

In-house Report 136

Lone parents in London Quantitative analysis of differences in paid work

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by

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Errors and omissions remain the responsibility of the author.

Summary

1 Background

Lone parents in London are less likely to be in paid work than those living elsewhere in Britain. The main areas of investigation in this report are:

- Differences in the characteristics of lone parents living in London compared to those living elsewhere.
- The different patterns of work of lone parents with paid jobs, including their weekly working hours and their occupations and industries.
- The extent to which the employment differences between lone mothers in London compared to elsewhere may be explained by differences in their individual characteristics. This analysis is based on multivariate analysis of which lone mothers are in employment.
- What light may be shed on some of the various explanations for lower rates of employment in London.
- Does the analysis also apply to lone fathers?

The main source of data used in this report is the quarterly LFS *household* datasets for Autumn 2001 and 2002. This contains 590 lone mothers living in inner London and 722 living in outer London, from a total of 9,430. Some analysis is also conducted using the Families and Children Study (FACS), the 1989 Lone Parent Survey, the 2001-02 Family Resources Survey, the 1991 Census micro-data (SARS) and local counts, and the 2001 Census counts.

2 The characteristics of London's lone mothers

More of London's lone mothers living in inner London areas were single (not previously married) than those living outside. Lone mothers in outer London were slightly more likely to be separated rather than divorced.

More than half the lone mothers living in inner London were local authority tenants, well above the national average of around one third. Lone mothers in London were less likely than those living elsewhere to be receiving any maintenance, though those who did received more than average.

Whilst 94 per cent of lone mothers outside London described themselves as being ‘white’, this was only true of around two-thirds (64 per cent) in outer London, and well under half (41 per cent) in inner London. About as many lone mothers living in inner London described themselves as ‘Black or Black British’ (40 per cent) as said they were white.

Lone mothers in London were more likely than those living outside to have *never* worked. There was very little difference between lone mothers in London compared to elsewhere in the proportions with and without qualifications, with around one in four having no qualifications.

3 Rates of working inside and outside London

Results from the 2002 Autumn Household Labour Force Survey showed rates of working at their lowest in inner London (37 per cent), and among the lowest in outer London (41 per cent). Across the UK, in 2002, 50 per cent of lone mothers were in paid work (or about to start work). These differences are confirmed by counts available from the 2001 Census (Table 3.1). The region around the centre of London, and towards the East of London, had the lowest rates of employment for lone mothers.

A decade earlier (from data for 1989 and 1991) the rate of lone mother employment was 40-41 per cent in the UK. The rate in London was very close to the national average, perhaps slightly higher.

4 Working hours of lone mothers

Among working lone mothers in the UK, there has been shift from ‘traditional’ full-time working hours (35-40 hours) towards rather shorter hours (16-29 hours). In the LFS 2001-02 household surveys, over one quarter (27 per cent) of working lone mothers were in paid work for between 16 and 23 hours each week. This compares with just ten per cent a decade earlier. Lone mothers living in London typically work full-time, not part-time.

5 Job characteristics of lone mothers

Twice as high a proportion of lone parents outside London received Working Families’ Tax Credit compared to those living in London.

London's lone mothers were more likely than average to be working in lower-managerial, professional or intermediate occupations (intermediate occupations include such jobs as financial clerks and legal secretaries). They were less likely than lone mothers in the rest of the UK to be working in the routine occupations (which include cleaners and bar staff).

6 Employment rates of lone mothers and other mothers

There was an important link between the proportion of *married* mothers who are in paid work in a given region, and the proportion of lone mothers who work. The rates of working among *married* mothers with dependent children are by far the lowest in inner London and below the UK average in outer London. Areas with above-average rates of lone mother employment also have higher than average employment rates among married mothers. This link also seems to operate in smaller areas, such as local authorities.

7 Do compositional differences explain differences in working patterns

It is possible to conduct a number of 'experiments' to consider how far differences in the types of lone mothers living in London contribute to their lower rate of employment. For instance, more of London's lone mothers live in social housing and fewer receive maintenance, each of which is associated with lower rates of working.

Around an extra five percent of lone mothers in inner London would be expected to be in work if the tenure distribution matched that of the UK. Differences in the ethnic composition of London compared to the rest of the UK might be associated with a one percentage point reduction in employment rates in outer London, but no effect with respect to inner London.

If the London profile of birth country matched the rest of the UK, then the inner London employment rate would be two percentage points higher, and three percentage points higher in outer London.

8 Modelling lone mothers' employment

Overall, if we could remove a range of compositional differences, we would expect to find 42 per cent of lone mothers living in inner London employed (rather than 38 per cent), and some 48 per cent of lone mothers in outer London (rather than 40 per cent). Even so, the activity rates in London are lower than elsewhere.

Among those in work, even controlling for differences in composition, living in London was associated with working longer hours.

9 A note on lone fathers

As with lone mothers, rates of lone father employment were lower in London than in other regions. Rates of employment of lone fathers followed a similar, though not identical, regional distribution to that of lone mothers.

There seems to have been some convergence between the employment rates of lone mothers and lone fathers. The gap in favour of lone fathers appears to have been +25% in 1989, +22% in 1991, +12% in 1999 and +8% in 2001/2002.

10 Conclusions

The growth of part time work among lone mothers seems to have taken place generally but not in London. The net effect over time has been that London's lone mothers are now less likely to work than those in other regions. In 1991 London had fairly average rates of paid work among lone mothers but by 2001/2 they were relatively low, and particularly so for inner London.

There are a number of quite clear-cut reasons for this difference. More lone mothers in London have no work experience, and more of them say they are full-time students. There are also some strong compositional differences related to lower propensities to be in paid work - more of London's lone parents live in social rented properties, are not previously married, and are not receiving maintenance. Lone mothers in London are much more ethnically diverse than in the rest of the UK, but the effect on rates of paid employment of this difference is not strong.

Statistical models also showed that only part of the differences in rates of employment can be attributed to differences in the characteristics of lone mothers living in London. There is some local effect operating in addition to these compositional differences.

Employment rates for lone mothers in different localities appear to be related to those of married mothers, though the link is far from perfect. Any further analysis could usefully consider the similarities in rates of paid work among mothers in couples, rather than restricting attention solely to the lone mothers.

1 Background and introduction

1.1 Introduction

Lone parents in London are less likely to be in paid work than those living elsewhere in Britain. This has been confirmed by analysis of several datasets, most recently the 2001 Families and Children Study (FACS) (McKay, 2003). O'Connor and Boreham (2002) analysed data from a postal survey among lone parents on Income Support; administrative data from one month's records of all lone parents on Income Support; and FACS. They also found lower rates of paid work among London lone parents.

In the latest data the employment gap between lone mothers in London compared to the UK as a whole was –13 percentage points in inner London, and –9 percentage points in outer London.

Analysis of FACS 2001 suggested that the difference in rates of working among lone parents between London and elsewhere could not be reduced to differences in individual-level factors alone (McKay 2003). However, if the focus is on those working at least 16 hours a week then the differential did appear to be mostly or even entirely reducible to differences at the individual level.

There are various possible reasons for this regional/London difference in rates of employment. Any explanations need to take account of the distinction between full-time and part-time work. It is only rates of part-time working that are reduced in London among lone mothers, not rates of full-time work. Lone parents living in London tend to work full-time when they work, though overall they are less likely to be in any paid work. The 'missing' workers among London's lone mothers are those who would be working 16-29 hours in other regions.

At least some of the discrepancy in rates of employment may be connected to the different characteristics of London lone parents. They tend to have those features associated with lower rates of working - for example more were never-married and more lived in social rented homes. The proportion from an ethnic minority background is higher (at around 40 per cent compared with 10 per cent nationally), but in fact it was among whites that the 'London difference' appears to be greatest.

There may also be specific London factors operating. Lone parents living in London may face higher childcare costs and perhaps not have their own families around locally to help provide lower priced childcare. They may also have to pay more for housing, and have to meet higher travel costs. Levels of poorer health could be worse. Conversely, rates of pay in London may be more generous than elsewhere and a wider range of jobs available than in many localities.

1.2 Lone parents and paid work

The main areas of investigation in this report are:

- The different characteristics of lone parents living in London compared to elsewhere, covering their qualifications, age, family status, ethnic group and so on. Comparisons are made with the rest of the UK where data allows, the rest of GB where datasets do not cover Northern Ireland
- The different patterns of work of lone parents, including analysis of weekly hours of work, and differences in occupations and industries.
- The extent to which the employment differences may be explained by individual-level differences, or whether instead they represent some specific regional or London effect. This will be based on multivariate analysis of employment.
- What light may be shed on some of the various explanations for lower rates of employment in London, if they are not reducible to individual-level factors. This will involve looking at differences in attitudes, perceived childcare availability, and so on.
- A separate analysis of lone fathers to see how far these conclusions apply to them.

Research already conducted, in particular using FACS 2001, indicated key differences in the working hours of lone parents in London compared with elsewhere. Lone parents in London were more likely to be working full-time (30+ hours), but less likely than in other regions to be working part-time. Rates of part-time working have risen among lone parents over recent years, contributing to lower rates of working among London lone parents. This is a key theme of this report.

Whilst the focus of the report is on London, and how lone mothers resident compare with the rest of the country, it has also been possible to look at inner and outer London. The Labour Force Survey is large enough to support comparisons within London on this basis. This is

important, as rates of employment in inner London are somewhat lower than for outer London. Further, Census data for 2001 is available to analyse smaller geographical units within London.

A number of previous research projects and academic papers have analysed which lone parents are more and less likely to work. Recent reviews have identified a number of important associations between rates of employment and different characteristics of lone mothers (see Holtermann et al 1999, Rowlingson and McKay 2001). Rates of paid work for lone parents are higher for:

- those with older children, and without pre-school children;
- those with good educational qualifications and/or a driving licence;
- those receiving maintenance;
- owner-occupiers;
- those with fewer children;
- those slightly older; and,
- those previously married.

Rates of employment may also be higher among those of a 'Black' background and lower among those of an 'Asian' background compared with white mothers. Sample surveys are generally too small to establish this with a high degree of certainty.

1.3 Structure of the report

The focus of this report is on labour market issues. We mostly restrict attention to lone mothers of working age (16 to 59 years). This enables us to abstract from matters of age distribution, and issues concerning the situation of lone fathers. However, since we believe that lone fathers are an interesting and important group a separate section provides more detailed analysis (section 9). This may be the first time that this group have been analysed in a systematic way.

We begin by comparing the characteristics of lone mothers living inside and outside of London (section 2). Two substantial sections then explore the labour market participation of lone mothers. In section 3 we provide a brief overview, setting out the employment difference between London and elsewhere. Section 4 analyses this difference in more detail, looking at hours of work. Section 5 then looks in greater detail at the types of job that people have. The participation rate of lone mothers is compared to that of other mothers in section 6.

Two sections then try to decompose differences in rates of working into that element that may be attributed to differences in composition, and that which remains an effect of living in London. Section 7 takes the simpler approach, looking at one characteristic at a time. Section 8 is somewhat more sophisticated, and provides statistical models of paid work, and hours of work.

Section 9 provides a brief analysis of lone fathers, who are excluded from the main report. The report then concludes.

1.4 Data

This project is based on analysis of a number of existing datasets. To examine differences in rates of lone mother employment we need datasets that meet a number of requirements. First, they must contain a sufficiently large sample of lone mothers, including a significant number living in London. Second, they need to have good coverage of both employment and factors related to paid work.

The dataset that mostly nearly meets these requirements is the Labour Force Survey. The main source of data used in this report is the quarterly LFS *household* datasets for September-November 2002 and the same period during 2001 (ONS 2001; ONS 2002). These data pre-date any re-grossing based on Census data.

The choice of the household LFS, rather than the more usual standard quarterly LFS, is advised by ONS when looking at results relating to family composition such as lone parenthood. In this report we have aggregated the 2001 and 2002 LFS datasets to form a larger sample size of lone parents. In fact the analysis is based on over 9,000 lone mothers when using the LFS datasets. The autumn 2002 household LFS was the most recently available when this project was conducted, and matched the fieldwork period of the second main dataset used, the Families and Children Study (FACS). It is unlikely that any of the main conclusions would alter if the Spring versions of the LFS datasets were used instead.

In some parts of this report we use data from FACS 2002. Data from FACS 2001 has already been analysed and results presented for lone parents living in London (McKay 2003). This analysis, particularly the modelling of employment status, has been updated with the 2002 data.

The main disadvantage of LFS for this project is its limited coverage of specifically lone parent issues. It has little or no detail about maintenance and attitudes towards work. This is why LFS analysis has been supplemented with analysis of the most recent FACS data. These two data sources were collected at roughly the same time. This should help ensure maximum comparability of results.

The analysis also makes use of some other datasets. These are the Family Resources Survey for 2001-02; Census data for 1991 (micro-data, 'SARS'); Census data for 2001 (area-level counts); and the 1989 Lone Parent Survey (Bradshaw and Millar 1991).

1.4.1 Definitions of lone parent

The definition of lone parent used here is a single person responsible for children aged under 16, or 16-19 and still in full-time education. This is the definition that sample surveys most commonly try to implement, and matches definitions within the social security system. The household LFS datasets derive information on which family units are lone parents. The approach used in the census, where relationships are typically based on the link to a single informant, may perhaps do less well at identifying lone parents – though the 2001 Census does not appear to have the same magnitude of undercount as was found in 1991.

1.4.2 Sample sizes and margins of error

Any sample survey will interview only a limited number of people and could, by chance, give slightly different results than if everyone was interviewed. We may have more confidence in results where the number of people is larger, and for any given sample size it is possible to quantify the level of confidence.

The FACS 2002 dataset contained 225 lone parents living in London, from a total of 2,146 interviewed. In the aggregated 2001 and 2002 household LFS datasets there are 590 lone mothers living in inner London and 722 living in outer London, from a total of 9430. These much larger sample sizes provide the best available confidence in the results generated.

In Table 1.1 we show the kinds of margins of error associated with sample surveys. It shows the range of uncertainty attached to surveys estimates. The example used in the Table is where a characteristic is possessed by exactly half the respondents. If, using the LFS, we find that 50 per cent of lone mothers in inner London have some characteristics, then we may be 95 per cent certain that in the population (inner London's lone mothers) between 45.9% and 54.1%

will have this characteristic. Conversely, if half of the UK sample in the LFS had a particular characteristic, then we could be 95 per cent certain that between 49-51% of the true population had such a feature. These error margins (confidence intervals) are largest for estimates of half, and slightly smaller for other estimates away from this central point – they may also be asymmetrical for results approaching zero or one hundred per cent.

Table 1.1 Indicative ranges of confidence in results

Data source	Definition	Sample size	Margin of error (95% CI) for estimate of one-half
FACS 2002	London	225	43.5 – 56.9%
	GB	2146	47.9 – 52.1%
LFS combined	Inner London	590	45.9 – 54.1%
	Outer London	722	46.3 – 53.7%
	UK	9430	49.0 – 51.0%

In the text we use a 95 per cent confidence level for testing differences between groups, and indicate if results are either not significant or barely so. Where results are based on fewer than 50 actual cases table cells are depicted with '[' and ']' to indicate that the figures are not reliable

2 The characteristics of London's lone mothers

2.1 Introduction

Lone mothers in London, and especially those living in inner London, differ considerably from lone mothers in the rest of the UK. Some of these differences may then be related to variations in employment potential and rates of employment. In this section we highlight some of the main differences in background and family characteristics that may be relevant to exploring differences in rates of paid work.

2.2 Socio-demographic factors

2.2.1 Demographic differences

We begin by looking at differences in a range of demographic characteristics. Lone mothers living in London were aged 34 years old, on average, which is similar to that of the UK as a whole (Table 2.1). Generally speaking, older lone mothers are more likely to be in paid work than younger groups.

In previous research divorced lone mothers have tended to be among the most likely to be in paid work (e.g. Marsh et al 2001). Lone mothers in outer London were slightly more likely, among those that had married, to now be separated rather than divorced. More of London's lone mothers living in central areas were single (not previously married) than those living outside. These are relatively small differences, unlikely to account for much of the difference in employment rates.

Some lone mothers, almost one in ten, form part of a household with another person or family unit. However, there were few regional differences in the rate of living in these so-called complex households.

Table 2.1 Lone mothers' characteristics, by location
Column percentages

	Inner London	Outer London	Rest of UK	All UK
<i>Marital status</i>				
Single, never-married	59	52	51	51
Separated (from marriage)	21	23	19	20
Divorced	16	23	27	26
Widowed	4	3	3	3
<i>Structure of households</i>				
1 family unit in household	91	90	92	91
2+ units in household	9	10	8	9
<i>Average age (years)</i>	33.7	33.9	32.8	32.9
Unweighted base	589	718	8112	9419

Source: Autumn HLFS 2001 & 2002 combined.

One of the stronger influences on rates of employment among lone mothers is the age of their youngest child. Those with pre-school aged children are the least likely to be in paid work, with rates of employment rising when children begin school and again when they move on to secondary school. There were few differences in the profiles of the ages of the youngest child across regions (Table 2.2). The proportions with children aged up to nine years were very similar across these different areas. There was some tendency for lone mothers in outer London to be more likely to have as their youngest child someone aged 16-19 (and in education).

Table 2.2 Lone mothers' age of youngest child, by location

Column percentages

	Inner London	Outer London	Rest of UK	All UK
Age of youngest child				
<2	12	13	12	12
2-4	21	20	20	20
5-9	28	26	28	28
10-15	32	26	31	30
16-19	7	16	10	10
Unweighted base	589	718	8112	9419

Source: Autumn HLFS 2001 & 2002 combined.

Families are defined as those with at least one dependent child under the age of 16, or aged 16-19 and still in full-time non-advanced education. Some 90 per cent of families had a dependent children aged under 16. The average number of children aged 16 or younger in each lone mother family was relatively similar across areas, perhaps with slightly larger families in inner London than elsewhere (Table 2.3).

Table 2.3 Lone mothers' number of children, by location

Column percentages

	Inner London	Outer London	Rest of UK	All UK
Number of children aged under 16				
0	7	16	10	10
1	51	44	50	49
2	29	26	28	28
3+	14	14	12	12
Average (mean) number	1.49	1.39	1.42	1.42
Unweighted base	589	718	8112	9419

Source: Autumn HLFS 2001 & 2002 combined.

2.2.2 Housing tenure

More than half the lone mothers living in inner London were tenants of their local authority, well above the national average (Table 2.4).

One in five lone mothers living in London were living in housing association properties. There were fewer differences in the housing tenures of lone mothers living in outer London compared with outside of London. This represents a large and potentially important division between lone mothers living in inner London compared with elsewhere. Lone mothers' fortunes are strongly associated with housing tenure, which is linked with patterns of working, rates of re-partnering, receipt of maintenance, and so on. In all these areas owner occupiers appear to be rather more advantaged than other lone mothers.

Table 2.4 Lone mothers' housing tenure, by location
Column percentages

Housing tenure	Inner London	Outer London	Rest of UK	All UK
Owned outright	3	5	7	7
Mortgage	16	31	29	28
Part-rent, part-mortgage	*	*	*	*
Rented – LA	55	31	33	35
Rented – HA	20	20	15	16
Rented – private	6	13	15	14
Unweighted base	589	718	8112	9419

Source: Autumn HLFS 2001 & 2002 combined.

Note: '*' indicates <0.5% but >0

2.2.3 Maintenance ('child support')

Maintenance is still only received by a minority of lone mothers, around three in ten of the total. Lone mothers in London were less likely than those living elsewhere to be receiving any maintenance, though those who did receive it received more than average (Table 2.5). A few received quite high amounts of maintenance (London average of close to £80 per week).

Table 2.5 Lone mothers' receipt of maintenance

Column percentages

	London	Rest of GB	All GB
Maintenance status			
Receiving maintenance	21	31	29
Weekly amount received			
Median	[£54]	£46	£50
Mean	[£79]	£59	£61
Unweighted base	217	1826	2043
Base for amounts received	45	537	582

Source: FACS 2002. Figures in [] are based on fewer than 50 cases and so may be unreliable.

This is a potentially important set of results. Previous research has found a strong relationship between receiving maintenance and being in paid work. Maintenance has generally been treated much more favourably by in-work benefits, and now tax credits, than by Income Support. Any maintenance received therefore increases still further the gap between incomes that would be received in and out of work. Conversely, receipt of maintenance may generally be more common among women in more favourable economic circumstances, perhaps those most likely to be in paid work in any case.

2.2.4 Ethnic minority backgrounds

There are significant differences in the ethnic minority backgrounds of lone mothers living in London compared to elsewhere in the UK (O'Connor and Boreham 2002). The difference is large, and might be linked with a range of other differences (such as family size and marital status). However a difference in ethnic profile has limited relevance for differences in rates of employment. In previous research analysts have found lone parent employment to be relatively high among those of a 'black' identity, and relatively low among those who describe themselves as having an 'Asian' background. Rates of employment are not strongly affected by ethnic background, and the overwhelming majority of lone mothers describe themselves as being of white background.

In the LFS respondents are asked: '*To which of these ethnic groups do you consider you belong?*' Results for lone mothers are shown in Table 2.6. Whilst 94 per cent of lone mothers outside London described themselves as being 'white', this was only around two-thirds (64 per cent) in outer London, and well under half (41 per cent)

in inner London. About as many lone mothers living in inner London described themselves as ‘Black or Black British’ (40 per cent) as described themselves as being white. London also contained more lone mothers describing themselves as ‘Asian or Asian British’.

These figures imply a very strong degree of ethnic concentration in London. The combined household LFS datasets for 2001 and 2002 suggest that 14 per cent of lone mothers live in London, overall. But as many as 72 per cent of Black/Black British lone mothers, and 40 per cent of Asian/Asian British lone mothers, live in London according to the LFS.¹

Table 2.6 Lone mothers’ ethnic group, by location
Column percentages

Ethnic group (eth01)	Inner London	Outer London	Rest of GB	All GB
White	41	64	94	87
Mixed	6	4	1	2
Asian or Asian British	9	7	2	3
Black or Black British	40	20	2	6
Chinese	1	*	*	*
Other ethnic group	5	5	*	1
Unweighted base	583	712	8,064	9,359

Source: Autumn HLFS 2001 & 2002 combined.

Note: ‘*’ indicates <0.5% but >0

2.2.5 Country of birth

LFS respondents are also asked their country of birth. Some 40 per cent of lone mothers living in inner London were born outside of the UK, compared with 27 per cent of lone mothers living in outer London, but only 5 per cent of lone mothers elsewhere in the UK. Some 31 per cent of those born outside the UK described themselves as being ‘white’.

There may be links between being born outside of the UK, and the ability to participate in the labour market. Many lone mothers find it easiest to work when they have childcare provided by family members

¹ This very high degree of concentration means that sample survey results lack complete reliability. The selection of particular wards and sampling locations can have a disproportionate effect on results. Hence the ‘true’ proportions here could be rather lower, or indeed somewhat higher than those quoted here – but the estimates remain correct ‘on average’.

living locally. Those born outside the UK might be less likely to have family living locally. They might also have less knowledge of other networks who could assist with childcare or provide knowledge of job opportunities.

2.3 Labour market factors

In this section we complete the background analysis of differences between lone mothers in and London and elsewhere. This comprises a range of different pieces of information, starting with the proportions of lone mothers who have never had paid work. We then look at lone mothers in full-time education, access to a car, health and educational qualifications. Each is likely to be related to labour market participation.

2.3.1 Lone mothers who have never had paid work

Lone mothers in London were more likely than those living outside to have *never* worked. This is a small but significant group (12 per cent) among lone parents. In London, one fifth of lone mothers had never worked. Among those lone mothers in London not in paid work, in fact around one third had never had paid work. There is some research indicating that lone mothers' work states depend on their working patterns prior to becoming lone mothers (Holtermann et al 1999). Those women becoming lone mothers whilst in work have a greater chance of remaining in work. Those women who are not in work at the time of becoming lone mothers find it difficult to return. Work barriers for lone parents are already higher than for some other groups. For those with no previous work experience *at all* the barriers would be at their most daunting.

Looking in more detail at those who had never worked, the average (median) age among this group was just 20, and so this lack of experience could be attributed to youth. Moreover three-quarters were single never-married. However, in London the average age of those who had never worked was over 25 and around a quarter were separated (compared with under 10 per cent outside London). In London over half this group also came from outside the UK, perhaps adding to the labour market barriers they face.

2.3.2 Time out of the labour force

A lack of recent work experience can provide another barrier to returning to the labour force. Studies of unemployment find a decreasing chance of getting a job each month, the longer that unemployment continues (e.g. Smith et al 2000). For those lone mothers not in paid work, as we know more of those living in London

had never worked, especially those living in inner London (Table 2.7). Moreover, lone parents outside London were more likely to have left paid work either in the last year (12 per cent) or within the last three years (29 per cent). Conversely 18 per cent of non-working lone mothers in inner London, and 20 per cent in outer London, had left work within the last three years.

Table 2.7 Lone mothers' time since last job

Column percentages

	Inner London	Outer London	Rest of UK	All UK
<i>When left last job, if not currently working</i>				
In the last year	6	9	12	11
1 – 3 years ago	12	11	17	16
3 – 5 years ago	12	8	11	11
5 years or more	34	40	36	36
(Never had paid job	37	32	23	25)
Unweighted base	360	428	3916	4704

Source: Autumn HLFS 2001 & 2002 combined.

2.3.3 Students

A few more lone parents in London than elsewhere said they were full-time students. The proportion of students doing any paid work in the previous week was 30 per cent, compared with 45 per cent overall.

Full-time students would not generally be in paid work – though perhaps an increasing proportion are – and those without any previous work or training course experience will find greatest the difficulties in getting into paid work. Both these groups, and particularly the latter, are more numerous among lone mothers living in the capital than outside.

Table 2.8 Lone mothers' characteristics, by location
Column percentages

Labour market features	Inner London	Outer London	Rest of UK	All UK
Never worked – all	22	19	11	12
Never worked – among current non-workers	36	32	23	25
Whether a full-time student currently	14	12	10	11
Owns or has use of a vehicle	34	55	53	51
Has a long-term health problem	31	29	27	28

Source: Autumn HLFS 2001 & 2002 combined.

2.3.4 Access to a car

Lone mothers living in inner London were less likely than others to have the use of a car². In the UK just over half (51 per cent) of all lone mothers had access to a car, compared with 34 per cent in inner London. Rates of access to cars were higher than average in outer London (55 per cent).

2.3.5 Health problems

There were few differences in rates of reporting a long-term (i.e. lasting at least 12 months) health problem between lone mothers living in London and elsewhere. Having health problems is generally associated with lower rates of paid employment.

2.3.6 Educational qualifications

There is a link between being in paid work and having good qualifications. The educational attainments of lone mothers are summarised in Table 2.9. Those living in London were the most likely to have 'other' qualifications, which could be reflecting an education gained outside of the UK, or a more diverse education experience. There was very little difference in the proportions with qualifications, with around one in four having no qualifications. There is about enough evidence to conclude that lone mothers in London were more likely to be graduates than elsewhere (that is the difference is statistically significant at the 95 per cent level).

² Low rates of car ownership apply across inner London, let alone among those with relatively low rates of paid work such as lone mothers.

Table 2.9 Lone mothers' qualifications by location

Column percentages

Highest qualification	Inner London	Outer London	Rest of UK	All UK
Degree	8	8	5	6
Other higher education	5	6	7	7
A-level	16	17	16	16
GCSE A-C	28	27	35	34
Others	20	18	14	15
None	23	24	23	23
Unweighted base	583	711	8063	9357

Source: Autumn HLFS 2001 & 2002 combined.

2.4 Childcare and other perceived barriers to working

There are various reasons why parents may not be in work, related to their health, local labour market conditions, and so on. One reason often given for not working concerns a lack of local affordable childcare. In FACS 2002, families not in work (or working 1-15 hours) were asked if there were any particular reasons preventing them working (or working 16+ hours). The most important answers are shown in Table 2.10.

Lone mothers in London, not in work (or working 1-15 hours) most commonly said they did not want to spend more time away from their children. This was the reply of approaching half the non-working lone mothers in London (46 per cent). That childcare was too expensive was the response of around one in six. A similar proportion, and slightly more in London, said they had a disability or health condition which prevented them working (or working more hours).

A few more lone parents in London than outside said they lacked the right skills or qualification (eight per cent compared with three per cent, $p=0.004$). Only one in twenty in London, not already working 16+ hours, thought the problem of having no childcare available.

Table 2.10 Reasons given for not working (or, not working 16+ hours) in 2002: lone mothers

	Column percentages		
	London	Rest of GB	All GB
<i>Reason for not working</i>			
Don't want to spend more time apart from children	46	36	37
Cannot afford childcare	15	17	17
Own illness	18	16	16
Currently studying	10	9	9
No childcare available	5	10	9
Child's illness	7	7	7
Lacking suitable skills	8	3	4
Unweighted base	147	970	1117

Source: FACS 2002. Base: those not in paid work of 16+ hours.

Respondents could give more than one of these replies, so totals may sum to more than 100 per cent.

Among lone mothers working for 16 or more hours each week, slightly more in London were paying for childcare (33 per cent compared with 29 per cent). Among those paying, the amounts involved were almost twice as high in London (weekly median of £57 compared with £30). Some of this difference will undoubtedly reflect longer working hours among lone mothers living in London, where they do have paid work.

3 Rates of working inside and outside London

3.1 Introduction

In this section we provide estimates of rates of paid work among lone mothers. The first section looks at paid work in 2001-02, using data from the Labour Force Surveys and the 2001 Census. The second section looks at a period around a decade earlier, for 1989 using the Lone Parent Survey and 1991 using the Census. For intervening years the Labour Force Survey provides further evidence.

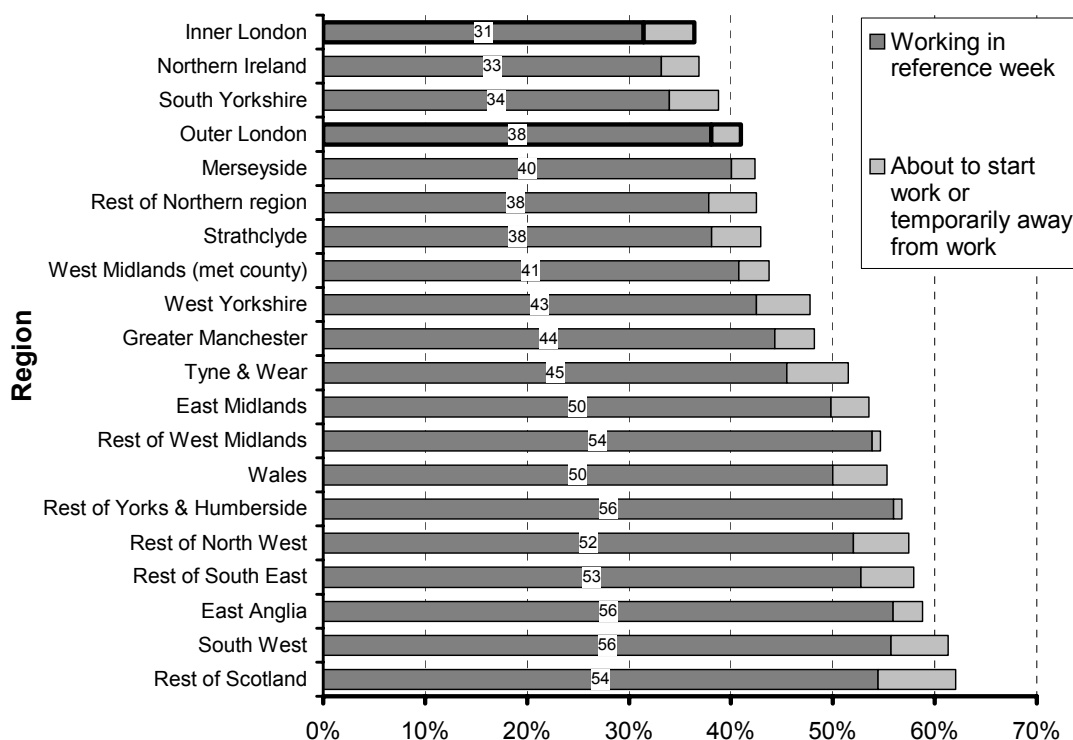
There are two key features of this section. First, it looks at lone mothers in isolation, rather than compared to other groups. Second, it looks only at those either working or not working. In section 4 we conduct analysis of their hours of work whilst in section 5 we investigate the kinds of jobs that lone mothers are doing.

This section (3) provides the clearest evidence that lone mothers in London now have below-average rates of employment, unlike a decade ago. In later sections we also explore in more detail the reasons for this difference.

3.2 Lone mothers and paid work in 2001-2002

The proportion of lone mothers in paid work in London tended to be below that of other regions of the UK. Results from the 2002 Autumn Household Labour Force Survey showed rates of working at their lowest in inner London (37 per cent), and among the lowest in outer London (41 per cent). Across the UK, in 2002, 50 per cent of lone mothers were in paid work (or about to start work or temporarily absent from their job).

Figure 3.1 Proportion of lone mothers in paid work by area³



Source: HH LFS 2002 Autumn

The 2001 Census data provides both an alternative set of estimates for regions, and the capability to look at rates of working for smaller areas of London. The methods used in the Census are completely different from survey data⁴. We should not expect results to be precisely comparable with those of sample surveys, such as the Labour Force Survey. However we would expect to find similar *patterns*, and so it proves. The employment gap between London and elsewhere was –13% in inner London and –9% in outer London according to the LFS 2002, contrasted with –6% in England & Wales according to the 2001 Census. In each case London had the lowest, or among the lowest, rates of paid employment among lone mothers.

³ Estimates for each region have a sample size of at least 99 (South Yorkshire), and averaging 235.

⁴ There have been various controversies regarding the 2001 census data, partly related to low response rates in London. It is unclear what effect this might have on the results presented, or whether these figures will ultimately be revised.

Whilst 48 per cent of lone mothers in England & Wales were in paid employment, in London it was 41 per cent. Lone mothers were most likely to be working in the South-East (outside London), the South-West and East of England.

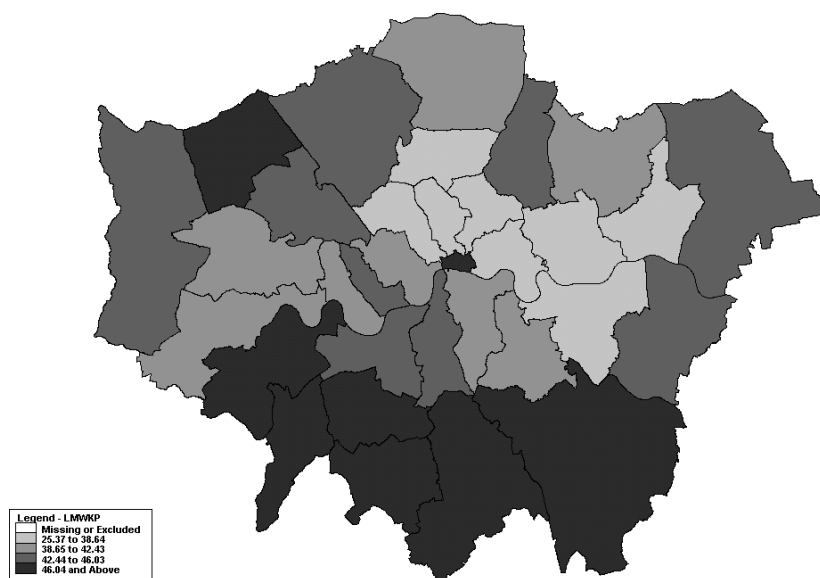
Table 3.1 Lone mothers in paid work in 2001 (England and Wales only)

Region	Numbers and cell percentages	
	Number of lone mothers	Per cent in FT and PT work
London	210,918	41
Wales	79,831	44
North East	72,382	45
West Midlands	130,168	47
North West	196,800	47
Yorkshire and the Humber	123,154	48
East Midlands	93,724	50
East of England	105,312	52
South East	153,615	53
South West	100,802	54
England and Wales	1,266,706	48

Source: Census 2001

Different areas across London also had quite different rates of paid work among lone mothers. Darker areas within Figure 3.2 had more lone mothers working, whilst the employment rate was lowest in the lighter shaded areas. The region around the centre of London, and towards the East, had the lowest rates of lone mother employment. Rates of lone mother employment were lowest of all in Tower Hamlets, at 25 per cent, compared with 32 per cent in Barking & Dagenham (the next lowest). Rates of working in the outer section, particularly in the South, were the highest. More than half the lone mothers in Kingston upon Thames and Richmond Upon Thames were working (52 per cent and 53 per cent respectively).

Figure 3.2 Rates of lone mothers having paid employment in Census 2001 (quartile groups)



Source: Census 2001: London

3.3 Trends in work among lone mothers 1989-

3.3.1 1989

In 1989 the Department of Social Security funded a survey of lone parent receiving two particular benefits commonly received by lone parents - One Parent Benefit and Income Support with a lone parent premium (Bradshaw and Millar 1989). The coverage of lone mothers is likely to have been very good, perhaps excluding a small proportion of the better-off lone parents (particularly including widows).

In the 1989 survey, the rate of lone mother employment was 41 per cent in the UK. The rate in London North was 42 per cent, and 40 per cent in London South⁵. In other words very similar to the national average, around a decade before the above figures showing below-average rates of paid work among lone mothers living in London. This suggests that the currently low rate of paid work among lone mothers in London is of recent origin.

⁵ These regions were defined in terms of administrative structures prevailing within the then Department of Social Security. The so-called London areas extend well beyond the geographical barriers of London.

Table 3.2 Lone mothers with earnings from paid work in 1989 (UK)

Region	Numbers and cell percentages	
	Number of lone mothers	Per cent receiving earnings
Northern Ireland	48	[21]
Scotland	148	26
North West	238	38
London South	126	40
North East	202	42
London North	190	42
Midlands	218	44
Wales and South West	179	49
UK	1402 ^a	41

Source: Lone Parent Survey 1989.

Note: percentages in [] are based on fewer than 50 cases and may be unreliable.

^a Including 53 lone mothers with region not specified.

3.3.2 1991

Census data for 1991 provide an alternative perspective on rates of paid work among lone mothers, more than ten years before the present time. As with the 1989 LPS, it shows rates of economic activity among lone mothers to be approximately average or one per cent higher in London than in the rest of Britain (Table 3.3).

Table 3.3 Lone mothers in paid work in 1991 (GB)

Numbers and cell percentages

Region	Number of lone mothers	Per cent lone mothers economically active
Wales	40,105	35
North East	45,071	36
Scotland	84,385	38
North West	112,563	39
Yorkshire and the Humber	67,337	39
West Midlands	67,385	40
London	124,589	41
East Midlands	46,778	41
East of England	52,114	42
South West	49,688	44
South East	74,210	44
England and Wales	764,225	40

Source: Census 1991 local base statistics

3.3.3 Trends 1992-2003

The Labour Force Survey enables us to track trends over a relatively long period, back to 1992 at least when the LFS became a quarterly survey. Results for 1992 show lone parents in London with employment rates just above the GB average, which then fall below average by 1997 and remain so in 2003. It appears that in 1992-97 rates of lone parent employment increased generally, but fell in London. Over 1997-2003 the rate of growth continued in the rest of GB, but was rather less in inner London than elsewhere.

Table 3.4 Proportions of lone parents in paid work (16+ hours) over time⁶

Cell percentages

	1992	1997	2003
Inner London	33	30	36
Outer London	33	31	41
All GB	31	37	47

Source: LFS in respective year.

⁶ The figures in this table were kindly supplied by Andrew Statham, DWP.

4 Working hours of lone mothers

4.1 Introduction

We have argued in this report that the key difference between London and elsewhere is not simply in terms of whether lone mothers are in paid work. Of perhaps greater significance is the difference in the hours that lone mothers work each week.

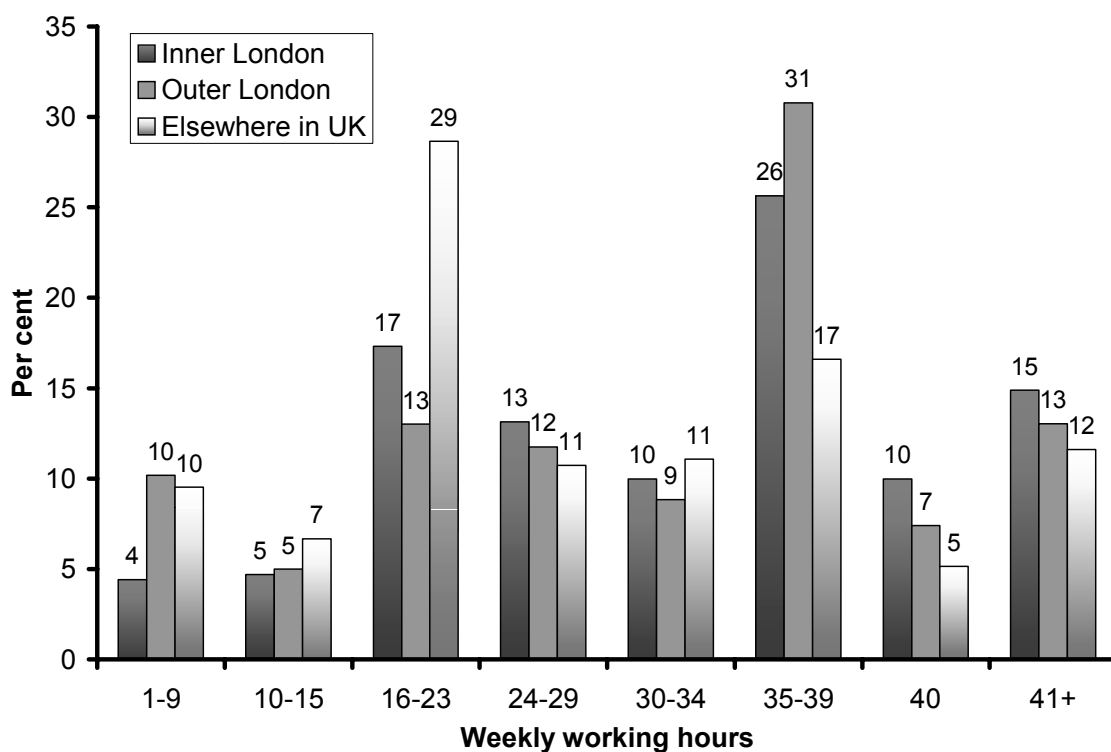
In section 3, however, we treated labour market status as a simple ‘yes/no’ feature. In this section, however, we look in greater detail at the weekly hours lone mothers were working.

4.2 Working hours in 2001

When lone mothers work, in most parts of the UK there is a sizeable proportion who work relatively short hours (less than conventional full-time hours). This doesn’t happen to the same extent in London.

The weekly working hours of lone mothers in 2001-02 are shown in Figure 4.1. In London working lone mothers are more likely to be found working 35-39 hours, than 16-23 hours. The reverse is true in the rest of the UK. One quarter of working lone mothers living in inner London work for 40 or more hours each week, above rates in either outer London (20 per cent) or the rest of the country (17 per cent).

Figure 4.1 Working hours of lone mothers in 2001-02

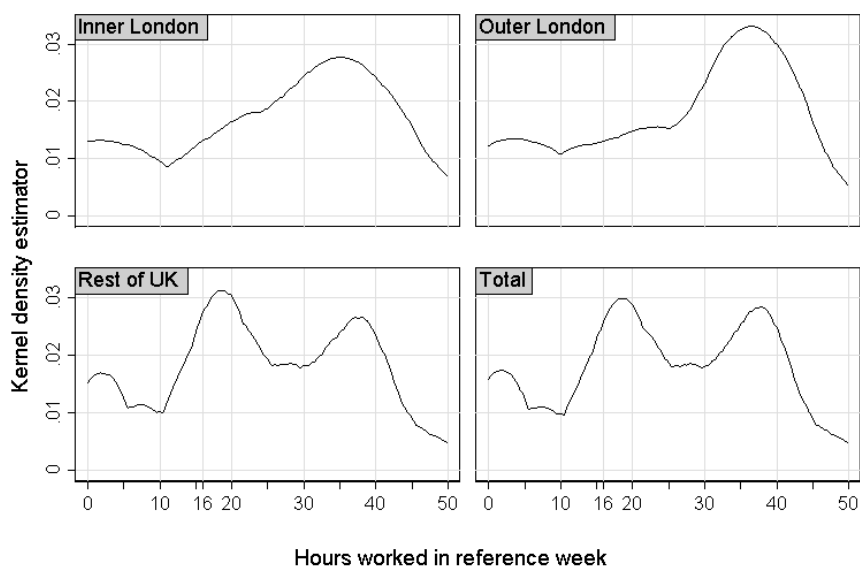


Source: LFS 2001-02

In Figure 4.2 we plot the hours worked by lone mothers in London and the rest of the UK, using an alternative method⁷ - however the underlying data and the main message remains clear. In outer London there is a large peak of lone mothers working around 37-38 hours a week, somewhat less of a peak for inner London at around 35 hours, but a clear double-peak for the rest of the UK. Indeed for the UK outside London the larger peak lies between 16 and 20 hours work each week. Outside London there is also a small peak around 2-3 hours each week, which may be representing a very small job for lone mothers receiving Income Support – which at the likely level of hourly rates of remuneration would probably pay less than the earnings disregard of (then) £15 for Income Support.

⁷ These are kernel density estimates (Epanechnikov).

Figure 4.2 Working hours (in reference week) by area, among those in paid work



Working hours by location

Source: Analysis of combined LFS datasets 2001 & 2002.

Not all lone mothers are necessarily satisfied with working relatively long hours, of course. In London, 40 per cent of working lone mothers prefer to work fewer hours, compared with 33 per cent nationally. Unsurprisingly, those wanting to work fewer hours were already working longer hours than average.

4.3 Lone mothers working short-hours, part-time and full-time

One method of exploring this data is to group lone mothers into one of three working groups, those working less than 16 hours, 16-29 hours, or 30 or more hours. These groups have the convenient feature of matching rules relating to benefits and tax credits, in and out of work. Prior to 1988, at least, the receipt of such top-ups to earnings required work of at least 30 hours a week. This was reduced to 24 and then to 16 hours, where it remains. There are also sufficient numbers of lone mothers in each group in the sample to analyse.

In London 60 per cent of working lone mothers are working 30+ hours, compared with 44 per cent outside London. In inner London relatively few (under ten per cent) of those with jobs worked for less than 16 hours.

Table 4.1 Percentage of lone mothers in paid work of different hours (among workers)

	Cell percentages		
	Inner London	Outer London	Rest of UK
<i>Hours worked in reference week</i>			
Working <16 hours	9	15	16
Working 16-29 hours	30	25	39
Working 30+ hours	60	60	44
Unweighted base	182	250	3717

Source: LFS 2001-2002

We have already analysed some of the characteristics affecting labour force participation, and examined how they vary across different parts of the UK. In Table 4.2 we summarise some of the key differences between lone mothers working different hours. In general, those working the shorter hours tended to be younger, but with more children, and to be never-married. Close to one in three (30 per cent) of those working less than 16 hours were full-time students.

Those working 16-29 hours shared a similar profile to those working even shorter hours; the group working for 30+ hours were more distinct. Among this full-time group were over-represented divorcees, owner-occupiers and graduates (these three characteristics having a strong degree of overlap). They were also more likely than other working lone mothers to be employed in the public sector.

Table 4.2 Characteristics of lone mothers working different weekly hours

	Column percentages		
	Working <16 hours	Working 16- 29 hours	Working 30+ hours
<i>Age in years (median)</i>	32	35	38
<i>Number of children aged under 19 (mean)</i>	1.67	1.60	1.48
<i>Marital status</i>			
Single, never-married	62	43	38
Divorced	22	31	36
Separated	13	21	20
Other	3	5	6
<i>Housing tenure</i>			
Owner/mortgage	42	46	63
LA rent	30	28	17
HA rent	15	13	10
Private tenant	13	12	10
<i>Highest qualification</i>			
Degree	3	4	15
Other higher education	7	7	15
A-level	20	20	19
GCSE A-C	42	38	32
Others	13	14	11
None	15	17	8
<i>Working for public sector</i>	27	25	35
<i>Work in different LAD to home</i>	18	24	35
<i>Whether a full-time student</i>	30	4	1
Unweighted base	660	1588	1901

Source: LFS 2001 and 2002 combined.

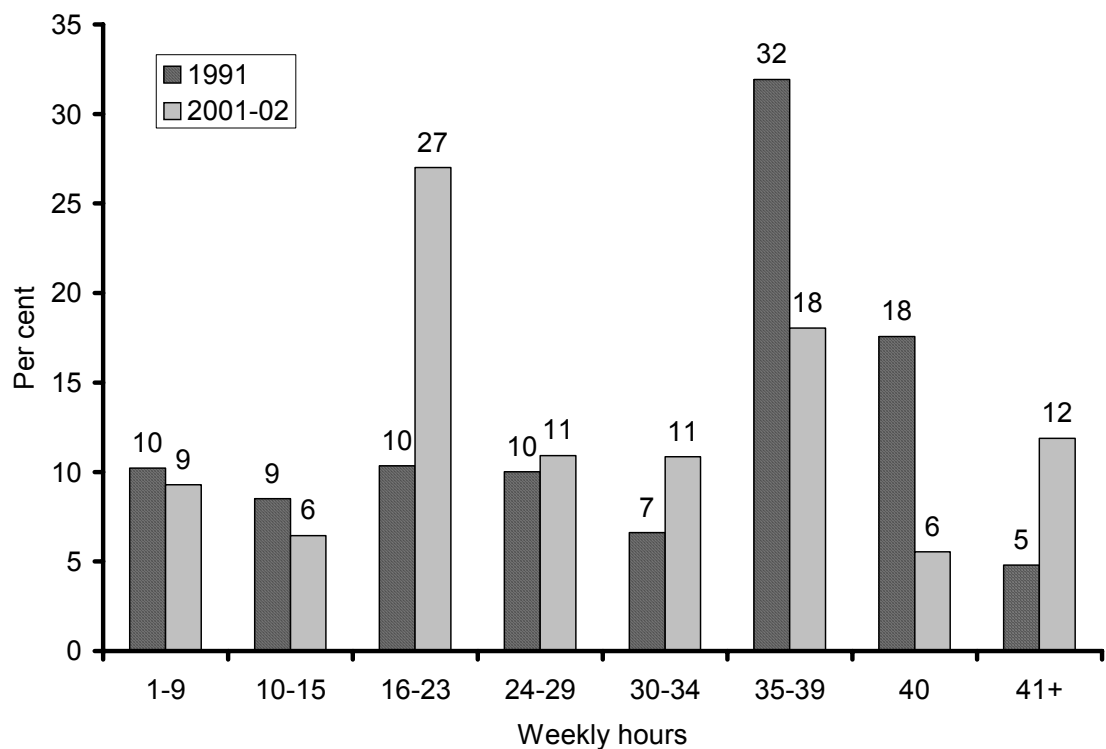
4.4 Trends over time in working hours

The hours worked by lone mothers in paid work have changed dramatically over time. This has partly been a result of changes in the system of in-work benefits, moving from requiring 30 hours paid work, to 24, and then to 16. Among working lone mothers, the shift has been from ‘traditional’ working hours (say, 35-40 hours) towards rather shorter hours. In the LFS 2001-02 household surveys, over one

quarter (27 per cent) of working lone mothers were in paid work for between 16 and 23 hours each week⁸. This compares with ten per cent a decade earlier. In 2001-02, less than one quarter (24 per cent) of lone mothers were working between 35-40 hours, down from half a decade before. Conversely in the more recent period more working lone mothers were in paid work for 41 or more hours each week.

Over the last decade the proportion of lone mothers in work, of any hours, has increased.

Figure 4.3 Lone mothers' working hours in 1991 and 2001-02



Source: Census 1991 SARS and LFS 2001-02

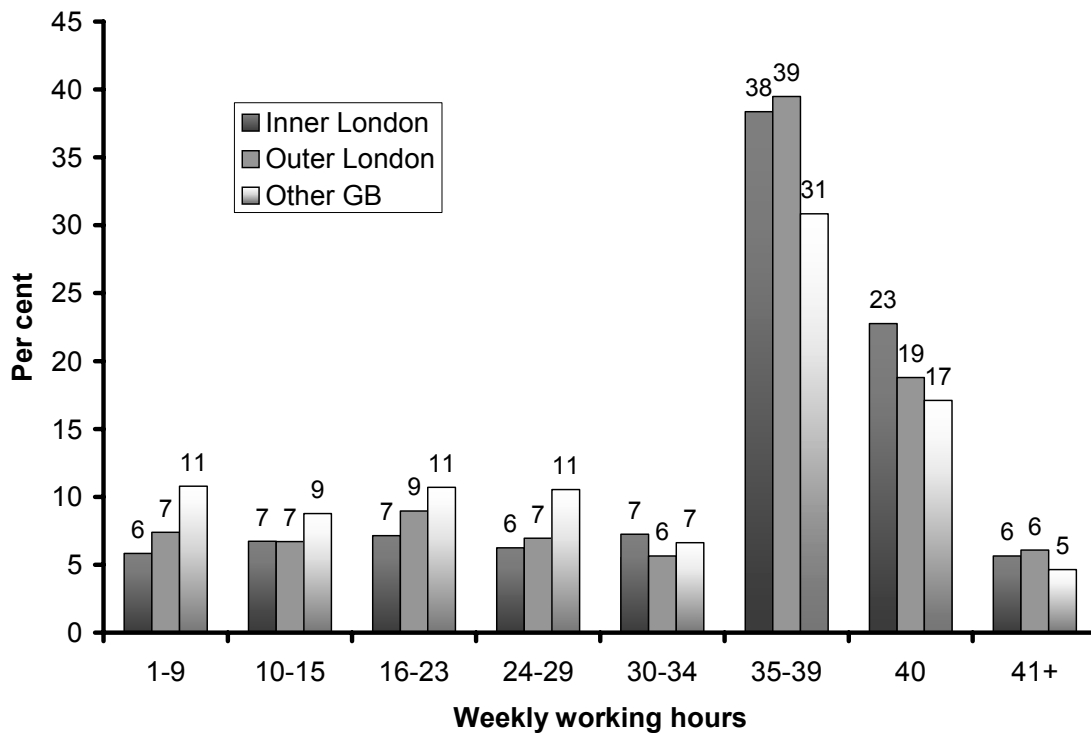
4.4.1 Weekly working hours in 1991

Working lone mothers in London were, in 1991, less likely to be working shorter hours, and more likely to working traditional full-time hours, than lone mothers outside London. In inner London two thirds

⁸ The LFS contains a number of different variables relating to working hours. This report uses 'tothrs', total hours worked during the reference week. This variable is highly correlated with the alternatives, such as usual working hours.

of lone mothers in work (67 per cent) were working at least 35 hours a week, compared with 64 per cent in outer London and 53 per cent in the rest of Great Britain. This at a time when overall rates of working were fairly similar between London and the rest of the country.

Figure 4.4 Working hours of lone mothers in 1991



Source: Census 1991 SARS

The above charts go some way towards explaining the apparently increasing gap between rates of lone mothers working in London and in the rest of Britain. Lone mothers living in London have been typically found in full-time work, and not in shorter hours working. However, the main increases in rates of lone mother participation have been precisely in those working for shorter hours.

The last decade has seen a rise in rates of lone mother employment, and a sharp growth in the proportions working shorter hours. But these trends in lone mothers' working patterns have not, it seems, been echoed in London in the same way as the rest of the country. For lone mothers in London, the main decision seems to be between working full-time, and not working at all. For lone mothers outside

London, there is also the option of working (roughly) half-time hours. Inside for working lone mothers away from the Capital that is the more common option.

Changes in the proportions of lone parents working different hours are shown in Table 4.3. Over 1992-2003, employment rates for lone parents rose by 12 percentage points (i.e. from 40 to 52 per cent). This may be decomposed into a 10 percentage point rise into work of 16-29 weekly hours, *plus* a six percentage point increase in working 30+ hours, *minus* a 4 percentage point reduction in working less than 16 hours a week.

However, over the same time in London it is work of 30+ hours that has increased most, with relatively little increase in work of 16-29 hours that dominates the overall increase in rates of paid work. Overall rates of working in London have lagged behind the rest of Britain, particularly because part-time work has not increased to anything like the extent it has in the other regions.

Table 4.3 Change in the proportions of lone parents in paid work of different hours 1992-2003⁹

	Percentage point changes		
	Inner London	Outer London	All GB
Any paid work	+3.8	+8.9	+12.0
0-15 hours	+0.6	+1.5	-3.8
16-29 hours	+0.6	+3.4	+10.1
30+ hours	+2.3	+4.0	+5.7

⁹ The figures used in this table were kindly supplied by Andrew Statham, DWP.

5 Job characteristics of lone mothers

5.1 Introduction

In this section we look at the types of jobs that lone mothers have. This helps to clarify some of the labour market changes that have taken place, and why rates of employment in London for lone mothers have diverged from those of elsewhere.

5.2 Receipt of tax credits

An important corollary of longer working hours (as found in section 4 for London's lone mothers) is likely to lower rates of receiving in-work benefits and (now) tax credits. An important part of Government policy towards reducing family poverty is to 'make work pay'. And the key ingredient of this policy is the introduction of new tax credits to increase lone mothers' incomes when working. Between 1999-2003 this meant Working Families' Tax Credit, which has since been replaced (April 2003) by Child Tax Credit and Working Tax Credit.

WFTC, (and its predecessor Family Credit, could be claimed by lone parents and couples with children, where at least one parent worked for 16 or more hours a week. This payment lasted for six months at the same rate. The scale rates provide a larger top-up to families with smaller incomes. The rates were set at national level, so families in areas with higher wages such as London may be expected to be receiving less (and to qualify less often).

A comparison of rates of receiving WFTC between London and elsewhere in Britain is shown in Table 5.1. Twice as high a proportion of lone parents outside London received WFTC, compared to those living in London – 30 per cent compared to 15 per cent. Clearly this is partly related to the different overall proportions in paid work. A comparison only among workers continues to tell the same story. Among lone mothers in paid work (any hours), 37 per cent in London received WFTC compared with 58 per cent outside London. This size of gap was also found when looking at lone mothers working 16-29 hours (59 per cent compared with 76 per cent receiving WFTC) or working 30+ hours (32 per cent compared with 56 per cent).

Table 5.1 Receipt of WFTC by area

	Cell percentages		
	London	Rest of Britain	All Great Britain
All lone parents	15%	30%	28%
All lone parents in paid work	37%	58%	55%
<i>By hours of work</i>			
1-15 hours	0	3%	3%
16-29 hours	59%	76%	74%
30+ hours	32%	56%	52%
Unweighted base: lone parents	299	1,708	2,007
Unweighted base: working lone parents	115	850	965

Source: FRS 2001-02.

Receiving WFTC counts as income against Council Tax Benefit and Housing Benefit. Many of those receiving WFTC would have then had incomes too high to qualify for CTB or HB, unless such costs were very high.

5.3 Types of jobs

Where they were in paid work, lone mothers living in inner London were much more likely than others to be working in the public sector (Table 5.2). The proportion working in the public sector was approaching half (45 per cent) for these lone mothers, compared with about a third (30 per cent) in the UK as a whole. Perhaps unsurprisingly, lone mothers in London, particularly in inner London, were much the most likely to be working in a job outside of the local authority where they were living.

Table 5.2 Lone mothers' jobs by location

	Cell percentages			
	Inner London	Outer London	Rest of UK	All UK
Working in public sector	45%	33%	30%	30%
Work outside own LAD	60%	49%	25%	28%
Unweighted base	220	280	4,099	4,599

Source: Autumn HLFS 2001 & 2002 combined.

The occupations of lone mothers were often classified as being 'routine' rather than 'managerial'. As shown in Table 5.3, London's lone mothers were more likely than average to be working in lower-managerial, professional or intermediate¹⁰ occupations. They were less likely than lone mothers in the rest of the UK to be working in the routine¹¹ occupations, which employed almost one in six (15 per cent) of lone mothers outside the capital.

¹⁰ Intermediate occupations include such jobs as dental technicians, financial clerks, legal secretaries, nursing auxiliaries and civil service administrative officers.

¹¹ Routine occupations include jobs such as labourers, cleaners, bar staff, waiters and waitresses.

Table 5.3 Lone mothers' occupations, by location

Column percentages

	Inner London	Outer London	Rest of UK	All UK
<i>Occupational group (NS-SEC major)</i>				
Higher managerial and professional	5	7	5	5
Lower managerial and professional	32	36	23	24
Intermediate occupations	23	23	18	19
Small employers and own account workers	4	3	5	4
Lower supervisory and technical	4	6	8	7
Semi-routine occupations	24	16	27	26
Routine occupations	8	8	15	14
Unweighted base	220	280	4,099	4,599

Source: Autumn HLFS 2001 & 2002 combined.

Over half (52 per cent) of lone mothers living in inner London were working for one of the public administration, education or health sectors. Those with paid jobs and living in outer London were the most likely to be employed in banking, insurance or finance. Conversely, outside of London employment was common in 'distribution, hotels and restaurants' – it is interesting that this sector was rather under-represented among the lone mothers living in London.

Table 5.4 Lone mothers' industries, by location

Column percentages

	Inner London	Outer London	Rest of UK	All UK
<i>Industrial sector</i>				
L-N: Public admin, education & health	52	36	39	39
G-H: Distribution, hotels & restaurants	17	23	30	29
J-K: Banking, finance & insurance etc	12	22	11	12
O-Q: Other services	11	8	7	7
D: Manufacturing	3	4	7	7
I: Transport & communication	4	4	4	4
F: Construction	*	2	1	1
C,E: Energy & water	0	*	1	1
A-B: Agriculture & fishing	0	*	*	*
Unweighted base	220	280	4099	4599

Source: Autumn HLFS 2001 & 2002 combined.

Note: '*' means <0.5%, >0.

5.4 Full-time workers

Full-time work remains an important mode of work for lone mothers living in London, though less so elsewhere. It is worth investigating what differences there are between those lone mothers with full-time jobs but living in different parts of the country.

When looking at those working 30 or more hours a week, there are some clear similarities and clear points of difference across areas. This group tends to be older than other lone mothers, and to have among the smallest families, typically having a single child. This did not differ inside and outside of London. Full-time working lone mothers in London were more likely to be sharing accommodation with another family, and more likely to be social tenants especially in inner London. Those lone mothers in London working full-time were more likely than those living outside London to be graduates.

Table 5.5 Characteristics of lone mothers working at least 30 hours in the reference week

	Column percentages		
	Inner London	Outer London	Rest of UK
<i>Average age (mean)</i>	38.2	37.8	36.6
<i>Number of children under 16 (mean)</i>	1.3	1.1	1.2
<i>Shares household with another family unit</i>	12	15	9
<i>Non-white ethnic group</i>	57	38	5
<i>Has degree or equivalent</i>	23	19	14
<i>Housing tenure</i>			
Owner-occupier	42	60	64
Social tenant	51	29	24
Private tenant	6	11	11
Unweighted base	110	151	1640

Source: LFS 2001 and 2002 combined.

In addition we may examine the types of jobs that full-time working mothers had (see Table 5.6). The magnitude of these differences is not particularly large, especially given the reduced sample size. Full-time working lone mothers in inner London were more likely than

elsewhere to be working in the public sector, and to have varying hours (which could include flexitime). The occupational profiles were relatively similar across London and outside of London.

Table 5.6 Job characteristics of lone mothers working at least 30 hours in the reference week

	Column percentages		
	Inner London	Outer London	Rest of UK
<i>Public sector</i>	49	36	34
<i>Job is temporary</i>	6	3	7
<i>Ever work overtime</i>	45	36	40
<i>Working hours tend to vary</i>	40	31	33
<i>Has a second job</i>	1	7	6
<i>Travel to work time</i>			
Mean	35	35	22
Median	30	30	20
<i>Occupation</i>			
Higher managerial and professional	7	9	9
Lower managerial and professional	43	38	36
Intermediate occupations	23	29	20
Small employers and own a/c workers	4	3	5
Lower supervisory and technical	3	7	9
Semi-routine occupations	17	10	16
Routine occupations	4	5	6
Unweighted base	110	151	1640

Source: LFS 2001 and 2002 combined.

6 Are employment rates for lone mothers different from those of other mothers?

6.1 Introduction

The patterns in this report so far have focused on lone mothers. Why are rates of working for lone mothers higher in some areas than others, and why are they so low in London? However, another way of approaching this question is to consider how rates of working vary for other mothers, those in couples whether cohabiting or married.¹² It has been argued that the prospects of lone mothers are strongly connected to those of other groups of women and particularly mothers (Ford and Millar 1998).

6.2 Employment rates among lone and married mothers

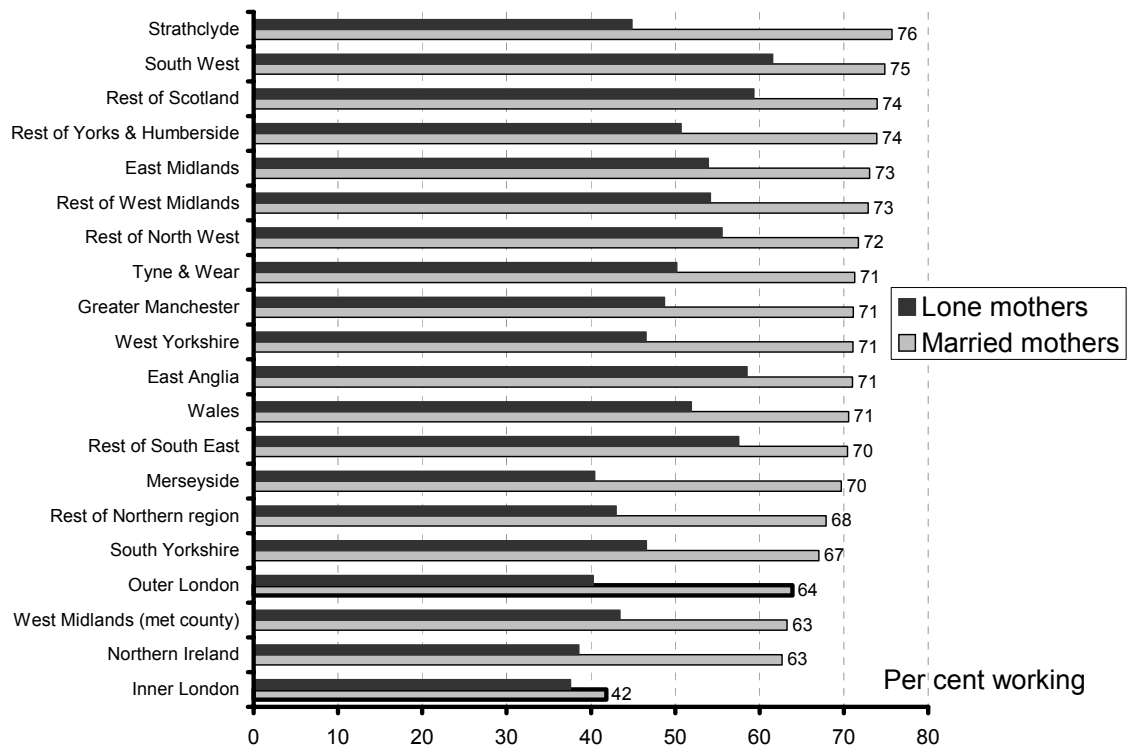
There is quite a strong link between the proportion of married mothers who are in paid work in a given region, and the proportion of lone mothers who work.

On average 69 per cent of married mothers with dependent children were in paid work in 2001-2002. The rates of working among *married* mothers with dependent children are by far the lowest in inner London (42 per cent), and below average in outer London (64 per cent)¹³.

¹² The LFS records people as same-sex couples where respondent volunteer this information to interviewers. However, whether by design or accident, there are no same-sex couples with children in the LFS datasets used here. We suspect (though cannot yet demonstrate) that this is a consequence of the algorithm used to derive the family status variables.

¹³ There was also a weaker positive relationship between rates of working among cohabiting mothers with dependent children and lone mothers.

Figure 6.1 Married and lone mothers rates of paid work in 2001-02

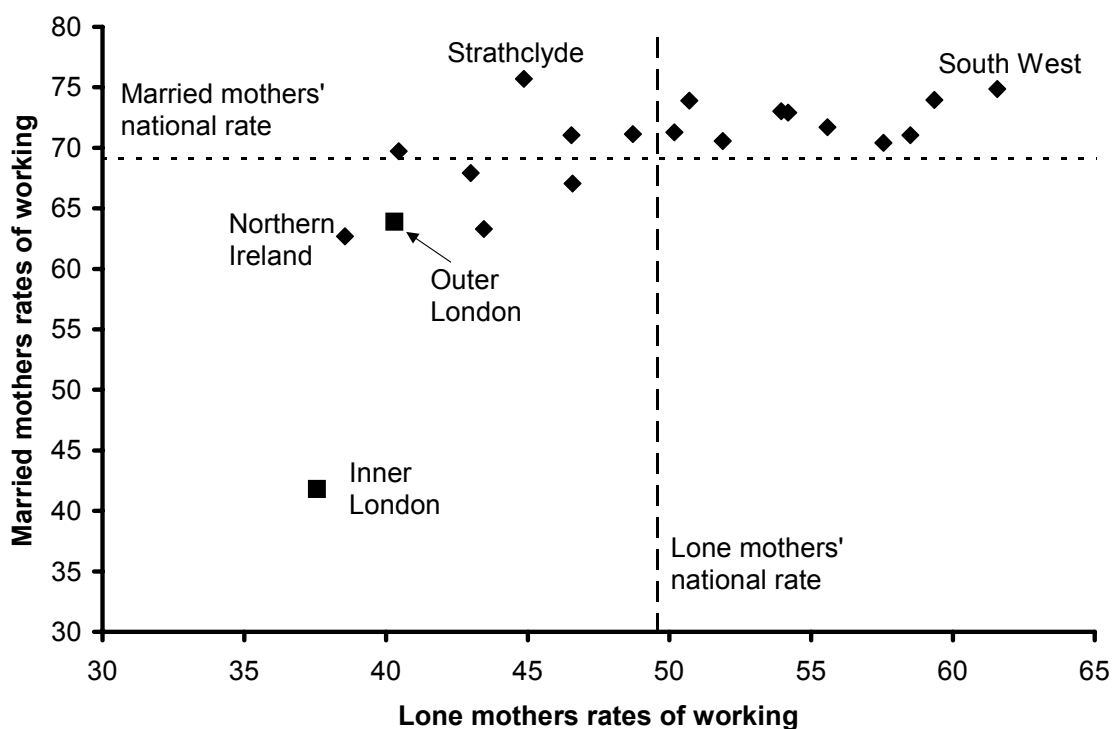


Source: Autumn HLFS 2001 & 2002 combined.

We may alternatively plot the above statistics in the form of a scatter plot, to indicate the kind of likely relationships (Figure 6.2).

Inner London stands out as some way removed from the rest of the regions. The rate of work among married mothers is very low indeed, whilst the rate of lone mothers is, whilst still the lowest, not so far behind from the employment rates found in the other regions. In outer London rates of employment for both lone and married mothers are below average.

Figure 6.2 Married and lone mothers rates of paid work in 2001-02



Source: Autumn HLFS 2001 & 2002 combined

In every region where the lone mothers' employment rate is above the UK average, so is the married mothers' employment rate.

Even so there are areas, such as Strathclyde, where married mothers have very high employment rates but lone mothers do not. Rates of paid work among married mothers seem to be mostly between 65 per cent and 75 per cent (inner London aside). Among lone mothers typical figures varied between 40 per cent and 60 per cent, in other words rates for lone mothers show slightly more variation across regions.

Analysis of the 1991 Census micro-data for local authorities¹⁴ also showed that there were strong relationships between the rate of lone mother employment, and that of other groups of women. The

¹⁴ These are specially defined SARS areas, which are based on Local Authorities but amalgamate some of the smaller LADs.

correlations between the proportions employed of different groups are shown in Table 6.1.¹⁵

Table 6.1 LAD-level: correlations between proportions in paid work

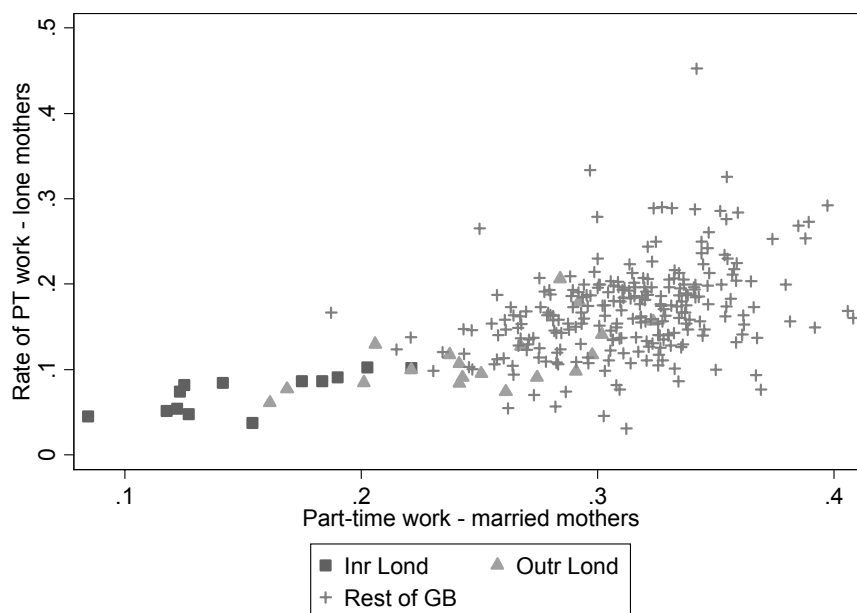
	Correlation coefficients			
	Married mothers	Cohabiting mothers	Single women	All women
<i>Lone mothers</i>				
Any work	.30	.16	.33	.55
FT work	.12	.20	.45	.49
PT work	.54	.13	.27	.59

Source: Census 1991 SARS data.

This is shown on a graph, for part-time work, in Figure 6.3. Generally speaking, the higher the proportion of married mothers in part-time work in a given area, the higher the proportion of part-time working among lone mothers. Rates of part-time work tended to be lower in London than elsewhere, particularly for inner London. This applied with equal force to married mothers as to lone mothers.

¹⁵ The higher the number, the stronger the relationship.

Figure 6.3 Rates of part-time work (lone and married mothers) in 1991 (n=278 SARS areas) [correlation = 0.54]



Source: Census 1991 SARS data.

7 Do compositional differences explain differences in working patterns - Is it '*who you are*' or '*where you are*'?

7.1 Introduction

Lone mothers living in London differ from lone mothers living in the rest of Britain (or UK). Is this enough to account for the differences in the proportions in paid work? To answer this question we begin with some multi-way analysis of lone mothers. This involves analysing how far the differences found between London and elsewhere would persist even if compositional differences were not present. This type of analysis looks at a number of characteristics in turn.

7.2 Multi-way analysis of lone mothers' rates of working

A small number of compositional differences have been identified between lone mothers living inside and outside of London. A series of cross-tabulations should enable us to consider how far they may account for the observed differences in rates of employment.

Among all lone mothers we find the following employment rates:

- inner London 37.5 per cent,
- outer London 40.4 per cent,
- rest of UK 51.6 per cent,
- UK as a whole, 49.6 per cent.

In other words, inner London has employment rates around 12 percentage points below the UK, and outer London around nine percentage points below.

7.2.1 Housing tenure

One of the main differences between lone mothers living in London and the rest of the UK was a much higher proportions living in local authority accommodation. This tenure is associated with lower rates of paid work. This does not establish cause and effect. Lone mothers may live in local authority accommodation because they have low income and do not work. Alternatively they may find it difficult to move into paid work once in such properties, perhaps because of difficulties accessing local employment. In addition there may be other differences between those lone mothers in the social rented

sector compared to other tenures, in terms of their age and previous marital status.

The difference in employment rates between inner London and the UK as a whole is somewhat reduced when allowance is made for differences in tenure profile. Among owner-occupiers, the gap in London from the rate in the UK is six per cent, or around half that of the overall difference (Table 7.1). Similarly, the employment differential is lower than average for social tenants. [A quite sizeable gap among private tenants may be the result of a small sample size, $n=32$.]

In outer London, the overall difference is not much changed after controlling for the admittedly smaller differences in tenure profile from the rest of the UK.

Differences in tenure therefore seem to account for a significant part of the discrepancy in rates of employment, at least for inner London. The bottom row of Table 7.1 shows the employment rate that would be expected in each area if the tenure profile matched exactly the national picture. Around an extra five percent of lone mothers in inner London would be employed if the tenure distribution was that of the UK.

This analysis is based around simple calculations, rather than any detailed statistical modelling. The point being made is that social tenants have lower rates of employment than lone mothers in other housing tenures, and inner London has an above-average proportion of lone mothers who are social tenants. The analysis enables a degree of quantification to be given to this effect. It also shows the consequences of having identical tenure profiles across the different areas.

Table 7.1 Percentage of lone mothers in paid work by housing tenure

	Cell percentages			
	Inner London	Outer London	Rest of UK	All UK
<i>Housing tenure</i>				
Owner-occupier	68%	65%	75%	74%
LA rent	30%	24%	35%	34%
HA rent	30%	27%	40%	37%
Private rent	[25%]	32%	41%	40%
<i>Differences from UK</i>				
Owner-occupier	-6	-9	+1	-
LA rent	-4	-10	+1	-
HA rent	-7	-10	+3	-
Private rent	[-15]	-8	+1	-
<i>Employment rates</i>				
Actual employment rate	38	40	52	50
Equal tenure shares employment rate	43	40	51	50

Source: Autumn HLFS 2001 & 2002 combined.

Percentages in [] are based on fewer than 50 cases and so may be unreliable.

7.2.2 Ethnic group

Whilst there are clear differences in the ethnic composition of lone mothers living in London, the effect on overall rates of paid work is quite limited. Among the white population, the differences between areas in rates of paid work are most clear (Table 7.2). Indeed the differences mirror the national differentials. There is less difference in rates of paid work, across areas, among those from Black or Black British groups. Black lone mothers in London were more likely to be in paid work than white, but the reverse applied outside London – as a result their rates of paid work are less affected by location.

As before, we may calculate the rates of employment that would prevail if there were the same proportion of different ethnic groups in London as in the whole of the UK. At most, this might be associated with a one percentage point increase in employment rates in outer London, but no effect with respect to inner London.

Table 7.2 Percentage of lone mothers in paid work, by ethnic group

	Cell percentages			
	Inner London	Outer London	Rest of UK	All UK
<i>Ethnic group</i>				
White	38%	41%	52%	51%
Asian or Asian British	[8%]	[31%]	28%	25%
Black or Black British	42%	45%	47%	44%
Other ethnic groups	42%	35%	42%	40%
<i>Differences from UK</i>				
White	-13	-10	+1	-
Asian or Asian British	[-17]	[+6]	+3	-
Black or Black British	-2	+1	+3	-
Other ethnic groups	+2	-5	+2	-
<i>Employment rates</i>				
Actual employment rate	38	40	52	50
Equal ethnic-group shares employment rate	38	41	51	50

Source: Autumn HLFS 2001 & 2002 combined.

Note: London bases for Asian/Asian British are 46 (inner) and 48 (outer)

Percentages in [] are based on fewer than 50 cases and so may be unreliable.

7.2.3 Country of birth

Among lone mothers living in the UK, but born outside, over half (55 per cent) live in London. This is much higher than the 16 per cent of all UK lone mothers living in London. This over-representation of those born overseas may be expected to reduce the rate of employment in London, to some extent, since those born outside the UK had lower rates of paid work. Across the UK, 51 per cent of UK-born lone mothers are in paid work, compared with 39 per cent of those born elsewhere (Table 7.3).

If the London profile of birth country matched the rest of the UK, but retaining the area-specific employment rates for each group, then the inner London employment rate would be two percentage points higher, and three percentage points higher in outer London.

Table 7.3 Percentage of lone mothers in paid work, by country of birth

	Cell percentages			
	Inner London	Outer London	Rest of UK	All UK
<i>Country of birth</i>				
Inside UK	40%	44%	52%	51%
Outside UK	34%	30%	46%	39%
<i>Differences from UK</i>				
Inside UK	-11	-7	+1	-
Outside UK	-5	-9	+7	-
Actual employment rate	38	40	52	50
Equal shares by birth country employment rate	40	43	51	50

Source: Autumn HLFS 2001 & 2002 combined.

7.2.4 Receiving maintenance

Another factor that was both under-represented in London, and associated with higher rates of paid work, was receiving maintenance. Whilst around three in ten lone mothers received maintenance, this was closer to two in ten within London.

Rates of employment were over three quarters (76 per cent) for lone mothers receiving maintenance, but well under half (43 per cent) for those that did not. Where lone mothers in London received maintenance, their employment rate was only five percentage points below the rest of Britain. The effect on employment of living in London was greatest for those not receiving maintenance, where employment levels struggled to reach one in four (27 per cent). Among those not receiving maintenance the gap with the rest of GB was 16 percentage points.

If the rate of receiving maintenance was equal in London to the national average then employment rates in London would be around three percentage points higher (39 per cent rather than 36 per cent).

Table 7.4 Percentage of lone mothers in paid work, by receipt of maintenance group

	Cell percentages		
	London	Rest of GB	All GB
<i>Maintenance status</i>			
Receiving maintenance	[71]	77	76
No maintenance	27	46	43
<i>Differences from UK</i>			
Receiving maintenance	-5	+1	-
No maintenance	-16	+3	-
Actual employment rate	36	56	53
Equal maintenance shares employment rate	39	51	53

Source: FACS 2002.

Percentages in [] are based on fewer than 50 cases and so may be unreliable.

Note, base for London lone parents receiving maintenance was $n=45$.

7.2.5 Family size

For lone mothers living in inner London, employment differences were largest among small families, with greater convergence among larger families. The reverse was true among lone mothers living in outer London (Table 7.5). This factor does not seem to be particularly important in explaining employment differences.

Table 7.5 Percentage of lone mothers in paid work, by family size

	Cell percentages			
	Inner London	Outer London	Rest of UK	All UK
<i>Number of children aged under 16</i>				
0	[41]	51	66	62
1	40	48	55	53
2	40	32	50	48
3+	23	20	31	30
<i>Differences from UK</i>				
0	[-11]	-9	+4	-
1	-13	-5	+2	-
2	-8	-16	+2	-
3+	-7	-10	+1	-
Actual employment rate	38	40	52	50

Source: Autumn HLFS 2001 & 2002 combined.

Percentages in [] are based on fewer than 50 cases and so may be unreliable.

Note, base for inner London lone parents with no children<16 was $n=39$.

7.2.6 Household structure

Lone mothers living in London were slightly more likely to be sharing their household with another family unit, than those outside London. The additional ‘family unit(s)’ could be another family, or a single person, or some other grouping – they need not be related to the lone mother. In the UK, as shown in Table 7.6, there was little difference in rates of paid work between simpler and more complex household arrangements. However, in London living in a complex household was associated with a higher rate of paid employment, substantially so in outer London.

Table 7.6 Percentage of lone mothers in paid work, by structure of household

	Cell percentages			
	Inner London	Outer London	Rest of UK	All UK
<i>Number of family units in household</i>				
1	37	38	52	50
2 or more	[44]	57	48	49
<i>Differences from UK</i>				
1	-13	-12	+2	-
2 or more	[-5]	+8	-1	-
Actual employment rate	38	40	52	50

Source: Autumn HLFS 2001 & 2002 combined.

Percentages in [] are based on fewer than 50 cases and so may be unreliable.

Note, base for inner London lone parents within complex household $n=49$.

8 Modelling lone mothers' employment

8.1 Introduction

In the previous section we broke down rates of lone mother employment by particular characteristics. This meant that a proportion of the employment difference could be attributed to differences in housing tenure, maintenance receipt, and so on. This provided an important and powerful way of investigating how far the London employment difference was due to differences in individual characteristics. The main limitation was that only one variable could be considered at a time. In this section we use a number of multivariate methods that remove this restriction. The aim is to look at the effect of living in London, once a range of different individual effects have been controlled-for.

8.2 Models of being in any paid work

In this report we have highlighted a number of factors that contribute towards explaining the different rates of lone mother employment in London compared to elsewhere. In a number of cases, the different composition of lone mothers in London was associated with a lower rate of employment – fewer owning their homes, fewer receiving maintenance, more born outside of the UK. No factor alone could account for the different employment rates; and it is not possible to simply ‘add up’ the different factors because they overlap (e.g. lone mothers who receive maintenance are also more likely to be owner occupiers).

To take this analysis further forward we need to model employment as a function of a range of variables, considered all at the same time – that is, to use a multivariate statistical procedure. Treating employment as a measure with two outcomes (employed, not employed) implies the use of a technique such as logistic regression analysis.

Models were developed using a range of information related to work participation – age of youngest child, housing tenure, family size, and so on. More detailed results are shown in Annex A. The variables selected are based on those known to be associated with employment differences, plus a range of other background characteristics that may differ across the country.

8.2.1 Models without location

If we did not know about a lone mother's location, what kinds of prediction would we make about their likelihood of being in work?

We may look at this question by modelling the employment rate in the absence of information about location. This is a fairly simple thought experiment, which indicates how far compositional differences are associated with the lowered employed rate in London.

Model (1) (see Table 8.1) takes into account a range of compositional differences between lone mothers (housing tenure, age group, country of birth, age of youngest child, ethnic group, year of interview, highest qualification, number of children aged 16 or younger). The row of results indicates the expected proportions in paid work once these compositional differences between London and the rest of the UK are controlled-for. If this range of characteristics was distributed evenly by area, we would expect to find 42 per cent of lone mothers living in inner London employed (rather than 38 per cent), and some 48 per cent of lone mothers in outer London (rather than 40 per cent). This is almost enough to take the outer London employment rate up to the average in the rest of the UK – the 'gap' closes from 11 percentage points to under 3. The equivalent gap for inner London is reduced from 14 percentage points, but remains sizeable at approaching nine percentage points.

One variable we might want to add to the model is the rate of employment among married mothers – as we have shown above the rate of lone mother employment is related to the labour market success of mothers living locally. In model (2), the rate of married mother employment in each of 20 sub-regions (derived from within the LFS data) is also included. The effect is to drastically reduce the expected lone mother employment rate in inner London. From this perspective, the argument shifts to a recognition that the actual lone mother employment rate in inner London is not surprisingly low, but actually surprisingly high given the labour market experiences of other mothers living there.

Table 8.1 Percentage of lone mothers in paid work, actual and modelled

	Cell percentages		
	Inner London	Outer London	Rest of UK
<i>Observed employment rate</i>	37.5	40.4	51.6
<i>(1) Employment rate expected, on basis of controlling for compositional differences</i>	42.0	47.9	50.6
<i>(2) Employment rate expected, on basis of controlling for compositional differences <u>and</u> the employment rate of married mothers in 20 sub-regions</i>	33.0	46.6	51.4

Model predictions from LFS analysis.

8.2.2 Models including location

The interest in this section is on the effect of location on rates of employment. This requires a fuller model that includes location as one of the independent variables. Results from such a model are shown in Annex A to this report. The model aims to model being in paid work as a function of a range of pieces of information about lone mothers, including their location. Despite the apparent complexity this is still a relatively straightforward approach. It assumes that each factor adds or subtracts from the chances of being in paid work, so that each factor effectively trades off against each other.

Some example predictions from the model are shown in Table 8.2. Once account is taken of the differences in composition, the effect attributable to living in outer London is actually large than for inner London. Even so, simply living in London was associated with much lower rates of predicted employment.

Table 8.2 Probabilities of lone mothers being in paid work
Per cent in paid work

Group	Predicted probability of being in work
‘Typical’ lone parent	49%
As ‘typical’: but with 3+ children	32%
As ‘typical’: but <u>living in outer London</u>	35%
As ‘typical’: but <u>living in Inner London</u>	37%
As ‘typical’: but Black or Black British	53%
As ‘typical’: but living in the South West	56%
As ‘typical’: but with a degree	64%
As ‘typical’: but an owner occupier	79%
Model predictions from LFS analysis.	

An important caveat to the above analysis concerns the role we ascribe to more general local labour market conditions. If we include as an explanatory variable the ‘local’ labour force participation rate of married mothers, then the effect of living in inner London is not significant. Whatever is keeping mothers out of the labour market in the central parts of London may be similar for both married and lone mothers with children of dependent age. As with the above model, the superficially higher employment rate in outer London among lone mothers then becomes the more surprising feature – this is not explained by the prevailing rate of paid work among other mothers. In such a model the negative employment effect attributable to living in outer London is, however, reduced.

A very similar model was also run on the FACS data for 2002, and results are shown in the main annex to this report. By and large the effects and results are very similar to the LFS-based analysis. An advantage of FACS is that a few more detailed factors may be included – such as receiving maintenance – but the disadvantage is a sample size about one-quarter the size. It is also worth noting that FACS is based on Britain and so unlike the LFS excludes Northern Ireland.

This model based on FACS 2002 also identified a statistically significant effect of living in London. The size of effect was *broadly* similar to that found with the LFS (odds ratio of 0.5, rather than 0.6)¹⁶.

There are some factors not easily built into such an analysis. By definition, those who have never worked have no labour market experience, so this cannot be readily included in the model. Yet this difference is among the most important found between lone mothers living in London compared with elsewhere.

8.3 Modelling working hours

A statistical model designed to predict the hours that workers had worked in the reference week is shown in the Annex. Being in London, particularly inner London, was statistically associated with working longer hours. A range of other factors also tended to increase the likelihood of working longer hours, such as having graduate qualifications and being 'Black or Black British' (compared to being 'White'). Those living in rented accommodation, in their teens or fifties, with larger families, or describing themselves as students, were the most likely to be working shorter hours.

The models confirm the descriptive analysis to the extent that living in London was associated with a lower rate of paid work among lone mothers, but with working longer hours for those that did work. In each instance the effect is partly compositional, but also partly related to 'London' itself and not reducible to different individual-level characteristics among lone mothers.

¹⁶ There were no other regional differences found.

9 A note on lone fathers

9.1 Introduction

This report has analysed the characteristics of lone mothers and their patterns of paid work. However lone fathers may also be of policy interest, and they face some if not all of the work-related issues facing lone mothers. As we show, rates of paid work among lone fathers may well be converging with those of lone mothers, despite their apparently having a number of labour market advantages.

9.2 Rates of paid work among lone fathers over time

In other empirical research lone fathers have necessarily been a very small group, often around five per cent of all lone parents (Marsh et al 2001) though other data suggests they form at ten per cent of all lone parents (Haskey 2001). As a group there is a perception that they have relatively high rates of employment, making them rather different from lone mothers. In fact this is less so than previously. Rates of working for lone mothers have been catching up those of lone fathers.

In the 1989 lone parent survey, there were just 70 lone fathers. Some two thirds (46 of them, or 66 per cent) had earnings, compared with 41 per cent of lone mothers. Obviously this is too small a number for any regional comparisons.

Rates of employment among lone fathers and lone mothers by region in 1991, using Census data, are shown in Table 9.1. Rates of paid work among lone fathers were lower than average in London, but higher than in a number of other regions. Areas with high lone father employment also tended to have high proportions of lone mothers in paid work.

Table 9.1 Lone fathers in paid work in 1991 (GB)

Numbers and cell percentages

Region	Number of lone fathers	Per cent lone fathers in paid work	Per cent lone mothers in paid work
North East	2,872	45	30
Scotland	6,552	45	31
Wales	2,804	50	30
North West	8,280	51	32
London	8,233	51	31
Yorkshire and the Humber	5,409	53	33
West Midlands	5,588	57	32
East Midlands	4,392	58	36
South West	4,674	61	39
East of England	4,988	64	38
South East	7,221	65	40
GB	61,063	55	33

Source: Census 1991 local base statistics.

Paid work is FT and PT employees plus self-employed.

In FACS 1999 there were 145 lone fathers (six per cent of lone parents). Of this group, 55 per cent were in work compared with 43 per cent of lone mothers. However, 41 per cent of lone fathers were working 30+ hours, compared with 17 per cent of lone mothers.

By FACS 2002, 60 per cent of lone fathers were in paid work compared with 52 per cent of lone mothers. The respective proportions working for 30 or more hours had also risen, to 45 per cent of lone fathers and 24 per cent of lone mothers. These results are based on 121 lone fathers.

Using these sample surveys, we see that the 'employment gap' between lone fathers and lone mothers was +25% in 1989, +22% in 1991, +12% in 1999 and +8% in 2002. Numbers of lone fathers are too small to be attempt further analyses. Tentatively, we may say that lone fathers tend to be older than lone mothers, are less likely to have young children, and are more likely to be owner occupiers.

Less detailed personal information is available from the Census 2001 published counts, but this is the best available guide to any differences in rates of employment of lone fathers across different regions. Around 14 per cent of lone fathers were living in London on 2001

Census night compared to 17 per cent of lone mothers. Lone fathers living in London were less likely to be in paid employment than those living elsewhere in the UK. This mirrors the finding for lone mothers. In each case the overall employment gap was –7% from the national average. Rates of employment of lone fathers followed a similar, though not identical, regional distribution to those of lone mothers.

Table 9.2 Lone fathers in paid work in 2001 (England and Wales only)

Numbers and cell percentages

Region	Number of lone fathers	Per cent lone fathers in paid work	Lone mothers in paid work
London	18,388	56%	41%
North East	5,989	57%	45%
Wales	8,134	57%	44%
North West	18,810	59%	47%
Yorkshire and the Humber	12,593	61%	48%
West Midlands	14,740	61%	47%
East Midlands	11,641	64%	50%
South West	12,235	68%	54%
East of England	12,769	71%	52%
South East	17,934	72%	53%
England and Wales	133,233	63%	48%

Source: Census 2001

Combining the 2001 and 2002 household LFS datasets gives a sample of 951 lone fathers, of which 106 were living in London. In London, 54 per cent of lone fathers were employed, compared to 60 per cent of those living outside London, and 59 per cent for the UK as a whole. These figures are rather close to those from FACS 2002, providing confidence in both sets of figures.

10 Conclusions

Lone mothers living in London are less likely to be in paid work than lone mothers living elsewhere. The gap between London and the UK is –13% in inner London, and –9% in outer London.

When they do work, lone mothers in London they are the most likely to be working full-time, that is 30 or more hours a week. The differences in the hours worked by lone mothers in London compared to elsewhere are very striking (Figure 4.2). Many lone mothers outside London work part-time, including work of only a few hours a week.

Since the late 1980s, there has been a surge of lone mothers into paid work of 16-23 hours. Tax credits, and previously in-work benefits, have become increasingly generous and lone mothers may qualify for them from working weeks of 16 hours. More than a quarter (27 per cent) of those lone mothers with paid jobs in 2001/2 were working for between 16 and 23 hours a week, compared with 10 per cent in 1991. Conversely, one third (32 per cent) of working lone mothers had jobs of 35-39 hours a week in 1991, compared with 18 per cent in 2001/2.

This switching of hours among lone mothers, from full-time to part-time, seems to have passed London by. In Great Britain as a whole, there has been an increase of 10 percentage points in lone mothers working for 16-29 hours. In inner London the increase was less than one percentage point, and in outer London only three per cent. In 1991, lone mothers in most of the UK were already more likely than in London to be working such shorter hours.

Lone mothers in London continue to be much more likely to work full-time than lone mothers outside London, though there have been rises in other regions too. The net effect has been that London's lone mothers are now less likely to work at all. London had fairly average rates of paid work among lone mothers in 1991, but by 2001/2 they were relatively low, and particularly so for inner London.

There are a number of quite clear-cut reasons for these differences. More lone mothers in London have no work experience at all, and this group faces the greatest problems finding work. More of those living in London say they are full-time students, a group with lower rates of paid work (though a fair proportion of student lone mothers do some part-time work).

To this list of factors we may add a range of strong compositional differences. More of London's lone parents are living in social rented properties, are not previously married, and are not receiving maintenance. All of these factors are associated with lower rates of paid work. These factors undoubtedly explain a sizeable proportion of the employment differences between London and the rest of the UK.

Lone mothers in London are much more ethnically diverse than in the rest of the UK, but the effect on rates of paid employment are not particularly strong. Black/Black British lone mothers living in London are slightly more likely to be in paid work than the White population. The reverse is true outside London.

A range of statistical models confirmed that part, but only part, of the differences in rates of employment may be attributed or related to differences in the characteristics of lone mothers living in London. However there was also a London effect over and above this – leading to lower rates of paid work, but longer working hours for those with jobs.

An important issue is whether to include the rate of employment among other groups of mothers. Married mothers living in London, especially inner London, have very low rates of paid work. It is likely that they face similar obstacles to taking and remaining in paid work as lone mothers. Employment rates in different localities for lone mothers and married mothers appear to be related, though the link is far from perfect. This report has probably taken the separate analysis of lone mothers (and lone fathers) as far as it can go. Any further analysis could usefully consider the similarities in rates of paid work among mothers in couples, rather than restricting attention solely to lone mothers.

11 References

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Annex A: Further details of statistical models

Logistic regression model of being in paid work – LFS data

Table A1 LFS regression details

	Coefficient	Std error	Significance	Odds ratio
<i>Housing tenure (reference category =owner occupier)</i>			0.000	
LA rent	-1.368	0.063	0.000	0.255
HA rent	-1.309	0.075	0.000	0.270
Private rent	-1.284	0.076	0.000	0.277
<i>Age group (ref=aged 30-39)</i>			0.000	
16-19	-1.165	0.092	0.000	0.312
20-29	-0.286	0.070	0.000	0.751
40-49	0.043	0.069	0.529	1.044
50-59	-0.542	0.140	0.000	0.581
<i>Age of youngest child (ref=aged 5-9)</i>			0.000	
Under 2	-0.957	0.090	0.000	0.384
2-4	-0.521	0.072	0.000	0.594
10-15	0.166	0.067	0.014	1.180
16-19	0.324	0.105	0.002	1.383
<i>Ethnic group (ref=white)</i>			0.000	
Asian or Asian British	-1.237	0.163	0.000	0.290
Black or Black British	0.181	0.116	0.119	1.198
Other	-0.087	0.147	0.554	0.917
<i>Highest qualification (ref=GCSE grades A-C)</i>			0.000	
Degree	0.659	0.125	0.000	1.932
Higher Education	0.634	0.112	0.000	1.884
A levels	0.158	0.071	0.026	1.171
Other qualifications	-0.310	0.073	0.000	0.733
No qualifications	-0.993	0.069	0.000	0.370
Not known	-0.736	0.517	0.154	0.479
<i>Regions (ref= rest of South East, & others not listed)</i>				
Rest of Northern Region	-0.409	0.131	0.002	0.664
Inner London	-0.468	0.114	0.000	0.627
Outer London	-0.571	0.098	0.000	0.565
South West	0.284	0.097	0.003	1.329
Merseyside	-0.605	0.133	0.000	0.546
Rest of Scotland	0.374	0.117	0.001	1.453
Northern Ireland	-0.535	0.125	0.000	0.586
<i>Number of children aged under 16 (ref=1)</i>			0.000	
kids16 = 2	-0.222	0.058	0.000	0.801
kids16 >=3	-0.711	0.082	0.000	0.491
Constant	1.652	0.082	0.000	5.216

9313 cases included for analysis.

Summary measures

Nagelkerke R Square = 0.324

Cox & Snell R Square = 0.243

	Predicted		
	Work Status		Percentage Correct
Actual	Not in paid work	Working	
Not working	3,448	1,251	73.4
Working	1,403	3,211	69.6
Overall			71.5

Model chi-square(29) = 2589.279 $p < 0.000$

Logistic regression model of being in paid work – FACS 2002 data

Table A2 FACS regression details

	Coefficient	Std error	Significance	Odds ratio
<i>London-based</i>	-0.683	0.199	0.001	0.505
<i>Age</i>	0.329	0.055	0.000	1.389
<i>Age * age</i>	-0.004	0.001	0.000	0.996
<i>Number of dependent children (ref=1)</i>			0.000	
2	-0.442	0.137	0.001	0.643
3+	-0.853	0.180	0.000	0.426
<i>Age of youngest child (ref=5-10)</i>			0.000	
0-4	-0.889	0.153	0.000	0.411
11-15	0.238	0.174	0.172	1.268
16-18	0.768	0.310	0.013	2.156
<i>Highest qualification (ref=GCSE A-C)</i>			0.000	
GCSE D-G	-0.395	0.158	0.013	0.673
GCE A-level/SCE Higher grades(A-C) and equiv	0.097	0.231	0.676	1.101
First degree	0.162	0.285	0.571	1.175
Higher degree	0.331	0.499	0.508	1.392
Other academic quals	-0.220	0.381	0.565	0.803
None	-0.741	0.152	0.000	0.476
<i>Housing tenure(ref=mortgage)</i>			0.000	
Social tenant	-1.189	0.153	0.000	0.305
Private tenant	-1.103	0.195	0.000	0.332
Other arrangement	-0.490	0.299	0.102	0.613
<i>Smoker</i>	-0.325	0.119	0.006	0.722
<i>Health in last year (ref=good)</i>			0.000	
Fairly good	-0.371	0.135	0.006	0.690
Not good	-1.081	0.195	0.000	0.339
<i>Has long-standing illness or disability</i>	-0.546	0.150	0.000	0.579
<i>Receiving maintenance</i>	0.991	0.137	0.000	2.694
<i>Has use of a car</i>	0.824	0.126	0.000	2.280
Constant	-4.121	0.985	0.000	0.016

2043 cases included for analysis.

Summary measures

Nagelkerke R Square = 0.493

Cox & Snell R Square = 0.369

	Predicted		
	Work Status		Percentage Correct
Actual	Not in paid work	Working	
Not working	815	198	80.5
Working	236	777	76.7
Overall			78.6

Model chi-square(23) = 934.3 p<0.000

Ordered logistic model of working hours (LFS)

Model based on those in paid work.

Table A3 LFS ordered logit regression details

Variable	Coefficient	Std. Err	z	Pr>z	Odds ratio
LA rent	-0.659	0.082	-8.0	0.000	0.517
HA rent	-0.570	0.102	-5.6	0.000	0.566
Private rent	-0.428	0.102	-4.2	0.000	0.652
aged 16-19	-0.142	0.169	-0.8	0.401	0.868
aged 20-29	0.119	0.096	1.2	0.214	1.127
aged 40-49	0.069	0.081	0.8	0.399	1.071
aged 50-59	-0.139	0.174	-0.8	0.424	0.870
Asian or Asian British	-0.494	0.262	-1.9	0.060	0.610
Black or Black British	0.673	0.179	3.8	0.000	1.960
Other	0.147	0.221	0.7	0.507	1.158
Degree	1.186	0.136	8.7	0.000	3.272
Higher Education	0.685	0.115	6.0	0.000	1.985
A levels	0.166	0.086	1.9	0.055	1.180
Other qualifications	-0.112	0.100	-1.1	0.265	0.894
No qualifications	-0.390	0.101	-3.9	0.000	0.677
Not known	1.217	0.859	1.4	0.156	3.377
No kids	0.473	0.115	4.1	0.000	1.605
2 kids	-0.332	0.074	-4.5	0.000	0.718
3+ kids	-0.425	0.119	-3.6	0.000	0.654
Separated	0.141	0.094	1.5	0.135	1.151
Divorced	0.247	0.089	2.8	0.006	1.280
Widowed	-0.018	0.179	-0.1	0.918	0.982
Currently a student	-2.895	0.190	-15.2	0.000	0.055
Inner London	0.464	0.180	2.6	0.010	1.591
Outer London	0.397	0.146	2.7	0.006	1.488

Ordered logit estimates

Number of obs = 4145
 LR chi2(26) = 933.90 Prob > chi2 = 0.0000
 Log likelihood = -3750.8301 Pseudo R2 = 0.1107

_cut1 = -2.124 se= .1023145 (Ancillary parameters)
 _cut2 = 0.063 se= .0945311