'This consistently excellent collection shows Jonathan Bradshaw to be one of the foremost scholars in the field.'
Peter Saunders, *University of New South Wales*

JONATHAN BRADSHAW ON SOCIAL POLICY

Selected Writings 1972 – 2011

Edited by
Richard Cookson, Roy Sainsbury and
Caroline Glendinning

Jonathan Bradshaw on Social Policy

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Some of the material reproduced in this volume was jointly authored or edited. In Jonathan's own words, "I hope that colleagues will not feel that in reproducing it here we are implying that it is all my own work. On the contrary, one of the most enjoyable aspects of my academic life has been to work in teams and to write with others. It must be so with big research projects. The joint work remains joint work and many thanks to the co-authors for their collaborations".

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Chapter 7: Bradshaw, J., Stimson, C., Skinner, C. and Williams, J. (1999) Absent fathers?, Routledge: London. Introduction and Conclusion.

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Chapter 12: Bradshaw, J. and Richardson, D. (2009) 'An index of child well-being in Europe', *Journal of Child Indicators Research*, 2, 3, 319.

Chapter 13: Bradshaw, J. and Keung, A. (2011). Trends in child subjective well-being in the UK, *Journal of Children's Services*, 6, 1, 4-17.

Introduction

Roy Sainsbury, Richard Cookson and Caroline Glendinning

How this book came about

The stimulus for this volume was the 'retirement' of Jonathan Bradshaw in 2011 after 46 years as a student, teacher and researcher in social policy at the University of York. Most readers working in academic institutions will recognise the need for those inverted commas. 'Retirement' rarely means people actually packing their bags and leaving their offices to pursue whatever pleasures they had been denying themselves for years. And so it is that retirement for Jonathan means that he continues to teach, research and write but just on a part-time basis and certainly not so well paid.

Nevertheless, as colleagues of many years we did want to mark his 'official' retirement with something more enduring and tangible than the traditional wine, nibbles and speeches. Thus the idea of this book was born. But what sort of book? In reflecting on this question we realised that Jonathan's writing on social policy, covering nearly five decades, was scattered over a vast number of books, journals and reports which, even in the digital age, were often difficult to access. We therefore decided to collect together the best of his contributions to serve not only as a celebration and recognition of a lifetime's achievement but also, and perhaps more

importantly, as an introduction to his wide-ranging scholarship and thinking for future generations of social policy students and scholars, that could inform and hopefully inspire them.

Any readers who know Jonathan will understand that we had a considerable job in persuading him of the value and appropriateness of this book project. He is an exceedingly modest man. But we wore him down and began the task of selecting what would eventually appear in this book. Working within the usual limitations of space we took the approach of identifying the best pieces from across his career and across the many social policy topics on which he has written. (And here we should acknowledge the time and effort that he put in to help us make the final selections.) Hence you will find pieces spanning the 40 years from 1972 to 2011 and covering such diverse topics as theories of social need and discretion, energy poverty, child poverty, lone parents, absent fathers, and children's well-being. We say a bit more about the contents of the book in a moment. First, however, we feel that some explanation of Jonathan's background might not only be interesting but also enhance an understanding of why he has devoted so much of his professional life and energy to the study of social policy and to its impact on the world.

(For a full and up-to-date list of Jonathan's publications including a growing number of important contributions written after the 2011 cut-off point for this book – i.e. the date of his 'retirement' – please visit his website at the University of York Social Policy Research Unit by typing in the short link **bit.ly/JBradshaw** directly into your browser).

How Jonathan Bradshaw found social policy

Jonathan was born in 1944, the second of five children, to Peter and Daphne Bradshaw. His father was a serving soldier who left the army in 1946 after the Second World War to study theology at Cambridge before becoming a priest (ending his career as Canon Resident of Norwich Cathedral). His mother became a teacher in

later life but died young of pre-senile dementia. Jonathan's schooling was, in his own words, 'a misery' and he did not flourish as a young student. He flirted with the idea of joining the Royal Navy and the merchant navy, but eventually stayed on at school to complete his 'A' Levels. However his grades were not good enough to get into Cambridge as he had hoped, and he spent the year following school (well before 'gap years' were invented) doing voluntary service overseas (VSO) in Africa. In that time he worked with refugees and organised famine relief in what was then Tanganyika and is now Tanzania, following independence from Britain in 1961 and becoming a Republic in 1962 (an historical event that Jonathan witnessed in person in the northwest town of Bukoba where, as we might expect, he organised the republic celebrations).

Returning home in 1963 Jonathan took up a place to read Mental and Moral Science at Trinity College, Dublin where many of his long line of Irish forebears had studied. He describes how a life in philosophy did not suit him at the time and that, after reading *The Last Refuge*, Peter Townsend's pioneering study of residential homes for old people in England and Wales, he made what would turn out to be a life-changing switch to Social Studies. In the early 1960s Social Studies in Dublin had a strong practical element and he spent time on placements in London and Ireland where he gained further first-hand knowledge of the lives of people experiencing disadvantage and severe hardship.

By the time he left Trinity in 1967 with a first class degree, Jonathan had been transformed from an unhappy, unpromising schoolboy into a determined and focused young academic. His experiences to this point had engendered a deepening desire to promote social justice. He chose therefore to continue his studies and enrolled on a postgraduate Masters course in the Department of Social Administration and Social Work at the University of York. His Masters dissertation on poverty among older people in York was the source for one of his most cited pieces, a theoretical exploration of the 'taxonomy of social need' (reproduced in this volume in

Chapter 1). This classic paper, written more than four decades ago, remains a staple of student essays and introductory textbooks and courses on social policy and exemplifies the clarity and concision of Jonathan's writing style.

Whilst still on his Masters course, he was appointed to the post of Research Fellow and then quickly promoted to Lecturer in 1969. In those days Jonathan was not content, however, to promote social justice through academic channels alone. In his early years in York he started a welfare rights stall in the city centre market with his friend and fellow researcher, Malcolm Wicks, who was eventually to become a Labour MP and Minister (before his untimely death in 2012). Together, they then set up a local branch of the Child Poverty Action Group. Jonathan also became a York councillor in 1970 (until 1974) and unsuccessfully contested the Parliamentary seat of Thirsk and Malton for Labour, also in 1970.

His academic interests became more focused on children and families in 1973 when he was appointed to lead the Family Fund Research Project set up with funding from the then Joseph Rowntree Memorial Trust (later the Joseph Rowntree Foundation). This project aimed to monitor and evaluate the Family Fund, a government scheme to disburse financial help to young people with serious disabilities. The scheme arose following the Thalidomide disaster of the early 1960s when evidence began to emerge of widespread financial hardship among many families with a severely disabled child, not only those with a child affected by Thalidomide. He later wrote his doctoral dissertation on the Fund and was awarded a DPhil from the University of York in 1978. (Chapter 3 of this volume contains his account of the origins of the Fund.) The Family Fund Research Project evolved into the Social Policy Research Unit, and Jonathan became its first Director. Under his leadership the Unit quickly became established and expanded into the wider areas of social care and social security.

Since the 1970s Jonathan has continued his long and distinguished association with social policy teaching and research at York, and

has held major academic management roles within the University almost continuously up until his retirement. He served as Director of the Social Policy Research Unit for 14 years, passing the mantle on to his former student and colleague Sally Baldwin in 1987. He then served as Head of Department for Social Policy and Social Work from 1988-1994, then four years as Director of the Institute for Research in the Social Sciences from 1994 to 1998, and a further term of office as Head of Department for Social Policy and Social Work from 2003-2007.

What you will find in this book

In his long career Jonathan's output has been immense, and it has been a near impossible task to select the pieces that appear in this volume. In making the final choices we have tried to do justice to three areas of research where he has made a particularly important contribution: (1) the study of poverty and the championing of budget standards approaches for setting rates of social security benefits, (2) the use of 'model family' techniques for conducting comparative research, and (3) the development of measures of child well-being.

The study of poverty has a long connection with York. In the 1890s Seebohm Rowntree conducted the first of his three studies of poverty in the city. (It was eventually published in 1901.) Rowntree's primary aim was to establish, through empirical analysis, a basic level of subsistence income that families should be provided with that would allow them to survive. In today's terminology he was using a budget standards approach – gathering information on what goods and services people needed to live. This approach to the study of poverty was challenged by Townsend and others in the 1960s as denying people the opportunity to participate in society in ways considered normal to most members of the public. The notion of 'relative poverty' was developed and represented a paradigm shift in the way policy debates about the alleviation of poverty were conducted.

Jonathan embraced this way of thinking about poverty but came to recognise in the 1980s that it appeared to be having little influence on policy under the Conservative governments of Margaret Thatcher. He, along with others, realised that another strategy was needed. So he turned his thinking once more to the budget standards approach of Rowntree. From this point he, and others, established the Family Budget Unit (FBU) in 1987 to promote and develop the methodology of budget standards as a means of determining benefit levels. The FBU was wound up in 2011 but the legacy of its work can be found in the flourishing study of 'minimum income standards' in the UK and abroad. In particular the FBU championed the innovative use of focus groups of members of the public to inform decisions about what items of expenditure should be considered reasonable to include in a basket of goods representing an adequate income in contemporary society. This effectively introduced an element of democratisation into policy research which was further developed in the work on minimum income standards by Sue Middleton and colleagues at Loughborough University. Readers are directed particularly to Chapters 5, 8, 9 and 10 to explore Jonathan's contribution to the study of poverty and budget standards, and encouraged to explore further important works on this subject in his full bibliography.[1]

Jonathan's first excursion into comparative research was prompted by the prospect in 1979 that the incoming Conservative government would abolish universal child benefits. Working with David Piachaud at the London School of Economics he set out to introduce a new line of evidence to oppose this development in policy. In his own words, he 'trudged round European countries collecting data on benefit and tax systems' in order to demonstrate that universal child benefits were the norm across the developed world. The technique they used to compare across different

1 Short web link **bit.ly/JBradshaw.** A recommended example is a 2008 report for the Joseph Rowntree Foundation entitled "A minimum income standard for Britain: What people think" (freely available from the JRF website).

countries was the 'model family method' of Kamerman and Kahn[2], a technique that Jonathan has since adopted with colleagues in York on studies covering for example social assistance, housing benefit, and child support policy. His more recent reflections on model families, openly acknowledging both the strengths and limitations of the approach, can be found in Chapter 12 of this volume.

This early work, conducted with colleagues, prompted a wider interest in international comparative research. He has a large (and still growing) portfolio of comparative studies based on analyses of large micro-data sets such as the Luxembourg Income Study, the European Community Household Panel and the European Union Statistics on Income and Living Conditions.

His most recent research has been in the pioneering development of measures of child well-being in the UK and in comparative perspective. In 2013 we have perhaps become used to the notion that measures of Gross Domestic Product (at the macro level) or family incomes (at the micro level) fail to capture the reality of people's lived experiences. The fact that governments are prepared not only to acknowledge 'happiness' and 'well-being' as valid concepts, but also put considerable resources into measuring them, is testament to the extent to which old thinking about poverty and living standards has shifted. Jonathan's and colleagues' work here has been particularly influential.

Jonathan and others produced in 2001 the first of now four books on the well-being of children in the UK. The reports provide a comprehensive analysis of what well-being means for children across a number of distinct but related domains, including home, family and friends, money and possessions, school, health, appearance, and choice and autonomy. Importantly, the analyses

2 Kamerman. S. and Kahn. A. (Eds.). (1978). *Family policy: Government and families in fourteen countries*. New York: Columbia University Press.

give prominence to *subjective* well-being which draws on children's feelings of happiness and self-esteem. Using subjective well-being in an overall measure of well-being has its critics among those who prefer to use only objective criteria such as income, housing or health status. But as Jonathan has countered: "to argue that subjective well-being does not matter is to argue that people's own feelings about their quality of life do not matter." His more recent work has focussed on subjective well-being in a series of collaborative studies with The Children's Society.

With colleagues he produced the first comparative study of child well-being in Europe in 2005. On the basis of this work he was commissioned by UNICEF to carry out a cross-country analysis of child well-being in 21 industrialised OECD nations. The UNICEF report in 2007 was something of a landmark in debates of child well-being in the UK when it was revealed in a league table combining all the different domains of well-being that the UK was at the bottom. The response from the Labour government was predictably defensive but the report served as a wake-up call and provided a benchmark against which the future impact of policy on children and families could be judged. If we fast forward to the latest version of the UNICEF analysis based on 2010 data we find the position of the UK improved to 16th out of an expanded number of 29 countries. It would be bad science to attribute this improvement to Jonathan's or anyone else's research but it can at least be claimed that his work has led to children's well-being being treated seriously by UK governments. A small and probably inadequate recognition of his contribution to the study of children's well-being can be found in Chapters 11 and 13.[3]

We have concentrated in this introduction on Jonathan's most central and lasting contributions to the study of poverty, comparative methodology and child well-being. However, we also

3 Further detail on the origins and development of international "league tables" of child wellbeing can be found on Jonathan's website at the University of York Social Policy Research Unit at short web link **bit.ly/UnicefJB.**

commend the other chapters in this volume that we have chosen to represent the wide span of his scholarship and contribution to policy across time and subject matter – on topics as diverse as legalism and discretion, energy poverty, lone parents and absent fathers. There is much to gain and to enjoy in visiting or revisiting them. Please do.

Some concluding words

It is difficult to sum up Jonathan's contribution to social policy, but perhaps we can highlight one aspect of his work that pervades his research throughout: the innovative use of large datasets to produce detailed, systematic and robust evidence of social inequalities in clear, accessible outputs that demand to be taken seriously. Like many other social policy scholars in Britain and across the world he follows in a long tradition of influential social researchers beginning with Charles Booth and Seebohm Rowntree in the UK who pioneered the use of large-scale, quantitative studies of poverty at the end of the nineteenth century. However while Booth and Rowntree worked with data they generated themselves from one off surveys of a single city (though ground-breaking at the time), Jonathan has been able to draw on multiple waves of data across countries and continents enabling him to deliver powerful research findings that resonate well beyond the shores of Britain and establishing him as one of our foremost comparative social researchers.

It has been a pleasure for us to have worked on this book. In doing so, we have been further convinced of the immense contribution Jonathan has made to social policy and to the study of poverty. This is not only our opinion. Recognition of the esteem in which he is held within the national and international social policy communities can be found in his award of a Lifetime Achievement Award by the UK Social Policy Association in 2007 and his Presidency of the Foundation for International Studies of Social Security from 1998 to 2003. Recognition of the wider importance of his work within academia and society as a whole is also evident

from his election as a Fellow of the British Academy in 2010 and the award of a CBE in the 2005 Queen's Birthday Honours List 'for services to child poverty'.

As we have mentioned, Jonathan Bradshaw is 'retired' but continues to teach, write and research on the subjects closest to his heart – child poverty and child well-being. Despite his contributions to research and policy he would be the first to admit that the problems of poverty in general and child poverty in particular have not been eradicated. At the time of writing this in 2013 the prospects are that these problems will become worse in the short term as the economic effects of recession and austerity bite deeper. There is still a pressing need therefore for the type of work that Jonathan has pioneered over the past 45 years. Expect to hear more from him in his retirement.

1

A Taxonomy of Social Need*

One of the most crucial problems facing the social services is how to identify social need. This article attempts to provide a framework for clearer thinking about need.

The concept of social need is inherent in the idea of social service. The history of the social services is the story of the recognition of needs and the organization of society to meet them. The Seebohm Report (1) was deeply concerned with the concept of need, though it never succeeded in defining it. It saw that 'The Personal Social Services are large scale experiments in ways of helping those in need'.

Despite this interest it is often not clear in a particular situation what is meant by social need. When a statement is made to the effect that a person or group of persons are in need of a given service, what is the quality that differentiates them – what definition of social need is being used?

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* Bradshaw, J.R. (1972) 'The taxonomy of social need', in McLachlan, G. (ed), *Problems and Progress in Medical Care*, Oxford University Press: Oxford.

The concept of social need is of particular interest to economists. They have a clearcut measure of 'effective demand': demand is 'effective' when people are prepared to back it by pecuniary allocation and ineffective or non-existent when they are not. This measure will not do for the social services, because there is normally no link between service and payment (though some economists think there ought to be). If the social services are trying to cope with need without limiting it by the ability to pay, how is it actually assessed?

In practice, four separate definitions are used by administrators and research workers.

1. Normative Need

Normative need is that which the expert or professional, administrator or social scientist defines as need in any given situation. A 'desirable' standard is laid down and is compared with the standard that actually exists – if an individual or group falls short of the desirable standard then they are identified as being in need. Thus the BMA's nutritional standard is used as a normative measure of the adequacy of a diet (2). The Incapacity Scale developed by Townsend (3) and the measure of social isolation used by Tunstall (4) are also examples of normative standards used as a basis of need. A normative definition of need is in no sense absolute. It may not correspond with need established by other definitions. It may be tainted with a charge of paternalism-i.e. the use of middle-class norms to assess need in a working-class context – though where the aspirations are to middle-class standards this may be reasonable. A further difficulty with the normative definition of need is that there may well be different and possibly conflicting standards laid down by different experts. The decision about what is desirable is not made in a vacuum. As Walton (5) has pointed out, the statement 'X is in need' is often taken as an empirical fact. This is not so. It is a value-judgement entailing the following propositions: X is in a state Y, Y is incompatible with the values held in society Z. Therefore Y state should be changed. So the normative definition of need may

be different according to the value orientation of the expert – on his judgements about the amount of resources that should be devoted to meeting the need or whether or not the available skills can solve the problem. Normative standards change in time both as a result of developments in knowledge, and the changing values of society.

2. Felt Need

Here need is equated with want. When assessing need for a service, the population is asked whether they feel they need it. In a democracy it could be imagined that felt need would be an important component of any definition of need, but a felt need measure seems to only be used regularly in studies of the elderly and in community development. Felt need is, by itself, an inadequate measure of 'real need'. It is limited by the perceptions of the individual – whether he/she they know there is a service available, as well as a reluctance in many situations to confess a loss of independence. On the other hand, it is thought to be inflated by those who ask for help without 'really needing it'.

3. Expressed Need

Expressed need or demand is felt need turned into action. Under this definition total need is defined as the need of those people who demand a service. One does not demand a service unless one feels a need, but on the other hand, it is common for felt need not to be expressed by demand. Expressed need is commonly used in the health services where waiting-lists are taken as a measure of unmet need. Waiting-lists are generally accepted as a poor definition of 'real need' – especially for presymptomatic cases.

4. Comparative Need

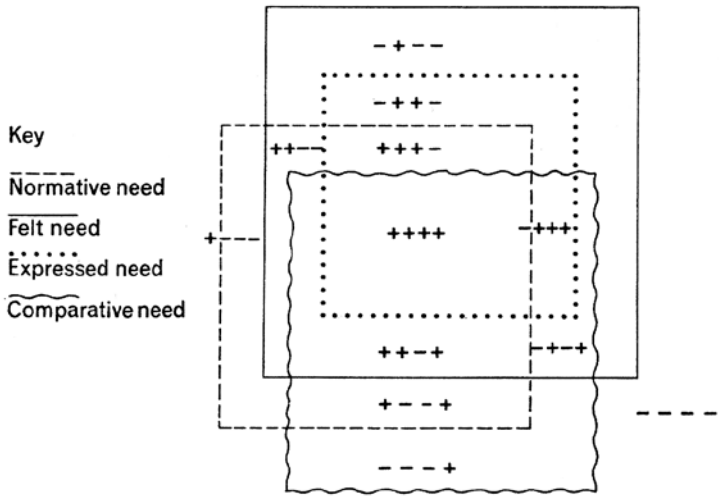
By this definition a measure of need is obtained by studying the characteristics of the population in receipt of a service. If there are people with similar characteristics not in receipt of a service, then they are in need. This definition has been used to assess needs both of individuals and areas. Bleddyn Davies (6) has identified

the community-wide factors which indicate high incidences of pathology in one area which are not present in another. Need established by this method is the gap between what services exist in one area and what services exist in another, weighted to take account of the difference in pathology. This is an attempt to standardize provision, but provision may still not correspond with need. The question has to be asked – supply at what level? The statement that one area A is in need in comparison with another area B does not necessarily imply that area B is still not in need.

Comparative need used to define individuals in need can be illustrated by the following statements: 'this person X is in receipt of a service because he has the characteristics A-N. This person Z has also the characteristics A-N but is not receiving the service. Therefore Z is in need.' The difficulty in this situation is to define the significant characteristics. The method has been used by some local health authorities to compile a risk register of babies in need of special attention from the preventive services. Conditions which in the past have been associated with handicap such as forceps delivery, birth trauma, birth to older mothers, etc., are used as indicators to babies in special need. The definition is more commonly used in an ad-hoc way – a crude rule of precedence to assess eligibility for selective services provided by the personal social services.

Figure 1.1 demonstrates diagramatically the interrelation of the four definitions. Plus (+) and minus (–) denote the presence or absence of need by each of the foregoing definitions, i.e. + – – + is a need that is accepted as such by the experts, but which is neither felt nor demanded by the individual despite the fact that he has the same charac-teristics as those already being supplied with the service. Other examples of the twelve possible combinations are given. It will be noted that none of the circles in Figure 3.1 are coterminous and the problem the policymaker has to face is deciding what part of the total is 'real need' – that is need it is appropriate to try to meet.

Figure 1.1



1. + + + +

This is the area where all definitions overlap, or (using an analogy from studies of intelligence tests) the 'g' factor of need. An individual is in need by all definitions and so this is the least controversial part of need.

2. + + – +

Demand is limited by difficulties of access to a service. Although the individual is in need by all other definitions he has not wanted to, or been able to, express his need. Difficulties of access may be due to a stigma attached to the receipt of a service, geographical distances that make it difficult to claim, charges which are a disincentive to take up, administrative procedures that deter claimants or merely ignorance about the availability of the service. Demand must also vary according to how intense is the felt need. Two examples of need of this type are the non-take-up of means-tested benefits, and the under-utilization of fair rent machinery.

3. + + – –

Here need is accepted as such by the expert and is felt by the individual but there is no demand as well as, and possibly because of, the absence of supply. Examples may be need for family planning facilities for unmarried girls, free nursery education, and need for chiropody services for the elderly.

4. – + + +

Here the need is not postulated by the pundits, but is felt, demanded, and supplied. The less-essential types of cosmetic surgery are examples. Also some of the work of the GP, it is often thought could come into this category, i.e. the prescribing of 'clinically unnecessary' drugs. The pundits may suggest that a compassionate label for this category could be 'inappropriate need'. On the other hand, the pundits may be exercising inappropriate value-judgements.

5. + + + –

A need that is postulated, felt, and demanded but not supplied. These needs represent likely growth areas in the social services. An example would be the need for an allowance for fatherless families or adequate wage-related pensions. Resources are usually the limiting factor in this category.

6. + – – +

Here the need is postulated by the experts and similar persons are being supplied with the service, but the need is neither felt nor demanded by the individual. Some of the work of the probation officer, or the health visitors' post-natal visits (when they are not wanted) are examples of meeting this kind of need. Another example is the unwanted supply of expensive central-heating plant in public sector housing.

7. **+ – – –**

Here need is postulated by the pundits or professionals. Examples could be found in the area of preventive medicine. To the layman the need is probably obscure, technical, and new. The need to provide fluoride in the water supplies was accepted as such by the public health experts long before it was felt, demanded, or supplied.

8. **– – – +**

Here a service is supplied despite the absence of need as assessed by the other definitions. This could be called a service-oriented service. Examples can be found in the many small and outdated charities to which the charity commissioners are striving to apply the doctrine of cy pres, i.e. paying electricity bills instead of buying farthing candles for old ladies at Michaelmas.

9. **– + + –**

This is need which is not appreciated by the experts and is not supplied, but which is felt and demanded. Prescriptions for bandages requested from the GP may be an example of this. Another example is the need for improved services – the need for improved educational maintenance allowances.

10. **– + – –**

This represents felt needs which are not within the ambit of the social services to meet. Perhaps loneliness – or the need for love/company is an example of this. A need for wealth or fame are certainly examples.

11. **– + – +**

A need that is not postulated by the experts but is felt, not expressed, but is supplied. People feel a need to make contributions for social benefits and the need is met by insurance stamps, but many experts feel it would be simpler to finance these benefits wholly through taxation.

12. – – – –

Absence of need by all definitions.

To illustrate how this could be used by research-workers and policymakers it might be useful to outline a hypothetical situation. The taxonomy will be discussed in relation to housing need, but there is no significance in this choice – the discussion is equally relevant to any other area of need. A local housing authority is concerned about the housing position of the elderly in their area. They wish to have assessment of the need for public sector housing for this age-group. A research-worker is therefore commissioned to do a study of the housing need. The first problem the research-worker has to face is the question of what constitutes housing need? He can either make a decision as to what he himself believes housing needs to be, or he can produce information on the amount of need under each section of the taxonomy and allow the policymakers to decide what part of the total they regard as 'real need'. The research-worker decides to take the latter course of action. This will provide the maximum information with the minimum number of value-judgements. In order to produce a figure for each section of the taxonomy, he must first decide on the amount of need under each of the four separate definitions.

Normative need. It has already been pointed out that there is no one definition of normative need. Let us assume that the local housing authority is laying down the norms in this situation and would agree that old persons living in homes lacking any of the basic amenities and old persons living in overcrowded accommodation are in need by its standards. An estimate of the number of persons in this situation could be obtained by a sample survey.

Felt need. An estimate of the degree of felt need can be obtained by means of the same sample survey by asking the respondents whether they are satisfied with their present housing and if not whether they would like to move. Ignoring the problems inherent in exploring people's attitudes on such a delicate question and

remembering that their attitudes will be affected by their knowledge of alternative housing opportunities, as well as their fears about the upheaval of the move, another measure of need is obtained.

Expressed need. The local housing authority's waiting-lists provide the measure of expressed need in this context. It is at the same time the easiest measure of need to obtain and the most inadequate. On the one hand the list may be inflated by persons who have resolved their housing problem since they applied for the housing and yet who have not withdrawn their application, and on the other hand the list may underestimate expressed need if certain categories are excluded from the waiting-list; there may be a residence qualification, applications from owner-occupiers may not be accepted unless they are overcrowded, and persons who have refused the first offer may also be excluded. All these exclusions mean that the waiting-list is not an adequate measure of expressed need but because it is the only one available, it is used as another measure of need.

Comparative need. The measure of comparative need is more difficult to obtain. It would entail investigating the characteristics of elderly persons already in public sector housing and then through a sample survey obtaining an estimate of the number of persons in the community (not in public sector housing) who have similar characteristics. As the local housing authority's norms have been taken for the measure of normative need, and as the local housing authority is responsible for choosing their tenants, it is likely that in this example the characteristics of tenants will be similar to those norms and thus the measure of comparative need will be very similar (though not necessarily identical) to the measure of normative need.

The research-worker has now produced four separate but interrelated measures of need. By sorting he is able to put a figure against each of the permutations of the four measures. For instance:

+ + – + This will consist of persons whose houses are overcrowded or lack basic amenities, who want to move but who are not on the council waiting-list and yet who are 'as deserving as' other residents in council accommodation.

– + – – This will consist of persons whose housing is considered satisfactory by local authority standards, who are not on the council waiting-list, and are not in need when compared with other residents in council property and yet who want to move.

So now the policymaker is presented with a picture of 'total need' for public sector housing in their area. He is now able to use the taxonomy to clarify his decision-making. Instead of housing being allocated on the basis of either first come first served, or whether the old person is articulate, energetic, and knowledgeable enough to get on the housing waiting-list, it can now be allocated on the basis of explicit priorities. No longer is the local authority providing houses 'to meet need' but rather providing houses to meet certain specific conditions of need.

Thus the policymaker can do one of two things. Either he can decide that certain categories of the total (say + + + +, + + – +, + – – +, – + + +, + + + –) constitute 'real need' and plan to provide enough housing for the numbers in these groups, or secondly if it is found that need is very large and his resources are limited, he can decide that certain categories of need should he given priority. For instance, he may decide that category + + – + : those in need who have not applied for help (the iceberg below the waterline) should be given priority over category – + + + : those in need on all bases except that they are already adequately housed on a normative measure.

The policymaker can now return to the research-worker. Having made his priorities explicit he could ask the research worker to carry out a detailed study of the 'real need' categories to ascertain their aetiology so that in future they may be more easily identified and the services explicitly designed to get at and help them. The

research-worker could also use the taxonomy as a framework for monitoring the effects on need of technical advances, demographic change, changes in the standard of living, and improvements in the services.

This taxonomy may provide a way forward in an area where precise thinking is needed for both theoretical and practical reasons. Without some further classification much social policy must remain a matter of political hunches and academic guesswork. The taxonomy provides no easy solutions either for the research-worker or the policymaker. The research-worker is still faced with difficult methodological problems and the policymaker has still to make complex decisions about which categories of need should be given priority. But the taxonomy may help to clarify and make explicit what is being done when those concerned with the social services are studying or planning to meet social need.

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Legalism and Discretion

While there is probably fairly general agreement that the system of individual welfare rights that has been built up over the years should not be dismantled, there is still dispute at the margin about whether the right balance has been achieved between legalism and discretion, and thus 'between precedence and innovation, precision and flexibility and between equity and adequacy'.[1] By legalism is meant the allocation of welfare benefits or services on the basis of legal rules and precedent. By discretion is meant the allocation of welfare benefits or services on the basis of individual judgments.

Tawney has said that: [2]

> The services establishing social rights can boast no lofty pedigree. They crept piecemeal into apologetic existence, as low grade palliatives designed at once to relieve and to conceal the realities of poverty.

Nevertheless the development of social policy can be characterised as a movement from discretion to legalism. Even up until the

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* Bradshaw, J. (1979) 'Legalism and Discretion' in Jones, K., Brown, J. and Bradshaw, J.R. *Issues in Social Policy*, Routledge and Kegan Paul: London.

Second World War 'welfare' – whether alms, charity, poor relief or unemployment assistance – was allocated for the most part on the basis of discretionary judgments about the deserving nature of each individual case. There was no sense of legal entitlement – the applicant was a supplicant and the poor law guardians, the charities and the officials of the Unemployment Assistance Board would not have conceived that their beneficiaries should have rights.

The turning point in the movement from discretion to rights came with the great spate of social legislation in the late 1940s – the Family Allowance Act 1945, the National Insurance Act 1946, the National Health Service Act 1946, the Education Act 1944 and the National Assistance Act 1948. The broad aspiration of this legislation was to ensure a minimum standard of living for all as of right: everyone would be entitled to free medical treatment, everyone would have equal access to education, contributors would receive social insurance benefits as of right, and there was even an entitlement to national assistance once need had been proved. The consumer of welfare was no longer a supplicant beholden to the giver but a citizen claiming his legal entitlement. These at least were the aspirations.

T. H. Marshall has distinguished between three components of citizenship in Britain:[3] civil; political; and social rights. During the eighteenth century we had achieved (at least on paper) civil rights – those necessary for individual freedom such as liberty of person, freedom of speech, thought and faith, the right to own property and make valid contracts, and the right to justice. During the nineteenth century we achieved political rights through adult suffrage. During the twentieth century we have begun to introduce social rights – the right to live the life of a civilised person according to the standards of society. While civil and political rights are for the most part recognised and enforced, social rights such as the right to a decent standard of living, to a reasonable house, to an adequate education, are frequently neither recognised nor enforced.

Neither are these basic social rights declared in any general way in Britain because we have no written constitution or Bill of Rights. However we are signatories of the Universal Declaration of Human Rights which states *inter alia:*[4]

> Every human being has a right to a standard of living adequate for the health and well being of his family.

The United Nations' Covenant on Economic, Social and Cultural Rights 1966 declares more specific rights to insurance, family benefits, adequate food, clothing and housing and physical and mental health, and education. But the European Convention on Human Rights (1966) (which has specific articles dealing with social rights) is the only covenant by which citizens have access for the redress of grievances (through the European Court of Human Rights). Britain is a signatory to both of these international agreements.

The movement from discretion to rights in social policy has been associated with the increasing intervention of the state in human affairs. It has been part of the movement away from the *laissez-faire* individualism of the nineteenth century. Citizens' welfare is no longer only (or mainly) left to the private market or charity. The state's role is no longer residual but institutional. It is the state that has responsibility now for maintaining basic social rights. This shift in the relationship between the individual and state has brought about the fundamental change in the principles of English law which are at the root of much of the discussion about legalism and discretion. It is to this, the relationship between justice and administration, that we now turn.

Justice and administration

Writing at the turn of the century Dicey claimed:[5]

> It would be a grave mistake if the recognition of the growth of official law in England... led any Englishman to suppose there exists in England as yet any true administrative law.

Dicey believed that the only true justice was legal justice characterised by the application of a body of law within an institutional framework by a judicial mind. However, with the extension of government from one field to another there arose a need for a technique of adjudication better fitted to respond to the social requirements of the time. It was impossible for the State to extend the functions of government as long as its activities were limited by the individualistic ideas which prevailed in the courts of law. One result of this has been that administration has made inroads into what was previously the preserve of the legislature and the courts.

In fact as Robson[6] points out there has been a long tradition in the English constitution of a mingling of administrative and judicial functions from the time of the King's Council and the Star Chamber, in the Court of Requests and Courts of Chancery and later in the work of Justices of the Peace who, according to the Webbs, mixed judicial decisions, administrative orders, and legislative resolutions.[7]

> Though many of the orders were plainly discretional and determined only by the justice's view of social expediency, they were all assumed to be based on evidence of fact and done in strict accordance with the law.

The gradual separation of judicial and administrative functions never reached completion. Coroners and Returning Officers still have both judicial and administrative functions and judges still have extensive administrative duties. Most of the administrative functions of JPs were transferred to local government but they still retain some administrative functions in prisons, the probation service and the police authority.

However with the vast extension of the work of government there developed a new body of administrative law that gave discretionary judicial powers to the administration outside the traditional structure of legal institutions.[8]

> The revival of administrative law in England is very largely due to the creation of new types of offences against the community, the growth of a new conception of social rights, an enhanced solicitude for the common good and a lessening of a belief in divinity of extreme individualistic rights which was evinced in the early nineteenth century.

Dicey would have viewed this growth of discretionary powers by government officials, even if they were subject to control by administrative tribunals, with disdain. He would have held that administrative justice would sap the foundations of precedence and judicial case law and be subject to political influence. However Robson defended the development of administrative law.[9]

> Again and again in the history of civilisation what appeared at first as an arbitrary discretion wielded by an irresponsible official gradually crystallized into a body of known, ascertainable and consistently applied law.

He thought that as long as administrative discretion retains the character of justice and the spirit of justice there is no reason why the administration should not be as capable as the judiciary in administering justice. Justice demands that the decisions made by authority are comparatively regular and stable, are more or less consistent, and that self-interest and emotion are, as far as possible, eliminated. Judges are trained to administer law with consistency; impartiality and judicial discretion must be exercised, as Halsbury said, in accordance with[10]

> the rules of reason and justice, not according to private opinion, according to law and not humour. It is to be not arbitrary, vague and fanciful but legal and regular.

Modern Diceyists attack administrative discretion on two fronts. These are that:

(1) Administrative discretion undermines substantive rights. The bureaucracy intervenes to thwart the aspirations of legislators so that rights enacted in law do not get implemented; and

(2) Administrative discretion does not meet the requirements of consistency and impartiality and in practice is either amateurish, inquisitorial and moralizing; or in an attempt to match judicial discretion, a mass of rules are created which result in wooden uniformity. The procedures of administrative discretion do not meet the criteria of justice.

Those who continue to defend the exercise of discretion by the administration are inclined to make the distinction between proportional (equitable) justice and creative (individualised) justice. Any system of welfare requires the capacity to respond to the special needs and circumstances of each individual. It needs this element of flexible individualised justice as Titmuss says:[11]

> In order to allow a universal rights scheme, based on principles of equity, to be as precise and inflexible as possible. These characteristics of precision, inflexibility and universality depend for their sustenance and strength on the existence of some element of flexible individualised justice. But they do not need stigma. The essential problem is to find the right balance.

and Olive Stevenson says:[12]

> It is somewhat ironic that in a shift from eligibility to entitlement and in the reaction against the degrading procedures by which eligibility was sometimes established, there may be a new kind of injustice in which the individual finds there is no rule to fit his own case.

Discretion as a threat to substantive rights

The actual nature of social or welfare rights is difficult to discern. It is doubtful if some of them exist in law (there is for example no law providing the right of the homeless to a house). Even where there is a right in law, the mode of delivery may turn a right into a discretion (and *vice versa)*. A category of the population may have a right to a benefit or service but the test of category may involve a discretionary judgment and the actual service provided may be limited by discretion. Most welfare rights are fenced in by qualifying conditions and those qualifying conditions inevitably involve discretionary judgments. In some cases that discretion is more or less governed by rules and not left to human caprice. Thus a decision on national insurance about whether an unemployment benefit claimant is eligible for benefit is made on the basis of his contributory record, whether he is available for work and for what reasons he is unemployed. All this is governed by the legislation itself and by precedents determined by the National Insurance Commissioners and the High Court. If he is not satisfied with the decision made on his claim he can appeal to a local tribunal and upward through the Insurance Commissioners to the High Court. On the other hand what does the right to health care on the basis of medical need mean? It is certainly not enforceable through the courts and it is subject to administrative discretion: a clinical judgment is made about diagnosis and treatment and the care which is received is not only dependent on the judgment of doctors but the availability of facilities.

One example of how the stated intentions of legislators can be mediated by the executive is the Chronically Sick and Disabled Persons Act. Alfred Morris MP obtained all-party support for a comprehensive Private Member's Bill giving local authorities mandatory duties to trace the handicapped in their area and ensure they are informed of the help available under the Act. Local authorities were also required to make services available to those disabled in need in their area. However, when it came

to enforcing this legislation, things began to go wrong. First, its implementation was delayed because Sir Keith Joseph felt that social services departments were too busy. When he did issue the order, it recommended not full identification of the disabled, but sample surveys. In the absence of a clear lead from the government, the County Councils' Association and Association of Municipal Corporations issued a circular to local authorities which Alfred Morris described as 'a disturbing and shocking manoeuvre' – 'a hard-faced and cynical blueprint for diluting and evading the purpose of the law'. The associations recommended that before local authorities gave a disabled person a telephone, he must be unable to leave home *and* at risk when left alone *and* have no family or friend within reach of the house *and* be physically and mentally capable of using the telephone *and* unable to afford the cost himself *and* it would be unreasonable to ask relatives *and* he must know someone he can telephone!

The Chronically Sick and Disabled Persons Act was implemented unevenly between different authorities; though the Act gives authorities a mandatory duty to provide services where need exists it leaves it to them to decide what constitutes need. If an authority admits a need and refuses to provide assistance, then a case may lie for the Secretary of State to seek an order of mandamus to enforce the local authority. In practice a local authority is unlikely to be silly enough to accept that a need exists and risk court action, and no case has been taken.[13] The legislation may have been unrealistic and ill conceived but nevertheless the discretion left to the administration had the effect of overturning the intention of reformers.

During the late 1950s and early 1960s in almost every area of social policy it became clear that the hopes that had been invested in the reforms of the previous decade were not being achieved. The evidence of widespread and continuing poverty, poor housing, educational deprivation, difficulties of access to health and welfare, even the failure of the legal system to reach out to all,

brought disillusion. These problems arose partly as a result of the shortage of resources and partly as a failure of legislation to cover certain groups adequately. However part of the fault lay at the delivery stage – at the interface between the client, claimant or patient and the service. The authorities were less than energetic in selling their service and benefits, and many are unaware of their rights. (A recent example of this is the finding by Rosemary Newnham that half of the council tenants evicted by Edinburgh Corporation for rent arrears were eligible and not claiming rent rebates.) Others were deterred by the organisational form of the service. For example the condition of supplementary benefit offices and those forbidding hatches common in council offices which have to be leaned through at waist level to obtain attention, seem designed as a symbolic deterrent. These are trivial examples, but what they reflect is the ambivalence with which many social policies are implemented, financed and administered. As Titmuss said: [16]

> Many need-eligibility programmes are basically designed to keep people out; not let them in. Moreover, they are often so administered as to induce among customers a sense of shame, guilt or failure in using a public service.

One suggested reason for the fact that entitlements for the poor are not being effectively enforced is that the poor have been and still are seen as in some way blameworthy. The attempts by the 'welfare rights movement' to affirm or reaffirm the existence of these rights is a reflection of their belief that poverty is primarily the consequence of impersonal forces. We shall return to this conflict in values at the end of the chapter.

Discretion as a threat to procedural rights

> Every measure which produces the possibility of beneficent state action necessarily produces at the same time the possibility of the abuse of power.

The discretionary power that has been invested in administration has raised a host of issues concerning the rights of welfare recipients. Much of the criticisms of discretion in relation to procedural rights have been directed at the supplementary benefit scheme, but in local government and particularly in social work, discretionary judgments are made with less regard to principles of justice and with less adequate procedures for the redress of grievance.[19]

> The law of social welfare grew up on the theory that welfare is a 'gratuity' furnished by the state and thus may be subject to whatever conditions the state sees fit to impose.

Recipients are therefore subject to forms and procedures and control not imposed on other citizens. They are subject to the tendency of moralists to prescribe what is best. The administration may seek to impose moral standards on welfare recipients: Louisiana cut off aid in cases where mothers gave birth to an illegitimate child, and discrimination between categories of single parents in the provision of exceptional need payments may be influenced by the moral valuation of officers. Investigation of eligibility necessarily and inevitably results in some invasion of privacy, but procedures for investigation for cohabitation and the policy of a housing department that keeps press cuttings of criminal charges on its tenants may be invasions of privacy. Two common invasions of rights derive from the Elizabethan poor law: the attempt to impose duties for financial responsibility beyond those normally expected[21] and the practice of insisting on residence qualifications for benefits – still a common requirement on housing waiting lists. Welfare authorities may also seek to control other aspects of a recipient's life beyond what is acceptable to non-recipients – they can decide what work the recipient can be compelled to do, they can impose standards of behaviour on their tenants and even in some States in America, require loyalty oaths in order to receive benefits. Perhaps the most common characteristic of the welfare process is that of secrecy. In justice the law must be known or at least ascertainable, but much decision-making in social policy is based on secret

criteria or no criteria at all. The Cullingworth Committee[22] was critical of local authorities' reluctance to divulge the basis of their schemes for allocating council houses and every day the staff of social service departments make 'professional' decisions about whether to provide aid to the handicapped or help under section 1 of the Children and Young Persons Act,[23] or a home help to an old person, without ascertainable criteria and without redress. Redress is perhaps the key to these procedural issues. As de Smith has said:[24]

> Public authorities are set up to govern and administer and if their every act or decisions were to be reviewable on unrestricted grounds by an independent judicial body, the business of administration would be brought to a standstill.

Nevertheless rights lawyers argue: that because administrative discretion in welfare involves important decisions over the people's lives they should be subject to basic safeguards; that there are fewer opportunities for a fair hearing in welfare decisions; and that of all areas of administrative discretion, the opportunities for the redress of grievance are least developed.[25] Where in the exception there is access to tribunals such as in supplementary benefits, these tribunals do not meet the criteria of openness, fairness and impartiality that natural justice demands.[26]

Welfare rights movement

It is against this background that a new assertion of legalism in welfare has developed in Britain. Many diverse influences have gone into this 'welfare rights movement'. It has been developed in Britain by social workers influenced by the writings of Wootton[27] and Sinfield[28] and disturbed by the material problems of their clients, by lawyers concerned that a large section of the public does not get access to the legal advice and assistance that they need, and principally by the Child Poverty Action Group. The antecedents of the movement are in the USA where through action in the courts, lawyers and social workers managed to get laid

down what low income families should get, item by item. It is an attempt to define poverty in terms of a denial of rights and to alter the status of the client from a supplicant appealing for handouts to a claimant demanding his entitlements. It is based on the principle that society has through legislation accepted a commitment to provide certain benefits and services, and if people are not getting those rights then the agencies of the law are failing in their responsibility. Thus the welfare rights movement is concerned with the manipulation of the law in clients' favour and the pushing of the law to its furthest limits to extend the generosity of the service. As Tony Lynes has said, it is a classically Fabian strategy.[29]

The hotchpotch of pressure groups, claimants and community groups and advice services that make up the welfare rights movement have been active in three main areas.[30] First, they have been concerned to enforce welfare rights through the provision of information and advice. They have sought to improve the availability of benefits directly through advice and information and indirectly by revealing to local and national agencies their failure to publicise the benefits and services. Second, welfare rights workers have begun to advocate on behalf of claimants. The American welfare rights movement thought that: [31]

> campaigns to double and triple the relief rolls would produce significant pressure for national reforms in the relief system, perhaps along the lines of a national guaranteed common income.

British welfare rights aspirations have been less ambitious. Their activities have varied from writing letters asking for written explanations of how benefits are assessed, or for exceptional needs payments, to representing claimants at tribunals. Tribunals, through their advocacy, have been persuaded to take a different view from the Supplementary Benefits Commission on such things as monthly visits of prisoners' wives, school sports kits,

and fees for heavy goods vehicle driving lessons. Third, the welfare rights movement has sought to extend poor people's rights by using the law. This strategy developed in the USA, where there exists a written constitution which guarantees safeguards to their citizens and a Supreme Court which is able to interpret that constitution and to bind by its decisions both Congress and the State legislatures.[32]

> The lawyers expected that as a result of their successful cases the world would change in favour of the poor. Unfortunately the high hopes have not been fulfilled. Crucial decisions by the Supreme Court have been open to varying interpretations and there has been a backlash. In welfare rights, particularly, state legislatures, in order to abide by the letter of the decisions, have reduced benefit entitlement to save the public purse.

In Britain, with no written constitution and no supreme court, it has been necessary to take social legislation in a piecemeal fashion. In some precedent-making cases, rights lawyers have revived forgotten laws to extend rights. In Nottingham Corporation v Newton (1974 2 AER 760) the court affirmed the right of tenants to use section 99 of the Public Health Act 1936 to summon local authorities before the magistrates' courts in order to obtain orders for repairs to be carried out on their houses. Another type of precedent-making case has been the attempt by lawyers to challenge official interpretations of the law. The Child Poverty Action Group has sought leave to take a series of test cases to the High Court challenging the decisions of supplementary benefit appeal tribunals and in effect the SBC's interpretation of social security legislation. In R v Greater Birmingham Appeal Tribunal (ex p. Simper) (1973 2 WLR 709) the court held that the commission's use of discretion in relation to allowances for heating was wrong and as a result extra heating allowances were paid to thousands of new claimants.

Another case successfully challenged the commission's interpretation of the Family Income Supplement Act.[33] A series of cases have also been taken to the National Insurance Commissioner which have extended the Attendance Allowance Board's interpretation of the eligibility criteria.[34]

The use of test cases to maintain or extend rights is only in its infancy and its achievements have been limited. As well as the successes there have been harmful results. In McPhail v Persons Unknown (1973 3 WLR 71) a case which originated as an attempt to extend the rights of squatters, their rights were in fact greatly restricted. Legislation used in the courts to advance rights can be repealed or amended by policy makers – this occurred in the Simper case. The legal procedures for getting prerogative orders of certiorari, prohibition or mandamus from the High Court are complex and expensive[35] and it is not at all clear that judges are really prepared to become involved in vetting administrative discretion: in one recent case[36] the judges indicated their unwillingness to interfere with a tribunal's decision *even if it was erroneous in law*.

The defence of discretion

Much of the debate about legalism and discretion in the last decade has centred on the supplementary benefits scheme. One in thirteen of the population of the UK are dependent in whole or part for their income on supplementary benefits and far from becoming a residual service for those who failed to qualify for insurance benefits as Beveridge intended, the supplementary benefit scheme has become the prop for the whole social security edifice. As with most assistance schemes supplementary benefit has an area of flexibility at the margin and this flexibility is embodied in the discretionary powers of the officials to meet needs not covered by the scale rates of benefit. Claimants desperate to supplement the scale rates have turned to these discretionary additions for extra help. At first little was known about what could be obtained in the way of these additions and in what circumstances because the SBC administrative rule used by officers (the A code) was governed by

the Official Secrets Act. As a result of pressure from the welfare rights movement more and more information has been published in hand books and guides and over a third of claimants now obtain Exceptional Needs Payments and Exceptional Circumstances Additions each year. The expansion of discretionary payments has been a source of continual dispute and presented the Commission with an enormous extra administrative burden. David Donnison, the Chairman of the Supplementary Benefits Commission, has argued[37] that the Commission cannot go on providing these additions on an individual basis. The current government review of supplementary benefits is likely to standardise policy and procedures. This may reduce the area of discretion and increase the area of right but it may also reduce the capacity in the system to relate benefit to need. Titmuss, when vice chairman of the SBC, in a biting attack on the 'pathology of legalism' stoutly defended this area of flexible individualised justice.[38]

> Just where the line should be drawn between legalised basic rights and discretionary additions is a problem which a fully legalised system based on case law and precedent cannot even begin to consider. It is however a constant challenge to any system like the supplementary benefits scheme which continues to recognise the need for individualised justice.

The other area of dispute on supplementary benefits concerns the conflict inherent in the scheme between providing a humane service to those cast aside by the economic and social system and the need to maintain the values which maintain that system. In practice the supplementary benefit scheme maintains social values through a set of controls. Two of these controls are concerned with the work ethic and the family ethic. Procedures for unemployment review, rules about benefit for strikers, and the level of benefit itself all operate as incentives to return to work. The activity of the rights movement was successful in getting two other procedures concerned with the work ethic – the four week rule and the wage stop – abolished. The

supplementary benefits system also bolsters the family with powers to pursue erring husbands and putative fathers (liable relatives) and more controversially through the cohabitation rule. The Commission have been at pains to argue that the rule is intended to ensure that no unmarried couple living together as man and wife are better off than married couples.[39] Although they have refined and reviewed the procedures governing the rule more than once, in practice the rule still results in many single mothers having their benefit withdrawn without a hearing and as a result of a judgment about the nature of their relationship with a man.[49]

The discretionary basis of these controls has satisfied no one. Claimants and their representatives identify them as the principle source of injustice in the system and yet there is still a bitter chorus of vilification against scroungers and the workshy, and demands for stiffer controls. Officials administering their discretion find it the most difficult and odious part of their work. So far attempts to get the courts to intervene, to provide for instance a legal definition of cohabitation, have so far been unsuccessful. The supplementary benefits tribunals do not provide a satisfactory mechanism for the protection of rights and the scrutiny of official discretion. The Ombudsman cannot give a ruling on the justice of a discretionary decision, only on maladminstration. The success of the Commission's own attempts to clarify the basis for their decisions and get some consistency in decision making has been reduced by high staff turnover, overwork and, because of the size of the operation, the inevitable difficulty of getting uniform decisions by hundreds of officers with different values, attitudes and beliefs. These factors naturally make them fearful of the possibility of having to administer rigid criteria for each particular circumstance if the courts or a higher tribunal began to impose binding decisions and in a recent lecture Donnison has intimated that the Commission should:[41]

> abandon the aspirations to match the benefits we pay to the infinite variety of human needs we encounter – the aspiration for creative justice.

Conclusion

Views about the nature of society and social policy inevitably influence attitudes to the question of legalism and discretion.[42] Those who accept the consensus model of society where there are no fundamental structural conflicts of values and interests and where the powers of the state are not viewed as a menace to the individual, would believe that discretionary powers will be used to help those in need and disputes will be rare and resolved amicably within an accepted framework. In contrast, those who see society as a state of dichotomic conflict between those who have power, authority and wealth and those who do not, will view rights as meaningless. Benefits are a means of social control or a sop to help keep down unrest and any control over discretion exists to propagate a consensual view of society. Opponents of the system seek to change it by revolution and others despite what they see as its hypocrisy try to work the system for the benefit of the needy. Finally there is the open model:[43]

> that of a society which recognises a continuing multiple conflict of interests and values taking place within an over-arching structure of a more or less fluid or dynamic nature. In this society there are not just two sides but many conflicts.

Rights are essential in this society because they are the means of managing these conflicts.

The fullest discussion of the issue of legalism and discretion is in a book by an American lawyer, Kenneth Culp Davis.[44] He has argued that although discretion is inevitable and necessary for individualised justice, it is often much greater than it should be and it needs to be restricted.[45]

> Discretion is a tool indispensable for the individualization of justice.... Discretion is our principal source of creativeness in government and in law. Discretion is a tool only when

> properly used; perhaps nine-tenths of injustice in our legal system flows from discretion, and perhaps only one tenth from rules.
>
> Let us not overemphasize either the need for discretion or its danger; let us emphasize both the need for discretion and its dangers.

In his book he goes on to outline a framework that could confine, structure and check discretionary power. More meaningful standards should be set out in statute, better and more elaborate and more open administrative rule making is required to confine and structure discretion, there is a need for improvements in the fairness and accessibility of tribunals, and finally for the elimination of barriers to judicial review.

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3

The Origins of the Family Fund*

In their major work on the development of social policy, Hall et al. have pointed out the scant attention given to the complexity of the process by which needs emerge and are accepted as priorities for government action at any given time, and a new policy formulated to tackle them.[1] Concepts such as 'social pity', 'national unity', 'public enlightenment', and so forth, have often been the only explanation for policy developments adduced by the writers of early social administration textbooks.

The study of the origins of the Family Fund that follows in this chapter is, therefore, presented as not only an essential feature of any report on the work of the Fund, but also a contribution to the literature on policy development. We are concerned to try and answer the questions: why did the needs of families with handicapped children gain precedence over other needs in November 1972, and why and how was the Family Fund established to meet those needs?

To do this, it is necessary to reduce a myriad of variables into a simple and coherent whole which may in itself lead to gross distortion of the true process. It is also necessary to assess the role

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* Bradshaw, J.R. (1980) *The Family Fund: An Initiative in Social Policy*, Routledge and Kegan Paul: London. Chapter 2.

of those who frame policy; but here there is very little information available. In particular, no research workers in this field have ever been given access to information that may help them assess adequately the role of the civil service in social policy formation. Civil servants were only prepared to talk in the most general terms about the development of the Family Fund and it was not possible to obtain access to the departmental files which contain essential records of the meetings and the discussion papers that led up to the establishment of the Fund. The two principal civil servants from the social services and social security sections of DHSS involved in the origins of the Family Fund did, however, comment fully on a draft of this chapter, correcting a number of points of detail and confirming that the over-all interpretation of events is fair and accurate. Apart from the failure to get access to information held by the civil service, the other major blow to this analysis was Sir Keith Joseph's decision that he did not want to be interviewed about the origins of the Family Fund:[2]

> I have a relatively poor memory and do not keep records of what lay behind policies or decisions when in office.

As will be seen, Sir Keith, as Secretary of State for Social Services, may have played a key role, not only in originating the Family Fund but in developing it in the form that it took.

These imperfections in the data mean that from time to time in the analysis of the development of the Fund, one has to rely on more or less informed conjecture.

Developments up to September 1972

Before the outburst of feeling about the attitude of the Distillers Company to Thalidomide children, the problems of the families of handicapped children were not a public issue, nor was there an articulated demand for a fresh policy initiative to help parents 'shouldering the various burdens which caring for these children entails'.[3] In public policy things were settling down after a spate

of new social legislation which was just beginning to benefit these families. Just before the general election in 1970, Parliament had passed the Social Services Act which had implemented the main recommendation of the Seebohm Report – the establishment of integrated local authority social services departments. The new departments, preoccupied with establishing themselves and already preparing for local government reorganisation, were not pressing for new responsibilities, particularly as they were struggling to implement two other pieces of legislation – the Health Services and Public Health Act 1968, which had given wider powers to local authorities to help the disabled and elderly; and the Chronically Sick and Disabled Persons Act 1970, based on a private member's bill which had been rushed through Parliament before the dissolution in 1970, and which placed new duties on local authorities to identify all the disabled in their areas and provide aids and adaptations to those in need of them.

The other major new measure to benefit handicapped children and their families – the attendance allowance – had been introduced by the Labour government in 1970 as part of a bill, and was subsequently enacted by the new Conservative government in 1971. The allowance became payable to children in 1972 and was extended, at a lower rate, to the less severely disabled in October 1973. Both the attendance allowance and the Chronically Sick and Disabled Persons Act were the focus of public discussion during the period up to the summer of 1972. Sir Keith Joseph was pressed first to implement Sections 1 and 2 of the Chronically Sick and Disabled Persons Act and then to persuade local authorities to administer it more generously and more speedily. But this public interest was not focused on the additional needs of handicapped children, and was more concerned with the proper implementation of existing legislation than with the development of new initiatives.

A search of government and academic papers published in the years before 1972 does not indicate that child handicap was a developing issue of public concern. The only state paper published

during the office of the previous two governments which paid any attention to the problems of families with handicapped children was the Seebohm Report.[4] The committee that drew up that Report devoted two chapters to the physically and mentally handicapped, and while it recommended the development, integration, and co-ordination of services for both groups within the new social services department, it did not single out the needs of children as a priority for extra resources.

In 1971 the in-coming Conservative government published a White Paper,[5] and although the needs of parents caring for handicapped children at home for counselling and practical assistance (see paras 14-20 and 139-45) were recognised, it made no mention of a new fund to assist them. In the same year the Government Social Survey Division published the first volume of Amelia Harris's large national sample survey.[6] This study, which had begun in 1967, presented an unprecedented amount of data about the number and condition of the impaired and was followed up in 1971 and 1972 by two further volumes on the housing and income of the disabled.[7]Although these studies reinforced concern and led to further public discussion of the needs of the handicapped, they did not deal with children and most of the attention which they generated was directed to adults.

During the 1960s and early 1970s, a number of independent research studies appeared.[8] While stressing the great physical and emotional burdens that many families had to cope with, they did not recommend any fresh tranche of money to alleviate their difficulties. This was also true of the other studies that were published in this period.

Perhaps the nearest thing to an official statement on the plight of handicapped children published during this period was the report of a National Children's Bureau working party on children with special needs.[9] Parents' letters received by the working party had stressed the need for financial help and described the extra cost of clothing, transport, and aids for incontinence. The report summed

up the feeling of many parents with the following quotation from a mother with a six-year-old mentally handicapped son:[10]

> The easiest way as a first step towards helping to relieve the burden of increased costs a handicapped child causes would be to make an increase in his/her allowance on income tax or, in the case of parents of very limited means, a direct grant. But for dignity's sake don't make the parents be inundated with red tape, just a simple application, quick conferment and payment.

This plea for a Family Fund was not taken up elsewhere in the report and in a short section on practical supportive services, the working party merely welcomed the attendance allowance.

Therefore, a search of official and unofficial publications suggests that there was no growth of special concern for the burdens which parents faced in caring for a handicapped child and certainly no call for fresh support for these families.[11] This view is confirmed if we examine some of the other principal participants in the policy-making process. None of the political parties mentioned child handicap in their manifestos for the 1970 general election, nor was there any interest in the subject shown by the policy-making bodies of the parties, such as the Fabian Society, the Labour Party Research Department, the Conservative Central Office, the Bow Group, or the Monday Club. The same was true of Parliament itself. In the late 1960s and early 1970s, an increasing amount of interest in the problems of the handicapped was shown by members but this concern did not extend to handicapped children. During this period, there were no Commons debates on this subject and in the Lords the only debate on handicapped children concentrated on educational facilities. Only six questions were tabled on families with severely handicapped children living at home. Activity in Parliament cannot, therefore, be described as sustained pressure for reform.

Nor is there any evidence that pressure groups were active in pressing for improvements in benefits. None of the large voluntary organisations representing handicapped children and their families has ever taken up a radical pressure-group role on their behalf. Indeed, it was because of the lack of such pressure from the older, established, traditional voluntary organisations that Megan du Boisson and Berit Thornberry founded the Disablement Income Group (DIG) in 1966 to 'secure the provision for all disabled people of a national disability income and an allowance for the extra expense of disablement'.[12] DIG was a pressure group with a more abrasive campaigning style than the other groups. It developed close links with the parliamentary group on disability, and Peter Large, one of its officers, became the semi-official lobbyist for the disabled. DIG used the press, lobbied ministers, and pressed for reform with some vigour, but by 1972 they had campaigned only for a disability pension scheme for adults.[13]

There is no conclusive evidence, but it is clear from the course of events that *government ministers* were not proposing any new benefit for disabled children. The Conservative government came to power in 1970, committed to cuts in public expenditure and taxation. In its first two years in office, the sections of the DHSS that were subsequently to have some hand in the Family Fund, were preoccupied, on the social security side, with the legislation relating to, and later the provision of, the attendance allowance and invalidity benefit; and in the social services field, with implementing the Social Services Act and the Chronically Sick and Disabled Persons Act, and with the reorganisation of local government and the health service.

Busy as the Department was, though, further possibilities were not entirely ignored. When the House of Commons Paper on future social security provision for the disabled was published, it was based on some of the thinking that had gone on in the Department since 1970.[14] This Paper admitted (para. 6) that 'Where disabled children are concerned we lack adequate information about their numbers and about the precise character of their needs.'

It seems reasonable to conclude that the Family Fund was not a premeditated innovation in social policy. It was not part of a long-term strategy, consistent with other measures and carefully planned and organised.

The Thalidomide affair

Earlier in this chapter it was suggested that writers who have ascribed the development of new social policies to 'public outrage', 'the national conscience', and so forth were taking too simplistic a view. But in the case of the furore over the Thalidomide affair, these ascriptions bear more closely on the truth.

In the 1950s a German drug company called Chemie Gruenenthal manufactured a derivative of glutamic acid which they called 'Thalidomide'. It was sold as a totally safe, non-toxic sedative and sleeping pill, especially suitable for the tensions that occur in pregnancy. It was manufactured and marketed in the UK by Distillers Company (Biochemicals) Limited. In December 1961, after reports in Germany and Australia that women who had taken the drug between the fourth and sixth week of pregnancy were producing abnormal children, it was withdrawn from the British market. Subsequent investigation pointed to the conclusion that about 400 women in the UK who had taken the drug in pregnancy produced children with terrible deformities.

During the next ten years there was little public discussion about the 'Thalidomide affair'; the *sub judice* rule restricted press coverage to reporting the successive attempts by parents to obtain compensation for their damaged children through the courts. In September 1972, the *Sunday Times,* which had been investigating the Thalidomide affair since 1967, decided to campaign more forcefully in a series of investigative and leading articles. On 24 September 1972, it published the first of a series of special articles 'Our Thalidomide Children. Cause for National Shame'. These articles led to a massive upsurge of public concern about Thalidomide children which involved the courts, Parliament, the

government, shareholders, the rest of the press, trades unions, local authorities, the large city institutions, retailers, consumers, and many other organisations, institutions and individuals. The public furore over Thalidomide resulted in a number of developments in policy, including: compensation for the children at least six times more than the sum originally offered by Distillers; a Royal Commission on Civil Liability and Compensation for Personal Injury;[15] changes in the legal interpretation of contempt in civil cases; a Law Commission report on civil liability in ante-natal injuries;[16] and an Act that changed the law on that subject.[17] It also led the government to establish the Family Fund.

It is worth reflecting briefly on why the Thalidomide campaign produced these results. The public conscience was awakened suddenly and without warning. The *sub judice* rule had stifled public comment and people generally had not become inured to the damage caused by Thalidomide. The numbers of children involved were small enough to identify with; their disablement was visible and was not associated with any kind of mental disability. They were, therefore, a group with which the public could easily sympathise. By contrast, Distillers was one of the largest, richest and most successful public companies in the UK and it was not at any risk if it paid the compensation. In these circumstances, as soon as the campaign became a public issue, it had a good chance of success. The decision of the *Sunday Times* to mount it was critical, and the matter would certainly not have developed without the newspaper articles. However, there were other important factors that influenced the outcome. The Attorney-General's intervention to suppress an article in the *Sunday Times* meant that the campaign became not just the cause of one newspaper but an issue concerning the whole of Fleet Street. Parliament played an important part in keeping it alive during November and December, reflecting a developing public interest; and through the coverage given to debates and questions, MPs were also responsible for setting the tone of that interest. The actions of individual Distillers' shareholders were sparked off by the *Sunday Times* and eventually led to the intervention of the large City institutions, no doubt

motivated partly by self-interest but also by the very strong wave of public concern. It was their intervention that finally decided Distillers to make a new and more generous settlement. One of the major participants in most social policies, the government, played a relatively dormant role. From time to time during the campaign, both press and Parliament attempted to involve the government: to get it to use its authority to persuade Distillers to settle or to provide a settlement itself, or to make special tax concessions to the company. Considering the extent of press, public, and parliamentary activity, it is remarkable how successful the government was in remaining aloof from the issue. One reason for this success was the Family Fund.

The announcement and establishment of the Family Fund

A government fund was not one of the original objectives of the *Sunday Times* campaign. The only action it demanded from the government was the reform of the law relating to compensation and the establishment of a state insurance scheme. However, on 29 October 1972 the *Sunday Times* reported that the Shadow Cabinet was to press for an early debate on Thalidomide with two aims:[18]

> Firstly, to press the government to make immediate *ex gratia* payments under an urgent *ad hoc* scheme to help all known and outstanding cases, and secondly, to have the law of compensation amended.

The motion already tabled by the all-party Committee for the Disabled still said nothing about a fund, but during the following week it was announced that the German government and Chemie Gruenenthal had established a joint fund for the German victims. Jack Ashley followed this up by writing to the Prime Minister to suggest that the government should take a similar initiative. Then, in the adjournment debate on 16 November, Mr Ashley urged the government 'to establish a fund for the children immediately without prejudice to present negotiations' and Mr Astor supported him, saying:[19]

> that the government should consider setting up a national fund for these children and their families.... In the meantime [they should] consider the possibility of... giving financial support to one of the charities, such as the Lady Hoare Trust.

Mr Dean, answering for the government said:[20]

> As for the special fund I am sure that the Hon. gentleman appreciates that I cannot on such an occasion as this add to what the Prime Minister said to the House on Tuesday.

The Prime Minister had said that he would agree to consider carefully the setting up of a special fund or the support of existing funds. On 19 November, a leader in the *Sunday Times* took up the idea of a fund, saying: [21]

> The case for the government establishing a foundation is twofold: first common humanity, secondly the responsibility the state has for their part in distributing a damaging drug.

On 25 November, the Sunday before the debate and the announcement of the creation of the Family Fund, the *Sunday Times* reported that[22]

> when the Commons debates the plight of the Thalidomide children this week the government will say that a national foundation cannot be set up until pending legal negotiations are complete.

By the time the matter came to be debated on 29 November, the Opposition motion clearly called for[23]

> immediate legislation to deal with the problems of such Thalidomide children including the establishment of a trust fund to provide for the Thalidomide children.

In his speech Sir Keith Joseph gave two reasons why he considered the recommendation for legislation was unsuitable:[24]

> First it might prejudice negotiations... a company that wishes to avoid responsibility might welcome the responsibility being taken by the taxpayer. Secondly, desperate though the plight of the Thalidomide children is, there are many other children equally disabled.

The announcement about the Fund came towards the end of his speech and it is worth quoting in full:[25]

> No, I will not give way. I have something to say which the House will want to hear before I sit down. I must say again, so that I do not lose the thread of the argument, that compensation is for the company and that the new offer indicates active negotiation.
>
> The government must recognise that there are others born with desperate congenital disabilities which gravely burden their families and which are as severe as the loss of limbs due to Thalidomide. Such families are inevitably involved in all manner of special needs. Many of these needs are the responsibility of statutory authorities but there are other forms of help outside these responsibilities which could improve the life of a child and reduce the burden on its family. The government accept that more needs to be done for children with very severe congenital disability whether or not caused by the taking of Thalidomide.
>
> In many cases the parents need more help in shouldering the various burdens which caring for these children entails. I have already paid tribute to the remarkable achievements of many of the parents concerned. The government have therefore decided to make the sum of £3 million available for this purpose, virtually at once. It is not intended that this money

> should be by way of compensation for being disabled, but rather that it should serve to complement the services already being provided by statutory and voluntary bodies to help the families concerned.
>
> With this in mind the government will begin at once to consider, in consultation with the statutory and voluntary bodies likely to be concerned, what arrangements they can set up so that the money can best be used for the benefit of the children and their parents. The House can be assured that this will be carried out as quickly as possible. Further, in the light of experience with this operation and as soon as the cases are no longer *sub judice* the government will consider whether to provide a similar further amount of money in trust.

He concluded this speech with the following:[26]

> I come now to the motion and the amendment. Because we do not believe, as the Opposition motion presses, that we should legislate at once, or that we should weaken the pressure on the parties to reach a satisfactory settlement, I ask the House not to approve the motion. The motion as amended, in the light of what I have been able to announce today, does meet the three tests which I believe *all* Hon. Members should set. The amended motion does not prejudice the settlement; it does not wholly and in the light of what I have announced leave out the other very severely congenitally disabled. It provides help now for Thalidomide families, those who need help complementary to that provided by the local authorities in their noble effort to bring up these children. I hope that the House will not accept the motion. I hope that if it is pressed my Hon. Friends will vote against it and support the amendment.

The announcement of the Fund was generally welcomed in the debate, though one or two Labour speakers said that it was too

little and others argued that if the government was to establish a proper trust fund, it could do so without prejudicing present negotiations and that Thalidomide children could be selected for special treatment, because their condition was man-made. Alfred Morris, summing up for the Opposition, asked a number of questions about how the Fund would be administered and in his reply Sir Keith Joseph gave the following information:[27]

> The House has generally welcomed the government's decision to make available virtually at once, as soon as we can make the necessary arrangements, a fund of £3 million. I emphasise again that this is not compensation. Its purpose is to ease the burden of living on those households containing very severely congenitally disabled children.
>
> These children and these households look, above all, to the local authorities and the statutory services for the help they need. We intend to help from this fund to complement the statutory services available.
>
> We have it in mind – this answers a question asked by my Hon. Friend the Member for Clapham (Mr William Shelton) – to try to find a set of trustees of an existing trust with responsibilities sufficiently wide to cover beyond Thalidomide the other very severely congenitally disabled cases. We hope that we shall be able to put this into action very soon. We believe that the trustees should have power to spend income and, where they judge fit, capital.
>
> I do not wish to overstate this case, but I suggest that those households which are under particular strain and about which we are, above all, worried during the period of waiting for a satisfactory settlement will be able to be helped to some extent by the trustees of this new sum.
>
> Hon. Members asked me about the second £3 million to which I referred. I emphasise again that this also is not for

> compensation. It is intended to benefit, via the same channel, if our experience of handling the first £3 million is satisfactory, the same limited but rather wider than Thalidomide group, by the same means; namely, the use of income plus capital as the trustees judge fit.
>
> My Hon. Friend the Member for Clapham pressed me hard to give a time by which this second tranche of money would be paid. I only wish that I could satisfy my Hon. Friend, but I must stand on the words of the amendment. This second tranche will be paid when the cases are no longer *sub judice*.

Outside Parliament the announcement of the Family Fund was received with a confused welcome. On 1 December both *The Times* and the *Daily Telegraph* reported any clarification of the details of the Fund which they had been able to obtain from the DHSS officials and from the reactions of voluntary bodies representing disabled children. *The Times* also carried a leader welcoming the announcement 'even if that approval must be tempered by the uncertainty surrounding the proposals and the limited assistance that can be provided with such a sum'. The leader went on to speculate about how the Fund should be administered and whether an independent trust should or could be given discretion:[28]

> The administrative arrangements therefore need to be capable of carrying a heavier responsibility later on... the government should act on the assumption that they are establishing a framework for a more ambitious system of help for disabled children in the future. What is really no more than a small step now could then become of more lasting benefit.

The following day the *Guardian* also carried a leader questioning the adequacy of £3 million but congratulating Sir Keith Joseph for establishing the Fund. The leader concluded:[29]

> It is already devastatingly plain that it has needed the campaign to relieve the suffering from Thalidomide to bring forward action to help both kinds of victims. Even that must be regarded as only a small beginning to what must be a national reappraisal of responsibility to such people.

The *Sunday Times,* on 3 December, under the headline '13 Million Question: Where Will Mercy Money Go?' posed four questions:[30]

- What did Sir Keith Joseph mean by 'very severely congenitally disabled'?
- How many children need the money?
- Who will qualify?
- Who will administer the Fund?

On 30 November, the day after the debate, a professional social work official in the DHSS telephoned Robin Huws Jones, the associate director of the Joseph Rowntree Memorial Trust, and asked him which of the larger trusts (including the Joseph Rowntree Memorial Trust) might be likely to consider running a Fund of this kind. With the agreement of the trustees, Lewis Waddilove, director of the Trust, and Robin Huws Jones met officials at the DHSS on 6 December to assess the possibility of the Joseph Rowntree Memorial Trust assuming responsibility for administering the Fund. At that meeting, the undersecretary of the DHSS said that he was anxious to entrust the task of administering the Fund to an organisation that was reliable, efficient, and discreet; and which was not one of the voluntary bodies concerned with specific aspects of disability. The Department would lay down broad guide-lines relating to the use of the money but the duties of the Trust would be to decide which parents of very severely handicapped children needed help, what kind of help they needed, and to make available that help by way of payments to parents. The Trust representatives said that if they were formally asked to administer

the Fund, agreement by their trustees would be dependent on the proposed guidelines being acceptable to them and then, subject to these guidelines, disbursement would be at the complete discretion of the Trust. The resulting discussions were minuted and the points made became the basis of the subsequent guidelines. In light of this meeting, Lewis Waddilove prepared a document explaining the background of the DHSS proposal and the matters that had been settled at the meeting on 6 December. This document was the first to state that the purpose of the Fund was to relieve stress.

At its meeting on 11 December, the Trust agreed to take on the Fund. However, as one trustee pointed out, never before can six people have taken so long to accept £3 million. The chairman, Lord Seebohm, was initially against the Trust's taking on the job. He expressed concern about the impact that such an administrative task would make on the rest of the Trust's work. He feared that some of the acrimony surrounding Thalidomide would transfer itself to the Trust and to himself as its chairman, and as a vice-chairman of a very large international bank, he had natural reservations about associating himself with an issue that was already involving other City institutions. He also wondered whether this was the best way to help families. Were they merely bailing out the government who had gone out on a limb? The trustees were, however, persuaded by the arguments of Charles Carter, vice-chancellor of the University of Lancaster. He pointed out that if the Trust was capable of taking it on, they must find very good reasons for not doing so. It would benefit children and there were few other trusts to which the government could turn. It was something they ought to do; it would benefit the Trust; it was an honour to be asked; and it would enable the Trust to expand its interests. Above all, the Fund represented an opportunity for the Trust to be involved in a unique social policy experiment.

So the Trust agreed to take on the administration of the Fund, subject to a number of conditions, the more important of which were that they should do so for three years in the first instance

and that the introduction of the scheme should be phased. These points, and the general terms of the Fund, were agreed at a meeting between Sir Keith Joseph, Lewis Waddilove, and Lord Seebohm at the House of Commons on the evening of 12 December. The announcement that the Trust had agreed to administer the Fund was made through the medium of an agreed answer to a parliamentary question on Friday, 15 December. After further discussions the Department wrote to the Trust's directors on 21 December, setting out the agreed principles which were to apply in the administration of the Fund.

Reasons for the Fund

It has been shown that the demands for a fund for any sort of families with handicapped children had not been articulated before the Thalidomide campaign, and the concept of a trust distributing public money directly to families is unprecedented in British social policy. The following section attempts to explain the reasons for both these developments.

Part of the explanation must be in the political background. There was general outrage at the plight of the Thalidomide children. The government was being urged by MPs and by the press to take various initiatives to provide immediate assistance. The German government had established a fund, the Opposition motion called for one. Although there had been no public threat, the government must have taken account of the fact that some of their own supporters might fail to vote for their amendment. In *Thalidomide: My Fight,* David Mason claims there was considerable background political activity. After Dr Tom Stuttaford had dropped a hint at a dinner party at 10 Downing Street that the government would be defeated over Thalidomide by its own back-bench MPs, Mr Heath sent his parliamentary private secretary, Timothy Kitson, to a meeting of the parliamentary party to ask what would persuade them to support the government. 'We won't take a penny less than £6 million', Stuttaford replied.[31]

The decision to establish the Fund was taken only the day before the debate in Parliament in which it was announced. It is likely that Sir Keith Joseph, having decided that it was necessary to provide some sort of assistance to Thalidomide-damaged children, turned to his officials to work out speedily, without prejudicing the court case and without discriminating against other families with equally handicapped children, the form that help should take. He may himself have hit upon the idea of using an independent trust. Such a scheme accords with Conservative philosophy, which inclines to voluntary rather than government action. The Conservative government was also interested in controlling the growth of the civil service. There was, and is, also a tendency in British public policy to separate purely executive operations from ministerial departments. However, although a Labour minister might not have instinctively turned to an independent trust for assistance, it is unlikely, in view of the need for speed and flexibility, that the decision made at such short notice, was based upon administrative or philosophical considerations. Very probably, the civil servants would have advised him to turn to an independent trust. In their discussions on the evening before the announcement they may have considered and rejected a number of public executive bodies who might do the work. The Supplementary Benefits Commission, for example, was already hard pressed and in any case it had limited legal powers to help families where the head of the household was in full-time work. Although the Commission's staff had experience in making discretionary payments to families, their traditions and procedures were wedded to providing for the essential needs of poor people rather than the generous and imaginative support envisaged as the role of the Fund. The Attendance Allowance Board was similarly pressed, coping with applications for the higher, and newly introduced lower, rate allowance and its staff had no experience of distributing *ad hoc* payments. Officials knew from their experience of supplementary benefits and the attendance allowance how difficult it was for government agencies to exercise discretion flexibly and to justify decisions in marginal cases. The DHSS had had recent experience in the Jimmy Martin case of the

public outcry that can result from being forced to make invidious distinctions between different categories of severely handicapped children.

The civil servants may also have considered distributing the money through local authorities, but in one sense it was the inadequacy of existing services that created the need for a Fund. Experience in implementing the Chronically Sick and Disabled Persons Act 1970 had shown how difficult it was to get local authorities to maintain equivalent standards and it would have been impossible to ensure, through the rate support grant, that the money would reach families with handicapped children. To use local authorities to disburse the money would have required special legislation and, even then, the project could have foundered on the rock of the rate support grant and the administrative division between health, housing, and social services. The Fund clearly had to complement existing services, but the decision to establish an independent fund was probably made because speed was imperative – and not to outflank agencies already operating in the field.

The officials might have considered establishing a new trust but it would have taken time to establish and organise, and the Department's first consideration was to provide help quickly. The press and Parliament were demanding help immediately; a solution requiring legislation would have involved unacceptable delay, as well as prolonged and bitter arguments, and the civil servants must have decided that it would take too long to establish an organisation of their own.

So it was natural to turn to an existing trust for help. No doubt, the existing voluntary organisations working for handicapped children, particularly the Lady Hoare Trust, were considered, but their terms of reference were too narrow to enable them to take on the job. Furthermore, to select one of these agencies could possibly introduce jealousy among the organisations. They therefore had to choose a large and respected trust, the terms of which were broad enough to embrace the role envisaged for the Fund.

One reason why a government may choose to operate through an unorthodox agency is that the policy area is experimental; thus, voluntary organisations may be used to 'blaze a trail'. The DHSS was certainly operating in the dark when it established the Family Fund. It has been argued that there was no planning or thinking about this type of operation before the Thalidomide affair and there was little information available to officials at short notice about either the numbers or the needs of handicapped children. The experimental nature of the Fund was taken up by the press after the announcement and it was perhaps the most important factor influencing the Trust to take on responsibility for its administration. However, it is not likely to have been the reason for turning to the Trust for help. The view in the Department at the time concerning the announcement was that they were making an *ad hoc* response to political circumstances. It was only after the announcement that they became aware of the Family Fund's potential as an experiment in the administration of a social service.

It was not clear from Sir Keith Joseph's statement in the House why the government had settled on £3 million and a further £3 million 'in trust as soon as the cases are no longer *sub Judice*'. Clearly, the decision to give the £3 million was made in Cabinet and may have been influenced by the fact that it approximately matched the amount that Distillers were offering then. There appears to have been some confusion at the time of the announcement about the numbers of children that might come within the ambit of the Fund. Speaking about the second £3 million, Sir Keith said: [32]

> It is intended to benefit via the same channel if our experience of handling the first £3 million is satisfactory the same limited but rather wider than Thalidomide group.

This statement seems to suggest that he intended to restrict the Fund to disabilities broadly comparable with those of Thalidomide children.

> What we have in mind are children suffering from the most severe condition analogous to lack of limbs such as those suffering from the extremely damaging forms of for instance spina bifida. We have some difficulty because we must make a distinction. Because we have in mind the sort of children mentioned by the Hon. Member, I have had to exclude from this undertaking those who are born blind or those who are very shortly after birth discovered to be totally deaf. There has to be some limitation.[33]

Judging from these statements, it is very probable that at the time of the announcement the Fund was intended to benefit a limited (but unknown) number of *physically* handicapped children. It was only after the announcement and the speculation about eligibility by the voluntary organisations representing different categories of handicapped children that it became clear that a wider range of handicaps, including the mentally handicapped and the blind and deaf, could not be excluded.

The lack of information in the Department about the numbers and nature of handicapped children was probably responsible for the decision to make the money available only to congenitally impaired children. We have since become aware that the non-congenitally handicapped children in the UK are likely to number less than 10,000. If it had been realised how the Fund would develop, it could have included from the beginning all severely handicapped children. There was no justification for excluding them.

The word 'stress' was not mentioned at the time of the announcement. Sir Keith used the words 'burden', 'strain', and 'special needs', but 'stress', which eventually became a key word in the Fund's operation, was not mentioned. Neither did the word 'stress' appear in the minutes of the first meeting between DHSS officials and the Trust's officers. The word first appears, almost in passing, in the document which Lewis Waddilove prepared for the Trust meeting on 11 December. In it he wrote:

> The fund is to be used to relieve family stress directly; there is no question of grant-aiding organisations or institutions.

The point of this sentence was to explain that the help was to be provided directly (rather than indirectly) but the word 'stress' was repeated in subsequent documents and the relief of it was finally incorporated as the purpose of the Family Fund. In such ways are the goals of social policy set.

The participants in the policy-making process

The minister

It is not clear what initiative, if any, was taken by Sir Keith Joseph in establishing the Fund and the form which it took. The issue was raised not from within the Department but through pressure from outside, and though he *may* merely have followed official advice, he is unlikely to have done so. He had the reputation within his ministry of being a highly independent figure; he was known as 'The Baron' because of his style of direction, and because during his office he demonstrated his intellectual independence from his advisers by his controversial views on the cycle of deprivation. Not content to rely only on departmental advice, he was an energetic meeter of people and a visitor to agencies and institutions. It is, therefore, difficult to believe that he would have played a passive role during the Thalidomide debate. Yet his department's policy until quite soon before the debate, was to reiterate what services were already being provided and to avoid intervening in the dispute between Distillers and the parents. Even after the debate and despite repeated calls in the press for him to play a part in the settlement, he remained aloof. It is probable that he and his Cabinet colleagues were determined not to embroil the government in the issue, but that they were eventually driven by the crescendo of public outrage and the threatened revolt of their back-benchers to provide some short-term assistance for the families.

The civil servants

We have shown that the Family Fund was not a policy initiative that had taken years to evolve; nor did it fit easily into the existing pattern of benefits and services or the existing administrative structures within the DHSS. It is, therefore, very unlikely to have resulted from a demand emanating from within the Department. The Thalidomide affair acted as a powerful catalyst in bringing together the various interests within the Department – cash benefits, social services, health, and law. The role of officials in developing the Fund was critical; they were responsible for devising how £6 million could be raised and how it was to be distributed and, after the announcement, for recruiting the Trust and setting out the terms under which it was to operate. (It will probably never be possible to find out who exactly was responsible for extending the Fund outside the various categories of Thalidomide children, but the decision most likely emerged in the course of the urgent discussions between officials and ministers that preceded the debate.) However, the Fund did not spring from the action of officials; their role, like the minister's, was probably reactive.

In view of the limited time between the decision to provide £6 million and the announcement in the Commons, and the fact that the idea of a Fund for handicapped children was completely novel, there could have been no contingency plans and only limited information available to officials. Yet the civil service responded with extraordinary speed and imagination. They were operating in a most favourable context – urgent and general public demands for action, the threat that their minister faced a defeat in the House, and a Cabinet decision that £6 million should be made available. It was because of this climate of opinion and the need for speed that they were able to obtain the resources from the Treasury, cut across their own departmental divisions, override any doubts they themselves might have had about the implication of establishing such a Fund, and waive the consultations that would normally take place with the local authorities' associations and voluntary bodies.

The private citizen

Among the individuals who played a decisive part in the establishment of the Family Fund perhaps the outstanding one was David Mason.[34] It is certain that without his determination to stand out against the proposed settlement with Distillers, the issue would certainly not have been raised by the *Daily Mail* and the *Sunday Times*.

The Thalidomide affair was also an unusual example of the 'pressure of public opinion'. The general public was involved as consumers of Distillers' products, as shareholders, as electors of MPs, as correspondents to newspapers, and even in some cases as demonstrators. This public opinion was naturally articulated and shaped by Parliament, the media, and through *ad hoc* pressure groups, but the concern of individual citizens was without doubt an important factor in setting up the Fund.

The pressure groups

There was no existing group with the resources, experience, and enthusiasm to harness the issue and press the case. The Lady Hoare Trust, which had been established to provide support for families with Thalidomide-damaged children, was a service-giving agency, and Sir Keith Joseph himself said that his department had never received representations from them on behalf of the families.[35] Lady Hoare herself was ill when the affair broke and though the Trust did provide the Department with information about the children (and show Sir Keith Joseph a film in the House of Commons before the debate), it never actively called for changes in policy. The parents of the Thalidomide children were divided between those who had settled, those who wanted to settle, and those who refused to settle; and the extent to which they were able to participate was also influenced by their legal advisers, Messrs Kimber Bull, who throughout the affair maintained that the best interests of the parents would be served by pursuing their case through the legal channels.

During the campaign, *ad hoc* pressure groups did spring up – notably the shareholders – and the final settlement was a result of the pressure of large City institutions; but the Family Fund did not originate in the information, advice, ideas, or influence of promotional or interest groups.

The mass media

A question often asked in discussing the role of the media in policy formation is: Do they reflect public opinion or do they formulate it? The Thalidomide affair is a clear example of the media initiating and carrying through a campaign with the explicit purpose of achieving policy changes. Bruce Page, Phillip Knightley, and Elaine Potter of the *Sunday Times* Insight team had engaged in inquiries into Thalidomide for a number of years. Harold Evans, the editor, finally made the decision to launch the campaign despite the risk of prosecution. He may have been confident that public opinion would be moved by his coverage but in no real sense was the newspaper *reflecting* public opinion; indeed, the public were largely unaware of it. Of course, once the issue had been raised, the *Sunday Times* and the rest of the media reflected public opinion in the sense that they provided a forum for actors in the policy process. But the *Sunday Times* continued to lead opinion and open new fields of action. For example, Tony Lynes was given the names and addresses of other Distillers' shareholders to help him form an action group. A group of those concerned met regularly throughout the campaign in the paper's offices, and Evans kept in close touch with Jack Ashley and certain other MPs. Through the paper's determination to contest the injunctions as far as the House of Lords, it kept the issue alive and involved the rest of Fleet Street; and by publishing lists of the Distillers' shareholders, it ensured the involvement of the institutions. This policy issue is an unusual example of the press formulating public opinion and the action of the *Sunday Times* demonstrates that a newspaper can be the principal cause of policy change.

Political parties

The Thalidomide affair was not a party political issue. It is true that Parliament debated an Opposition motion, that the parties followed their whips through the lobbies, and that Barbara Castle, at the Labour Party Conference, committed the parliamentary Labour Party to fighting for a just settlement, but this was no more than the formalism of political debate and the natural stance of an Opposition. The issue arose too suddenly, and with too general a consensus, to develop into a party political issue. The Conservative Party, with its business links, might have been in danger of being associated with Distillers, particularly after the intervention of the Attorney-General to stop the publication of the second *Sunday Times* article. Sir Keith Joseph himself admitted an interest during the Thalidomide debate; he was 'a name at Lloyds', and in so far as insurance money was involved in meeting the settlement for the children, he would, albeit at a great distance, have borne part of the cost. Clearly, this would not have influenced his views one way or the other and is only mentioned here to illustrate the links that existed.[36] But it soon became clear that the business world was as disturbed as anyone by Distillers' actions, and with the Chancellor refusing to 'let Distillers off the hook' with tax concessions and Conservative ministers refusing to be drawn into a defence of Distillers, and with the Labour Party, for the most part, leaving the running to the all-party disablement group in the Commons, the parties managed to avoid an ideological dispute.

Parliament

Modern political scientists consider that government, not parliament, is decisive in the making of policy. Parliament has a measure of formal control over policy and may influence the details of it but, in general, priorities for action are determined by government and not Parliament.

This view is qualified by the events leading to the establishment of the Family Fund. Individual MPs, the all-party group on disablement, and the Opposition all evidently played key roles in

determining the outcome and, behind the scenes, it is probable that pressure by backbench Conservative MPs was influential in obtaining government action.

Parliamentary activity during the Thalidomide affair was particularly important because comment in the press was to some extent stifled by the *sub judice* rules. Through parliamentary questions, the tabling of motions and speeches in the adjournment, supply and Queen's Speech debates and, finally, in the full debate, MPs were able to maintain pressure on the government and Distillers. The lead in this was initially taken by the all-party committee on disablement chaired by the deaf MP, Jack Ashley, but as the issue gathered momentum the demands within Parliament became more general. This activity, the specific demand for the establishment of a fund in the Opposition motion, and the fear that they might be defeated in the debate, must have decided the government to announce the establishment of the Family Fund. A defeat in the House would not have brought them down but it would have been a serious embarrassment for them.

It seems clear that in this instance, the policy-making role of ministers and civil servants was negligible. It was action by parties outside government that was decisive in framing the policy adopted.

Conclusion

This description and analysis of the origins of the Family Fund leaves much to be desired. Any attempt to do justice to the complexity and diversity of the influences, events, and personalities that go to make up the policy-making process is bound to oversimplify, to be selective, and to be in danger of over-emphasising in one place or under-emphasising in another. Even with unfettered access to the necessary information this would be the case; but students of social policy development do not have open access to vital data, particularly the part played by civil servants and government ministers in the policy-making process. As a result any case study must in part be speculative and incomplete.

With this limitation in mind, let us now, however, try to set the Family Fund against Hall *et al's* three criteria – legitimacy, feasibility, and support – by which they claim the priority accorded any issue may be assessed.[37]

Legitimacy

There was certainly some doubt about whether the provision of new help for these children was a legitimate concern for the government. It felt that the Thalidomide-damaged children were no more a state responsibility than any other group of children. The state was not at fault and therefore it had no special responsibility to compensate the parents; this was a private matter between the parents and Distillers. Uncertainty about the proper role of the government went further than this and was evidenced by the establishment of the Royal Commission on Civil Liability and Compensation for Personal Injury. Compensation for injury, except for war and industrial injuries, had not become a legitimate activity of the state. Yet here were new demands for a state fund for Thalidomide children. The government decided that the proper response was to legitimise help for Thalidomide children by including all handicapped children, by denying that it was compensation and presenting it merely as a complement to existing services and, meanwhile, through a Royal Commission addressing itself to the whole question of compensation. While a compensatory payment to one group of handicapped children who had been damaged by a privately manufactured drug was not a legitimate field for government, the extension and improvement of existing services raised no such problems.

Feasibility

Whether a policy development is feasible not only determines its chances of gaining attention but also helps to explain why one course of action is introduced rather than another. The most important questions regarding feasibility are whether the resources of money, manpower, parliamentary time, or equipment are available. The

Family Fund was possible because it was a relatively cheap initiative in money and man-power and called for no parliamentary time. In fact, if there had been time for reflection the government might have decided on other grounds that it was not feasible. There was no existing government machinery for distributing the money; the Fund would create anomalous and overlapping functions between existing administrative units; the size of the population to be served was large; and it would inevitably prove difficult to find an alternative to the provision made by the Fund. If these objections had been formulated, they would have been overridden by the demand to take action of some sort.

Support

The Family Fund was a measure that attracted extensive approval and certainly improved the government's stock of general support. Indeed, so successful was the initiative that it enabled them to continue to maintain an independent attitude to the Thalidomide settlement.

Hall *et al.* mention other factors affecting the over-all 'image' of an issue which may influence its fortunes. Some of these are:

Crises

Writing of the welfare state, Myrdal has claimed that:[38]

> all the time new measures were introduced *ad hoc* to serve limited and temporary purposes, to safeguard special interests, and often to meet an emergency of one sort or another... new intervention was usually not only motivated by special circumstances – a particular need, an emergency or a pending crisis – but also designed accordingly, as limited and often temporary measures.

Sir Keith Joseph himself, speaking at a National Association for Mental Health Conference, said, 'I must tell you that one day somebody will write a book... about the part that

scandal has to play in procuring reform,' and added, 'The sudden revelation of conditions well known to the experts, of which the public is unaware, gives ministers a chance to galvanize their colleagues and get the resources to improve things.'[39]

Sir Keith Joseph faced a mild political crisis over Thalidomide. He was being pressed to give help quickly to the damaged children so that they would not be forced to settle on unfavourable terms with Distillers. The crisis was engineered, but it was real enough at the time and was certainly a vital factor in setting up the Family Fund.

Origin

Hall *et al.* suggest that:[40]

> Where an issue constitutes a challenge to a government's competence and is advanced from outside, its recognition is likely to be resisted or ignored. In these circumstances other factors (irrefutable evidence or crises) would have to be particularly favourable if the issue is to make progress.

The demand for a Fund arose from outside government and was expressed first in an all-party motion and then in an Opposition motion. Without the danger that the motion might be supported from the Conservative back-benches, it might have had little chance of success. The government annexed the Opposition demand, extended it to include all children, and presented it as a fresh new idea.

Information

It is suggested that the extent to which the existence of a problem can be supported with facts has an impact on progress. This was not true of the Family Fund. At the time when the scheme was devised, the government had little information about the number and nature of the needs of handicapped children and was unclear about what groups of handicapped children should be included

in the scheme. We have shown how little research evidence was available before 1973, and though civil servants had access to their professional advisers and Sir Keith Joseph had received information from the Lady Hoare Trust, they had little time in which to clarify what burdens they were seeking to support and why these were not being carried by existing services.

The other participants in the process were convinced of 'the facts' by the case studies presented by the *Sunday Times*.

Ideology

There was no conflict between the ideology of the government and the essence of the Family Fund. The Fund was a selective response, calling for no significant increase in public expenditure or civil service manpower and it was to be administered by a private organisation. To the extent to which these factors were considered they must have made it easier for the government to accept the idea of a Fund.

Some general considerations

In analysing the nature of the Fund, there is a danger of confusing *post hoc* with *propter hoc* considerations. The form that it took is not necessarily a valid guide to the motives underlying its establishment. Indeed we have suggested that it was set up as an unpremeditated response to external demands, announced without clear definition of its purpose or of those whom it was intended to benefit, and unclear as to its mode of operation and its long-term implications. It was subsequently hailed in the press and elsewhere as a new experiment in social policy; but this was a *post hoc* rationalisation designed to raise the status of an institution that had a more expedient purpose.

This, perhaps, explains the disappointment that has been felt at the subsequent response of government to the Family Fund. The DHSS has, for the most part, left the Fund, once established, to its own devices. This has certainly been partly because of the independent

status of the Trust and partly because of the Department's confidence that the Trust has managed the Fund successfully, but it is also because there has never been in the government – either among politicians or civil servants – a commitment to broaden the scope of the Fund. There is a natural tendency in social policy for government to concentrate more on the initiation of new policies than to monitor existing ones, and there is also a tendency for the civil service to take a reactive rather than an initiating role. But particularly in the case of the Family Fund, it seems as if the civil service, knowing that the Fund at its inception was an expedient, has continued to view it in that light. Thus, there is as yet no clear picture of what the future of the Fund will be.

This is not to say that the Fund has been viewed with any disdain by ministers and civil servants; indeed, it has become a small weapon in the armoury of successive ministers. Demands for help for vaccine-damaged children, for compensation for children damaged *in utero,* for the attendance allowance to be paid for foster children, and general demands for improvements in policies for the handicapped, have been met with assurances that in addition to its other responsibilities, the Family Fund exists to provide help in such cases. The Fund has, in fact, continued to play the role for which it was devised – to take the heat out of new demands. But as it was never devised as part of a coherent plan to help the families of handicapped children, it has not yet become part of such a plan.

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Energy and Social Policy

On 6 October 1973 – the Jewish Day of Atonement – Egyptian and Syrian forces attacked Israeli positions across the Suez Canal and through the Golan heights. Within four days the price of heating oil in the Rotterdam spot market had jumped 20 per cent. On 17 October the Arab oil producers raised oil prices by 70 per cent and cut production by 5 per cent per month.

By 25 October the public were being asked to turn down central heating and share car rides. On 27 October the miners called an overtime ban and they were followed by the power engineers on 2 November. In mid-November Britain declared a state of fuel emergency and by mid-December ration coupons had been issued, there was a 50 m.p.h. speed limit, a voluntary Sunday driving ban, office temperatures were turned down to 63°F and street lighting halved. Then in the fourth week in December Britain began a three-day week.

Social problems associated with fuel had no doubt existed before the autumn of 1973 but it was not until these events that they emerged from being a marginal aspect of the wider problem of poverty to become a major social issue in their own right.

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* Bradshaw, J.R. and Harris, T. (eds) (1983) *Energy and Social Policy*, Routledge and Kegan Paul: London. Introduction.

These events had more impact because they followed a period from 1969 when energy prices had been declining in real terms as a result of the introduction of North Sea gas and also price restraint in the nationalised industries. They now rose very rapidly. The age of cheap fuel was over.

There is no consensus about when the demand for oil will reach the limits of available supply. Predictions tend to recede as the last predicted date gets nearer. But whether it is this decade or next or the one after, we have since 1973 already begun to experience the consequences of the shortage of energy we can expect in the future.

Fuel Poverty

Into the language of social policy has come the notion of 'fuel poverty'. Fuel poverty is useful as a simple collective description of the social problems associated with rising fuel prices, and is used in that sense from time to time in this book. The phrase also has a rhetorical purpose – those who use it are attempting to assert that these problems should be on the agenda of political and social policy. But does fuel poverty have any analytical value in social science? The most precise definition of fuel poverty has come, appropriately enough, from the National Right to Fuel Campaign. Fuel poverty is:

> the inability to afford adequate warmth at home. It arises when low income is combined with high heating costs. It is not the same as poverty itself. Some poor families who have cheap and efficient heating systems are not in fuel poverty. On the other hand, many families who have incomes above normal definitions of poverty cannot afford adequate warmth.
>
> Fuel poverty is a state of existence known to hundreds of thousands of UK citizens who have homes that are too cold for their health and comfort because their income is inadequate to purchase the fuel they need.[1]

According to this definition, poverty and fuel poverty are not the same. Poverty is a relative lack of resources. Fuel poverty is a lack of sufficient resources to buy adequate heat and light. Some people are poor but can afford adequate warmth. Others are not in poverty but nevertheless cannot afford adequate warmth – because their houses are very difficult or expensive to heat. There are also people who purchase adequate warmth only at the expense of adequate diets or going short in other ways. Then there are those who live in cold conditions despite having incomes which are sufficient to purchase adequate warmth – because of helplessness or a fear of fuel bills. The difficulty with the notion of fuel poverty is in operationalising it – in distinguishing between these groups. To determine whether someone is or is not in fuel poverty it is necessary to take account of their expenditure on fuel and other commodities, the adequacy of their warmth as well as their income.

Right to Fuel

Another principle that has been espoused is that there is a (moral) right to fuel sufficient to provide adequate light and heat at home.

The United Nations Declaration of Human Rights (Article 24) states that: 'Everyone has the right to a standard of living adequate for the health and well being of himself and his family including food, clothing, housing and medical care...' but fuel is not mentioned. The right to fuel would depend on arguing that fuel is necessary for 'health and well being' – that there is a need for it. So let us turn to the concept of need.

Fuel along with food, clothing and shelter, is often described as a *basic* need. Basic in the sense that it is different in character from a want. Plant has argued that the essential difference between a want and a need is that a person 'will be harmed by his lack of it... and getting what he needs will overcome this harm.'[2] There can be disagreement about whether harm will result from a need not being met but Plant argues that there can be no dispute about the basic moral worth of survival (and autonomy) and therefore a basic need exists where, if it is not met, survival will be threatened.

The trouble with fuel is that it is questionable whether it is essential to survival. Given food, adequate clothing and shelter most households could exist without fuel, at least in our temperate climate. Indeed some do, even in Britain in the 1980s.[3] Even if there is a consensus that some fuel is a basic need, there would be no consensus about what amount of fuel is basic. Most would probably accept that fuel for cooking, light and perhaps heating water are basic needs, or that living without them is too severe a deprivation to countenance. But what about heating? It is principally heating costs that present the problems. Certainly some households – those, in particular, containing the very old and very young – probably have a basic need for heat, but it is still questionable how essential heating is for the rest of us. It may be basic for our comfort but is it basic for our health and survival?

Fuel poverty, like poverty itself, can only be understood as a relative concept. Indeed it is instructive to adapt Townsend's classic definition of relative poverty (words in italics changed or added).

> Individuals, families and groups in the population can be said to be in *fuel* poverty when they lack the resources to obtain *the reasonably warm and well lit homes* which are customary, or at least widely encouraged or approved in the societies to which they belong.[4]

Social Determinants of Fuel Consumption

Thus fuel poverty is a deprivation of something which we have all come to expect as part of normal living standards. This style of living is not just a personal fashion or convention but is to a considerable extent determined by factors outside individual control. Individuals have only limited choice over the amount of fuel they consume. There are some particularly notorious examples of this, such as district heating systems where individuals actually have no control over their fuel consumption, or deck-access flats built by many local authorities in the 1960s, converted from gas

to electric air central heating after the Ronan Point disaster and thermally so badly designed that tenants have a choice between black mould when the heating is turned off or bills they cannot afford to pay if it is turned on. These properties are hard to let and therefore occupied by the most hard-pressed tenants, so many authorities have decided that the only solution is to pull them down at enormous cost after less than twenty years' life. This is an extreme example, but it shows how planners, architects, the fuel industries and government have to a considerable extent determined the way energy is used.

These changed expectations have occurred very rapidly and are only of recent origin. Before the last war it would have been most unusual even for upper-income families to heat every room in their houses. Central heating was regarded as a luxury, even a frivolity. Many houses lacked hot-water systems, fixed baths or indoor lavatories. Rising standards of living, improved housing and cheap fuel have led people to expect space heating as normal. Although many households still heat only one room in the winter (including over half of pensioners in Townsend's survey in 1968/69), for many of us the inability to afford adequate space heating is a deprivation. Central heating is now available in 52 per cent of dwellings in the UK[5] and the vast majority of new dwellings are being built with facilities for space heating. Consumption has become the mother of necessity.

Individual Responsibility

One possible response to fuel poverty would be to argue that the revolution in expectations over the last three decades was based on a false premise; that with diminishing energy resources and rising fuel prices we must return to the heating patterns and expectations of the 1940s and before; that the solution to fuel poverty is in the hands of the individual. There are a number of difficulties with this argument. First there are the institutional constraints that have been discussed above. There may well be room for a reduction in space-heating levels but there is a limit to which individuals are free

to respond quickly. Fuel-use behaviour cannot be changed rapidly. As the Right to Fuel Campaign has bluntly put it, the state shares a responsibility:

> in many cases the income comes from the State; their homes are built by and let from the State; and their fuel is almost always purchased from the State. So their inability to afford adequate fuel can be seen as a failure of the State to manage its own resources.[6]

Second, the problem of fuel poverty is not entirely or mainly one of feckless or extravagant consumption. It is also a problem of people trying to maintain minimal levels of comfort with expensive equipment or in badly insulated dwellings, or it is a problem of people spending little on fuel but because their incomes are low it takes a disproportionate part of their budget.

In this context the question is asked why should fuel be singled out as an expenditure commodity deserving to be a focus for public concern? Why should difficulties in paying for fuel have priority over, for example, difficulties in paying for food or children's clothing – if fuel poverty, why not food poverty or children's clothing poverty? One answer lies in the characteristics of fuel expenditure. Households tend to spend a relatively fixed amount on fuel regardless of their income. They tend to spend what they need. But at the same time, fuel expenditure varies considerably as a proportion of income. For the average-income household, despite price increases, fuel is still a relatively unimportant commodity in their budgets. Perhaps it appears larger than it really is because it looms large in the consumer's budget when money to pay fuel bills has to be found quarterly. But Sir Francis Tombs, former chairman of the Electricity Council, was able to claim in a memorandum to the Energy Commission[7] that the average household still spent more on alcoholic drink than electricity. What he did not point out was that there was a wide dispersion about the average and that the distribution of expenditure on fuel as a proportion of income is

not evenly distributed about the mean, like food, but skewed with a long tail of households spending well above the average – up to 25 per cent of their incomes on fuel. In that tail of the distribution are found low-income households, those requiring extra warmth and people at home all day. For low-income households fuel is the third largest expenditure commodity after food and housing. In fact, the distribution of housing expenditure as a proportion of income is very similar to that of fuel, and housing costs have already become the focus of an elaborate system of direct and indirect subsidies. Why should fuel costs not also be eligible for similar relief – particularly, as Isherwood and Hancock have pointed out,[8] as the upper tail of the distribution of housing costs tends to contain younger and more active members of society than the upper tail of the fuel expenditure distribution?

There is a third, and perhaps more controversial, objection to the argument that fuel poverty should be solved by individuals consuming less. This concerns inequality. The National Fuel Poverty Forum have put the point with rather telling effect. Why, they have asked,[9] should ministers and civil servants in the Department of Energy be sitting in offices centrally heated at a level well above the norm set by government and at the same time urging householders, some of whom are already living in cold conditions, to save it? A rather less tendentious way of making the point is that a policy that requires individuals to find the solution to their own fuel poverty will not affect everyone equally – indeed it is likely to hit hardest those who need fuel most. It emphasises and increases existing inequalities.

Social Problems

All these arguments are perhaps unnecessarily elaborate justifications for viewing fuel poverty as a problem deserving the attention of social policy. In practice the hardship, debt, disconnection and other difficulties associated with paying for fuel are already a daily preoccupation of many of the helping professionals. An extensive and articulate lobby has grown up

around the problems of fuel – the Right to Fuel Campaign, the National Fuel Poverty Forum and a host of local energy advice or fuel poverty groups have become established in the last ten years.

Domestic fuel expenditure has emerged over recent years from the private world of consumer expenditure to become a public issue. The problems of debt, disconnection and cold conditions receive most attention in the discussion of fuel poverty, but underlying these problems is the amount households spend on fuel and the relation between their fuel expenditure and their income.

The most commonly observed consequence of the level of fuel costs is debt, a common result of which is the disconnection of supply. Around 150,000 households have their electricity or gas supply disconnected for non-payment each year.

At worst, rising energy prices may cause death. Even before the advent of rising fuel prices, there was a growing concern in medical circles with the effects of cold on health and wellbeing. This concern has heightened in recent years with the relationship between cold, hypothermia and other medical conditions being evident. There may be a growing recognition of fuel poverty, but this is not yet reflected in social policy.

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5

Evaluating Adequacy: The Potential of Budget Standards*

Abstract

Since Beveridge, budget standards have been neglected in British social policy research. Empirical effort has concentrated on developing social indicator methods of investigating relative poverty. This paper explores the potential of budget standards for assessing whether the scale rates of supplementary benefit are adequate. Three applications of budget standard methodology are presented.

Introduction

One in eight of the British population depends for all or part of his/her income on supplementary benefits (SB). They include over two-thirds of the unemployed, half of all single parent families, a quarter of pensioners and a substantial minority of the sick and disabled. Is the level of benefits payable to these people adequate? That question is the most neglected one in British social policy research. It is also a question that has been neglected by successive governments. In Norman Fowler's White Paper which followed

* Bradshaw, J.R., Mitchell, D. and Morgan, J. (1987) 'Evaluating adequacy: the potential of budget standards', *Journal of Social Policy*, 16, 2, 165-181.

what purported to be the most substantial review of social security since Beveridge, it was dealt with in two sentences:

> There have been many attempts to establish what would be a fair rate of benefit for claimants. But it is doubtful whether an attempt to establish an objective standard of adequacy would be fruitful. (DHSS, 1985, p.21).

In the present political environment, it is most unlikely that there will be general agreement about a standard of adequacy. Nevertheless, research can contribute to judgements about the scales and at the moment it does not. Research on social security is in general miniscule, considering that social security takes almost a third of public expenditure. No more than a handful of people are working on supplementary benefits and few of them are focused on the question of adequacy. In 1984, Cooke and Baldwin published a review of research on the adequacy of the scale rates of SB. They concluded that there was no single way of establishing whether they were or were not adequate, but that there were a number of ways of approaching the question. One method was to use budget standards.

The purpose of this paper is to explore the potential of budget standards for examining whether the SB scale rates are adequate. In the course of this, questions are raised about the direction and utility of the last two and a half decades of research on poverty. The relative concept of poverty has enlightened us all, but the attempts to operationalise it in empirical research have had very limited impact on policy. To have more impact on the policies of the Government, perhaps we should return not to minimum subsistence concepts, but to the budget standards approach used by Rowntree, Beveridge and Piachaud, and still used in the US, Canada and many European countries.

Origins of Budget Standards Methodology

The pioneers of poverty research employed budget standards. John Veit-Wilson (1986) has told us to be wary of describing Rowntree's

definition of poverty as a purely absolute measure. However, in his definition of primary poverty in 1899 at least, Rowntree drew on the nutritional studies of Atwater and formulated a diet which was required to maintain physical effort. He then priced the components of this diet and added elements for housing derived from descriptive budget studies and minimal expenditure on clothing. Veit-Wilson has pointed out that Rowntree's definition of poverty was broader than his minimum subsistence concept and even his subsistence budget standard included components that were not strictly necessities. Certainly in Rowntree's later studies in 1936 and 1950 money was added to cover radios, books, newspapers, beer, tobacco, presents and holidays.

The calculations made by Beveridge for his report in 1942 (Beveridge, 1942) were based on similar methods to Rowntree's and indeed Rowntree acted as an adviser to the enquiry. Beveridge's assistance scales were based on minimal dietary requirements plus allowances for clothing, fuel and other household costs. Beveridge's assumptions were informed by some rather thin data derived from a Ministry of Labour survey of the expenditure of the working classes. According to Deacon (1982) the National Assistance Board rates set in 1948 were not entirely derived from Beveridge's work. In particular, a new diet based on the work of Schulz (1943) was used. However, this diet was derived from Rowntree's ' human needs' standard and the approach used by officials was certainly based on budget standard methodology.

Those scale rates have risen since 1948, first as a process of incremental drift, then more explicitly in line with earnings or prices. Since 1979 they have been formally linked to movements in the retail price index (RPI) (though in fact they have done rather better than that). Since 1948 the scale rates have more than doubled in relation to the RPI, though there is considerable evidence that the RPI is not a good indicator of movements in the living standards of claimants (Godfrey and Bradshaw, 1983). In comparison with gross earnings the scale rates have more or less kept their value

though there has been a small improvement in comparison with net income.

The Relativist Critique

As we all know, poverty went underground in the late 1940s and 1950s and when it emerged in the early 1960s it emerged with a new conceptualisation – recast as relative deprivation. There is no doubt of the value of the relative concept of poverty. It has helped us to understand the meaning of poverty within affluent industrial economies and between western and third world countries. It has also helped us to evaluate ideas about the culture of poverty and transmitted deprivation and directed attention to the structural causes of poverty and to inequality.

The advocacy of the relative concept was accompanied by a vilification of the subsistence concept:

> The subsistence concept seemed too static, somehow locked up in the distant youth of the grand parental generation (Townsend, 1970, p.x)

The attack on the subsistence approach in the 1960s was largely focused on the scientific pretensions of budget standard methodology. Townsend and Abel-Smith condemned the value judgements they saw clothed in objective criteria of the primary poverty definition developed by Rowntree and employed by Beveridge (Abel-Smith and Townsend, 1965). It was argued that it was an inappropriate method for defining poverty because it was based on a range of physical needs that actually had an ideological rather than a scientific basis. Needs consist of more than just the physical necessities of life – the poverty level was too harsh, mere physical efficiency was not enough, and poverty also had a social meaning. Thus at an international conference on poverty in 1967, Rein concluded that 'almost every procedure in the subsistence level definition of poverty can reasonably be challenged' (Rein, 1970, p.61).

It is Townsend who, in almost a lifetime's work, has been the principal elucidator of the relative definition of poverty. That work is still continuing both conceptually–in a distinction between relative deprivation and poverty in this issue of the *Journal* – and empirically in a new survey funded by the former GLC (Townsend, 1986).

Townsend was never less than ambitious. He did not rest at defining poverty, he also sought to measure it and apply it to policy. He argued that the SB rates were too like Rowntree's concept based on subsistence ideas and not on how people actually lived. In his view the Government's poverty line should not be a minimum subsistence standard but a minimum *participation* standard. He claimed boldly that ' poverty can be defined objectively and applied consistently only in terms of relative deprivation' (Townsend, 1979, p.1). Townsend's major study of poverty set out, among other things, to operationalise and define: the customary life style of Britain in which even the poor should participate; to estimate the number falling below this; to find the income point at which participation decreased rapidly; and to estimate how much the SB poverty line would have to be increased to prevent people falling below the minimum participation line.

He operationalised relative deprivation by using a list of 60 indicators. By correlating non-participation with income and demographic characteristics he was able to find a deprivation threshold which varied between 102 and 133 per cent of the prevailing rate of SB for different family types. These results were subsequently validated by Desai (1986) using regression analysis, though the argument goes on in Piachaud's paper in this *Journal.*

Townsend's results, like Rowntree's before him, were much misrepresented and misunderstood. Critics questioned whether the deprivation index bore any necessary relation to income or need. Critics could not understand the value of the index if 10 per cent of the largest income earners in Townsend's study lacked five or more of his deprivation indicators – enough to be included amongst

the poor. Piachaud concluded that Townsend's style of living approach was ' of no practical value whatsoever as an indicator of deprivation' (Piachaud, 1982).

A more recent major survey of poverty conducted for Thames Television refined and extended Townsend's method by establishing indicators of minimum living standards on the basis of public consensus (Mack and Lansley, 1985). This study offers a more democratic representation of deprivation and also distinguishes between those indicators of deprivation that families did not have and those that they did not want. However, the index is still not a very useful vehicle from which to view the SB scale rates, or rather it is difficult to use their indicators to bring life to what living on SB means.

Back To Budget Standards

The debate about the conceptualisation of poverty has tended to be characterised as being between the absolutists, who equate need with the physical necessities of life and use methods based on static and normatively defined budgets, and the relativists who emphasise social needs and rely on behavioural studies and survey data. Such characterisations are caricatures: the social indicator methods employed by relativists even when using social consensus methods involve a very considerable use of normative judgement, and we have been misled in associating the budget standards approach with static minimum subsistence concepts. Social needs *can* be represented in budgets. As Aronson (1984) has pointed out, budget standards were first introduced in an attempt to get away from minimum, nutrition-based criteria. Translating nutritional standards into a basket of goods inevitably introduces social needs. The preoccupation with the social indicator methods employed in the relativist research has resulted in the neglect of budget standards methodology in Britain. The basket of goods Rowntree developed for his primary definition is very far from the sophisticated budgets used in many other countries, both in aspiration and methodology.

Although budget standards are derived from a basket of goods and services and although normative judgements of technical ' experts' from a variety of fields including nutritional science and domestic economy are still used, these are increasingly supplemented by legal and government standards and by evidence derived from expenditure and consumer surveys. Drawing up a budget standard inevitably involves judgements – judgements about what *items* should be included, about the *quantity* of items that are required and about the *price* that should be fixed to the items. In each case these judgements can be tempered with survey data.

The USA has the longest sustained tradition of budget standards work. Congressional concern for the condition of women and child workers stimulated construction of the first federal budget by the Bureau of Labor Statistics (BLS) in 1909. During the depression years the Works Progress Administration prepared budgets to help determine how much to pay workers on work relief. In 1946, the BLS were commissioned by Congress to find out what it costs a worker's family to live in the large cities in the US (Bureau of Labor Statistics, 1948, p.3). The resulting report provided a comprehensive budget which was indicative of the expenditure required for ' a level of adequate living to satisfy prevailing standards of what is necessary for health, efficiency, the nurture of children and for participation in community activities' (BLS, 1948). The budget met a wide range of needs and was not narrowly confined to the basics of food, clothing and housing. The expenditure items included transport, house furnishing, personal toiletries and leisure activities (BLS, 1948). This was not a minimum subsistence or absolute measure of living standards. It attempted to reflect a range of ' contemporary necessities'. In 1969, Lower and Higher budgets were added to the Intermediate budget. The BLS published budgets for a four person family headed by a prime aged working man and a retired couple, budgets for other family types being derived using equivalence scales. The budget work of the US Bureau of Labor Statistics was abandoned as a result of budget cuts by the Reagan administration in 1982. A number of cities in the US and Canada continue to

maintain their own budget standards. The Community Council of Greater New York maintained their own variant of the BLS budget until 1985 (Community Council of Greater New York, 1986). The Nebraska Department of Social Services has recently published a minimum cost of living for a woman with three children using very detailed specifications of items in the budget (Love, 1986). The city of Toronto has maintained a detailed budget since 1939 (Social Planning Council, 1981).

Budget standards have four different uses (Watts, 1980).

1. They can provide standard of living norms for a given family type.
2. They can be used to derive standardised comparisons of living standards (equivalence scales) for different family types.
3. They can be used to compare living standards over time.
4. They can be used to compare living standards between areas.

In practice they have been used more for evaluating policy and examining living standards than guiding policy making. Budget standards have tended to be used to fix the levels of only rather minor benefits, such as computing parental contributions to student grants. Where budget standards have been used at state or local government level to determine family needs for public assistance, both the standard and the proportion of the standard paid have been variable proportions of the lower budget standards (Caro and Green, 1985).

There has been considerable criticism of the methodology of the BLS standard. An expert committee headed by Professor Watts (1980) concluded that it was impossible to derive an authoritative standard from technical specifications of need based on the judgement of experts. They recommended that the fixed list of commodities used in the BLS should be replaced by family budget

standards based on expenditure data. They justified this firstly on theoretical grounds – in a society whose general living standards are well above subsistence, norms of living are inherently relative and imprecise and therefore better represented by how people live. Second, there are practical arguments – budget standards based on basket of goods methodology in practice tend to be based on expenditure data – why not then rely entirely on the more up to date, more easily updated and less complicated technique of expenditure analysis? The Watts Committee proposed that median expenditure should provide the 'Prevailing Family Standard' providing full opportunity to participate in contemporary society and the basic options it offers. It is moderate in the sense of lying both well above the requirements of survival and decency and well below the levels of luxury as generally understood' (p.viii). In addition they defined a ' Social Minimum Standard' which was half the median expenditure and in the judgement of the committee provided a standard that lies in a boundary zone below which social concern has been traditionally and properly directed to potential issues of deficiency and deprivation' (p.viii). In addition there was a 'Lower Living Standard' at two-thirds of the median which 'represents a level below which it is increasingly difficult to obtain what Americans regard as an acceptable standard of living' (p.ix) and the ' Social Abundance Standard' at 50 per cent above the median 'that marks progress significantly beyond the ordinary into expenditure levels that afford choices in the luxury categories of consumption' (p.ix). The level of median expenditure is remarkably close to the BLS Intermediate Budget Standard. The Watts Committee's expenditure based standards were largely arbitrary. Nevertheless, it was suggested that they could be strengthened and adapted by eliciting public conceptions of norms using methods discussed by O'Higgins (1980).

Empirical Activity

There is no one method or application of the budget standards approach, and to illustrate some of the potential the rest of this paper will examine three distinct kinds of empirical activity we have been pursuing in the last couple of years.

1. Translating the New York budget standard

The New York Community Council (NYCC) has been producing its own variant of the BLS budget for some years. The version of the NYCC budget we used was for 1981 (NYCC, 1982). We wanted to see how this budget standard compared with the SB scales for different family types. Therefore, each consumption item in the NYCC's budget for 1981 was translated from $ to £ using purchasing power parities.

TABLE 5.1: *Purchasing Power Parities for USA and UK (1981)*

Consumption item	US ($)	UK (£)
Food, beverages, tobacco	0.975	0.550
Clothing and footwear	0.871	0.469
Fuel and power	1.038	0.518
Household equipment and operation	0.821	0.552
Transport and communication	0.732	0.615
Recreation and education	1.067	0.482
Miscellaneous goods and services	1.145	0.549

Source: Hill, 1984

Purchasing power parities (PPP) are calculated by OECD (Hill, 1984) to enable a comparison of the prices of the same commodities in different countries. Thus in Table 5.1 above, a defined basket of food items costing $97.50 in the US could be purchased in the UK for around £55.00. PPPs are, in comparison with exchange rates, a superior means of converting a personal market basket of goods and services. Exchange rates depend on many factors (not least the behaviour of the money markets) which bear no relation to actual commodity prices in individual national markets. The availability of different PPPs for each commodity group allows us to convert the New York budget standard into UK terms item by item. Thus, the food budget is converted separately from the clothing budget and a more accurate cost in UK terms is obtained. In 1981 the

budget standard converted by PPPs for a family of four was £5.25 more than the exchange rate conversion. (In 1984 it was £28.71 less!)

Having translated the budget it was compared with the SB rates payable. Table 5.2 compares the NYCC lower budget standard with the long term scales of SB and shows that the budget is higher than SB scales for every family type, but much higher for families with children. Table 5.3 compares the implied equivalence scales (single person = 100) for the NYCC lower budget standard and the SB scales and shows the (now familiar) picture that the SB scales treat pensioners relatively generously compared with families with children.

2. Statistical techniques for fixing budget standards

In order to inform (and reduce) the normative judgements of experts in drawing up budget standards or where no standards are available from experts, a variety of statistical techniques have been used to fix the level of expenditure that should be devoted to a component.

TABLE 5.2: *Comparison of lower budget standard with SB (1981)*

Family structure	Budget standard £pw	Long-term SB[(a)] £pw	BS/LT %
Married couple (MC)	62.83	44.09	142
MC with 2 children < 10 yrs	101.63	58.87	172
MC with 2 children 11-15 yrs	117.29	66.21	177
Sole parent with 1 child < 10 yrs	51.22	34.94	146
Sole parent with 2 children < 10 yrs	70.61	42.33	166
Retired MC	50.10	44.09	113
Retired single (M)	30.30	27.55	110
Retired single (F)	32.41	27.55	116
Child < 10 years	21.15	7.39	286
Child 11-15 years	27.81	11.06	251
Single non-retired	32.44	27.55	125

(a) The rates shown are composite rates for 1981.

TABLE 5.3: *Comparison of budget standard relativities and SB relativities for 1981*

Family structure	Intermediate budget standard	Supp. benefit (long-term rate)
Single (non-retired)	1.00	1.00
Married couple (MC)	1.84	1.60
MC with 2 children < 10 years	2.97	2.13
MC with 2 children 11-15 years	3.38	2.40
Sole parent with 1 child < 10 years	1.50	1.26
Sole parent with 2 children < 10 years	2.07	1.53
Retired MC	1.47	1.60
Single retired (M)	0.89	1.00
Single retired (F)	0.90	1.00
Child under 10 years	0.61	0.26
Child 11-15 years	0.80	0.40

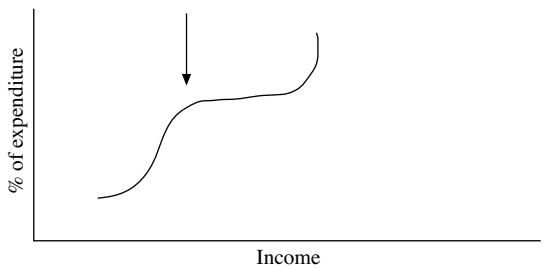
These include:

(a) 'The Orshansky method': this is based on the measure of poverty developed by Molly Orshansky in the US (Orshansky, 1969). Following Engel she opined that a good indicator of poverty was that a household spent more than 30 per cent of their budget on food. Thus data from the Family Expenditure Survey can be used to derive a budget for each component at the point on the income distribution when a household of a given size spends less than 30 per cent of their budget on food. There is no reason to stick to the 30 per cent figure if it is considered too stringent. In Canada the proportional approach has been applied by Statistics Canada: households spending more than 62 per cent of their income on 'necessities' (food, clothing and shelter) were deemed to be in poverty (Canada, 1971).

(b) S-curve analysis (or quantity income elasticity technique): this is derived from the observation by Engel that as income increases the proportion of the budget devoted to necessities

decreases and people replace consuming more with buying the same amount but of higher quality. The aim of S-curve analysis is to try to discern inflection points – the points where the proportion of expenditure on a given commodity 'turns over' – where the marginal propensity to consume a particular good slows in relation to income (point of arrow in the diagram below).

Figure 5.1



We have a number of reservations about S-curve analysis. Engel's original observation concerned *quantity*–quantity giving way to quality as income rose. Quantities are not available in the FES and we are therefore forced to use expenditure data as a substitute for quantity. If quantity gives way to quality as income rises there is no guarantee that expenditure will 'turn over'. What we are actually hoping to observe is that point on the distribution of expenditure where the income elasticity of a good declines sharply, where expenditure on a commodity gives way to a preference to save or spend on other less necessary commodities. The inflection points have been described by the BLS as 'the place on the scale below which reduction (in expenditure) meets greater and greater resistance; above which expansions become more and more limited' (BLS, 1948, p.9).

In practice it is also difficult to identify inflection points with confidence. For example, in Graph 5.1 below it might be reasonable to pinpoint £8.50 per week as the budget level for fuel for households

comprising a married couple with two children under 10 years. But where is the inflection point in Graph 5.2.

Figure 5.2 – Married couples, 2 children under 10 years

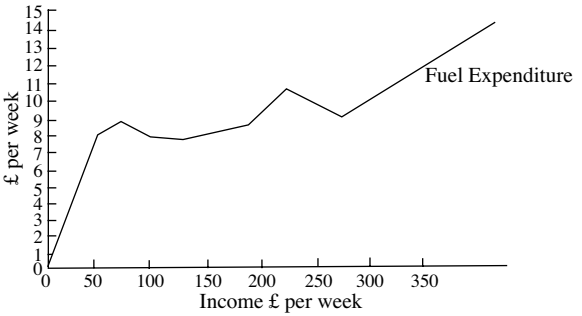
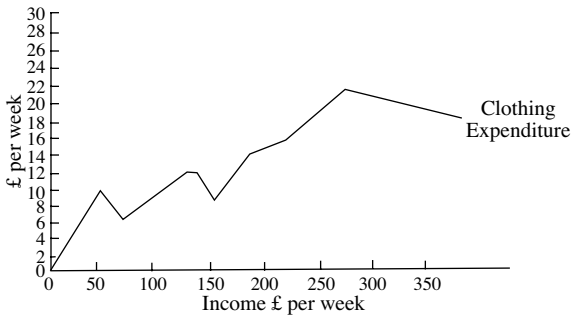


Figure 5.3 – Married couples, 2 children under 10 years (1982 FES)



It is possible in these difficult cases to identify inflection points by deriving the average or marginal curves and there are also econometric methods available for deriving an S-curve and locating an inflection point. However, all these methods are subject to error both from sampling error and the accuracy of any equation derived to describe the S-curve. In general we found it possible to derive an inflection point in S-curve analysis for most household types for fuel, clothing and food expenditure. For the other commodity

groups it was more problematic, especially for household types with small cell sizes in the FES (single parents), a narrow range of income (female pensioners) or great diversity (single non pensioners). The BLS and NYCC derive food budgets from dietary standards specified for individuals on the basis of age, sex and occupation, not S-curve analysis. In the absence of comparable dietary standards in the UK we have used the S-curve method.

The derived S-curve budget approximates to FES averages for many of the sample families analysed. For this reason the S-curve budgets require further transformation to become poverty levels. For their Intermediate budget the BLS used S-curve analysis for items for which no standards had been formulated. Their lower budget components derived using S-curve analysis were merely scaled down so that the resultant budget was 65 per cent of the intermediate budget. In the case of the NYCC budget we found that, having excluded housing, medical, taxation and some miscellaneous costs, their lower budget was 90 per cent of the intermediate standard. Therefore in Table 5.4 we have derived an S-curve poverty line at 90 per cent of the S-curve budget.

Table 5.4 compares the budgets produced using the Orshansky and S-curve techniques with the SB levels. It shows that there are some considerable differences between the level of the budget obtained using the two methods, though again in general, pensioners on SB appear to be relatively better off than families with children.

3. The consumption of families on SB

Since the war there has been very little use made of the budget standards technique in British social policy. A distinguished exception has been the work of Piachaud (Piachaud, 1981a). In his seminal and evocative study *The Cost of a Child* he assessed the adequacy of the scale rates payable for dependent children by drawing up a schedule of the requirements necessary to maintain a modest modern minimum lifestyle. In another paper he used a rather different method to examine the purchasing power of

TABLE 5.4: *Comparison of S-curve and Orshansky budget standards with supplementary benefit long-term rates, 1982*

Family structure	(1) 90% of S-curve budget *£pw*	(2) Orshansky poverty line *£pw*	(3) Suppl. (b) benefit *£pw*	(1) – (3) %	(2) – (3) %
Single (non-pensioner)	53.23[c]	40.00	29.85	175[c]	134
Married couples (non-pensioners)	67.76	80.00	47.75	140	167
MC with 2 children <10 yrs	92.88	101.5	63.69	145	159
MC with 2 children 11–15 yrs	110.39	128.00	71.73	153	178
Sole parent with 1 child <10 yrs	47.84[a]	59.00	37.82	126	156
Sole parent with 2 children <10 yrs	54.65[a]	79.15	45.79	119	172
Married couple (retired)	49.84	70.00	47.75	104	146
Single retired (male)	33.48	n.a.[e]	29.85	112	n.a.[e]
Single retired (female)	42.12[d]	35.40	29.85	141[d]	118

(a) FES average expenditure for selected budget components because cell sizes too small for S-curve analysis.

(b) Composite SB rates reflecting 48 weeks at 1981/82 rate plus 4 weeks at 1982/83 rate.

(c) Not reliable due to diversity of group.

(d) Not reliable because of narrow band of expenditure.

(d) No member of the sample spent more than 30 per cent of the budget on food.

unemployment benefit (Piachaud, 1981b). We have employed a development of his method to examine the consumption of families on SB. Like Piachaud we employ a basket of goods but that basket is constrained by what people actually spend their money on. We have taken a standard family (a couple and two children aged 5 and 10) receiving supplementary benefit. The level of income chosen was £74.88 or 110 per cent of the ordinary SB scales in February 1986. The level chosen was rather higher than the scale rates because of evidence (Millar, 1985) that on average recipients of SB have access to more resources than just the basic rate of benefit–these include additional requirements, gifts, borrowing, dissavings and income from disregarded part time work.

The expenditure of the family is then constrained using data on families of this type in the Family Finances Survey (FFS) 1978/79. This survey was of an enhanced sample of low-income families with children and contained 76 couples with two children under 11 on SB. This is not a large number but a considerably better base than the Family Expenditure Survey (FES) which for example only contained 23 such families in 1982. The FFS like the FES classifies expenditure into 94 separate items. The proportion of the families' total expenditure on each of the items (excluding housing costs) in the 1978/79 FFS was applied to the family income of £74.88 in February 1986 to derive a budget for the family. The results are summarised in Table 5.5 which also provides an estimate of the average household expenditure of families of the same type.

The next stage of the analysis was to translate the budget into a specification of goods and services. Thus, for example the £30.50 spent on food was translated into a basket of goods that constituted one week's menus. These menus were subjected to a computerised dietary analysis of nutritional adequacy and were found to be deficient by 6500 calories, low on fibre, high on salt and fat and deficient in iron despite the fact the basket of food contained only the cheapest lines available (at Tesco's supermarket, Barrow) and made no allowance for waste. Nevertheless we found that food

TABLE 5.5: *Weekly expenditure (less housing costs) devoted to each commodity group [two adults and two children]. February 1986.*

FES expenditure code	Commodity	Family on SB £p	Average Family* £p
6	Housing repairs	0.82	5.89
7-11	Fuel	11.46	12.26
12-43	Food	30.50	45.20
44-46	Alcohol	2.47	8.69
47-49	Tobacco	6.59	4.95
50-59	Clothing and footwear	3.55	16.64
60-67	Durable household goods	3.13	19.56
68-76	Other goods	5.69	16.53
77-82	Transport	4.40	30.46
83-93	Services	4.78	25.04
94	Miscellaneous	0.45	1.47

'This estimate is derived by taking the average household expenditure for all households with two parents and two children given in the FES 1984 and increasing expenditure by movement in the RPI between July 1984 and February 1986. Because earnings have moved ahead of prices over that period this is likely to underestimate the actual average household expenditure in February 1986.

expenditure was being sustained at the expense of other items in the budget. For example, the mother spent 94p per week on clothes and shoes. In Table 5.6 we have drawn up a wardrobe based on this level of expenditure. The results are absurd. She can afford one coat lasting 15 years, one nightdress lasting 10 years, one bra every five years, one dress every five years, three pairs of knickers every year, one pair of shoes every one and a half years and a handbag every 10 years. The number and range of items may be feasible but the lifetimes are not. This mother must be reducing her clothing expenditure by prolonging the lifetime of clothes already in stock, restricting their variety, reducing the number of items, making her own clothes or, most likely, purchasing clothes at jumble sales.

TABLE 5.6: *Clothing budget for mother*

Number	Garment	Price £ p	Expected lifetime in weeks	Cost p/w in pence
1	Coat	39.95	780	5.1
1	Sweater	9.99	520	1.9
2	Dress	39.98	260	15.4
4 pairs	Tights	1.65	10	16.5
1 pair	Shoes	16.99	78	21.8
3 pairs	Knickers	3.60	52	6.9
1	Petticoat	4.50	520	0.9
2	Bra	7.88	260	3.1
1	Nightdress	9.99	520	1.9
1	Skirt	9.99	520	1.9
2	Blouses	17.98	208	8.6
1	Swimming costume	9.99	520	1.9
1 pair	Gloves	2.99	520	0.6
1 pair	Slippers	2.99	52	5.8
1	Handbag	9.99	520	2.0
			Total cost	94 pence

The full budget of this family (and also a single parent) is described more fully elsewhere (Bradshaw and Morgan, 1987). It shows that the living standards of families on SB, particularly those on the ordinary rate of benefit, is harsh: the food component is short on calories and even that diet is only achieved with the most determined self control in purchasing only the cheapest items and avoiding all waste. Furthermore, it is achieved at the expense of expenditure on all other commodities. We have shown this with clothing but in addition the family cannot afford a holiday away from home – only a day outing a year – cannot afford a newspaper every day and has no money for books and magazines, never go to the cinema, cannot afford to buy bicycles or run a car, cannot maintain a garden, can afford one haircut a year, and so on.

Adequacy is a relative notion. In contrast with the purchasing power of families in the Third World, this family is rich. If the

poverty standard is to be based on minimum subsistence – a budget for mere physical efficiency – then the scale rates are excessive. A pensioner living on a limited income and remembering the standard of living when they were bringing up children may also feel no particular concern. Critics will identify elements in the budget that they think are unnecessary or wasted expenditure, particularly alcohol (enough for little more than two pints of beer a week), and cigarettes (seven per day). However, even if these items were reallocated it would make little difference to the generally bleak lifestyle depicted by the budget, and as can be seen in Table 5, the expenditure on all components except fuel and tobacco is considerably less than the average.

Conclusion

It would be wrong to claim too much for budget standards methodology. There **will** be arguments about the components of a modern budget standard just as there were about Rowntree's standards. The quality of people's lives cannot be completely represented by the goods they consume. Budgets cannot represent fringe benefits, wealth and the consumption of unmarketed public and private services. Neither can a budget show how goods are consumed variously within households. However, budget standards are capable of incorporating elements concerned with social participation and can represent a measure of relative deprivation.

Rowntree used his minimum subsistence concept of primary poverty as a *device* for opening up and altering the debate about the causes of poverty. It is possible that the resurrection of budget standard methodology in the analysis of living standards in the UK could lead to a more considered review of the way we treat the seven million people in the UK dependent on SB.

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6

Policy and the Employment of Lone Parents in 20 Countries*

One of the most important and rapid changes facing the family in industrialised countries over recent years has been the increase in lone parenthood. Although the prevalence of lone parenthood varies considerably between countries, the proportion of families headed by a lone parent has been increasing everywhere. Moreover, the chances of children living in poverty are invariably greater in lone parent families than in other families with children.

There are a variety of reasons for this and their relative importance differs between countries. Likewise, the incidence of poverty among lone parent families itself varies across national boundaries (Mitchell and Bradshaw, 1993). This variation, however, is related to the employment rates of lone parents. Lone parents in some countries are less likely than other parents to be employed, they have lower labour market incomes, and are more likely than families headed by two parents to be dependent on benefits – in most countries social assistance.

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* Bradshaw, J.R., Kennedy, S., Kilkey, M., Hutton, S., Corden, A., Eardley, T., Holmes, H. and Neale, J. (1996) *Policy and the Employment of Lone Parents in 20 Countries*, European Commission-Social Policy Research Unit: York. Introduction.

The prevalence of poverty among lone parent families varies considerably between countries. Table 6.1 is derived from the circa 1990 sweep of the Luxembourg Income Study (LIS) and for the countries available at the time of the analysis it can be seen that the proportion of lone parents in poverty (income below 50 per cent of average) varies from 56 per cent in the United Kingdom to three per cent in Sweden. The table also shows that for all these countries the proportion of lone parents who are poor is much higher if they are not in employment than if they are.

TABLE 6.1: *Proportion of lone parents/mothers with incomes less than 50% of median*

	All lone parents %	Lone mothers not employed %	Lone mothers employed %
Belgique (1992)	9	25	4
Danmark (1992)	7	12	4
Deutschland (1989)	39	76	12
Nederland (1991)	20	28	4
Osterreich (1991)	47	62	42
Suomi (1991)	4	18	2
Sverige (1992)	3	10	1
United Kingdom (1990)	56	80	27
Australia (1989)	46	71	22
United States (1991)	50	85	30

Source: Own analysis of the Luxembourg Income Survey and UK Family Expenditure Survey.

How is it that some countries manage to mitigate the living standards of lone parents by enabling them to work outside the home? Why is it that in some countries a higher proportion of lone mothers than married mothers are employed? Why do the majority of lone parents who work outside the home work full-time in some countries and mostly part-time in others? In an attempt to answer

such questions, this study compares, and seeks to explain, variation in the employment patterns of lone parents in 20 countries[1].

In the last few years some attempts have been made to explore the labour supply behaviour of lone parents from an international comparative perspective. To this end, comparative studies have adopted a variety of methods. Roll (1992) used labour force survey data to compare the characteristics and labour supply of lone parents and married women in the European Union countries in the late 1980s. A number of other published studies (for example, Mitchell and Bradshaw, 1993) have used Luxembourg Income Study (LIS) microdata to explore variations in lone parents labour supply. The OECD has also taken a keen interest in lone parents (Duskin, 1990), and has recently published a major report which brought together comparative data on the demographic characteristics and labour supply of lone parents in selected countries (OECD, 1993). Other studies have used 'the model family' approach to examine the incentive structures created by the tax and benefit systems of different countries. For example, Whiteford and Bradshaw (1995) examined the relationship between financial incentives and lone parent labour supply behaviour by using data collected by Bradshaw *et al.* (1993) on the 'child benefit package' in 15 countries.

In spite of the increasing sophistication of comparative analyses, studies to date have largely failed to present a clear picture of why some countries are more successful than others in enabling lone parents to work. There are a variety of reasons for this, but the main problem is that comparative data is either out of date or only available for a small range of countries, or both. In addition, the data tends to be insufficiently detailed to answer the research questions. Consequently, many studies tend to be of a descriptive

1 A number of different phrases have been used in this report to describe paid work – labour participation, employment, work outside the home, labour supply. They are all intended to mean the same thing but it should be noted that this is not always the case. Sometimes data presented on labour participation or labour supply is actually people in employment. At other times it is people in employment and those actively seeking paid work.

nature, covering broad areas without achieving much depth. Alternatively, they focus on a narrow range of countries, thus limiting the number of contrasts possible.

Much of the previous research has also been insufficiently sensitive to the range of possible factors which might impinge on labour supply behaviour. In part this reflects the sheer complexity of welfare state systems and the effort involved in understanding how packages of provision are put together and how different policies interact. It also reflects the fact that many studies (especially those of a quantitative nature) fail to take sufficient account of both the rules underlying welfare arrangements and other more qualitative aspects. Lone parents are not a homogeneous group and the characteristics of the lone parent population in a particular country may itself be an important factor to be considered.

In the light of the above, a number of approaches were used in this study. At the core of the research is a team of national informants who were recruited to provide the necessary data on lone parents' labour supply and the policy background in each country. The informants, mainly academics working in research centres with an interest in social security policy or economics, were invited to participate in the research on the basis of their reliability, accessibility to the necessary data, knowledge of the patterns of provision and the interactions of the tax and benefit systems, and their awareness of the issues to be addressed by the research. The national informants for the EU countries were members of the European Observatory on National Family Policies.

The use of national informants to provide data has a number of distinct advantages over alternative approaches to collecting and analysing comparative data. First it ensures that the data collected is as up to date as possible and applicable to the research. Secondly, it reduces the time and effort involved in discovering data sources, collecting the details and understanding how policies operate in each country: this increases the number of countries it is possible

to include and enables the researcher to concentrate on the analysis itself. Thirdly, the danger of misunderstanding the situation existing in a particular country is minimised because informants are asked to act as interpreters of their own system, and requested to check and to validate the analysis and interpretation of the data. Finally, informants represent a useful source of expert advice on the research design and analysis techniques.

The informants were asked to provide three types of information. These were specific data on the characteristics and labour supply of lone parents in their country; a structured questionnaire which covered in detail the benefits and services available to lone parents (both in and out of employment) in their country; and a 'model families matrix' in which the effects of packages of policies are simulated for a range of specified family types at various earnings levels.

Variations in lone parents' employment

In order to explain variation in the labour market participation of lone parents, it was first crucial to establish as reliably as possible what exactly that variation was. This did not prove to be easy due to the most common problem in comparative research – the absence of entirely comparable data. As it is important for the reader to understand these problems at the beginning, they are summarised below:

A. There are inconsistencies in the definitions of a lone parent. A lone parent was defined as a parent who:

- is not living in a couple (meaning either a married couple or a cohabiting couple)
- may or may not be living with others (e.g. friends or own parents)
- is living with at least one of his/her children under 18 years old. Not all countries could provide data on this basis.

B. There are inconsistencies in the definition of families. A family was defined as:

- a married or cohabiting couple/lone parent and their children below the age of 18.

  Not all countries could provide data on this basis.

Those countries which could not provide the data required had three particular difficulties. First, the age of dependent children was either older or younger than 18; secondly they could not identify lone parents living in multi-unit households; and thirdly, they could not distinguish between lone parents and cohabiting couples with children.

The standard definition of a lone parent family was consistent in all countries with the exception of the following:

- Germany: Included all never married children regardless of age
- Spain: Lone parents living with their families were not separately identified
- France: Included lone parent with children under 25
- Ireland: Excluded children over 15
- Luxembourg: Excluded lone parents living in the households of others
- Netherlands and Norway: Included cohabiting couples with children where the man is not the father of the children
- Austria: Children were under 15 not 18
- Portugal: Included lone parents living with unmarried children regardless of their age or dependency and may or may not be living with others
- Japan: Included lone parents living with at least one child under 20 years old
- New Zealand: Included children under 16 years or 16-18 if still in school.

Numbers and types of lone parents

Table 6.2 and Figure 6.1 show lone parent families as a percentage of all families with children. The first column of Table 6.2 compares lone parent families as a proportion of all families at the latest available date. This is the data provided by national informants and gives the proportions using the standard definition except where the above exceptions apply. The second column presents similar data derived from the Community Census Programme for most of the EU countries using a standard definition. The third column is also based on the Community Census Programme and children are defined as any age except for Luxembourg (under 25), Finland, Sweden and Norway (under 18).

The figures in the first column indicate that the proportion of lone parent families varies from 29 per cent in the USA, 25 per cent in New Zealand and 21 per cent in Norway and the UK to only five per cent in Japan, six per cent in Italy, and seven per cent in Luxembourg and Spain. In most cases the data in the second and third columns agree with the data provided by national informants. There nevertheless appear to be relatively large differences in Belgium, Spain, Italy and Luxembourg which require further investigation and reconciliation.

Lone parents' employment

This project is attempting to answer three questions. These are:

1. Why do lone parents in some countries participate in the labour market more than they do in other countries?

2. When lone parents participate in the labour market why is the proportion working full-time higher in some countries than in others?

3. Why are lone mothers in some countries more likely to participate in the labour market than married mothers, while in other countries the reverse is true?

TABLE 6.2: *Lone parent families as a percentage of all families*[1]

	Most recent data (National sources)	(Eurostat) Lone parent families with a child under 15 as % of families with a child under 15, 1990/91	(Eurostat) Lone parent families as % of all families with children, 1990/91
Belgique (1992)	11	15	21
Danmark (1994)	19	20	20
Deutschland[2] (reunited) (1992)	19	15	18
Hellas[3] (1990/91)	11	6	11
España[4] (Madrid) (1991)	7		12
France (1990)	12	11	16
Ireland (1993)	11	11	17
Italia (1992)	6		16
Luxembourg (1992)	7	12	18
Nederland (1992)	16	12	16
Osterreich[5] (1993)	15		20
Portugal (1991)	13	9	13
Suomi[6] (1993)	15	–	14
Sverige[7] (1990)	18		15
United Kingdom (1992)	21	19	22
Australia (1994)	18		
Japan (1990)	5		
New Zealand (1992)	25		
Norway (1993)	21		
USA (1991)	29		

Notes:

[1] Throughout the tables in this report, the countries are ordered using the EU convention of country names in their national language. The 5 non-EU countries are listed below the EU countries in alphabetical order.

[2] Germany [3] Greece [4] Spain [5] Austria [6] Finland [7] Sweden

* In this case, the French data includes lone parents with children under 18.

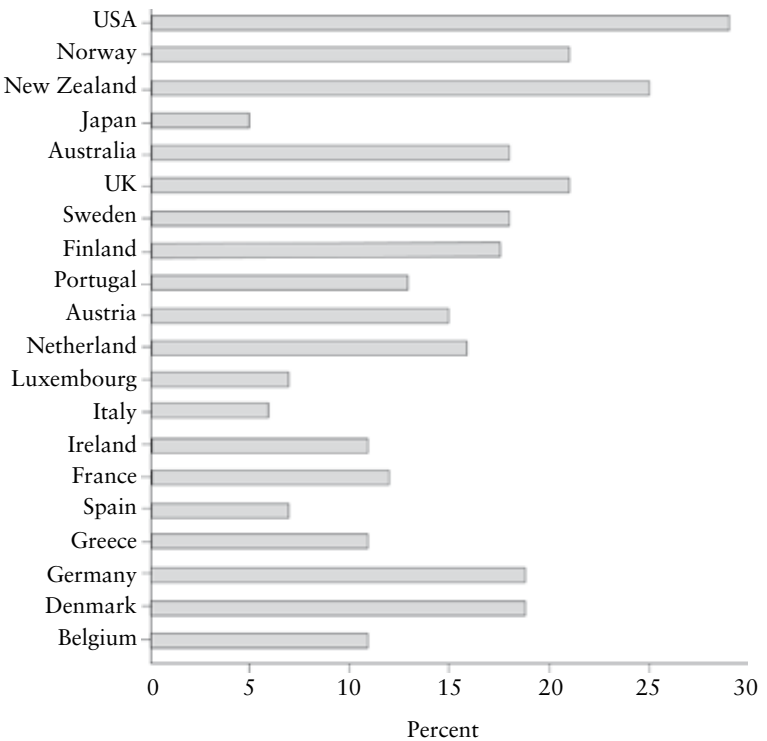
Source: Column 1 National sources via respondents

Column 2 Table 2: One parent families with at least one child under 15 (Eurostat 1994)

Column 3 Table 5: Proportion of private households by type in 1990/ 91 (Eurostat 1995)

Table 6.3 and Figure 6.2 set out the variations in lone mother labour participation (including self-employment) that are of concern in this study.[2] They reveal that the proportion of lone mothers in employment varies from 23 per cent in Ireland, 27 per cent in New Zealand and 40 per cent in Germany and the Netherlands to 87 per cent in Japan, 82 per cent in France and 70 per cent in Sweden. New Zealand, Australia, the United Kingdom, and Germany all had relatively low proportions of lone mothers in paid work (around 40 per cent or less) whereas Belgium, Spain, France, Italy, Luxembourg, Finland, and Sweden all had 68 per cent or more.

Figure 6.1: Lone parent families as a percentage of all families



2 Care should be taken in interpreting this table for some countries. Attention is directed especially to the notes to the table.

Figure 6.3 compares the labour participation of lone mothers and married and cohabiting mothers. Sweden had very high proportions of both married/cohabiting and lone mothers in paid work (80 and 70 per cent respectively). Other countries where both types of mother had a relatively high likelihood of being in paid work were Belgium, Denmark, France, Finland, Norway and the United States. In contrast the proportions of both married/cohabiting and lone mothers in paid work was considerably lower in Ireland than elsewhere. In the countries where employment was high for all mothers, only lone mothers in Belgium and France had a higher level of employment than married or cohabiting mothers.

In most countries, both lone mothers and married mothers were more likely to work full-time than part-time, and this was particularly true of Finland. The exceptions to this statement were the United Kingdom, Reunited Germany, the Netherlands, Sweden, Australia and Japan. In the latter three countries married mothers were more likely to work part-time, and in the United Kingdom both lone mothers and married mothers were more likely to work part-time than full-time.

Lone mothers working full-time most commonly worked 40 hours per week or more. The exceptions were Austria and the United Kingdom where they tended to work 35-39 hours per week. Lone mothers working part-time seemed to work particularly short hours (less than 15-20 hours per week) in the United Kingdom, New Zealand and Norway. In New Zealand, Norway and the Netherlands this was also true for married women, but married mothers in the United Kingdom were most likely to work longer than this.

It is possible to rank the countries according to the three indicators of labour participation which interest us. Table 6.4 sorts the countries into three, more or less equal groups. At the margins the decision about which group a country should be allocated to is fairly arbitrary. Nevertheless the countries in each group are

TABLE 6.3: *Percentage employed full-time and part-time (less than 30 hours per week), for lone mothers and married/cohabiting mothers: most recent data*

	Lone Mothers				Married/cohabiting mothers			
	Full-time	Part-time	All employed	% of employed who are full-time	Full-time	Part-time	All employed	% of employed who are full-time
Belgique – Belgie	52	16	68	76	36	22	61	59
Danmark	59	10	69	86	64	20	84	76
Deutschland (reunited) (1992)	28 (36+ hours)	12	40	70	21	20	41	51
Hellas+								
España (Madrid region) (1991)	Activity rates	–	68	–	–	–	38	
France (1992)	67	15	82	82	49	20	68	72
Ireland (1993)	–	–	23	–	–	–	32	
Italia (1993)	58	11	69	84	29	12	41	71
Luxembourg (1992)	61	13	73	82	32	13	45	71
Nederland (1994)	16	24	40	40	13	39	52	25
Österreich (1993)	43	15	58[1]	74	28	18	46[1]	61
Portugal (1991)*	43	7	50	86	48	7	55	87
Suomi (1993)	61	4	65	94	62	8	70	89
Sverige (1994)	41	29	70	59	42	38	80	53

TABLE 6.3: *Percentage employed full-time and part-time (less than 30 hours per week), for lone mothers and married/cohabiting mothers: most recent data – continued*

	Lone Mothers				Married/cohabiting mothers			
	Full-time	Part-time	All employed	% of employed who are full-time	Full-time	Part-time	All employed	% of employed who are full-time
United Kingdom (1990/2)	17	24	41	41	21	41	62	34
Australia (1994)	23	20	43	53	24	32	56	43
Japan (1993)	53*	34**	87[2]	63	173	20[3]	54[3]	31[3]
New Zealand (1991)	17	10	27	63	31	27	58	53
Norway (1991)	44	17	61	72	40	37	77	52
United States (1994)	47	13	60	78	45	19	64	70

1 Excludes 20 per cent of lone mothers ad 13 per cent of married/cohabiting mothers who are on parental leave.

2 Includes self-employed who may work full-time or part-time.

3 For married/cohabiting women with or without dependent children (1992)

* If the definition of lone mothers was restricted to single, separated and divorced women (to counter the bias resulting from the disproportionate number of widowed women in the Portuguese definition of lone mothers), Portugal would have a much higher level of lone mothers in paid work.

\+ Information not available in this form, but 51 per cent of women in likely age group were economically active and 5 per cent of working women worked part time.

* Including employed.

** Including working for family.

Figure 6.2: Percentage of lone mothers employed

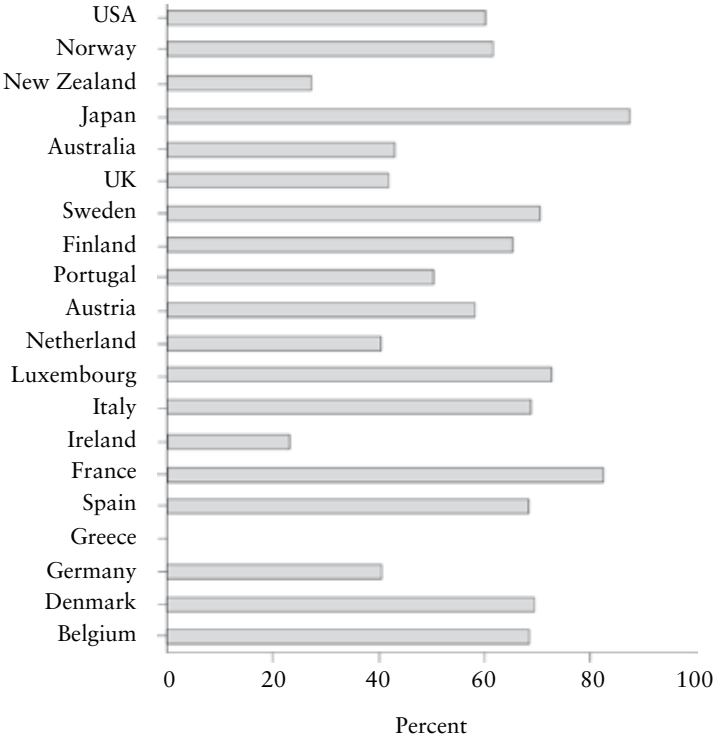
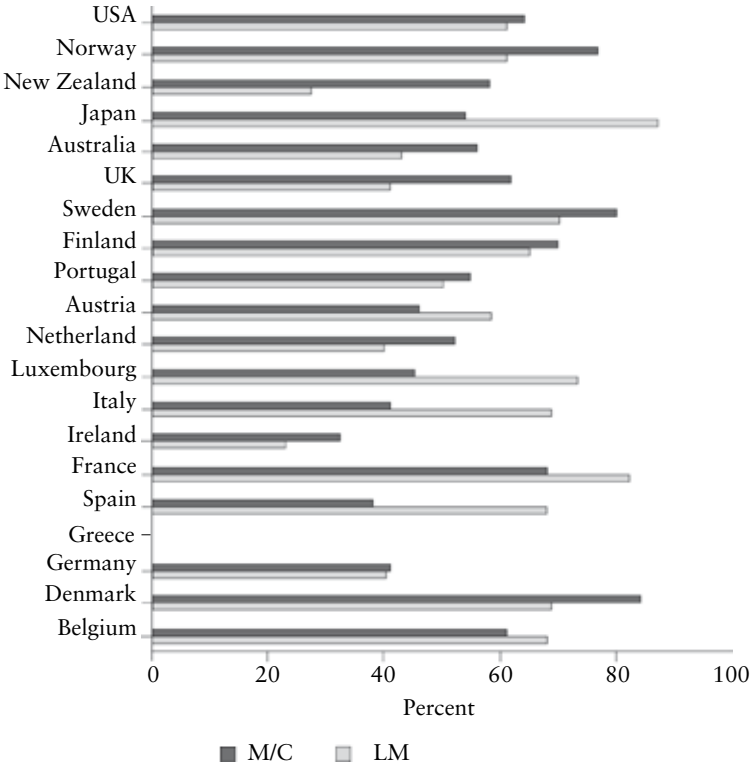


Figure 6.3: Comparison of the labour participation of lone mothers and married co-habiting mothers



broadly similar to each other and the countries at the top and the bottom of the rankings are most unlike each other in respect of that indicator of labour participation. The United Kingdom, Australia, Ireland and the Netherlands are consistently in the low groups. France, Spain, Luxembourg and Italy are consistently in the high groups. Although there is some reordering and shifting between groups among the other countries, only Sweden and Japan move from a high group on one indicator to a low group on others. In the case of Sweden this is because it has a relatively high proportion of lone mothers in employment but a relatively low proportion working full-time.

Table 6.4: Summary rankings of employment

% of lone mothers in paid work	**% of lone mothers in full- time paid work relative to % in part-time paid work**	**% difference between the rate of lone mothers and married/cohabiting mothers in paid work.**
LOW (less than 50%) Ireland New Zealand Netherlands Germany United Kingdom Australia	*LOW (less than 63%)* United Kingdom Netherlands (Ireland) Australia Sweden Japan	*LESS (-13% or more)* New Zealand United Kingdom Ireland Australia Netherlands Norway Denmark
MEDIUM (50%-65%) Portugal* Greece** Austria United Sates Denmark Norway Finland	*MEDIUM (63%- 80%)* New Zealand Germany Norway Austria Belgium United States	*SIMILAR (-9% to +7%)* Sweden Portugal Finland United States Germany Belgium

% of lone mothers in paid work	% of lone mothers in full- time paid work relative to % in part-time paid work	% difference between the rate of lone mothers and married/cohabiting mothers in paid work.
HIGH (65% or more)	*HIGH (more than 80%)*	*HIGHER (+19% or more)*
Belgium	France	France
Spain	Luxembourg Italy	Austria
Italy	Denmark	Japan
Sweden	Portugal	Italy
Luxembourg	(Spain)	Luxembourg
France	Finland	Spain
Japan		

* If widows (living with their older children) are excluded and the analysis restricted to single, separated and divorced women, Portugal would be classified as high.

** Percentage of economically active women including the self-employed and women working in their family businesses.

Countries in brackets in column two are, in the absence of data, guesses. Greek data is missing in columns two and three.

What factors might help to explain variations in the employment of lone parent families?

1. Variations in the characteristics of the lone parent families may explain some of the variation in their employment.

2. Aspects of labour demand and the state of the labour market faced by lone parents, as well as education and training services that might assist lone parents to enter the labour market. Socio cultural factors that might have an influence on lone parents' labour supply, in particular, attitudes to the respective roles of mothers and carers.

3. The quality, availability and cost of childcare, which may probably influence lone parent labour participation. Provision for maternity and parental leave and leave to care for sick children might enable lone parents to remain attached to the labour market.

4. Variations in tax and benefit policy, which may have an impact on the labour supply of lone parents, for example the systems of cash benefits for children (and lone parents) and the level and structure of social security benefits available to lone parents out of work, including some social assistance.

Lessons must be learned about how lone mothers might be encouraged and enabled to undertake paid work in the face of concern about the personal, social and public expenditure costs of the very heavy level of poverty and dependency of lone parents on benefits in some countries. It is important to acknowledge that 'getting lone parents into work' is not always or necessarily the best or only objective of social policy for this group of families.

Some might argue that it is in the interests of lone parent families, at least for a time after the birth of a child outside marriage or after the breakdown of a marriage or cohabitation, that they are not encouraged or made to take paid work. There may be other times when it might be in the interests of the lone parent, her children and the community that she is not required to combine paid work and caring responsibilities. Others might argue that motherhood is a valued activity and one for which benefits should play a greater role in supporting. Furthermore, there is a view, strongly held by some, that it is better for children, particularly young children, for their mother to be at home.

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7

Absent Fathers*

One of the consequences of the changes taking place in family form is the production of non-resident fathers. In the past as today, fathers were more or less temporarily absent from their children as a result of active service in the armed forces, leaving home to find work, undertaking work that took them away from home, imprisonment or hospitalisation. However, today they emerge most commonly in one (or more) of three ways: non-marital births; the breakdown of the relationships of unmarried cohabiting couples with children; or the separation and divorce of married couples with children. Of course all these have been the cause of non-resident fathers in the past, but they are now much more common than they have been.

Non-resident fathers have been depicted in a mainly negative way. In the US, non-resident fathers are frequently called Deadbeat Dads, and in the UK they have been presented as feckless ne'er-do-wells, passing on their responsibilities to the taxpayer. Indeed, it was this firm non-resident father ideology that was responsible, to some extent, for the way the Child Support Act 1991 was launched. Margaret Thatcher set the tone of child support policy-making in talking about fathers 'walking away from marriage..

* Bradshaw, J., Stimson, C., Skinner, C. and Williams, J. (1999) *Absent fathers?*, Routledge: London. Introduction and Conclusion.

neither maintains nor shows any interest in the child... No father should be able to escape his responsibility' (National Children's Homes George Thomas Society Lecture, 17 January 1990). A few weeks following that lecture, Kenneth Baker, then Chairman of the Conservative Party, reinforced the point – 'Not only is it just that fathers begin to contribute to the upkeep of their children: it is also crucial that we begin to break the culture which views it as acceptable for a man to walk away from the consequences of his actions in this way. Ensuring that fathers help support the mothers of their children is one way of doing that' (quoted in Burghes, 1991: 6). Peter Lilley in one of his notorious doggerels to the Conservative Party Conference singled out 'Dads who won't support the kids of ladies they have kissed' (7 October 1992).

This negative discourse about non-resident fathers has been part of a wider popular debate about family change, which has vilified both lone mothers and non-resident fathers. In an analysis of ten national daily and ten Sunday newspapers in June 1994, Lloyd (1996) found more items relating to fathers and fatherhood than motherhood or parenting. In the stories, fathers were presented as archetypes – either heroes or monsters (this is similar to Furstenberg's (1988a) delineation of Good Dad/Bad Dad). By far the largest group of monster stories found by Lloyd described them as having either killed, abused or bullied those who were closest to them. He concluded, 'generally fathers are described as problematic. They do not take responsibility for the children they contribute in making, they have little to offer economically (and increasingly in terms of sperm), and they don't contribute to the running of the home or looking after the children and are too often sexually and physically abusive' (p. 4). Song and Edwards (1995) have also investigated the way that black fathers are portrayed in the media. Particularly, following the publication of Augustus' (1995) novel, there has been a good deal of coverage in *Voice,* one of Britain's best black newspapers, about the relationship between 'babymothers' (black women who have children with a number of male partners) and 'babyfathers' (black men who have children with several female partners).

These ideas are reflected not just in the political and media discourse. Academic work has sought to identify them as errant, causal agents for the demise of our social fabric, particularly blaming 'absent fathers' for being inadequate role models for their children, for the poverty of their children and for rising crime rates (Dench, 1994; Dennis and Erdos, 1992; Murray, 1990).

However, the research for this book was motivated by three rather different factors: the very rapid increase in the prevalence of non-resident fathers; the almost complete absence of knowledge about their circumstances; and the fact that they are becoming a focus of policy concerns. Bad policy has already been made (the Child Support Act 1991) and research should contribute to making better policy.

The Prevalence of Non-Resident Fathers

The number of fathers who are non-resident has increased very rapidly in the 1980s, and especially the 1990s, and is still increasing. The numbers of non-marital births and relationship breakdowns are still increasing. Haskey (1998) estimates that the number of lone parent families increased to 1.6 million in 1996 from 0.57 million in 1971. These lone parent families contain 2.8 million children. Around 8 per cent of these lone parent families are headed by men. Around 4 per cent of the lone mothers are widows. Some of their unmarried former partners will also have died. The rest all have children with non-resident biological fathers.

However, the prevalence of non-resident fathers is much higher than the number of lone mother families. Most lone mothers repartner and are no longer lone mothers (though they remain parents with care). Haskey (1989a) and Haskey and Kiernan (1989) estimate that two and a half years after divorce a third of women had remarried and another third were cohabiting. But the fathers of lone mothers' children remained non-resident fathers as long as their children are children.

One objective of this research was to produce an estimate of the prevalence of non-resident fathers. For each lone mother there are one or more non-resident fathers. More or less all fathers (and mothers) eventually become non-resident in that their children leave home. We chose an age cut-off in our survey, which is the one used traditionally to define a lone parent (child under 16 or 16-18 inclusive and in full-time education). This is also the one employed in social policy — child benefit is payable on that basis. Also under the Child Support Act 1991 parents are no longer required to pay child support when the youngest child is no longer under the age of 19 (i.e. including their eighteenth year). But it is arguable that in the context of older and later transitions from the parental home, 18 is far too early a cut-off. Certainly there are dependent children living with their (lone) mothers long after the age of 18, and they have non-resident fathers who have not been covered in this study.

Another reason for not basing estimates of the prevalence of non-resident fathers on the prevalence of lone mothers is the fact that Bradshaw and Millar (1991) found that their sample of lone mothers contained a proportion of children derived from more than one partnership. In fact about seven per cent of lone parents had had at least one child by a second child-bearing relationship; one per cent had a child from a third child-bearing relationship; and five lone parents had had at least one child from a fourth child-bearing relationship (no one in the sample had had more than four child-bearing relationships). Similarly, as we shall see, 11 per cent of fathers in this study admitted to having had children with more than one partner and three per cent had fathered children with three or more partners.

Then there is the really difficult problem in making an estimate of prevalence. There are undoubtably fathers who do not know they are the father of a child, fathers who think they are the father of a child but are not, and mothers who think wrongly that a certain man is the father of her child when he is not. Some insights into this are found in the experience of the Child Support Agency. At November

1995 there were 11,464 disputed paternity cases pending and a further 904 cases where tests had been completed (Hansard, 2 February 1996, cols. 991 and 993). This represents 2.5 per cent of all the 'live' cases of the agency at that time. The Network Against the Child Support Act (NACSA) (later to rename itself the National Association for Child Support Action) has estimated that some 14 per cent of the completed DNA tests have proved that the man is not the father of the child(ren) *(NACSA News,* March 1996); it is not clear, however, on what basis NACSA arrived at this estimate. Coleman (1996) reports that a review of false paternity data for the US gives a range of 2.1 to 11.8 per cent, but figures based on cystic fibrosis cases found only 1.4 per cent of false paternity cases for the UK. Clarke (1997) suggests from her analysis of the British Household Panel Survey (BHPS) that under-reporting of male fertility runs between 10 and 15 per cent of births and up to 30 to 50 per cent of non-marital births.

Given these problems, it is difficult to produce reasonable estimates of the number of non-resident fathers in Britain. Certainly there are over two million and there could be as many as five million. Perhaps the best way to think about the scale of the experience of non-resident fathering is to note the fact that it is estimated that between a third and half of all children will experience a period of not living with both natural parents during their childhood. Each one of those children will have a non-resident parent and in most cases it will be the father.

Previous research

Despite their prevalence, despite the plethora of research that is now available on lone parent families (for a recent review see Ford and Millar, 1998), despite the hugely expanding literature on fathering and fatherhood (for recent reviews see Burghes, Clarke and Cronin, 1997; Popay, Heam and Edwards, 1998), up to now very little is known about the circumstances of non-resident fathers. Unlike lone mothers, as a group they are not particularly likely to be dependent on public services (at least as non-resident

fathers). Partly for that reason they are difficult to identify. There is no register of them – birth registration records provide details of fathers only for births to married couples and jointly registered births outside marriage. Therefore very little basic information about the fertility history of men has ever been collected, and there is practically no basic demographic information about non-resident fathers.

There have been two large-scale longitudinal studies in the United States that tried to obtain representative samples of non-resident fathers', and recently published is a major new study (Garfinkel *et al.,* 1998). The issue of non-resident fathers in the United States is just as salient as it is in the UK. But the characteristics of non-resident fathers (and lone parents) in the US are very different from those in the UK and so is the context in which policy is made. So we cannot rely on US data for policy making in the UK.

In the UK there has been no previous attempt to study a representative sample of non-resident fathers. That does not mean that nothing is known about them. Studies of lone parents have asked questions of the lone mothers about the fathers of their children (Bradshaw and Millar, 1991; Ford, Marsh and Finlayson, 1998; Ford, Marsh and McKay, 1995; McKay and Marsh, 1994; Marsh and McKay, 1993) and some of this information will be referred to later. Burgoyne and Millar (1994) undertook a follow-up study of a small sample of fathers identified in the Bradshaw and Millar (1991) lone parents survey. When the Department of Social Security (DSS) came to design the Child Support Act, they discovered that practically nothing was known about 'absent fathers'. The White Paper (UK, Cmnd 1264, 1990) drew extensively on drafts of Bradshaw and Millar (1991) and also undertook a sample survey of maintenance cases settled in the courts.

Prior to the start of the research reported here, there had been only one other British source of information on non-resident fathers. At the request of the DSS, Marsh (1993) undertook some secondary

analysis of non-resident parents in the 1991 survey of the National Child Development Survey (NCDS) when the 1958 birth cohort were 33 years old. He found that nearly six per cent of parents and eight per cent of men admitted to having a child living in another household. The survey covered only 70 per cent of the original sample of 16,500 children and Marsh took the view that about a third of non-resident fathers were missed by the survey, partly due to bias in attrition.

Since this project began, some useful additional sources of information on non-resident fathers have been produced. Simpson, McCarthy and Walker (1995) have published their study of the experiences of ninety-one fathers who were in the process of divorce, having followed them for five years. Maclean and Eekelaar (1997) published their investigation into the views of 250 parents, identified by using methods similar to those used in this study. But only fifty-five of their sample were non-resident parents and only forty-nine of them were men. Burghes, Clarke and Cronin (1997) undertook an analysis of the BHPS 1992 and found that 15.2 per cent of all fathers aged 16-64 had children under 18 living in another household. Because 35.2 per cent of men aged 16-64 are fathers, they estimate that 5.4 per cent of men aged 16-64 have at least one child under 18 in another household (4.6 to 6.1 are the 95 per cent confidence limits). Finally, McKay, using the Family and Working Lives Survey (FWLS) to trace family change, found 268 cases, 5.6 per cent of the men aged 16-69, who had non-resident children. (Also 2.8 per cent of women could be described as non-resident mothers.) McKay undertook some analysis of the characteristics of these fathers and these are used to compare with our sample in the next chapter.

Policy concerns

Non-resident fathers have increasingly become the focus of policy concerns in the 1980s and 1990s, particularly in relation to family law and child support. Social policy has been slow to come to terms with and respond to the changes that have taken place in

family form in the past three decades. Policy has been motivated by a variety of sometimes conflicting concerns. In relation to non-resident fathers they have included:

- the high proportion of lone mothers dependent on Income Support and other benefits and the increasing cost;
- evidence of the bleak state of the living standards of lone mothers and their children, and that after relationship breakdown, on average, lone mothers end up poorer than non-resident fathers;
- evidence that many fathers are not providing any financial support for their children (and former partners) and others are only providing small amounts, often episodically;
- evidence that fathers are losing contact with their children after relationship breakdown and anxiety that this is not in the best interest of the child, the father or the taxpayer;
- knowledge that no arrangements are in place for recognising the father of a child born outside marriage (paternity can only be recognised if the child is jointly registered in the names of the father and the mother, and this can only be done with the mother's agreement). Unmarried fathers still do not have the same rights as married fathers, and neither do their children; and
- the law governing the dissolution of married partnerships does not cover the dissolution of cohabiting partnerships; and anyway it is not geared to produce agreed outcomes covering property, child support, contact, pensions and other matters.

Some of these issues have been tackled in legislation in recent years, including the Family Law Reform Act 1987, the Children Act 1989, the Human Fertilisation and Embryology Act 1990, the

Family Law Act 1997, the 1991 and 1995 Child Support Acts, and further legislation is planned covering pension rights on divorce, child support and the rights of unmarried fathers.

However, there remains a good deal of confusion about what should be appropriate policy responses to the increase in non-resident fathers. These are familiar dilemmas in social policy – about the appropriate balance between private and public responsibilities, whether and how public policy should seek to structure or influence private behaviour, and the balance between the rights and responsibilities of parents, children and the public. However, clear thought and sensible policy have been hampered by a lack of knowledge.

This study

The objectives of this study are to contribute to knowledge about the circumstances of non-resident fathers in Britain. We also hope to contribute to the understanding of the nature of fathering in modern Britain and to inform policy making on maintenance, conciliation and social security and thereby produce a companion baseline survey to that provided by *Lone Parent Families in the UK* (Bradshaw and Millar, 1991).

The material collected was obtained using a sample survey of non-resident fathers in Britain, and in-depth interviews with fathers in two subsamples from the main survey, one focusing on the issue of contact and the other on financial support. Chapter 2 describes the methods employed in these studies in more detail. Chapter 3 uses the data from the survey to explore the backgrounds of the men and the processes that led them to become non-resident fathers and examines their present family and household circumstances, drawing on both the survey and some of the qualitative material. The next two chapters are based on the survey and cover the non-resident fathers' employment and income (Chapter 4), and housing (Chapter 5). The next two chapters concentrate on the contact that the fathers have with their children using the quantitative material

(Chapter 6) and the qualitative material (Chapter 7). The next five chapters focus on financial support: Chapter 8 uses the survey to establish who pays child support and Chapter 9 analyses the level of child support paid, and the level of informal support. Chapter 10 uses both the survey and the qualitative study to examine the fathers' experiences of the Child Support Agency. Chapters 11 and 12 draw entirely on the qualitative data to examine, in depth, the fathers' feelings about their financial obligations and what determines them. Chapter 13 concludes the study. In the tables in which our findings are summarised, figures for percentages are rounded off to whole numbers, with the occasional result that the total may appear to be slightly above or below 100 per cent.

Concluding discussion

We began this book by describing the way non-resident fathers had become vilified as feckless 'Deadbeat Dads' in some media and political discourse. Clearly there are some non-resident fathers who through anger, hurt or general vindictiveness are failing to support their children financially and in other ways, although they can afford to. But a much more pervasive picture that emerges from this research is that of men struggling to be the fathers of non-resident children.

What these men had to do was to surmount a number of internal and external problems when they became non-resident fathers. They had to deal with the practical difficulties of life:- they had to provide money for their own households and their families; they had to provide adequate housing so that children had a place to visit; they had to have the time to spend with their children; and they needed energy and patience to be active parents. They also had to deal with the sense of loss over daily interactions with their children and had to adjust to parenting full-time on a part-time basis, if they mainly saw their children at weekends. Similarly, tensions could exist where the mother and father expected different codes of conduct and behaviour from their children in their respective households. These factors could have an impact on the fathers' relationships with their children.

In the first qualitative study we found that children and grandmothers (particularly the fathers' parents) were major actors in maintaining contact. The children of non-resident fathers have generally not been seen as significant actors who negotiate contact time with their fathers either directly or through their mothers. Some children in this sample were prepared to travel long distances on their own to see their fathers and some negotiated a change of residency across their parents' households. The age of children was important, not necessarily in terms of the continuity of contact (we had no evidence to explore this), but the nature of contact where it was already established. Some fathers found that as their children got older they were 'growing away from home' and following their own interests; others felt they had got closer to their children and saw them more frequently and on an individual basis. These variable outcomes might explain the results in the quantitative survey – that the older the age of the younger child, the greater the likelihood that fathers would *not* have regular contact. The fathers in the first qualitative study reported that their young teenage children were busy with employment, friends and other interests and that they (the fathers) had to learn to accept that they were taking second place. This of course may be just as much a feature of resident fatherhood as non-resident fatherhood. Importantly, these findings highlight the limitations in measuring non-resident fathers' relationships with children as if they were a single unit who had uniform contact arrangements. Grandmothers could also be intimately involved in maintaining contact with children, not only for their own relationships as grandparents but also acting as guardians for the fathers' relationships. More research is needed to find out not only how much support is offered by grandmothers, but also how this works in practice and under what circumstances.

There remains a debate about the importance of contact between non-resident fathers and their children. In contrast to the findings of Simpson *et al.* (1995), whose data were collected in 1991, we found that fathers were very keen to maintain contact with their children after relationship breakdown. It has previously been common to

assume that it was in the best interests of all those involved to make a 'clean break', and for fathers to give up contact, especially where there was conflict with mothers. It was the received wisdom that by not seeing their children, the fathers made life easier for all concerned, and that by maintaining contact, the misery and heartache that occurred after the relationship breakdown continued indefinitely (Goldstein, Freud and Solnit, 1973). Research in the USA by Wallerstein and Kelly (1980) and in Britain by Richards and Dyson (1982) has since led to a revision of this view. It is now thought that it is better for children, if not for their parents, for the fathers to maintain contact, not only for the child's emotional health but also for its social and cognitive development (that is, where abuse is not a feature of the father – child relationship). The terms of the Children Act 1989 reflect this view that the sharing of parental responsibility should be encouraged. Under this Act the old notion of 'care and control' or custody being awarded to one parent has been swept away. Rather it is hoped that parents will seek to make their own arrangements, with the law stepping in as a last resort to arrange the residency of children and contact. Nonetheless, the fathers presented by travelling large distances and long gaps in contact, find some men questioning whether the effort was 'worth it'. At the same time, however, though some fathers were resigned to loss of contact, others remained very bitter and angry and felt they had been let down by the legal system, which would not act to enforce contact effectively. As Walker (1996) has pointed out, it is difficult for any external authority to ensure contact, or at least not without risk of damage to all involved. Yet Smart and Neale (1997) argue that there has been a 'strong presumption' in favour of contact and that now judicial treatment has adopted a 'rigid and dogmatic' form which is harmful. Mothers are now viewed as being 'implacably hostile' when reluctant to allow contact, whereas before it was believed they were acting in the best interests of the children and in any case it was felt to be unrealistic to enforce it, as it would necessitate separating out the interests of the child from the circumstances of the parent with daily primary care. Increasingly, argue Neale and Smart (1997), the

legal profession is using coercive techniques including the threat of imprisonment – even in the face of evidence in some cases where the children were visibly distressed during supervised contact visits with their fathers – and where the previous behaviour of fathers, towards mothers at least, has been known to be violent. Under this egalitarian ethos Neale and Smart question 'whether it will soon be possible to be critical of any kind of fathering'.

What this serves to highlight is the interwoven nature of the needs and interests of mothers, children and non-resident fathers. Giving primacy to the needs of either of the parents can result in losing the best interests of children – a fine balance needs to be struck; yet the needs and interests of these three major parties may constantly shift, requiring a responsive and refined approach in the exercise of the law. We certainly do not advocate that all fathers should have contact with their children, but there must come a point where men's complaints about their lost relationships with their children must be taken seriously. Legal enforcement is not the answer, and in any event it comes too late after relationships between the parents have completely broken down. Mediation seems the most hopeful way forward, though it has been argued that this approach can also coerce mothers to comply with contact.

As we have seen, contact with the child is very closely associated with whether child support is paid. The Child Support Act 1991 was based on the principle that biological fathers have an absolute and unreserved responsibility to provide financial support for their children throughout their lives. Not all the fathers accepted this principle. The maintenance obligation is one that was negotiated. Fathers arrived at a commitment to pay maintenance by weighing up the strength of the financial obligation in the context of their own personal, financial and family circumstances and those of the mother and children. In practice, the obligation to pay was never unconditional; it always depended on circumstances. It partly depended on the father's ability to pay, the children's material need for maintenance and the mother's and her partner's *(if* she had

a partner) ability to provide financially. But most importantly it was the history of the relationship with the mother that was the overriding factor in making a commitment to pay maintenance. From the fathers' perspective, it was mothers who were claiming maintenance (albeit on behalf of children), not the children. This claim had to be *legitimised* before fathers would pay. Primarily, the mother's right to claim maintenance on behalf of children was accepted if she at least recognised, if not actively supported, the father's independent relationship with his child(ren). If the mothers failed to accept the father-child relationship or failed to sustain it through granting contact, then the fathers found this extremely difficult to comprehend. This incomprehension induced an overwhelming sense of victimisation and powerlessness among those men who wanted a relationship with their children but were unable to achieve it in the face of what they saw as the selfish and callous behaviour of mothers. The resultant attitude tended to be that there was no point in paying maintenance because the children would not know their fathers were supporting them, there was no guarantee that the money would be spent for the children's benefit and the fathers were 'paying for a child they were not seeing'. Thus not only would fathers get 'nothing back' in return for maintenance (contact with their children), but payment was meaningless because the fathers' act of giving was rendered invisible to the children themselves. Children would be unaware of the symbolic expression of love and care embedded within the act of giving maintenance money, particularly when, in the absence of contact, there was no other means through which fathers could demonstrate their affections to children directly. Therefore the obligation to pay maintenance was intimately linked with contact through the relationship with the mother, and the different outcomes of the process of negotiation (payment or non-payment) primarily hinged upon this relationship.

As we have seen, financial obligations are not straightforward; non-resident fathers are one step removed from their children and consequently it appears that money takes on greater significance

in these relationships. Whether we like it or not, men seem to use money to at least ease relationships with mothers, if not to persuade mothers to agree to contact. Maintenance money is also earmarked for specific purposes and endowed with particular meanings. The maintenance obligation, therefore, is not just a bill to be paid, but is given on the basis of the nature of the relationships that underpin it. Thus we have different expressions of the obligation – gift maintenance, entitled maintenance and compensatory maintenance. For some, maintenance was enforced and enforced maintenance carried no endowed meaning other than through its withdrawal, which could send messages to the mother of the father's disquiet and anger.

Child support, not contact, has been the most salient and controversial policy arena concerning non-resident fathers in recent years and the approach to child support obligations has been transformed in a very short period. Under the French Code Napoleon of 1804, 'The search for paternity is forbidden' (section 340). In British case law and in practice if not in statute, by the end of the 1980s the rights of non-resident fathers to have control over and access to their children had become dissipated. Their obligations to maintain their former partner and children had effectively lapsed as well. The approach to financial responsibility for children tended to be based on the household formation – or social relationships – whether they were biological or not. Thus stepfathers took on the financial responsibility for children in their care when they were recognised as a 'child of the family'. In practice, social fathering rather than biological fathering had become the accepted basis on which a child – father relationship existed and financial obligations were determined. As Maclean (1993) notes, in the private law in the United Kingdom the apportionment of financial responsibility between social parenthood and biological parenthood tended to be pragmatic and based on the needs and resources of all involved rather than upon any firm rule.

However, at the end of the 1980s a combination of factors led to a remarkable reassertion of the obligations of biological fathers and

separated partners to each other. It arose in the legal context of burgeoning recognition of children's rights as capable individuals – which began with the Matrimonial and Family Proceedings Act 1984, where courts were instructed to give primacy to the interests of children when settling divorce. It partly arose in the political context of 'moral panic' associated with the Victorian values/'back to basics' anxieties of the Conservative Governments of Margaret Thatcher and John Major. The practice of the legal profession to make low child maintenance awards to protect lone parents' full entitlement to social assistance (Eekelaar, 1991), and the failure of the DSS liable relative sections to actively pursue maintenance from parents, were said to be deeply embarrassing to the Conservative Government under Margaret Thatcher, which was committed to encouraging individual responsibility and reducing the welfare role of the state (Maclean, 1994). It was also partly generated by anxiety about the rising level of public expenditure associated with the increase in lone parents and their increased dependency on social assistance and public housing. It was certainly reinforced by anxieties about the impact of family breakdown on the living standards of lone parent families and the impact of this poverty, and the disruption and the experience of living in a lone parent household, on the well-being and future development of children (Rodgers and Prior, 1998).

Though not all the legislation affecting family law in recent years has been influenced by all these factors, one or more of the factors have been influential in determining the nature of the Children Act 1989, which affirmed that in care proceedings following separation and divorce the best interest of the child should be 'paramount.' The Child Support Act 1991 established an absolute obligation of non-resident fathers to provide financial support for their biological children throughout their lives. The Family Law Act 1996, as well as seeking to remove the vestiges of fault in divorce proceedings, was to establish a 'framework' for information giving and mediation in marital breakdown. There is more legislation expected, including an Act to cover pension splitting on divorce,

legislation to establish the rights of unmarried fathers and a major reform of the child support system.

We have discussed the problems with the present child support scheme in the introduction to Chapter 8. At the time of writing, the Government are consulting on a Green Paper (UK, Cmnd 3992, 1998) that will substantially reform the existing scheme.

It was a grave error to seek to establish a child support regime based on a rigid (and yet complicated) formula administered by the DSS. This area of policy calls for a degree of flexible, individualised justice that probably cannot be handled within the disciplines and culture of social security. When the CSA was being planned, it might have been wiser and more effective to have reformed the existing court arrangements to increase consistency of adjudication, and to establish mechanisms for better review and enforcement.

What we have now is a split system for child support – the DSS dealing almost exclusively with benefit cases, while non-benefit cases make private arrangements between the parents themselves or with the support of solicitors. At the same time, the Lord Chancellor's Department under the Family Law Act 1996 is experimenting with an information service and a mediation service following marital breakdown (but not cohabitation breakdown) covering the arrangements for children, the distribution of property and other assets – in fact everything except child support. The Family Law Act has not yet been implemented and the decision to reform child support could have presented an opportunity for thrashing out a common strategy and more coherent set of arrangements for negotiating contact, child support and other matters consequent on the breakdown of relationships when children are involved. The difficulty is that we are not starting from scratch – the Child Support Agency exists; the Family Law Act exists, after a torrid passage through Parliament. The Lord Chancellor does not want to go back to the drawing board and certainly is reluctant to take on the poisoned chalice of child support, so we are left after the

reforms with a set of incoherent arrangements. This is despite the vague promises in the new child support proposals of having an 'active family policy'.

Though the proposed reforms have many laudable improvements, including a disregard in Income Support, the weakness of the proposed new scheme for child support is that the assessments are still formula-driven and still imposed and enforced completely independently of negotiations between the parents about other arrangements for financial support, contact and other related matters. The results of this research show that no child support scheme has a prospect of success unless it is based on negotiation between the parents, which is recognised as fair, and the perception of fairness on the fathers' part depends more than anything on their ability (and the former partners' willingness) to have shared parental responsibility for their children. The mistake that the Child Support Act made was that the state took a robust moral stance in the interests of the taxpayer and imposed a law on people who, it has been demonstrated, were not prepared to consent to it. What is needed is a service that enables these fathers and mothers to work out arrangements for child support, contact and other matters that concern them. Of course the state and taxpayers have an interest and that interest can be represented by a framework of guidelines, even a formula, but only if it is able to take account of exceptional cases and individual circumstances in a reasonably flexible manner. It is possible that the tribunal system proposed in the Green Paper could become the vehicle for providing such a degree of flexibility if it is allowed to operate fairly and freely and is not circumscribed by statute. However, it ought to be possible for the adjudication elements to be returned to a reformed family court system with the collection and enforcement remaining the responsibility of a successor to the Child Support Agency.

From time to time the Green Paper recognises the need for children to have clear signals that their fathers care for them and are paying maintenance (see for example Chapter 18, para 3). We have found

that this is a critical issue. At the moment, in the majority of cases fathers are paying informal support and that is recognised by the children because for the most part it is given directly to the children. If the formal child support regime is going to become more effective, then informal support is likely to diminish. Children are going to think that their fathers' contribution (and care) for them is less and this is going to affect their relationships with their fathers. The issue of the salience and transparency of child support is a major grievance of fathers, an important reason for not paying and a cause of non-compliance. Fathers (resident and non-resident) very commonly define their role and express their affection and commitment through the breadwinner role. When they are non-resident and do not have contact, they do not see any recognition of their financial contribution and do not pay or pay informally. It would be in everyone's best interest for there to be a formal arrangement for informing children (over a certain age) that their fathers are contributing to their upkeep.

There is a proposal in the Green Paper to charge all fathers, regardless of their incomes and family commitments, a minimum child support of £5 per week. At present, fathers with new children to support and who are on Income Support or have a low income are excused paying any child support. The justification for this proposal is that personal circumstances cannot negate responsibility for one's children. But this 'principle' competes with the principle that Income Support is supposed to be a floor, a safety net. Although that principle has already been breached by direct deductions for utility debts and Social Fund loans, it is a further unfortunate undermining of the safety net. It is also effectively a transfer from one poor family to another possibly poor family. Indeed, what it does for lone mothers on Income Support is just about compensate them for the abolition of the lone parent premium in Income Support – by cutting the Income Support of their former partners. There is a balance to be struck between parents and the taxpayer. The taxpayer takes primary responsibility for supporting the children of those parents who are not in the labour market,

and has, and will continue to have, responsibility for supporting the children of lone mothers on Income Support. This has been the collective arrangement considered reasonable since 1948. It is an understandable aspiration to get fathers to contribute what they can, where they can, but not where they cannot, and there is a risk that other children will suffer.

Connected to this is the fact that there is no limit to the maximum maintenance that non-resident fathers will be expected to pay. Judging from our results, there will be serious opposition from better-off fathers if the scheme expects them to pay more than the costs of a child and anything more than necessary to lift their children beyond the scope of the benefits system. Why should the state determine how much fathers should pay for their non-resident children when it does not involve the taxpayer? It would be considered an intolerable assault on personal liberty if it happened in a couple family.

This is perhaps an example of the hint of residual moral vilification of non-resident fathers that still emerges from time to time in the Green Paper. In general, the language of the Green Paper is a great improvement on that of 'Children Come First'. For example, the Green Paper follows our usage of the term non-resident fathers instead of absent fathers. However, in Chapter One, para. 1 we are told that child support will be 'firmly enforced' – *effectively* enforced might have been received better by citizens experiencing government intervention in the complexities and intimacies of their private lives. Later in Chapter Two paras 25 and 26 there is the assumption that all fathers leave their children. Again we hear the echoes of the 'walking away' language of Mrs Thatcher, which so disastrously inspired the Child Support Acts. Our research shows that some fathers are never given a chance to live with their children. In other cases mothers take their children and leave the father. Generally, separation occurs after much unhappiness. In the end, parents leave each other by mutual agreement. Many fathers are sad and frustrated at not being able to see their children as

much or as often as they would like. Their lives, like their children's and former partner's, have been disrupted. They are much more likely to be out of employment and dependent on a low income. Nevertheless, the majority are in touch with their children and the majority are paying either formal or informal support. If policy is to be successful in helping parents, both parents, to care for their children, it needs to build on these positive elements in these human relationships.

According to Smart (1997) there has been, in the debates about the decline and destabilisation of the family, a wishful thinking where it is hoped to return 'the family' to some idealised state unaffected by social change. However, what appears not to have changed is that fathers are still keen to point out that they do care about their non-resident children – and that is the problem! Rather convolutedly, it is because they care about maintaining their role as fathers and because they continue to want a close, intimate and fulfilling relationship with their children, that they can become reluctant to pay maintenance. The majority want to fulfil all their parental obligations, social, emotional and financial, but it seems that one is unsatisfactory without the others. There is in some sense no need to 'reinforce' parental obligations – they exist and are accepted already. But there is a need to facilitate them through an increased understanding of the emotional and moral turmoil that follows in the wake of family separation or in the wake of cohabitation breakdown or non-marital births.

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8

Preface to Poverty: a study of town life*

I HAVE never managed to buy a copy of *Poverty: A study of town life*[1]. Yet as a student of social policy, a teacher of research methods, and a research worker preoccupied with poverty, I have often needed to refer to it. I am therefore delighted that the Joseph Rowntree Charitable Trust decided to mark the centenary of the first publication of this important book with this facsimile edition, published by The Policy Press.

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* Bradshaw, J. (2000) 'Preface', In Rowntree, B.S., *Poverty: A Study of Town Life*, Centennial ed., The Policy Press: Bristol, pp xix-xxxii.

1 The first edition was published in 1901 (by Macmillan). A second, third and fourth edition were published in 1902. In the second and subsequent editions Rowntree added an analysis of the probable effect of old age pensions on the poverty rate in York, York City Income and Expenditure Accounts, an appendix comparing marriage ages in various countries and some information relating to workhouse dietaries. Editions continued to be published until 1922.

The fourth edition is the one I have beside me as I write this preface. The volume that I have referred to in recent years in undertaking research on poverty has been the cheap Everyman Edition that was first published in 1902 and contained neither the Map of York showing the position of the Licensed Houses (which provides York social policy students with many amusing research opportunities), nor the photographs contained in the original. These have been faithfully reproduced in this edition.

Poverty

The case for publishing this volume rests less on the need of scholars to have it to hand than on three important claims that can be made for the book:

- it had a remarkable impact on public understanding of poverty as well as on attitudes to the poor;
- it immediately had an impact on policy, influencing the spate of social reform enacted by the Liberal Government after 1906;
- Rowntree, in *Poverty,* established the British tradition of empirical social science research; he also established the tradition of social research designed to inform policy – to achieve what today is being called 'evidence-based policy'.

Each of these claims for *Poverty* is discussed in this Preface, and the book is related to the modern context of poverty – nationally, internationally and in the City of York. But first let us start with the man and his lifetime work.

Social thought and social action

Social thought and social action is the title of Asa Briggs' (1961, see also Briggs, 2000) biography of Seebohm Rowntree. It encapsulates the life and work of Rowntree very appropriately. In the spring of 1899 Benjamin Seebohm Rowntree, then aged 28, launched a survey of the population of working-class households in York. It was his most important work and was to dominate the rest of his life. Benjamin Seebohm Rowntree was born in York in 1871, the third child of Joseph Rowntree (the Quaker who built up the York Cocoa Works and became a philanthropist), and his second wife, Emma Seebohm, the child of Danish Quakers. He was educated privately, then at Bootham School (a Quaker School in York) and then at Owen's College, Manchester (now the administrative centre of the University of Manchester) where

he studied industrial chemistry (in order to become a nutritional chemist in the Cocoa Works) as well as history and literature. He returned to York in 1889 aged 18 without completing his degree to establish a chemical laboratory at the Cocoa Works. He became a member of the Board of Directors in 1897, and all his life combined his private research and involvement in public affairs with responsibilities as a hands-on manager of a thriving manufacturing business. Seebohm Rowntree made as important a contribution to the study and practice of industrial relations as he made to the study of poverty, being described by Urwick (1956, p 34) as "the British management movement's greatest pioneer". His experience in the manufacturing industry and his interest in the conditions of the workers (what he described as the 'human factor in business') is part of the background that led to *Poverty*. His primary reason for writing *Poverty,* and more especially *The human needs of labour* (Rowntree, 1918), was concern about the efficiency of British workers – thus nutritional efficiency became the key criterion of his poverty standard.

The other two important influences in his background were Quakerism and Liberalism. The Quakers approach all political and social questions as moral questions. He followed in his father's footsteps as a regular teacher at the York Adult School, and visited the scholars in their working-class homes. For him "Christ's religion is no creed: it is life" (quoted in Briggs, 1961, p 13). The notes and lectures he left articulate his commitment to Quaker values: humility, attention to duty, the abnegation of self. As well as his contact with the poor in his factory and in the York Adult School, he was greatly moved by a visit he made to the slums of Newcastle in 1895: "The sense which remained with me after that night was that there is an overpowering amount of work to be done... directly religious work, public work and social work" (Briggs, 1961, p 15).

Religious work was not to be his calling. But public work and social work were. He understood social work to be the need to study social problems, and to understand them.

His public work was undertaken mainly through his political commitment. Throughout his life Seebohm Rowntree was a committed Liberal, active as an advisor to Liberal ministers in government between 1906 and 1923 and constantly in demand in the Liberal cause when they were out of office. His Liberalism was the new reforming Liberalism of the 1900s. His greatest political hero and close personal friend was David Lloyd George.

Poverty: A study of town life

Rowntree was not the first person to study poverty in Britain. Henry Mayhew had popularised and stereotyped the poor in *London labour and the London poor* (1851). In *In darkest England, or, the way out* (1890), General William Booth of the Salvation Army had made parallels between the British poor and African tribes. Charles Booth published the first volume of his massive *Life and labour of the people of London* in 1889 and the last (17th) volume appeared two years after *Poverty,* in 1903. Booth's combination of humanitarianism with a quantitative approach heavily influenced Rowntree – "Booth's *Life and labour* made a profound impression on me, as it did upon the public generally in this and other countries, but I thought to myself, 'Well, one knows that there is a great deal of poverty in the East End of London but I wonder whether there is in provincial cities. Why not investigate York?'" (Briggs, 1961, p 17)[2]. Booth was the first person to use large-scale surveys in Britain. He answered the question 'Who are the poor?' for the first time. He, perhaps reluctantly, espoused standards of minimum

2 Gillie (2000) claims that this is wrong (possibly a post-hoc rationalisation – a desire to be associated with the prestige of Booth's work). He argues that Rowntree was actually inspired to do the work as a follow-up study to the book by his father Joseph Rowntree and Arthur Sherwell, *The temperance problem and social reform,* published in 1899. He argues that the structure of the book is very similar and so is its emphasis on physical efficiency. The book contained discussions of dietaries and referred to the works of Atwater. Some of the fieldwork for *Temperance* was undertaken in York, and Gillie claims that the fieldwork periods for the two studies actually overlapped and was used in both studies. Certainly the reason given in *Poverty* for secondary poverty was primarily the consumption of alcohol.

provision. But he was over-prolific, descriptive, judgmental and imprecise. As Kathleen Jones (1994) has said, "he provided only the 'dry bones' of the argument, there were others who could bring them to life" (p 62).

Rowntree had just married, and had been relieved at the Cocoa Works by the appointment of another chemist. He was free to devote the next two years to *Poverty*. He began the survey in January 1899 with most of the interviews undertaken between March and September, and the book was published in 1901[3].

To a modern student of social science, *Poverty* may appear to be a rather curious volume, and it is worth drawing attention to some of its curiosities and reflecting on them before summarising the essence of the argument.

It was a study of poverty in one provincial city. Rowntree deliberately presented it as a study of a provincial town in contrast to London – in contrast to Booth's *Life and labour of the people of London*. However, he was at pains to claim:

> Having satisfied myself that the conditions of life obtaining in my native city of York were not exceptional, and that they might be taken as fairly representative of the conditions existing in many, if not most, of our provincial towns... I decided to undertake a detailed investigation into the social and economic conditions of the wage earning classes in that city. (p vi)

He also corresponded with Booth, and made efforts to compare his poverty estimates with those obtained by Booth. "The total proportions arrived at for the total population living in poverty in London and York respectively were... London

3 A considerably faster process than *Poverty and progress,* which began in 1936 and was not published until 1941, though the outbreak of the Second World War was in part responsible for the delay.

30.7 per cent and York 27.84 per cent the proportion of the population living in poverty in York may be regarded as practically the same as in London..."[4]. Despite the claims for the typicality of York, York was chosen because Rowntree lived there, he was familiar with it, had some authority and influence (which was essential for obtaining the data he needed on wages), and it had the advantage of being small.

Poverty is based on a survey of the population – all working-class households in the City of York. His interviewers[5] made visits to 11,560 households, containing 46,754 people. He distinguished between working-class households and others (on the basis of whether they kept servants). In modern terms it is a really remarkable fieldwork achievement[6].

However, the schedule was very short, covering only: the number of the house

- the street
- the rent
- number of inmates (occupants)
- number of rooms
- number of houses sharing yards
- number of houses sharing water taps
- number of houses sharing closets
- whether the house was back-to-back

4 This claim was disputed by MacGregor (1910), who argued that Rowntree had failed to take account of differences in the costs of living in York and London.

5 In fact, most of the data was collected by one paid visitor moving from house to house, helped by a team of part-time volunteers.

6 Peter Kaim-Caudle (1998) points out that if the investigator had worked 25 days a month for eight hours a day he would have spent about seven minutes with each family, including moving from house to house and making inquiries from neighbours.

- whether there was a yard
- age and occupation of the householder and wife whether there were lodgers, and their occupations.

Information on the gender and ages of children was collected under a column headed 'Remarks', together with interviewers' notes. These notes contain moral judgements (respectable, tidy, clean, sober and industrious, wife worse for drink – and so forth) that social scientists have since expunged from reports on household surveys.

Another reason why Rowntree was able to collect data on so many households was that he did not have to include an income schedule. The only income at that time (before even the old age pension had been introduced) was wages and outdoor relief, and he was able to obtain details of the wages paid by the major employers in York and attribute them on the basis of the information he had obtained about their jobs[7]. There was no need to collect information on deductions or benefits because there were none at the time.

The results are presented in a variety of different ways. Sections of the completed schedules are reproduced in full (see pp 16-25). Nearly 200 brief portraits representing different standards of living (depending on their income and family composition) are detailed between pages 32 and 85 and there are more in the later chapters illustrating housing conditions. There are tables summarising the income and expenditure of individual families, and tables of summary statistics. The latter generate the most admiration for they are produced without the benefit of a computer or even a mechanical calculator – imagine the labour involved in hand counting the number of people in 11,560 households, estimating the average earnings, the average rent, and the proportion falling below different thresholds. Rowntree made good use of tables, photographs, a map and graphics (including bar charts, pie charts

7 We now call this technique 'imputation'.

and graphs, some in colour). He set a standard in his age, which continues today, for the clear dissemination of research findings.

The first 305 pages include a history of York (Chapter I) which Asa Briggs describes as "thin and scrappy" (Briggs, 1961, p 25). It then covers the methods of investigation (Chapter II), the analysis of the living standards of the households (Chapter III), the poverty lines and the estimates of the proportion in primary and secondary poverty (Chapter IV), the causes of poverty (Chapter V), chapters on housing and health (Chapters VI and VII), an investigation of the diets of 24 families using an expenditure diary (Chapter VIII) and a summary and conclusion (Chapter IX).

There follows over 100 pages of supplementary chapters and appendices including a long section on public houses (including the famous map), a description of elementary schools and their curricula soon after they were established in York (most still in use as primary schools), a church census, friendly societies, poor relief, clergy deaths during the Black Death, clothing standards, and a comparison of York meat and milk supplies with those in Copenhagen and other cities. (The likely impact of universal old age pensions is discussed in later editions.)

The important findings

Rowntree introduced the distinction between primary and secondary poverty. In primary poverty were those "whose total earnings are insufficient to obtain the minimum necessities of life for mere physical efficiency" – 9.9% of the whole population of York (Rowntree, 1901). In secondary poverty were those "whose total earnings would be sufficient for the maintenance of merely physical efficiency were it not that some portion of it is absorbed by other expenditure, either useful or wasteful" – a further 17.9% of the population of the whole of York (1901, p viii). As we shall see, this distinction became a critical element in convincing the public that poverty was a structural rather than merely a behavioural problem.

"In order to arrive at a the minimum sum necessary to maintain families of various sizes in a state of physical efficiency", he drew on his knowledge of nutrition[8], in particular the work of Atwater at the US Department of Agriculture. He allowed a diet that represented 3,478 calories per day for men, 2,923 for women and 2,634 for children. The diet for men was based on that required for moderate physical labour, despite the fact that he acknowledged that most men in his sample were heavy labourers. He also acknowledged that the diets (which excluded any butchers' meat) were less generous than the Poor Law menus.

In the context of the post Second World War reconceptualisation of poverty as relative, this 'quasi-scientific' quality of Rowntree's poverty line was criticised, even ridiculed. But at the time, the notion of physical efficiency gave authority to the threshold, coming as it did close to the emergence of public concerns about the physical capacity of workers in industry (in comparison with competitor nations) and the fighting capacity of recruits to the army. The details of Rowntree's dietary were not good – he himself revised them in the *Human needs of labour* and for *Poverty and progress* in the light of the advance of scientific knowledge. But his example of establishing a diet for nutritional adequacy, if not physical efficiency, still influences budget standards and studies of food poverty today (Parker, 1998). Perhaps one can be more critical of the lack of science involved in the non-food element of his budget – the allowance for clothing and fuel which he based on rather casual enquiries of what working class families actually spent.

Rowntree's analysis of the characteristics of poor households is one of the most innovative and insightful elements in his work. He modestly says "It is no part of the object of this chapter to discuss the ultimate causes of poverty"(p 119). But that is what he does. He established for the first time that poverty was the result of structural not behavioural factors. Over half (52%) of

8 Although, as Gillie (2000) points out, he was not the first person to do so to measure poverty.

those in primary poverty were in regular work, but wages were too low to maintain a moderate family in a state of physical efficiency. A further 16% were in poverty as the result of the death of the chief wage-earner, 5% as a result of illness or old age, 2% unemployment, 3% in irregular employment and 22% were poor due to being a large family. He presented this vitally important data in charts on page 121. He reinforced the point that low wages were to blame for most poverty.

> It is thus seen that *the wages paid for unskilled labour in York are insufficient to provide food, shelter, and clothing adequate to maintain a family of moderate size in a state of bare physical efficiency*. It will be remembered that the above estimates of necessary minimum expenditure are based upon the assumption that the diet is even less generous than that allowed to able bodied paupers in the York Workhouse, and that *no allowance is made for any expenditure other than that absolutely required for the maintenance of merely physical efficiency*. (p 133; original emphasis)

There follows the most evocative (and quoted) passage in the book:

> And let us clearly understand what 'merely physical efficiency' means. A family living upon the scale allowed for in this estimate must never spend a penny on railway fare or omnibus. They must never go into the country unless they walk. They must never purchase a halfpenny newspaper or spend a penny to buy a ticket for a popular concert. They must write no letters to absent children, for they cannot afford to pay the postage. They must never contribute anything to their church or chapel, or give any help to a neighbour which costs them money. They cannot save, nor can they join sick club or Trade Union, because they cannot pay the necessary subscriptions. The children must have not pocket money for dolls, marbles, or sweets. The fathers must smoke no tobacco, and must drink no beer. The mother must

> never buy any pretty clothes for herself or for her children, the character of the family wardrobe as for the family diet being governed by the regulation, 'Nothing must be bought but that which is absolutely necessary for the maintenance of physical health, and what is bought must be of the plainest and most economical description'. Should a child fall ill, it must be attended by the parish doctor; should it die, it must be buried by the parish. Finally the wage earner must never be absent from his work for a single day. (pp 133-34)

He deals in much less detail with the causes of secondary poverty – "Drink, betting and gambling. Ignorant or careless housekeeping, and other improvident expenditure, the latter often induced by irregularity of income" (p 142). Later he adds:

> Though we speak of the above causes as those mainly accounting for most of the 'secondary' poverty, it must not be forgotten that they are themselves often the outcome of the adverse conditions under which too many of the working classes live. Housed for the most part in sordid streets, frequently under overcrowded and unhealthy condition, compelled very often to earn their bread by monotonous and laborious work, and unable, partly through limited education and partly through overtime and other causes of physical exhaustion to enjoy intellectual recreation, what wonder that many of these people fall a ready prey to the publican and the bookmaker? (pp 144-5)

He identified those living in secondary poverty by observation. They had incomes above the primary poverty line but were in obvious want or squalor – his investigator made notes when he saw family members undernourished or ill-clad ("the pinched faces and stunted bodies of the ragged children told their own tale of poverty" – p 116). Rowntree, probably accepting the weakness of this form of data collection, did not make much of secondary poverty. For his study of the unemployed (Rowntree and Lasker,

1911) he relied entirely on income in determining the poverty rate, and in the 1936 survey (1941) he again used only an income threshold, at the same time referring to the fact that some people above the income threshold will have been in poverty because of spending on non-essentials.

There follows immediately after this section Rowntree's great insight into what has subsequently become known as the cycle of poverty. "The life of the labourer is marked by five alternating periods of want and comparative plenty" (p 136). They are described with a chart on page 137. People are more likely to be in poverty in childhood, when they are parents with dependent children, when children leave home and marry, and when they are no longer able to work.

In *Poverty* Rowntree makes no policy recommendations, but in an important passage (at the end of Chapter 5) he gives a hint about his thinking:

> The writer is not forgetful of the larger questions bearing upon the welfare of human society... they include questions dealing with land tenure, with the relative duties and powers of the State and of the individual, and with legislation affecting the aggregation or the distribution of wealth. While the immediate causes of secondary poverty call for well considered and resolute action, its ultimate elimination will only be possible when these causes are dealt with as part of, and in relation to, the wider social problem. (p 145)

He returns to these themes in the conclusion, and adds:

> ... the objective of the writer, however, has been to state facts rather than to suggest remedies. He desires, nevertheless, to express his belief that however difficult the path of social progress may be, a way of advance will open out before patient and penetrating thought if inspired by a true human sympathy.

> The dark shadow of the Malthusian philosophy has passed away, and no view of the ultimate scheme of things would now be accepted under which multitudes of men and women are doomed by inevitable law to struggle for existence so severe as necessarily to cripple or destroy the higher parts of their nature. (pp 304-5)

The chapters on housing and health tend to receive less attention, but they are no less impressive and pioneering.

The housing chapter reveals that some districts of York had very bad overcrowding and the slum conditions were as bad as the worst in London. It also reveals that overcrowding was related to the inability to pay higher rents. He estimated that the rents were absorbing an average of 29% of the income of families earning less than 18s per week. The findings on the state of York housing were to stimulate his father to establish the Joseph Rowntree Village Trust and the building of New Earswick began in 1902.

The health chapter traces the relationship between poverty and health, summarising data on the causes of death, and exploring mortality rates of adults and children by the social conditions in three different areas of York – the mortality rates in the poorest area are more than double those in the richer areas (echoes of the Acheson Report, 1998). It also includes the results of a survey undertaken by Rowntree of the physical condition of school children, giving height and weight curves by age and whether the children are classified as in the poorest, middling or highest class. This chapter also reports that the physical condition of half the people at recruiting stations in York, Leeds and Sheffield between 1897 and 1901 were not up to the Army's standard. He also refers to the threat to the competitiveness of British industry of an underfed workforce[9].

9 A couple of years later the Inspector General of Recruiting was to report that a high proportion of recruits for the Boer War were medically unfit.

The final substantive chapter compares the calorific values of a sample of York families with those obtaining in the workhouse, prisons, and recommended requirements of Atwater (1895). He concludes:

> ... the labouring classes, upon whom the bulk of the muscular work falls, and who form so large a proportion of the industrial population, are *seriously underfed*. The average energy value of the diet in the case of the fourteen families selected for study being no less than 23 per cent below standard... The inquiry, it is true, has shown that the money available for the purchase of food is not always spent in the most economical way, but the fact remains that unless an unreasonably stringent diet be adopted, the means to purchase a sufficient supply of nourishing food are not possessed by the labourers and their families. (pp 259-60, emphasis original)

The impact of Poverty on thought

In 1902 Samuel Barnett, a respected 'social reformer of his period, claimed "the gain of Booth's and Rowntree's work has been... a certain modification of public opinion. The facts, disputed or not, are preparing the public mind for reforms and for efforts. Perhaps this is the best result of any work" (quoted in Meacham, 1987, p 117). The facts revealed in *Poverty* finally put the nail in the coffin of the ghastly calculus of the Charity Organisation Society (COS). Before *Poverty,* the COS, founded in 1869, had been most influential in public understanding of the causes of poverty and its solution. They made a sharp distinction between the 'deserving' and 'undeserving' poor, and blamed poverty in the cities largely on the behaviour of the poor themselves. They argued that charity towards the poor was foolish and cruel, and that the poor could only be helped by strengthening those "influences which make good character, good work and good wages" (Bosanquet, quoted in Briggs, 1961, p 21). The COS based their views on families they knew, and they *knew* that by wise guidance, through casework, the poor would respond to the principles of political economy.

Rowntree may well have had them in mind and thought about their response to his study – in drawing the primary poverty line so tightly, in distinguishing so clearly between primary and secondary poverty and in his careful assessment of the causes of poverty. He thought that his facts could not be argued with. He may have had the COS in mind in a particular footnote on page 135 that seems to speak to them directly:

> Some readers may be inclined to say, upon reading the above, 'This surely is an overstatement. Look at the thousands of families with incomes of 18s to 21s or even less where the men do smoke and do spend money upon drink, and the women do spend money on dress and recreation, and yet, in spite of it all, they seem happy and contented, and the men are good workmen!' Such arguments against the actual pressure and consequences of poverty will, however, upon closer investigation be found to be illusory... [this illustrates] the danger of forming arguments without thoroughly investigating them.... (p 135, footnote 1)

Needless to say it was the COS that led the attack on the results of *Poverty* when it was published. Charles Loch, the COS secretary, was scathing about "generalisations cloaked in numerical phraseology" (quoted in Briggs, 1961, p 35), and there was a correspondence in *The Times* and other newspapers (see Harris, 2000). There followed a detailed exchange by pamphlet between Helen Bosanquet, the wife of the philosopher Bernard Bonsanquet, and a leading member of the COS, and Rowntree, which was concerned with three issues: whether Booth's and Rowntree's findings were similar; whether the methods used by Rowntree to determine incomes was reliable; and whether the efficiency standard was too generous. Bowpitt (2000) has reviewed this debate and concludes that ultimately Rowntree had no way of refuting the COS arguments, because although they might be dressed up as arguments about evidence and method, they derived from a particular view of human nature. Indeed Rowntree seemed to accept this when he suggested that the fundamental

difference between himself and Helen Bosanquet reflected her attachment to "the extreme wing of the Individualistic school [which] unduly magnifies what may be done for the amelioration of social conditions through the personal effort and self-reliance of the individual, and correspondingly minimises the sphere of State intervention." (quoted in Gillie, 2000, p 97)

These disputes about values were further to be fought out in the arena of the Royal Commission on the Poor Laws which included a strong representation from the COS (Charles Loch, Helen Bosanquet and Octavia Hill), set against the formidable Beatrice Webb, supported by the Fabians. Beatrice Webb was a cousin of Charles Booth and had worked on his surveys. The Webbs had visited Rowntree in York in 1899 while he was working on *Poverty*. In her diaries, Beatrice Webb (1948) mentions only meeting Rowntree once ("at a pleasant and useful party") in 1906, when Rowntree promised to help with the collection of statistics about pauperism. She was a Socialist, Rowntree a Liberal. So it is difficult to be certain how influential *Poverty* was on the Royal Commission. But she had the same commitment to facts and research into the causes and consequences of poverty. "Facts, facts, facts. The Commission's work was extensive, partly because Beatrice drove on past the collection of opinions to the collection of empirical data" (Jones, 1994, p 87). There was an exhaustive statistical survey of the pauper population in July 1907 published as Part II of the report, and Beatrice Webb even raised money from Fabian sympathisers to set up investigations of a variety of topics. This was a war of ideas fought with great bitterness. The result of all this was the *Minority Report* (1909), which argued that poverty was not due to personal failing but to capitalist organisation. The solution was to do away with Voluntarism, and the Poor Law. The non-able-bodied poor should become the responsibility of local authorities and the able-bodied poor of a Ministry of Labour. "The majority and minority proceeded from different views of Man, different views of society, different experience, different knowledge base" (Jones, 1994, p 93). Part of the knowledge base had been contributed by *Poverty*.

For the last 60 years, poverty in Britain (but not in the US) has been understood as a structural problem rather than a behavioural one. From time to time there have been vague echoes of COS ideology, for example when Sir Keith Joseph called on the ESRC to establish a research programme to investigate transmitted deprivation, or in discussions about the underclass (Smith, 1992) or more recently the socially excluded (Levitas, 1999). During the Thatcher years, Conservative ministers would from time to time argue there was no such thing as poverty and the Institute of Economic Affairs has published the views of some modern COS exponents such as Norman Dennis (1997) and the American Charles Murray (1984). But in general, in part thanks to the legacy of Rowntree, the tendency has been to blame poverty and not the poor.

The impact of *Poverty* on policy

As we have seen, Rowntree's main objective was not idle inquiry but social reform – he sought to change minds and influence policy, not with rhetoric but with facts. That aspiration continues to this day in the work of many social scientists and those that support them, including the Rowntree Trusts.

There may be doubts about the influence of *Poverty* on the *Minority Report* but there can be no doubts about its impact on policy. Its findings contributed to the hunger for reform that resulted in the Liberal election victory with a majority of 356 in 1906. The book had an immediate impact among leading Liberal politicians including the two key reformers – the 'Heavenly Twins' of Social Reform, Churchill and Lloyd George.

The young Winston Churchill bought a copy of the first edition of *Poverty,* and having read it, wrote to friends urging them to read it. "I have lately been reading a book by Mr Rowntree called *Poverty* which has impressed me very much, and which I strongly recommend you to read.... For my own part, I see little glory in an Empire which can rule the waves and is unable to flush its sewers" (quoted in Churchill, 1967, p 32). He told an audience

in Blackpool in January 1902 "I have been reading a book which has fairly made my hair stand on end, written by a Mr Rowntree who deals with poverty in the town of York" (Churchill, 1967, p 33). Randolph Churchill mentions these in the context of a section of his biography of his father where he is in search of a middle way in British politics. In 1904 Churchill crossed the floor of the House of Commons and joined the Liberals. He was appointed President of the Board of Trade in 1908, in Asquith's reforming Liberal government.

Lloyd George visited Rowntree in York in 1907, when President of the Board of Trade, and became a close personal friend. Briggs reports that in speeches in 1909 and 1910, Lloyd George waved *Poverty* at the crowds, although Rowntree teased Lloyd George by suggesting that he had never actually read the book. In 1908, Lloyd George became Chancellor of the Exchequer, appointing Rowntree to a committee concerned with the rating of land, and later, in the First World War, he made him Director of the Welfare Department at the Ministry of Munitions.

Included among the spate of legislation that was inspired by the 'Heavenly Twins' and directly connected to Rowntree's concerns were the 1906 Education (Provision of Meals) Act, which among other things, empowered local authorities to provide school meals in elementary schools. This Act also included powers which eventually led to a system of school clinics that were effectively the beginning of a National Health Service. There followed the 1907 Workmen's Compensation Act, the Labour Exchanges Act of 1908 (implemented by a civil servant called William Beveridge), the 1908 Old Age Pensions Act and eventually the 1911 National Insurance Act, which provided unemployment and health insurance.

Rowntree continued to be active in public affairs during the interwar years, particularly as an advisor to the Liberal leaders on social issues. He became a member of the subcommittee that advised Sir William Beveridge about the level of subsistence income

which would be used to fix the National Insurance and National Assistance scales. Rowntree drew on the work that he had done for *Poverty and progress* (1941), his second survey of poverty in York. However, as with the Unemployment Assistance Board (Lynes, 1977), Rowntree's 'human needs' standard was not the only or indeed the most important determinant of the scales of benefit. Also critical were the wages paid to unskilled workers and the level of existing unemployment benefits. It was primary poverty rather than human needs – minimum subsistence rather than social adequacy – that determined the Beveridge scales. So the Beveridge scales have their basis in the 1899 primary poverty standard (Veit-Wilson, 2000). The scales recommended were uprated in line with prices and introduced as the National Insurance scales in 1946 and the National Assistance scales in 1948. National Assistance became Supplementary Benefit in 1966 and Supplementary Benefit became Income Support in 1988. So the social assistance scheme in Britain today, which determines the living standards of one person in eight of the population, owes its origins to Rowntree's 1899 poverty standard[10].

Rowntree and the British empirical tradition

It is also arguable that this work established the tradition of applied social research in British social science. Rowntree's book can claim to be the first quasi-scientific empirical study of the subject — scientific in the sense that it was based on the careful and systematic collection of facts, with a clearly specified poverty standard, which at the time had some scientific basis, and against which household income could be compared. It was, in fact, the first sociological survey of the population, and established a tradition of empirical sociological inquiry that it is perhaps particularly British.

Poverty inspired a host of other local studies of poverty including those in Oxford, Norwich, Merseyside, and Bristol, and by Bowley

10 Albeit that they have more or less doubled in value in real terms. However, in comparison with earnings, they remained remarkably stable until 1980, when the link with earnings was broken.

and Burnett-Hurst (1915) in five towns (Northampton, Warrington, Stanley, Reading and Bolton). Macnicol (1998) claims:

> The interwar years poverty surveys took a great pride in their empirical sophistication and accuracy of measurement. Following Rowntree, they made a fetish out of decimal points and calorific values, and their 'scientific' findings undoubtedly became a source of real concern to the national government in the 1930s, since they forcefully revealed the inadequacy of benefits and wages in the case of large families[11]. (p 273)

In the *Human needs of labour* (1918) Rowntree elaborated and refined the poverty line and further revised it in a new version published in 1937 (see Harris, 2000). It was this threshold that was employed in *Poverty and progress: A second survey of poverty in York* (1941), undertaken in 1936. In that study he found 3.9% of the total population of York were living below the primary poverty line and 17.7% were living below the 'human needs' standard. In 1950 he undertook a third survey of poverty in York, published as *Poverty and the welfare state: A third social survey of York dealing only with economic questions* (Rowntree and Lavers, 1951), using the 'human needs' standard with some modifications. The three York surveys constitute a unique record of poverty and how it changed in Britain over the first half of the 20th century. As we shall see, there are no studies or statistical series that enable us to monitor poverty in Britain over the second half of the 20th century.

As we have seen in *Poverty,* Rowntree went out of his way not to espouse any particular programme for reform. His study was fundamentally aimed at achieving change. This has been misunderstood by those critical of the absolute notion of poverty, and in particular the harshness of Rowntree's subsistence diet. As Veit-Wilson (1986) has pointed out in his notable article 'Paradigms

11 He goes on to blame Rowntree for the neglect of poverty among elderly people in his own and other surveys, claiming variously that he was highly masculinist, male breadwinner, and child centred.

of poverty: a rehabilitation of Seebohm Rowntree', these critics of Rowntree have failed to distinguish between the methodological and technical issue of establishing a poverty line and the issue of the relief of poverty. Rowntree was using the poverty standard as "a heuristic device to convince individualists that the lifestyle of the poor was at least in part caused by low income and not by improvidence" (p 69). He knew his potential critics would be greatly challenged by his findings. He did not espouse the standard; indeed it is clear from some of the extracts quoted above that he thought it was completely inadequate. He was also not convinced of the distinction between primary and secondary poverty, and in the end made very little of the distinction, in the later surveys dropping secondary poverty altogether and replacing it with a more generous 'human needs' standard which included allowances for personal and social expenditure. Indeed the interwar poverty investigators failed to make any allowance for expenditure on personal sundries, and Harris (2000) claims that Rowntree was the first to argue that a family should be regarded as living in poverty if its income did not allow it to participate in at least some of the normal recreational activities of the day.

Poverty research in the second half of the 20th century

When poverty research re-emerged after the Second World War, it did so with a new conceptualisation and with new methods. If Rowntree had been the dominant figure of pre-war poverty research, Peter Townsend dominated post-war poverty research. He sought to create an understanding of poverty that encompassed both developing and developed societies and over time. The intellectual framework that he found was the concept of relative deprivation:

> Individuals, families and groups in the population can be said to be in poverty when they lack the resources to obtain the types of diet, participate in the activities and have the living conditions and amenities which are customary, or at least widely encouraged or approved, in the societies to which

> they belong. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns, customs and activities. (Townsend, 1979, p 31)

Through this definition, poverty becomes not merely an inability to purchase the necessities for a meagre existence, but also the inability to grasp the abundance, comforts and opportunities in society. Poverty is now a dynamic concept and will vary over time and between societies. Indeed poverty on this understanding is socially constructed through occupational, educational, economic and other systems that establish living standards.

In the post Second World War period, a great variety of research techniques have been pursued in seeking to operationalise the notion of poverty empirically. Efforts have included the following.

Budget standards

Following the tradition of Rowntree, budget standards research has been reintroduced into the portfolio. Bradshaw et al (1993) used the method to construct a list of commodities, employing normative judgements, supported by a combination of scientific and behavioural evidence. They then priced the budget and used it as an income standard – anyone living at or below that standard is in poverty. In Britain, budget standards have been derived to represent a *minimum adequate standard* (Parker, 1998) and a *modest but adequate standard* (Bradshaw, 1993). They have also been developed in the USA (Bernstein et al, 2000) and Australia (Saunders et al, 1998).

Component-and-multiplier approach

The US poverty standard was developed using a related concept – what one might call a *'component-and-multiplier'* approach. Orshansky took the costs of a minimal food budget for different family sizes and derived poverty thresholds by multiplying these costs by three – that being the inverse of the share of money

income spent on food by the average family (Orshansky, 1965, 1969). Bradbury and Jantti (1999) have applied the US poverty standard to (circa 1995) Luxembourg Income Survey data using purchasing power parities.

Expenditure data

A variety of poverty standards have been derived from *expenditure data*. So, for example, the point of the income distribution where households spend more than a given proportion on necessities can be used (Bradshaw et al, 1987). Or the point on the income distribution where all income is spent and/or nothing spent on non-necessities (Saunders et al, 1999).

Benefit linked income standard

Some countries have employed a *benefit linked income standard* to define poverty. The official social assistance scales can be used to define a threshold. A standard of this type became the official definition in the UK in a series of *Low Income Statistics* based on the Family Expenditure Survey produced by the government until 1985. Heikkila and McCausland (1997) tried this technique using OECD data. Another technique combining expenditure and benefits has been used to estimate the budget shares spent on necessities (food, fuel and clothing) of those on Income Support and to fix an income poverty line based on that budget standard (Bradshaw and Morgan, 1987).

Social indicators

The main way that relative poverty has been operationalised has been using *social indicators*. Townsend (1979) was the first to seek to operationalise this approach. For a national survey of poverty carried out in 1968/69 he built up a list of 60 indicators of styles of living. He then reduced these to 12 items to form a deprivation index, and, for each respondent, he counted the numbers lacking items on the index. Townsend's work was subject to criticisms. In the light of these, Mack and Lansley developed the social indicator

methodology in the Breadline Britain Surveys in 1983 (Mack and Lansley, 1985) and 1990 (Gordon and Pantazis, 1997). Mack and Lansley drew up a list of items and then asked a sample of the population whether they considered them to be necessities. If over 50% of the population considered an item to be a necessity then it was included as a socially perceived necessity (a 'consensual' indicator of poverty). The sample were then asked whether they possessed the item and if they did not, whether they lacked it because they could not afford it. Only those items which were lacking because they could not be afforded were included in the count of items lacking. Nolan and Whelan (1996) developed the technique by using social indicators in combination with income thresholds. We have recently elaborated this method in a new survey of poverty and social exclusion in Britain (Gordon et al, 2000) which seeks to extend the range of indicators to encompass social exclusion as well as poverty. The European Community Household Panel Survey has questions based on the social indicator methodology and Dirven et al (2000) have been using them to establish a basic index of deprivation.

Subjective measures

These are where the population determine a poverty income threshold, which can also be used to measure absolute poverty. Thus, for example, after the World Summit on Social Development in Copenhagen in 1995, 117 countries adopted a declaration and programme of action which included commitments to eradicate *absolute* poverty and to reduce *overall* poverty, drawing up national poverty alleviation plans as a priority (UN, 1995). Townsend and others (1997) have attempted to operationalise this notion of absolute poverty and overall poverty using subjective methods and in more detail in the 1999 Poverty and Social Exclusion Survey of Britain (Gordon et al, 2000).

Household income threshold

The most common method used by national governments and international bodies to make comparisons is to

relate household income to a threshold. For example Abel Smith and Townsend (1965), in their 'rediscovery of poverty' study *The poor and the poorest,* applied the then national assistance scales to income data derived from the Family Expenditure Survey. They not only used 100% of the NAB scales but also 120% and 140%, on the grounds that the actual level of living of people dependent on national assistance was rather higher than the scales, due to the fact that some earnings and capital were disregarded in assessing social assistance and claimants were also receiving additional payments to cover the costs of heating and special diets. Following their study, a standard of this type was used by the British government in what became the *Low Income Statistics,* based on the Family Expenditure Survey and produced until 1985. The *Low Income Statistics* series was abandoned by the Conservative government after 1995 on the grounds that the thresholds of 120% and 140% incorporated too many people and that increasing the real level of social assistance (in order to help the poor) had the absurd consequence of increasing the number of people defined as poor. The *Low Income Statistics* series was replaced by the Households Below Average Income series (HBAI), with estimates now produced annually by Department of Social Security (DSS, 1999) derived from the Family Resources Survey. This series derives an estimate of the number of households living below a proportion of the mean, usually 50%. Eurostat, in its first analysis of poverty derived from the European Community Household Panel Survey (ECHPS), also estimated the proportion of households, individuals and children living below a threshold of half national average income (Eurostat, 1997). More recently, Eurostat has adopted 60% of the median as the EU poverty threshold (Eurostat, 1999). There have been a number of criticisms of this income-based standard:

- that it is a measure of inequality not poverty;
- that it is essentially arbitrary;
- that in some countries with dispersed income distributions it produces unreasonably large poverty rates;
- that income is a poor indicator of command over resources;

- and, for these and other reasons, the measure lacks the type of impact which had been associated with the findings of the studies based on more absolute notions of poverty.

It is remarkable how much more impact Rowntree had on policy than most of the poverty research in the postwar period. With the exception perhaps of *The poor and poorest* (Abel Smith and Townsend, 1965) which (significantly) used the social assistance scales as its poverty standard, research using relative measures of poverty have made little impact on policy. It was partly for this reason that we sought to bring back to use, the budget standards approach to the measurement of poverty (Bradshaw, 1993), but with little effect[12]. Somehow the relative concept of poverty has failed to deliver the moral and political clout that Rowntree achieved with his absolutist standard.

One response to this is that in *Opportunities for all* (DSS, 1999) the government has begun to develop a range of indicators (for children, people of working age and older people) which it will use to monitor the success of its anti-poverty strategy. These indicators include the HBAI income thresholds but also a range of other indicators encompassing physical, cognitive and behavioural outcomes (see Bradshaw, 2000).

Trends in poverty in Britain

There is no series which enables us to trace trends in poverty over the whole post Second World War period[13]. However,

12 Peter Lilley, the then Secretary of State for Social Security, in reply to a challenge from the late Donald Dewar (Labour spokesman on Social Security) said, "The Hon Gentleman said that the Rowntree report spelt out an 'austere low cost budget' – a budget that allows the poorest only a video recorder, a camera, and a television set....' (See Bradshaw, 1993, p 238).

13 There is a series that traces inequalities in the distribution of income from 1961 (Goodman and Webb, 1995) and this shows that there had been periods of rising inequalities in the distribution before 1979, for example in the late 1960s, but that overall during this period the income distribution was relatively stable.

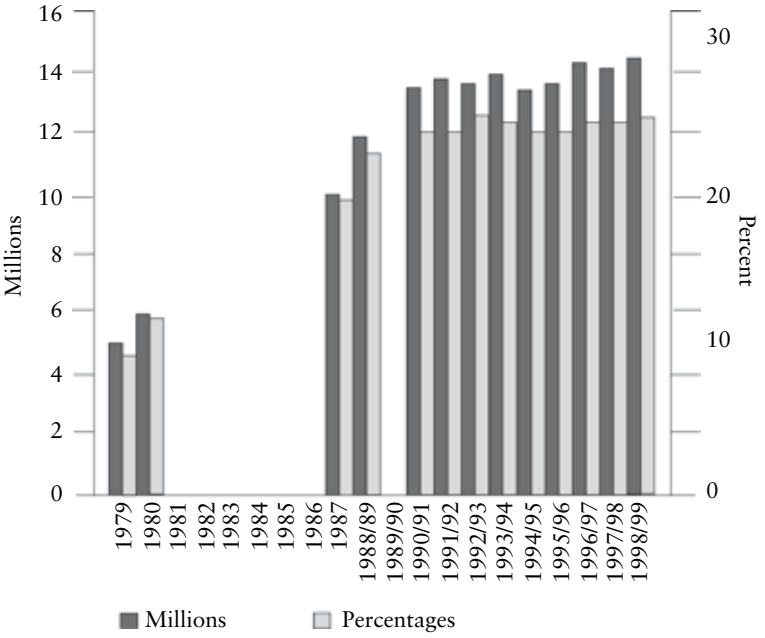
the spate of legislation in the 1940s which led, inter alia, to the introduction of family allowances, national insurance, national assistance and a free health service, helped to ensure that the risk of poverty in post-war Britain was lower than the pre-war population had experienced. There was a certain degree of complacency in the immediate post-war period, as there was a widely-held belief that full employment and the welfare state had abolished poverty – partly informed by the results of Rowntree's third study of poverty in York in 1950 (Rowntree and Lavers, 1951) which found only 1.66% of the population of York in primary poverty. It took Abel Smith and Townsend (1965), and a set of government surveys in the second half of the 1960s, to reveal that even by conventional standards a substantial minority of the population were still living in households with low incomes. However, although poverty was not abolished in the period 1945-80, real gross domestic product (GDP) increased by 139%, most social security benefits more than doubled in real terms and for most of the period, the level of unemployment was less than 600,000. Overall, it is safe to assert that in the first 30 years after the Second World War absolute poverty (measured in terms of real prices) was falling and relative poverty (measured in relation to average incomes) remained more or less stable.

We now know that in the years since 1979 absolute poverty remained stable and that relative poverty increased about three-fold. The main source of data over this period is the HBAI series.

Figure 8.1 shows that the proportion of individuals in poverty increased from 9% in 1979 to 25% in 1997/98. Most of the increase in poverty took place in the 1980s. Poverty rates have been fairly stable in the 1990s, although there is as yet no evidence of a decline in the face of the Labour government's welfare reforms introduced after 1997.

There are three broad explanations for this sharp increase in poverty.

FIGURE 8.1: Individuals in Britain in Households with below half average income.



Note: Including self-employed, after housing costs
Source: DSS (2000 and other years)

Economic factors

High levels of unemployment; the concentration of work in fewer households – more two-earner households/more workless households; the increase in part-time, episodic and insecure jobs; the increased dispersion of earnings – more low pay.

Demographic factors

Particularly the increase in the numbers of older people in the population especially poor, very old women; the 1960s baby-boomers seeking employment in an economy without enough jobs

and the increase in the number of lone-parent families – mainly as a result of divorce and cohabitation breakdown.

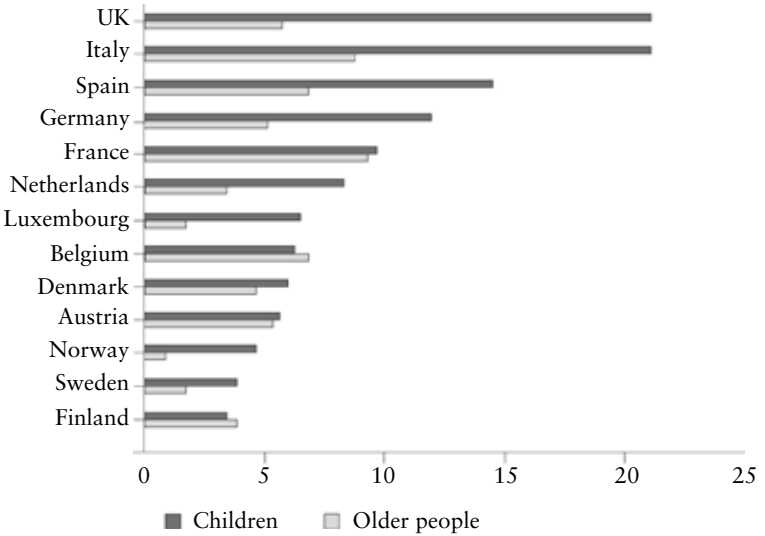
Policy factors

The Thatcherite policy of rolling back the boundaries of the welfare state undoubtedly left it less capable of protecting the population against economic and demographic change. Some benefits were abolished; others were frozen and/or uprated only in line with prices; there was a massive shift from direct taxation to indirect taxation; and cuts in some services – most notably housing subsidies – which resulted in a sharp rise in real rents.

How do we compare?

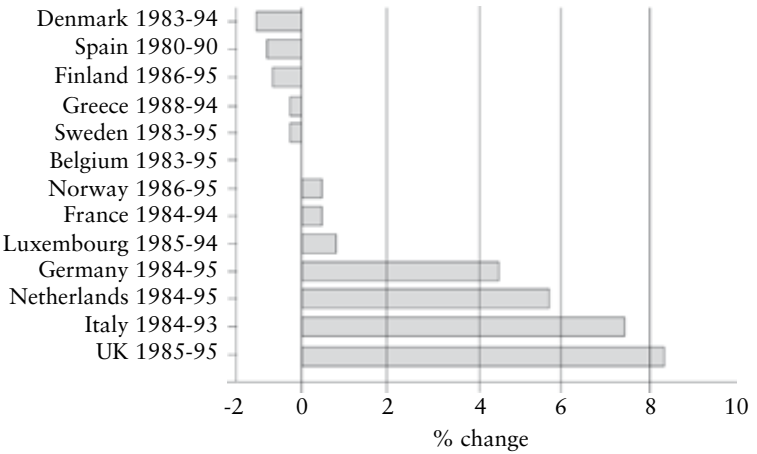
The importance of the contribution of policy to these trends is illustrated by comparative analysis. All countries have experienced the impact of globalisation and demographic transitions but very few have poverty rates as large as in the United Kingdom, and hardly any have poverty rates which have increased as fast as they have in Britain. These points are illustrated in Figures 8.2 to 8.4. Figure 8.2 compares the child poverty rates and the older people's poverty rate, showing that among EU countries the UK has the highest child poverty rate and also a comparatively high older person poverty rate. Figure 8.3 shows that the UK has had the second (only to Italy) fastest growth in the child poverty rate – about half the countries have had no increase in their child poverty in the periods covered. Figure 8.4 compares pre-transfer poverty rates with poverty rates after the impact of taxes and benefits. It shows that our market-generated child poverty rates are the highest of the countries covered, but also that the transfers – the package of social security benefits and taxes for those out of the labour market or in the labour market and low paid – are not as effective as those of other countries in mitigating market-generated poverty.

FIGURE 8.2: Proportion in poverty (equivalent income less than 50% median)



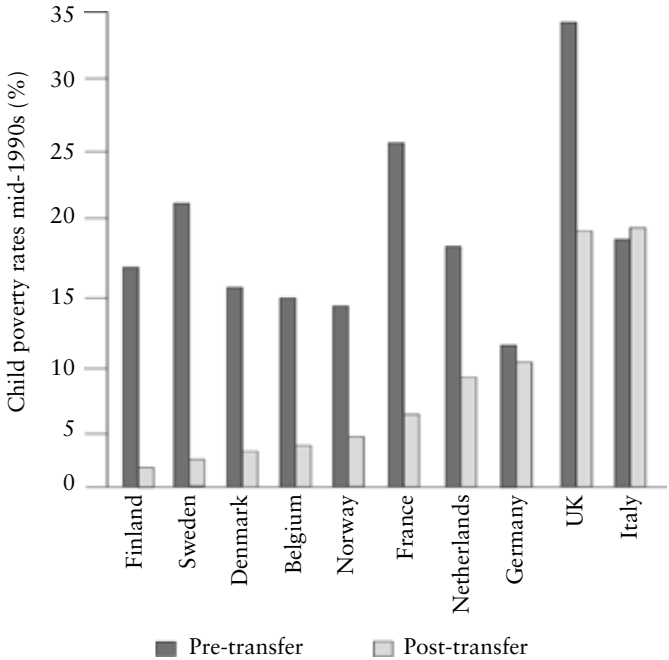
Source: Luxembourg Income Survey (Bradbury and Jantti, 1999)

FIGURE 8.3: Trends in child poverty



Source: Luxembourg Income Survey (Bradbury and Jantti, 1999)

FIGURE 8.4: Impact of transfers on child poverty rates



Source: Luxembourg Income Survey (Bradbury and Jantti, 1999)

What about poverty in York today?

No one who knows York today can fail to be amazed at how different the physical picture is now from the picture painted by Rowntree. Of course the size of the city is substantially larger, both geographically and in terms of population size[14]. In 1899 most of the population and most of the poor lived within the historic city walls. Now the vast majority of the population live on estates built

14 In 1899 York covered an area of 3,692 acres, contained 15,000 houses and a population of 75,812. In 1991 it covered an area of 7,282 acres, containing 36,000 dwellings with a population of 101,436. In 1996 the boundaries were expanded and York became a Unitary Authority.

in the inter-war or post-war years outside the city walls, in what was countryside 100 years ago. The worst slum housing (identified on the map in grey) was mainly demolished before the Second World War. But 'slum' clearance went on – probably too long – until the end of the 1960s when the city council was persuaded to replace demolition with improvement. Many of the areas cleared in the heart of the city were left undeveloped until, thanks to a plan developed by Lord Esher, the sites began to be used for new town housing. This has slowly resulted in a drift back of (mainly affluent) people to the heart of the city.

In its slum clearance and new build policies York was lucky to have avoided entirely the erection of tower blocks and flats. Most of the people cleared from slums before and after the Second World War were rehoused in social housing in suburbs of semi-detached dwellings with gardens and parks. There is no doubt that Unwin's designs for Rowntree's model village of New Earswick influenced the local authority (here and elsewhere) in its planning in York.

So (to use the language of Beveridge's giants in the way of social progress), *squalor* has been abolished (and with it most *disease* – no claim is made for *ignorance)*. But is York without *idleness* and *want?* As one way of celebrating the Rowntree centenary we might answer that question by launching a new survey of poverty in York today. The Joseph Rowntree Foundation, in their wisdom, felt that they could not justify a survey just of York[15], but they did agree to fund a project designed to draw together material from existing sources on poverty in the City of York. The report on this work has been published (Huby et al, 1999). It drew on data on employment, earnings, welfare benefits, education, health and housing and explored the groups at risk of poverty. It also used the new techniques of geographical information systems to map the spatial distribution of poverty.

15 They eventually agreed to fund a new Survey of Poverty and Social Exclusion in Britain undertaken collaboratively by the Universities of York, Bristol and Loughborough with fieldwork by the Office of National Statistics. The first results were published in 2000 (Gordon et al, 2000).

We concluded that Rowntree's claim that the conditions of life in York were not exceptional and were fairly representative, is remarkably true of the city a century later (with reservations on ethnic mix). In terms of the key determinants of living standards, including rates of pay, levels of unemployment, proportion of the population who are sick or disabled, lone-parent families, retirement pensioners or people who are in receipt of income related-benefits, York is extraordinarily close to the national average. The study found that in York:

- Average male earnings at £363 per week were £30 below the national average and average female earnings at £241 were £40 below the national average. Ten per cent of workers earned less than £165 per week and over 2,000 families were having to supplement their earnings with Family Credit. The nature of the jobs available is to blame for this picture. The service sector has been expanding at the same time as jobs in manufacturing have been declining.

- Male unemployment was slightly higher than the national average and female unemployment slightly lower, but there was a crude jobs deficit in York of around 6,000. Nearly a quarter of the unemployed were aged 18-24.

- Nine per cent of families in York were dependent on Income Support (or income related Jobseekers' Allowance) and 15% of children were receiving free school meals because their families were receiving Income Support. All the empirical evidence suggests that even those who receive Income Support for only short periods have trouble managing – the scales of benefit are inadequate to meet basic needs, let alone allow for full-time participation in society. Since 1980 Income Support had been tied to movements in prices, over a period when the real level of earnings had increased by over 40%. The result of this is that the living standards of those families dependent on Income Support have

> become increasingly detached from those of the rest of the population of the City. The wage levels and employment conditions associated with these jobs are contributing to experiences of impoverishment, insecurity, mental stress and a poor quality of life for the people. York has experience of all the concomitants of poverty including ill-health, homelessness, debt, drug and alcohol misuse, crime isolation, personal and family insecurity and the breakdown of relationships (Huby et al, 1999).

We were able to do one original empirical survey as part of the study. The York City Council agreed to include the Breadline Britain indicators of socially perceived necessities (Gordon and Pantazis, 1997) in a sweep of their 'Talkabout' panel. We received responses from 750 respondents and this sample was reweighted to match the characteristics of the population as a whole. We found the proportion of people in the York sample who lacked socially perceived necessities because they could not afford them in 1998 was extraordinarily similar to the proportion who lacked them in the 1990 Breadline Britain survey. Nationally, in 1990, 21% lacked three or more items and 8% lacked at least seven items. In York in 1998, 20% lacked at least three items and 6% lacked at least seven items. Given the improvement in living standards between 1990 and 1998 these results indicate that poverty in York might well be above the national average. Among those with a higher risk of poverty in York than was found nationally were part-time workers (possibly the result of low wages in the heritage and tourist industries), those aged between 25 and 34 (probably young families with children) and council tenants (possibly the result of the residualisation of social housing since 1990). There was some evidence that single pensioners in York are less likely to be poor than they are nationally.

Another indicator of poverty used in the York survey was the subjective definition of absolute and overall poverty drawn up by the United Nations (1995) and operationalised by Townsend et

al (1997). Respondents were given a definition of absolute and overall poverty and asked how much per week would be needed to keep a household such as the one they live in out of absolute and overall poverty. They were then asked how much below or above that level they were. The results we obtained are summarised in Table 8.1 below. It can be seen that the aspirations of the people of York expressed by the mean threshold are lower than the national sample. This may be a function of variations in the costs of living between York and elsewhere. A slightly smaller proportion of York residents think that they are a lot or a little below the thresholds than nationally, but the proportions are very similar.

TABLE 8.1: *Absolute and overall poverty in York and nationally*

	Absolute poverty		**Overall poverty**	
	York 1998	**Nationally 1997**	**York 1998**	**Nationally 1997**
Nominated threshold	£150	£175	£192	£239
% A little below	8	12	11	14
% A lot below	8	8	14	14

We found that the exercise of mapping poverty at ward and enumeration district level revealed the highest levels of deprivation were to be found in patches of local authority housing in the Tang Hall, Clifton and Chapelfields areas – all areas of social housing. We also analysed the level of deprivation in wards in York using a variety of standard indices of deprivation. However, since completing that work the DETR's index of Social Deprivation produced by the Oxford Social Deprivation Unit has been published. Table 8.2 lists the York wards with their deprivation scores and national rank out of 8,414 wards. It can be seen that two York wards came in the most deprived quintile of wards in England and Wales and 10 York wards (out of 29) were in the bottom half of the national distribution of deprivation.

TABLE 8.2: *1999 Index of multiple deprivation*

Ward	Score	National Rank (N=8,414)
Copmanthorpe	4.46	8,150
Wigginton	4.70	8,106
Heworth Without	5.37	7,946
Wheldrake	5.51	7,918
Haxby	5.70	7,873
Upper Poppleton	6.54	7,618
Fulford	7.11	7,412
Heslington	7.56	7,252
Dunnington	7.64	7,220
Rawcliffe	7.72	7,194
Osbaldwick	7.94	7,120
Strensall	10.97	6,031
Knavesmire	11.74	5,783
Fishergate	11.82	5,756
Clifton Without	12.05	5,675
Beckfield	13.38	5,227
Holgate	14.25	4,934
Monk	14.91	4,758
Bishophill	15.89	4,469
Micklegate	16.97	4,197
Huntington	18.39	3,879
Heworth	18.48	3,863
Foxwood	20.51	3,459
Walmgate	22.59	3,066
Guildhall	23.57	2,916
Acomb	24.83	2,677
Clifton	26.21	2,469
Bootham	31.67	1,809
Westfield	32.57	1,714

Source: Social Deprivation Research Group, University of Oxford

Those who visit the City of York – to admire the glory of the Minster, the Viking remains, the superbly preserved medieval core – may find these facts shocking and extraordinary. Those who seek to represent the city and are responsible for marketing its qualities also have difficulty in coming to terms with these truths. Even after these findings were published, the Labour controlled city council were reluctant to initiate the kind of local anti-poverty strategy that has been adopted by councils in so many other local areas. Heritage towns are reluctant to advertise their problems. But picturesque streets and buildings and the apparent affluence of the centre tend to obscure the social problems associated with low incomes and lack of resources. In York there are three or four specific streets, modern slums, in which no one should be expected to live (and no one wants to), mainly because of the anti social behaviour of the residents. But a much more serious issue is still poverty – dispersed, not amenable to neighbourhood or local action, requiring national redistributive social policies.

Prospects for poverty[16]

Predicting the future is fraught. Life is lived forwards but understood backwards. I doubt that Seebohm Rowntree in 1899 could ever have envisaged how transformed his city would become by 1936 or 1950 – let alone today. For the last 20 years we have passed through a dark age in terms of acceptance of and political concern for poverty – an age not typical of what was achieved in the previous 80 years and not a good guide to what might be achieved in the next, say, 25 years. Three key factors will determine what happens to poverty.

Demographic prospects

They are mainly good – children and elderly people are high-risk groups: the number of children will fall and the proportion of older people does not increase as much in the next two decades as in the

16 For a longer version of these arguments see Bradshaw (2000).

last two decades. However, family change will continue to generate poverty.

The economy

Prospects for the economy look as good as they have been for decades and, in particular, competition for jobs will decline, increasing the opportunities of those excluded from the labour market.

The impact of politics on policy

This is the key factor. Reducing poverty and abolishing child poverty in 20 years have become formal targets of the Labour government. Poverty is back on the domestic agenda in a very big way. Much has already been achieved. The major anxiety about the Labour anti-poverty strategy is that it relies so heavily on labour market solutions. There will need to be more redistribution in favour of those who cannot get access to the labour market if their targets are to be achieved.

So, in conclusion, the prospects for reducing poverty are good – particularly if the government regains an appetite for redistribution in its second term.

It may be that the efforts that social scientists have made (with the support particularly of the Rowntree Trusts) in the last 20 years to reveal the size and nature of the problem[17] may at last be bearing fruit. We try, Seebohm, we try.

17 These efforts were reviewed at a conference to mark the Centenary of Poverty held at the University of York in 1998. The proceedings have been published in three volumes (Bradshaw and Sainsbury, 2000a, b, c).

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9

Overlaps in Dimensions of Poverty*

Abstract

The Poverty and Social Exclusion Survey of Britain made it possible for the first time to explore poverty using three different measures applied at the same time on the same sample. The measures were: lacking socially perceived necessities; being subjectively poor; and having a relatively low income. These approaches are all commonly used to identify the poor and to measure poverty but rarely if ever in combination. In this article we have found that there is little overlap in the group of people defined as poor by these dimensions. There are reasons for this lack of overlap, connected to the reliability and validity of the different measures. However, the people who are defined as living in poverty by different measures of poverty are different. This inevitably means that the policy response to poverty will be different depending on which measure is employed.

We have attempted to analyse overlap in two ways. First by exploring the dimensions of poverty cumulatively. We have found that the more dimensions that people are poor on, the more unlike the non poor and the poor on only one dimension they are – in

* Bradshaw, J. and Finch, N. (2003) 'Overlaps in Dimensions of Poverty', *Journal of Social Policy*, 32, 4, 513-525.

their characteristics and in their social exclusion. Second by treating particular dimensions as meriting more attention than others. We explored three permutations of this type and concluded that while each permutation was more unlike the non poor than those poor on a single dimension, they were not as unlike the non poor as the cumulatively poor were. These results indicate that accumulation might be a better way of using overlapping measures of poverty than by giving priority to one dimension over another.

The implication of the paper is that it is not safe to rely on one measure of poverty – the results obtained are just not reliable enough. Surveys, such as the Family Resources Survey or the European Community Household Panel, which are used to monitor the prevalence of poverty, need to be adapted to enable results to be triangulated – to incorporate a wider range of poverty measures.

Introduction

Poverty (if it means anything) is a *categorical* need – one that must be met for human beings to function. Poverty is also associated with all the major problems in Britain. Indeed there are strong reasons for suggesting (in the language of Beveridge's Giants) that we need to deal with want if we are to be successful in tackling ignorance, squalor, disease and, possibly, idleness.

Policy makers in Britain are now seeking to tackle poverty – it is the centre of the domestic agenda. Research on poverty is therefore an even more important undertaking. For over a century, social scientists have been trying to operationalise the concept of poverty in empirical research. Among the approaches they have used have been:

- measuring income (and expenditure) and then comparing it with a budget standard (for example Rowntree 2000);

- measuring income (and expenditure) and then drawing a line on a distribution and treating a relative lack of income as poverty (for example DWP 2002a);

- establishing a relative lack of certain items or activities which are necessary (for example Mack and Lansley 1985);
- asking people whether they feel poor or deprived (for example Townsend et al 1997);
- more recently, attempting to operationalise the related concept of social exclusion (Gordon et al 2000, Burchardt, 2000, Hills, Le Grand and Piachaud 2002).

The income based approaches to measuring poverty have been dominant for most of the period in most countries and internationally. Following Townsend (1979) the use of indicators of deprivation began to emerge and were developed particularly in the Breadline Britain studies (Mack and Lansley 1985, Gordon and Pantazis 1997, Gordon et al 2000). In comparison, relatively little use has been made of subjective measures in official or academic research.

For practical reasons, much of the empirical research on poverty has used one measure at a time. Townsend (1979) was an early exception, comparing the results of his relative deprivation index with equivalent income. The first two Breadline Britain Surveys did not collect income data. The Family Expenditure Surveys and the Family Resources Surveys, the main vehicles for poverty research in the UK, do not collect data on a lack of necessities and subjective poverty. However the European Community Household Panel survey began to collect data on a selection of social indicators as well as income and, particularly in Ireland, this has been used to explore the overlap between income and deprivation (Nolan and Whelan 1996). Also the work evaluating the Irish poverty strategy has involved combining measures of poverty (Layte, Nolan and Whelan 2000). Statistics Netherlands's analysis of the European Community Household Panel Survey has compared EU poverty on more than one dimension at a time (Dirven et al 2000). In New Zealand (Perry 2003) has explored the relationship between income poverty and outcome measures.

Part of the motivation for this work is that those of us who do research on poverty and social security, until recently anyway, have found it difficult to convince the policy community of the urgency of the problem of poverty. The finding that 34 per cent of children are living in families with equivalent income less than 60 per cent of the contemporary median after housing costs and including the self employed in 2000/01, somehow has lacked moral force, persuasive power, credibility and probably also comprehension! Though one can be critical of the detail (Bradshaw 2001) we applaud the efforts now being made by the Department of Work and Pensions to establish a set of indicators of poverty (in the *Opportunity for All* reports (DWP 2002b) and in the equivalent in Scotland, Wales and Northern Ireland). At the time of writing the DWP (2002c) are in the process of reviewing the headline indicator of child poverty based on an income measure and among the options they are considering is a combination of income and social indicators following the Irish example. The EU has also recently been through a process of developing Indicators of Social Inclusion as part of the National Action Plan process (Atkinson et al 2002). Work has been progressing on the overlaps between poverty measures in New Zealand (Perry 2003).

This article is a contribution to that activity. It is an exploration of different measures of poverty made possible by the Survey of Poverty and Social Exclusion in Britain (Gordon et al 2000). This survey was a national follow-up survey in 1999 of about 1300 households who were respondents to the 1998/99 General Household Survey.

The hypothesis is that at the heart of notion of poverty, where the three measures of poverty overlap, it is more likely to be validly prescribed. Those in overlapping poverty have different socio-economic characteristics to those identified as poor by one measure alone. They are likely to be experiencing a harsher degree of poverty than those poor on any one of the measures. They are therefore perhaps a priority for policy.

First we describe the measures.

Deprivation

Deprivation is represented here by a lack of socially perceived necessities. This is based on the social indicator methodology pioneered by Townsend (1979) and developed especially by Mack and Lansley (1993) and Gordon and Pantazis (1997). For the PSE survey, we developed a new and more elaborate index than previously (including a separate index for children). We established the proportion of the general population who considered an item was a necessity using questions in the Office of National Statistics Omnibus Survey that preceded the PSE survey. Only items and activities that 50 per cent or more of the general population considered were necessities were included in the index. For the PSE survey, Gordon undertook some work on the validity of the index (and excluded some items, which did not contribute significantly). He also identified a threshold of lacking two or more items *and* having a low income as the PSE poverty threshold. In this paper we are covering low income in other ways so we have counted the proportion of households lacking four or more adult necessities because they cannot afford them as 'necessities poor'. The choice of four items as the threshold was made in order to match as far as possible the proportion defined as poor by the other two measures.

Subjective poverty

Those who say that they 'feel' poor represent subjective poverty here. In the PSE survey we used three sets of questions to measure subjective poverty, including an attempt to operationalise the *Absolute* and *Overall* notions of poverty adopted by the UN World Summit on Social Development in Copenhagen in 1995 (UN 1995). But this paper uses the results obtained from the following questions.

- How many pounds a week, after tax, do you think are necessary to keep a household such as the one you live in, out of poverty?

- How far above or below that level would you say your household is?
  - A lot above that level of income
  - A little above
  - About the same
  - A little below
  - A lot below that level of income
  - Don't know

Those a little or a lot below the level of income were defined as subjectively poor.

Income poverty

Represented here by the measure that has become in the UK (DWP 2002a) and the EU (Atkinson et al 2002) the conventional measure of relative poverty – those households with net equivalent household income less than 60 per cent of the median. In this case the measure is before housing costs on the grounds that an after housing costs measure cannot be derived from the General Household Survey. The PSE survey employed a variety of equivalence scales, including one created especially, based on budget standards research. But for this paper we have used the modified OECD scale that is now adopted in most comparative work (Atkinson et al 2002).

Poverty overlaps

Table 9.1 shows the proportion of the sample defined as poor by each of the dimensions. The proportion poor by each dimension is fairly similar – between 17 and 20 percent.

TABLE 9.1: *Poverty rate by each measure of poverty*

Poverty measure	% poor
Deprivation (lackin 4 + socially perceived necessities)	17.2
Subjective Poverty (subjective measure)	19.6
Income Poverty (equivalent income before housing costs less than 60% median)	18.8

However it can be seen in Table 9.2 that while 33 per cent are poor on at least one dimension, only 5.7 per cent are poor on all three measures simultaneously. These results indicate a considerable lack of overlap between measures that have been, and still are, used to represent poverty. If the measures were completely uncorrelated one would expect to obtain a distribution that is quite close to the one obtained. The actual and predicted proportions are given in the table.

TABLE 9.2: *Number of measures on which respondents are poor*

	% poor	
	Actual	**Expected**
Poor on at least one	32.9	32.9
Poor on a least two	16.1	10.9
Poor on at least three	5.7	3.6

Note: Expected under hypothesis of no correlation between variables

The logistic regression in Table 9.3 shows that the odds of those poor on one dimension being poor on each of the other dimensions is statistically significantly higher (than 1) for all dimensions. However there are differences between the measures. In the case of the necessities poor (deprived), the odds of being income poor are comparatively small after subjective poverty is taken into account. This also holds for subjective poverty – after necessities poverty has been taken into account the odds of being income poor are relatively small. For the income poor the odds of being poor subjectively are higher than being necessities poor.

TABLE 9.3: *Odds of being poor on the other dimensions of poverty*

	Necessities poor	**Subjectively poor**	**Income poor**
Necessities poor		1.00	1.00
		13.40***	2.32**
Subjectively poor	1.00		1.00
	13.40***		4.30***
Income poor	1.00	1.00	
	2.32**	4.30***	

*Note: * < 0.05 ** < 0.01; *** < 0.001*

What are the reasons for this lack of coincidence between those found to be poor by each dimension?

- A small lack of overlap is inevitable given the different proportions identified as poor by each of the measures used.

- There are cases in transition. For example there are households who have recently retired or lost a worker who are now currently income poor but not (yet) lacking necessities (deprived) – they still have the assets acquired in better times. In contrast there are households who for example have recently entered employment who are not now income poor but who have not (yet) been able to gather together the necessities that they lacked while unemployed.

- There is "false consciousness". In the subjective measure, people may claim to be in poverty when they are not (by other dimensions). Or people may not feel they are in poverty perhaps because they have limited understanding of relative living standards. As we shall see in Table 9.6 5.0 percent of the sample said that they felt poor without being poor on any of the other dimensions and 1.8 per cent did not feel poor despite being poor on both the other dimensions.

- Another kind of false consciousness – due to low aspirations – can occur in relation to the deprivation measure. Some respondents will say that they lack necessities because they cannot afford them but in reality it is because they do not want them – it is not a high priority in their budgets. The democratic majority view is that they should want them. Pensioners are more likely than non-pensioners to say that they 'don't have and don't want' necessities and (as we shall see), they are less likely to be defined as poor on the deprivation dimension.

- There are technical explanations to do with the measures themselves. One of these, which is likely to be important, is the fact that the GHS income variable is before housing costs. At a given before housing costs equivalent income level, households with high housing costs are more likely to feel poor and to be deprived than households with low housing costs. In our analysis of the PSE survey we found that London is a region with a comparatively low-income poverty rate but a comparatively high deprivation rate. This may be due to the impact of housing costs.

- Perceptions of poverty may vary according to how resources are distributed within the household. Thus, for example, a female non-breadwinner respondent may feel poor because her breadwinner partner does not share his non-poor income with her.

So there are a number of reasonable explanations for the lack of overlap in the households defined as poor by each of our dimensions. But how could we use these dimensions to identify a group who can be reliably and validly described as poor?

There seem to us to be two approaches. One is to take a straight cumulative approach. The other is to give priority (merit) to one measure over another. We explore each of these approaches in turn.

Cumulative approach

The cumulative approach assumes that a person who is poor on all three dimensions is more likely to be poor than a person poor on only one of the dimensions. Also that being poor on two is more likely to be in poverty than being poor on one, and less likely than being poor on three. The more components that define a person as poor the more likely they are to be in poverty. Following these assumptions, deprivation poverty, subjective poverty, and having a low income can be treated as ordinal dimensions.

One argument in support of this approach is that we cannot rely on a single measure if we are in search of poverty. To do so is to rely too much on the reliability and validity of the measure (such as the income after housing costs issue discussed above). Using three measures avoids being misled by such errors.

Another argument is that the results are not only more reliable, but poverty found by more than one dimension is also more severe. For example having a poverty income is worse, if you also do not have the assets (to fall back on) and even worse if you also feel poor. Or if you lack necessities but do not feel poor, is that as a bad as lacking (the same) necessities and feeling poor?

There is no *a priori* way of deciding which approach is best. However, we attempt a tentative exploration using two sets of criteria.

First, we examine the characteristics of the poor as measured using each of the single dimensions and the cumulative dimension and compare those characteristics with the non-poor. The purpose is to discover whether the cumulative dimension is better than the single dimensions at differentiating between the poor and non-poor. This is tackled in Table 9.4.

The first thing to note in Table 9.4 is that each of the poverty dimensions produces a poverty population with different

TABLE 9.4: *Who are the poor?*

	Necessities poor *N=264*	Subjective poor *N=261*	Low income poor *N=260*	Poor on all 3 dimensions *N=69*	Poor on 0 (not poor) *N=802*
Gender					
Male	41**	42**	37***	32**	52*
Female	59	58	63	68	48
Family type					
Single	21***	22***	31***	25***	14***
Couple no children	21	24	26	16	36
Couple with children	26	25	16	20	26
Lone parent	13	12	13	26	2
Other	19	17	15	13	23
Number of children in household					
0	53***	62***	66	50	72*
1	18	19	14	22	11
2	15	11	12	15	13
3+	14	8	8	13	5
Household Employment Status					
Workers	51***	44***	31***	24***	77***
No workers	33	35	33	62	6
Retired	17	21	36	15	17

*Note: * < 0.05 ** < 0.01; *** < 0.001 (significance level of chi square each group against the rest)*

characteristics. For example, 36 per cent of the low income poor are retired compared to 17 per cent of the necessities poor. In contrast, 25 per cent of the subjectively poor are couples with children compared with only 16 per cent of low-income poor.

The characteristics of the non-poor are found in the right hand column of the table. In general those who are cumulatively poor on all three of the dimensions are a group whose characteristics are more unlike the non-poor than any of the single dimension groups.

The cumulative group are more likely than the other poverty groups to be women, lone parents, large families and to have no workers.

Second, we consider how social exclusion is associated with each of the dimensions of poverty. Social exclusion was operationalised in three ways in the PSE survey: as exclusion from the labour market; as exclusion from services; and as exclusion from social relations. For the purposes of this analysis we have reduced the complexity of the PSE indicators of social exclusion to eight dimensions. It can be seen in Table 9.5 that the cumulatively poor are more likely than the other poor groups and the non poor to be labour market excluded, lacking two or more services, unable to participate in three or more activities, and be confined (by fear of going out). However, they are no more likely than the necessities poor to have no daily contact with family or friends or be disengaged. They are less likely than the non-poor to lack support in four areas, indeed the highest proportion is found among the non-poor. We conclude from these results that the cumulative method has something going for it. Those who are defined as poor on all three of the dimensions are different from those defined as poor on only one of the dimensions and they are also more unlike those who are not poor.

Merit arguments

But let us turn to consider the arguments based on merit – that one poverty dimension has more merit than another. There are good reasons to think that this might be true for technical reasons. For example it is possible to build a strong assault on the reliability of income measures – household income is subject to unreliable recall, is out of date, fluctuates, equivalence scales are highly contestable, the 60 per cent of median threshold is totally arbitrary, income assumes equal distribution within the household, and so on.

But one measure of poverty might have more merit for more substantive reasons. Take some examples:

- Can a person be defined as poor if s/he does not feel poor? Feeling poor may be a necessary condition if not a sufficient condition, so anyone who is core poor may have to be poor on the subjective dimension.

- Lacking four socially perceived necessities is a direct indicator of poverty, whereas having a low income is (merely) an indirect measure.

- Current income poverty is not a strong enough indicator of actual deprivation, because of the transitions discussed above.

TABLE 9.5: *Poor by various dimensions and social exclusion*

	Necessities Poor	Subjective poor	Low income poor	Poor on all three dimensions	Not poor (not poor)
Labour market excluded %	31	33	30	60	4
Service excluded					
Lacking two or more Services %	46	37	32	50	19
Exclusion from					
Social relations					
Unable to Participate in three Or more activities %	81	56	40	84	6
No contact with Family or friends Daily %	13	12	10	13	12
Lack of support in Four areas %	19	20	21	15	23
Disengaged from all Activities %	22	17	18	19	8
Confined %	75	60	43	77	17

TABLE 9.6: *Poverty rates by permutations of dimensions*

Group Number	Necessities poor	Subjectively poor	Low income poor	Poverty rate
1	yes	yes	yes	5.6
2	yes	yes	no	5.5
3	yes	no	no	4.0
4	no	yes	yes	3.4
5	no	no	yes	7.7
6	no	yes	no	5.0
7	yes	no	yes	1.8
8	no	no	no	67.0

TABLE 9.7: *Characteristics of the poor*

	Necessities & subjective poor *N=67*	Necessities & income poor *N=90*	Subjective poor +1 *N=260*	Poor on all 3 dimensions *N=69*	Poor on 0 (not poor) *N=802*
Gender					
Male	37*	34*	35***	32**	52*
Female	63	66	65	68	48
Family type					
Single	13	26***	22***	25***	14***
Couple no children	27	17	25	16	36
Couple with children	36	20	24	20	26
Lone parent	9	25	16	26	2
Other	15	12	13	13	23
Number of children in household					
0	51***	52	57***	50	72*
1	30	19	23	22	11
2	13	17	12	15	13
3+	6	12	9	13	5
Household Employment Status					
Workers	69	26***	42***	24***	77***
No workers	19	56	39	62	6
Retired	12	19	20	15	17

*Note: * < 0.05 ** < 0.01; *** < 0.001 (significance level of chi square each group against the rest)*

Again there appears to be a good deal to be said for some of these arguments. But how are policy makers to decide which permutation is poverty. Table 9.6 presents all possible permutations in a matrix with the proportions against each permutation. The largest groups (apart from the non poor) are the income poor but not poor on any of the other dimensions (7.7 per cent), the poor on all dimensions (5.6 per cent), the necessities and subjectively poor (5.5 per cent) and the subjectively poor but not poor on any other dimension (5.0 per cent).

Which of these permutations are most likely to be in poverty? We explored the following three permutations:

1. Given the problems with income discussed above we take Group 2 – those who are not poor on income but are poor on lack of necessities and subjectively = 5.5 per cent.

2. Given the problem of false consciousness we take those who are necessities poor and are income poor but not necessarily subjectively poor. Groups 1 and 7 = 7.4 per cent.

3. Following the logic of subjective poverty being a necessary but not sufficient condition we include all permutation cases feeling poor, if they are also poor on one other measure. Groups 1, 2 and 4 = 14.5 per cent.

It can be seen in Table 9.7 that the characteristics of the poor defined by our three selected merit groups are in general not as different from the non poor as the cumulatively poor. The cumulative group are more likely than the other poor groups to be female, lone parents, large families and to have no one employed.

TABLE 9.8: *Poor by various dimensions and social*

	Necessities & subjective poor	Necessities & income poor	Subjective poor +1	Poor on all 3 dimensions	Not Poor (poor on 0)
Labour market excluded %	18	54	37	60	4
Service excluded					
Lacking two or more Services %	40	47	43	50	19
Exclusion from Social relations					
Unable to Participate in three Or more activities %	84	81	71	84	6
No contact with Family or friends Daily %	8	12	9	13	12
Lack of support in Four areas %	15	18	15	15	23
Disengaged from all Activities %	24	20	19	19	8
Confined %	79	71	67	77	17

*Note: * < 0.05 ** < 0.01; *** < 0.001 (significance level of chi square each group against the rest)*

On the social exclusion dimensions in Table 9.8 the cumulative poor group is more likely to be labour market excluded, to be lacking two or more services and to have no contact with family and friends – than the merit groups. They are just as likely as the necessities/subjective poor to be unable to participate in three or more activities, to lack support in four or more areas and to be confined. They are less likely than the merit poor to be disengaged.

Conclusion

In this article we have explored the overlap between three dimensions of poverty. We have found that there is strikingly little overlap in the group of people defined as poor by three dimensions that are generally used to measure poverty. There are reasons for

this lack of overlap, connected to the reliability and validity of the different measures. However the people who are defined as living in poverty by different measures of poverty are different. This inevitably means that the policy response to poverty will be different depending on which measure is employed. For example in Table 9.4 we see that the cumulatively poor are more likely than the income poor to be females, lone parents and people not in the work force. The cumulatively poor are less likely to be retirement pensioners.

In the face of the evidence of this lack of overlap of poverty dimensions, policy makers may well ask the research community to identify who are the real poor. We have approached an answer to this question by analysing overlap in two ways. First by exploring the accumulation of dimensions of poverty, we have found that the more dimensions that people are poor on, the more unlike the non poor and the poor on only one dimension they are – in their characteristics and in their social exclusion. Second by treating particular dimensions as meriting more attention than others, we explored three permutations of this type and concluded that while they were more unlike the non-poor than those poor on a single dimension they were not as unlike the non-poor as the cumulatively poor were. These results indicate that the cumulatively poor might be a more reliable way of identifying those who are poor, as well as possibly discriminating between the poor and the very poor.

In the UK the *Opportunities for All* reports are employing a variety of measures to monitor the success of the Government's anti poverty strategy – but not as they apply to the same household. Following the conclusion of the consultation on *Measuring Poverty* (DWP 2002c), there may be efforts to combine low income and material deprivation, but including a subjective measure was not considered an option.

At present it is impossible to use the overlapping measures we have used here with the data sets routinely produced in the UK or internationally. The main data set used to estimate poverty rates

in the UK, the Family Resources Survey, only covers the income poverty explored here, though there is some data on access to consumer goods. The result of this is that the Household Below Average Income Statistics are relying entirely on a headline measure based on income poverty that has limitations in both reliability and validity. The FRS could be adapted to include the lack of socially perceived necessities and subjective dimensions that were included in the PSE Survey. So could the other key national data sets, such as the British Household Panel Survey or the Scottish Household Panel. The Survey of Income and Living Conditions (SILC), the successor to the European Community Household Panel Survey, could also incorporate these dimensions. Future studies of poverty and of the extent to which poverty is being relieved should present results using a combination of measures. Triangulating results is a more secure basis for drawing conclusions than using single dimensions.

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10

How has the notion of Social Exclusion developed?*

Introduction

Is there any purpose to be served by introducing the notion of social exclusion into the Australian social policy discourse? This paper is a reflection on the development of the idea of social exclusion in European and particularly British discourses. I ask the question because, at least on the basis of a fairly casual search of Australian literature[1], it does not appear to have been incorporated into official Australian discussions. For example, there is no mention of social exclusion in the remit of the Australian Senate Inquiry into Poverty. There are some mentions in the academic literature. For example Jones and Smyth (1999)[2] in *Just Policy,* published by the Victoria Council of Social Service in 1999, undertook a (very good) review that covers some of the same ground as my paper. It is generally positive about the notion of social exclusion – arguing that it broadens the analysis of poverty; provides an

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* Bradshaw, J. (2004) 'How has the notion of social exclusion developed in the European discourse', *The Economic and Labour Relations Review*, 14, 2 168-186.

1 Kindly undertaken on my behalf by Laura Adelman, a visiting fellow from the UK at SPRC.

2 Jones, A. and Smyth, P. (1999) Social Exclusion: A New Framework for Social Policy Analysis? *Just Policy*, 17, December.

additional concept on the basis of which claims can be made; it helps to understand the particularities of difference; highlights the spatial dimension; and is suited to cross national comparisons. I understand that AIFS have a large body of work on social capital; the theme of this conference is social inclusion and there are many papers with social exclusion in the title. So I cannot claim that the notion is entirely absent in the Australian literature – just much less than in the policy and research literature of Britain and Europe.

I wonder why social exclusion may have been neglected in Australia. Micklewright (2002)[3] attempted to proselytise social exclusion to the US, having found that in a search of the American literature social exclusion was entirely absent. In a paper that he gave at a conference at Columbia University, New York in 2001 on the *Social Exclusion of Children* he argued that "social exclusion's emphasis on *process* seems useful .... The headings suggested by Atkinson – *dynamics, relativity* and *agency* – offer a good route forward..... The US literature on child well-being is good on dynamics but less so on relativity and, arguably, agency" p120/1. Micklewright (tells me) believes that his mission was a failure. Gornick (2002)[4] explains this failure in terms of the political culture of the US: diversity; economic insecurity; unorganised labour; a decentralised state, mixed with values of individualism; autonomy; self reliance; and the promise of mobility. All these mesh badly with the relativity, external causation and long-term condition implied by social exclusion. Also the European paradigms of social solidarity and positive social rights are not embedded in American political culture.

3 Micklewright, J. (2002) A European View of the U.S. Debate in Kahn, AJ. and Kamerman, SB. (eds) *Beyond Child Poverty: The Social Exclusion of Children*, The Institute for Child and Family Policy, Columbia University.

4 Gornick, J. (2002) "Social Exclusion" and American Political Culture in Kahn, AJ. and Kamerman, SB. (eds) *Beyond Child Poverty: The Social Exclusion of Children*, The Institute for Child and Family Policy, Columbia University.

The question that arises from this is – is this also an explanation for the relative absence of social exclusion in the Australian discourse? On balance I would expect not. Australia is certainly diverse (multi-cultural) and a federal state. But insecurity is not as prevalent as in the US, labour is more organised and, though self-reliance (the battling aussie) is a traditional virtue, surely values of social solidarity are more firmly embedded in the notion of 'fair dos' and your wage arbitration system? What do you think?

Poverty and social exclusion

The concept of poverty has had many alternative representations or even synonyms: lack of physical necessities; minimum subsistence; relative deprivation; transmitted deprivation; a culture; the underclass. It became 'low income' during the Tory years in Britain when poverty was denied and the P word was expunged from official documents. In that context when the French concept of Exclusion Sociale crossed the channel and began to be used in British discussions, some of us were very suspicious. Our general paranoia was provoked by the book by Levitas (1998)[5], which drew attention to the political and ideological baggage that the concept of social exclusion had picked up. She famously distinguished between MUD – the moral underclass discourse of social exclusion where the individual's behaviour was blamed for his/her plight, and education, social work, and a framework that enhanced incentives and responsibilities was the solution. This was contrasted with SID – the social integrationist New Labour/Third Way discourse where rights as well as responsibilities were given equal sway, but the solution to social exclusion was employment and education. Then there was the old left RED – redistributive egalitarian discourse, where social exclusion was the result of structural factors and policies involving redistributive taxation and public expenditure the solution.

5 Levitas, R. (1998), The Inclusive Society, London: Macmillan

In Britain SID defeated MUD and came to power with the election of the Labour Government in 1997. SID decided that in order to win the election they would stick to Tory spending plans for two years and there would be no increase in direct taxation during the first term. RED was vanquished. Poverty and inequality continued to rise. And SID was active in declarations of "work for those who can, welfare for those who can't", "hand up not hand outs".

In some of the academic discourse, social exclusion was being advocated as an enriching construction of poverty. Room (1995)[6] argued for example that social exclusion was better than poverty in the following respects.

It expanded poverty from income/expenditure to multi-dimensional disadvantage

- from a moment in time to a dynamic analysis
- from the individual or household to the local community in a spatial dimension

The REDS argued that most social understandings of poverty encompassed these elements and to claim them for social exclusion was merely to misunderstand, for example, Townsend's conception of relative poverty. Does not his classic definition include it all?

> "Individuals, families and groups in the population can be said to be in poverty when they lack the resources to obtain the types of diet, participate in the activities and have the living conditions which are customary, or at least widely encouraged or approved, in societies to which they belong. Their resources are so seriously below those commanded by the average family or individual that they are in effect excluded from ordinary living patterns, customs and activities". (Townsend 1979)[7].

6 Room G. (Ed.) (1995), *Beyond the Threshold: The Measurement and Analysis of Social Exclusion*, Bristol: Policy Press

7 Townsend P. (1979), *Poverty in the United Kingdom*, London: Allen Lane and Penguin Books

Certainly Townsend defined resources very broadly and his use of the word group could imply the community and spatial element. Although there is no mention of time, efforts have been made to explore the dynamics of poverty since longitudinal data sets have become available.[8]

Social Exclusion Unit

Tony Blair established the Social Exclusion Unit (SEU) in the Cabinet Office[9] in 1997. It was a policy unit with a brief to tackle socially excluded people and places, and it defined social exclusion as

> 'a combination of linked problems such as unemployment, low skills, poor housing, family breakdown, high crime rates that lead people or places to be excluded from the mainstream'.

This definition tended to confirm RED suspicions that poverty was to be defined as an exceptional experience and not one requiring major structural redistribution.

The SEU was staffed by civil servants and practitioners and people from voluntary organisations and business with experience of tackling social exclusion. The SEU had an integrating function bringing people from different departments to work together on a common problem. They reviewed the evidence about the problems, analysed what works, made recommendations about solutions, and an implementation team then followed up to ensure that the recommendations were implemented.

They were set to work on specific topics: rough sleepers; teenage pregnancy; school exclusions; young people not in education or employment; neighbourhood renewal. Worthy, serious topics, but at the margins of the subject – the REDs thought.

8 See for example Bradbury, B., Jenkins, S. and Micklewright, J. (2001) (eds) *The dynamics of child poverty in industrialised countries*, Cambridge

9 It is now in the Office of the Deputy Prime-Minister

The Volte Face

For a time I shared many of the RED views about social exclusion and played a part in defending poverty against the invasion of social exclusionary ideas. However I have now come round to the view that social exclusion is here (in Britain perhaps especially) to stay and I want to spend the rest of this paper trying to justify this change of heart to myself. In the process it might also indicate why it might be useful in Australia.

SID became REDder

The SID rhetoric of New Labour has been moderated. They introduced for the first time in Britain a National Minimum Wage then out of the blue in a speech at Toynbee Hall in the (poor) East End of London where Beveridge, Atlee, Titmuss and Townsend had worked, the Prime Minister declared that the Government would 'eradicate child poverty within a generation'. Subsequently, the Treasury set out further objectives: to eradicate child poverty by 2020, to halve it by 2010; and 'to make substantial progress towards eliminating child poverty by reducing the number of children in poverty by at least a quarter by 2004'.[10] The wording of the target has now been slightly altered 'To reduce the number of children in low-income households by at least a quarter by 2004 as a contribution towards the broader target of halving child poverty by 2010 and eradicating it by 2020....The target for 2004 will be monitored by reference to the number of children in low-income households by 2004/5. Low-income households are defined as households with income below 60% of the median as reported in the HBAI statistics... Progress will be measured against the 1998/9 baseline figures and methodology'.[11]

10 HM Treasury, *Spending Review 2002: Public Service Agreements 2001-2004, Cm 4808*, London: The Stationery Office, 2000.

11 HM Treasury, '*Technical Note for HM Treasury's Public Service Agreement 2003-2006*', London, 2002.

This was poverty not social exclusion. The target (at least for the first five years) was a relative one – the number of children living in families with incomes below 60 per cent of median income. The Government also committed itself to bearing down on pensioner poverty – though the target was more vague. In 2000 substantial real increases were made in both in-work and out-of-work benefits for families with children and in the 2001 budget very substantial real increases were made in both the basic state contributory pension and the Minimum Income Guarantee for pensioners. In April 2003 a new system of child tax credits and working tax credits began operating. The Government has introduced monitoring of their progress towards meeting these targets with the publication of the annual *Opportunity for All* reports (and similar reports in Scotland, Wales and Northern Ireland) which contain an array of indicators covering children, working age people and pensioners. There still has been no increase (indeed a cut) in income tax rates but National Insurance contributions were raised in 2003 and the revenue has been used to fund substantial increases in public expenditure on services. So the treatment is right though the dose could be stronger.

The Government has been blessed with (and partly responsible for) an excellent performance of the economy. Employment is at record levels. Male and female unemployment is at a 25-year record low. Interest rates are very low and falling and prices are stable.

The proportion of children and older people living in poverty has at last begun to fall and the Government could/should meet its first five-year target for child poverty. They would have done much better if inequalities in market income had not widened and resulted in them having to chase a moving target. The realisation of this problem with the relative income target has led them to set up a consultative review of poverty measures.

About one third of government spending is on services and they are thus an important element in the attack on social exclusion.

In 2002 the Government announced the results of the spending review,[12] which covered expenditure in the three-year period 2003/4 to 2005/6. In the Labour Government's first term in office, spending on services was constrained by the commitment to stick to the previous administration's spending plans and then by the constraints of the commitment not to increase income tax rates. Spending on health and education grew in real terms but fell as a proportion of GDP up to 2001. The new spending plans envisage an overall increase of 3.3 per cent per year in real terms over the period and public expenditure as a proportion of GDP will rise from 39.9 per cent in 2002/03 to 41.9 percent in 2005/6. This increase in spending is concentrated on education (7.7 per cent growth), health (7.3 per cent growth), transport (12.1 per cent growth). Between 2000/1 and 2005/6, educational spending will rise from 4.6 per to 5.6 per cent of GDP. By 2007/8, it is envisaged that UK health spending will reach 9.4 per cent of GDP – above the current EU average of 8 per cent. Among the many other measures that the Government has introduced have been a childcare strategy, a neighbourhood strategy, Surestart for early years children in deprived areas and cash subsidies for children to stay on at school.

There is no doubt that elements embedded in the expenditure plans are part of an assault on social exclusion. Measures of poverty or social exclusion do not usually take into account access to high quality service provision, either public or private, and there is actually very little analysis in the UK of the overall distributional impact of this expenditure on services. Lakin (2003)[13] provides an indicative analysis of how spending on some services effect the overall distribution. A more sophisticated analysis has recently been produced by Sefton (2002).[14] He compared spending between

12 HM Treasury, *Opportunity and Security for All*, 2002. See also for Scotland Scottish Executive, *Closing the Opportunity Gap: the Scottish Budget for 2003-2006*, Edinburgh: Scottish Executive, Social Inclusion Division, 2002.

13 Lakin, C., *The effects of taxes and benefits on household income, 2001-02*, London: Office for National Statistics, 2003.

14 Sefton, T., *Recent changes in the distribution of the social wage*, CASEpaper 62, London: Centre for Analysis of Social Exclusion, STICERD, London School of Economics, 2002.

1996/97 and 2000/01 on health, personal social services, housing and education. He concluded that poorer households receive a greater share of benefits in kind from welfare services than richer households and that the 'pro poor' bias in spending has been rising gradually over the long term. Since 1996/97, spending on welfare services has grown faster than in the past and there has been an incremental shift in favour of lower income groups, even after controlling for demographic effects. Between 1996/97 and 2000/01, the bottom quintile's share of the social wage increased, while that of the top quintile fell. However, not all service expenditure has a pro poor distributional effect. Differential rates of participation in post-compulsory schooling and higher education, under-utilisation of health and personal social services by lower income groups and the fact that poor people do not live as long – are all factors that favour higher income groups.

This kind of analysis is important because it raises questions about the extent to which central government aspirations to target social exclusion are 'mainstreamed' or represented in the spending priorities of separate Ministries at government level and by local authorities.

The Social Exclusion Unit began to extend our appreciation of poverty

Research on poverty has always been concerned with a lack of resources beyond merely income. Thus there is a literature on fuel poverty, food poverty and of course the whole area of access and affordability of housing. However, in its concern with social exclusion the SEU has begun to take us into poverty areas that have not previously been seriously investigated. For example transport and social exclusion have recently been the subject of an excellent Social Exclusion Unit report, which included a review of the evidence.[15] Transport is relevant to social exclusion because

15 Social Exclusion Unit, *Making the Connections: Transport and social exclusion*, SEU, 2003.

those without access to a car have difficulty accessing employment, education, health and other services, food shops, sporting leisure and cultural activities. People without cars mainly rely on buses. Poor people face physical barriers in accessing buses. In addition, there are problems of frequency, reliability, coverage and cost – bus fares have risen by 30 per cent in the last 20 years and are some of the highest in the EU. Spending on bus route subsidies has fallen by two-thirds since 1985. Overall transport spending is highly regressive, with better-off road and rail users receiving much more of the benefit of subsidies than worse-off bus users. The SEU report estimated that the lowest income quintile will gain 12 per cent of the total spend of the Government's recent 10 Year Transport Plan, while the highest quintile will gain 38 per cent.

The Social Exclusion Unit indicated recently that it wishes to share its learning from experience so far; and that it wants to examine how government policies act together against social exclusion and what the potential drivers of social exclusion might be in the future.[16] If these goals are pursued, this would be a real opportunity for consolidation of recent experience. They are also planning two new investigations of the links between poverty and mental illness and high unemployment areas.

Dissatisfaction with income poverty

As a result of lessons learned in undertaking the Poverty and Social Exclusion Survey (PSE) survey and in comparative work, I have become increasingly dissatisfied with the reliability and validity of income based measures of poverty. To put the problem briefly:

- income has always been an indirect measure of poverty,
- it has been subject to problems of recall in answer to survey questions,
- it has been volatile,

16 Social Exclusion Unit conference, 5 March 2003.

- it is not a good measure of command over resources – ignoring dissavings and borrowings.

The equivalence scales that we have to use to adjust income to household needs lack any basis in science or evidence on relative needs. In recent years, for no good reason, poverty researchers and organisations such as the EU have switched from using the OECD equivalence scale (1.0 for the first adult, 0.7 for the second and 0.5 for each child) to the modified OECD equivalence scale (1.0 for the first adult, 0.5 for the second and 0.3 for each child). Because this makes little difference to overall poverty rates, few have noticed that it transforms the composition of the poor – increasing the proportion of the poor made up of older people and reducing the proportion of children.

- Thus a change in equivalisation may result in a change in the poverty agenda.

- The threshold below which people are defined as poor has also shifted and remains entirely arbitrary. The EU decided to adopt 60 per cent of the median because they found that too many of those below 50 per cent of the median were students, the self employed and farmers!

- The threshold is influenced by the distribution of income and how it is changing and in comparative research this tends to show poorer more equal states have lower poverty rates than richer, more unequal states. Thus 12 per cent are poor in Luxembourg and 22 per cent in Portugal using national thresholds but using EU thresholds 2 per cent are poor in Luxembourg and 47 per cent poor in Portugal. In Slovakia 8 per cent are poor on a national threshold and 80 per cent on a European threshold. This problem of the threshold is going to become much more important as the boundaries of the EU expand eastward.

- We tend to take too little account of poverty gaps. Is it better to have many a little way below the poverty line than a few a long way below?

- Sometimes we take account of housing costs and sometimes we do not and it makes a big difference to the size and composition of the poor and in comparative research it is actually very difficult to deal with consistently.

- Then there is the unit of analysis problem – we tend to assume equal distribution within households.

- We tend to explore cross-sectional poverty rates and not spells and episodes.

All these problems with income poverty measures led us[17] to explore the relationship between income poverty and other measures.

Deprivation is represented here by a lack of socially perceived necessities**.** This is based on the social indicator methodology pioneered by Townsend (1979)[18] and developed especially by Mack and Lansley (1993)[19] and Gordon and Pantazis (1997)[20]. For the PSE survey we[21] developed a new and more elaborate index than previously (including a separate index for children). We established the proportion of the general population who considered an item was a necessity using questions in the Office of National Statistics Omnibus Survey that preceded the PSE survey.

17 Bradshaw, J. and Finch, N. (2003) Overlaps in Dimensions of Poverty, *Jnl Soc. Pol.*, 32, 4, 513-525.

18 Townsend P. (1979), *Poverty in the United Kingdom*, London: Allen Lane and Penguin Books.

19 Mack J. and Lansley S. (1985), *Poor Britain*, London: Allen and Unwin.

20 Gordon D. and Pantazis C. (1997), *Breadline Britain in the 1990s*, Ashgate: Aldershot.

21 Gordon, D. et al (2000) *Poverty and Social Exclusion in Britain*, York: Joseph Rowntree Foundation.

Only items and activities that 50 per cent or more of the general population considered were necessities were included in the index. In this analysis I have counted the proportion of households lacking four or more adult necessities because they cannot afford them as necessities poor. The choice of four items as the threshold was made in order to match as far as possible the proportion defined as poor by the other two measures.

Subjective poverty: Those who say that they feel poor represent subjective poverty here. In the PSE survey we used three sets of questions to measure subjective poverty, including an attempt to operationalise the *Absolute* and *Overall* notions of poverty adopted by the UN World Summit on Social Development in Copenhagen in 1995 (UN 1995). But here we use the results obtained from the following questions.

> *How many pounds a week, after tax, do you think are necessary to keep a household such as the one you live in, out of poverty?*
>
> *How far above or below that level would you say your household is?*
>
> - *A lot above that level of income*
> - *A little above*
> - *About the same*
> - *A little below*
> - *A lot below that level of income*
> - *Don't know*

Those a little or a lot below the level of income were defined as subjectively poor.

Income poverty is represented here by the measure that has become in the UK (DWP 2002a)[22] and the EU (Atkinson et al 2002)[23] the conventional measure of relative poverty – those households with net equivalent household income less than 60 per cent of the

median. In this case the measure is before housing costs, on the grounds that an after housing costs measure cannot be derived from the General Household Survey. The PSE survey employed a variety of equivalence scales, including one created especially, based on budget standards research. But for this paper we have used the modified OECD scale that is now adopted in most comparative work (Atkinson et al 2002)[24].

Table 10.1 shows the proportion of the sample defined as poor by each of the dimensions. This proportion is fairly similar – between 17 and 20 percent.

TABLE 10.1: *Poverty rate by each measure of poverty*

Poverty Measure	**% poor**
Deprivation (lacking 4+ socially perceived necessities)	17.2
Subjective Poverty (subjective measure)	19.6
Income Poverty (equivalent income before housing costs less than 60% median)	18.8

However, it can be seen in Table 10.2 that while 33 per cent are poor on at least one dimension, only 5.7 per cent are poor on all three measures simultaneously. These results indicate a considerable lack of overlap between measures that have been, and still are, used to represent poverty. If the measures were completely uncorrelated one would expect to obtain a distribution that is quite close to the one obtained. The actual and predicted proportions are given in the table.

22 Department of Work and Pensions (2002) *Households below average income 1994/95-2000/01*, Leeds: Corporate Document\Services.

23 Atkinson, T., Cantillon, B., Marlier, E. and Nolan, B. (2002) *Social Indicators: the EU and Social Inclusion*, Oxford University Press.

24 ibid

TABLE 10.2: *Number of measures on which respondents are poor*

	% poor	
	Actual	**Expected**
Poor on at least one	32.9	32.9
Poor on a least two	16.1	10.9
Poor on at least three	5.7	3.6

Note: Expected under hypothesis of no correlation between variables

Social Exclusion has begun to be operationalised in empirical research

For a long time the literature on social exclusion was largely theoretical and concerned with defining what it was and whether it was any different from poverty. Researchers have now begun to build on that literature and seek to operationalise it in comparative research. Thus Burchardt, Le Grand and Piachaud[25] and colleagues developed an index of social exclusion from (and constrained by) the questions asked in the British Household Panel Survey. Their definition is 'An individual is socially excluded if he or she does not participate in key activities of the society in which he or she lives'. They then identified four activities:

> **consumption**: the capacity to purchase goods and services;
>
> **production**: participation in economically or socially valuable activities;
>
> **political engagement**: involvement in local or national decision-making;
>
> **social interaction**: integration with family, friends and the community.

They then selected indicators of each dimension and counted the proportion of the population excluded.

25 Burchardt, T., Le Grand, J. and Piachaud, D. (2002) Degrees of exclusion: Developing a dynamic, multidimensional measure, in Hills, J et al (eds) *Understanding Social Exclusion*, Oxford UP.

TABLE 10.3: *Exclusion on multiple dimensions, Wave 7 BHPS*

Number of dimensions on which excluded	% of working age population
0	57.5
1	**30.1**
2	10.0
3	2.3
4	0.1
All	100

Source: Burchardt et al (2002) p 35.

Burchardt et al had to rely on data already collected. For the Poverty and Social Exclusion Survey we[26] could structure a questionnaire to measure social exclusion. We distinguished between four dimensions of social exclusion: impoverishment or exclusion from adequate income or resources; labour market exclusion; service exclusion; and exclusion from social relations. The first of these was represented by the conventional income threshold.

Exclusion from the labour market

Attachment to the labour market is held to be important for individuals not just because it is seen as a route to an adequate income but because it is an important arena for social contact and social interaction. An individual living in a jobless household may as a result be living in poverty, be service excluded and excluded from social relations. Jobless households are households where there is no one in employment (or self employment), including both those who are retired, and those of working age. In the PSE survey 21 percent were retired households (11 per cent of who were 55-64), 13 per cent were jobless households and the rest 66 per cent had employed persons in the household. The very high proportion of the population who are inactive should lead us to be cautious about treating labour market inactivity in itself as social exclusion. If we exclude retired persons of pensionable age or student households 11 percent of households are labour market excluded.

26 Gordon, D. et al (2000) *Poverty and Social Exclusion in Britain*, York: Joseph Rowntree Foundation.

Service excluded

One aspect of social exclusion is lack of access to basic services, whether in the home (such as power and water supplies) or outside it (such as transport, shopping facilities and financial services). We asked about disconnections of water, gas, electricity and telephone and whether people had restricted their use of these services because of cost. Five per cent had experienced disconnection from one or more services and 11 per cent had used less than they needed because they were unable to afford them. Then respondents were asked about a range of public and private services outside the home and identified whether they did not use them because they were unavailable, they could not afford to or because they did not want to. We then counted the number of private and public services that households lacked because they were unaffordable or unavailable and found that 24 per cent lacked two or more and 13 per cent lacked three or more.

It was decided not to include the disconnected and restricted use of utilities indicators on the grounds that the questions asked about whether they had *ever* done this rather than about now or recently. So one indicator of service exclusion was produced – those lacking three or more services (13 per cent).

Exclusion from social relations

A unique feature of the PSE survey is that it seeks direct information about social relations and social participation. It examines exclusion from social relations through: non-participation in common social activities generally regarded as socially necessary; isolation; lack of support; disengagement; and confinement. The measures for each of these will be discussed in turn.

Non-participation in common social activities

These are the activities (i.e. not the assets) in the list of socially perceived necessities. Of these common social activities from which people are excluded on grounds of cost (and here we have also

included those that less than 50 percent of the population consider necessities), 63 per cent lacked none, 11 per cent lacked one, 7 per cent lacked two and 20 per cent lacked three or more. We used three or more as a threshold.

Isolation

This measure was derived from questions about the frequency with which respondents spoke to a particular family member outside their household or friend with whom they are in daily contact, including both face to face and telephone contact. As elsewhere, there is a judgement to be made about the appropriate threshold for this analysis but we chose people who say that they do not have contact with family or friends daily (12 per cent).

Perceived lack of support

One indication of the existence of functioning social relationships and networks is the amount of practical and emotional support potentially available to individuals in times of need. Respondents were asked how much support they would expect to get in seven situations, including support from members of the household, other family and friends and any other means of support. Four items related to practical support: help needed around the home when in bed with flu; help with heavy household or gardening jobs; help with caring responsibilities for children or elderly or disabled adults; someone to look after the home or possessions when away. Three related to emotional support: needing support about important life changes; someone to talk to if depressed; and someone to talk to about problems with spouse/partner. Out of the whole sample 54 percent had support in all seven circumstances, 23 per cent lacked support in at least four out of seven areas and nearly 2 per cent lacked support in all areas. We used four or more.

Disengagement

Lack of civic engagement is sometimes deemed to be an important aspect of social exclusion. Respondents were asked which of a

list of activities they had done in the last three years and whether they were actively involved in any of a comprehensive range of organisations. We found that 10 per cent were disengaged from all activities and that 28 per cent were disengaged or only voted. We used the totally disengaged.

Confinement

Participation in social activities and social contact beyond the household depends on being able to get out and about. People who are not able to move freely may be effectively excluded from full social participation. We asked people to identify the factors reducing participation in common social activities. The most important factor was 'can't afford to' (47 per cent), next was 'not interested' (44 per cent), then there was a range of other reasons. We excluded those who were 'not interested' and identified the rest as confined for reasons outside their control – 29 per cent.

Another form of confinement is personal safety and 30 per cent of the sample report feeling unsafe walking alone after dark. Table 10.4 summarises the results obtained from these elements of social exclusion.

TABLE 10.4: *Proportion of the PSE sample socially excluded*

Component of social exclusion	**% socially excluded**
Labour market excluded	11
Service excluded	
Lacking three or more services	13
Exclusion from social relations	
Unable to participate in three or more activities	20
No contact with family or friends daily	12
Lack of support in four areas	23
Disengaged for all activities except voting	10
Confined	29

In both the Burchardt measure and the PSE measure, income poverty is treated as a dimension of social exclusion. But it is possible to compare the proportions of those socially excluded[27] on other dimensions according to other measures of poverty in table 10.5. It can be seen that the proportion of the excluded that are also poor varies with the poverty definition. In general the socially excluded are more likely to be necessities poor than income or subjectively poor but this is partly a function of the fact that a greater proportion of the sample are necessities poor. Labour market exclusion, inability to participate in three or more activities and being confined are the elements of social exclusion most associated with the poverty measures.

TABLE 10.5: *Proportion of socially excluded who are poor*

Component of social exclusion	Income poor	Necessities poor	Subjectively poor
Labour market excluded	53	65	51
Service excluded			
Lacking three or more services	26	40	31
Exclusion from social relations			
Unable to participate in three or more activities	37	76	54
No contact with family or friends daily	13	20	19
Lack of support in four areas	18	23	17
Disengaged from all activities	30	43	31
Disengaged for all activities except voting	26	35	27
Confined	28	56	41
Confined because of fear	25	31	26
All	19	26	20

Table 10.6 shows the proportion of the poor who are socially excluded.

27 We use socially excluded from here onwards to indicate that they fall below one of the thresholds of the indicators of social exclusion. It is acknowledged that this begs the question whether falling below one or more elements constitutes social exclusion and whether all the elements indicate social exclusion.

In most elements of social exclusion (and for all measures of poverty) the socially excluded are more likely than average to be poor. The exceptions are the isolated and those who lack support, who are no more likely to be poor by all measures. This is an interesting finding – it may be because paid work (and long hours at work) may be an obstacle to forming social relations at least in the home environment. It is also interesting that those poor on all three dimensions of poverty are more likely to be socially excluded than those poor on one dimension – again with the exception of those that lack contact and support

TABLE 10.6: *Poor by various dimensions and social exclusion*

	Necessities poor	Subjectively poor	Low income poor	Poor on all three dimensions	Not poor (poor on 0)
Labour market excluded %	30	32	30	61	4
Service excluded					
Lacking two or more services %	46	37	33	46	18
Exclusion from social relations					
Unable to participate in three or more activities %	81	56	40	78	7
No contact with family or friends daily %	13	12	9	9	12
Lack of support in four areas %	19	20	23	16	24
Disengaged from all activities %	22	17	18	19	7
Confined %	45	60	44	72	17

Using these elements of social exclusion, we created an index which counts how many classes (labour market/service excluded/social relations excluded) that the respondents experience – maximum possible = 3. It can be seen in Table 10.7 that there is a clear

association between poverty and the number of components and for example over two thirds of the socially excluded on all three components are subjectively poor whereas less than 10 per cent of those not socially excluded are poor – by each measure.

TABLE 10.7: *Components of social exclusion: proportions who are poor*

Number of components socially excluded	Income poor	Necessities poor	Subjectively poor	All
None	9	6	6	27
One	15	24	17	55
Two	42	56	43	16
Three	62	79	66	2

Concluding discussion

Let me try to recap the arguments so far. When it first emerged, social exclusion seemed to add little poverty and in some guises carried a great deal of behaviourist ideological baggage or blamed the poor. However over time, I at least, have come to appreciate it, for a number of reasons:

- Concern with it has led the Labour Government in Britain to launch a series of policy reforms that are having an impact on poverty. The P word and E word are both in the discourse.

- At the Lisbon summit in 2000 the European Council agreed to adopt an Open Method of Coordination in order to make a decisive impact on the eradication of poverty and social exclusion by 2010. Member states adopted common objectives at the Nice European Council and all member states drew up National Action Plans against poverty and social exclusion (NAPs/inl). The first National Action Plans on Social Inclusion 2001-2003 was published in July 2001. The second Plans are being published in October 2003.

- The work of the Social Exclusion Unit is now taking us into less marginal fields of study – for example their project on mental illness and social exclusion is long overdue. They have also contributed to broadening the perspective on the policies relevant to poverty and social exclusion.

- We have all become concerned with the reliability and validity of income measures of poverty and although there are other ways to measure poverty – lack of socially perceived necessities, subjectively or as a combination of measures social exclusion, adds to the armoury.

- Social scientists have begun to operationalise the concept of social exclusion in interesting ways and have shown that it is related to income and other dimensions of poverty – the poor are more likely to be socially excluded and the poorer you are the more socially excluded you are likely to be[28] – but not on all dimensions. The existence of valuable social relationships, social capital, does not seem to be particularly related to poverty, possibly because the poor have more time to maintain them.

Of course there are still problems with social exclusion – not least in defining it. I have tried to avoid that in this paper. But I have mentioned:

- Atkinson, who suggests that social exclusion is concerned with – process, dynamics, relativity and agency;

- the SEU talk about linked problems that lead to people and places being socially excluded;

- Room, on the spatial element and multi-dimensional disadvantage as well as its dynamic nature,

28 Laura Adelman has a paper at this conference exploring this for children.

- Burchardt's measure of social exclusion as a capacity to consume, to participate in employment and social activities, political engagement and social interaction;

- the PSE survey measure of low income, employment, access to services, social activities, lack of friendships and carers and civic disengagement.

These are just a few of the mass of representations of social exclusion. It is also getting more complicated. You may have noticed that the EU has begun to emphasise government action plans for social inclusion and Atkinson et al[29] have developed indicators of social inclusion. Social inclusion is not necessarily the opposite of social exclusion – though the emphasis of the state as agent is welcome. Then there are related concepts – social quality, social capital, social cohesion – some of which are individual characteristics or an aggregate of them from the neighbourhood to the nation.

Admittedly this confusion of overlapping concepts is not one that poverty has avoided. Over its history, poverty as a concept has been redefined and it has certainly being operationalised in a variety of different ways. Perhaps this imprecision is inevitable in social science. The Social Exclusion Unit thinks that there is merit in not being too precise about what they focus on.

The ideological baggage remains. New Labour still emphasises behaviour over structure or actor over agency. Thus R for redistribution is now the word expunged from the discourse and the preoccupation of Ministers is with crime and anti social behaviour, with children at risk (rather than just poor), with parents who don't send their children to school, the emphasis on work for those who can, the educational benefits of childcare rather than the social and labour supply benefits. This argument has been with us since the Poor Law and it will not go away and perhaps it is wrong

29 Atkinson, T., Cantillon, B., Marlier, E. and Nolan, B. (2002) *Social Indicators: the EU and Social Inclusion*, Oxford University Press.

to muddle it up with the value or otherwise of social exclusion. Eternal vigilance and the appropriate use of evidence is still our best hope.

There remains the question of why social exclusion has not entered official discussions in Australia. Is it just a Howard effect or some more fundamental resistance in Australian political – and academic culture? Is it the distance from Europe or even merely a lack of data on the subject?

11

An International Perspective on Child Benefit Packages*

Background

Alfred Kahn is the father of comparative studies of family policies (and of course Sheila Kamerman is the mother). I was one who has followed their footsteps, initially inspired by *Family Policy: Government and Families in Fourteen countries* (Kamerman and Kahn 1978) and *Income Transfers for Families with Children: An eight Country Study* (Kahn and Kamerman 1983) and later their multi-volume, multi-country study *Family Policies and Family Change in the West* (Kamerman and Kahn 1997). I was honoured to be one of their many contacts on their frequent visits to Europe as they kept up to date on family policy.

Their notions of family policy were much wider than the subject of this chapter.

> Explicit family policies may include population policies (pro or anti natalist), income security policies designed to assure families with children a certain standard of living,

* Bradshaw, J. (2009) 'An international perspective on child benefit packages', In Kamerman, S., Phipps, S. and Ben-Arieh, A. (eds) *From Child Welfare to Child Well-being: An international Perspective on Knowledge in the Service of Policy Making*, Springer: Dordrecht. pp 293-308.

> employment-related benefits for working parents, maternal and child health policies, child-care policies, and so forth. Implicit family policy includes actions taken in other policy domains, for no family related reasons, which have important consequences for children and their families as well. (Kamerman and Kahn 1997 Page 6)

The Kahn and Kamerman (1983) study of ten countries was, I think, the first to use national informants to write descriptive chapters on the arrangements (in 1979) in their countries and then to publish a comparative analysis based on it.

Without doubt K and K were the inspiration for a stream of comparative studies from the University of York which used similar methods. Most of these (but not all – see Bradshaw et al 2006, Eardley et al 2006) have sought to compare the structure and level of child benefit packages as a way of getting a handle on the financial contribution that the state was making in different countries to the, mainly, private financial burden of child rearing. Our first study of this kind (Bradshaw and Piachaud 1980) was actually motivated by an anxiety that the government of Margaret Thatcher, elected in 1979, was going to abolish financial support for children. We thought that if we demonstrated that every country had such support the Government might be dissuaded. In the event Mrs Thatcher did not abolish child benefits, rather they were left to 'wither on the vine' while means-tested Family Credit was extended.

We called the subject matter of that study 'child support systems'. In the next study of packages in 15 countries (Bradshaw et al 1993) we called them 'child support packages'. But by the third study (Bradshaw and Finch 2002), the UK, Australia, New Zealand and the USA had Child Support schemes – arrangements to ensure that absent parents provided financial support for caring parents and so our language changed to 'child benefit packages'. We have also undertaken a comparative study of Child Support regimes (Skinner et al 2007).

I do not remember where the language of packages came from but I am sure it must have been influenced by Rainwater, Rein and Schwartz (1986) in their book *Income Packaging in the Welfare State*. Certainly welfare states, for a variety of different motives (Wennemo 1992), have developed packages of tax benefits, cash benefits and other elements that help parents, and to compare just one part of the package is misleading.

The most recent comparison we have undertaken was initially of eight countries in 2004 (Bradshaw and Mayhew 2006) and later increased to fifteen countries (Bradshaw 2006) and this chapter presents some data on 19 countries. The data is available on line[1].

We have certainly not been the only people doing this kind of work. Since the end of the 1970s, the European Commission has published comparative descriptive information on social security systems, including child benefits. Since 1990 this series has developed into The Mutual Information System on Social Protection (MISSOC). The MISSOC series is now on line[2].

The OECD has had the *Taxing Wages* series since at least 1972 (OECD 1978) and a report is produced annually (the latest OECD 2008). The data on which it is based is published on line[3].

Now there is a new study using model family methods emerging from at University of British Columbia directed by Dr Paul Kershaw (Kershaw 2007) and the method has also been used in Japan (Tokoro 2003).

This chapter will discuss the methods involved in using model families and national informants to compare child benefit packages.

1 http://php.york.ac.uk/inst/spru/research/summs/welempfc.php

2 http://ec.europa.eu/employment_social/spsi/missoc_en.htm

3 http://www.oecd.org/document/29/0,3343,en_2649_34637_39618653_1_1_1_1,00.html

It will then present the results of recent comparisons, some based on our own studies, and some based on the analysis of OECD data. At the time of writing that is the most up to date available. First however we present the results of one other approach to comparing child benefit packages.

Comparison of national accounts

One technique that can be used to compare the overall effort made by countries on behalf of children is to compare how much of national resources they spend on families with children. This usually requires international bodies to collect national accounts data on public spending directed to families with children. There are a number of difficulties in doing this. It is not always possible to identify how much of insurance, assistance or other cash benefits go to families with children, or to disaggregate what proportion of services expenditure goes to services for families with children. Housing benefits, child support (alimony), and the value of exemption from health charges and education charges and benefits for families with children may not be included. Occupational benefits (important in Japan) are excluded. In the past, national accounts have also failed to take into account the value of tax expenditures (the OECD calls them tax breaks). This is a problem because tax expenditures have been becoming an increasingly important part of the child benefit package. The ESSPROS series published by the European Union contains quite up to date data on expenditure on families with children but does not include tax expenditures. The OECD, thanks to the work of Adema (2001), has begun to publish a series on family spending which does take account of tax expenditures. The most recent data is for 2005 and is reproduced in Figure 11.1.

On average in 2005 the OECD countries spent 2.3 per cent of GDP on family benefits, services and tax breaks (it was 2.5 per cent in 2003) and this proportion varied from 3.8 per cent in France to 0.02 per cent in Turkey. There were differences in how the expenditure was structured between countries – between cash benefits, services

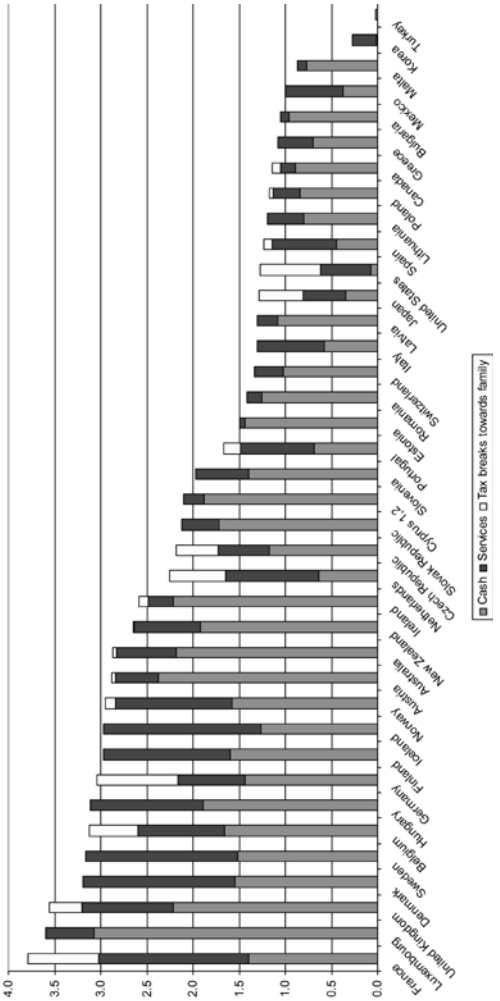
and tax breaks. Services are a more important part of the package in the Nordic countries and France. But tax breaks were an important component of the package in a number of countries, especially in France, Germany, the Netherlands and the United States. There are perhaps some surprising results in this Figure: Sweden does not come top of the league; the UK comes third (up from eighth in 2003); Hungary seventh; New Zealand fourteenth (up from seventeenth in 2003); the Netherlands sixteenth.

Model family methods

This analysis of expenditure as a proportion of GDP data gives us an overall picture of effort made by welfare states on behalf of families with children. The model family method enriches that information. This method uses national informants to provide information on the tax/benefit system in their own countries. In order to compare like with like, they estimate what a set of standard model families would receive, at a specified set of earnings levels, in the way of a specified set of taxes and benefits that make up the child benefit package. The information is entered into a set of data matrices and these are used to explore the level and structure of the child benefit package, converted to a common currency or expressed as a proportion of average earnings. The package that the York studies have taken into account includes tax benefits for children, income related and non income related child benefits, housing benefits, exemptions from local taxes, direct childcare subsidies, the value of health charges and benefits, the value of education charges and benefits, child support (where it is guaranteed), and other benefits such as food stamps or social assistance. The OECD series covers tax breaks, cash benefits, housing benefits and social assistance. What has not generally been incorporated into the model family method is parental leave and indirect subsidies, for example childcare.

There are advantages to the model family method. It enables comparisons of like with like to be made, and the results can be

Figure 11.1: Family spending in cash, services and tax measures, in percentage of GDP, in 2005



Source: OECD *Family Data Base*
http://www.oecd.org/dataoecd/55/58/38968865.xls

produced quite quickly. It also enables comparisons of the level and structure of the benefit package and how it varies by family type, earnings, number and ages of children and before and after housing and childcare costs. It is also possible to use the data to make estimates of notional marginal tax rates and replacement rates (the OECD use their Benefits and Wages series mainly with the latter in mind).

There are also a number of problems with the method (discussed more fully in Eardley (1996)). There are limits to the number of model families, income levels and parental employment permutations that can be covered. This means that the comparisons have to be illustrative rather than representative. We have made attempts to build a sample of family types and take the average as representing a common picture, but family types vary greatly in their composition between countries and a sample that would be representative for one country cannot be representative for all countries.

The method also gives a picture of the situation that should exist given the existing formal rules and laws. It does not represent how these rules and laws operate in practice and, although it can, it does not often attempt to take account of the non take-up of cash benefits. Nevertheless, there is value in taking account of what the state seeks to do – it represents the intention of public policy.

Also there are particular problems in representing the education and health benefit elements of the package. But by far the most difficult problem is the treatment of housing costs and benefits (Bradshaw and Finch 2004). Housing costs vary by tenure, age, size and location of the dwelling, and in the case of some countries, by the length of occupancy. In the case of owner occupiers they also vary by the age of the mortgage and the interest rate. In our earlier studies using this method we asked national informants to specify a 'typical' housing cost for their country, but found that it was too variable to compare like with like. So we eventually followed the

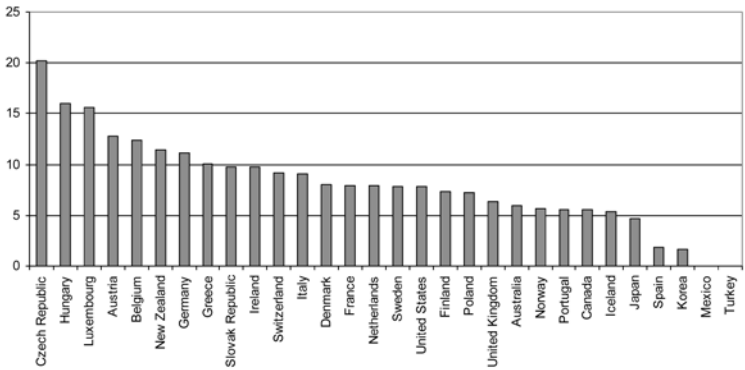
OECD method of taking rent as 20 per cent of national average earnings and then estimating housing benefit payable on that rent. This is not a very satisfactory solution because it means that rent does not vary with the size of the dwelling or income – 20 per cent of average income is far too low for better off families and far too high for poorer families. This is a problem without an adequate solution, but there is no denying that it is a serious one, given that housing benefits are such an important part of the child benefit package in many countries.

Comparisons of child benefit packages

At the time of writing, the most up to date comparisons of the child benefit package are derived from the OECD Taxing Wages series for 2007. Figure 11.2 compares the overall level of the package for a couple with two children with two earners (one on average earnings and the other on a third of average earnings). The vertical axis shows the percentage extra that this family gets over what a childless couple on the same earnings would get. It varies from nothing in Turkey and Mexico to 20 per cent extra in the Czech Republic and 16 per cent extra in Hungary. To find these countries at the top of the league may be quite unexpected – also the fact that the USA is not at the bottom of the league, Sweden and France are in the middle and the New Zealand near the top.

This is a standard two earner family in 2007. However, it can be seen in Figure 11.3 that the rankings of countries change considerably with the level of earnings assumed for the model family. At low earnings, Ireland, the USA, Denmark, the UK and Australia have the most generous child benefit package in 2005. All countries except Greece and Korea have progressive child benefit packages – that is they are more generous to low paid families. But some are more progressive then others. New Zealand does not pay any family benefits beyond a given income level.

Figure 11.2: *Child benefit package Couple plus 2 (average and third average earnings) 2007. Percentage more than a childless couple on the same earnings*



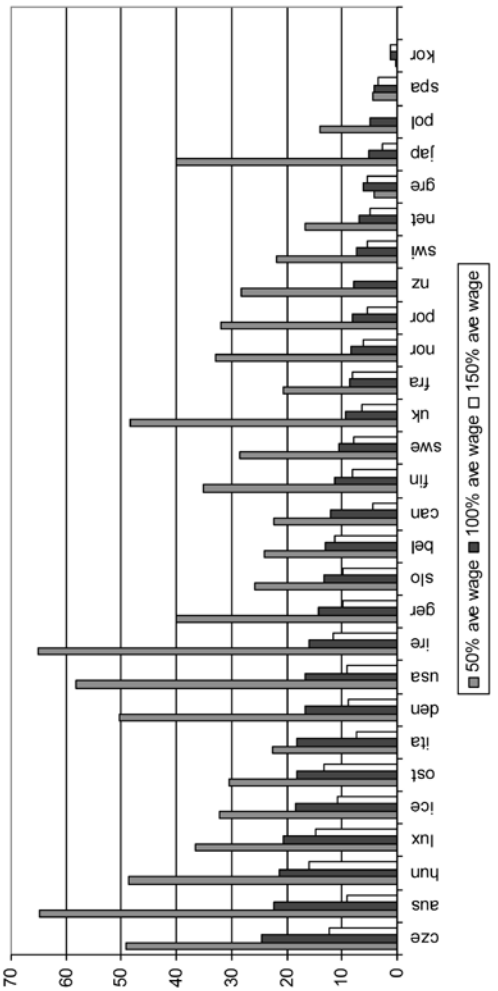
Source: Own analysis of OECD Taxing Wages 2007.

So the level of the child benefit package varies with the level of earnings. It also varies by family type. Figure 11.4 shows the level of the package paid to couples and lone parents with the same number of children and the same earnings. There is a very mixed picture – some countries pay a higher package to lone parents – much higher in Sweden and Poland. Other countries pay higher child benefits to couples – much higher in Luxembourg and Germany. Other countries pay the same, or roughly the same, including Denmark, the UK, Austria and France.

The OECD only collects data for lone parents and couples with two children, and childless couples and singles (and from 2006 it annoyingly changed the parental employment assumptions so that we have had to use 2005 data in Figures 11.3 and 11.4).

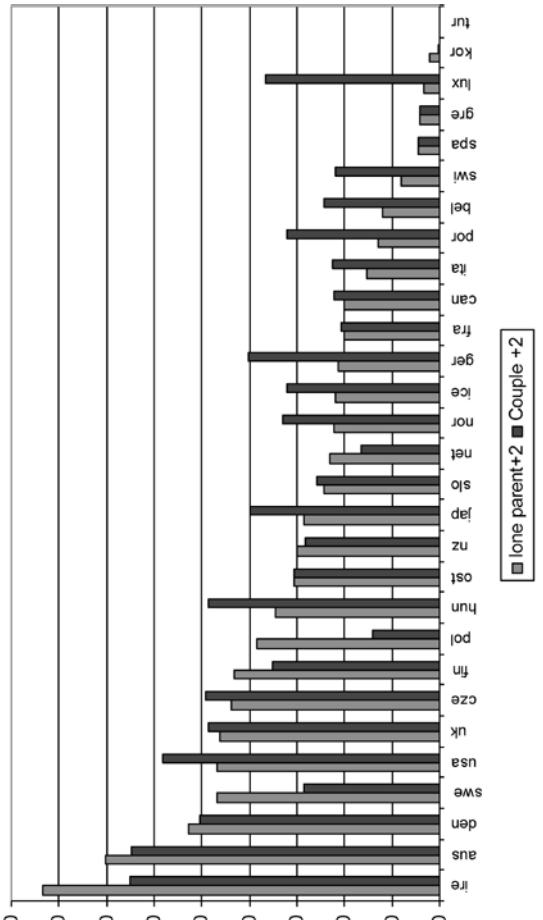
However, in the York studies we have collected data on a wider range of families with children. This data enables us to compare how the child benefit package varies with family size. It can be seen in Figure 11.5, where we compare the variation in the child benefit

Figure 11.3: Child benefit package couple with two children one earner by level of earnings 2005. Ranked by average earnings: % extra over a childless couple on the same earnings



Source: Own analysis of OECD Taxing Wages 2005

Figure 11.4: Child benefit package at half average earnings, lone parents and couples with two children. Percentage more than a childless couple on the same earnings. 2005.



Source: Own analysis of OECD Taxing Wages 2005

package for a one earner couple on average earnings by family size, that New Zealand only provided any package for the third child at this earnings level. Australia, Belgium, the Czech Republic were more generous to the second and subsequent child. France and Austria were much more generous to the third child. The other countries provided more or less equal amounts per child. The UK is unique in having a higher child benefit package for the first child in the family. This reflects the priority given to poverty relief in its package – most poor families are small families, though larger families have a higher risk of poverty (Bradshaw et al 2006).

It is also possible to use the York data to explore variations in the structure of the child benefit package between countries. Figure 11.6 compares the structure of the package for a low earning lone parent with one child. The bars above the line are what he/she would receive per month more than a childless couple on the same earnings, and the amounts below the line are what he/she would have to pay more than a childless couple (in childcare costs, income tax and net rent). So, for example, in the UK a lone parent would receive Child Benefit, Child Tax Credit and Housing Benefit and together this is the most generous of any country in the comparisons. However in the UK the lone parent would have to pay childcare costs[4], which effectively would wipe out most of the value of the package. Overall the figure shows the importance of direct and indirect subsidies for childcare costs in the child benefit package.

Figure 11.7 shows that structure of the package for a couple with two children with one earner on average earnings. Because there is one earner the child benefit package (difference from a childless couple on the same earnings) is mainly positive and mainly made up of non income related child benefits and housing benefits, and in the USA, Earned Income Tax Credit. In Australia, income related

4 The York model assumes childcare costs are what a parent with a child under 3 would have to pay in the most prevalent type of full-time formal childcare in the country.

child benefit and housing benefit make up the positive elements of the package, but curiously the couple with two children pay more income tax than a childless couple on the same earnings.

Figure 11.5: Child benefit package for a couple by number of children, one earner average earnings. January 2004. Childless couple =100

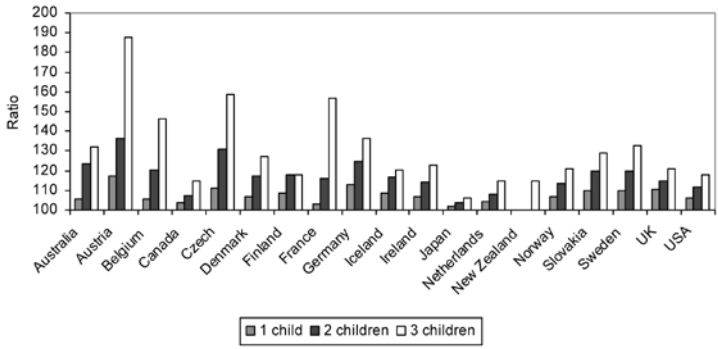


Figure 11.6: Structure of the child benefit package for a lone parent with one preschool aged child on half average earnings in Jan 2004 in Euros purchasing power parities per month

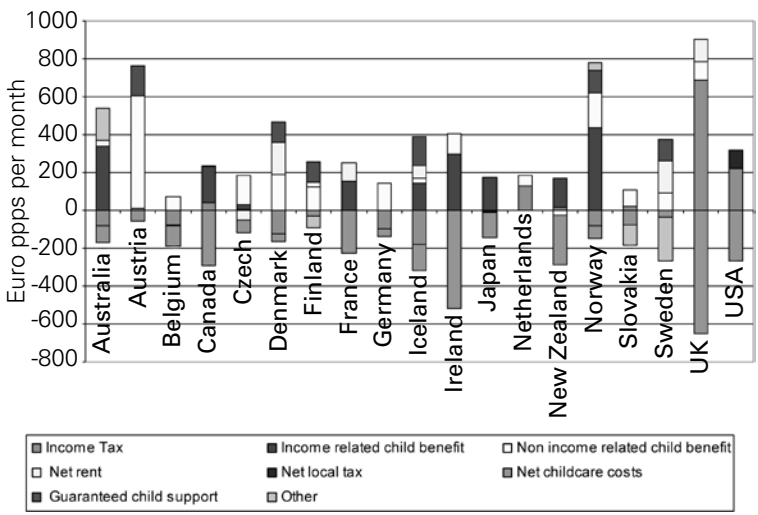
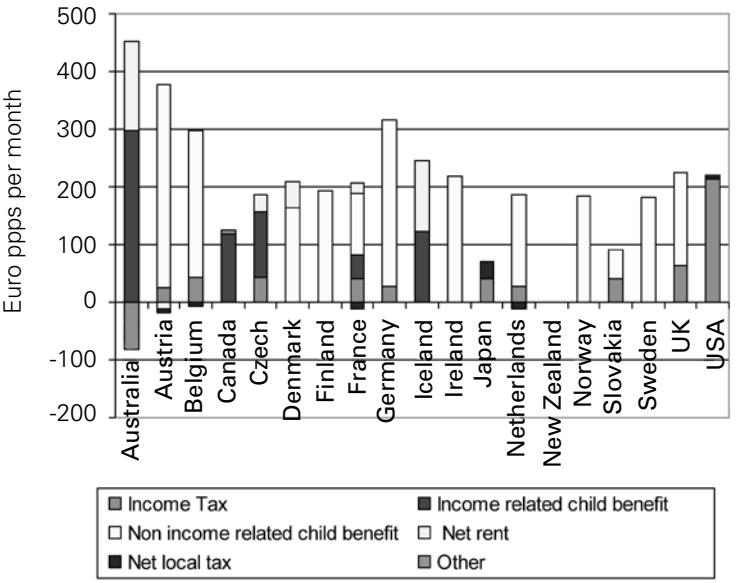
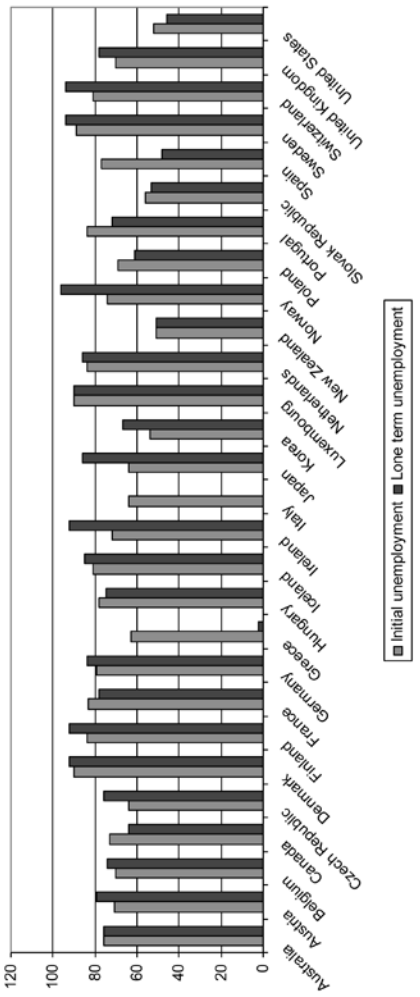


Figure 11.7: Structure of the child benefit package. Couple with two children with one earner on average earnings in Jan 2004 in Euros purchasing power parities per month



Model family data can also be used to compare replacement rates (the proportion of net income in work that is replaced by out of work benefit income). The OECD publishes replacement rates for various stages of unemployment. Figure 11.8 provides comparisons of replacement rates for families with two children who have been out of work recently and for five years (no childcare taken into account) in 2006. For some countries, short-term replacement rates are higher – notably Canada, the USA, Portugal and Spain. Most countries are more generous to long term unemployed families. Replacement rates tend to be higher in the Nordic countries than they are in most Anglophone and southern European countries – probably because in these countries there is not so much anxiety about work incentives. Replacement rates are particularly low in the USA, and Greece and Italy do not have long term out of work benefits.

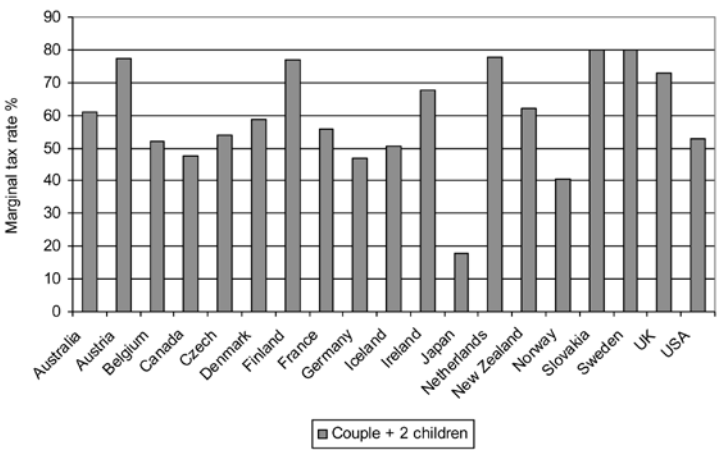
Figure 11.8: Replacement rates for couples with two children who had been earning 67 per cent of average wage. Initial and long term unemployment 2006.



Source : OECD
http://www.oecd.org/dataoecd/17/21/39720238.xls
http://www.oecd.org/dataoecd/17/19/39720308.xls

We have used our York data to make estimates of the notional marginal tax rates that families would experience by increasing earnings, working more or having a spouse in employment. Figure 11.9 shows the effective average marginal tax rate on increasing earnings from half average earnings to average earnings. Marginal tax rates tend to be highest in those countries with strongly income related child benefit packages, because as well as paying extra income tax and social security contributions, they suffer the loss of income related child and other benefits. For couples with two children they are highest in Slovakia and Sweden where 80 per cent of additional earnings is taken in extra taxes and loss of benefits.

Figure 11.9: Effective average marginal tax rates for a couple with two children on increasing earnings from half average to average. January 2004

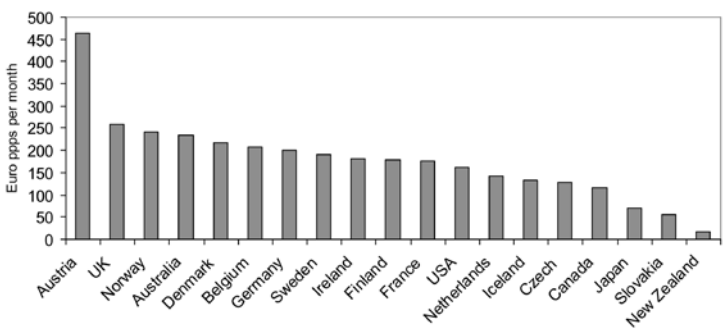


Overall child benefit package

As discussed earlier, it is difficult to summarise the overall effort that welfare states are making on behalf of families with children using model family methods. The child benefit package varies by earnings, employment status, number of earners, family type, the number and ages of children, and whether child care, housing costs

and the value of services are taken into account. In an attempt to take account of all that variation we have produced an average package for 32 different family types/earnings levels. The resulting league table is presented in Figure 11.10 in purchasing power parity terms. Out of our nineteen countries, Austria is a clear outlier with an average package of 475 Euros per month more than a childless couple on the same earnings. It is interesting that Austria does not appear to be an outlier in the league table of spending on family benefits in Figure 11.1. Austria has a generous child benefit package across the board, but particularly for large families, lone parents and out of work families, and the package is universal – hardly varying with income. The position of the UK is quite surprising – this is a substantial improvement in the relative position from the previous York study, and reflects the impact of the improvements in the package made by the Labour Government, some time after it came to power. It is also reflected in the UK's improved position in the OECD expenditure league table in Figure 11.1.

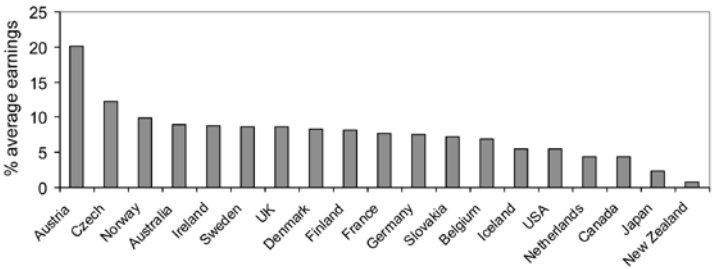
Figure 11.10: Overall "average" child benefit package after taxes, benefits, childcare and housing costs (difference from childless couple) Euro ppps per month. January 2004.



However, it makes a difference how the package is measured. In Figure 11.11 we present the same league table but with the average child benefit package expressed as a proportion of average earnings

in each country. Austria is still an outlier at the top of the table but the Czech and Slovak Republics move up the league table using this more relative indicator.

Chart 11.11: Overall "average" child benefit package after taxes, benefits, childcare and housing costs (difference from childless couple) Euro ppps per month. January 2004.



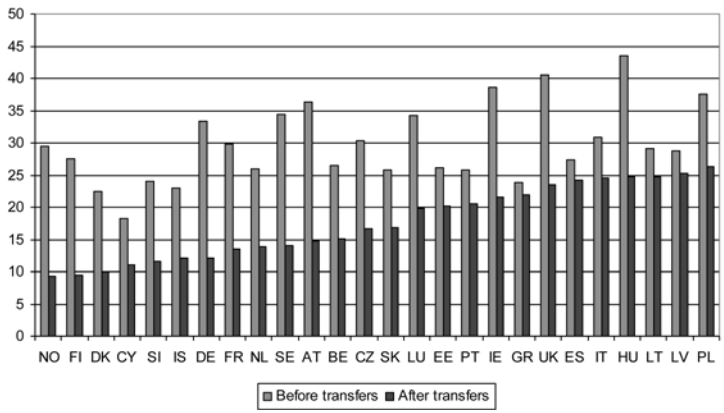
Poverty reduction

There is one other technique that is used to evaluate the impact of child benefit packages. Survey data can be used to evaluate the extent to which transfers reduce poverty rates and close poverty gaps. Of course transfers are only part of the child benefit package and this kind of analysis does not take account of the contribution of services in kind. Nor do these analyses include tax benefits in the transfer package. Poverty rates are assessed on the basis of net market (after tax) income and then reassessed after having added cash benefits. Figure 11.12 is based on an analysis of EU Statistics of Income and Living Conditions (SILC) data. It shows that the league table of child poverty rates in the EU would be very different if child poverty was measured before transfers – just on the basis of market incomes. The Nordic countries have much lower after transfer poverty rates than the southern and eastern European countries because their family policies are much more effective in reducing poverty.

Conclusion

The OECD (2008b) found that between the mid 1990s and the mid 2000s child poverty rates increased in the majority of rich countries (the exceptions were Mexico, UK, Italy, USA, Hungary, Australia and Belgium). The OECD also found that the poverty rates in the mid 2000s for children were higher than the population poverty rates in most countries (the exceptions were all the Nordic countries, Cyprus, Slovenia, Austria, Korea, Australia and Japan). Reducing child poverty is not the only objective of child benefit packages, but is certainly an outcome of them. If children have a higher risk of child poverty and child poverty is increasing, then it is a strong indication that welfare states are not investing enough in benefits and services for families with children.

Figure 11.12: Child poverty rates before and after transfers: Own analysis of EU SILC 2006.



At present, the existing evidence base is not really good enough. The OECD series is rather limited given that it only models the package for two types of families – lone parents and couples with two children. The EU MISSOC series does not compare packages – only individual benefits. There has been a major investment in Euromod[5], the micro-simulation project based at the University of

5 http://www.iser.essex.ac.uk/research/euromod

Essex and this has some advantages over model family methods. With Euromod policies, the impact of policy changes can be assessed on their impact on a fairly up-to-date (2005) representative sample of the population. But micro simulation is not really an alternative to model family comparisons. Euromod only covers the EU 15 and four new EU countries and it has not yet been used to explore the structure and compare the level of the child benefit package.

Child benefit packages are constantly changing. We need to be able to keep up to date with these changes and explore their consequences so that we can learn from other countries' experiences. There is a need for a new framework for assessing family policies in the EU and elsewhere, that could undertake model family studies on a regular basis. This was the challenge set by Al Kahn with Sheila Kamerman in their early work and it remains a challenge for comparative studies.

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12

An Index of child well-being in Europe*

Abstract

This is a comparison of child well-being in the 27 countries of the European Union and Norway and Iceland. It is based on 43 indicators forming 19 components derived from administrative and survey data around 2006. It covers seven domains: health; subjective well-being; personal relationships; material resources; education; behaviour and risks; housing; and the environment. Comparisons are made of countries performance on each of the domains and components. Overall child well-being is highest in the Netherlands, which is also the only country to perform in the top third of countries across all domains. Child well-being is worst in the former Eastern bloc countries, with the exception of Slovenia. Lithuania performs in the bottom third on all domains. The United Kingdom does notably badly, given its level of national wealth. The index is subjected to sensitivity analysis and analysis is undertaken to explain variations in child well-being. We find that there are positive associations between child well-being and spending on family benefits and services and GDP per capita, a negative association with inequality and no association with the prevalence of 'broken' families.

* Bradshaw, J. and Richardson, D. (2009) 'An index of child well-being in Europe', *Journal of Child Indicators Research*, 2, 3, 319.

Background

Tackling child poverty is high on the European Union's political agenda. It was a priority in the March 2006 European Council, a focus of many of the National Reports on Social Protection and Social Inclusion 2006-2008, the main work of the EU experts on the National Action Plans in 2007, and the subject of a report by the European Commission (2008), which reflected much work by the indicators sub-committee. The Commission is now engaged in establishing a set of indicators that could be used to monitor child well-being and is introducing a raft of new questions into the EU Survey of Income and Living Conditions in 2009.

When the UK was President of the EU in 2006, and in response to the call during the Luxembourg Presidency of the Atkinson Committee to "mainstream" child well-being in EU social indicators (Marlier et al, 2005), we developed an index of child well-being for the EU25 countries (Bradshaw, Hoelscher and Richardson 2007). When UNICEF heard about this work we were commissioned to develop a similar index for OECD countries, which was published as Innocenti Report Card 7 (UNICEF 2007 and Bradshaw, Hoelscher and Richardson 2006). We have subsequently produced a similar index for the CEE/CIS countries (Richardson, Hoelscher and Bradshaw 2008).

The first EU index was derived from data collected around 2001. This article:

- updates the EU25 index with more recent data that has come available, including the EU Survey of Incomes and Living Conditions 2006, the PISA Survey 2006 and the Health Behaviour of School Children survey 2005/2006;

- extends the comparison to the EU27 countries plus Norway and Iceland;

- makes some changes and improvements in the indicators used in the light of criticisms and reflections on the earlier indices.

Method

The well-being of children cannot be represented by a single domain or indicator. Their lives are lived through multiple domains and each has an influence on their well-being (Ben-Arieh et al. 2001; Hanafin and Brooks 2005a, b; Bradshaw and Mayhew 2005; Land et al. 2001, 2007). Therefore our index seeks to represent the following seven domains of children's lives:

- health;
- subjective well-being;
- personal relationships;
- material resources;
- education;
- behaviour and risks;
- housing and the environment.

In the earlier EU25 index we also included a domain on citizenship, using data from the Citizenship Education Survey (CIVED). However there is no more up-to-date data and we have dropped it from this version.

In choosing indicators to represent these domains we have sought to:

- use indicators of outcome rather than input, and direct rather than indirect measure of well-being, as far as is possible;

- make the child, rather than the parent, family or household, the unit of analysis;

- give priority to indicators of child well-being now, rather than indicators of well-becoming – how a child might do in adulthood – on the grounds that childhood is a life stage to be valued in its own terms;

- use indicators which represent what children say they think and feel about their lives. This is in response to the enjoinder of the United Nations Convention on the Rights of the Child "the primary consideration in all actions concerning children must be in their best interests *and their views must be taken into account*".

The index was constructed by taking 43 indicators from the most up-to-date survey and administrative sources and combining them to represent 19 components, before combining them into the 7 domains. The details of the indicators, components and domains and their sources are given in Table 12.1.

The issue of weighting is one of the most difficult to resolve in building any index. Following Hagerty et al. (2001) in combining indicators to form components, components to form domains and domains to form the overall index, we have not imposed any weights. Equal weights are a contestable assumption, although Hagerty and Land (2006) provide an empirical justification for this assumption. They argue that the equal weights method is what is referred to in statistics as a minimax estimator, in the sense that they show in both mathematical and in simulation analyses, that the equal weights method minimizes extreme disagreements among individuals on weights for the individual indicators.

In fact, because we have summarised the data using z scores, there is an implicit weight. For example the child health from birth component is a combination of infant mortality and low birth weight z scores. Infant mortality percentage z scores vary from -3.84 in Romania to 0.71 in Sweden and the low birth weight percentage z scores vary from -1.92 in Bulgaria to 1.79 in Iceland. The variation is greater for infant mortality. Therefore, particularly at the ends of the distribution, in averaging z scores we will in practice be giving more weight to infant mortality than low birth weight.

TABLE 12.1: *Summary of indicators, components and domains*

	Indicator description	Date(s)	Source(s)
Health			
Child health from birth	Mortality rate, infant (per 1,000 live births)	2006	World Development Indicators
	Low birth weight newborns (lower than 2.5kg, [per cent])	circa 2006	PECD Health and EU Health for All Databases
Immunisation	Immunisation, measles (per cent aged 12-23 months)	2006	World Development Indicators
	Child immunisation rate, DPT3 (per cent aged 12-23 months)	2006	World Development Indicators
	Child immunisation rate, Pol3 (per cent aged 12-23 months)	2006	HNP stats
Children's health behaviour	Children who brush their teeth more than once a day	2005/06	HBSC (Currie et al. 2008)
	Children who eat fruit daily	2005/06	HBSC (Currie et al. 2008)
	Children who eat breakfast every school day	2005/06	HBSC (Currie et al. 2008)
	Children's physical activity	2005/06	HBSC (Currie et al. 2008)
Subjective Well-being			
Personal well-being	Children who report high life satisfaction	2005/06	HBSC (Currie et al. 2008)
Well-being at school	Children who feel pressured by schoolwork	2005/06	HBSC (Currie et al. 2008)
	Young people liking school a lot, 11, 13 and 15 years	2005/06	HBSC (Currie et al. 2008)
Self defined health	Children who rate their health as fair or poor	2005/06	HBSC (Currie et al. 2008)

	Indicator description	Date(s)	Source(s)
Children's Relationships			
Quality of family relations	Child who finds it easy to talk to their mothers	2005/06	HBSC (Currie et al. 2008)
	Child who finds it easy to talk to their fathers	2005/06	HBSC (Currie et al. 2008)
Peer relationships	Children who agree that their classmates are kind and helpful	2005/06	HBSC (Currie et al. 2008)
Material Situation			
Deprivation	Households with children with an enforced lack of consumer durables (per cent)	2006	EU-SILC
	Households with children reporting economic strain (per cent)	2006	EU-SILC
	Pupils with less than 6 education possessions (per cent)	2006	OECD PISA Database
	Pupils with less than 10 books in the household (per cent)	2006	OECD PISA Database
Poverty	Child poverty (60 per cent of median equivalised income after transfers): 0-17 years	2006	EU-SILC
	Relative child poverty gap (60 per cent of median equivalised income): 0-17 years	2006	EU-SILC
Worklessness	Children aged 0-17 living in jobless households: 0-17 years	2006	EU-SILC

	Indicator description	Date(s)	Source(s)
Risk and Safety			
Violence and violent behaviour	Children involved in physical fighting at least once in the past year	2005/06	HBSC (Currie et al. 2008)
	Children who have been bullied at school at least twice in the past 2 months	2005/06	HBSC (Currie et al. 2008)
Child deaths	All child deaths: All under 19 deaths per 100,000 children	circa 2005	WHO Mortality Database
Risk behaviour	Adolescent fertility rate (births per 1,000 women ages 15-19)	2006	World Development Indicators
	15 year olds who have had sexual intercourse	2005/06	HBSC (Currie et al. 2008)
	15 year olds who used a condom at last sexual intercourse	2005/06	HBSC (Currie et al. 2008)
	Children who smoke at least once a week	2005/06	HBSC (Currie et al. 2008)
	13 and 15 year olds who have been drunk at least twice	2005/06	HBSC (Currie et al. 2008)
	15 year olds who have ever used cannabis in their lifetime	2005/06	HBSC (Currie et al. 2008)
Education			
Achievement	Reading literacy achievement	2006	OECD PISA Database 2006
	Mathematics literacy achievement	2006	OECD PISA Database 2006

	Indicator description	Date(s)	Source(s)
	Science library achievement	2006	OECD PISA Database 2006
Participation/enrolment	Full-time and part-time students in all institutions (per cent of 15-19 years olds	2005	OECD Education at a Glance (2007)
	School enrolment, pre-primary (per cent gross)	2006	World Development Indicators
Youth Inactivity	Inactive Youth (NEET) age 15-19 (per cent)	2005	OECD Education at a Glance (2007)
Housing and environment			
Overcrowding	Rooms per person in households with children	2006	EU-SILC
Environment	Households with children who report crime in the area is a problem	2006	EU-SILC
	Households with children reporting pollution or dirt as problems in the area	2006	EU-SILC
Housing problems	Households with children reporting more than one housing problem	2006	EU-SILC

At each stage of combining variables we "stop" the weighting. So child health behaviour is the average of the z scores for five indicators, but in forming the health domain, child health behaviour only counts for one third towards the health domain. Nevertheless it could be argued that the death of a child (infant mortality rate) is much more important than, say, the proportion of children who brush their teeth more than once a day, and infant mortality should therefore contribute more than its 17 per cent contribution to the health domain, compared to 6 per cent for brushing teeth. Or it might be argued that infant mortality should be given more weight than its 2.6 per cent contribution to the overall index compared to, say, overcrowding (rooms per person in the household) which has a weight of 5.3 per cent. The problem we face is that while there is no general theoretical justification for equal weights, there is also no justification for any alternative weighting system. Of course, the data will be made available to anyone who disagrees with equal weights, and wishes to redo the analysis with an alternative weighting system.

There is an important distinction to be made between cause models and effect models (Bollen and Lennox 1991). We are using a causal indicator model where it is the indicators which determine the latent variable (the component, or domain) rather than the reverse. We do not necessarily expect the indicators or components to correlate; they merely contribute to their product.

Data coverage varies across countries, and as a result, comparability is affected. Previous indices have dealt with this problem by applying rules for the inclusion and exclusion of countries from component and domain-level analysis. Thresholds were designed to favour inclusion at the component-level and be stricter at domain-level comparisons. However, no method was entirely satisfactory – or achieved the strictest comparability. In this comparison the focus shifts to country coverage, but missing data and its effects on the aggregates are made more transparent. Each domain will be deconstructed to show the influence of each component on

the domain value. Where fewer than 50 per cent components contribute to a domain in question, it will be noted. The country will not be included in the domain-level comparison, but data will not be removed. The effects of this method on the overall ranking of child well-being will be addressed in the section dealing with data sensitivity.

Countries without data for a domain do not have a value in the final overview comparison (Table 12.2). The countries affected include Cyprus, because it is not covered by the HBSC survey, and Malta, Bulgaria and Romania which were not in SILC in 2006 (there are plans to extend SILC to cover the Romania, Bulgaria, as well as Turkey and Switzerland).

Results

Table 12.2 ranks the countries by the average of their domain z scores (distributed around a mean of 100 using a standard deviation of 10) and the rank of each domain is given. The countries have been divided into three groups using shaded coding – top third, middle third and bottom third. The Netherlands comes top of the league table as it did on the earlier EU index and it is the only country in the top third of the distribution on all domains of child well-being – though Norway, Sweden, Iceland and Finland come close. The Nordic countries are all in the top third. Slovenia is notable for doing better than the other former Eastern bloc countries. Spain does better than the other southern European countries. No countries are consistently middle third. Only Lithuania has a consistently bottom third performance. Estonia does better than Lithuania and the other new Baltic EU country – Latvia. Notable in the bottom group is the United Kingdom, one of the richest countries in the EU – in the midst of some of the poorest. The UK came bottom of the OECD league table and fourth from bottom of the EU25 league table, and this ranking indicates that British government efforts to eradicate child poverty and improve child well-being have yet to improve its comparative position.

However the EU25 index and this one are not strictly comparable. The general ranking of countries is quite inconsistent. Not until a consistent index has been established and agreed, possibly by the EU, can this exercise be used for tracing changes over time.

The next section of the article presents the results for each domain

Table 12.2: *Overall child well-being index*

Rank	Country	Child well-being in the EU 29	Health	Subjective	Relationships	Material	Risk	Education	Housing
1	Netherlands	117.3	2	1	1	7	4	4	9
2	Sweden	114.8	1	7	3	10	1	9	3
3	Norway	114.8	6	8	6	2	2	10	1
4	Iceland	112.7	4	9	4	1	3	14	8
5	Finland	111.0	12	6	9	4	7	7	4
6	Denmark	109.6	3	5	10	9	15	12	5
7	Slovenia	107.1	15	16	2	5	13	11	19
8	Germany	106.1	17	12	8	12	5	6	16
9	Ireland	105.3	14	10	14	20	12	5	2
10	Luxembourg	104.8	5	17	19	3	11	16	7
11	Austria	104.2	26	2	7	8	19	19	6
12	Cyprus	103.7	10			13			11
13	Spain	103.6	13	4	17	18	6	20	13
14	Belgium	103.0	18	13	18	15	21	1	12
15	France	100.9	20	14	28	11	10	13	10
16	Czech Republic	98.9	9	22	27	6	20	3	22
17	Slovakia	98.7	7	11	22	16	23	17	15
18	Estonia	96.9	11	20	12	14	25	2	25
19	Italy	96.1	19	18	20	17	8	23	20
20	Poland	94.6	8	26	16	26	17	8	23
21	Portugal	94.5	21	23	13	21	9	25	18
22	Hungary	94.3	23	25	11	23	16	15	21
23	Greece	94.0	29	3	23	19	22	21	14
24	United Kingdom	92.9	24	21	15	24	18	22	17
25	Romania	87.0	27	19	5		24	27	
26	Bulgaria	84.9	25	15	24		26	26	
27	Latvia	84.1	16	24	26	22	27	18	26
28	Lithuania	82.3	22	27	25	25	28	24	24
29	Malta	81.9	28	28	21		14		

in turn. Following this, the sensitivity of the results is explored. Then there is an attempt to explain the variations in well-being observed and in the final section some (self) criticisms are presented.

Health

The child health domain is made up of three components:

- health at birth – infant mortality and low birth weight rates;

- immunisation rates – for measles, DPT3 and Pol3; and
- health behaviour – derived from five questions in the HBSC[1] covering brushing teeth, eating fruit, eating breakfast, taking exercise and obesity.

We have missing data for Cyprus on health behaviour and low birth weight.

Figure 12.1 gives the overall child health z scores. Child health is best in Sweden, the Netherlands, Denmark and Iceland and worst in Greece, Malta, Romania and Austria.

Figure 12.2 shows that the top six performers on the health domain all have above average scores for the component child health from birth. In contrast, the bottom six performers all have below average component scores. Sweden, Iceland and Finland benefit most from the inclusion of this component. Child health from birth should be of concern to policymakers and health professionals in Bulgaria and Romania.

Germany, Ireland and the United Kingdom do not do well on child health thanks to low immunisation rates counterbalancing relative gains made elsewhere. For Austria an average performance on health at birth and health behaviour is undermined by a very low immunisation rate. In contrast Poland, the Czech Republic and Hungary ranks are mainly driven by their high immunisation rates.

Health behaviours contribute most to average scores for the Netherlands, Denmark, and Norway. In contrast to their overall position, the United Kingdom and Bulgaria do well on the measures

1 Here and elsewhere HBSC data is aggregated using published results for 11, 13 and 15 year olds and girls and boys separately. In order to produce a single national aggregate figure, the results are weighted by sample numbers for age and gender. Data for the UK is GB only. Samples for England, Scotland and Wales are weighted by the child population figures. Belgian data is an aggregate of Flemish and French results weighted for child population figures.

Figure 12.1: Child health domain

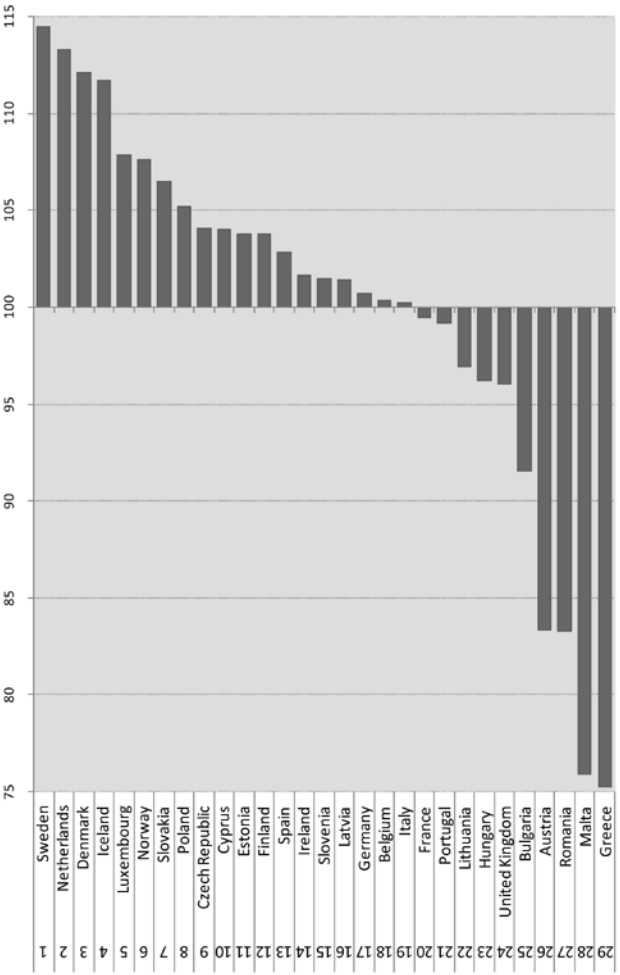
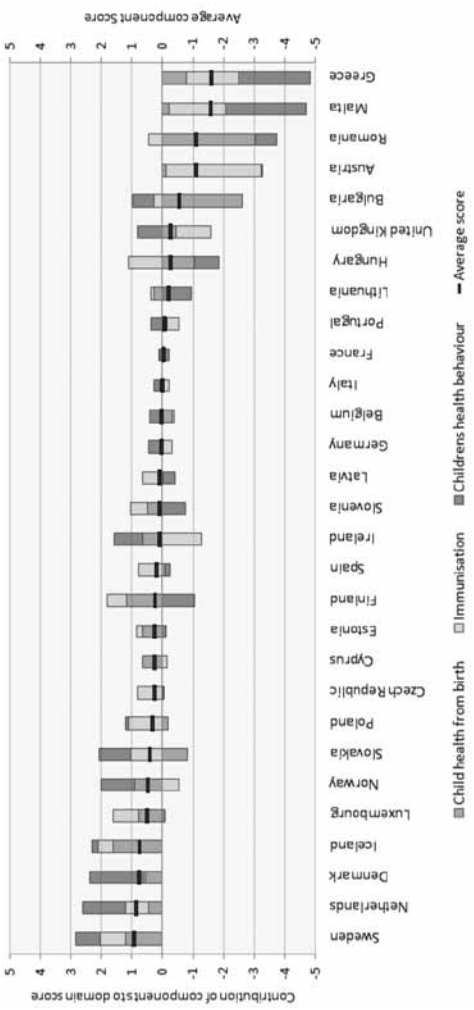


Figure 12.2: Child health components



of health behaviours. Finland, Slovenia, Malta and Greece all have below average scores on health behaviours. For Finland and Slovenia relative achievement in other components means that an average score is recorded. For Malta and Greece it is clear that health behaviours are the main concern among three below average results.

Subjective Well-Being

Subjective well-being is represented by three components:

- personal well-being – per cent children in HBSC reporting high life satisfaction;[2]
- well-being at school – per cent children in HBSC feeling pressured at school and per cent liking school a lot; and
- self defined health – per cent children in HBSC who rate their health as fair or poor.

We have no data for this domain for Cyprus, and Malta does not have the personal well being indicator.

Figure 12.3 gives the overall subjective well-being z scores. The Netherlands, Austria, Greece and Spain are the best performing countries on this scale. The worst performing countries are Hungary, Poland, Lithuania and Malta.

Figure 12.4 gives scores on the components within the domain of subjective well-being and shows a good deal of variation. There are only five countries in the comparisons that have all positive or all negative scores across components.

2 In the previous EU25 index we also had three indicators from PISA in this component – feeling lonely, feeling like an outsider (left out of things) and feeling awkward and out of place. However the questions were regrettably dropped from PISA 2006.

Figure 12.3: Subjective well-being

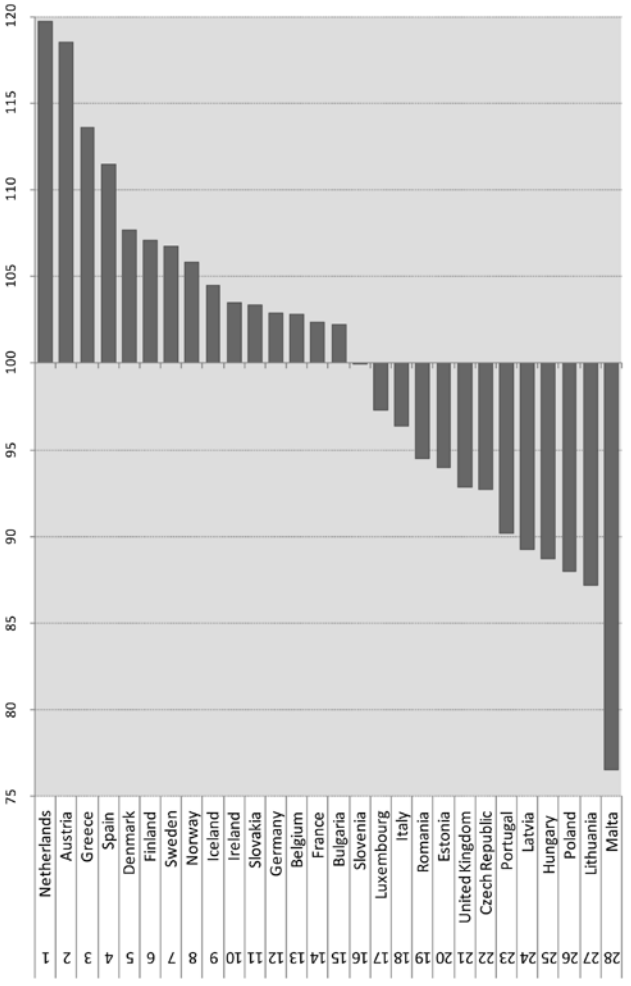
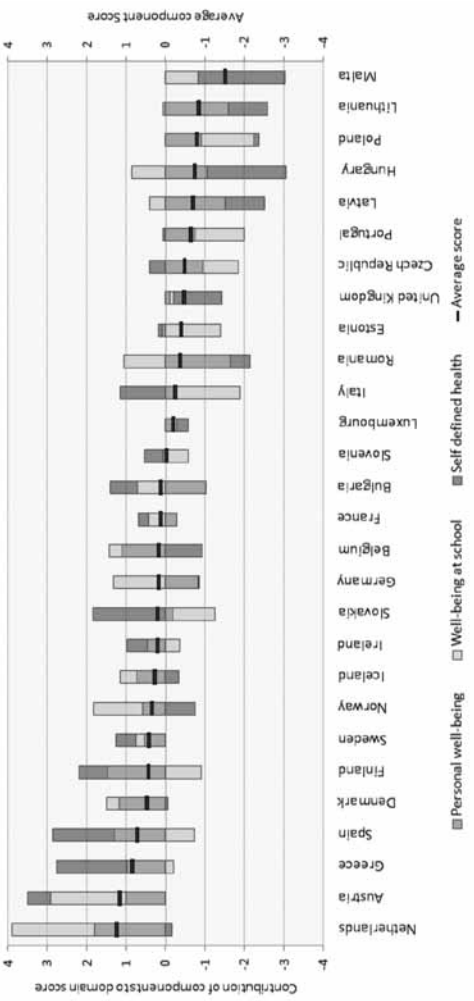


Figure 12.4: Components of subjective well-being



Personal well-being is highest in the Netherlands, Spain, Finland and Belgium; and lowest in Bulgaria, Romania, Latvia and Lithuania. The top ten countries on this domain all have above average personal well-being, the bottom eight countries all have below average personal well-being. Personal well-being in Belgium is over one standard deviation higher than the EU average for the component, but Belgium scores average on this domain as a whole because of poor self-defined health.

The Netherlands, Austria, Norway, Germany and Hungary all have above average scores in terms of well-being at school. In the case of the Netherlands a particularly high score contributes to the country topping the domain scale, even though self defined health of children in the country is below average. In Germany the success in well-being in school is offset by lower than average levels of personal well-being. Well-being in schools in Hungary goes some way to keeping that country off the bottom of the domain scale. Spain, Finland, Slovakia, Italy, Portugal and Poland perform poorly in terms of well-being in school. In Finland and Spain this low level is shown in spite of levels of personal well-being that are well above the EU average. It is interesting that, as we shall see, Finland comes top of the league in educational attainment – showing educational attainment may be a well-becoming indicator rather than a well-being indicator. In the Czech Republic, Portugal and Poland, low well-being in school is coupled with poor personal well-being, leaving these countries amongst the worst performing for the subjective well-being domain.

Self-defined health in the Netherlands is below average, even though school and personal well-being are very high. Self-defined health contributes most to the positive averages of Greece, Spain and Slovakia. Very low rates of self-defined health in Hungary and Malta result in these countries having subjective well-being domain scores amongst the lowest in Europe.

Relationships

The relationship domain includes two components:

- quality of family relationships – per cent of young people in HBSC who find it easy to talk to their mothers and to talk to their fathers;
- peer relationships – per cent of young people who find their classmates kind and helpful.

We lack data for Cyprus.

In the first European index (EU25) we included two family structure variables from HBSC – the proportion of children living in lone parent families and the proportion of children living with step families. We decided to drop these indicators in this version on the grounds that they are not direct indicators of well-being, and, as we shall see, not associated with well-being in all countries. Those countries where child well-being is associated with family form may not be responding adequately to changes in family form – but the association is not inevitable.

Figure 12.5 shows the domain rankings. The Netherlands, Slovenia, Sweden and Iceland are top on this domain. Lithuania, Latvia, the Czech Republic and France are at the bottom.

Figure 12.6 shows that the quality of family relationships is the best in the Netherlands, Sweden and Iceland. In Poland and Hungary the quality of family relationship compensates for poor peer relationships. The quality of family relationships is poor in France, Malta and Luxembourg. In the case of France this is coupled with poor peer relationships resulting in a poor relationship domain score.

Figure 12.5: Relationships domain

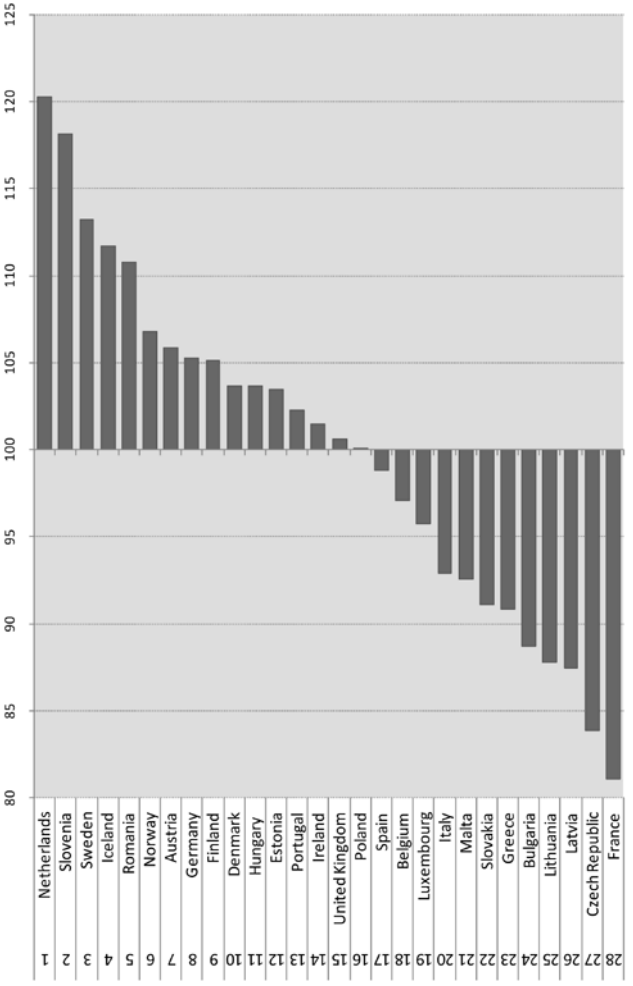
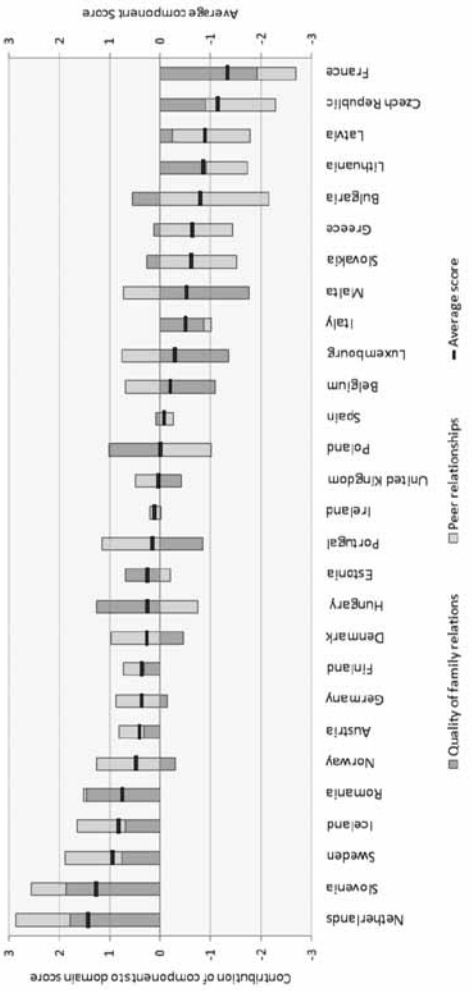
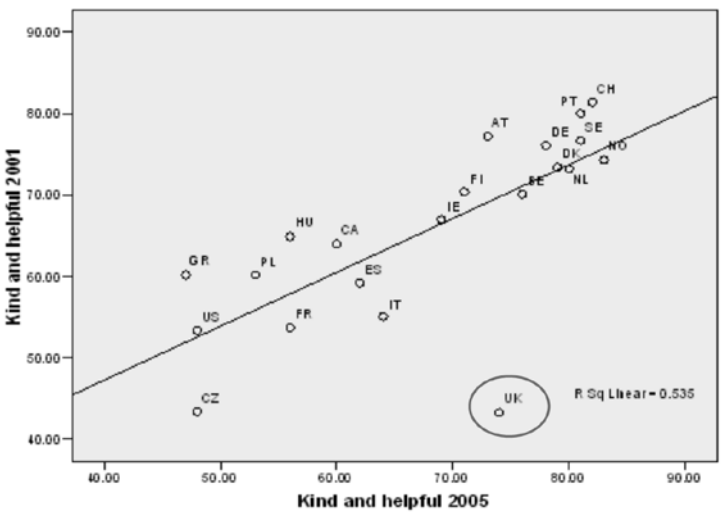


Figure 12.6: Components of relationships domain



Portugal, Norway, Denmark and Germany do comparatively well on the peer relationships domain; in each of these countries the quality of family relations is below the EU average. In terms of peer relationships, the UK is a notable case given the remarkable improvement in relationships with classmates since the 2001 HBSC. In Figure 12.7 we have plotted the results for the countries that we have observations for in the two surveys and it shows that there is a close association over time for most countries, which is reassuring given the subjective nature of these questions, but not for the UK – which is rather perplexing.

Figure 12.7: per cent young people finding friends kind and helpful HBSC 2001 and 2005/2006



Material Well-Being

The material well-being domain is made up of three components:

- income poverty – the relative child poverty rate and the relative child poverty gap derived from SILC 2006 (income data in 2005);

- deprivation – per cent of households with children in SILC 2006 reporting the enforced lack of one or more consumer durables[3], economic strain[4] and two indicators of educational deprivation from PISA – less than six educational possessions and less than 10 books in the household; and

- worklessness – the proportion of children living in workless families.

There is no data for Malta. We are lacking data on income poverty[5], and the SILC deprivation items and worklessness for Romania and Bulgaria, so they are left out of the domain-level comparison.

Figure 12.8 gives the overall material well-being results. Iceland and Norway come top of the league table. The Czech Republic does comparatively well in this domain. Poland, Lithuania and the UK do poorly.

In Figure 12.9, children in Cyprus, Finland, Norway and Slovenia live in the best performing countries in terms of combating poverty. The component combining both rates and gaps in poverty puts these countries at the top. In Norway and Slovenia children also

3 An enforced lack of consumer durables refers to people who cannot afford to have a washing machine, colour TV, telephone a personal computer or a personal car (a similar indicator is used by European Commission, 2008 : 51 – we include a personal computer). The indicator is one or more of these items missing. Households with children are households with any number of residents aged 0-17.

4 Economic strain refers to households who could not afford to: face unexpected expenses; one weeks annual holiday away from home; to pay for arrears (mortgage or rent, utility bills or hire purchase instalments); a meal with meat or chicken, fish every second day; to keep their home adequately warm (European Commission, 2008: 51). The indicator is missing two or more of these items. Households with children are households with any number of residents aged 0-17.

5 The EU publishes estimates, but we have no reason to believe that they are comparable being based on consumption data.

Figure 12.8: Material well being domain

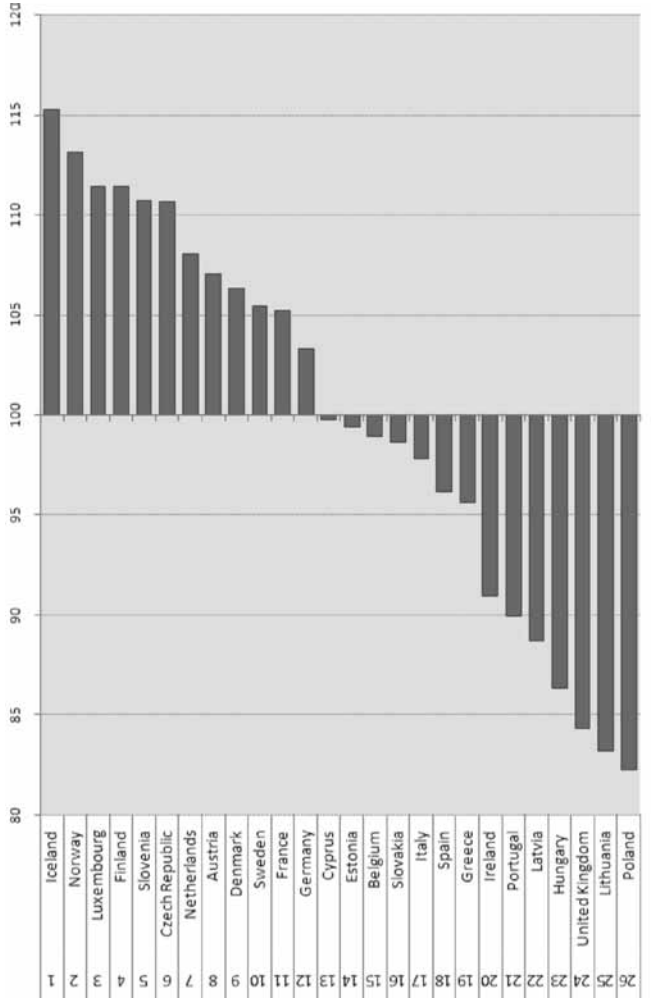
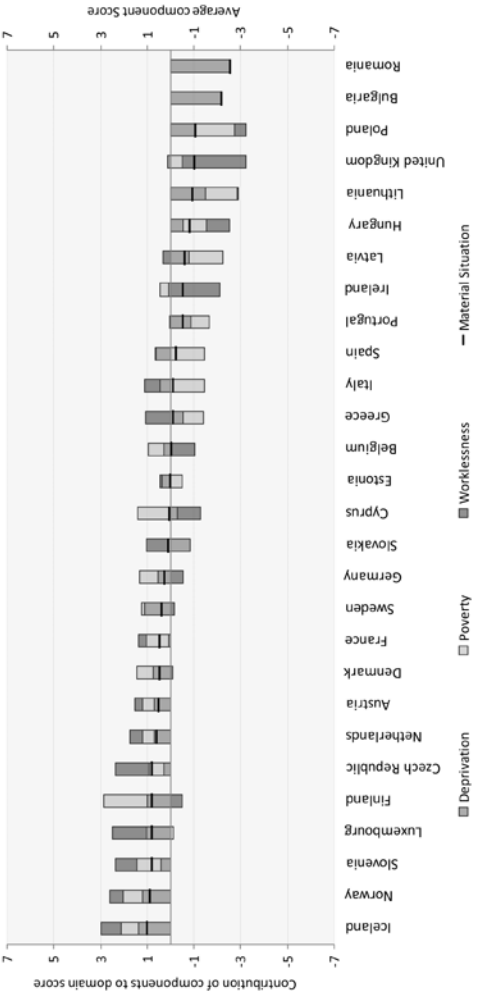


Figure 12.9: Material well-being components



experience above average outcomes in terms of deprivation and worklessness. Greece, Italy, Latvia, Lithuania, Poland and Spain are the worst performing countries. Children in Lithuania and Poland also experience below average outcomes in other forms of deprivation.

Deprivation is experienced least by children living in Northern Europe and Luxembourg. Children are more deprived in the newest EU member states, as well as Slovakia and Portugal. Italy and Spain are countries where levels of deprivation are below average, even though poverty rates are above average. Cyprus is the only country with low rates of poverty and above average rates of deprivation.

Children in working families benefit from additional income streams in the form of earnings, access to finance, benefits in the form of activation policies, and in some cases childcare. Working families also have increased social interaction, and can provide positive examples to children for the future. All this said, not all jobs are the same. Part-time work, variations in pay and responsibility leading to stress and insecurity can affect the comparability of this measure. Levels of worklessness can also be affected by levels of lone parenthood within a country. Children in Slovakia and the Czech Republic are less likely to be living in workless households, whereas children in Ireland and the UK are most likely. It is notable that in the cases of Ireland and the UK, very high levels of worklessness are not associated with high levels of deprivation.

Risk and Safety

The risk and safety domain is made up of three components:

- violence and violent behaviour – involvement in fighting and experience of bullying from HBSC;

- child deaths – most of which are accidental deaths;

- risk behaviour – adolescent fertility and, from HBSC indicators of early sexual intercourse, condom use, smoking, drunkenness and cannabis use.

We lack data for Cyprus and some countries do not ask the questions on sexual health and drug use in the risk behaviour component.

Figure 12.10 gives the overall results. The top performing countries in this domain are Sweden, Norway, and Iceland. Estonia, Bulgaria, Latvia and Lithuania have the poorest risk and safety outcomes for children in Europe.

Figure 12.11 gives the results for the components of the risk and safety domain. Violence and violent behaviour amongst children in Europe is least experienced by children in northern Europe and Spain. Markedly low levels of violent behaviour drive the success experienced by both Sweden and Finland across this domain. Greek scores are most negatively affected by the violence and violent behaviour component; children there experience violence more than anywhere else in the European Union.

Child mortality rates represent a serious failure in child protection. Health related deaths are not included in this measure. There is very little variation in the incidence of child mortality across countries, with the exception of the Baltic States. Estonia, Latvia and Lithuania all perform very poorly on this component. For Estonia it is experienced alongside high levels of risk behaviour; for Latvia and Lithuania, violence and violent behaviours are more of a problem.

Of the three components, risk behaviour is the most defining outcome for the domain. It is unsurprising to find that high performing countries in the north of Europe and low performing countries in the east of Europe have children taking fewer and more risks respectively: the situation in Bulgaria being most concerning.

Figure 12.10: Risk and safety domains

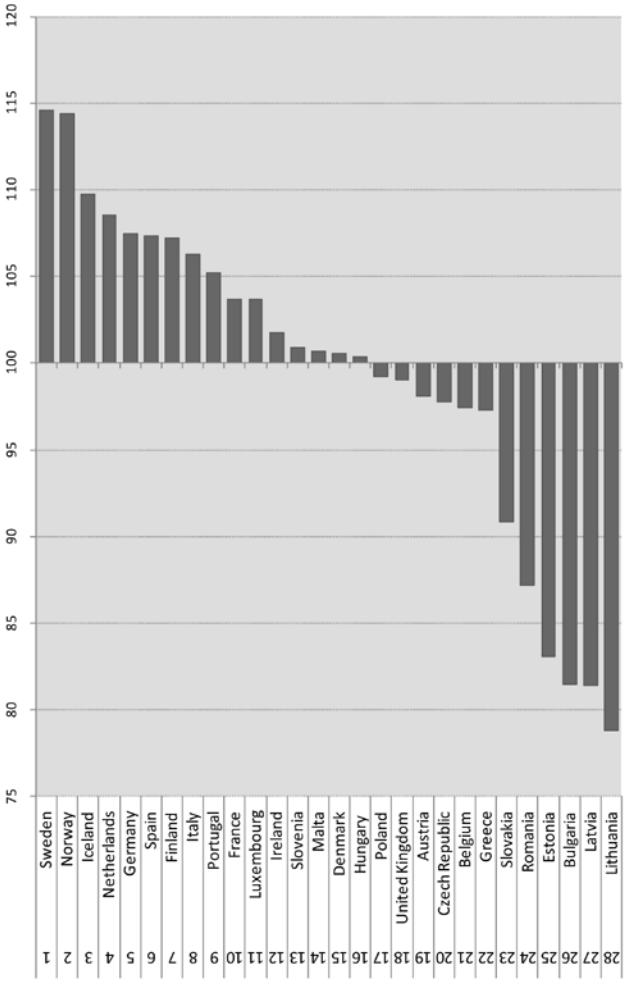
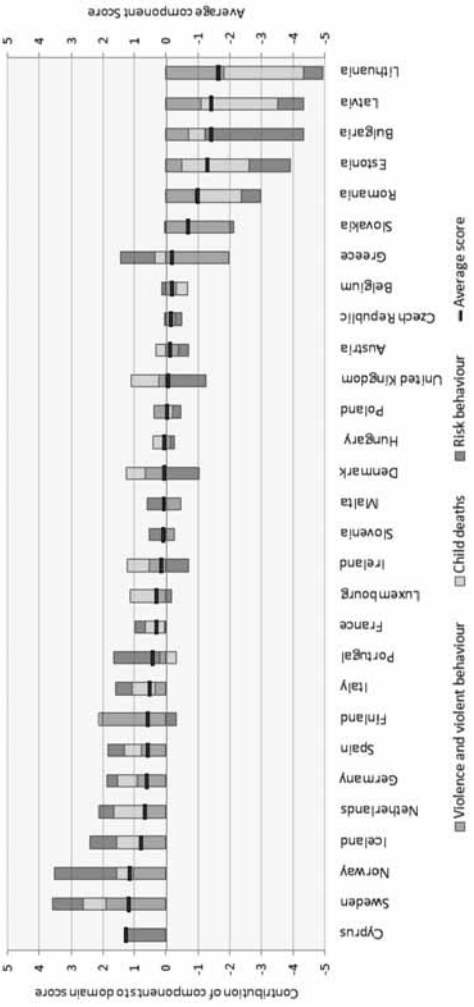


Figure 12.11: Risk and safety components



More surprising are countries such as Finland, Denmark, the UK and Ireland, that all show high levels of risk taking in contrast to mortality rates and violent behaviour. Southern European countries, including, Portugal, Slovenia, Malta and Greece show the opposite.

Education

The education domain covers the following three components:

- attainment – PISA reading, maths and science scores;
- participation – post 15 staying on rates and pre-primary enrolments rates;
- outcomes – NEET rates, per cent of younger people not in education or employment[6].

There is a large amount of missing data for Malta and Cyprus, where only pre-primary school enrolment figures are provided. For this reason these countries are excluded from the domain level comparison.

Figure 12.12 gives the education domain results. Belgium, Estonia, the Czech Republic and the Netherlands do best in this domain. Lithuania, Portugal, Bulgaria and Romania show the poorest child educational well-being outcomes.

Figure 12.13 shows that in terms of educational attainment, Finland has the best achievement rates but is let down by lower participation. The Netherlands, Estonia and Belgium also have high attainment outcomes, though for Belgium, NEET rates are above the EU average. The new EU members, Romania and Bulgaria, have educational achievement levels notably lower than

6 NEET is of course partly a function of *post 15 staying on* rates but, because participation also includes pre primary enrolment rates and NEET includes unemployment, we have treated them as separate components.

Figure 12.12: Education domain

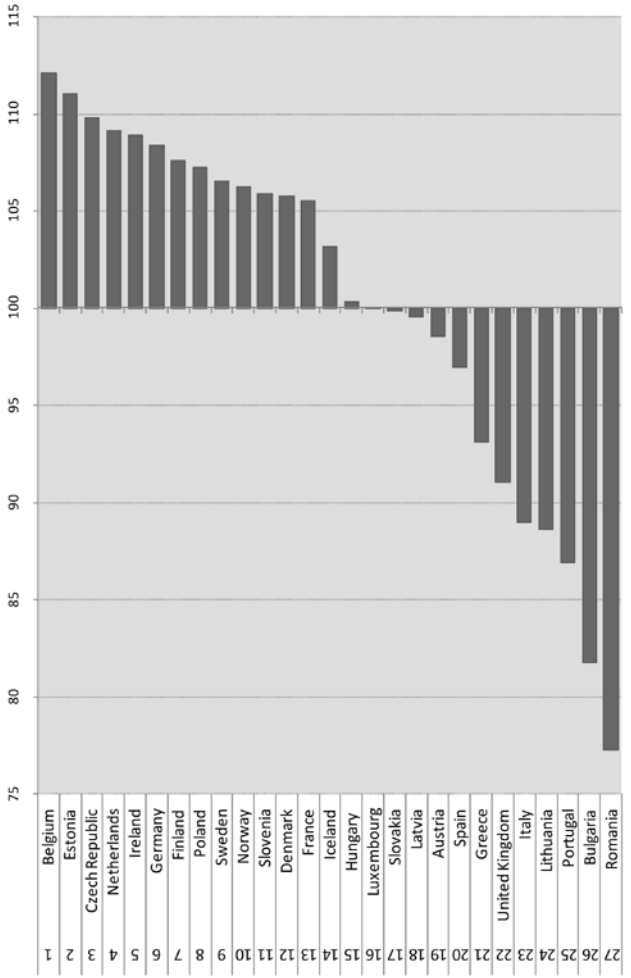
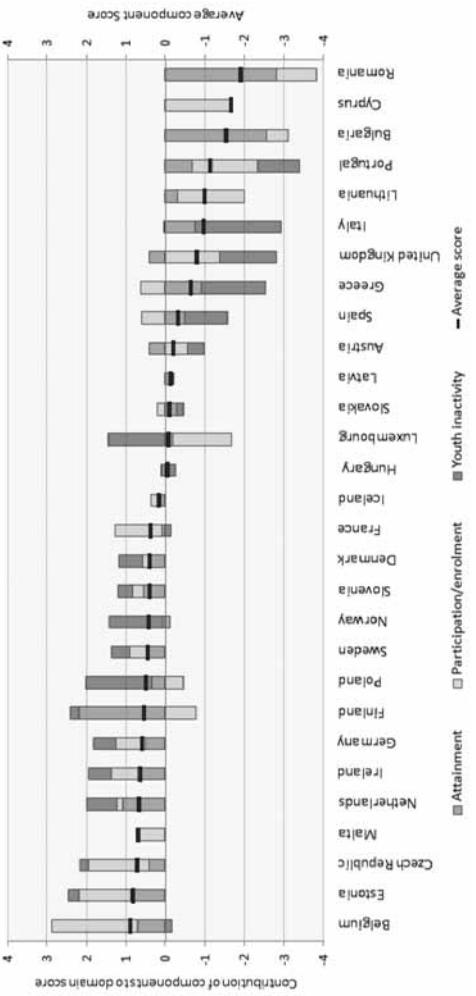


Figure 12.13: Education components



other countries. It is of concern to note that these poor outcomes are likely to be compounded in the child population as a whole, due to low levels of educational participation.

Participation/enrolment rates in education do not show clear geographical grouping. It is notable, however, that the best performing countries on the domain are also the best performing on this component. In France, Slovakia, Spain and Greece higher than average levels of participation are not associated with above average educational outcomes elsewhere. With the exception of Slovakia, these countries have high NEET rates.

A number of countries do not have data to measure youth inactivity. The measure itself is fraught with comparability problems, due to national definitions of employment, and the timing of economic activity surveys, but nonetheless, it represents the best measure for indicating the success of youth outcomes in late childhood during the school to work, or further education, transition. Luxembourg, Poland and Norway have the most success in activating youth following the end of compulsory schooling. There is a contrast in the fortunes of Poland and Luxembourg, with the former relying to a greater extent on education and training, and the latter moving more youth into work. Youth inactivity is a particular problem in parts of southern Europe and the UK.

Housing and Environment

Housing and the environment is represented by the following three components:

- overcrowding – rooms per person in households with children;
- environment – households with children reporting crime and dirt and pollution are a problem in their area;

- housing problems – households with children reporting more than one problem[7].

In the EU25 index, the housing indicators came from the European Quality of Life Survey but the latest version of that is not yet available and anyway, SILC is now a good source, and it will be even better when additional questions are added to the survey in 2009. The housing and environment component is unique in that it derives all three components (and indicators) from the same source. This allows us to draw direct comparisons from the same sample, and therefore, to a greater degree of accuracy, combine and compare these outcomes.

We are lacking data for Bulgaria, Romania and Malta.

Figure 12.14 gives the domain results. The Nordic countries do best on this domain, with Norway and Iceland recording scores at least half a standard deviation above other countries. Poland, Lithuania, and Estonia do poorly on this scale. Latvia has the worst outcomes on each of the three measures (overcrowding matched only by the other Baltic States), and as such fares extremely poorly on the housing and environment domain.

Figure 12.15 shows that there is little variation in overcrowding in the European countries, and on only five occasions do overcrowding scores contradict the direction of the average component score. A number of factors can drive overcrowding rates, including: availability of housing stock; fertility rates; and culturally accepted living practises. In Austria, where overcrowding is below the EU average, housing and environment are well above average. In the UK and Germany, overcrowding in households with children is

7 One or more of leaking roof, damp walls/floors/foundations, or rot in the window frames. Accommodation too dark, no bath or shower, no indoor flushing toilet for sole use of the household (European Commission, 2008: 51). Households with children are households with any number of residents aged 0-17.

Figure 12.14: Housing and environment domain

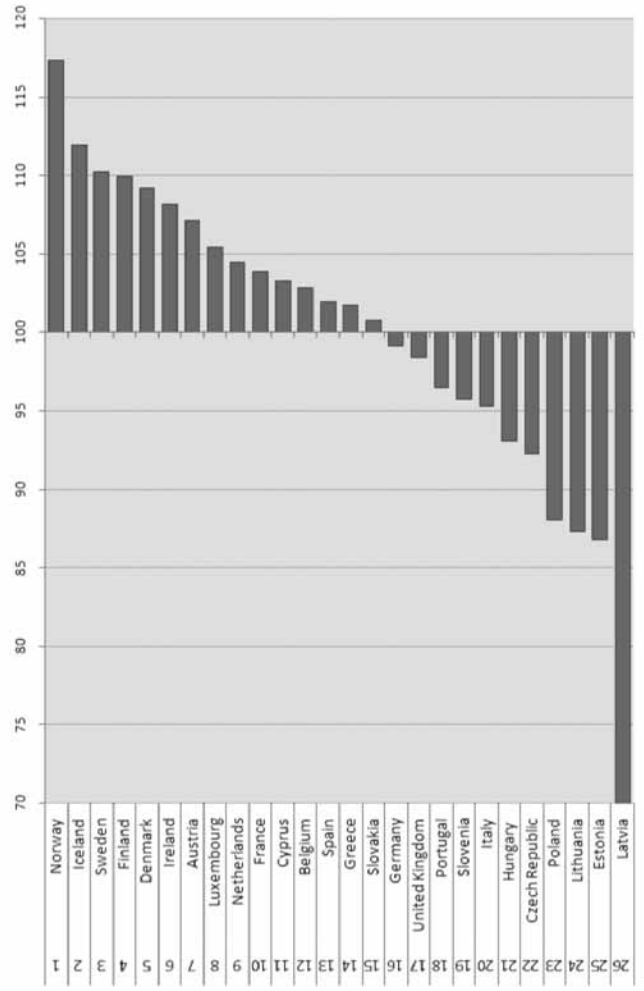
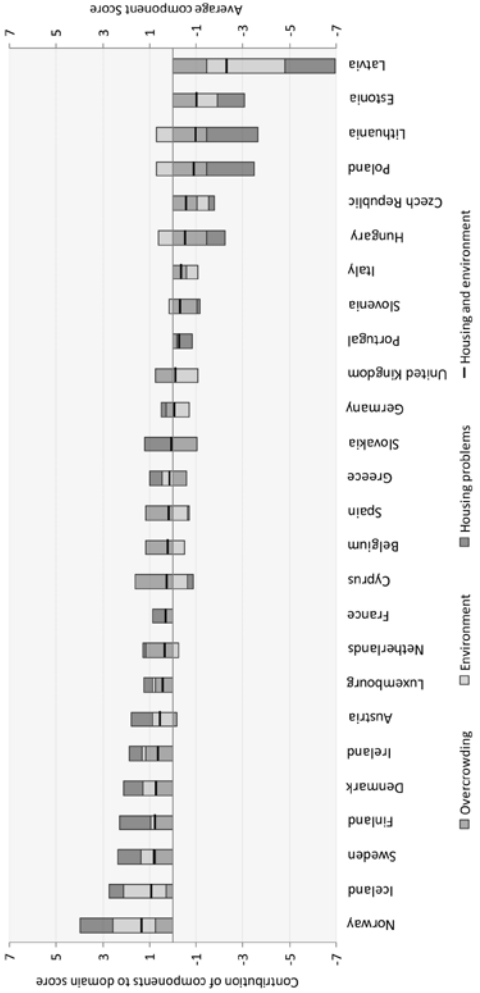


Figure 12.15: Housing and environment components



experienced less often than in the majority of countries, but the environments in which these households are situated are poor in comparison with the European average.

Environmental conditions are very poor in Latvia. In neighbouring countries Estonia and Lithuania conditions are not as bad. Indeed they are above the European average in Lithuania. The best environmental conditions are found in Norway and Iceland, Poland, Hungary and Austria. Environmental problems are the undoing of Germany, the United Kingdom, Cyprus, Belgium and Spain.

Housing problems are a good indicator of the severity of income poverty and poverty of opportunity, not measured elsewhere in the framework.[8] Not a single northern or western European country has housing problems below the European average. Few European countries report levels of housing problems outcomes over one standard deviation below the European average. Unfortunately, those that do, compound problems found in other measures. The Baltic countries, Hungary and Poland are all members of this unhappy group; unsurprisingly the numbers of individuals sharing these houses (marked by overcrowding outcomes) are in each case are well above the EU average.

Sensitivity Analysis

In Table 12.3 we have assessed the overall rankings of the league tables using different methods of summarising the results.

The first column is the ranking of countries given in Table 12.2 based on the mean of the domain z scores. The next column is the ranking that would be obtained if we had taken the average of the domain ranks given in Table 12.2. The third column is the average

8 Persistent poverty has not been included in the framework because of a lack of trend data following the introduction of the new Survey on Income and Living Conditions (EU SILC).

of all the indicator z scores. The fourth column is the average of the component z scores. What the Figure shows is that the results are very consistent. There are some minor changes in rank – the largest is for Belgium which moves into the top third on the mean of all the indicators. But overall there is remarkable consistency.

TABLE 12.3: *Sensitivity analysis*

Mean of domains z scores	Mean of domain ranks	Mean of indicator z scores	Mean of component z scores
Netherlands	Netherlands	Netherlands	Netherlands
Norway	Sweden	Sweden	Sweden
Sweden	Norway	Iceland	Norway
Iceland	Iceland	Norway	Iceland
Finland	Finland	Finland	Finland
Denmark	Denmark	Slovenia	Denmark
Slovenia	Germany	Denmark	Slovenia
Germany	Ireland	Germany	Germany
Luxembourg	Luxembourg	Belgium	Ireland
Austria	Cyprus	Luxembourg	Luxembourg
Ireland	Slovenia	Spain	Austria
Cyprus	Austria	Czech Republic	Spain
Spain	Spain	Ireland	Belgium
Belgium	Belgium	Cyprus	Cyprus
France	France	France	France
Czech Republic	Czech Republic	Austria	Slovakia
Slovakia	Estonia	Estonia	Czech Republic
Estonia	Slovakia	Slovakia	Estonia
Italy	Poland	Poland	Italy
Poland	Italy	Hungary	Poland
Portugal	Portugal	Italy	Portugal
Hungary	Greece	Portugal	Hungary
Greece	Hungary	United Kingdom	Greece
United Kingdom	United Kingdom	Greece	United Kingdom
Romania	Romania	Latvia	Malta
Bulgaria	Latvia	Lithuania	Latvia
Latvia	Malta	Romania	Lithuania
Lithuania	Bulgaria	Malta	Romania
Malta	Lithuania	Bulgaria	Bulgaria

Is there any single indicator which could be used to represent child well-being? Table 12.4 lists the ten indicators out of our 43 that have the highest correlations with the overall well-being score in rank order. Deprivation measures do best in representing overall well-being, but the best only explains 62 per cent of the variation. The relative income poverty rate, which is the indicator

most commonly used (Bradshaw, Richardson and Ritakallio 2007; Richardson and Bradshaw 2008) explains just over half of overall well-being. Early school leaving and jobless households are other "overarching" indicators used by the EU to monitor the social inclusion and neither appears in the top ten. It is significant that two of the top ten are subjective indicators – life satisfaction and classmates kind and helpful.

TABLE 12.4: *Top ten indicators*

Indicator (number of countries)	**Correlation with well-being**
Households with children reporting an enforced lack of consumer durables (26)	-0.82***
Households with children reporting economic strain (26)	-0.79***
Children who report high life satisfaction (27)	0.77***
Households with children reporting more than one housing problem (26)	0.75***
Pupils with less than 6 education possessions (27)	0.75***
Child income poverty (26)	-0.73***
Mathematics literacy achievement (27)	0.65***
Infants mortality rate (29)	0.62***
Teen births (29)	-0.62***
Children with kind and helpful classmates (27)	0.61**

The next two figures explore the relationship in more detail between two of these top ten indicators. Figure 12.16 shows that although there is quite a strong association between enforced lack of durables (defined in the material well-being section above) and overall well-being, there are some countries which are outliers – Italy and the UK have lower child-well-being than their levels of lack of durables would predict and the Netherlands, some Nordic countries and Slovakia have higher child well-being than economic strain.

Figure 12.16: Overall well-being by economic strain

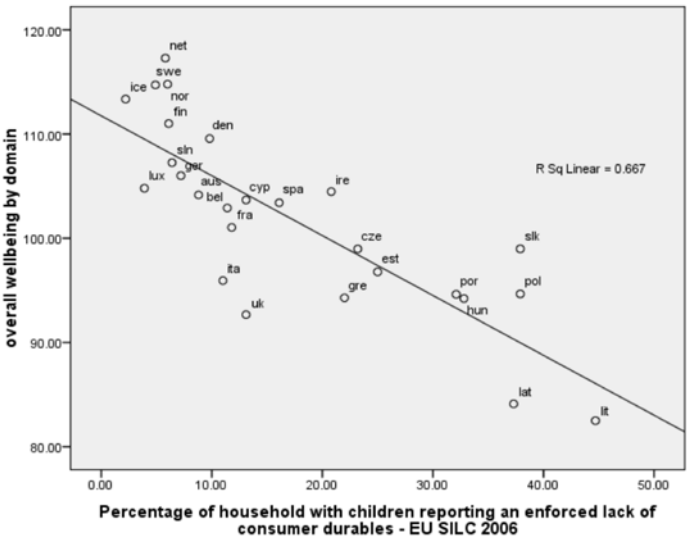


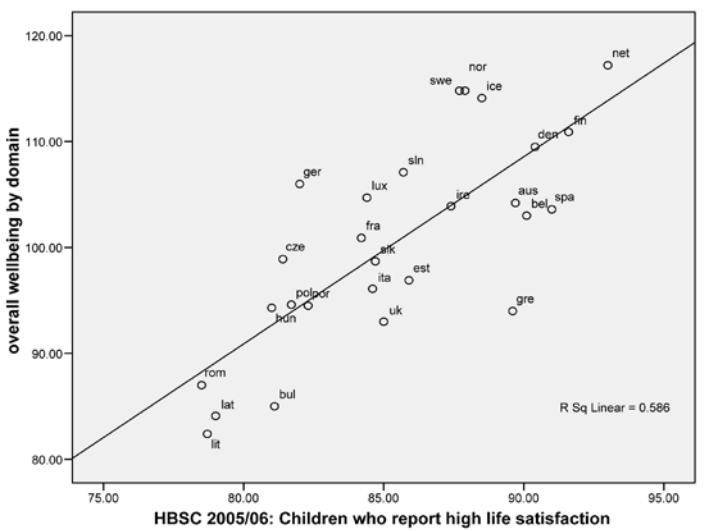
Figure 12.17 shows the association between overall well-being and the proportion of children reporting high life satisfaction. Again there is quite a strong association, with about 59 per cent of variation in the one explained by the other, but there are outlying countries – Norway, Sweden and Germany have higher overall well-being than you would expect given their life satisfaction and Greece, the UK and Lithuania have lower child well-being than you would expect given their life satisfaction.

If a single indicator cannot represent overall well-being, is there a set of indicators that might? In Table 12.5 we have selected the single indicators that best represent (have the highest correlation with) each domain.

TABLE 12.5: *Single indicators with the highest correlation with the domain*

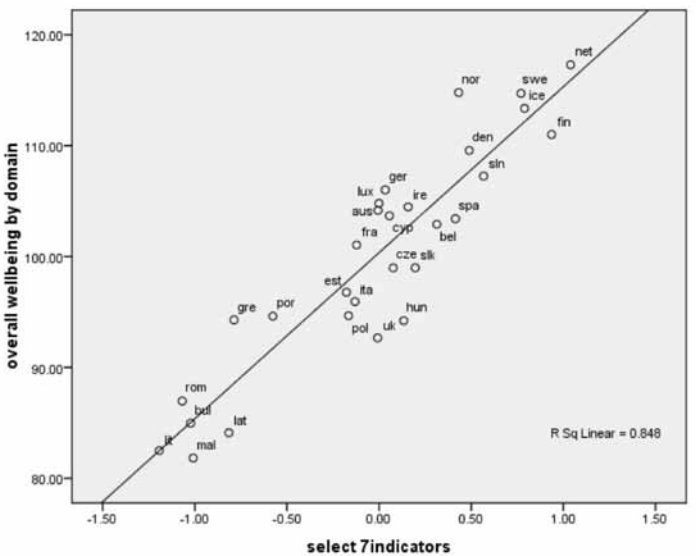
Domain	Indicator (Countries)	Correlations between indicator and domain
Health	Child immunisation rate, Pol3 (29)	0.68***
Subjective	Children who report high life satisfaction (27)	0.83***
Relationships	Child who find it easy to talk to their fathers (28)	0.76***
Material	Lack of educational possessions (27)	-0.78***
Risk	Experience of bullying twice in last couple of months (27)	0.78***
Education	Mathematics literacy achievement (27)	0.86***
Housing	Households with children reporting more than one housing problems (26)	0.89***

Figure 12.17: Overall well-being and life satisfaction



We have then taken these seven indicators and formed a new overall index with equal weights. Figure 12.18 gives the relationship between the 43 indicator index and the 7 indicator index. The relationship appears to be very close and the seven indicator index explains 85 per cent of the variation in the overall index. However, table 12.5 shows that there are some re-rankings of countries – quite large improvements in the position of Slovakia, Hungary, and the UK. Norway, Luxembourg, Germany and Austia have substantial reductions in rank.

Figure 12.18: Overall child well-being index by 7 indicator child well-being index



There are two somewhat conflicting conclusions from these results. If the EU, or any other body, wanted to produce an index of child well-being based on a limited set of indicators, it is possible to use fewer indicators with similar results. However, the actual results in terms of rank order would depend on the ten indicators chosen.

TABLE 12.6: *Ranks of countries using the top 10 indicator composite and mean of domains for 43 indicators*

Mean of domains z scores	Mean of 7 indicators
Netherlands	Netherlands
Norway	Finland
Sweden	Iceland
Iceland	Sweden
Finland	Slovenia
Denmark	Denmark
Slovenia	Norway
Germany	Spain
Luxembourg	Belgium
Austria	Slovakia
Ireland	Ireland
Cyprus	Hungary
Spain	Czech Republic
Belgium	Cyprus
France	Germany
Czech Republic	Luxembourg
Slovakia	Austria
Estonia	United Kingdom
Italy	France
Poland	Italy
Portugal	Poland
Hungary	Estonia
Greece	Portugal
United Kingdom	Greece
Romania	Latvia
Bulgaria	Malta
Latvia	Bulgaria
Lithuania	Romania
Malta	Lithuania

Countries with missing data

This section addresses the impact countries with the least data have on the overall results.

As mentioned at the start of the paper, we prioritised the country coverage in all parts of the analysis, which has in turn led to indicators being used in the calculation of components and domains. We are making all data available and encourage readers to explore and improve on our efforts.[9]

Including countries with limited data has the potential to affect the results of a construct which relies on combined scores standardised to the distribution of the group. For that reason, domains most sensitive to change are those where countries are included with both few *and* outlying measures. For instance in the material well-being domain Bulgaria and Romania are included via the deprivation measures derived from PISA 2006. In both countries very high levels of child educational deprivation are experienced. We can predict that Slovakia, which performs poorly in terms of deprivation outcomes but well in terms of worklessness and poverty to give a middling score, will drop ranks on this domain if Bulgaria and Romania are excluded. The inclusion of poor performing countries means the impact of deprivation on the overall domain is lessened as the standard deviation on the scale is increased.

The question therefore is, does the inclusion of all data change the broad *order* assumption drawn at the level of the overall child well-being measure? And if so, to what extent are the results affected?

Table 12.7 compares the child well-being rankings as presented above in Table 12.2 (by domain and overall) with the same analysis including only those countries that meet the following rules for inclusion at the component, domain and overall levels:

9 For a copy of the excel file email jrb1@york.ac.uk

TABLE 12.7: *Comparing the results of inclusive and exclusive aggregation: high, middle, and low groups are stable*

	Includes	Excludes	Includes	Excludes	Includes	Excludes	Includes	Excludes
Netherlands	1	1	7	7	4	4	4	4
Norway	2	3	2	2	2	2	10	10
Sweden	3	2	11	10	1	1	9	9
Iceland	4	4	1	1	3	3	14	14
Finland	5	5	5	4	7	7	7	7
Denmark	6	6	9	9	15	15	12	12
Slovenia	7	7	3	5	13	13	11	11
Germany	8	8	12	12	5	5	6	6
Luxembourg	9	9	4	3	11	11	16	17
Austria	10	11	8	8	19	19	19	19
Ireland	11	10	21	20	12	12	5	5
Cyprus	12		14	13				
Spain	13	13	19	18	6	6	20	20
Belgium	14	12	16	15	21	21	1	1
France	15	14	10	11	10	10	13	13
Czech Republic	16	15	6	6	20	20	3	3
Slovakia	17	16	13	16	23	23	17	16
Estonia	18	17	15	14	25	25	2	2
Italy	19	18	18	17	8	8	23	23
Poland	20	19	26	26	17	17	8	8
Portugal	21	20	20	21	9	9	25	25
Hungary	22	22	23	23	16	16	15	15
Greece	23	21	17	19	22	22	21	21
United Kingdom	24	23	25	24	18	18	22	22
Romania	25				24	24	27	27
Bulgaria	26				26	27	26	26
Latvia	27	24	22	22	27	26	18	18
Lithuania	28	25	24	25	28	28	24	24
Malta	29				14	14		

- To register a component for inclusion in a domain, 50 per cent of indicators are needed.
- To register a domain score, 50 per cent of components are needed.
- To be included in the overall index, 75 per cent of all indicators is needed.

The first thing to note is that health, subjective well-being, children's relationships and housing do not change at all, and so are not presented. On the occasions where countries fail to meet the basic requirements it is because no data is available across the entire domain. The second point to note is that those countries already highlighted and removed from the original comparisons (though data was not removed) are the only cases to be excluded from Material well-being (RO and BG), Risk behaviour (CY) and Educational well-being (CY and MT). The third point is that though ranks change by as much as three places (this is the case for Slovakia, as predicted), country grouping is stable[10] – whether we include or exclude countries with less than 50 per cent of data, we can be confident that we have found our high, mid and low performing groups.

Explaining Variations in Child Well-Being

There are two ways to explore the reasons for the variations we observe. One is to examine the internal relationships between domains and indicators. The other is to relate the results to other independent factors.

10 The changes in group membership at the overall child well-being level are explained by the exclusion of four countries, not by any substantial change in ranks.

Internal exploration

We have already done some of this in the previous section by identifying the individual indicators that are most closely associated with overall child well-being. It is also useful to point to the indicators that are **not** associated. They contribute to well- being in that they contribute to the index, but they are not associated with it and don't explain it. There are many such indicators but the following have been selected because they may help to answer specific hypotheses.

- The proportion of children liking school a lot does not seem to contribute to the overall child well-being index (although bullying and finding friends kind and helpful does). Children in Finland have low proportions liking school a lot and yet very high overall child well-being. Children in the Czech Republic, Slovakia and Italy do fairly well on overall child well-being, despite not liking school. It may be that demanding school regimes explain these results. Certainly Finland does best on attainment, despite few children liking school a lot. Or the question may not be producing valid or reliable answers.

- Finding it easy to talk to parents (at 11, 13 and 15) does not seem to matter, though again finding friends kind and helpful does. It may be that at this age young people's well-being is more associated with their relationships with their friends than their parents.

- It does not seem to matter if no parents are working. That is, there is no association with overall child well-being of living in a jobless household. However there is an association between living in a poor household and overall well-being, which suggests that worklessness only matters if it results in poverty or deprivation.

- The hypothesis that countries with high rates of pre-primary children have better outcomes for children is not upheld, at least for overall well-being at the international level. This may be because the pre primary enrolment rate is not a very satisfactory indicator of the experience and quality of pre-school childcare experience.

- There is no evidence here that countries with higher staying-on rates have higher overall child well-being. This may be because staying on at school enhances chances in adulthood – well-becoming rather than necessarily well-being.

TABLE 12.8: *Correlations of selected single indicators with overall well-being*

Indicators	Correlation coefficients
Young people liking school a lot 11, 13 and 15 years	0.05
Child who find it easy to talk to their mothers	0.12
Children aged 0-17 living in jobless households	-0.30
Full-time and part-time students in all institutions	0.06
Pre-primary school enrolment	0.18

We have assumed equal weighting of domains in constructing the overall index, but how do the domains relate to the overall index and to each other? Of course as the domains are one of seven contributing to the overall index they would be expected to correlate quite strongly and they do in the top row of the matrix in Table 12.9 with Housing and Environment having the strongest correlation and Education the weakest. In the final column of Table 12.9 we have given the coefficients excluding the domain in that row. So, for example, the correlation between Health and the overall index without Health is 0.49 and between Education and the overall well-being less Education it is only 0.40 and just significant. All the domains are related to overall well-being even though they are not included, the strongest relationship being Material.

TABLE 12.9: *Correlation matrix of well-being domains*

	Overall	Health	Subjective	Relations	Material	Risk	Education	Housing	Overall less domain
Overall	1	0.66**	0.71**	0.61**	0.79***	0.74***	0.48**	0.82***	
Health		1	0.26	0.30	0.52**	0.38*	0.37*	0.19	0.49**
Subjective			1	0.37	0.45*	0.38*	0.13	0.69***	0.49**
Relations				1	0.20	0.45*	0.18	0.41*	0.41*
Material					1	0.59**	0.64***	0.56**	0.73***
Risk						1	0.24	0.72***	0.66***
Education							1	0.17	0.40*
Housing								1	0.69***

Turning to the relationships between the domains:

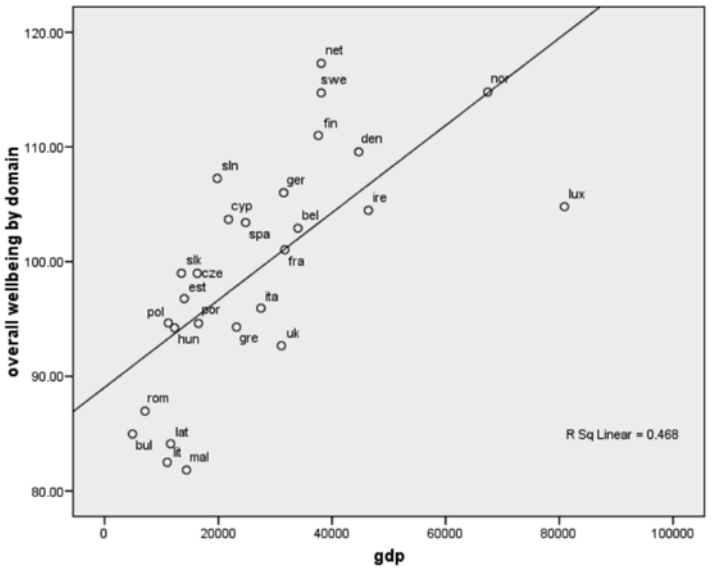
- Health is only significantly related to Material, Risk and Education;
- Subjective is associated with Material, Risk and Housing;
- Personal relations is associated with Risk and Housing;
- Material is associated with all except Personal relations;
- Risk is associated with all except Education;
- Education is associated only with Health and Material;
- Housing is associated with all others except Health and Education.

From this we can conclude that education is the most independent of overall well-being and Personal relations has least association with the other domains.

Associations with factors independent of the child well-being framework

Is child well-being merely a function of national wealth? Figure 12.19 shows that there is a positive relationship between overall well-being in the EU and GDP per capita. Indeed, national wealth explains 47 per cent of the variation in child well being (and 62 per cent if Luxembourg is excluded). However, there are some notable outliers – in particular the UK and Luxembourg have lower well-being and Slovenia and the Netherlands have higher well-being than their national wealth might indicate.

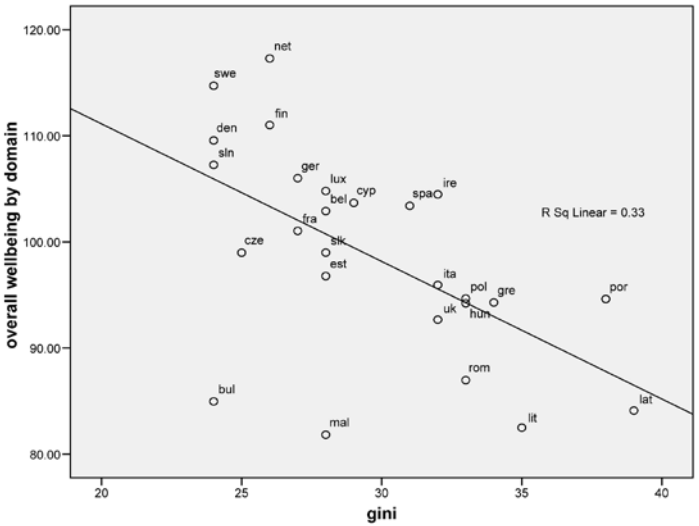
Figure 12.19: Overall child well-being by GDP per capita Euro purchasing power parities



Child well-being is associated with inequality. Generally, more unequal countries have lower child well-being. This association was also observed for the UNICEF index (Pickett and Wilkinson 2008). In Figure 12.20 we plot the relationship between the gini coefficient and overall well-being. Inequality explains 32 per cent of the variation in child well-being but if Malta, Romania and Bulgaria are excluded on the grounds of missing data, that increases to 63 per cent of the variation. Ireland and the Netherlands have better child well-being than their gini coefficient would suggest and the Czech Republic and Lithuania have worse.

When the UNICEF (2007) report was published, some newspapers and politicians in the UK attributed the position of the UK at the bottom of the league table to so called 'broken families'. This claim is just wrong. Countries with high proportions of new family forms do not have low child well-being. Figure 12.21 plots the relationship

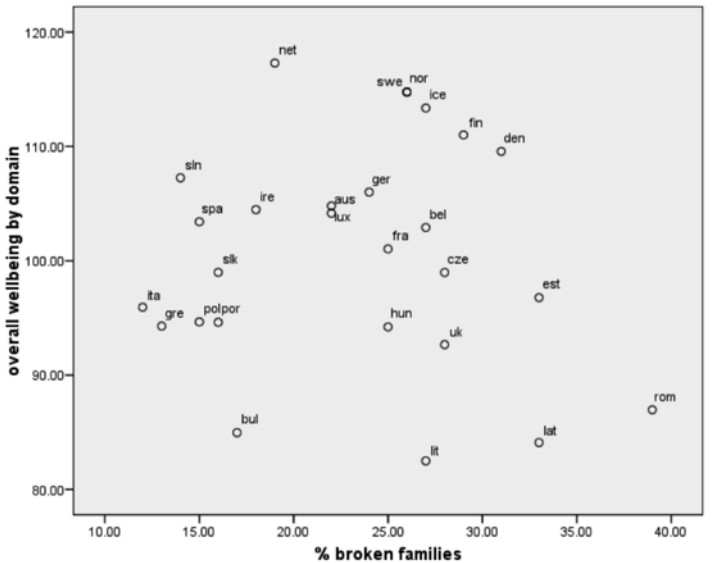
Figure 12.20: Overall child well-being by inequality (gini coefficient)



between overall child well-being and 'broken families' (actually the proportion of 11, 13 and 15 year olds living in lone or step parent families in the HBSC (Currie 2008). The correlation is -0.09. We cannot conclude that child well-being is not affected by experience of family disruption. Rather, at the international level, countries with high levels of family disruption do not necessarily have lower over all child well-being. The Nordic countries with high levels of disruption and high child well-being may be achieving this because they have social policies that prevent or compensate for the effects of disruption.

Does social spending on families and children have an impact on child well-being? Social expenditure data is derived from the EU ESSPROS series for 2006 and it is not entirely satisfactory because it excludes tax benefits, which are an increasingly important element of the child benefit package in some countries. Table 12.10 outlines the association between child well-being and family

Figure 12.21: Overall child well-being by per cent 11, 13 and 15 year olds living in lone or step parent families



spending. Overall family spending explains 45 per cent of the variation in child well-being and the relationship appears to be stronger with in kind spending that cash spending. It is interesting that no domains associate positively or negatively with levels of cash benefit spending.

In figure 12.22 we look more closely at the association of in-kind spending and the overall child well-being measure. The association between these variables is fairly strong, though the scatter plot shows that a non-linear association (logarithmic) explains the association better. This may suggest that there is an optimum level of in-kind expenditure, following which decreasing marginal returns are seen.

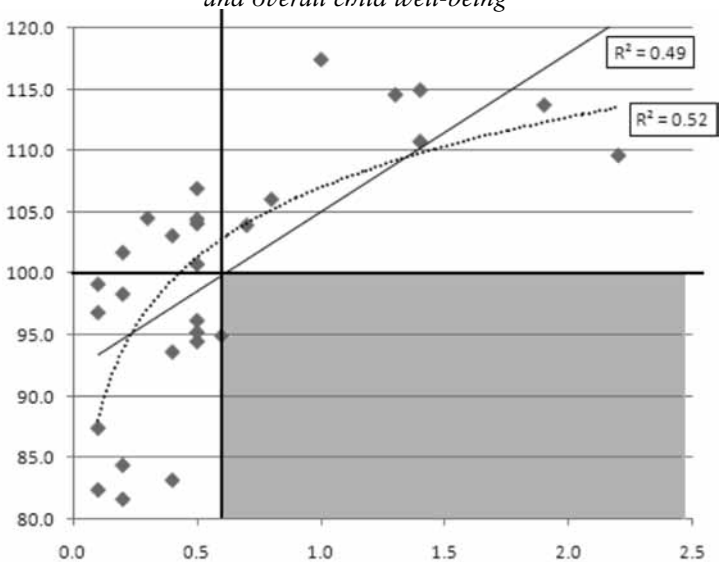
The grey box in the plot shows an area in which no European country is found. This area highlights a space where countries

TABLE 12.10: *Correlation matrix of family social expenditure and child well-being domains*

	Overall	Health	Subjective	Relationships	Material	Risk	Education	Housing
Families and children, all schemes 2006	0.67	0.35	0.41	0.36	0.57	0.49	0.37	0.64
Families and children, cash schemes 2006	0.32	0.06	0.16	0.10	0.32	0.24	0.27	0.33
Families and children, in-kind schemes 2006	0.70	0.53	0.46	0.48	0.50	0.52	0.32	0.60

with higher than average in-kind spending and lower than average child well-being would be found. The conclusion to draw is that although high spending does not guarantee high well-being, all countries spending above average on families and children in in-kind services are amongst the group with the highest levels of child well-being.

Figure 12.22: Associations of in-kind family social expenditure and overall child well-being



Final discussion

There is now a considerable body of good quality and comparable data on child well-being covering European countries, and the coverage and quality will be improved when Bulgaria, Romania and Malta are covered by EU SILC, and also when the questions on children are improved in the EU SILC survey in 2009. However, we are still lacking indicators covering some domains important to child well-being in particular; children as carers; children as victims and perpetrators of crime; children in substitute care or abandoned

by their parents. We also lack evidence on existing domains that we would like: children who are homeless for the housing domain; child mental illness and disability for the health domain; the quality of preschool experiences for children for the education domain. The coverage of subjective well-being does not cover what children think about their housing and neighbourhoods, or their access to transport, play space, recreation and other services.

We could do with more data on dispersion within countries. This is probably too much to hope for with the administrative data. However, for data derived from surveys it is already available with EU SILC in that Eurostat releases the raw data to approved analysts, and the PISA data is also available for secondary analysis by all users. The major problem here is the HBSC, which is a very important data source. Although the most recent report was excellent in focussing on dispersion (Curries et al 2008) and it is advertised that the HBSC data is available from the Bergen data archive, in fact it is impossible to get access until the data has been fully exploited by HBSC researchers, which may be many years. This is a major problem with the survey and may eventually undermine support for it internationally.

Even if we had access to HBSC, there are problems with these general indices in representing the circumstances of children in minority groups – ethnic, Roma, refugee/asylum seeker, disabled children – groups who are too small in number to be represented by general samples of the population. There is also a tendency for too many of the indicators to relate to the circumstances of older children because older children are the ones interviewed in the PISA and HBSC surveys.

There is a great deal more work to be done testing out and developing this index. Other methods of combining, summarising and weighting the data could be tried.

There is also a great deal more work to be done in attempting to explain these results. For example why is it that the Netherlands

does so well for its children across the domains? How can other countries aspire to become more like the Netherlands? Do they need to change their schools, services, financial support systems, and/or socio- cultural interactions?

Policy makers will no doubt want to focus on those domains where they are doing less well than other countries. Some policy response to these findings might be fairly straightforward. For example, Austria could improve its child health by dealing with its low immunisation rates. In other countries, improvements in child well-being can be expected to follow economic developments. Perhaps the biggest challenge is in a country like the UK, where neo-liberal policies have resulted in decades of under investment in children's services and benefits, and big increases in child poverty and inequality. The UK government is now committed to abolishing child poverty and has an 'Every Child Matters' agenda, massive extra investment in family benefits and health, education and childcare services. That the UK is making such slow progress out of the bottom of this league table is an indication of the long term damage that can be done by neglecting children, especially in a recession.

The views expressed in this paper are those of the authors alone, and not of the OECD or any of its Member countries.

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13

Trends in child subjective well-being in the United Kingdom*

Background

The most dramatic changes which might have affected children in Britain occurred in the 1980s when the Thatcher government presided over a deep recession at the same time as pursuing policies designed to reduce public social expenditure and taxation. Child poverty more than doubled, inequality increased sharply, and, although there was no reduction in real social expenditure overall or in most spending programmes (housing was an exception), the tax system became more regressive and benefits and services for children failed to keep pace with the growth in the economy. By 1994, when this study begins, the UK, now governed by the Major Conservative Government, was emerging from another recession. Unemployment was still high but falling. Social expenditure as a proportion of GDP was low and falling. Both poverty and inequality were still high but more or less stable.

In May 1997, a Labour Government was elected which had pledged to stick to Conservative spending plans for the first two years. But after that things began to change – especially for children. In 1999

* Bradshaw, J. and Keung, A. (2011). Trends in child subjective well-being in the UK, *Journal of Children's Services*, 6, 1, 4-17.

Tony Blair announced that the government intended to eradicate child poverty by 2020. New measures were introduced. The child poverty rates began to fall after 1998/99. By 2007/8 500,000 children had been lifted out of poverty and it is estimated that policies already announced but not yet shown in the figures, will have lifted another 600,000 out of poverty (Joyce et al 2010). By 2008 the labour participation rates of both men and women were at record levels and 75 per cent overall (CESI 2008).Unemployment was the lowest it had been for many decades at about 5 per cent (CESI 2008). Even the lone parent participation rate rose from 45 per cent in 1997 to 57 per cent in 2007 (DWP 2007).

A minimum wage was introduced in 1999 and was subsequently increased annually by a little more than increases in average earnings. Child benefits were increased in real terms. The system of in-work means-tested cash benefits (Family Credit) was abolished and replaced, initially by Working Families Tax Credit, and then by Child Tax Credits and Working Tax Credits. A new subsidy towards the costs of childcare was introduced in the Childcare Tax Credit that pays now up to 80 per cent of the costs of childcare in recognised childcare outlets. There were improvements in the generosity of housing benefits, and bonus payments introduced for those moving into employment.

Out-of-work benefits paid in respect of children were improved, including the payments in respect of children on Income Support (now taken over by Child Tax Credits). Parental leave was extended and efforts were made to improve the living standards of all pregnant and nursing mothers, through the payment of child benefit after 29 weeks, a Health in Pregnancy payment of £190, the reform of the Welfare Foods programme in Healthy Start and a 'Sure Start' Maternity Grant of £500 for low income mothers.

Eventually, the government began to spend more on services. Initially the main beneficiaries were health and education, then transport and eventually childcare. Public expenditure as a percentage of GDP which had fallen to 36.8 per cent by 1999/00,

rose to 47.5 per cent by 2007/8 and spending on education rose from 4.5 per cent of GDP in 1999/00 to 5.5 per cent of GDP in 2007/8 and spending on health from 5.2 per cent of GDP in 1999/00 to 7.2 per cent of GDP in 2007/8 (HM Treasury 2010).

There were also many institutional changes. We now have an independent Children's Commissioner. In a new Department for Children, Schools and Families, we have a Minister for Children and a Child Poverty Unit dedicated to meeting the 2020 child poverty targets.

Alongside the rapid changes in the policy context over the past decade, we have also seen many other changes in the lives of young people such as: the increasing use of communication technologies; internet; online social networking sites; changes in the cost and availability of drugs and alcohol; increasing child-focused family time use and others, which to various extents may be have influenced their subjective well-being.

In international comparisons of effort by government on behalf of children, the UK has also improved. In the OECD comparisons of family spending as a proportion of GDP, the UK has moved up the international league table and by 2005 was in third place after France and Luxembourg (OECD 2009a). The OECD (2008) found that child poverty had increased between the mid 1990s and the mid 2000s in most countries – the only exceptions in Europe were Belgium, Hungary, Italy and the UK.

There is now quite a lot of evidence available on how children have fared in relation to material well-being, education, health, housing and other domains of well-being. We published three books on the subject covering some of the period (Bradshaw 2001, Bradshaw 2002 and Bradshaw and Mayhew 2005). When Tony Blair announced the child poverty strategy, he also set up a process for monitoring its achievements. The publications *Opportunity for all* (1999-2007) report the progress of reduction in poverty and social exclusion on an annual basis. These contain a set of 24 indicators on

children, which are also targets for government departments. They include indicators covering relative, absolute and persistent income poverty, worklessness, child health, educational participation and attainment, housing, and looked-after children. The latest results show that 14 out of the 24 indicators have improved, in comparison with a base line mainly around 1997 and only four have got worse (DWP 2007).

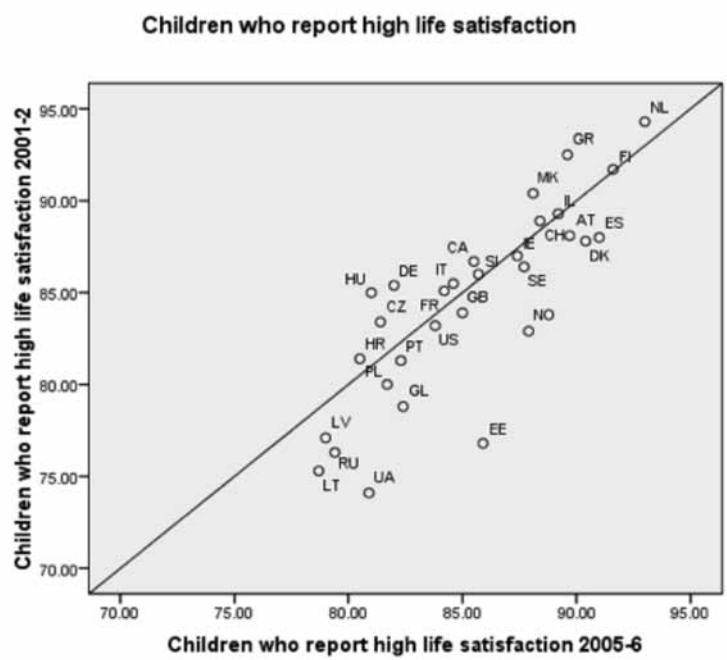
There is also some evidence on trends in the mental health of young people. Rutter and Smith (1995) concluded that depressive disorders in British adolescents increased between the 1940s and 1980s, but then decreased thereafter. Research by Colishaw et al (2008) found that emotional and behavioural problems of young adolescents in the UK continued to rise up to the end of the 20th Century and then appeared to have begun to levelling off during the first half of the 21st Century. The latest available statistics suggest that 1 in 10 British children aged between 5 and 16 in 2004 had a clinically diagnosed mental disorder. The prevalence in the overall proportions of children with mental disorders remained the same as recorded in 1999 (Green et al 2005).

So we know quite a lot about what has been happening to British children. However, there is relatively little evidence relating to subjective well-being. The Health Behaviour in School-aged Children (HBSC) Survey contains questions on subjective well-being and relationships and Figure 13.1 shows that in most of the observed countries, including Great Britain, the proportion of 11, 13 and 15 year olds reporting high life satisfaction (using Cantril's ladder) did not change between the 2001/2 and 2005/6 waves.

Also using on the HBSC data, Levin et al (2009) explored trends in mental well-being (based on four positive subjective outcome indicators: "happiness", "confidence", "never feel helpless", "never feel left out") of Scottish children, their analysis showed an overall increase in mental well-being of both boys and girls between 1994 and 2006. They also suggested that the odds of good

mental well-being had risen at a faster rate for girls than boys for all four indicators.

Figure 13.1: Life satisfaction: Own analysis of the Health Behaviour in School-aged Children Survey 2001/2 and 2005/6.



Thus, research appears to suggest that over the past few decades, increases were evident in both negative (e.g. depression and anxiety) and positive effects (e.g. happiness and life satisfaction). These seemingly contradictory findings can be explained by the construct of emotional affect where, according to Ben-Zur (2003), positive and negative affect are highly independent, and thus the absence of mental disorders is not sufficient to maintaining positive well-being. Hence, positive and negative affect should be examined separately as evidence suggests that they are associated with different sets of factors (Myer & Diener 1995, Costa & McCrae 1980).

Methods

Data

The British Household Panel Survey (BHPS) has been used for cross sectional analysis of subjective well being (for example Clark et al 2000, Quilgars et al 2005 and Robson 2009) but not yet to review change over time. The BHPS is an annual survey of a panel of households which began in 1991, interviewing a random sample of approximately 10,000 individuals aged 16 and above in 5,500 British households. The dataset contains a wide range of information about the characteristics of individuals and households, including demographics, education and employment, health, values, housing and finances. From 1994 the survey included a separate questionnaire administered to 11-15 year old young people, known as the British Youth Panel Survey (BYPS). It contains data on young people's health and health-related behaviour, subjective well-being, aspirations and relationships with their families and peers (see Marcia Freed et al 2010 for further detail of the BHPS).

Subjective well-being

The availability of the data from both parents and children enables the examination of subjective well-being of young people in relation to their family circumstances. The BYPS collects data for three measures of subjective well-being: happiness, feeling troubled and self esteem. The feeling troubled measure was dropped after wave 11, so in this article we focus on the other two measures. Table 13.1 summarises how the measures are created. Each of these dimensions of subjective well-being is assessed by a number of questions and a score is given to each response. A scale is created for each dimension by summing up the scores for each set of corresponding questions. The happiness scale ranges from 0-30 and the self-esteem scale ranges from 0-15. Thus, the higher the score, the better is the subjective well-being on both scales. The internal reliability of each scale is deemed reasonable with Cronbach's alpha around 0.7.

TABLE 13.1: *Questions set from the BHPS measuring subjective well-being (SWB)*

SWB	Questions	Scoring	α coefficient
HAPPINESS	How you feel about your a) school work b) appearance c) family d) friends e) life as a whole	Scale of 0-6 per question, where: 0 = not happy at all; 6 = very happy Total scale: 0-30	0.70
SELF-ESTEEM	Please say whether you strongly agree, agree, disagree, or strongly disagree that the following statements apply to yourself a) no good qualities b) I certainly feel useless at times c) not a likeable person d) all in all, I am inclined to feel I am a failure e) at times I feel I am no good at all	Scale of 0- 3 per question, where: 0 = strongly agree; 3 = strongly disagree Total scale: 0-15	0.71

Source: Keung (2007, p.81)

Sample size

Between 1994 and 1997 there were just over 700 young people aged 11-15 in the BYPS sample. Between 1998 and 1999 the number increased to over 900 and from 2000 onwards there were on average about 1300. The first rise in the sample size was mainly due to the inclusion of samples from the UK European Community Household Panel, which was eventually discontinued in 2001. The second rise was the result of expansion of the sample to include larger sub-samples from Scotland and Wales in 2000 and Northern Ireland in 2004. The analysis in this paper is a time series analysis of the 11-15 year olds in each year. The annual samples are not independent of each other – for example the 11 year olds in 1994 should also have taken part in 1995-1998. We might therefore observe less variation in subjective well-being from year to year, though as we shall see, subjective well-being declines with age. However, if events have an impact on subjective well-being we are likely to observe that effect over the longer term.

Results

We start by presenting some descriptive data. Table 13.2 compares for the first year of our series (1994) and the last year (2008) the mean happiness scores and variation in happiness by various characteristics of the young people and their families. The mean score in 2008 was statistically significantly higher than 1994. Previous studies have found that subjective well-being varies with age and gender (see e.g. Quilgars et al 2005; Currie et al 2008; Levin et al 2009). We also find that in 1994, mean happiness was higher for boys than for girls and higher for the younger age groups than the older. In 2008, difference was no longer observed by gender but the age differences persisted. Others who have attempted to explain variations in subjective well-being cross-sectionally by the characteristics of the family have had limited success (see Clarke et al 2000; Keung 2006; Keung 2007; Bradshaw et al 2009, Cusworth 2009, Rees et al 2010 and Bradshaw et al 2010). In 1994, we find slight but statistically significantly lower happiness scores for young people who live in a lone parent family. No variation was observed as to whether the family were on Income Support (a proxy for poverty), whether the mother worked, and the number of workers in the family, or which country of Britain that they lived in. By 2008, happiness scores remained lower for young people living in a lone parent family. Happiness scores were also lower for those families on Income Support, and those who live in England compared with those who live in Scotland. No variation was observed by the number of workers in the household and whether or not the mother worked.

Happiness is skewed, most young people have happiness scores above the mean and so comparing mean scores may not be reliable. In order to check these results further, we also analysed trends in the proportion of young people with very low happiness scores, those in the tail of the distribution who might be the most cause for concern. As a threshold, we took those young people from the sample with happiness scores of 21 and below. Overall in Table 13.2 it can be seen the proportion in the tail of the distribution

TABLE 13.2: *Happiness mean & proportion with low happiness 1994 & 2008 (Source: BYPS)*

Young person/ household characteristics	Happiness 1994			Happiness 2008		
	Mean	SD	% low	Mean	SD	% low
All	23.9	4.0	24.4	24.8	3.8	17.7
Sex	*		*	ns		ns
Male	24.2	3.7	21.3	24.8	3.7	17.8
Female	23.5	4.3	27.8	24.7	3.9	17.7
Age	***		*	***		***
11	24.6	4.2	20.1	25.9	3.3	9.6
12	24.4	3.7	18.4	25.2	3.8	13.6
13	24.1	4.0	24.0	24.4	3.9	22.2
14	23.0	3.9	31.1	24.2	3.5	20.5
15	22.7	4.0	31.8	23.9	4.2	24.8
Family types	*		**	***		***
Two parents	24.0	4.0	22.4	25.0	3.6	15.1
Lone parent	23.1	4.1	33.3	23.8	4.3	26.3
Whether in receipt of Income Support	ns		ns	*		ns
No	23.8	4.0	24.4	24.8	3.7	17.0
Yes	24.0	3.7	22.1	23.8	4.5	23.9
Number of workers	ns		ns	ns		ns
0	24.8	3.8	19.0	24.5	4.6	23.3
1	23.9	4.1	24.5	25.2	3.7	13.6
2	23.9	4.0	22.4	25.0	3.5	14.8
Mother works	ns		ns	ns		ns
No	24.0	4.1	24.2	24.5	4.1	18.5
Yes	23.8	4.0	23.8	24.8	3.7	17.4
Country	ns		*	*		ns
England	23.8	4.0	25.1	24.4	4.0	19.6

**p<0.05; **p<0.01; ***p<0.001; ns=not significant.*

declined between 1994 and 2008. In 1994, girls, older young people, those living with a lone parent, and those living in Wales were more likely to be in the tail of the distribution. However, by 2008 no significant differences could be seen by gender and country. Those on Income Support and households with no workers showed a slightly higher proportion in the tail.

We undertook a multiple regression of happiness scores by these variables and the results confirmed that for 1994, after having controlled for sex and age, no other variable contributed to explaining variation in happiness scores. The results for 2008 are presented in Table 12.3 and show that, after controlling for the other factors, Income Support no longer explained variation in happiness, but older children and those living with a lone parent had significantly lower happiness. Young people living in Scotland or Northern Ireland had significantly higher happiness than young people living in England, although the proportion of variation in happiness explained by these characteristics was very low – about 6 per cent.

TABLE 12.3: *Multiple regression of happiness 2008 (n=1136)*

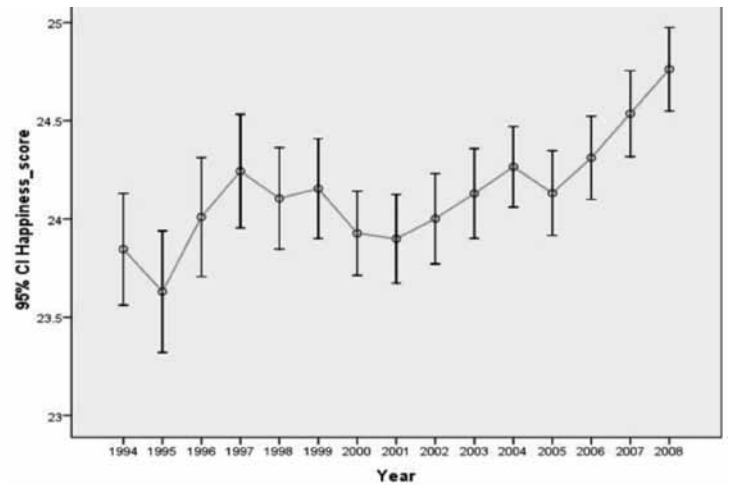
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	30.465	1.026		29.683	.000
Age	-.450	.078	-.166	-5.734	.000
Income support	-.374	.401	-.029	-.934	.350
Lone parent	-1.291	.281	-.145	-4.592	.000
Wales	.351	.296	.037	1.188	.235
Scotland	.986	.309	.099	3.187	.001
Northern Ireland	.888	.310	.090	2.865	.004

R^2=0.063; Adjusted R^2=0.058; F(6, 1129)=12.59; p<0.001.

The main purpose of this article is to trace changes over time. Figure 13.2 shows the trend in mean happiness with the 95 per cent confidence intervals plotted. A clear upward trend is evident over

the period. Happiness was significantly higher in 2008 than in all the previous years, except for 2007. However, here and elsewhere these statistics should be interpreted with caution, remembering that the sample distribution was skewed and the annual samples are not all independent of each other.

Figure 13.2: Mean happiness of 11-15 year olds with 95% CI



(source: BYPS)

Table 13.4 compares variation in self-esteem scores between 1994 and 2008 by the characteristics of the child and the family. The mean self esteem score in 2008 was significantly higher than 1994. It shows that boys have higher self-esteem than girls in both years. The younger age group, and those living with two parents had higher self-esteem in 2008 but not in 1994. Table 13.4 also compares the proportion of young people who had very low self-esteem. As a threshold, young people who scored 7 or less are considered to have low self-esteem. The results are consistent with the analysis based on the mean self-esteem scores – girls were more likely to have very low self esteem than boys in both years. The younger group and those living with two parents were less likely to be in the tail of the distribution in 2008 but not in 1994.

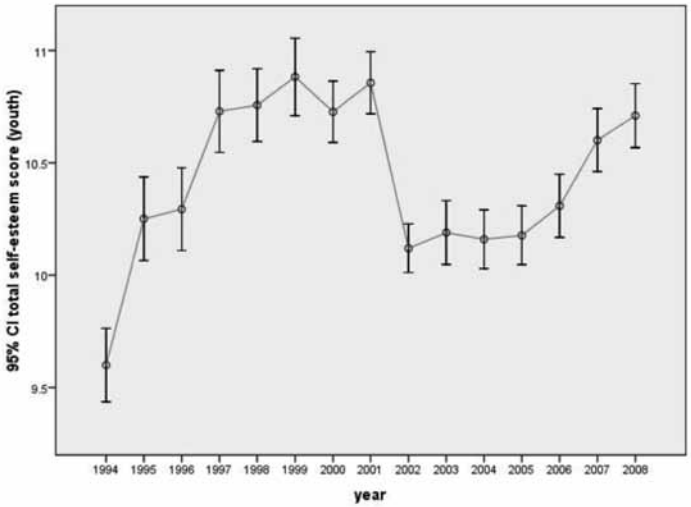
TABLE 13.4: *Self-esteem mean & proportions with low self esteem 1994 & 2008*

Young person/ household characteristics	Self esteem 1994			Self esteem 2008		
	Mean	SD	% low	Mean	SD	% low
All	9.6	2.3	15.5	10.7	2.5	9.5
Sex	***		***	***		*
Male	10.1	2.2	10.9	11.1	2.5	7.4
Female	9.1	2.3	20.5	10.3	2.5	11.8
Age	ns		ns	**		*
11	9.5	2.3	15.5	11.0	2.4	5.3
12	9.7	2.3	15.3	11.1	2.4	6.5
13	10.0	2.3	12.7	10.6	2.8	13.0
14	9.5	2.3	14.9	10.3	2.4	11.8
15	9.3	2.3	20.8	10.5	2.6	11.0
Family types	ns		ns	*		**
Two parent	9.6	2.3	15.2	10.8	2.5	8.3
Lone parent	9.4	2.2	16.4	10.4	2.7	13.8
Whether in receipt of Income Support	ns		ns	ns		ns
No Income Support	9.6	2.3	15.3	10.8	2.5	9.1
Income support	9.1	2.1	21.9	10.3	2.6	13.5
Number of workers	ns		ns	ns		ns
0	9.2	2.2	21.8	10.1	2.6	14.0
1	9.8	2.5	14.0	10.8	2.5	10.1
2	9.7	2.3	14.8	10.9	2.4	7.2
Mother employed	ns		ns	ns		ns
No	9.5	2.4	16.7	10.5	2.5	11.0
Yes	9.6	2.3	15.3	10.8	2.5	9.0
Country	ns		ns	ns		ns
England	9.6	2.3	14.7	10.6	2.5	11.0

(Source: BYPS)

Figure 13.3 shows the trend in mean self-esteem with the 95 per cent confidence intervals plotted. Two upward trends, between 1994 and 2001, and between 2001 and 2008, were evident over the period. It can be seen in Figure 13.3 that self-esteem scores suffered from a sudden drop in 2002, which we explore further in the later part of the paper.

Figure 13.3: Mean self-esteem of 11-15 year olds with 95% CI

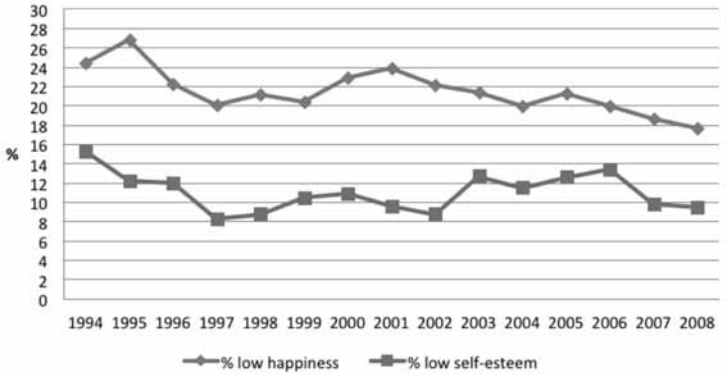


(source: BYPS)

We also looked at those with very low subjective well-being by plotting the percentage of young people at the tail of the distributions for each year. Using Pearson's r to access the correlation between the proportion in the tail and year, Figure 13.4 shows a clear downward trend in the proportions of young people with low happiness over time ($r = -0.72$, $p<0.001$). The proportions of young people with low self-esteem also appears to have reduced over time but the trend line is not statistically significant ($r= -0.17$, ns).

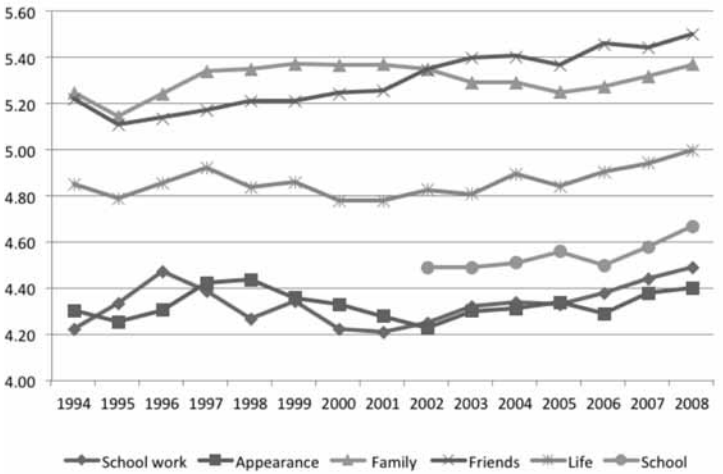
It is possible that the overall happiness scores hide significant variations in the components that contribute to the overall score. Figure 13.5 presents the components of happiness. The figure indicates that young people are happier with their families and friends than their school work and appearance. All of the happiness components have very slightly higher scores in 2008 than they did in 1994 but using Pearson's r to assess the correlation between year and the mean score of each happiness component, only

Figure 13.4: Trends in the proportion of young people with low happiness/self-esteem



(Source: BYPS)

Figure 13.5: Trends in the mean component scores of happiness of 11-15 year old



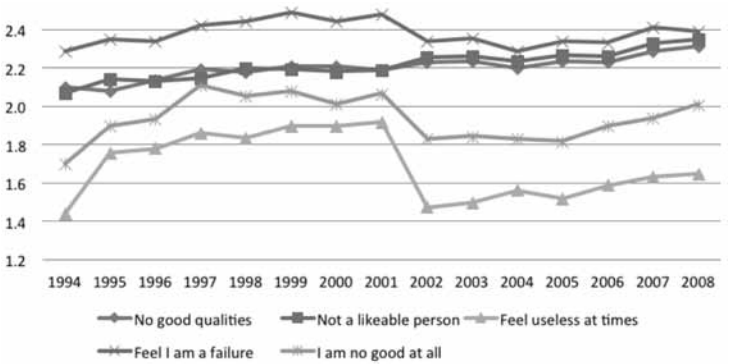
(Source: BYPS)

happiness with friends (r=0.12; p<0.001), school work (r=0.03; p<0.001) and life as a whole (r=0.03; p<0.001) have a very small but statistically significant coefficient indicating small increases over time. Happiness with appearance (r=0.005; ns) and family (r=0.01; ns) show no consistent serial trend. Since 2001, the BYPS also asked young people how happy they feel about school and over time there has been an upward trend (r=0.03; p<0.01).

The results for the components of self-esteem are in Figure 13.6. There appears to have been a sharp reduction in those disagreeing with the statement "I am no good at all" and "I feel useless at times" and a smaller reduction in "Feel I am a failure". This occurred in all ages and both genders in 2002, which at first we found difficult to explain. It was not one of the years that the sample was expanded and we could not think of any event that might explain it. Then we discovered that up to 2001 the Young People's questionnaire took the form of an actress reading out the questions on a tape recorder, which the respondent listened to with earphones and then recorded his/her answers on a piece of paper which did not show the text of the questions. From 2002 onwards it was a straight paper questionnaire, with questions and answers on the same piece of paper. It is just possible that young people were more reluctant to say they were useless when there was an actress reading to them! Though why it should affect the self worth questions and not others is difficult to explain. From the analysis of the Pearson's r we found that the components that did not suffer this 2002 dip had a statistically significant improvement – 'good qualities' (r=0.08, p<0.001) and 'likeable' (r=0.12, p<0.001). Indeed until 2002 all the components were improving and after the 2002 dip they continued to improve.

The finding that there was a disjunction in method and that it may have affected responses leads us to conclude that we should abandon the exploration of trends in self-esteem and focus the rest of the analysis only on happiness. Of course the method changed for the happiness questions as well, but there is no evidence that it influenced scores.

Figure 13.6: Trends in the mean component scores of self-esteem of 11-15 year olds



(Source: BYPS)

Now it is possible that the improvement in happiness that took place could be the result of differences and/or changes in the characteristics of the sample. So to check this we undertook a multi-factorial analysis for other factors including the young people's age, sex, household type, mother's employment, Income Support, country and the effect of year. The reason for including country as a factor is that, from our analysis, there is some evidence of country-level variations in young people's happiness and such variations also appear to change over time. We have excluded the variable 'number of workers employed in household' in the model, as it is highly associated with household types and mother's employment. As mentioned before, the data we use is from a panel survey with the same young people measured several times, so we have used a generalised estimating equation model, with the person as the panel variable and an exchangeable correction structure.

We know from the previous analysis that young people's happiness is associated with their sex and age. Therefore, as a baseline model, the first model considered variation in happiness in association with only age, sex and year. The second model considered these variables with the other socio-economic variables. The results are

summarised in Table 13.5. The first model in Table 5 confirms, after controlling for the effect of the other factors, happiness increased between 1994 and 2008 despite the evidence of lower happiness among girls and the older age group. The second model shows that after including the socio-economic factors, sex, age and year remain highly statistically significant. Additionally, young people who were living with a lone parent showed lower happiness. However, those whose mother was in paid work and lived in Scotland showed higher happiness compared with those who lived in England. Again, the second model suggests that receipt of Income Support was not associated with happiness. It should be noted that when only year, sex, and age are included in the model, the estimated year effect is 0.064. Hence the effect of the adjustment for the socio-economic variables is to reduce the effect of year to 0.057. What this means is that family circumstances explain some, but not all, of the effect of year. Thus, there are still other important contributors yet to be understood for the observed changes in happiness over time. But it is not just changes in poverty, employment, or family structure.

TABLE 13.5: *Generalised estimating equation model of happiness*

	Model 1			Model 2		95% Wald Confidence Interval (Model 2)		
Parameter	**B**	**Std. Error**	**Sig.**	**B**	**Std. Error**	**Lower**	**Upper**	**Sig.**
(Intercept)	-97.627	20.4082	.000	-84.699	22.0838	-127.983	-41.416	.000
Female	-.403	.0888	.000	-.403	.0901	-.580	-.227	.000
Age	-.421	.0206	.000	-.415	.0211	-.457	-.374	.000
Year	.064	.0102	.000	.057	.0111	.035	.079	.000
Lone parent				-.549	.1133	-.771	-.327	.000
Income Support				.073	.1484	-.218	.364	.623
Mother work				.220	.0913	.041	.399	.016
Wales				.007	.1263	-.241	.254	.959
Scotland				.285	.1244	.041	.529	.022
Northern Ireland				.335	.1734	-.005	.675	.053
(Scale)	15.925			15.625				

Discussion

Our findings suggest that happiness of 11-15 year olds in Britain may have increased over the period 1994-2008. This is in line with the earlier findings by Levins et al (2009). Our study based on the BYPS data shows some significant trends in sub groups – for example the happiness of girls seems to have increased more than boys and there might have been some closing of the gap. While this is good news we could really do with a longer series because much of the difference occurs between the both ends of the observed period. There is no improvement (as the 95 per cent confidence intervals overlapped) for example between 1995 and 2005. We also need to remember the skewed nature of the scores and the fact that the samples are not independent year on year.

In order to check these results further, we also analysed trends in the proportion of young people with very low happiness and self-esteem scores. The results suggest that the proportion of young people with low happiness has decreased over time, although there was some variation by age, sex, and family types.

It is difficult to draw any firm conclusions about the causes of this improvement. Our multi-factorial analysis confirms that it has occurred after controlling for changes and/or differences in the age and gender and country of the young people and despite (and in addition to) the changes in the circumstances of their families. So for example, poverty may have fallen over the period or maternal employment may have increased, but even having controlled for these changes happiness has increased. There is no evidence of the time series being interrupted by a specific event. Mean happiness scores were lower in the Tory years than the Labour years but happiness fell after 1997 and did not recover until after 2001. There is some evidence that happiness with school may be driving some of the increase. As well as the evidence here of increased happiness with school work and school, there was a remarkable increase in the proportion of young people in the UK liking school a lot in the HBSC survey between 2001 and 2006. It also appears

that happiness with friends has improved markedly, particularly for girls, which may point to a positive impact of social networking websites (see e.g. Lenhart and Madden 2007).

These findings need to be seen in the context that previous efforts to explain variations in subjective well-being have been notably unsuccessful (see for example Rees et al 2010 and Bradshaw et al 2010). This may be due to problems with our measures of happiness – they may, for example, be picking up transient moods rather than a substantive emotional state or core affect (Russell 2003). Also, there is evidence that personality traits or genetics may be important determining factors in subjective well-being (Diener & Lucas 1998; Diener et al 1999). Cummins (2009) argues that subjective well-being is an innate personal characteristic – managed by a system of psychological devices (not personality) which have evolved to ensure a Homeostatically Protected Mood (HPMood). Cummins (2009, p. 17) explains:

We experience HPMood as a combination of contentment, happiness and positive arousal, thus giving us a normally positive view of ourselves. It is further proposed that when homeostasis fails, due to the overwhelming nature of a negative challenge, people lose contact with HPMood and experience the dominance of negative rather than positive affect. When this condition is chronic, people experience depression (Cummins 2009, p.17).

If this is true, we should not expect to pick up variation in young people's happiness over time as a result of changes in their lives, because their effects will have been mitigated by the automatic processes of adaptation and habituation. It is perhaps even more remarkable that we have observed a serial trend in happiness scores – upwards.

The OECD (2009b) turned its face against including indicators of subjective well-being in its comparative index of child well-being on the grounds that it was not policy salient. This analysis is perhaps one tentative challenge to that view. Happiness can improve. We

may not know why it has improved and subsequent research may reveal that our serial trend is spurious, but meanwhile we think it is worth monitoring the subjective well-being of young people at population level over time. This is especially as the environment for young people is likely to deteriorate over the next few years due to the current economic recession.

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