

Briefing: Parenthood & Poverty

This briefing looks at what works in reducing poverty in the area of parenthood and is aimed at policy-makers and practitioners. It is based on wider research by the Tavistock Institute of Human Relations (TIHR) on *Personal Relationships and Poverty* for the Joseph Rowntree Foundation (JRF).

THE EVIDENCE ON PARENTS AND POVERTY:

Policies impact on individual and family choices in balancing care and paid work. Fathers' and mothers' choices in balancing employment and care are not just due to their individual preferences and situations, but are affected by laws and welfare policies. There are a wide variety of family policies across Europe that incentivise different ways of how parents are involved in childcare and employment. These policies have important effects on the way that individuals, families and society divide caring and earning responsibilities - which in turn impacts on the risk of individual and family poverty. Parental caring for children reduces the time available for paid work for one or both parents, depressing household income. **Gender plays a crucial part** - women with children are at the greatest risk of poverty because public policies, workplaces and families generally consider women to be the main child-carers. Fathers' choices are also restricted as policies do not provide them with the conditions to combine paid work and care for their children.

Female poverty risks are often hidden within couple relationships and are only exposed if family relations breakdown. In this sense, lone mothers' high risks of poverty are the visible result of the hidden imbalance within couples of paid work and care. Countries with policies that support all parents to be both earners and carers have lower poverty risks.

UK has lowest maternity pay and highest childcare costs



SUMMARY:

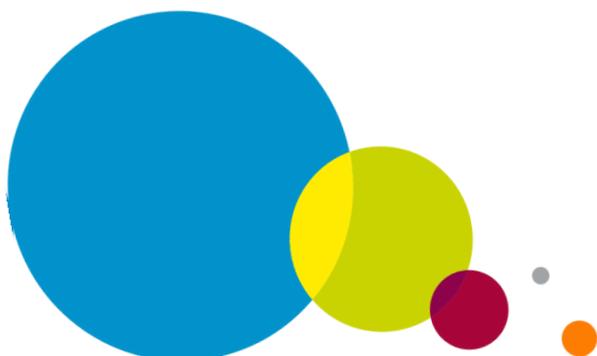
Policies that reconcile and promote equal choices between fathers and mothers in how to share care and paid work reduces the risk of individual and family poverty, both in the short and long term. Family policies (parental leave, availability of childcare, and tax and benefits) are not gender neutral and cause a feminization of poverty as they restrict the choices of both parents in being involved in either childcare or employment. Policies are needed that:

Balance work & care tensions:

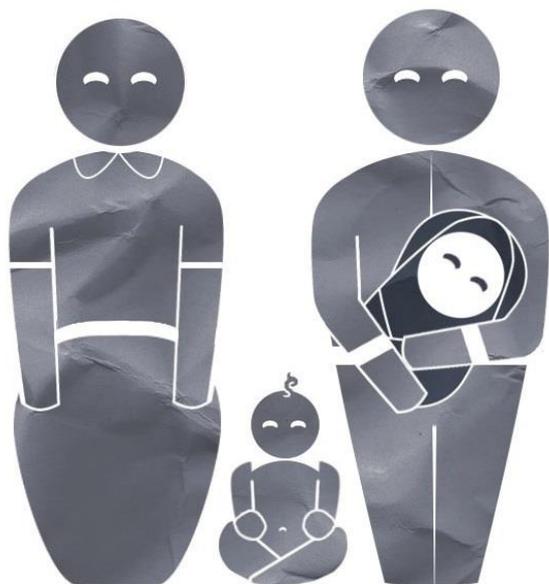
- Equal and non-transferable parental leave paid at a high proportion of previous earnings
- Affordable & good quality childcare

Improve family and individual finances:

- In-work benefits/tax credits and training and support to make work pay
- Sustainable child maintenance



Equal Parental Leave



WHAT WORKS IN REDUCING POVERTY:

Anti-poverty, employment and family policies that reconcile and promote equal choices between fathers and mothers in balancing care and employment, reduce the risk of individual and family poverty. The specific design of policies (parental leave, childcare services, tax and benefit systems) affect fathers' and mothers' choices in relation to being involved with their children and employment.

- **Equal and non-transferable parental leave, paid at a high proportion of previous earnings.** Current UK policy stresses employment as the route out of poverty but women's participation in the labour force is frequently hampered by the discrepancy between lengthy maternity and brief paternity leave entitlements.
- Leave which is specific to and equal for both parents in terms of length and payment would enable equal choices among parents by changing the traditional emphasis on mother as carer and father as earner, and promoting two carers and two earners in a family. This reduces the risk of family and individual poverty, by helping fathers to be more involved in caring for their children and mothers stay in employment and maintain work skills.
- **Shared Parental Leave in the UK (April 5th 2015) is unlikely to have an impact** on parents' choices and gender equality. Evidence shows that fathers only take leave if it is non-transferable, with part of the leave reserved for them, and paid at a high proportion of previous earnings.

CHILDCARE AND IN-WORK BENEFITS

Affordable, quality and available childcare is critical to allow parents to be in the labour market. If childcare provision is not available, mothers usually reduce their hours or leave employment which increases family poverty risks. Families, and especially those with low incomes, are often dependent on informal (free) childcare which is not always available and compatible with paid work

Benefits and tax systems and training and support to make work pay. Employment is often low-paid and insecure for parents in poverty. Supplementing low wages with in-work benefits and tax credits would reduce in-work poverty by supporting parents into work and their progress into more stable employment and higher wages. An individual and gender neutral tax system encourages both parents to participate in paid work.



FURTHER INFORMATION

This briefing is based on research by Cristina Castellanos Serrano, Laura Stock, Judy Corlyon, and Matt Gieve, Tavistock Institute of Human Relations. The full report and other briefings in the series are available on the Tavistock Institute website, along with an animation visualising what works in reducing poverty: <http://www.tavinstitute.org/projects/personal-relationship-poverty-evidence-policy-review>

THE
TAVISTOCK
INSTITUTE®