



**The Year 2000 International Research
Conference on Social Security**
Helsinki, 25-27 September 2000



"Social security in the global village"

**In-work benefit schemes
and family survival strategies:
Some preliminary findings**

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INTERNATIONAL SOCIAL SECURITY ASSOCIATION (ISSA)
RESEARCH PROGRAMME

CONFERENCE HOSTS: FINNISH ISSA MEMBER ORGANIZATIONS

**IN-WORK BENEFIT SCHEMES
AND FAMILY SURVIVAL STRATEGIES:
Some preliminary findings**

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Draft of a paper to be presented to the International Social
Security Association's Year 2000 International Research Conference
on Social Security – *Social security in the global village*,
Helsinki, 25-27 September 2000

NOTE: This document is an early draft and represents work in progress. Please do not cite or quote from it without the consent of the author. A more developed version will be available at the conference.

Abstract/summary

The paper reports a study conducted in the context of recent policy changes introduced in the UK in response to global economic trends, including a reformed in-work benefit for low-income working families. The study explores the perceptions and calculative strategies of such families in relation to the total package of resources upon which they depend and the combination of formal and informal work they undertake. The paper concludes that such families are seldom fully in command of their survival strategies; insufficient attention is being paid to the nature of the life-cycle transitions that current policies provoke; the new policy regime could fuel class inequalities and economic exploitation; and though it may succeed in meeting material needs, it may exacerbate the ontological insecurity of low-income families.

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IN-WORK BENEFIT SCHEMES AND FAMILY SURVIVAL STRATEGIES: Some preliminary findings²

This paper presents preliminary findings from an investigation, funded by the UK Economic and Social Research Council (under Award Ref: R223033)³, that has explored the perceptions and calculative strategies of low-income families in relation to the total package of resources upon which they depend and the combination of domestic, informal and formal work which they undertake. The study was conducted in the specific context of the tax, benefit, childcare and employment policies that have been introduced by Britain's New Labour government in response to the challenges of economic globalisation.

The global context

'Globalisation', though a contested concept (Hirst and Thompson 1996; Held et al 1999), provides none the less an expression that can helpfully encapsulate a twofold trend in developed western societies. First, as international capital has become more mobile, there have been changes in the nature of domestic labour markets: these have become increasingly polarised between a secure core of high-skilled, well paid jobs on the one hand and a highly 'flexible' periphery of casualised, low paid jobs on the other. Secondly, there has been a flight from Keynesian economics and a perceived reduction in the capacity of nation states to sustain protectionist welfare policies.

Although different welfare states have been responding in different ways (Esping-Andersen 1996) they are, according to the globalisation thesis, all subject to the same economic imperatives. The classic social democratic Nordic welfare states though ostensibly stable for the time being stand, it has been said, 'on shaky ground' (Heikkila et al 1999). The classic Bismarkian states are facing something of a crisis of trust in their social insurance arrangements (for example, Classen 1997). It is the liberal welfare states – and particularly the United States and Britain – that are responding most aggressively to the challenge by developing what Jordan (1998), for example, characterises as the emergent 'Blair/Clinton orthodoxy'.

That orthodoxy gives rise not to the kind of welfare retrenchment and privatisation that characterised the Thatcher/Reagan era, but to a particular emphasis within social security policy upon incentives to active labour force participation as an alternative to welfare dependency and a more general 'communitarian' concern to maximise the self-sufficiency of citizens through, for example, the promotion of informal welfare mechanisms and supportive social networks.

² The findings set out here are provisional and incomplete. This paper has been prepared solely for the purposes of feedback, consultation and discussion and may not be regarded as the final or definitive outcome of the research described.

³ The author is grateful to his colleague and Researcher, Ambreen Shah, who undertook the fieldwork for this project and is collaborating in the data analysis.

The British response

What is emerging with some clarity in the British context is the extent to which the New Labour Government's 'Third Way' (Giddens 1998; Glennerster 1999) is concerting elements of both labour market policy and family policy in the development of social security and related provision for low-income families with children. While much attention has been paid to the British government's supply-side initiatives, its welfare-to-work policies and the 'New Deal' schemes by which it is seeking to encourage unemployed people (and their partners), lone-parents and disabled people to engage with the labour market, less attention has been paid to its policies for supporting those with families who are indeed engaging with the low-paid periphery of a globalised labour market. There are essentially three strands to those policies:

- Working Families Tax Credit (WFTC). This is a means-tested social security benefit payable to families (both lone-parent and two parent families) with children in which there is an adult in full-time (16 or more hours per week) low paid employment. With effect from October 1999 it replaced an earlier in-work benefit scheme from which it differs in two ways: first, it is rather more generous and is withdrawn less rapidly as earned income rises; secondly, it has (from April 2000 and not necessarily for all families) been paid not as a conventional benefit, but as a tax credit dispensed on the state's behalf by employers through eligible employees' pay packets. The new benefit therefore has much in common with Earned Income Tax Credit schemes in the United States and, together with the introduction of a modest National Minimum Wage, is intended both to 'make work pay' and to establish in claimants' minds a clearer link between employment and the income they receive (DSS 1998). The scheme which WFTC succeeds – the Family Credit (FC) scheme that had itself in 1988 replaced the Family Income Supplement scheme originally introduced in 1970 (Hill 1990) – had been explicitly intended as 'targeted' support for low income families and a Conservative government's preferred alternative to an increase in universal support through non means-tested Child Benefit (DHSS 1985). It should be noted that in-work benefits had been tried and rejected in Britain once before: the 'Speenhamland' poor relief system that had supplemented the wages of farm labourers at the end of the eighteenth century had been condemned because it distorted the functioning of a free labour market and was therefore swept away by the draconian Victorian Poor Law (de Schweinitz 1961). There is an irony here, perhaps: in the age of global capitalism in-work benefits supposedly represent an *incentive* rather than a disincentive for low-skilled labourers and they allow low paying employers to compete *more* rather than less fairly than they might otherwise have done.
- National Childcare Strategy. This is a raft of measures intended generally to promote the availability of childcare provision, but with a particular objective of stimulating labour force participation by welfare dependent households (DSS 1998, Home Office 1998). Integral to the strategy has been the introduction with WFTC of a Childcare Tax Credit (CTC) that functions not as a 'disregard', but as an additional entitlement for working parents equivalent to 70 per cent of the cost of certain forms of childcare – up to specified limits. Within the ambit of the

strategy, however, there are other initiatives including modest investment in out-of-school care initiatives for older children and the promotion of Early Years Development and Childcare Partnerships (EYDCPs) that are intended to oversee the co-ordinated development of public, private and voluntary sector provision for younger children. Britain has tended to lag behind many of its competitors in the quantity and quality of childcare provision, yet it has been argued that its attempts to remedy this are being driven as much by economic as by welfare or pedagogic concerns (Moss 2000).

- The development of policies for ‘family friendly’ employment or ‘work-life balance’. The government has declared itself committed to strengthening family life (Home Office 1998) and aims not only to enhance the prosperity of families through the tax and benefit system, but also to ‘make it easier for families to balance work and home’. In practice, all the recent changes introduced by the government would have to have been made in any event in order to implement European Union directives concerning working hours, parental leave and part-time working and generally, it has been argued, Britain has tended to interpret its obligations under such directives more restrictively than many of its European partners (e.g. Toynbee 1999). None the less, legislation is now in place that can limit the excessive working hours that may keep parents (especially fathers) away from home, permit parents time off to care for their children, and ensure that part-time workers (many of whom, characteristically, are mothers with dependent children) are not disadvantaged in comparison with full-time workers.

Families and ‘work’

Work, of course, has always been central to families. The caring and self-provisioning work necessary to social reproduction is generally situated *within* families, while the demands of the work necessary to economic production – though situated *outwith* them – may none the less fundamentally shape the organisation of families. To this extent, the changing nature of families reflects the changing nature of work (e.g. Gittins 1993). The male bread-winner family model on which the post-war welfare state was premised (see Lewis 1992) has been undermined by economic and social trends. Economic trends have contributed to the rise in the number of dual-earner families on the one hand and no-earner families on the other, while social trends have contributed to the number of lone-parent families, which have tended to be predominantly female headed and benefit dependent. Britain’s New Labour government has famously declared itself to be committed to ‘work for those who can, security for those who cannot’ (DSS 1998), though by ‘work’ it means paid employment and reality dictates that much of the employment will be low paid.

There is already a certain body of research that demonstrates the diversity and precariousness of the household survival strategies adopted by low-income families (e.g. Kempson 1996). ‘Getting by’ may depend upon means obtained from a variety of sources (from the state, from formal employment, from informal economic activities) and in a variety of forms (in cash or in kind). However, families who are disadvantaged in terms of their difficulties accessing paid employment, tend also to be disadvantaged when it comes to accessing resources at the informal and community level (Pahl 1984, Gregg and Wadsworth 1995, Williams and Windebank 1998). What is more, low-income families do not necessarily seek to optimise their economic

returns at every opportunity. Their everyday survival strategies rest on complex and little-studied sets of practical and moral criteria (see, for example, Jordan et al 1992, Dean and Taylor-Gooby 1992, Dean and Melrose 1996, Dean with Melrose 1999).

The object of the research reported here was therefore to develop further insights specifically into the strategies of low-income 'working' families.

The sample

The sample for our study was to have been drawn with the assistance of the Department of Social Security from current caseloads of Family Credit recipients in September 1999 (the month before FC was replaced by WFTC) in two localities: Camden (an area of Inner North London) and Luton (a medium-sized town just to the North of London). In the event, the sample provided by the DSS was slightly smaller than had been hoped for and response rates were significantly worse than had been anticipated. As a result it was necessary to supplement the sample so obtained, by 'snowballing' and by advertising for participants by way of leaflets in community centres and public offices in the Camden and Luton areas and by appeals contained within news items in local newspapers and interviews on local radio. A total of 47 interviews were achieved, of which 23 were with respondents accessed through the DSS and 24 that had been accessed by supplementary means. Eight interviews were with families living in Camden and 39 with families living in Luton (or its environs). Although local economic and social context can play a critical part in the shaping of household survival strategies (see Leonard 1999), for the purposes of this particular study, no significant differences were observed between Camden and Luton families.

The interviews, which lasted up on average around an hour, included a factual investigation of the resources available to the families (using a check list), and a more in-depth exploration of respondents' perceptions and attitudes (using a semi-structured interview schedule). Interviews were tape-recorded and fully transcribed.

Of the 47 individual respondents interviewed: 26 were lone parents, all of whom were women, including two of African-Caribbean ethnicity; and 21 were partnered, of whom 16 were women, five were men and 11 were of South Asian ethnicity (three of Pakistani origin, seven of Bangladeshi origin and one of Indian origin). Five respondents were aged under 25 years, 24 were aged 25-39 years and 18 were aged 40 years or over. None of the respondents were disabled, but five reported that a member of their household was disabled. Half the sample were home owners and, of the other half, 20 were in social housing and three in the private rented sector. The sample was relatively evenly distributed between families with one dependent child (15), two dependent children (18) and three or more dependent children (14). Just under a third of the sample (14 families) had at least one child under the age of 4 years. Two families additionally had one or more young independent adult offspring still living with them.

Formal employment

At the time of the interviews five of the individual respondents were in lower professional or junior managerial occupations, 14 in routine clerical, administrative or retail jobs and a further 14 were in manual occupations (nine skilled and five unskilled). Nine of the respondents were the non-working partners of people in

employment (predominantly in semi- or unskilled manual occupations) and five had either themselves very recently left low paid employment and were currently unemployed, or else they were the non-working partner of someone who had very recently left low paid employment. There were 42 families in the sample with one or more adults in formal employment. Six of these were dual earner households, so there were in all 48 adults currently in employment. Just over a third of the respondents or their partners (18) worked for large private sector firms, over a quarter (14) worked for small businesses, a similar proportion (13) worked in the public sector and three were self-employed (one being a child-minder, one a taxi-driver and the other a television repairer).

Of the 33 respondents interviewed who were themselves in formal employment, 32 worked more than 16 hours per week and were in receipt of either Family Credit or Working Families Tax Credit at the time of the interview and only one worked fewer than 16 hours per week. Of the 32 FC/WFTC recipients, more than a third (13) worked fewer than 30 hours per week. Of the 33 individual respondents interviewed who were in formal employment, three quarters were paid less than £7.00 per hour. Three were paid the national minimum wage (£3.60 per hour), 21 were paid between £3.61 and £6.99 per hour and seven were paid more than £7.00 per hour. Two received variable wages. Half the respondents – including one of those on the national minimum wage – declared themselves satisfied with their pay. Given that prevailing pay rates in both fieldwork areas are above the national average, it is perhaps surprising that such a high proportion should appear to be inured to low or comparatively low pay levels. Those who were dissatisfied included those who did not feel their pay reflected the responsibility or skills their jobs entailed and/or who considered that their pay compared adversely with that of others. For example, a part-time teaching assistant was plainly aggrieved that while she was being called upon to perform tasks undertaken by trained teachers she was being paid much the same as her 15 year old son had received in a casual summer holiday job.

Of the 33 individual respondents interviewed who were in formal employment, just over a quarter (9) were women who had returned to the labour market after a period spent as a full-time parent. By and large they had been anxious to do so, both for the additional income and to ‘get out of the house’ (cf. Duncan and Edwards 1999). However, the transition from full-time parenthood to paid worker could be difficult:

It’s all of a sudden – going back after all those years I hadn’t worked, and it’s a totally different life when you’re sort of working to being with kids and everything and I found it hard. It’s not like you’re leaving school, going into a job. You don’t have ‘What are we gonna have for dinner tonight’. You don’t have ‘Are the kids alright at school’ And you know you’ve got sort of both: you’ve got to concentrate on your job, you’re there as well as you’re still at home – in your mind

We have become accustomed to studying the ramifications of ‘youth transitions’, including the economic transition from school to work (e.g. Coles 1995). Arguably the transition that is negotiated – characteristically by mothers – from home to work is a socially constructed life-cycle event of parallel and increasing significance as we move from a society dominated by the male breadwinner model to one dominated by the dual earner (or one-and-a-half earner) household model (e.g. Lewis 1992) but in which not all mothers wish or are able to maintain their working ‘careers’ without interruption while they have children. The idea of ‘family-friendly’ employment or

‘work-life balance’ may address the logistics of combining home and work, but not necessarily the dynamics and meaning of the transitions that some parents face.

Asked whether they enjoyed their jobs, and why, respondents often referred to intangible benefits or inherent satisfactions associated with their need for something to occupy them, for social contact or self esteem. None the less some said they worked purely to earn money and a few (4) regarded the routine nature of their work and lack of responsibility as a positive advantage in so far that their employment was not the primary source of their self-identity and need not interfere with those commitments that are for them of greater ontological significance:

To an extent, not having any responsibility [*laughs*]. I’ve just got to sell people their cigarettes or whatever and that’s it, and its bye bye and you know ...

Several respondents (8) specifically mentioned that their employment was conveniently situated (‘it’s literally at the end of this street’) or that their employer was especially accommodating (‘I ring in and say my children are ill ... it’s not a problem’). In the 43 families in the sample where one or more adult was in formal employment more than half the respondents (26) felt that employers were on the whole understanding of their needs. In this respect public sector employers and small employers in the private sector tended to be regarded in a more positive light than large private sector employers⁴. Often the key factor here was the role played not by the policies of the employers, but by the relationships of trust and understanding which individual employees developed with their managers or bosses:

.... so if I need to change my hours for any reason, or take a day off for something, I can, as long as I work those hours back another time It’s sort of a two-way thing: I don’t mess them about and so *vice versa*, they don’t sort of try and pressure me.

However, such socially negotiated understandings, if they conflict with the wider policy or culture of an organisation, can be quite insecure:

.... my immediate line manager, should he change, I think the whole thing will change, definitely. It’s a very young company they want you to work till nine o’clock at night if something’s got to be done and you’ve got to be able to do that. Well, you know, the ones of us with children don’t and I’m sure as we go, they’ll replace us with bright young twenty year olds.

Conversely, if flexibility is allowed under sufferance, as a matter of policy as opposed to constructive managerial discretion, this too can lead to feelings of insecurity:

I just get the feeling that if you say ‘... I have to leave early ‘cos of this’ or, you know, when I had the problem with my son being sick, that they say everything’s okay but you feel like it’s all very tight lipped and they say that because they have to. But you feel bad.

Several respondents reported negative experiences including, for example, instances in which a respondent had lost pay when she had taken her child to the dentist, but had been denied the opportunity of making up her hours. In three instances respondents reported that they had left a previous employment because of intolerant,

⁴ Findings from a series of interviews with some of the employers concerned will be reported elsewhere.

inflexible or 'macho' attitudes to the particular needs of employees with family responsibilities and a fourth respondent was considering that she would leave her job for this reason.

Informal employment

One sixth (8) of the households in our sample were engaged in 'unofficial' work (i.e. undeclared informal economic activity). In one household, both partners were so engaged. The work involved included bar work, cab driving, home-working (assembling Christmas crackers), selling goods on commission from a catalogue, and the provision of services for cash, such as hair cutting, sewing and baby-sitting. Clearly, it is not possible within the constraints of this study to make direct comparisons with such groups as the long-term unemployed or higher income households. If, however, one considers the findings of studies conducted not with specific groups, but in particular deprived areas (e.g. Pahl 1984, Jordan et al 1992, Leonard 1994, Williams and Windebank 1999), it would appear that the level of paid informal economic activity within this sample is not especially extensive. The informal economy, it seems, may play a relatively small part within the survival strategies of low-income working families.

Unpaid work and help in kind

Far more common was involvement in forms of unpaid work: work that might be very occasional and does not generate any material reward, but which may play an important role in developing or maintaining a family's 'social capital' (e.g. Putnam 1993). Almost three-quarters (34) of the respondents reported such activity and five reported that their partners performed some kind of unpaid work. Overwhelmingly, it was women who performed such work. The tasks involved included care work for family members, both for elderly relatives and for the children of siblings and other relatives; care work for friends and neighbours, including providing lifts, unpaid childminding and running errands; volunteer work, including helping out at the local school or church or sitting on organising committees. The motivation for such involvement varied. In some instances, clearly, the immediate prospect of reciprocal services played a part:

Its just sort of helping each other out, you know. They'd help me, I'd help them. It was that sort of arrangement.

In other instances, however, there was no direct reciprocity involved. For example, one respondent was engaged in quite intensive care provision for an elderly parent: the kind of socially negotiated familial obligation in which reciprocity over time and between generations is never precisely calculated (see Finch and Mason 1992). Another was providing occasional help and support for a disabled neighbour: a service that appeared to stem from simple altruism or neighbourliness. Similarly, however, in an insecure economic environment ontological security may represent an important if intangible 'reward' for unpaid work at the community level. The clearest explanation of this, though it was not necessarily at all typical, was given by a

respondent who spoke of her involvement in local voluntary work in the following terms:

I suppose it makes me feel rooted doesn't it. It gives me a sense of belonging, certainly to my area.

In practice, however, such reciprocity was more usually confined within kinship networks and a majority of the respondents (25) reported neither giving nor receiving benefits from their local community. Some considered that since they received no substantive benefits from their local community then, provided they were not behaving like 'neighbours from hell' and weren't allowing their children out 'to wreck other people's cars', they felt they had no need to put anything back.

None the less, most families in our sample did – however indirectly – get back in kind at least some of the unpaid help they were giving. More than half the families (26) received regular substantive assistance from relatives or kin (though around a quarter received none at all), nearly a third (14) received such assistance from friends, just over a third (17) had close or reasonably supportive relationships with their neighbours and a similar proportion (18) were benefiting from local government or voluntary sector facilities or services provided free of charge within their local communities. In some instances, families received assistance in cash and, in others, with childcare: these were the most important forms of assistance and we shall discuss them in greater detail below. Additionally, however, there was assistance in the form of non-financial gifts and 'favours': the provision of meals, of transport, of clothing, of help with gardening and house maintenance, the lending of household equipment and tools. Sometimes the assistance was only occasional, though the knowledge that there were people that could be relied upon in emergencies was important. Sometimes the assistance was less tangible, such as where it might consist of emotional support or the sharing of information. In general relatives and kin played a far more critical role – especially with regard to the provision of substantive assistance – than friends and for a minority of our sample (5 respondents) friends played no significant part in their life.

Childcare arrangements

Childcare – beyond that which is provided for school-age children during the school day – is an essential element in working families' survival strategies. Of the families in our sample just over one third (17) provided all their own childcare – in which in some cases parents insisted that they wished to look after their children themselves. Almost half the families (21) were dependent on relatives or kin (parents, siblings or cousins) to provide childcare, and for a quarter of the families (12) this was their only form of help with childcare. Five families depended on friends or neighbours and, for two this was their only form of help with childcare. Fully two-thirds of the sample, therefore, made no use of and consequently were not paying for formal childcare provision. The remaining third of families (16) used childminders, nursery or part-time school nursery classes and an after-school club – or, in several instances, a mixture of these. For this childcare, seven families were paying less than £10 a day, six were paying between £10.00 and £19.99 a day and three were paying more than £20.00 a day.

Currently, in the British context, for low-income working families it is relatives and kin who provide the most important source of childcare assistance or, more rarely, friends or neighbours who are not registered childminders (cf. Ford 1996):

Well, I wouldn't be able to work if I didn't have my dad around My sister does it if it's her day off or something and she's around but that's not very often. So its down to my dad.

I couldn't survive without them, particularly [close friend] – we do rely on each other.

Respondents were divided as to whether this kind of childcare was best, or whether this placed unhelpful strains upon relationships:

For me personally, I'd rather the kids be with a member of my family whom I trust, and knows them and knows me, than, you know, to employ an outsider as a childminder and pay them X amount of money per week. I think the care is more like it's – it's just loving care isn't it: it's unconditional, you know.

If I could have, you know, like a childminder who'd come here: someone that was regular, that you just didn't have to do them a favour back. You could pay them and it'd be over and done with and you could rely on them every day. That would be – it would make my life so much less stressful.

In some instances, where it was the respondents' parents – who were sometimes ageing and relatively infirm – who were providing childcare, there was concern as to whether it was fair to be placing such demands upon them. Alternatively, there were expressions of concern for the children themselves, as to whether the quality of informal sources of care was adequate.

For those who wished to make childcare arrangements for their children an overriding concern was that of expense. In the event, Childcare Tax Credits, introduced alongside WFTC, will provide substantial assistance to families who use registered childminders and nurseries, but will not pay for informal care by relatives or friends. Our interviews were conducted during the transition from FC to WFTC and it was clear – as we shall discuss below – that few respondents at that time had any clear idea as to the extent of the assistance that is now available. With regard to CTCs half the sample had not heard of them and, of those who had, most mistakenly believed the new system did not apply to them. Among those who were informed about CTCs all but one considered the system inadequate since the system could not meet the costs of the particular form of childcare they were using or because, even with assistance from CTCs, they felt the costs of childcare were prohibitive. Additionally, even where the mechanism exists to pay for childcare, there are then major issues concerning its availability (see Moss 2000). Of particular concern among our respondents was the issue of childcare during school holidays and the fact that the kinds of playschemes that are available do not run over the Christmas and Easter holiday breaks; they do not necessarily run every day or for the full length of the normal working day; and they are usually not available for younger children.

Getting by

The original intention had been that our sample should consist entirely of families in receipt of FC or who had transferred to WFTC. However, for the reasons explained and because some families circumstances had recently changed, this was not the case. Those families in the sample (15) who were not in receipt of FC/WFTC were either temporarily without work (five instances), were impoverished by substantial mortgage costs which are not allowed for within the WFTC scheme and are ineligible for Housing Benefit assistance (eight instances) or else appeared to be entitled to receive WFTC (which was probably the case in two instances). In addition to FC/WFTC, Housing Benefit/Council Tax Benefit (where appropriate), Child Benefit, their wages (and income support/job-seeker's allowance where appropriate in the case of respondents who had recently left low employment) and any undeclared earnings from informal employment, more than half the families (26) had income from other sources: from other social security benefits (Disability Living Allowance for a child in one instance and Incapacity Benefit for the respondent's partner in another); in the case of some lone-parents, from child support; in five instances, drawings and/or interest from savings. One sixth of the sample (8 families) also received cash assistance from relatives or kin (but not from friends). Such assistance might not be formal or regular, but cumulatively it could in some instances make a significant difference to household income:

I mean, Mum's – all of a sudden she'll give me a tenner or whatever You know, when she's got a bit extra, and she says 'Oh, put that away for your holiday' and she'll give the kids a bit of pocket money and things like that.

We discussed with our sample how they felt they were managing on their incomes. Something under a third (14) said they were 'managing okay', something under a half (20) said they were 'getting by' ('just enough money for what we need, never enough for extras') and around a quarter (12) admitted they were 'struggling'. Nearly half the sample (22 respondents) admitted either that they had been making sacrifices to make sure their children had what they needed (cf. Pahl 1989, Bradshaw and Holmes 1989, Goode et al 1998, Snape et al 1999) or that – in spite of their best efforts – their children were having to 'do without' some things. Asked how they managed, some respondents explained how they budgeted, used credit and tried to plan ahead. Others said they didn't know: 'just have to'. Some relied on undeclared earnings from overtime or drawings on undeclared savings. Others acknowledged the importance of 'handouts' (in cash or kind) from relatives or friends. In practice, of course, survival generally depended on a combination of strategies (cf. Kempson 1996):

I didn't mind going to jumble sales to buy clothes, you know, and the kids, you know, didn't have to have the designer clothes. We could sell things occasionally. We had friends we could rely on, you know. You know, relatives had money if we needed them ...

Practical planning and moral priorities

This leads to the question of whether the families' strategies were 'planned'. When we asked respondents whether this was so, a half (24) claimed either that they did or that they attempted to do so, while a quarter (12) said that things 'just happened'; that their lives were dictated by need or circumstance. The remaining members of the

sample gave contradictory or inconclusive replies. McCrone (1994) has suggested it is possible to divide households in to 'planful' and 'planless' households, but this will not necessarily take account of the kind of implicit strategies that flow from unarticulated assumptions, nor the complexities of the gender dynamics and power relationships within households by which unspoken strategies are socially negotiated or imposed. Respondents from two parent families were asked what consultation took place between them and their partners when their plans were laid with regard to work and childcare. Around half claimed that their respective responsibilities had been mutually negotiated, while in the other half it appeared that by and large a male breadwinner household model had been unquestioningly assumed. This applied to all 11 of the South Asian families. In four of these families, women had worked before their marriage, but had been discouraged from doing so since:

My father-in-law and my mother-in-law, they don't really want me to work, so

I don't know if their Dad [i.e. her husband] will like me working. He doesn't really want me to work.

Land (1999) has speculated that the WFTC may function in the case of two parent families so as to restore the possibility that men with a limited earning potential may be able none the less to support a 'traditional' family with a non-working wife. The evidence from our study suggests that there are indeed some families in which this is likely.

None the less, for most families, women's access to employment opportunities was to some extent an issue. Respondents were asked what difference having children made to the planning of work and childcare. Almost two thirds of the sample (30 respondents, all but one of them women) said either that it primarily affected their access to the labour market, or both their chances of working *and* their family finances (because raising children is expensive). Only seven respondents thought the effect was *solely* financial. However, there is a moral as well as an economic issue here. Working parents may quite legitimately regard themselves primarily as workers, primarily as parents or as both, and to treat them uniformly as economic actors responding to economic incentives is to commit what has been called the 'rationality mistake' (Barlow et al 2000). With this in mind we asked respondents a morally loaded question: 'What is more important for you, having money to spend on your children or having time to spend with them'. Unsurprisingly, very few respondents would admit that only money matters and although a third of the sample (16) played safe and said that time and money were both important (and/or that this depended on the children's age), almost half the sample (21) said clearly that time was more important:

Time to spend with 'em. I'd give anything not to be having to work, so I could spend time for them. I kill meself over it dun' I. Always complaining about not being able to spend time with 'em I'd rather be at home. Yeah.

This tends to confirm that the pressure to seek work that is now being directed not only to lone parents but also to the partners of the unemployed may indeed amount to encouragement to pursue a course that some mothers regard as morally undesirable (cf. Ford 1996, Duncan and Edwards 1999). Significantly, the quotation above comes from a mother in a two-parent family where both partners feel it necessary to work: social policy may be in step with prevailing economic pressures and cultural

expectations, but it is not necessarily in step with the aspirations or preferences of all parents.

Policy awareness

In this context, respondents were by and large quite well engaged with the general policy debate about whether or not it is a good idea to get as many parents as possible out to work. More than half (25) thought it was a good idea, although some only subject to provisos that parents – and here they generally meant mothers – should not be required to work until their children were older or that they should only be expected to work part-time. The Blairite language of rights and responsibilities is clearly permeating popular discourse:

I'm saying that people that can work should go out to work for a couple of hours even – 'cos its not fair on other people

It is a good idea. At the end of the day people [that] just stay on Income Support they're not bothered to improve themselves or the children and basically just take everything for granted.

About the single parent thing and getting them out to work, I think getting them out to work is a good idea to an extent because it does improve your self-esteem and it gives you – you know, just broadening your horizons is a good thing.

However, well over a third of the sample insisted that getting parents out to work was not necessarily a good thing; it is important that people should want to go to work:

I think if they're happy to do it, if they feel they can cope with it, but I don't think parents should be pressed into it, 'cos I could see if my circumstances were completely different – if I didn't have family nearby, etc. and I wasn't happy with the childcare arrangements in the area, then I wouldn't be happy to leave my children no matter how much anybody tried to pressure me into going back to work ...

If they want to, yes. Then there has to be good childcare. It's this sort of almost insisting that everybody goes to work that I'm a bit wary [of]. It seems like a police state to me: you know, that you're going to get punished if you don't.

In contrast, when it came to an appreciation of the particular policy instruments that are being pursued by the government, respondents were generally poorly informed. Fewer than half (20) the sample demonstrated any informed awareness of the raft of policies relating to WFTC (and Childcare Tax Credits), the National Childcare Strategy and 'family friendly' employment policies. A few professed understanding but were in reality confused and/or clearly mistaken. Many (21) were largely unaware, in spite of the fact that they were all part of group that stands specifically to benefit from such policies.

The concept of a tax credit (as distinct from a social security benefit) by and large had little purchase within our sample. Far from changing their perception of the benefit, it was for some a source of puzzlement, especially for those whose earnings were currently beneath the income tax threshold: they could not understand how it would work. Others with some understanding of FC anticipated that WFTC would replicate its shortcomings: they were conscious of – the poverty-trap effect of tapered

withdrawal; of the effect which in-work benefits have in reducing HB/CTB entitlements; of the fact that no free school meals entitlement attaches to the receipt of in-work benefits. For all that, there were two respondents that were supportive of FC/WFTC. WFTC in particular can make a significant difference, especially to the incomes of those low income families who are not also in receipt of Housing Benefit, as one lone-parent discovered:

Tax Credit has made an incredible difference to what we're doing. I think the Working Families Tax Credit goes some way into recognising people's personal effort to, you know, make themselves financially independent from – from the State basically.

There is something of an irony that the respondent in our sample for whom WFTC had been most successful – it had increased her income by £90 per week – should conclude that the receipt of such significant and, for her, unexpected state largesse should, because of its name and manner of delivery, make her 'independent' of the state. In her case, WFTC had not operated as an incentive to work, since she had only discovered she was entitled to it after she had been working for some time. Another respondent who had been in receipt of FC also confirmed the extent to which in-work benefits may be perceived by some as having a different status to social assistance benefits, like Income Support, when she explained how for her the different names of the benefits 'conjure up a different lifestyle'. There is a danger, of course, since the government proposes through the replacement of FC with WFTC further to enhance the status of in-work relative to out-of-work benefits that this will further stigmatise social assistance for those who cannot access the labour market or who may prefer to fulfil the role of full-time parent.

Awareness of the government's National Childcare Strategy was virtually non-existent, although some respondents were very much alive to the issues and several specifically mentioned, for example, the need for after-school clubs. Similarly, awareness of policy initiatives relating to family friendly employment was quite limited, although public controversy in Britain surrounding the recent implementation of the EU parental leave directive had had some impact, even though the technical details of the new measures (and the relationship they bore to existing maternity and paternity leave arrangements) were by and large obscure. None the less, some resentment was expressed that leave arising from the recent directive would not apply to children born before December 1999 and would be unpaid. One respondent commented on publicity surrounding parental leave with particular scepticism:

... when I heard the news report about – people were supposedly making it easier for parents to be able to go out and, you know – even go and watch a nativity play and stuff at school, I just laughed at it, 'cos I thought – yeah, okay, fine: I can just see my branch manager authorising everybody to have time off to go and watch the nativity play and stuff like that. And the rest of it just – it just went straight over my head. I didn't take any notice, 'cos it just seemed a joke.

Once again, however, respondents were often in fact quite astute when it came to discussing the underlying issues. Asked what more their employers could do to help them, several were able to specify sensible and imaginative ways in which their employers could accommodate their needs. Suggestions included – annualised working hours; the rostering of annual leave in such a way as to favour lone-parents who need to take time-off during their childrens' school half-term holidays; the provision not necessarily of full creche facilities, but of a 'reading room' where older

children would be safe for a couple of hours after school until their parents finished work. Asked whether it was a 'good idea' for the government to impose laws on employers to make them change the way they treat employees with family responsibilities, half the respondents agreed, though others were more cautious:

... what kind of laws could they possibly introduce to change people's attitudes.

... it depends on the circumstances as well of the employers: if they're small employers and what finances they've got, you know.

Tellingly, however, some respondents (5) expressed the fear that such legislation would make employers 'more wary' of employing people with children, and/or that it would disadvantage parents competing for jobs with more marginal sources of labour supply – as this (ostensibly racist) comment implied:

... if you demand more then the boss can let you go and hire someone who will work under conditions he has set. I mean where I worked last year, every day about ten refugees would ask my boss for a job, so if he is not happy with me he can just take one of them on. So if the government can impose laws it would be good, but I think it would be very difficult.

Conclusions/discussion

The important policy initiatives by which the British government is seeking to facilitate the capacity of families with children to combine formal labour market participation with domestic caring and self-provisioning are too recent for their full effects to be judged. Our study was not intended to provide such an evaluation, but to address the context into which the policies are being introduced and, in particular, the existing strategies and perceptions of low-income working families. It is possible none the less to draw some conclusions about the likely effects of such policies upon the behaviour and well-being of such families. In general terms the extension of in-work benefits for families and associated childcare and employment measures are clearly capable of making a difference for families. Certain issues – for example, concerning the housing costs of low-income homeowners – have still to be addressed. Additionally, it will take time and further resources to bring the levels of childcare provision in Britain up to those of some of our European neighbours. Most importantly, however, these policy measures cannot by themselves change the precarious nature of the labour market with which low-income families must engage. In that context, our findings would seem to identify a number of issues.

First, our findings do tend to suggest that low-income working families are seldom fully in command of their survival strategies. To the extent that their income from formal employment and state benefits remains relatively low and economic insecurity remains endemic, informal sources of assistance can be particularly important. It seems that relatively few low-income working families are supplementing their incomes through the informal economy. More commonly families may in part be dependent for their survival upon social and particularly kinship networks, although it is clear that for substantial numbers of families such networks are not available or are not especially strong. Though there are important means of survival that exist outside the formal economy it cannot be assumed that these are enough to compensate for the weak position of lower income groups within

the labour market. There is a powerful case, therefore, for continued and effective policy intervention.

Secondly, however, we would argue that insufficient attention is being paid to the personal moral dilemmas and difficult life-cycle transitions that are being fuelled by current policies. Policies to promote labour force participation by parents in general and mothers in particular can impact in very different ways. The meanings such policies have for lone-parents have to some extent been investigated, but our findings suggest that these issues can be just as important within two parent families. At issue here is both the nature of the commitment that some mothers have to their parenting role, but also the consequences that are entailed at the point when such mothers do elect to step out of that role and enter the labour market.

Thirdly, we are concerned that childcare and work-life balance initiatives by employers may inadvertently fuel class inequalities. Some of our respondents were conscious that they were especially vulnerable within the labour market and that it was difficult to press for their needs as parents to be recognised by employers. Additionally, the childcare arrangements most commonly opted for by low-income families tend to be those involving relatives and kin, rather than the more expensive formal arrangements that are available to higher paid families. Our concern has to an extent been strengthened by interviews conducted with employers (but which we have not reported here): these did tend to suggest that some businesses are more inclined to invest in the provision or subsidy of childcare arrangements for more highly paid and trained 'core' staff than for lower paid and relatively unskilled 'peripheral' staff. The risk here is of an emerging divide between low-income working families and secure middle class families who may benefit disproportionately from 'family friendly' employment.

Fourthly, we are concerned that the current policy regime may indirectly increase the economic exploitation of low-income working families. The government has said that it is keen to 'know more about how achieving a better balance between work and home can increase productivity' (Blunkett 2000: para. 84). Clearly, employers will expect a trade-off for flexible working arrangements and we were conscious from the accounts of some of our respondents that the 'price' that some of them have ostensibly quite willingly accepted for the accommodation of their particular needs as parents – especially from the smallest employers – amounts to what an objective observer might regard as unacceptably low wages for an unprecedented degree of loyalty and commitment. Additionally, the entire thrust of the New Labour government's 'welfare-to-work' programme and its associated measures for the support and encouragement of working families is to increase the competition for jobs at the lowest-paid end of the labour market. Some of our respondents were acutely aware of the competitive nature of the labour market and of their consequent vulnerability.

Finally, and following from the last point, we have already noted the possibility that benefits for those families that are not engaged with the labour market may become relatively less generous on the one hand and further stigmatised on the other. This may have consequences not only for those parents who feel they cannot or should not take employment, but also for those who do make it into the labour market, whose sense of insecurity may be heightened by the 'less eligible' nature of the regime they might face if they should lose their job. The support that current policies offer to low-income working families will contribute to their material and practical needs, but it would be unfortunate if its effectiveness were to be undermined for want

of parallel forms of precautionary support and adequate security against the risks associated with low-paid employment.

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