



Parents and employment: impact on children

- Three-quarters of parents work, over half work full-time.
- Over three-quarters of mothers with children aged six or over are in work
- There are few negative effects on younger children when mothers work.
- International evidence shows that the best way to reduce child poverty is for parents to work.
- Studies show that the positive effects for children when their mothers work include:
 - increased independence, improved self esteem, and a better appreciation of the value of money
 - improved educational and behavioural outcomes for some children.
- Some research has found negative impacts on adolescents from reforms that encourage or require work. However, as the work-test requires only part-time work potential adverse effects on adolescents are minimised.

THREE-QUARTERS OF PARENTS WORK, OVER HALF WORK FULL-TIME

- Three-quarters of parents work (in December 2009).
- 80 percent of parents who are in a relationship work, 54 percent of sole parents work.
- Over half of parents work full-time.
- 63 percent of parents who are in a relationship work full-time, 36 percent of sole parents work full-time.

	% Parents employed		Total employed
	Full-time	part-time	
Couple parents	63%	17%	80%
Sole parents	36%	17%	54%
All parents	59%	17%	76%

Source: Household Labour Force Survey, 2009

- 91 percent of fathers in a relationship work, 87 percent work full-time.
- Over two-thirds of mothers in a relationship work, 39 percent work full-time.

	% Parents employed		Total employed
	Full-time	part-time	
Couple fathers	87%	4%	91%
Couple mothers	39%	30%	69%
All couple parents	63%	17%	80%

Source: Household Labour Force Survey, 2009

- Around half of sole mothers and two-thirds of sole fathers work.
- 57% of sole father work full-time, 32% of sole mothers.

	% Parents employed		Total employed
	Full-time	part-time	
Sole fathers	57%	8%	65%
Sole mothers	32%	19%	51%
All Sole parents	36%	17%	54%

Source: Household Labour Force Survey, 2009

OVER THREE-QUARTERS OF MOTHERS WITH CHILDREN AGED SIX OR OVER ARE IN WORK

- 80 percent of couple mothers with children aged 6-13 are in work, 64 percent of sole mothers with children aged 6-13 are in work.
- 84 percent of couple mothers with children aged 14+ are in work, 71 percent of sole mothers with children aged 14+ are in work.

Age of children	% Mothers employed		
	Couple mothers	Sole mothers	All mothers
0-5	56%	31%	51%
6-13	80%	64%	76%
14+	84%	71%	81%
Total	69%	51%	65%

Source: Household Labour Force Survey, 2009

THERE ARE FEW NEGATIVE EFFECTS ON YOUNGER CHILDREN WHEN MOTHERS WORK

A review undertaken for the Ministry of Women's Affairs found it is generally beneficial for the children if sole mothers are working.¹ Research on the impact of employment on children is often limited to the impact of having a mother in work. Although the findings are predominantly positive, throughout the research literature there are instances where children or parents report that mother's employment has had a negative impact on children.

- Children aged 8-14 in the UK were predominantly supportive of their mothers participating in the labour market and said their lives improved since their mother started work².
 - For example, children thought employment was a good thing for their mothers, giving them opportunities to meet friends and get out of the house as well as improving their general wellbeing and self-esteem.
- Mothers working can have favourable effects for older children, particularly those from disadvantaged groups including those with a sole mother in their first year of life^{3,4}.
 - The most favourable outcomes occur when the mother is employed approximately half-time (around 20 hours per week), with negative impacts largely restricted to long work hours.
 - There is no difference between sole and partnered mothers on the impact of mothers working on children's learning, when controlling for family income⁵.

THE BEST WAY TO REDUCE CHILD POVERTY IS FOR PARENTS TO WORK.

- Increased family income due to mothers working reduces child poverty⁶.
- In many cases children in the UK made a strong link between their mother's work and financial reward. They felt that without an income from work they would not have been able to manage financially⁷.
- Improved family income increased access to transport and this opened up access to a wider range of social networks and opportunities.
- Children whose mothers moved into work enjoyed more treats and activities⁸.

THE POSITIVE EFFECTS FOR CHILDREN WHEN THEIR MOTHERS WORK INCLUDE INCREASED INDEPENDENCE, IMPROVED SELF ESTEEM, AND A BETTER APPRECIATION OF THE VALUE OF MONEY.

- When their mothers work, some children aged between 8 and 14 said they had improved opportunities to participate in school activities and some children noticed an increase in status⁹. Other benefits to mothers working reported by children included:
 - reduced stigma as a result of parents leaving benefits and fitting in more with peers
 - having a less stressful home life due to fewer arguments about money
 - becoming more independent through learning to look after themselves.
- Parents noticed that their children had:
 - increased self-esteem
 - greater understanding of the value of money¹⁰.

SOME CHILDREN ALSO HAVE IMPROVED EDUCATIONAL AND BEHAVIOUR OUTCOMES WHEN THEIR MOTHER WORKS

- In the US, children of mothers who work around 20 hours per week had increased verbal, mathematics and reading test scores¹¹.
- Work testing programmes in the US and Canada improved educational and behavioural outcomes for younger children of participants where they were accompanied by increased income and use of centre-based childcare¹².
- Welfare payments conditional on work (like the New Zealand In-work Tax Credit) had favourable effects on preschool-age children when they raised family income¹³.

SOME RESEARCH HAS FOUND NEGATIVE IMPACTS ON ADOLESCENTS FROM REFORMS THAT ENCOURAGE OR REQUIRE WORK

- In welfare-to-work experiments in the US and Canada¹⁴:
 - work testing programmes that required participation in training or employment resulted in some poorer outcomes for adolescent children even where they increased income (possibly due to reduced supervision)
 - work conditional transfer payments (like the NZ In-work Tax Credit) that required 30 hours of employment had unfavourable effects on adolescents in some cases, even when income is increased.
- Whether these findings have applicability in the New Zealand setting is unclear.
- The work test agreed requires part-time work. It is expected that this will mean that potential adverse effects on adolescents are minimised.
- Other circumstances where mother's employment can lead to worse outcomes include working very long hours, work that conflicts with the mother's employment preferences, childcare that is of poor quality, high levels of work stress and low income¹⁵.
- In the US, when mothers averaged 40 hours of work per week many of the benefits to children's learning were eliminated but the older children were no worse off than if the mother did not hold a job¹⁶.
- Although children in the UK identified clear benefits to their mothers working, some also mentioned costs, mainly related to a loss in family time and concerns about mothers' health and wellbeing¹⁷.

ENDNOTES

- 1 MINISTRY OF WOMEN'S AFFAIRS (2004). INFLUENCES OF MATERNAL EMPLOYMENT AND EARLY CHILDHOOD EDUCATION ON YOUNG CHILDREN'S COGNITIVE AND BEHAVIOURAL OUTCOMES. SEE ALSO GREGG, P. ET AL. (2005). THE EFFECTS OF A MOTHER'S RETURN TO WORK DECISION ON CHILD DEVELOPMENT IN THE UK, ECONOMIC JOURNAL, VOL 115, NO 501.
- 2 RIDGE, T. AND MILLAR, J. (2008) WORK AND WELL-BEING OVER TIME: LONE MOTHERS AND THEIR CHILDREN DEPARTMENT FOR WORK AND PENSIONS RESEARCH REPORT NO 536.
- 3 RUHM, C.J. (2005) MATERNAL EMPLOYMENT AND ADOLESCENT DEVELOPMENT, IZA DISCUSSION PAPERS 1673, INSTITUTE FOR THE STUDY OF LABOR (IZA).
- 4 GROGGER, J., & KAROLY, L. A. (2005) WELFARE REFORM: EFFECTS OF A DECADE OF CHANGE. CAMBRIDGE MA: HARVARD UNIVERSITY PRESS.
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- 6 JOSHI, H AND VERROPOULOU, G (2000) MATERNAL EMPLOYMENT AND CHILD OUTCOMES: ANALYSIS OF TWO BIRTH COHORT STUDIES, LONDON: THE SMITH INSTITUTE.
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- 12 GROGGER, J., & KAROLY, L. A. (2005) WELFARE REFORM: EFFECTS OF A DECADE OF CHANGE. CAMBRIDGE MA: HARVARD UNIVERSITY PRESS.
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- 14 GROGGER, J. & KAROLY, L. A. (2009) THE EFFECTS OF WORK-CONDITIONED TRANSFERS ON MARRIAGE AND CHILD WELL-BEING: A REVIEW THE ECONOMIC JOURNAL, 119(535)15-37.
- 15 MINISTRY OF WOMEN'S AFFAIRS (2004). INFLUENCES OF MATERNAL EMPLOYMENT AND EARLY CHILDHOOD EDUCATION ON YOUNG CHILDREN'S COGNITIVE AND BEHAVIOURAL OUTCOMES; BLASKO, Z. (2008) DOES EARLY MATERNAL EMPLOYMENT AFFECT NON-COGNITIVE CHILDREN OUTCOMES? - A LITERATURE REVIEW. BUDAPEST WORKING PAPERS ON THE LABOUR MARKET BWP – 2008/5.
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- 17 RIDGE, T. AND MILLAR, J. (2008) WORK AND WELL-BEING OVER TIME: LONE MOTHERS AND THEIR CHILDREN DEPARTMENT FOR WORK AND PENSIONS RESEARCH REPORT NO 536.