.0		19.0	20.8
Total		576		3888	4464

Source: Australian Bureau of Statistics (2001c), 2001 Census.

Are many “ethnic families” lone parent families?

Lone mothers with dependent children are relatively common among mothers born in Australia, New Zealand, Continental Europe (except Italy), and the United Kingdom. New Zealand born mothers have the highest rate of lone parenting with over one in four being a lone mother, followed by German born mothers. Australian born women have the third highest rate of lone parenting followed by

Greek and UK born mothers of dependent children (Figure 4.3).

Lone mothering is least common among mothers from Southern and Central Asia, Italy, parts of South East Asia and North Africa and the Middle East.

How common is lone parenting in Indigenous families?

Lone parent families are far more common among Indigenous Australian families than among non Indigenous families (Table 4.8). Of all Indigenous families with children under the age of 18, 36.8 per cent were lone parent families in 1996 compared with 19.5 per cent among non Indigenous families.

The circumstances in which lone parent Indigenous families live is also quite different to that in which non Indigenous lone parents live. Of Indigenous lone parents, 22.3 per cent live in multifamily households and a further 15 per cent live in households with other relatives. In contrast, only 8.2 per cent of non Indigenous lone parent families are part of multifamily households with only a further 6.7 per cent living with other relatives (Table 4.8).

This picture is similar to that identified by Daly and Smith from the 1996 Census. They have also noted that Indigenous female lone parents are younger than their non Indigenous counterparts and that Indigenous lone parents typically have more children than non Indigenous lone parents (Daly and Smith 1999).

Are lone parents mainly city families?

Rural families are often thought of as being more “traditional” than those in urban areas. Table 4.9 lends some support to this notion in that the

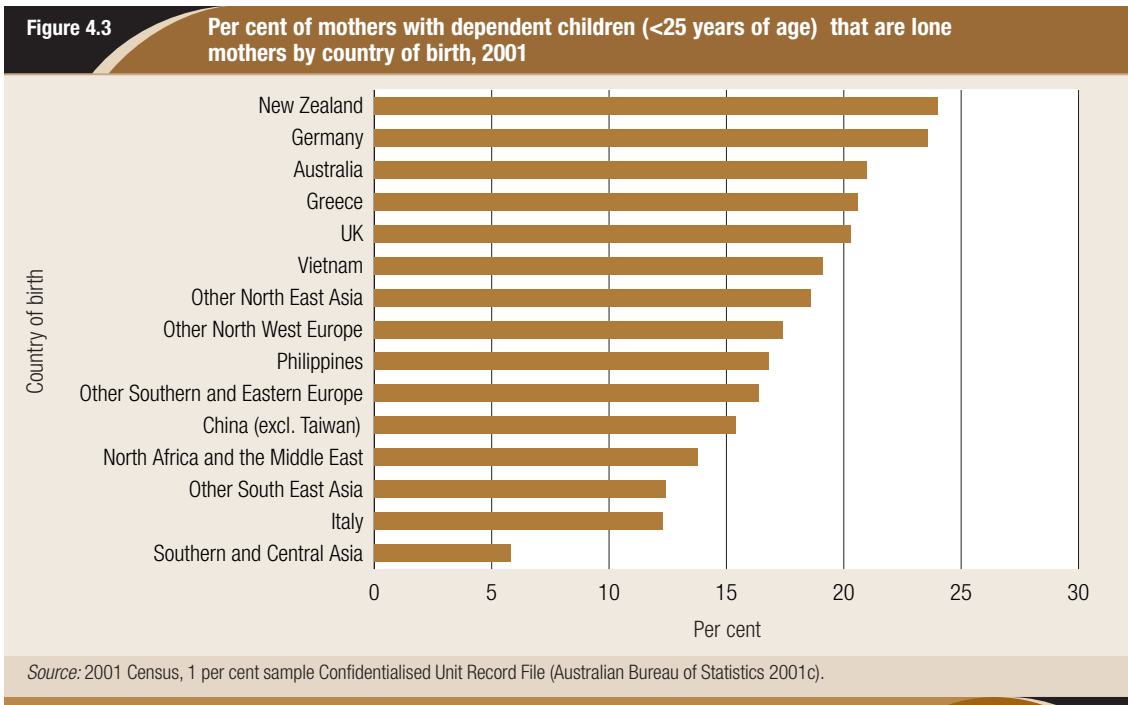


Table 4.8 Lone parent families by Indigenous status, 1996

	Indigenous	Non Indigenous
Lone parent families with children <18 as percentage of all families with children <18	36.8%	19.5%
Lone parent families with children <18 as percentage of all households	14.8%	8.2%
Lone parent families with children <18 living in a multi family household	22.3%	8.2%

Source: Derived from 1996 Census data provided in Australian Bureau of Statistics (1999d).

smallest, rural localities had the smallest proportion of lone parent families with dependent children. However, the largest localities – the capital cities and large urban areas, had the next lowest proportion of lone parent families. The largest concentrations of lone parent families are in the smaller, but not the smallest locations. For example, people living in localities with a population between 10,000 to 99,999 people had the highest concentrations of lone parent families.

One possible explanation for the concentration of lone parent families outside of the main urban centres is that housing is cheaper in these places and this attracts lone parent families since they can often not afford the cost of housing in the main urban centres. However, Birrell, Rapson and Hourigan (2002) cast doubt on this interpretation and show that the higher concentration of lone parent families in regional areas is not because lone parents *move* to these areas but because the socio-economic circumstances in these areas promote the formation of lone parent families in those areas. The high urban concentration of ethnic groups where lone parenting is rare will also contribute to the relatively lower rates of lone parenting in the large urban areas.

Which lone parents are employed?

By international standards, Australia has relatively low levels of employment of both lone and couple mothers. These low levels have been an ongoing policy issue for governments at a time when the level of lone parenting has increased sharply. Low levels of employment of lone parents has implications for government expenditure as well as for the employability of lone parents as their children grow up.

Lone parents are less likely than couple parents to be employed. While 60.5 per cent of couple mothers with dependent children had paid work in June 2002 only 47.9 per cent of lone mothers had paid work. Among fathers, 87.7 of couple fathers had paid work compared with 67.6 per cent of lone fathers (ABS 2002e).

There are a number of possible reasons for the lower employment rates of lone parents – especially of lone mothers. One explanation is that because lone mothers have to shoulder a greater share of child rearing responsibilities than couple mothers, it is much more difficult for them to combine work with these responsibilities – especially when children are young.

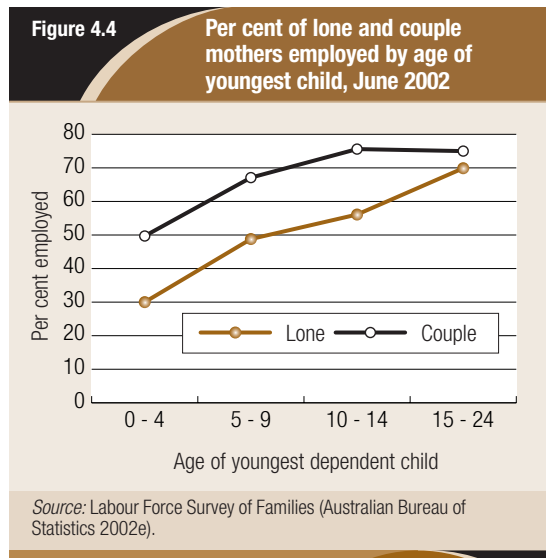
A second explanation focuses on the disincentive effects of the income support system. This argument is based on the “welfare trap” created by the interaction of taxation and social security systems which results in loss of benefits when in paid work, and high Effective Marginal Tax Rates (Barrett, 1999). The influence of disincentive effects is partly reflected in the larger proportion of lone mothers in paid work when the age of their youngest child no longer qualifies them for pension payments (that is, when the youngest child turns 16) (Figure 4.4).

A third explanation could lie in real differences in the socio-demographic characteristics of lone mothers and couple mothers, marking them as somehow distinct social groups. Of particular importance could be a “human capital” gap in terms of educational or vocational qualifications and skills (see Gray, Qu, de Vaus and Millward 2002). This means that lone mothers may have fewer qualifications, less work experience and

Table 4.9 Lone parent families by rural – urban location, 2001

	Population size of locality				
	100,000+ %	50,000-99,999 %	10,000-49,999 %	1,000-9,999 %	Less than 1,000 %
Lone parent families with dependent children as percentage of all families	8.5	11.9	11.9	10.7	6.6
Lone parent families with dependent children as percentage of families with dependent children	20.9	26.9	27.0	24.7	15.7
All lone parent families (incl non dependent children) as a percentage of all families (lone and couple)	15.7	18.5	18.0	16.1	10.6

Source: Australian Bureau of Statistics, 2001 Census, customised data cube.

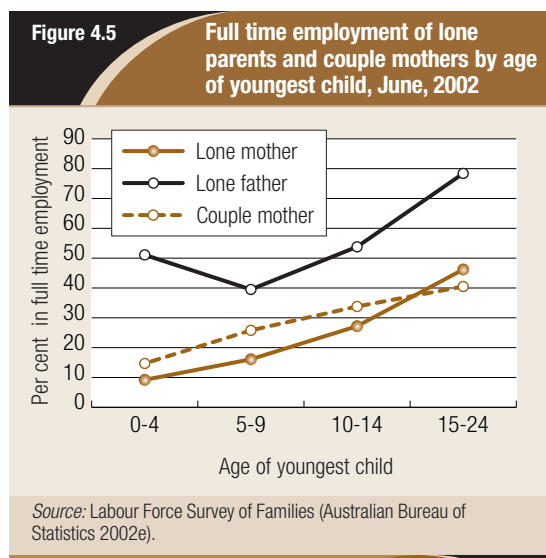


similar attributes which make it more difficult for them to obtain work.

Does employment increase as children grow up?

The employment levels of lone mothers increase as their children grow up (Figure 4.4). In 2002, 30 per cent of lone mothers with a pre-schooler were employed (9.2 per cent full time). This level increases to 48.3 per cent (16.1 per cent full time) when the youngest child is aged 5-9; to 56.1 per cent (27.2 per cent full time) for those whose youngest child is 10-14 years old and to 69.9 per cent (46.2 per cent full time) when the youngest dependent child is aged 15-24.

The employment gap between lone mothers and couple mothers narrows once the youngest child is older than 15 (Figure 4.4). For example, the gap in employment rates of lone and couple mothers with a pre-schooler is 18.7 per cent. However, by the time the youngest child is aged 15-24 this employment gap has narrowed to 5.1 per cent.



The differences in levels of full time employment of lone and couple mothers are nowhere near as substantial as employment levels overall (Figure 4.5). Among those with pre-schoolers, the full time employment gap between lone and couple mothers is only 5.5 per cent (compared with a 20 per cent gap for any employment, Figure 4.4). While the full time employment gap widens a little when children are at primary school, it narrows again to just 5 per cent when children are aged 10-15. Once children are aged 15-24, the full time employment gap of lone and couple mothers reverses with lone mothers having a higher rate of full time employment than couple mothers (46.2 per cent compared with 40.5 per cent).

Lone fathers with dependent children have higher employment rates than lone mothers. This may be partly because children in lone father households are older, on average, than in lone mother households. However, the employment gap between lone mothers and lone fathers is greatest when they have a pre-schooler (55.7 per cent of lone fathers of pre-schoolers are employed full time compared with 30 per cent of lone mothers). Furthermore, the full time employment rate of lone fathers is higher than lone mothers regardless of the age of the youngest child.

Are lone mothers employed more now than in the past?

Since the early 1980s there have been substantial changes in the labour force participation of lone mothers. Not only has the overall level of employment of lone mothers increased, the mix of full time and part time employment has changed sharply. Figure 4.6 depicts both the changing rates of employment and the changing mix of full time and part time work for the period 1983-2002. These changes have been described and explored fully in Gray, Qu, Renda and de Vaus (2003).

The most substantial change that occurred over this period was the rise in part time employment among lone mothers. Part time employment rose from 11.8 per cent in 1983 to 26.8 per cent in 2002. Full time employment fluctuated somewhat. After increasing from 20.3 to 28.7 per cent between 1983-1988, it declined again to 21.0 per cent in 2002. These changing rates of part time and full time employment among lone mothers meant that by 1998, more lone mothers were employed part time than full time.

There are a number of reasons for the increased part time employment among lone mothers. A critical factor is the change in the labour market which has meant that much of the job growth has been in part time work. Part time employment rates also grew for couple mothers between 1983-2002 (Figure 4.7). However, the employment patterns of

lone mothers changed in different ways to couple mothers. Figure 4.7 shows the change in employment of couple mothers between 1983-2002. The part time employment growth is very similar to that of lone mothers. However, unlike lone mothers, full time employment also grew over this period.

It is not entirely clear why the employment patterns of lone mothers have changed in different ways to that of couple mothers. While the growth in part time employment no doubt reflects the growth in part time work in the labour market, this does not explain why full time employment grew for couple mothers but not lone mothers. It is likely that changes in the income support system contributed to the relative attractiveness of full time and part time work for lone mothers (see Harding and Szukalska 2000a) but these changes were insufficient to account for the patterns described here (see Gray et al 2003).

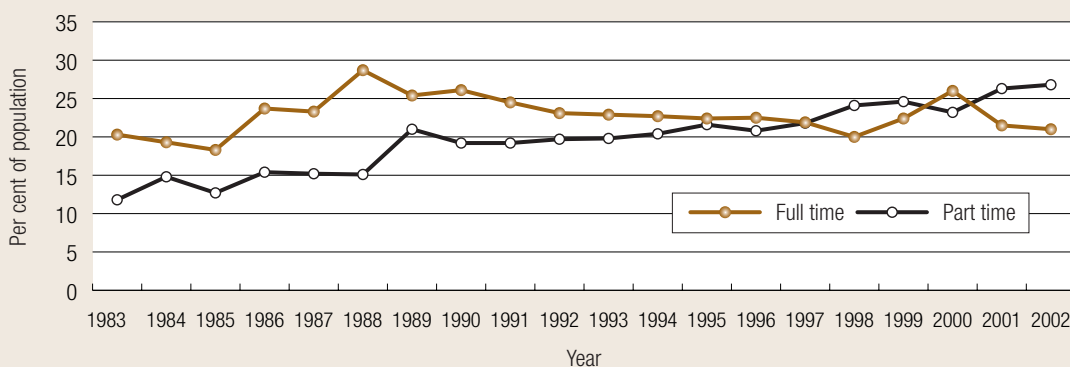
Changes in the employment of lone and couple mothers differ depending on the age of the

mother's youngest child. The rate of increase in employment is greatest for those whose youngest dependent child is aged 15-24 (Figure 4.8). For these lone mothers, the participation rate has increased from 50.8 per cent in 1985 to 80 per cent in 2003. This increase has occurred in two stages. Between 1985 and 1989 there was a sharp increase in participation rates from 50.8 per cent to 71.2 per cent. Participation rates were then stable until 1997 when they increased again to 80 per cent by 2003.

Among parents whose youngest child was aged 0-4, there has been a modest increase from 28.3 per cent participation in 1985 to 37.3 per cent in 2003. Most of this increase occurred in the late 1980s after which the labour force participation of lone mothers with pre-schoolers has been relatively stable (Figure 4.8).

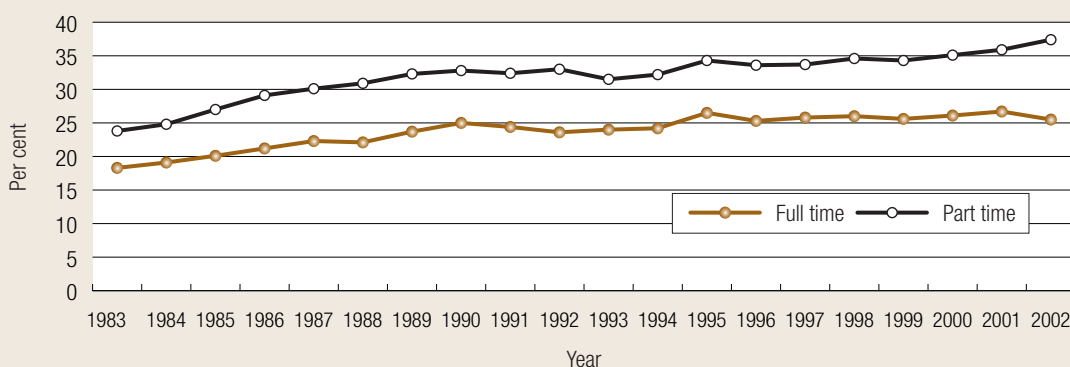
Lone mothers whose youngest child is aged between 5-9 have shown a steady increase in labour force participation. In 1985, the rate was 40.8 per cent and this increased sharply to 54.5 by 1989. By 2003 this rate had increased to 64.4 per cent.

Figure 4.6 Employment rates, lone mothers, 1983-2002

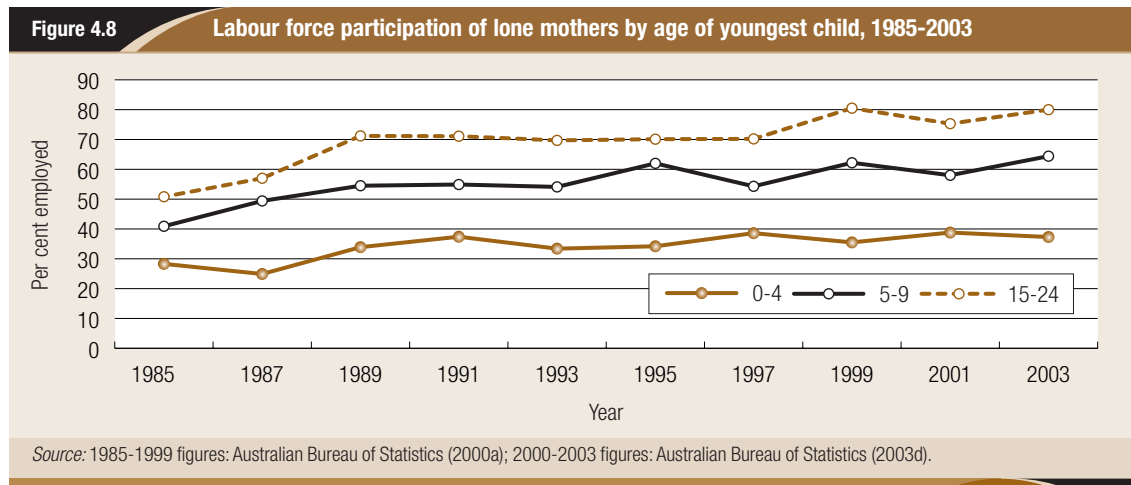


Source: Labour force surveys (Australian Bureau of Statistics Catalogue No. 6224.0 various years; Catalogue No. 6203.0 various years).
Graph reproduced from Gray, Qu, Renda and de Vaus (2003)

Figure 4.7 Employment rates, couple mothers, 1983-2002



Source: Australian Bureau of Statistics (various years), *Labour Force*.
Source: Labour force surveys (Australian Bureau of Statistics Catalogue No. 6224.0 various years; Catalogue No. 6203.0 various years).
Graph reproduced from Gray, Qu, Renda and de Vaus (2003)



Are lone mothers less educated than couple mothers?

Taken overall, lone mothers are less educated than couple mothers. For example, three quarters (74.6 per cent) of lone mothers had no post-school qualifications compared with around two thirds (65.6 per cent) of couple mothers. Couple mothers were also more likely than lone mothers to have a university degree (14.8 per cent compared with 9.1 per cent (Table 4.10).

However, the educational profiles of lone mothers is very different depending on the age of their youngest child. Among lone mothers, those with older children were more likely than those with young children to be well qualified. While only 6 per cent of lone mothers with a pre-schooler had a degree, this percentage is higher among those whose youngest child was older. Thus by the time the youngest child was aged 15 or older, lone mothers were just as likely to have a degree as were couple mothers. Similarly, while 76.4 per cent of lone mothers with a pre-schooler have no post-school qualifications, this percentage steadily declined so that by the time their youngest child was 18 or older only 51.2 per cent have no qualifications – less than for couple mothers.

The higher educational level of lone mothers with older children compared to those with younger children may partly reflect an increase in educational qualifications among lone mothers as their children grow older, but it is more likely to be due to differences in the points at which different women enter into and exit from lone motherhood. That is, women with lower education may become lone mothers at earlier stages of their family life course and then partner again before their children grow up. Women with higher qualifications may become lone mothers at a later age when their children are older or may be less likely to repartner once they become lone mothers (see Birrell and Rapson, 1998).

Are well educated lone mothers employed?

It was noted earlier that lone mothers, on average, have lower education than couple mothers – especially among those with younger children. It is also widely known that education makes people more employable. Table 4.11 shows the link between education level and employment for both lone and couple mothers. The first “total” row indicates the percentage of couple mothers employed according to their qualifications. The second “total” row provides the same figures for lone mothers. For both lone and couple mothers, the higher their

Table 4.10 Age of youngest child and post-school qualification, 2001

	Age of youngest child					Total
	0-4	5-11	12-14	15-17	18-24	
Couple mothers						
Degree or higher	21.4	18.9	17.4	17.7	23.7	19.9
Other	21.4	21.7	21.4	23.3	21.7	21.7
No qualification	57.2	59.4	61.1	59.0	54.7	58.4
Lone mothers						
Degree or higher	6.0	11.2	14.6	17.3	23.4	11.4
Other	17.7	18.6	21.5	23.1	25.4	19.6
No qualification	76.4	70.2	63.9	59.6	51.2	69.0

Source: Australian Bureau of Statistics (2001c) 2001 Census. Updated from Gray, Qu, de Vaus and Millward (2002)

qualifications the higher their rates of employment. For example, among lone mothers, only 39.4 per cent of those without any qualifications were employed. Of those with vocational qualifications, 61.8 per cent were employed while 76.7 per cent of those with a degree were employed.

A comparison of the employment rates of lone mothers with either a postgraduate qualification, or a degree with similarly qualified couple mothers shows relatively similar levels of employment between lone and couple mothers – except when the youngest child is a pre-schooler. Similarly, 63.7 per cent of couple mothers with a degree and a pre-schooler and 62.3 per cent of comparable lone mothers were employed.

However, among those with no qualifications and to a lesser extent among those with vocational qualifications, the employment rates of lone and couple mothers diverge. Lone mothers with lower qualifications have lower rates of employment than couple mothers with similarly low qualifications. For example, 39.2 per cent of couple mothers with a pre-schooler but without post-school qualifications were employed in 2001. This is a considerably higher employment rate than the lone mothers with a pre-schooler but no qualifications, where just 22.9 per cent were employed. Similarly, among couple mothers with a vocational qualification and a primary school aged youngest child, 76.4 per cent were employed. The comparable employment figure for lone mothers was just 64.9 per cent.

The reason that low qualifications seem to affect the employment chances of lone mothers more than couple mothers is unclear. However, it is likely that women with low qualifications have less

opportunity to obtain jobs that cover the costs of working (for example, child care) and compensate for the loss of benefits that working might entail.

How much do lone parent families struggle financially?

Does the other parent help financially?

The introduction of the Child Support Scheme in 1988 was designed to ensure that both parents continued to contribute to the financial support of their children after the relationship breakdown.

Evidence from the 1997 Family Characteristics survey indicates that of lone parent families with dependent children where a natural parent lived elsewhere:

- 44.2 per cent received cash child support from the non resident parent.
- 18 per cent received “in kind” (for example, clothing, help with school fees, health insurance) child support only.
- 37.2 per cent received no child support.

The 2001 wave of the HILDA survey found that lone parents received the following levels of child support from the non resident parent:

- 42.2 per cent received regular financial support.
- 22.3 per cent received other financial support.
- 32.8 per cent received just one form.
- 15.9 per cent received both forms.
- 51.3 per cent received no financial support.

According to the 1997 Family Characteristics Survey, of parents who received cash child support,

Table 4.11 Per cent of lone and couple mothers employed by qualifications and age of youngest child (per cent employed), 2001

Age of youngest child	Post-grad deg/dip %	Degree %	Vocational %	No qualification %
Couple mothers				
0–4	71.5	62.6	50.1	39.2
5–11	86.7	82.0	76.4	59.8
12–14	91.8	83.6	78.8	62.9
15–17	91.3	85.8	84.3	67.9
18–24	88.4	89.4	79.4	63.2
<i>Total</i>	<i>82.2</i>	<i>74.3</i>	<i>67.4</i>	<i>53.9</i>
Lone mothers				
0–4	58.3	60.9	39.3	22.9
5–11	90.7	75.6	64.9	42.7
12–14	88.5	81.8	67.2	52.0
15–17	93.3	86.5	78.4	57.9
18–24	87.5	84.4	84.6	50.5
<i>Total</i>	<i>88.1</i>	<i>76.7</i>	<i>61.8</i>	<i>39.4</i>

Source: Australian Bureau of Statistics (2001c) 2001 Census. Analysis restricted to mothers aged 15–64

Table 4.12 Income and source of income changes for lone mothers 1982-97/8

Source of income	\$ value (1987-8 dollars)		Per cent of income	
	1982	1997/98	1982 %	1997/98 %
Earned income	\$162	\$172	45	37
Govt cash transfers	\$164	\$230	45	50
Child support	\$12	\$41	3	9
Other	\$22	\$17	6	4
Total weekly income	\$361	\$460		

Source: Adapted from Harding and Szukalska (2000b) using ABS, 1982, 1994-95, 95-96, 96-97 and 97-98 Income Survey Data as modified by NATSEM.

41 per cent received at least some payments through the Child Support Agency and 54 per cent received all payments directly from the non resident parent (ABS 1998a). Where cash child support payments were made, 45 per cent of these arrangements had been arrived at privately between parents; 43 per cent by the Child Support Agency and only 12 per cent had been determined by the courts (ABS 1998a).

The ABS 1997-98 Income Survey indicates that *on average* child support contributed 9 per cent of the income to lone mother families in 1997-98 (Harding and Szukalska 2000b). In 1997, lone parent families received between \$151-\$200 per child per month in child support.

Child support payments have become an increasingly important part of the income of lone mother families (see Harding and Szukalska 2000b). While these payments continue to be a relatively small proportion of the cash income of lone mothers there

has, since 1982, been a trebling of the contribution of child support payments as a proportion of income (from 3 per cent to 9 per cent of income). This increase is largely due to the introduction of the Child Support Scheme in 1988-89 (Table 4.12).

The same period has also seen the growth in the importance of government cash transfers to lone mothers from 45 per cent to 50 per cent of their income (Table 4.12). This increase has represented a dollar increase in income from government from the equivalent of \$164 per week in 1982 to \$230 per week in 1997-98 (in 1997-98 dollars). Over the same period earned income has constituted a declining proportion of the income of lone mother families – declining from 45 per cent to 37 per cent of the weekly income of lone mothers (Table 4.12).

Are lone parent families financially stressed?

Since lone parent families with dependent children frequently have no income earner, do not have the benefit of a second income earner, frequently must rely largely on government benefits yet have the normal expenses of a family with dependents, it is of little surprise that lone parent families often struggle financially.

The nature of the financial stress faced by lone parent families is evident from the information collected in the 1998-99 Household Expenditure Survey. Table 4.13 reports some of the subjective and behavioural measures of financial stress while Table 4.14 provides measures of economic wellbeing in terms of the income, housing and employment characteristics of lone parent mothers and fathers. These tables provide an indication of the day-to-day way in which financial stress can be

Table 4.13 Financial stress in lone parent and couple families with children under age of 15, 1999

	Lone mother %	Lone father %	Couple with children %
Spend more than we get each week	27.3	15.0	16.3
Not gone on holiday in last year because can't afford to	57.9	45.0	30.1
Don't have friends over for meal because can't afford to	17.0	7.5	4.6
Don't have a special weekly meal because we can't afford it	26.2	10.0	13.1
Buy second hand clothes because we can't afford new clothes	34.3	32.5	12.0
Don't have leisure or hobbies because we can't afford it	23.1	10.0	10.1
Times when unable to pay gas/phone/electricity	48.7	35.0	21.3
Have had to pawn things	15.0	12.5	4.5
Have gone without meals because of shortage of money	10.0	2.5	1.4
Sought help from community/welfare organisations because of shortage of money	19.2	20.0	2.7
Sought help from friends/family because of shortage of money	34.0	25.0	11.5
Had cash flow problems in last year	64.1	45.0	27.2
Could <i>not</i> raise \$2000 emergency money within a week	49.0	37.5	17.5
Could use own savings as a source of emergency money	11.7	20.0	40.1
<i>N</i>	1751	40	359

Source: Australian Bureau of Statistics (1999c) 1999 Household Expenditure Survey.

experienced. They show that, compared with couple families with children, lone parent families are more financially stressed on all indicators.

The statistics in Tables 4.13 and 4.14 indicate a further important pattern. Among lone parents, lone mothers are more likely than lone fathers to be financially stressed. On virtually every measure, lone mothers are more financially stressed than lone fathers. Indeed, on quite a few measures, lone fathers have financial stress levels much closer to couples than to lone mothers.

A number of factors contribute to the different levels of financial stress of lone mothers and lone fathers (see Table 4.14):

- Lone fathers are more likely than lone mothers to be employed full time (47.7 per cent compared with 19.8 per cent).
- The average taxable income of lone fathers is considerably higher than lone mothers (\$538 compared with \$321).
- Far fewer lone fathers than lone mothers are reliant mainly on government benefits (45 per cent compared with 63.5 per cent).
- On average, children in lone mother families are younger than in lone father families. Costs for younger children (including child care) may be greater than for older children.

Are lone parent families becoming relatively worse or better off financially?

Lone parents are over represented among poorer groups in society. Figure 4.9 shows the distribution of lone parents across wealth deciles. If lone parents were equally distributed across all wealth groups then 10 per cent of lone parents would fall in each

decile. The distribution of lone parent families across wealth deciles indicates the financial position of lone parent families *relative to* other households.

However, in 1998, lone parents were concentrated in the lower (poorest) wealth deciles and under-represented among the higher (wealthier deciles). For example, 31.9 per cent of all lone parents were among the poorest 20 per cent of society. In contrast, only 7.6 per cent of lone parents are found among the wealthiest 20 per cent.

However, the situation in 1998 represents an improvement in the *relative position* of lone parents compared to just 10 years earlier when 47.5 per cent of lone parents were in the poorest two wealth deciles. Figure 4.10 illustrates the way in which the relative position of lone parents improved between 1986-98. It shows a sharp decline in the percentage of lone parents among the poorest 20 per cent of society and a 16.8 per cent increase in the proportion in the third lowest income decile.

Essentially, improvements in government income support and the child support payments have enhanced the relative position of a sizeable proportion of lone parents. It should be stressed, however, that improvements in the relative position of lone parents does not necessarily mean that their financial position improved in an *absolute* sense. In principle at least, the *relative* position of one group can improve without any improvement in its *absolute* financial position simply because the position of other groups have deteriorated or the size of another poor group (for example, lone person households) increases at a faster rate than other poor groups.

A similar picture is provided in measures of *income poverty* between 1982-99. According to the figures

Table 4.14 Selected indicators of economic well being (families with children under age 15), 1999, 2000

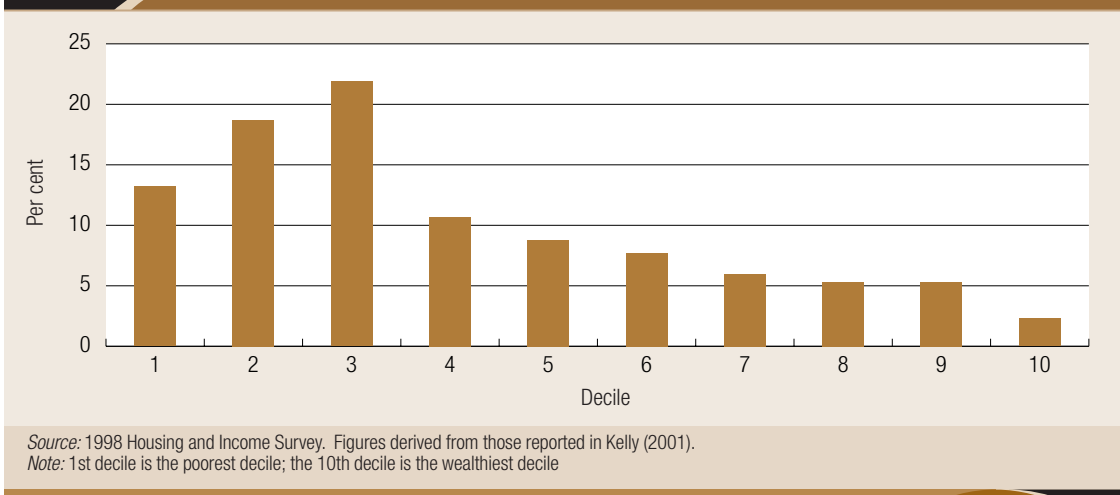
Selected Characteristics	Lone Mother	Lone Father	Couple households with children
Income (1999)^a			
Average weekly taxable household income	\$321	\$538	\$1083
Average weekly household tax paid	\$83	\$193	\$355
Principal source of income from pensions/benefits	63.5%	45.0%	9.3%
Housing (1999)^a			
Renting	66.8%	55.0%	22.9%
More than 30% of income spent on housing costs	31.2%	32.5%	9.4%
Average weekly housing costs ^c	\$204	\$202	\$253
Employment (June 2000)^b			
Employed full time	19.8%	47.7%	21.7%(both)
Employed (full or part time)	45.9%	58.5%	60.5%(both)
Not Employed	54.1%	41.5%	7.5%(both)

^a From Australian Bureau of Statistics (1999c) 1999 Household Expenditure Survey

^b Australian Bureau of Statistics (2000a) ABS Labour Force and other Characteristics of Families Survey, June 2000

^c Housing costs include rent, mortgage interest, rates, insurance, repairs and interest on loans for extensions for main dwelling
Note: the taxation figures are pre-GST and do not reflect changes due to the GST

Figure 4.9 Wealth distribution of lone parents by decile, 1998



in Table 4.15, between 1982-99 there has been a 15.6 per cent reduction in the percentage of lone parents living in poverty. This improved situation is especially marked for those families with two or more children where there was an estimated 22 per cent reduction in poverty.

It should be noted, however, that the measure of poverty³ on which the figures in Table 4.15 are based are measures of *relative poverty*. This means that the reduction in poverty among lone parents may, at least partly, be due simply to the deterioration of the position of other groups or the faster numerical growth of other groups rather than improvement in the absolute living standards of lone parents.

How much do governments support lone parent families?

One of the ways in which lone parents are supported in their parenting role is by direct and indirect benefits from government. In 1999, 71 per cent of all lone parents received lone parent benefits from government. This represents an increase in the rate of lone parents receiving support from the late 1960s when only 35 per cent of lone parents received support. By 1980, the percentage of lone parents in receipt of government payments had increased to 60 per cent. This peaked in 1986 at 78.4 per cent and has since fluctuated around 70 per cent (Whiteford

2000). In 1999, in addition to lone parent support payments, a further 10 per cent of lone parents received higher levels of family assistance to supplement their earnings (Whiteford 2000).

Australia has high lone parent income support coverage rates compared with other comparable nations. This, together with the steadily increasing number of lone parents and lone parent improved benefits, has led to substantial increases in expenditure. This in turn has led to policy initiatives designed to encourage and facilitate workforce participation by lone parents as children grow older.

Table 4.16 indicates the overall extent to which government benefits are directed to lone parents. These figures show that the private weekly income of lone parents declines as their number of children increases (\$308 with one child compared with \$174 with three or more children). This is hardly surprising as larger numbers of children makes working more difficult and financially less viable. This lack of private income is met by the payment of direct benefits that more or less create income equality between lone parents with one, two or three children (Table 4.16).

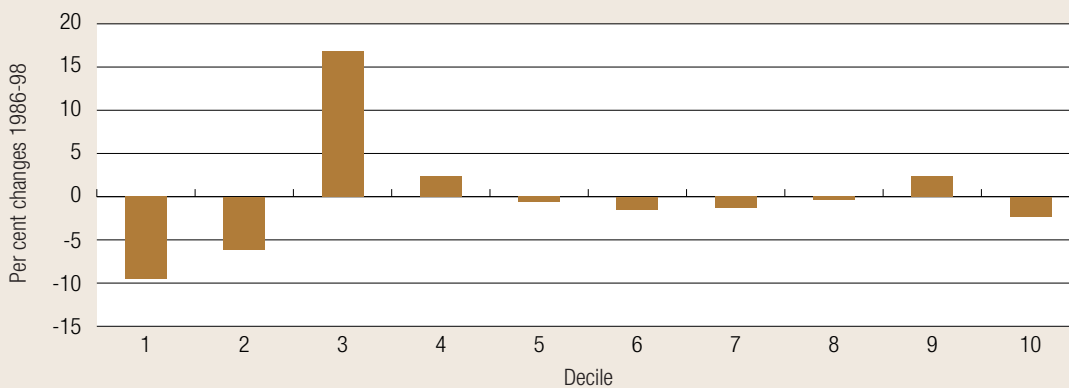
Indirect benefits (for example, health, education) provide further support for these families so that substantial benefits are directed to lone parent families. Overall, lone parents with one child received net benefits from government worth approximately \$255 per week; those with two children received weekly net benefits valued at \$446; while those with 3 or more children received \$707 worth of government funded benefits.

These levels of government transfers directed at lone parent families contrasts sharply with the value of benefits directed to couple families with children. For example, the net value of government benefits received by a couple family with one pre-schooler was a *negative* \$78 in 1999 and was

Table 4.15 Estimates of lone parents in poverty, 1982 and 1999

Lone parents with	1982 (%)	1999 (%)	Difference (%)
1 child	25.1	18.6	-6.5
2 or more children	49.6	27.6	-22.0
All lone parents	39.2	23.6	-15.6

Source: Harding and Szukalska (1999) using ABS 1982 Income Survey and ABS, 1997-98 Survey of Income and Housing Costs, uprated by NATSEM to May 1999.

Figure 4.10 Change in wealth distribution across deciles, 1986-1998

Source: 1998 Housing and Income Survey. Figures derived from those reported in Kelly (2001).
 Note: 1st decile is the poorest decile; the 10th decile is the wealthiest decile

just \$3 for those couple families with one child aged over five. For couple families with two or more dependent children the value of government transfers was approximately \$250 per week.

The Parenting Payment (Single) is designed to provide income support for lone parents. Early research indicated that lone parents stayed on this payment (or its predecessor) for a limited period and that the average duration of being on the payment was less than three years in total. This finding was taken to mean that lone parents did not become dependent on government income support for an extended period. More recent research which tracks individuals over a five year period has indicated that this is not the case. Tracking lone parents on the Parenting Payment (Single), Gregory and Klug (2002) found that:

- Most Parenting Payment (Single) recipients depended on income support for long periods – on average for 4 out of the 5.5 years of the study.
- The average period of income support dependence for a person who begins to receive a Parenting Payment (Single) is likely to be at least 12 years.
- Within a five year period only around 20 per cent of lone parents left Parenting Payment (Single) and did not return to any form of income support.
- Nearly 25 per cent of lone parents stayed on the payment continuously over the average 5.5 year period.
- Many initial recipients of the Parenting Payment (Single) moved back and forward between various income support payments including Parenting Payment (Partnered) and Newstart. Of those who returned for a second “spell” of income support after leaving the Parenting Payment (Single) scheme, 47 per cent went onto the Parenting Payment (Partnered); 35 per cent returned to Parenting Payment (Single) and 14 per cent received the Newstart Allowance.

Endnotes

- 1 This, of course, does *not* mean that 26.8 per cent were currently living in a lone mother family at age 18.
- 2 Some cases in which a lone parent lives with an adult child will be recorded as a lone parent family but more often these cases will be classified in a different way in the Census.
- 3 In the NATSEM study on which these results are based the poverty line was set at 50 per cent of the family income of the average person in Australia (“half average income”). Family income was adjusted to take into account differing family size and composition (Harding and Szukalska 1999).

Table 4.16 Weekly income, taxes and government benefits for lone parents with dependent children, 1999

	Number of dependants		
	1 \$	2 \$	3+ \$
Private income	308	257	174
Direct benefits	176	240	323
Indirect benefits	193	311	468
<i>Value of income + benefits</i>	<i>677</i>	<i>807</i>	<i>965</i>
Direct tax	56	40	18
Indirect taxes	49	50	54
<i>Total taxes</i>	<i>105</i>	<i>90</i>	<i>72</i>
Final income ((income + benefits)-taxes)	563	703	881
Total benefits allocated (direct + indirect)	359	535	779
<i>Net benefits (total benefits-total taxes)</i>	<i>255</i>	<i>446</i>	<i>707</i>

Source: Australian Bureau of Statistics (2001b) 1999 Household Expenditure Survey.

Highlights

- 19 per cent of children under the age of 15 live in a lone parent family.
- Lone parent families with dependent children make up 21.8 per cent of families in which there are dependent children.
- Lone parent families with dependent children make up 10.7 per cent of all families.
- Almost 27 per cent of children spend some time up to the age of 18 living in a lone parent family.
- Lone parent families with dependent children are becoming more common. Since 1965, lone parent families with dependent children have grown from 6.5 per cent of families with dependent children to 21.8 per cent of families with dependent children.
- Lone parent families also include older parents with adult (or non dependent) children. About a third of all lone parent families include only non dependent children.
- The main route into lone parenting is via relationship breakdown rather than starting off as lone mother or through widowhood.
- Lone mothers are typically younger than lone fathers.
- Lone fathers tend to have older children rather than younger children living with them, while lone mothers tend to have younger rather than older children living with them.
- Lone parenting rates are highest among parents from Anglo backgrounds. Lone parenting is uncommon among parents born in Southern Europe, the Middle East and North Africa, South East Asia and China.
- Lone parenting is considerably more common among Indigenous families.
- Lone Indigenous parents are often part of multi-family households.
- Employment levels of lone mothers are lower than couple mothers but get closer to those of couple mothers once the youngest child turns 16.
- The employment of lone mothers has increased considerably over the last two decades – especially part time employment. Part time employed lone mothers now outnumber full time employed lone mothers.
- Lone mothers with younger children have lower education levels than couple mothers but lone mothers with older children have similar education levels to couple mothers.
- Poverty is more common among lone mothers but the extent of poverty has declined since the mid 1980s.
- Child support plays a small but important role in income and wellbeing of lone mothers who receive child support payments. However, many lone mothers receive no child support.
- Governments provide considerable financial support to lone mothers and the level of support has increased since early-mid 1980s.
- Lone mother families (but not lone father families) experience high levels of financial stress.